



# AGENDA

## Ordinary Council Meeting Tuesday, 8 August 2023

**Date** Tuesday, 8 August 2023

**Time** 3pm

**Location** Council Chamber  
District Council Building  
King George Place  
Timaru

**File Reference** 1595180

## **Timaru District Council**

**Notice is hereby given that a meeting of the Ordinary Council will be held in the Council Chamber, District Council Building, King George Place, Timaru, on Tuesday 8 August 2023, at 3pm.**

### **Council Members**

Mayor Nigel Bowen (Chairperson), Clr Allan Booth, Clr Peter Burt, Clr Gavin Oliver, Clr Sally Parker, Clr Stu Piddington, Clr Stacey Scott, Clr Scott Shannon, Clr Michelle Pye and Clr Owen Jackson

Quorum – no less than 5 members

### **Local Authorities (Members' Interests) Act 1968**

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

Bede Carran

**Chief Executive**



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- 1 Opening Prayer and Waiata**
- 2 Apologies**
- 3 Public Forum**
- 4 Identification of Urgent Business**
- 5 Identification of Matters of a Minor Nature**
- 6 Declaration of Conflicts of Interest**

## **7 Confirmation of Minutes**

### **7.1 Minutes of the Council Meeting held on 30 May 2023**

**Author:** Jessica Kavanaugh, Governance Advisor

#### **Recommendation**

That the Minutes of the Council Meeting held on 30 May 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

#### **Attachments**

- 1. Minutes of the Council Meeting held on 30 May 2023**



# MINUTES

## Ordinary Council Meeting Tuesday, 30 May 2023

Ref: 1595180

**Minutes of Timaru District Council  
Ordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 30 May 2023 at 9am**

**Present:** Mayor Nigel Bowen (Chairperson), Clr Allan Booth, Clr Peter Burt, Clr Gavin Oliver, Clr Sally Parker, Clr Stu Piddington, Clr Stacey Scott, Clr Scott Shannon, Clr Owen Jackson

**In Attendance:** Bede Carran (Chief Executive), Paul Cooper (Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Trudie Hurst (Group Manager Commercial & Strategy), Nigel Ingram (Group Manager Recreation and Cultural Services), Beth Stewart-Wright (Group Manager User Experience & Community Engagement), Stephen Doran (Communications Manager), Bronwyn Larkins (Senior Policy Advisor), Brendan Madley (Policy Advisor), Hamish Barrell (District Planning Manager), Andrea Rankin (Acting Chief Financial Officer), Jacky Clarke (Governance and Executive Support Manager), Jessica Kavanaugh (Governance Advisor)

**1 Opening Prayer**

*Rev Ben Randell (St Mary's Anglican Church) conducted the opening prayer.*

*Clr Sally Parker led the waiata.*

**2 Apologies**

**2.1 Apologies Received**

**Resolution 2023/52**

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

That the apology of Clr Michelle Pye be received and accepted.

**Carried**

**3 Public Forum**

There were no public forum items.

**4 Identification of Urgent Business**

No items of urgent business were received

**5 Identification of Matters of a Minor Nature**

No matters of a minor nature were raised.

## 6 Declaration of Conflicts of Interest

No conflicts of interest were declared.

## 7 Reports

### 7.1 Annual Plan 2023/24 Consultation - Receipt of Submissions and Hearing

Council received the submissions and feedback on the Annual Plan 2023/24, the following submitters spoke to their submissions:

**David Fraser – The Alexandra Group:** Supportive of having the Alexandra reinstated and relocated for the public view.

**Melissa McMullan – Milward Finlay Lobb:** Concern with the significant increase of proposed fees particularly the non-notified land use and subdivision consents.

The Council had a break at 9.23am

The Council resumed at 9.30am

**Gerrie Ligtenberg:** In support of the increase to rates, but wanted to ensure the community are aware of the services available to help and learn about rates rebates.

**Jan Finlayson – Geraldine Community Board:** Spoke to the district wide considerations, whole district projects and Geraldine projects.

**Jono Halkett:** Supportive of the Council considering undertaking Council infrastructure maintenance by in-house teams..

**John Mackenzie:** Requested clarity on the financing of capital projects and the carryover for capital works not completed. Resource Management Act fees and the ability to refund. Supportive of the dog access to Caroline Bay and the Parks and Reserves in the District.

**Mary O'Brien – CCS Disability Action:** Importance of wellbeing projects and the accessibility to wellbeing including a street access accessibility audit.

The Council had a break at 10.14am

The Council resumed at 10.40am

**McGregor Simpson:** Consideration and reduction in capital works with prioritisation. The proposed fees and charges are high. That the Council establishes its own maintenance teams. Concerns are raised on the river erosion in the district with the biggest concern in Arundel.

**Nadine Pirake:** Expressed concern on a section of unsealed road at Rolling Ridges/Cliffs Road and request that the Council seal it due to the safety concerns it raises. The instalment of school bus stop signs in the area.

**Nathan Hole – Rooney Group:** Concern regarding the changes and increases to the Resource Management Act 1991 fees and charges including the deposit or lodgement fees and refunds.

**8 Resolution to Exclude the Public**

**Resolution 2023/53**

Moved: Mayor Nigel Bowen

Seconded: Clr Stu Piddington

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p><b>8.1 - Purchase of Meadows Road property, Washdyke</b></p>	<p>s6(b) - Good reason for withholding official information exists if the making available of that information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <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)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>To protect a person’s safety</p> <p>To protect a person’s privacy</p> <p>Commercial sensitivity</p> <p>To protect all communications between a legal adviser and clients from being disclosed without the permission of the client.</p> <p>To enable commercial or industrial negotiations</p>

**Carried**

Moved into Public Excluded at 11.25am



**9 Public Excluded Reports****8.1 Purchase of Meadows Road property, Washdyke****10 Readmittance of the Public****Resolution 2023/54**

Moved: Mayor Nigel Bowen

Seconded: Clr Allan Booth

That the meeting moves out of Closed Meeting into Open Meeting at 11.40am.

**Carried**

Council adjourned at 11.45am

Council resumed at 1.03pm

**7.1 Continuation of Annual Plan 2023/24 Consultation - Receipt of Submissions and Hearing**

The Policy Advisor spoke to the report for Council to receive all submissions and feedback on the Annual Plan 2023/24 and to hear those who wish to speak to their submissions.

It is noted the number of submissions are similar to previous years.

**Resolution 2023/55**

Moved: Clr Scott Shannon

Seconded: Clr Sally Parker

That Council:

1. Receives and notes the submissions on the draft Annual Plan 2023/24 Consultation Document and supporting information;
2. Acknowledges submitters who have spoken to their submission, and;
3. Notes that all submissions will be considered as part of the deliberations on the Annual Plan 2023/24.

**Carried**

**7.2 Deliberations on Submissions to Draft Annual Plan 2023/24**

The Group Manager Commercial and Strategy, Acting Chief Finance Officer and Policy Advisor spoke to the report to provide information to support Council as it deliberates on any amendments to the proposed draft Annual Plan 2023/24, having due consideration for the submissions received on the Consultation Document. The report provides officer comments on the submissions.

Councillors discussed clarification on revenue including grants and subsidies, debt ceiling in relation to the self-imposed debt cap and adjustments made for one off revenue. The fees and recovery rates are modelled on previous years, also discussed 'other revenue' and further breakdown of what this covers.

Discussion from the submissions included fees for consents under the Resource Management Act, how the Revenue and Financing Policy states the recovery should be 80-90% along with the

requirement for cost recovery and not to make a profit. Also raised was the challenging environment for recruiting technical staff in the current market and the mechanism for charging and collecting consent fees, including that Council receives deposits and then charge the actual and reasonable cost and where applicable refunds are issued.

In respect of monitoring charges these are required for responding to complaints and investigating matters as required, and that it is not necessary to monitor smaller low risk consents. Charging applicants for consents is done through timesheets. Context was given to Plan Changes and the regularity of these, including examples of a breakdown of the fee on the website for transparency. Monitoring fees are charged by most councils to cover mandatory monitoring requirements, and the consent monitoring fee is charged as part of the lodgement fee to make the administration more efficient to reduce the overall cost on applicants.

Other points discussed included:

- Education on the rates rebate being important for community understanding of how it applies and operates.
- The ongoing streets accessibility audits being done when street renewals are undertaken with the focus on high use streets.
- The road sealing on Rolling Ridges/Cliffs Road with the key focus on Council's Seal Extension Policy, any allocation for this has to be approved by Council or residents can pay for 50% of the seal extension, the ability to install the bus stop sign for the residents.
- The transparency and use of a matrix for seal extensions, currently Council has no active seal extension programme being undertaken, that funding is not available for dust suppressions, also grading cannot be done once suppressant has been applied and the requirements to continue to reapply, it a level of service issue and whether increased maintenance on shingle roads can be part of the next Long Term Plan.

Councillors requested that a brief comment and update should be provided to the submitters.

General discussion included:

- In-house maintenance teams, section 17A (Local Government Act 2002) review of the Parks and Recreation contracts,
- The Alexandra lifeboat is owned by the Timaru District Council, Clr Owen Jackson to update Council on the progress of the project.
- the Art Gallery Heritage House strengthening project,
- the use of consultants, the use of consultants on capital expenditure projects and importance of transparency,
- vertical builds and prioritisation of capital projects, along with Sophia Street carpark and Peel Forest Landfill,
- the impact of reviewing fees and charges on a more regular basis,
- carbon credits savings, by forward purchase, made and the ability to model into the rate percentage and whether it should be applied to reduce the rate, and
- other minor changes have been made to the draft Fees and Charges. The total impact of these on rates is nil to minimal and are consistent with the Revenue and Financing Policy. As per Council's request, all fees and charges that had not already been changed or

considered were increased by 5%, with the exception of swimming pools and the South Island Independent Qualified Persons (IQP) Processing fee.

**Resolution 2023/56**

Moved: Clr Sally Parker

Seconded: Clr Stu Piddington

That Council:

1. Receives the summary of the submissions and the officer comments in response to the submissions;
2. Directs officers by endorsing the Draft Annual Plan 2023/24 with the following amendments to be included in the final Annual Plan 2023/24:
  - (i) Reduced costs of the Emissions Trading Scheme (ETS) credits and present options to Council for reducing rates
  - (ii) Minor changes made to the draft Fees and Charges Schedule noting the total impact of these on rates is nil to minimal.
  - (iii) Increase in the Waste minimisation landfill access permit holders' fee.
3. Directs officers on any other decisions relating to the Annual Plan 2023/24, including on submissions received and;
4. Directs the Chief Executive to prepare the final Annual Plan 2023/24 and associated rating resolution for Council to adopt at the 27 June 2023 Council Meeting.

**Carried**

**11 Consideration of Urgent Business Items**

No items of urgent business were received

**12 Consideration of Minor Nature Matters**

No matters of a minor nature were raised.

**13 Public Forum Items Requiring Consideration**

There were no public forum items.

**The meeting closed at 3.00pm.**

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**Mayor Nigel Bowen**  
**Chairperson**

**7.2 Minutes of the Council Meeting held on 20 June 2023**

**Author:** Jessica Kavanaugh, Governance Advisor

**Recommendation**

That the Minutes of the Council Meeting held on 20 June 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Attachments**

- 1. Minutes of the Council Meeting held on 20 June 2023**



# MINUTES

## Ordinary Council Meeting Tuesday, 20 June 2023

Ref: 1595180

**Minutes of Timaru District Council  
Ordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 20 June 2023 at 3pm**

**Present:** Mayor Nigel Bowen (Chairperson), Allan Booth, Peter Burt, Gavin Oliver, Sally Parker, Stu Piddington, Scott Shannon, Michelle Pye, Owen Jackson

**In Attendance:** Bede Carran (Chief Executive), Paul Cooper (Group Manager Environmental Services), Nigel Ingram (Group Manager Recreation and Cultural Services), Andrew Dixon (Group Manager Infrastructure), Jason Rivett (Acting Group Manager Commercial & Strategy), Trudie Hurst (Group Manager Commercial & Strategy), Beth Stewart-Wright (Group Manager User Experience & Community Engagement), Jacky Clarke (Governance & Executive Support Manager) Nicole Timney (Manager of Property Services & Client Representative)

**CCOs:** Nigel Davenport (Venture Timaru Chief Executive), Tony Howey (Venture Timaru Chairperson) for item 9.2 Frazer Munro (Timaru District Holdings Ltd General Manager), Mark Rogers (Timaru District Holdings Ltd Chairperson) for item 9.3

## **1 Opening Prayer**

*Alister Pike (Church Street Bible Chapel) conducted the opening prayer.*

*Clr Sally Parker led the waiata.*

## **2 Apologies**

### **Apology**

#### **Resolution 2023/52**

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

That the apology received from Cr Stacey Scott be accepted.

**Carried**

## **3 Public Forum**

There were no public forum items.

## **4 Identification of Urgent Business**

No items of urgent business were received.

**5 Identification of Matters of a Minor Nature****5.1 CityTown**

Clr Stu Piddington asked for an update on the CityTown project.

**5.2 Consultant Workshop**

Clr Stu Piddington asked for an update on the Consultant Workshop.

**5.3 Meadows Road Property Sale**

The Mayor advised there would be an update on the Meadows Road property sale.

**6 Declaration of Conflicts of Interest**

No conflicts of interest were declared.

**7 Confirmation of Minutes****7.1 Minutes of the Council Meeting held on 9 May 2023**

Anzac Street Toilet - Action follow up: it was confirmed that there will be two toilet blocks in this area.

Letter to Police Minister – Action follow up: police minister coming to Timaru in July and further developments made in this area so no longer looking to send letter.

**Resolution 2023/53**

Moved: Mayor Nigel Bowen

Seconded: Clr Michelle Pye

That the Minutes of the Council Meeting held on 9 May 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Carried**

**8 Schedules of Functions Attended****8.1 Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors****Resolution 2023/54**

Moved: Mayor Nigel Bowen

Seconded: Clr Peter Burt

That the report be received and noted.

Carried

## 8.2 Schedule of Functions Attended by the Chief Executive

### Resolution 2023/55

Moved: Clr Sally Parker

Seconded: Clr Allan Booth

That the report be received and noted.

Carried

## 9 Reports

### 9.1 Affixing of the Common Seal

1. To report the Mayor and Chief Executive affixing the common seal, reporting is required pursuant to delegations manual (clause 3.4.5).
2. To note the names have been redacted to protect the privacy of individuals.

### Resolution 2023/56

Moved: Mayor Nigel Bowen

Seconded: Clr Peter Burt

That the common seal has been affixed to the following documents by the Mayor and Chief Executive and are being reported to the Council for noting:

1. 22 May 2023 – Approval of Warrants
2. to issue Trespass Notices
3. to purchase of Property

Carried

### 9.2 Venture Timaru quarterly report to 31 March 2023

Venture Timaru Ltd's (VT) Chairperson (Tony Howie) and Chief Executive (Nigel Davenport) spoke to the report presenting VT's quarterly report for the period 1 January 2023 - 31 March 2023.

Key highlights are as follows:

- Capability of the region a highlight, some challenges being posed from an infrastructure and workforce basis
- Timaru voted number 1 for non-metropolitan locations as a place to be attracted to for work
- Regional Energy Transition Accelerator report released, now looking to take a lead position to implement
- My Next Move youth initiative funding has been extended



- Working with tourism & hospitality sector around capability building and planning for a busy period
- South Canterbury outstanding food festival coming up
- Cycling New Zealand are looking to provide further opportunities to Timaru following support with Youth Nationals last year
- Residential rental market continues to be competitive with multiple applications being received for properties, looking at ways to identify difficulties in market around housing, inner city living and medium density being looked at as an option
- Concern raised on gross domestic product(GDP) falling behind rest of the country at 2.9%, Canterbury 4%. Throughout the COVID-19 pandemic our region continued to grow, this is significantly influenced by the milk fat payout
- Reasons to visit are not ranked, there are more than 10 reasons to visit the Timaru district, different attractions are promoted at various times
- Scott Base project manager has been appointed, looking at project commencing in early August
- Success is monitored by consumer and business spend, GDP contribution, house prices, average salaries.

#### **Resolution 2023/57**

Moved: Deputy Mayor Scott Shannon

Seconded: Cllr Peter Burt

That Venture Timaru Ltd's quarterly report for the period 1 January 2023 - 31 March 2023 be received and noted.

**Carried**

#### **9.3 Presentation of Timaru District Holdings Limited Report for period 1 July 2022 to 31 March 2023**

To receive and note Timaru District Holdings Limited's (TDHL) audited Annual Report for the financial year 1 July 2021 – 30 June 2022.

The Chair (Mark Rogers) and General Manager (Frazer Munro) of Timaru District Holdings Limited spoke to the report and noted:

- Updated and more focused Statement of Intent (SOI) delivered
- First 3 months has focused on ensuring there is sufficient resource to deliver on strategy
- Update provided on financial position
- Question raised around lot 5 at the Showgrounds, 2 more lots to be transferred later this year and 1 lot with a first right of refusal for the existing developer.
- Property at South End of Timaru, no further work been done around the development of this space, continuing to maintain and assess suitability, precinct plan has been developed for the wider area, it was taken to market and proposals initially received were assessed against the plan

- Question raised regarding TDHL's strategy for development of their portfolio, it is being defined based on each site, the return on investment is the first priority but other factors also need to be considered
- The intersection at Showgrounds will be upgraded by Waka Kotahi based on the footprint of the development
- Council Officers and TDHL General Manager are currently working with TDHL to finalise the Letter of Expectations to bring back for those with delegated with the function for sign off
- TDHL continues to work with Alpine Energy to ensure there is confidence in performance.

### **Resolution 2023/58**

Moved: Clr Owen Jackson

Seconded: Clr Allan Booth

That Council receives and notes the Timaru District Holdings Limited Report for period 1 July 2022 to 31 March 2023.

**Carried**

## **10 Consideration of Urgent Business Items**

No items of urgent business were received.

## **11 Consideration of Minor Nature Matters**

Looking to run separate agenda item with action points

### **CityTown**

Concerns raised by Clr Piddington around work to be done and their priority. Noted in response the items were evaluated and agreed by the working group, and there is an opportunity for all elected members to attend meetings.

A quotation has been received for slippery tiles, test will be done in first instance on Stafford/George Street Corner, if this is successful the tiles in Stafford Street and around the Library will be resurfaced.

Discussion around the investment and reference made to the Christmas Angels that have lasted far longer than ever anticipated.

There is now a clear programme of the way forward for the CityTown projects.

### **Consultants Workshop**

Work has been started in relation to this. Looking at how this can be defined to ensure value for elected members. There has been delays in delivering this due to the Annual Plan and Annual Report not yet having been signed off. Officers noted they would have the material ready for a workshop on 20 July 2023.

### **Meadows Road Property Purchase**

The sites are now being cleared and sale and purchase agreements being drafted for the tender for their sale.

**12 Public Forum Items Requiring Consideration**

**13 Resolution to Exclude the Public**

**Recommendation**

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p><b>13.1 - Public Excluded Minutes of the Council Meeting held on 9 May 2023</b></p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>To protect a person’s privacy</p> <p>To protect all communications between a legal adviser and clients from being disclosed without the permission of the client.</p> <p>To enable commercial activities</p> <p>To enable commercial or industrial negotiations</p>

**14 Public Excluded Reports**

**13.1 Public Excluded Minutes of the Council Meeting held on 9 May 2023**

**Meadows Road Land Transfer**

**Disposal of Land 3 Russell Square Timaru**

**15 Re-admittance of the Public**

**Resolution 2023/59**

Moved: Mayor Nigel Bowen

Seconded: Clr Stu Piddington

That the meeting moves out of Closed Meeting into Open Meeting.

**Carried**

**The meeting closed at 4.20pm.**

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**Chairperson**

**7.3 Minutes of the Council Meeting held on 27 June 2023**

**Author:** Jessica Kavanaugh, Governance Advisor

**Recommendation**

That the Minutes of the Council Meeting held on 27 June 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Attachments**

- 1. Minutes of the Council Meeting held on 27 June 2023**



# MINUTES

## Ordinary Council Meeting Tuesday, 27 June 2023

Ref: 1595180

**Minutes of Timaru District Council  
Ordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 27 June 2023 at 3pm**

**Present:** Mayor Nigel Bowen (Chairperson), Clr Allan Booth, Clr Peter Burt, Clr Gavin Oliver, Clr Sally Parker, Clr Stu Piddington, Clr Stacey Scott, Clr Scott Shannon, Clr Michelle Pye, Clr Owen Jackson

**In Attendance:** **Community Board Members:** Jan Finlayson (Geraldine Community Board)

**Officers:** Bede Carran (Chief Executive), Trudie Hurst (Group Manager Commercial & Strategy), Paul Cooper (Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Beth Stewart-Wright (Group Manager User Experience & Community Engagement), Nigel Ingram (Group Manager Recreation and Cultural Services), Andrea Rankin (Chief Financial Officer), Stephen Doran (Communications Manager), John Creagh (Acting Risk and Assurance Manager), Grant Hall (Principal Three Waters Specialist), Ashley Harper (Three Waters Transition Manager), Nicole Timney (Manager of Property Services and Client Representative), Jason Rivett (Financial Advisor), Jacky Clarke (Governance and Executive Support Manager), Davina Robinson (Property & Insurance Officer), Brendan Madley (Policy Advisor), Samantha Molyneux (Group Coordinator Recreation & Cultural Services), Jessica Kavanaugh (Governance Advisor)

**Public Forum:** Mary Bryne (Fluoride Free NZ), Kane Titchener (Fluoride Free NZ)

## **1 Opening Prayer**

*Wendy Geerling (Gleniti Baptist Church) conducted the opening prayer.*

*Clr Sally Parker led the waiata.*

## **2 Apologies**

### **2.1 Apologies Received**

#### **Resolution 2023/56**

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

That the apology of Clr Stacey Scott and Clr Scott Shannon be received and accepted.

**Carried**

### **3 Public Forum**

#### **3.1 Fluoride Free NZ**

Mary Bryne (Fluoride Free NZ) presented to the Council regarding the legislation to mandate fluoridation and the role of the Director General, and that a number of Councils have been given the directive and other Councils that have been advised to be prepared. Council was presented with an overview of the Cochrane Collaboration 2015 evidence based review of health science. Council was invited to consider the position of other councils which had requested exemptions from the mandate, and the ability of Council to join court action to look at seeking an injunction.

Kane Titchener (Fluoride Free NZ) presented to the Council regarding the National Toxicology Program including the background, focus and results of the review. The impact of Fluoride including studies conducted on the effects on IQ and neurotoxicity.

Discussion included the Statement of Claim, Feedback from other Councils and the upcoming public debate.

### **4 Identification of Urgent Business**

No items of urgent business were received

### **5 Identification of Matters of a Minor Nature**

No matters of a minor nature were raised.

### **6 Declaration of Conflicts of Interest**

No conflicts of interest were declared.

### **7 Reports**

#### **7.1 Adoption of the 2023/24 Annual Plan**

The Group Manager Commercial and Strategy and Chief Finance Officer spoke to the report to adopt the Timaru District Council 2023/24 Annual Plan and set the fees and charges for 2023/24. These documents are attached for reference.

Questions addressed covered the Environmental Services budgeted net operating loss due to funding the District Plan Review which is financed by borrowing, increases in expenditure due to cost escalations and the difference of fees and charges vis-à-vis infringements. An updated Reserves table has been provided to amend typographical errors in the agenda table. Also noted is the additional line missed in error in the fees and charges for Land Use Consent Monitoring Fees for a single site inspection two hours of a Monitoring Officer paid at the time of lodgement.

Other matters covered included: Dog Control fees for delivering the activity and the use of the reserves for the activity, use and allocation of funds to and from reserves, future use of reserves as part of the Long Term Plan process and advice that there is currently no policy around investing reserves and bequests, noted that community board reserves are available for funding smaller projects.

Also discussed, upgrade to the Winchester Domain ablution block being rates funded, review of the lease for the camping ground, Beautiful Valley water rates increase will provide funding to



bring the scheme to drinking water standards and includes funding for maintenance, officers monitoring the demand of rural water schemes, the recent upgrades to schemes and agreements on stock-water races, the community works and services for stormwater is based on each community, level of service, the legislative requirement to provide a Financial Impact Statement and what it covers, grants from the Geraldine Endowment fund is shown, funding of the Theatre Royal and Heritage Hub fit out.

Officers noted the use of BERL figures rather than Consumer Price Index for indexing cost escalations, as the BERL figures had been used as the basis for the assumptions in the Long Term Plan, BERL is commissioned by Taituarā to provide the index and is widely used to model index cost increases.

A question was raised regarding the carry forward of capital projects, these are noted in the Annual Plan and the reasons why there is a provision included for the Sophia Street carpark.

Officers clarified the debt cap is calculated on the net debt and noted the effect and relationship of operating revenue, non-recurring revenue and the Fitch rating metrics. Noted that Council is approaching its debt cap, and a request for the effect of non-recurring revenue and the impact it has on the available headroom for Council's debt cap to be presented in the cover report for clarity.

Officers noted that the commercial water charge rate is lower than other councils due to the reduced pumping cost with the use of gravity from the source to the plant, that Council has received a letter from the Director General of Health to add fluoride and had included a provision for this in the budget, increase in the waste management fees and that the commercial rate in the CBD is no different to Washdyke.

A request was made for resolutions to be added to the livestream.

### **Resolution 2023/57**

Moved: Clr Allan Booth

Seconded: Clr Michelle Pye

1. That Council:
  - (a) Adopts the Timaru District Council Annual Plan 2023/24, in accordance with Section 95 of the Local Government Act 2002.
  - (b) Sets the Timaru District Council Fees and Charges 2023/24.
  - (c) Authorises the Chief Executive and Group Manager Commercial and Strategy to make any non-material changes to the Annual Plan 2023/24 prior to publication, for example to improve readability.

**Carried**

### **Attachments**

- 1 Update Table of Designated Reserves

**Restricted Reserves**

Name of Fund	Activity	Purpose	2023				2024			
			Balance 1 July \$000	Transfer into fund \$000	Transfers out of fund \$000	Balance 30 June \$000	Balance 1 July \$000	Transfer into fund \$000	Transfers out of fund \$000	Balance 30 June \$000
Aquatic Centre contributions	Recreation and Leisure	Funds donated towards to Aquatic centre facility to be used for its construction and funding of interest payments.	0	0	0	0	0	0	0	
Collett Bequest (Museum)	Recreation and Leisure	For museum items.	589	0	0	589	589	0	589	
Dowling Bequest	Recreation and Leisure	For the purchase of Christian fiction literature for the library.	20	0	0	20	20	0	20	
Downlands Asset Replacement Fund	Water Supply	Replacement of infrastructural assets relating to Downlands Water Supply Scheme.	0	0	0	0	2,765	(2,349)	417	
Downlands Capital Contribution Reserve	Water Supply	For the provision of capital expenditure financed from capital contributions.	0	0	0	0	0	0	0	
Endowment Land Geraldine Fund	All of Council	From the proceeds of Endowment Land. For the purchase of similar land.	527	0	0	527	527	0	527	
George Barclay Bequest	Recreation and Leisure	Original bequest was \$600. Interest to be used for the purchase of reference books for the Timaru Children's Library.	2	0	0	2	2	0	2	
Joan & Percy Davis Library Trust (Geraldine)	Recreation and Leisure	Interest to be used to purchase books for the Geraldine Library. (8/7/82)	1	0	0	1	1	0	1	
Jordan Bequest (Art Gallery)			496	0	0	496	496	0	496	
Jordan Bequest (Museum)			239	0	0	239	239	0	239	
Lattimore W A (Timaru) Bequest	Recreation and Leisure	Interest to be used for the purchasing of art works for the Aigantighe Art Gallery.	3	0	0	3	3	0	3	
Macley Bequest (Art Gallery)	Recreation and Leisure	For the purchase of paintings.	227	0	0	227	227	0	227	
Macley Bequest (Library)	Recreation and Leisure	For the purchase of books relating to art for the Timaru Library.	136	0	0	136	136	0	136	
McCarthy Bequest - Library	Recreation and Leisure	For general purposes at the Timaru Public Library	14	0	0	14	14	0	14	
McCarthy Bequest - Parks	Recreation and Leisure	For general purposes at the Timaru gardens	51	0	0	51	51	0	51	
Museum Acquisition Fund/Alan Ward Fund	Recreation and Leisure	For the purchase of articles for the Museum.	10	0	0	10	10	0	10	
Russell C Hervey Fund	Recreation and Leisure	For providing improved services to the Timaru Library.	83	0	0	83	83	0	83	
Reserves from Subdivisions/Development Levy	Recreation and Leisure	Development of reserves within the District as set out in the Local Government Act 1974 Section 288.	308	0	0	308	308	0	308	
Seyvick-Jones Bequest			3	0	0	3	3	0	3	
Timaru Maritime and Transportation	All of Council	For the purpose of Timaru Maritime and Transportation	5	0	0	5	5	0	5	
Fishing Huts - Rangitata	Recreation and Leisure	Each fishing hut area retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over its lifetime. Each individual reserve balance is only available for use by that fishing hut area.	9	0	0	9	9	0	9	
Fishing Huts - Strafoena	Recreation and Leisure	Each fishing hut area retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over its lifetime. Each individual reserve balance is only available for use by that fishing hut area.	67	0	(8)	59	59	22	80	
Geraldine Community Board	Democracy	Each community board area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated board. Each individual reserve balance is only available for use by that board.	41	0	0	41	41	17	(8)	
Pleasant Point Community Board	Democracy	Each community board area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated board. Each individual reserve balance is only available for use by that board.	32	0	0	32	32	7	(6)	
Temuka Community Board	Democracy	Each community board area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated board. Each individual reserve balance is only available for use by that board.	57	0	0	57	57	14	(9)	
Fairview Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	(8)	0	0	(8)	(8)	6	(6)	
Claremont Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	2	0	0	2	2	5	(5)	
Otipua Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	0	0	0	0	0	2	(2)	
Kingsdown Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	1	0	0	1	1	5	(5)	
Seadown Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	13	0	0	13	13	6	(6)	
Waste Minimisation	Waste Minimisation	Each waste collection area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that waste collection area.	760	622	0	1,383	1,383	5,505	(5,505)	
Geraldine Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	202	0	0	202	202	358	(358)	
Rural Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	350	21	0	371	371	208	(229)	
Temuka Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	650	176	0	826	826	467	(643)	
Timaru Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	3,736	1,409	0	5,145	5,145	3,931	(3,804)	
District Sewer	Sewer	Each sewerage scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	4,192	1,117	0	5,309	5,309	7,826	(8,003)	
Beautiful Valley Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	93	1	0	94	94	42	(43)	
Orari Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	290	7	0	296	296	66	(59)	
Rangitata Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	0	9	0	9	9	341	(350)	
Seadown Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	1,110	191	0	1,301	1,301	505	(132)	
Te Moana Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	235	0	0	235	235	1,039	(1,039)	
Urban Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	0	0	0	0	0	12,619	(11,938)	
Dog Control	District Planning and Environmental Services	Council's dog control/enforcement activity retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the activity. The balance is only available for use by that activity.	489	130	0	619	619	0	(48)	
<b>Total Restricted Reserves</b>			<b>15,035</b>	<b>3,683</b>	<b>(8)</b>	<b>18,710</b>	<b>18,710</b>	<b>35,756</b>	<b>(34,647)</b>	

Designated Reserves			2023				2024			
Name of Fund	Activity	Purpose	Balance 1 July \$000	Transfer into fund \$000	Transfer out of fund \$000	Balance 30 June \$000	Balance 1 July \$000	Transfer into fund \$000	Transfer out of fund \$000	Balance 30 June \$000
Cemetary Future (Timaru) Fund	Community Support	Development of future cemetery for Timaru.	54	0	0	54	54	0	0	54
Community Development Interest Fund	Community Support	To make major grants (over \$10,000) to non profit community based organisations and clubs for improving or developing new or existing facilities which reflect credit or provide benefit to the Timaru District residents.	97	0	0	97	97	0	0	97
Community Development Loan Fund	Community Support	To make major loans to non profit community based organisations and clubs for improving or developing new or existing facilities which reflect credit or provide benefit to the Timaru District residents.	353	0	0	353	353	0	0	353
Contingency Fund	All of Council	For emergency purposes as determined by Council.	1,296	0	0	1,296	1,296	0	0	1,296
Depreciation – General Fund	All of Council	For the renewal and/or replacement of district wide funded depreciable assets and for the repayment of loans associated with such assets.	718	0	0	718	718	0	0	718
Depreciation Fund (Housing)	Community Support	For the renewal and/or replacement of Housing depreciable assets and for the repayment of loans associated with such assets.	12	417	0	429	429	452	0	882
Development (Timaru) Fund	All of Council	Funding of major developments within Timaru. Interest on this fund to be credited to the Community Development Interest Fund.	240	0	0	240	240	0	0	240
Disaster Relief Fund	All of Council	For the replacement of infrastructural assets excluding subsidised roading in the event of a natural disaster.	1,454	0	0	1,454	1,454	800	0	2,254
District Recreation Facilities Fund	All of Council	To be used for the development of significant recreation facilities in the district.	776	0	0	776	776	0	0	776
Economic Development Fund	Community Support	For economic development support.	217	0	0	217	217	0	0	217
Election Expenses Fund	Democracy	To provide for meeting election expenses.	79	0	0	79	79	0	0	79
Forestry Development Fund	Recreation and Leisure	To provide funding for the development of forests within the District.	430	0	(32)	398	388	0	(28)	359
Grants & Donations Fund	Community Support	For the provision of grants & donations (created from the unspent grant allocation and carried forward balances)	402	0	0	402	402	0	0	402
Investment Fund	All of Council	1. For the repayment of district wide loans. 2. For the funding of district wide capital projects. 3. For provision of internal loans.	13,614	0	0	13,614	13,614	0	0	13,614
Main Creative Communities NZ Fund	Community Support	Carried forward balance of Creative Communities NZ fund – main committee.	16	0	0	16	16	0	0	16
Main Drains Cost Sharing Fund	Sanitar, Stormwater and Water Supply	Extension of main drains on a cost sharing basis.	1,467	0	0	1,467	1,467	0	0	1,467
Mayor's Welfare Fund	Democracy	Help out the needs as determined by the Mayor.	27	0	0	27	27	0	0	27
National Libraries Partnership	Recreation and Leisure	For the purpose of funding for the National Libraries Partnership	0	0	0	0	0	0	0	0
Officials' Indemnity, Safety and Health Fund	All of Council	For the purpose of officials' indemnity insurance excess, and for providing funds to comply with Occupational Health and Safety Regulations.	307	0	0	307	307	0	0	307
Parking Improvement (Timaru) Fund	Roading and Footpaths	For the purchase of land buildings, or equipment which will be used for providing, or in association with, parking facilities within Timaru or for meeting the annual charges on any loan raised for any of these purposes.	463	0	(295)	168	168	0	(297)	(129)
Property Development Fund	All of Council	For the purchase or development of land and improvement projects within the District.	1,849	0	0	1,849	1,849	0	0	1,849
Reserves Development (Timaru) Fund	Recreation and Leisure	For the planting of trees and general development of reserves owned by the District Council within Timaru.	13	0	0	13	13	0	0	13
Safer Community Funds	Community Support	For Safer Communities projects.	310	0	0	310	310	0	(40)	270
Sport and Recreation Loan Fund	Community Support	Sport and Recreation loans for facilities and/or major plant items in excess of \$2,000 total value.	877	0	0	877	877	0	0	877
Timaru Ward Capital Asset and Loan Repayment Fund	All of Council	For the purpose of repayment of Timaru Ward separate rate loans and/or Timaru Ward Capital Projects.	22	0	0	22	22	0	0	22
Winchester Domain Fund	Recreation and Leisure	For maintenance and Development of the Winchester Domain area	43	0	0	43	43	0	0	43
<b>Total Designated Reserves</b>			<b>25,165</b>	<b>417</b>	<b>(328)</b>	<b>25,255</b>	<b>25,255</b>	<b>1,252</b>	<b>(365)</b>	<b>26,142</b>

## 7.2 Resolution to Set Rates 2023/24

The Group Manager Commercial and Strategy and Chief Finance Officer spoke to the report to set the rates, due dates, and penalties regime for the 2023/24 financial year.

### Resolution 2023/58

Moved: Clr Allan Booth

Seconded: Clr Peter Burt

That as the Annual Plan 2023/24 has been adopted and in accordance with the Funding Impact Statement (FIS) and relevant provisions of the Long Term Plan 2021 – 31 Council resolves:

- To set the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing 1 July 2023 and ending on 30 June 2024. Such rates shall become due and payable by instalments on the dates prescribed in clause 11 of this resolution.
- All rates and charges are inclusive of Goods and Services Tax (GST).
- General Rate**

That pursuant to Section 13(2)(b) and Section 14 of the Local Government (Rating) Act 2002 a general rate set as a rate in the dollar on the land value of all rating units within the Timaru District, assessed on a differential basis as described in the Funding Impact Statement (FIS) are as follows:

Timaru District - Accommodation	\$0.01346
Timaru District - Commercial Central	\$0.01346
Timaru District - Commercial Other	\$0.01346

Timaru District - Community Services	\$0.00310
Timaru District - Industrial	\$0.01346
Timaru District - Primary	\$0.00208
Timaru District - Recreational	\$0.00310
Timaru District - Residential General	\$0.00310
Timaru District - Residential Multi Unit	\$0.00597

The differential categories are defined in the FIS 2023/24.

**4 Uniform Annual General Charge**

That pursuant to Section 15(1)(a) of the Local Government (Rating) Act 2002 a uniform annual general charge of \$996.00 per rating unit is set and assessed on every rating unit within the Timaru District.

**5 Community Works and Services**

That pursuant to Section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted community works and services rate set and assessed as a rate in the dollar on the land value of all rating units within each of the following community areas:

Geraldine	\$0.00138
Rural	\$0.00005
Temuka	\$0.00158
Timaru	\$0.00137

Community areas are defined in the FIS 2023/24.

**6 Community Board**

That pursuant to Section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 targeted uniform annual Community Board rates set and assessed per rating unit within each of the Temuka, Geraldine and Pleasant Point communities, as follows:

Geraldine	\$6.00
Pleasant Point	\$5.00
Temuka	\$5.00

**7 Sewer**

That pursuant to Section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted uniform rate for sewage disposal set per water closet or urinal connected either directly or through a private drain to a public sewerage drain subject to the proviso that every rating unit used primarily as a residence of not more than one household shall be treated as having not more than one water closet or urinal, as follows:

Sewer	\$346.27
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**8 Waste Management**

That pursuant to Section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 a targeted rate set and assessed on all rateable and non-rateable rating units based on the extent of the waste collection, which is actually provided, as follows:

- (a) A targeted annual waste management charge of a fixed amount per set of 4 bins for all rateable and non-rateable land (see description of waste categories in FIS):
  - (i) \$238.00 per "Standard" 4 bins provided to each rating unit; and
  - (ii) \$310.00 per "Large" 4 bins provided to each rating unit;

Additional bins are charged for as a targeted annual waste management bin charge of a fixed amount per additional bin:

- (i) \$60.00 per additional small (140 litres) recycling bin provided to each rating unit;
- (ii) \$67.00 per additional large (240 litres) recycling bin provided to each rating unit;
- (iii) \$93.00 per additional small (140 litres) compost bin provided to each rating unit;
- (iv) \$108.00 per additional large (240 litres) compost bin provided to each rating unit;
- (v) \$115.00 per additional small (140 litres) rubbish bin provided to each rating unit;
- (vi) \$162.00 per additional large (240 litres) rubbish bin provided to each rating unit;
- (vii) \$60.00 per additional small (80 litres) glass bin provided to each rating unit; and
- (viii) \$67.00 per additional large (240 litres) glass bin provided to each rating unit

## 9 Water

That pursuant to Section 16(3)(b), 16(4)(b), and section 19 of the Local Government (Rating) Act 2002 targeted rates for the supply of water in the following areas are as follows:

- (a) **Urban Water**

A differential annual rate of \$548.00 set and assessed per separately used or inhabited part of a rating unit for all connected rating units (excluding those supplied through a meter) and \$273.90 set and assessed per rating unit for all serviceable rating units within the Geraldine, Pleasant Point, Peel Forest, Temuka, Timaru and Winchester urban supply areas.

Definitions of "connected", "serviceable", "unit", and of the differential categories are contained in the FIS 2023/24.
- (b) **Rural Water**
  - (i) **The Rangitata-Orari Water Supply District**

A targeted rate of \$18.70 set and assessed per hectare within the rating unit.
  - (ii) **The Te Moana Downs Water Supply District**
    - a) A targeted rate of \$396.00 set and assessed for each unit of water supplied;
    - b) A targeted rate of \$826.00 set and assessed for each tank except where there is more than one tank to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.
  - (iii) **The Orari Water Supply District**

A targeted rate of \$487.70 set and assessed for each unit of water supplied.
  - (iv) **The Seadown Water Supply District**

- a) A targeted rate of \$35.50 set and assessed per hectare within the rating unit;
  - b) A targeted rate of \$887.00 set and assessed per separately used or inhabited part of a rating unit for each domestic supply;
- (v) **Beautiful Valley Water Supply District**  
A targeted rate of \$22.40 set and assessed per hectare within the rating unit.
- (vi) **Downlands Water Supply District**  
On so much of the rating unit appearing on District Valuation Rolls number 24640, 24660, 24670, 24680, 24690, 24700, 24710, 24820, 24840, 24850, 24860, and part 25033, as is situated within the Downlands Water Supply District:
- a) A targeted rate of \$958.00 set and assessed for each separately used or inhabited part of a rating unit within the Pareora Township and for rating units used as halls within the scheme.
  - b) A targeted rate of \$1,641.00 set and assessed per rating unit for rating units used as schools within the Pareora Township.
  - c) In addition a targeted rate of \$684.00 set and assessed for each separate connection (excluding Pareora Township) to the water supply except where there is more than one connection to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.
  - d) In addition to the charge assessed in (c) above, a targeted rate of \$274.00 set and assessed per unit of water or where water supplied in one half units a charge of \$137.00 set and assessed per half unit supplied.

The differential categories are defined in the FIS 2023/24.

- (c) **Water by Meter**  
Targeted rates for water supply, set under Section 19 of the Local Government (Rating) Act 2002 per cubic metre of water consumed to any rating unit situated in the following areas which has been fitted with a water meter:

Seadown	\$1.08
Urban	\$0.83

**10 Community Centre**

That pursuant to Section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, the following uniform targeted rates are set and assessed in respect of each separately used or inhabited part of a rating unit situated in the following Community Centre Areas:

Claremont Community Centre	\$19.00
Fairview Community Centre	\$29.00
Kingsdown Community Centre	\$35.00
Otipua Community Centre	\$18.00
Seadown Community Centre	\$33.00

**11 Instalment Dates**

The above rates and charges (except for metered water) are due and payable in four equal instalments on the following dates:

**All Ratepayers**

<b>Instalment</b>	<b>Due Date</b>
1	20 September 2023
2	20 December 2023
3	20 March 2024
4	20 June 2024

The due dates for metered water charges are as follows:

<b>Month invoice raised</b>	<b>Due Date</b>
July 2023	21 August 2023
August 2023	20 September 2023
September 2023	20 October 2023
October 2023	20 November 2023
November 2023	20 December 2023
December 2023	22 January 2024
January 2024	20 February 2024
February 2024	20 March 2024
March 2024	22 April 2024
April 2024	20 May 2024
May 2024	20 June 2024
June 2024	22 July 2024

**12 Penalties**

That pursuant to Section 57 of the Local Government (Rating) Act 2002 the Timaru District Council prescribes the following penalties to be added to unpaid rates:-

**(a) A Penalty**

A penalty under section 58(1)(a) of 10% of the amount of the instalment that remains unpaid after the due date of that instalment will be added on or after the following dates:

<b>Instalment</b>	<b>Penalty Date</b>
1	22 September 2023
2	22 December 2023
3	22 March 2024
4	22 June 2024

**(b) Further Penalties**

A further penalty under section 58(1)(b) and 58(1)(c) of 10% of the amount of any rates from previous financial years remaining unpaid on 7 July 2023 will be added on 20 July 2023.

Under section 58(1)(c), an additional penalty of 10% will be added to any unpaid rates from previous financial years that remain unpaid on 22 January 2024. This penalty will be added on 22 January 2024.

Penalties will not be applied to the metered water targeted rates.

**Carried**

**8 Consideration of Urgent Business Items**

No items of urgent business were received.

**9 Consideration of Minor Nature Matters**

No matters of a minor nature were raised.

**10 Public Forum Items Requiring Consideration**

**10.1 Fluoride Free NZ**

**Resolution 2023/59**

Moved: Mayor Nigel Bowen

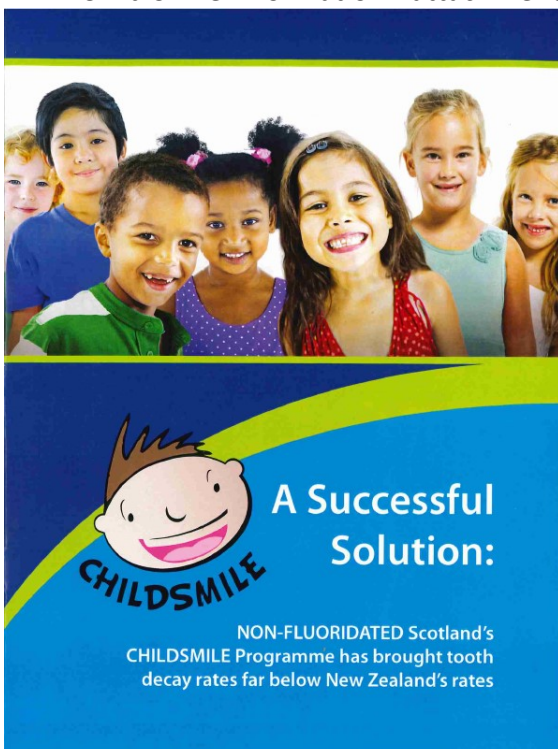
Seconded: Clr Peter Burt

To receive the Child Smile information and add to the minutes.

**Carried**

**Attachments**

- 1 Child Smile Information - attachment to minutes







**CHILDSMILE Saves £5 Million PER YEAR** in dental health costs for Scotland's population of 5 million....

*Preventing THOUSANDS of surgeries and fillings!*

**In non-fluoridated Scotland, the Government has undertaken a comprehensive programme to combat dental decay, particularly in poor areas.**

The CHILDSMILE programme, which started in 2001, involves tooth-brushing schemes in pre-schools and primary schools, ensuring children are seen by a dental therapist early, and children and parents get education about sugary foods and drinks.

This is having great success with falling dental decay rates and the need for general anaesthetic oral surgeries being cut in half. This saves Scotland approximately 5 million pounds per year, it prevents tens of thousands of fillings, and saves immeasurable childhood pain and suffering.

There are now other successful programmes around the world modeled on the Scottish CHILDSMILE programme.



**SCOTLAND**

**NEW ZEALAND**

**COMPARISON of age 5 children:**

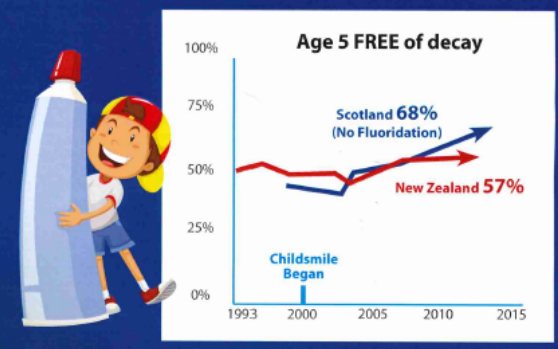
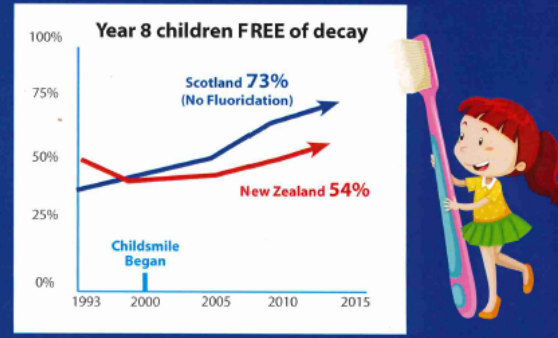
In 20 years, Scotland's rate of dental fillings for age 5 children has been cut by more than half. (2.93 to 1.27).	New Zealand's rate of dental fillings for age 5 children has unfortunately INCREASED in that time, from 1.71 to 1.88 average fillings per child.
The only areas listed in the 2013 NZ Ministry of Health statistics that have better teeth than Scotland's rate for children FREE of decay are two non-fluoridated areas: Wairarapa & Waitemata.	Non-fluoridated areas of NZ often have better teeth than fluoridated areas, according to Ministry of Health statistics.  This is also true overseas.
Since CHILDSMILE began in 2001, the rate of age 5 Scottish children FREE of decay has gone from 45% to 68%. This is an improvement of 23%.	NZ has improved only by 4%.  Now, at 57%, we are much lower than Scotland.
High decile areas of Scotland now have 83% of children FREE of decay.	No area listed in NZ MoH statistics comes even close to this rate.

**COMPARISON of Year 8 children:**

In 20 years, Scotland's rate of fillings for Year 8 children was slashed by TWO-THIRDS (from 2.08 to 0.6).	NZ's rate has barely dropped at all (1.33 to 1.14). Nowhere now in NZ is near Scotland's extremely low fillings rate.
In 20 years, the rate of Scottish Year 8 children FREE of decay has almost DOUBLED. An improvement from 37.9% to 72.8%.	NZ has improved only by 5% in this same time period. It is now 54%.

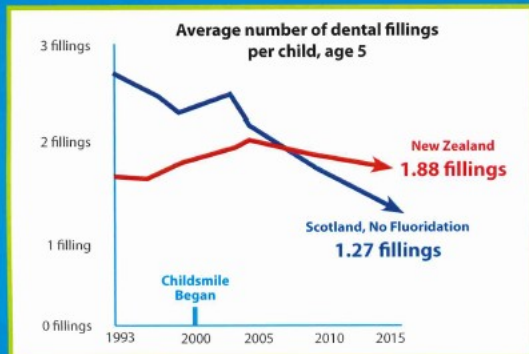
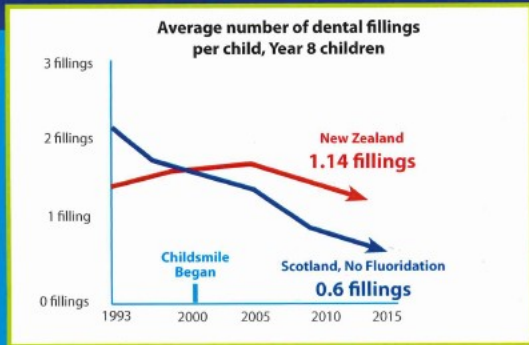


**CHILDSMILE's children far surpass New Zealand's children in all four measured dental health standards:**





**Scotland's children have FAR FEWER dental fillings than New Zealand:**



**Fluoridation *does NOT* reduce the number of general anaesthetic oral surgeries on pre-school children with severe tooth decay**



General anaesthetic surgeries on pre-school children with severe dental decay are NOT performed more in non-fluoridated areas. In fact, DHB surgery records show the fluoridated area of Taranaki is in an oral health crisis.

Shockingly, while fluoridated Hawera has less than one-sixth of the population of non-fluoridated New Plymouth, it has a frightening THIRTY TIMES higher rate of children's general anaesthetic surgeries for severe dental decay than non-fluoridated New Plymouth.

Taranaki	Total Number of GA surgeries for Age 5 children: 2012, 2013, 2014 (fluoridation stopped in New Plymouth in 2011)	Population	Number of Age 5 children	Percentage of Age 5 children having GA surgery for severe tooth decay
Fluoridated Hawera	34	11,600	208	16.35%
Non-fluoridated New Plymouth	7	74,100	800	00.88%



**Note:**  
New Plymouth stopped fluoridation in 2011 and GA surgeries HAVE NOT increased!

**3 KEY PROGRAMME ELEMENTS**



CHILDSMILE in Scotland,  
DESIGNED TO SMILE in Wales,  
Nexo Programme in Denmark  
Japanese school dental programmes:

**#1** Regular pre-school and primary school dental screenings



**#2** Daily supervised brushing at pre-schools and low decile primary schools



**#3**

Education for parents and children about healthy foods and drinks



And avoiding sugar!



Hutt Valley DHB has had an average of 44 age five children per year over the last decade who required GA oral surgery.

Severe tooth decay is caused by poverty, sugar, and lack of resources. DHB statistics from around New Zealand, show it is NOT related to fluoridation.

Each child's general anesthetic oral surgery costs \$4,000 in New Zealand. There are an estimated 5000 performed here every year, costing \$20 million, nationwide.

Glasgow researchers found that CHILDSMILE reduced the cost of treating childhood dental disease by more than half between 2001 and 2010. CHILDSMILE saves teeth, saves pain, and saves money.

**Nationwide in NZ, we currently spend approximately:**

- \$20 million on pre-school GA oral surgeries
- \$1 million on fluoride chemicals
- Hundreds of thousands or more promoting, defending, maintenance and staffing for fluoridation

**If NZ implements CHILDSMILE nationwide, we will save more than \$10.5 million a year by:**

- Reducing GA surgeries, potentially by half
- Not wasting \$\$ on fluoridation



**Northland School Toothbrushing Scheme Seriously Reduces Dental Decay**

Dr Dave Stallworthy, A Whangarei dentist says the Government should be funding tooth brushing programmes in schools if it wants to reduce waiting lists for children's oral surgery. Dental decay in even the most deprived communities could be prevented by the simple method of brushing teeth once a day at school.

In 2015, DHB dentist Ellen Clark set up a highly controlled tooth-brushing trial in Northland schools.

A teacher aide was paid to supervise tooth-brushing sessions, once a day for 170 children at Kaitia Intermediate School. More than two-thirds of the children were Māori.

Ellen says she had hoped to improve the children's oral health - but the results were far better than she dared to hope. No equipment was needed apart from brushes and toothpaste - the children spat into paper towels, and rinsed their brushes at the water fountain.

The beauty of the study was that it removed the usual inequalities in oral health, caused by poverty, and the results had prompted interest from overseas, and from other DHB's around New Zealand, Ellen says.

**If New Zealand were to stop fluoridation, millions of dollars would be available for a really good dental health programme.**

**Unlike fluoridation, CHILDSMILE is really helping children, especially those who need it most.**

Extensive information about CHILDSMILE is available:  
<http://www.child-smile.org.uk/>

Scottish National Dental Inspection Programme statistics:  
<http://www.scottishdental.org/?s=NDIP>

New Zealand Ministry of Health school dental statistics:  
<http://www.health.govt.nz/nz-health-statistics>



**Fluoride Free New Zealand**  
 PO Box 40, Featherston, NZ  
 Phone 027 361 5951  
 Email [info@fluoridefree.org.nz](mailto:info@fluoridefree.org.nz)  
[www.fluoridefree.org.nz](http://www.fluoridefree.org.nz)

**11 Resolution to Exclude the Public**

**Resolution 2023/60**

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
11.1 - Insurance Renewal Programme 2023/24	s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	To enable commercial activities

**Carried**

**12 Public Excluded Reports**

**11.1 Insurance Renewal Programme 2023/24**

**13 Readmittance of the Public**

**Resolution 2023/61**

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

That the meeting moves out of Closed Meeting into Open Meeting.

**Carried**

**The meeting closed at 5.09pm.**

.....  
**Mayor Nigel Bowen**  
**Chairperson**



## 8 Schedules of Functions Attended

### 8.1 Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors

**Author:** Alesia Cahill, Executive Assistant to the Mayor

**Authoriser:** Nigel Bowen, Mayor

#### Recommendation

That the report be received and noted.

#### Functions Attended by the Mayor for the Period 6 June 2023 to 21 July 2023.

<i>6 June 2023</i>	Presented Plan for Canterbury to Hurunui District Council
<i>7 June 2023</i>	Presented Plan for Canterbury to Ashburton District Council
<i>12 June 2023</i>	Attended Downland Water Scheme tour
<i>13 June 2023</i>	Chaired Tenders and Procurement Committee meeting Attended Standing Committee meetings Attended Council workshop Attended Climate Change meeting
<i>14 June 2023</i>	Attended meeting with Port of Tauranga Directors
<i>15 June 2023</i>	Met with Geraldine High School Principal
<i>19 June 2023</i>	Attended Refugee Resettlement meeting Attended Saltwater Creek discussion meeting
<i>20 June 2023</i>	Chaired Tenders and Procurement meeting Chaired People and Performance Committee meeting Led Citizenship Ceremony Chaired Council meeting Attended Council workshop
<i>21 June 2023</i>	Spoke to Hokonui FM on My Way Presented Plan for Canterbury to ECAN Spoke with Radio NZ for a NZ Gang Podcast
<i>22 June 2023</i>	Attended Safer Communities Committee meeting
<i>23 June 2023</i>	Spoke with OJ on the Breeze for Mayoral musings
<i>26 June 2023</i>	Met with Alpine Energy CEO
<i>27 June 2023</i>	Chaired Tenders and Procurement meeting Chaired Council meeting Attended Aorangi Stadium Steering Group meeting

	Attended Fluoride debate
<i>28 June 2023</i>	Spoke at Volunteering Mid and South Canterbury event Met with Aoraki Foundation
<i>29 June 2023</i>	Spoke at Geraldine Development and Promotion Board AGM Spoke at Westpac Rescue Helicopters NZ event
<i>30 June 2023</i>	Attended Meet and Greet with National Party representatives
<i>3 July 2023</i>	Attended Audit and Risk Committee Attended Menacing Dog Classification hearing
<i>4 July 2023</i>	Met with YMCA Attended Pleasant Point Community Board meeting
<i>5 July 2023</i>	Presented certificates to former Refugee Family Met with local Mayors on local issues Attended Community Drop-in session in Temuka Attended Community Drop-in session in Geraldine Attended Geraldine Community Board meeting
<i>6 July 2023</i>	Met with SC Chamber of Commerce Attended Community Drop-in session in Timaru Attended and spoke at the NZ Young Farmers opening ceremony
<i>7 July 2023</i>	Attended NZ Young Farmers Agri event in Winchester
<i>8 July 2023</i>	Attended Te Moana Open Day Attended NZ Young Farmers Grand Final
<i>19 July 2023</i>	Met with Venture Timaru Attended Theatre Royal and Heritage Facility Governance Reference group meeting

In addition to these duties, I spoke with 34 members of the public on issues of concern to them.

#### **Functions Attended by the Deputy Mayor for the Period 6 June 2023 to 21 July 2023.**

<i>7 June 2023</i>	Attended Business Partners Economic Update
<i>30 June 2023</i>	Travelled to Eniwa as Chaperone to three local students and met with various parties.

#### **Functions Attended by the Councillors on Behalf of the Mayor for the Period 6 June 2023 to 21 July 2023.**

<i>10 July 2023</i>	Allan Booth attended Public meeting regarding proposed changes to SH1
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#### **Attachments**

**Nil**



**8.2 Schedule of Functions Attended by the Chief Executive****Author: Alana Hobbs, Governance & Executive Support Administrator****Authoriser: Bede Carran, Chief Executive****Recommendation**

That the report be received and noted.

**Functions Attended by the Chief Executive for the Period 31 May 2023 and 21 July 2023.**

<i>1 June 2023</i>	Meeting with Rakitata Revival Programme Steering Group Meeting with Civil Defence Emergency Management Joint Committee Attended Canterbury Mayoral Forum dinner
<i>2 June 2023</i>	Attended Canterbury Mayoral Forum
<i>6 June 2023</i>	Meeting with Chief Executive of Alpine Energy
<i>12 June 2023</i>	Meeting with General Manager Timaru District Holdings Limited
<i>13 June 2023</i>	Attended Standing Committee Meetings Attended Council Workshop Attended Climate Change Meeting
<i>14 June 2023</i>	Meeting with Chief Executive and Officers from Port of Tauranga Limited Meeting with local Mayors regarding 3Waters
<i>19 June 2023</i>	Attended Fraud & Corruption Awareness Training
<i>20 June 2023</i>	Attended Tenders and Procurement Meeting Attended Citizenship Ceremony Attended Council Meeting Attended Council Workshop
<i>21 June 2023</i>	Attended Theatre Royal & Heritage Facility Governance Reference Group Meeting
<i>22 June 2023</i>	Meeting with Chief Executive from Venture Timaru Ltd
<i>23 June 2023</i>	Attended Powhiri welcoming District Commander: Canterbury Police District
<i>26 June 2023</i>	Meeting with South Canterbury General Manager Environment Canterbury Attended meeting of New Zealand Steering Group for the Digital Future of Resource Management
<i>27 June 2023</i>	Attended Tenders and Procurement Meeting Attended Council Meeting



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	Attended Aorangi Stadium Steering Group Meeting
<i>28 June 2023</i>	Meeting with Chief Executive Officer PrimePort Timaru
	Meeting with General Manager of Aoraki Environmental Consultants Limited
<i>30 June 2023</i>	Meeting with General Manager Timaru District Holdings Limited
	Meeting with General Manager Arowhenua Marae
<i>3 July 2023</i>	Attended Audit and Risk Committee Meeting
<i>8 July 2023</i>	Attended Young Farmer of the Year Awards at the invitation of the Environmental Protection Authority.
<i>10 July 2023</i>	Meeting with General Manager Timaru District Holdings Limited
<i>18 July 2023</i>	Meeting with representatives from Te Pūkenga
<i>19 July 2023</i>	Meeting with Chair & Chief Executive Venture Timaru
	Attended Theatre Royal & Heritage Facility Governance Reference Group Meeting
<i>21 July 2023</i>	Meeting with Regional Manager/Group Controller Canterbury Emergency Management Group

Meetings were also held with various ratepayers, businesses and/or residents on a range of operational matters.

### **Attachments**

**Nil**

## 9 Reports

### 9.1 Affixing of the Common Seal

**Author:** Jessica Kavanaugh, Governance Advisor

**Authoriser:** Bede Carran, Chief Executive

#### Recommendation

That the following warrants have been approved by the Chief Executive and are being reported to the Council for noting:

1. 12 June 2023 – Approval of Warrants
2. 21 June 2023 – Approval of Warrants
3. 29 June 2023 – Approval of Warrants
4. 30 June 2023 – Approval of Warrants

#### Purpose

1. To report the Chief Executive has approved the Warrant of Appointments and is reporting that as required under the delegation manual (Clause 3.4.5).
2. To note the names have been redacted for the privacy of the employees.

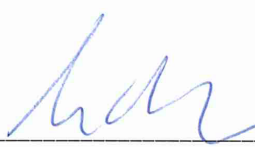
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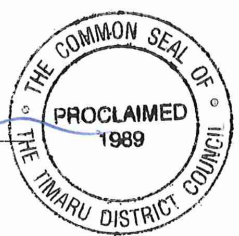
1. **Approval of Warrants - 12.06.23** [↓](#) 
2. **Approval of Warrants - 21.06.23** [↓](#) 
3. **Approval of Warrants - 29.06.23** [↓](#) 
4. **Approval of Warrants - 30.06.23** [↓](#) 

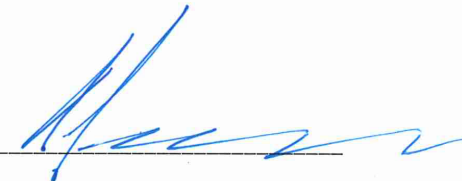


**Approval of warrants**

I, Bede Carran, Chief Executive of the Timaru District Council have delegated authority pursuant to clause 3.4 of the Timaru District Council delegations manual to appoint and authorise the Council Officers listed in the table below, and issue warrants to those Council Officers under the relevant legislation and the Council's bylaws, including delegating the exercise of powers under those warrants, and affixing the Council's common seal to warrants. I hereby approve the attached warrants.

  
 \_\_\_\_\_  
 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran

  
 \_\_\_\_\_  
 Date

Name	Title	Unit
[REDACTED]	Bylaws Monitoring Officer	Environmental Services – Contractor



**Approval of warrants**

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Nigel Bowen



Bede Carran

21/6/2023


Date

Name	Title	Unit
[REDACTED]	Environmental Health Support Officer	Environmental Services – Contractor




**Approval of warrants**

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 \_\_\_\_\_  
 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran

29/06/2023

Date

Name	Title	Unit
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Bin Inspector	Envirowaste
[REDACTED]	Operations Manager	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Community Business Advisor	Envirowaste
[REDACTED]	Community Business Advisor	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste
[REDACTED]	Driver	Envirowaste

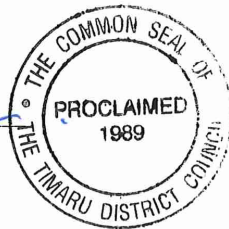
[REDACTED] #1585160



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Nigel Bowen



Bede Carran

29/06/2023

Date

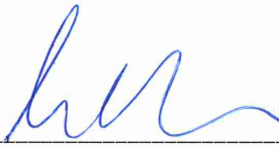
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[REDACTED]	Enforcement Officer	First Security
[REDACTED]	Enforcement Officer	First Security
[REDACTED]	Enforcement Officer	First Security
[REDACTED]	Enforcement Officer	First Security
[REDACTED]	Enforcement Officer	First Security


#1585155

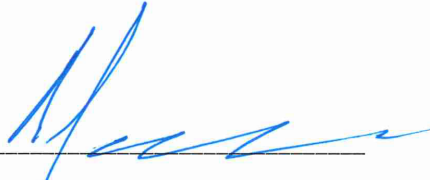



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 Nigel Bowen



  
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 Bede Carran


  
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 Date

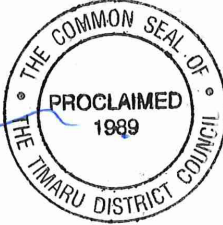
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[REDACTED]	Building Control Manager	Building
[REDACTED]	Team Leader Compliance	Building
[REDACTED]	Team Leader Building Inspections	Building
[REDACTED]	Team Leader Approvals	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
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[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Control Officer	Building
[REDACTED]	Building Compliance Officer	Building
[REDACTED]	Building Compliance Officer	Building
[REDACTED]	Compliance & Enforcement Advisor	Building

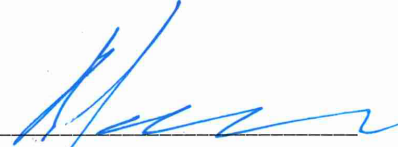


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 \_\_\_\_\_  
 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran

29/06/2023  
Date

Name	Title	Unit
[REDACTED]	Team Leader Consents and Compliance	Planning
[REDACTED]	District Planning Manager	Planning
[REDACTED]	Team leader Policy	Planning
[REDACTED]	Consents Monitoring and Compliance Officer	Planning
[REDACTED]	Resource Consents Planners	Planning
[REDACTED]	Policy Planner	Planning
[REDACTED]	Resource Consents Planners	Planning
[REDACTED]	Subdivision and Compliance Officer	Planning

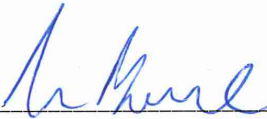
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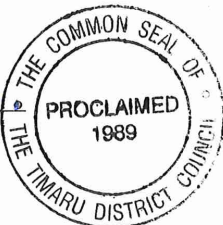





**Approval of warrants**

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 \_\_\_\_\_  
 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran

*30/6/2023*

Date

Name	Title	Unit
[REDACTED]	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Environmental Services - Contractor
[REDACTED]	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Environmental Services - Contractor
[REDACTED]	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Environmental Services - Contractor
[REDACTED]	Environmental Health Officer, Enforcement Officer & Licensing Inspector	Environmental Services - Contractor
[REDACTED]	Food Verifier	Environmental Services - Contractor

#1585150




**Approval of warrants**

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 \_\_\_\_\_  
 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran

  
 \_\_\_\_\_  
 Date

Name	Title	Unit
██████████	Water Services Reticulation Engineer	Drainage and Water
██████████	Drainage Technician	Drainage and Water
██████████	Water Services Technician	Drainage and Water
██████████	Water Services Technician	Drainage and Water
██████████	Wastewater Compliance Officer	Drainage and Water
██████████	Water Services Operations Engineer	Drainage and Water
██████████	Water Services Project Team Leader	Drainage and Water
██████████	Wastewater Treatment Team Leader	Drainage and Water
██████████	Water Services Project Manager	Drainage and Water
██████████	Water Services Project Manager	Drainage and Water
██████████	Wastewater Treatment Operator	Drainage and Water
██████████	Wastewater Treatment Operator	Drainage and Water
██████████	Water Treatment Operator	Drainage and Water
██████████	Water Treatment Operator	Drainage and Water
██████████	Water Treatment Operator	Drainage and Water
██████████	Water Treatment Operator	Drainage and Water
██████████	Water Treatment Operator	Drainage and Water
██████████	Water Services Technician	Drainage and Water
██████████	Trade Waste Officer	Drainage and Water

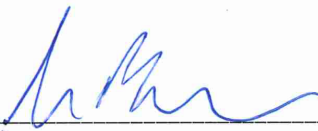
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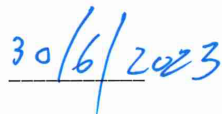
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 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran


  
 \_\_\_\_\_  
 Date

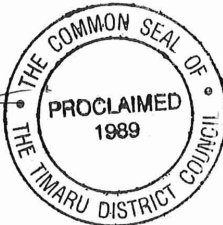
Name	Title	Unit
[REDACTED]	Parks Contract Auditor	Parks & Recreation
[REDACTED]	Survey Technician	Land Transport
[REDACTED]	Survey Design Technician	Land Transport
[REDACTED]	Projects and Contracts Officer	Land Transport
[REDACTED]	Infrastructure Planner	Land Transport
[REDACTED]	Road Network Operations Technician	Land Transport





**Approval of warrants**

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 Nigel Bowen



  
 \_\_\_\_\_  
 Bede Carran

  
 \_\_\_\_\_  
 Date

Name	Title	Unit
	Licensing Inspector & Enforcement Officer	Environmental Services
	Licensing Inspector & Enforcement Officer	Environmental Services
	Environmental Health Officer, Enforcement Officer & Licensing Inspector	Environmental Services
	Team Leader Animal Control and Parking	Environmental Services
	Animal Control Officer	Environmental Services
	Animal Control Officer	Environmental Services
	Animal Control Officer	Environmental Services
	Animal Control Officer	Environmental Services
	Animal Control Officer	Environmental Services
	Parking Officer	Environmental Services
	Parking Officer	Environmental Services
	Parking Officer	Environmental Services
	Parking Officer	Environmental Services
	Group Manager Environmental Services	Environmental Services
	Environmental Compliance Manager	Environmental Services

#1582878

## 9.2 Actions Register Update

**Author:** Jessica Kavanaugh, Governance Advisor

**Authoriser:** Jacky Clarke, Governance and Executive Support Manager

### Recommendation

That the Council receives and notes the updates to the Actions Register.

### Purpose of Report

- 1 The purpose of this report is to provide the Council with an update on the status of the action requests raised by councillors at previous Council meetings.

### Assessment of Significance

- 2 This matter is assessed to be of low significance under the Council's Significance and Engagement Policy as there is no impact on the service provision, no decision to transfer ownership or control of a strategic asset to or from Council, and no deviation from the Long Term Plan.

### Discussion

- 3 The Actions register is a record of actions requested by councillors. It includes a status and comments section to update the Council on the progress of each item.

### Attachments

1. Council Actions Required [↓](#) 

**Information Requested from Councillors (Council)**

<b>Information Requested</b>	Workshop on Consultants		
<b>Date Raised:</b>	21 March 2023	<b>Status:</b>	Complete
<b>Issue Owner</b>	Group Manager Commercial and Strategy	<b>Completed Date:</b>	25 July 2023
<p>Background: It was requested that a workshop on the use of consultants be provided.</p> <p>Update: This workshop was presented on 25 July 2023.</p>			

<b>Information Requested</b>	Workshop and site visit to Timaru Airport		
<b>Date Raised:</b>	27 June 2023	<b>Status:</b>	Ongoing
<b>Issue Owner</b>	Group Manager Infrastructure	<b>Completed Date:</b>	
<p>Background: A workshop and possible site visit to the Timaru Airport was requested together with the supporting information to the hub including the report to council on 06 September 2022</p> <p>Update: Masterplan in final stages of development and will be presented upon completion. 8 September Infrastructure Report and concept drawings on hub 28 July 2023.</p>			

<b>Information Requested</b>	Information on the Endowment fund not showing on the Annual Report		
<b>Date Raised:</b>	27 June 2023	<b>Status:</b>	Completed
<b>Issue Owner</b>	Group Manager Commercial and Strategy	<b>Completed Date:</b>	19 July 2023

**Background:**  
 The information on the Geraldine Endowment Land Fund that was not showing and the grant for the Peel Forest Outdoor Pursuit centre was funded from this reserve.

**Update:**  
 Officers have advised interested parties the process for funds being appropriated from reserves.

<b>Information Requested</b>	Showing resolution on livestream		
<b>Date Raised:</b>	27 June 2023	<b>Status:</b>	Complete
<b>Issue Owner</b>	Governance and Executive Support Manager	<b>Completed Date:</b>	26/07/2023
<p><b>Background:</b>                  It was requested if it would be possible for the resolution to be shown on the livestream.</p> <p><b>Update:</b>                  Discussed with the Mayor, currently working through a number of systems and workflow issues to be addressed and will revisit at the time of LTP.</p>			

<b>Information Requested</b>	Report on Earthquake Prone Buildings		
<b>Date Raised:</b>	27 June 2023	<b>Status:</b>	Ongoing
<b>Issue Owner</b>	Group Manager Commercial and Strategy	<b>Completed Date:</b>	
<p><b>Background:</b>                  The Councillors requested a report on the Earthquake prone buildings in the District.</p> <p><b>Update:</b>                  This information is currently being prepared for presentation to Commercial and Strategy meeting in September.</p>			



### 9.3 Timaru District Holdings Limited Director Fees

**Author:** Bede Carran, Chief Executive

**Authoriser:** Bede Carran, Chief Executive

#### Recommendation

1. That Council:
  - (i) Approves the Directors' fees for Timaru District Holdings Limited increasing by 2.2% with effect from 1 July 2023.
  - (ii) Provides direction to Officers on whether to undertake a full director remuneration review be completed for Timaru District Holdings Limited as part of the Long Term Plan 2024-34.

#### Purpose of Report

- 1 The purpose of this report is to present for Council's consideration and decision an increase of 2.2% in the directors' fees for Timaru District Holdings Limited (TDHL) with effect from 1 July 2023.

#### Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement Policy as it does not affect levels of service, strategic assets or rates. It is acknowledged the payment of directors' fees to the directors of Council Controlled Organisations (CCOs) is a matter of public interest as it involves the expenditure of public funds.

#### Background

- 3 There are 3 independent directors and 2 elected member directors on the Board of TDHL. The chairperson is paid \$60,000, deputy chairperson \$43,750 and directors \$35,000 a total of \$208,750. Directors' fees were last reviewed in August 2020.

- 4 Council has a Governance Remuneration, Allowances and Expenses Policy (Policy) which states in respect of directors' fees:

Council recognises that remuneration of directors to COs or appointed external members to committees or subcommittees is a matter of public interest. [refer cl 6.8, page 4]

- 5 For this reason the Policy states that remuneration and any changes, will require Council's approval and that it 'will be based on the nature of the organisation, committee, or subcommittee, the market rates for comparable positions, and any specific process for determining remuneration specified in the organisation's constitution.' [refer cl 6.9, pages 4-5]

#### Discussion

- 6 To ensure transparency and equity in considering a review of directors' fees an independent SnapShot of the TDHL fees prepared by the Institute of Directors (IoD) has been prepared

(refer attachment 1). Broadly, the SnapShot reports that the 12 month fee movement for directors of CCOs is an increase of 2.2%.

- 7 Officers believe, if Council decides to increase the directors' fees, it is in line with the Policy to apply the IoD's movement for CCOs of 2.2% which is a total fee increase for the 2023/24 financial year of \$4,382. This equals an increase of \$1,320 for the chair, \$962 for the deputy chair and \$700 each for the other 3 directors.
- 8 Officers also believe it is appropriate for Council to consider whether it wishes to undertake a full director remuneration review to be included as part of the next Long Term Plan. It is proposed that any changes approved by Council and arising from this review would be effective from 1 July 2024.
- 9 A fees tailored review can be carried out by a provider of remuneration information such as the IoD or Strategic Pay. This is a formal independent and in-depth benchmarking review providing appropriate fee range recommendations to Council. The process is to benchmark the organisation, in this instance TDHL, against a range of variables, including the organisation type, size and its operating industry. Organisations such as the IoD and Strategic Pay hold extensive survey data and fee trend information and supplement this knowledge with further research into other sources of fee information. A tailored review includes a detailed analysis of the duties, time commitments and complexity of the board roles and is enhanced with further advice and governance updates.
- 10 A fees tailored assignment generally takes up to 4 weeks to complete per organization, and assignment fees start from approximately \$5,000 (plus GST) for a commercial organisation (a quotation would be based on Councils specific requirements).
- 11 Directors' fees should be reviewed on a regular cyclical basis to ensure fairness for both the directors and the community who pay the fees. Appropriate remuneration is important to ensure that people with the requisite skills offer themselves for appointment. Equally, the community requires assurance that it is paying a fair and appropriate level of remuneration to the governing body of the Council's CCOs. An independent review by an organisation with recognised competency is the appropriate mechanism for balancing the competing requirements and interests of the different parties.

### **Options and Preferred Option**

- 12 Broadly, there are two options open to Council.
- 13 Option one is for Council to approve the increase at the IoD 12 month movement rate of 2.2%, or some other increased percentage. The advantage of using the IoD 12 month movement rate is that it is independently assessed and reflects the movement for CCOs.
- 14 The second option open to Council is to decline any increase in the directors' fees, and leave the fees as they are or to instruct Officers to undertake further research for alternative director fee arrangements. In addition to the issues of equity noted above, given the relatively modest amount involved it is not an efficient use of resources to undertake further research on what should be paid as directors' fees.

### **Consultation**

- 15 The IoD report was commissioned to provide independent and objective advice on directors' fees for Council to consider. Additionally, the Board of TDHL was advised of the IoD's SnapShot report and it advised they would be comfortable with an increase of 2.2%.

**Relevant Legislation, Council Policy and Plans**

- 16 When preparing the report regard has been had to the:
- (i) The Local Government Act 2002
  - (ii) The Companies Act 1993
  - (iii) The Governance Remuneration, Allowances and Expenses Policy.

**Financial and Funding Implications**

- 17 The Director Fees are funded from TDHL's budget which has reflect general price movement. Additionally, the relatively modest level of the increase can be absorbed within the current TDHL budget.

**Other Considerations**

- 18 Officers are not aware of any other considerations.

**Attachments**

1. **Institute of Directors Timaru District Holdings Director Fee SnapShot** [!\[\]\(2a133ebb0337313d16cc068f19494aa2\_img.jpg\) !\[\]\(e5831951c2bb646a242d812c288ddabc\_img.jpg\)](#)

## Director Fees



# Timaru District Holdings Director Fees Snapshot

APRIL 2023



**Governance** services

[iod.org.nz](http://iod.org.nz)

*The IoD's Director Fee SnapShot is intended to provide an overview of benchmark fee comparisons relevant to the client organisation. It does not include fee recommendations or the in-depth analyses of fees and hours that is included in our Director Fee tailored service. This report has been prepared as guidance for the board of Timaru District Holdings and is not intended to be exhaustive. It should not be used or relied upon by any other organisation other than the one it has been prepared for. The IoD believes the information it provides about comparable entities is accurate at the time it is provided but it relies on remuneration data provided by its members and on other publicly-available sources of information. The IoD provides no warranty (either expressed or implied) in relation to the completeness, accuracy or currency of any information provided about any comparator or third party organisation, and cannot be held liable for the consequences of any actions taken or not taken on the basis of such information.*

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## 1 Setting board fees

### Introduction

The depth and complexity of directors' duties are well known and growing. Given this, along with increased regulatory compliance and the personal risk that New Zealand directors face in their roles, setting director fees at the right level is essential.

Organisations need to attract progressive and effective directors who go beyond compliance, who aspire to meet the highest standards and are rewarded appropriately for their expertise and commitment.

Organisations should support and justify their board fee decisions with good disclosure, governance and accountability practices. This means demonstrating that fees have been set using robust processes and data.

### Benchmarking

Benchmarking is a good way to identify appropriate fee levels for directors. It is important to review benchmarks across a wide range of relevant criteria.

The IoD commissions an annual survey, which collects fee data from its members and New Zealand organisations, and that survey data forms the basis of the analyses in this report. Our 2022-23 survey includes information about over 2,200 New Zealand directorships, covering a wide cross-section of over 1,400 organisations. 79% of our surveyed members hold non-executive (independent) positions and our benchmarking focusses on these roles.

The IoD has reviewed our survey data to find suitable comparators to Timaru District Holdings in a variety of criteria (see pages 9 and 10). We provide data showing the level of remuneration for directors and chairs and the hours of work associated with the remuneration levels. We also provide overall fee movements for non-executive roles, as well as the annual fee movement in the organisation's comparator industry sector.

### Overall approach to setting fees

REMUNERATION OF DIRECTORS SHOULD BE TRANSPARENT,  
FAIR AND REASONABLE.

There is no 'right' or 'wrong' when it comes to setting fees because there are a multitude of factors that can influence remuneration levels. Ideally fees should be set by taking into account the individual circumstances of each organisation and the broader market context.

Generally the IoD recommends fixed fees, set annually at a level that reflects the commitment and skills your board requires and the level of liability and personal risk involved with the appointment. An overall fixed fee allows for



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Director Fee Snapshot – Timaru District Holdings April 2023

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occasional heavy workloads and takes on board the fact that director liability does not vary in relation to the number of meetings. A fixed fee approach also creates the expectation that a director will devote appropriate time to the organisation. The 2022-23 IoD directors' fees survey found that 80% of directors are paid a fixed fee, with only 3% paid a 'per meeting rate' and 3% a combination of the two.

Directors' fees are generally a 'fee for service'. In line with the principle of collective responsibility, base fees should be shared equally as a rule, except in the case of additional responsibility of workload such as the chair.

Before reaching a final decision with respect to fee levels, you should consider where your organisation sees itself within the market in terms of the level of remuneration it pays (e.g. lower, median, upper quartile). In addition, consider factors such as complexity of role/operating environment, risk and liability, beneficiary expectations, your own view on appropriate levels of gratuity, as well as ensuring a level of remuneration that will attract and retain appropriate candidates.

## 2 Directors' fees and the role of the board

### General

Trust and accountability underpin long-term success and sustainability, and directors of all organisations need integrity, courage, judgment, emotional agility, energy and curiosity.

The IoD's publication *The Four Pillars of Governance Best Practice* emphasises that the key role of a board is to add value to their organisations through four key governance functions:

- Determination of a company's fundamental purpose and strategy
- Leading an effective governance culture, characterised by integrity, robust decision making and effective relationships with management, shareholders and stakeholders
- Holding management to account, rigorously and accurately
- Ensuring effective compliance.

These are significant responsibilities and it is IoD's view that in order to be accountable, board members need to spend more focussed time, thought and enquiry on their organisation - within board meetings and outside of them.

A key element of good governance is having a robust approach to reviewing and setting board fees underpinned by comprehensive and robust data. Remuneration for board members needs to be set at a level that acknowledges responsibilities and risks, as well as to attract, motivate and retain members with the ability and character necessary to carry out these critical and demanding functions.

An elected board must still ensure remuneration levels are sufficient to attract the appropriate people to stand for election and to support elected individuals to perform their duties to the highest standards.

### The role of the chair

The chair facilitates the board but under the Companies Act all directors share equal responsibility. In practice the role of the chair depends on the extent of his or her involvement with the organisation. This can be influenced by:

- The size or particular circumstances of the company,
- The complexity of its operations,
- The quality of its chief executive and management team, and
- The administrative or contractual arrangements that the board or shareholders have put in place.



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In particular circumstances it may be appropriate for the chair to work significant additional hours. This may arise for example, where an organisation is dealing with a significant event, or is engaging in a major transaction. These additional hours are addressed in the chair fee by using a multiplier (premium) over the base director fee.

We generally advise that a good rule of thumb is a premium of around x1.8 to x2.0. Lower or higher loadings may be used depending on the individual circumstances of the organisation. In our 2022/23 survey, chair premiums vary with the lowest being x1.03 and the highest being x1.98.

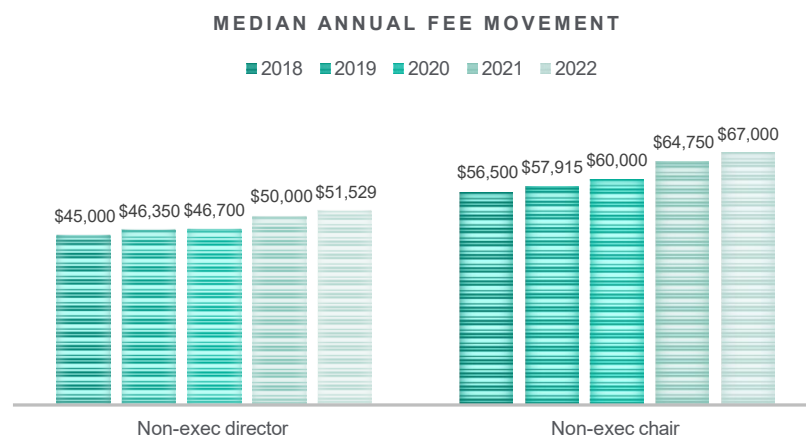
We generally recommend a loading of between x1.1 and x1.2 for committee chairs and from x1.25 for a deputy or vice chair.

### 3 General trends: IoD directors’ fees report

The key principle of a benchmarking exercise is to ensure that the fees Timaru District Holdings pays its board are relative to the market and take into account the remuneration levels provided to directors in New Zealand. The fees should reflect the added value directors bring to the organisation and adequately compensate them for their time, effort and skill level.

#### Median annual fee movements (non-executive roles)

Our latest and most comprehensive data on the remuneration of New Zealand directors is the 2022-23 IoD Directors’ Fees Report. The following graph shows the median annual fee movement across the entire survey data, which includes New Zealand organisations of all types and sizes and across all industries.



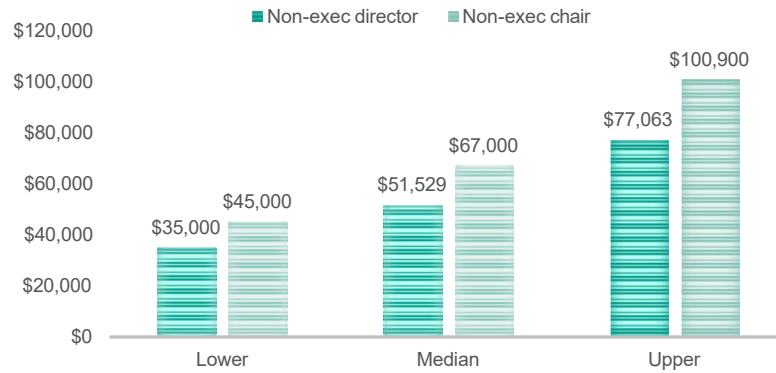
**The 5-year movement of fees is approximately 14.5% for non-executive directors and 18.6% for non-executive chairs.**

In the last 12 months, the median fee received by non-executive directors has increased by 3.1%, compared to a 7.1% movement in 2021. Non-executive chair fees have increased by 3.5%, compared to a 7.9% movement in 2021.

#### Overall survey quartiles

##### 2022 non-executive chair and director remuneration

The lower, median and upper quartiles for non-executive director remuneration in the most recent survey are \$35,000, \$51,529 and \$77,063 and for non-executive chairs, they are \$45,000, \$67,000 and \$100,900 respectively across the whole survey sample. The survey incorporates a very wide sample of organisations from NFPs to NZX listed companies.



**Other relevant fee movement data**

OUR FEE DATA USES THE ANZSIC (AUSTRALIAN AND NEW ZEALAND STANDARD INDUSTRIAL CLASSIFICATION) GROUPS

FEE CATEGORY	12 MONTH FEE MOVEMENT
Council Controlled Organisation	+ 2.2%
Banking, financial and insurance services	+ 10.3%
Electricity, gas, water and waste	+ 5.9%
Property and real estate services	+ 2.1%
Transport, postal and warehousing	+ 4.3%

## 4 Comparator fee benchmarking

### Director remuneration - comparator breakdown

The graph below shows director fee data relevant to Timaru District Holdings based on the information you have provided. Each fee category is a sub-set of our latest directors' fees survey. It demonstrates that Timaru District Holdings current director fee aligns to the lower quartile against the comparator fee categories.



### Chair remuneration - comparator breakdown

This graph shows chair fee data relevant to Timaru District Holdings based on the information you have provided. Each fee category is a sub-set of our latest directors' fees survey. It demonstrates that Timaru District Holdings current chair fee aligns to the medium quartile against the comparator fee categories.

NOTE: THE IOD'S DATA FOR DIRECTOR ROLES IS CONSIDERABLY DEEPER THAN FOR CHAIRS; THEREFORE OUR METHODOLOGY PLACES A HIGHER RELIANCE ON DIRECTOR DATA AS A BASIS FOR ESTIMATING FEES FOR ALL BOARD MEMBERS.



## 5 Time commitments

The roles and responsibilities of board members have expanded over recent years. Directors are reporting that they need to spend an increasing number of hours keeping up to date with an ever-changing business and operating environment.

Directors are paid for the expertise and skills they bring to the boardroom rather than for the specific time invested in the role. However, the hours devoted to the organisations' governance may provide an indication of the complexity of the roles, the level of involvement required, and is one of the considerations that can help to inform the decision on the appropriate level of fees.

The table below shows the time commitments for director and chair roles within comparator organisations. These hours include board meetings, committee attendance and other governance duties.

	NON-EXECUTIVE DIRECTOR			NON-EXECUTIVE CHAIR		
	LOWER QUARTILE HRS	MEDIAN QUARTILE HRS	UPPER QUARTILE HRS	LOWER QUARTILE HRS	MEDIAN QUARTILE HRS	UPPER QUARTILE HRS
New Zealand Owned	71	111	175	88	150	250
Council Controlled Organisation	104	136	198	150	204	309
Banking, financial and insurance services	60	104	188	142	201	255
Electricity, gas, water and waste	87	160	222	203	302	371
Property and real estate services	57	105	157	72	118	172
Transport, postal and warehousing	73	116	206	96	139	203
Revenue \$17.5m (10.1 - 20m)	72	101	124	108	170	281
Total assets \$174m (100.1-200m)	86	120	162	145	192	246
Shareholder funds \$149m (100.1- 200m)	91	139	195	141	293	359
Head count 2.5 (less than 20)	47	78	124	77	117	190
<b>Average of quartiles</b>	<b>75</b>	<b>117</b>	<b>175</b>	<b>122</b>	<b>189</b>	<b>264</b>

NOTE: SEE [APPENDIX 2](#) FOR A USEFUL TABLE ON WHICH TO MAP YOUR ORGANISATIONS DIRECTOR AND CHAIR HOURS TO COMPARE TO THE INFORMATION ABOVE.

## 6 Director hourly fees

The following table provides an analysis of hourly fee rates for directors in comparator data bands. As can be seen, hourly fees vary across industries, organisation types and sizes.

In some circumstances, hourly fees or 'per meeting' rates can be useful alternative fee structures to an annual fixed fee. For example in an environment where meetings numbers are relatively stable or when time commitments are low.

However, when meeting numbers or time commitments fluctuate significantly, it can make it difficult to track governance fees or to set an annual budget for board fees.



NON-EXECUTIVE DIRECTOR			
	LOWER QUARTILE HOURLY FEES (\$)	MEDIAN QUARTILE HOURLY FEES (\$)	UPPER QUARTILE HOURLY FEES (\$)
New Zealand Owned	176	310	500
Council Controlled Organisation	157	284	366
Banking, financial and insurance services	240	396	539
Electricity, gas, water and waste	242	345	458
Property and real estate services	398	555	735
Transport, postal and warehousing	224	343	517
Revenue \$17.5m (10.1 - 20m)	203	347	533
Total assets \$174m (100.1- 200m)	208	352	459
Shareholder funds \$149m (100.1- 200m)	325	427	570
Head count 2.5 (less than 20)	171	290	526
<b>AVERAGE HOURLY FEES</b>	<b>234</b>	<b>365</b>	<b>520</b>

### Ongoing fee review policy

Because of movements in the market and other factors, such as inflation and CPI, fees are not static. They should be assessed for market appropriateness regularly. We encourage a discipline to update the benchmark data regularly. Best practice would be to review director fees annually, and it should be no longer than 3 years. This should identify if the fees remain competitive or if the fee gap is widening. A significant fee gap against benchmark may indicate the need for a fee adjustment.

### Transparency of fee decisions

Consistent and open reporting on director fees helps build trust and confidence in business and corporate governance. We encourage all organisations to think beyond compliance. They should disclose director payments openly and consistently. Boards of all types of entities are welcome to use the IoD's [Guide to disclosing director remuneration in annual reports](#).

## Appendix 1 - Board size considerations

The interests of shareholders of a company will be best served if its board acts with maximum efficiency and effectiveness. The optimum number of directors required to attain maximum efficiency and effectiveness on any given board will depend on such factors as the company's size, nature, diversity and complexity of its business and its ownership structure.

A board that is too large may not give its members the opportunity of participating in discussions and decisions to the best of their abilities. It may result in board proceedings being unnecessarily prolonged. On the other hand, a board that is too small will limit the breadth of knowledge, experience and viewpoints that would otherwise be available to it and from which it could usefully benefit.

As a general rule, a board numbering between six and eight members is usually found to be the most appropriate in the case of medium to large-sized companies. This also takes the relatively small size of New Zealand companies in international terms into account. Smaller companies may operate quite satisfactorily with a lower number. Under NZX listing rules, the minimum number for a listed company (disregarding alternate directors) is three.

It is not really possible or practical to specify an ideal and optimal number for all boards. What every board needs to do is to achieve the right balance to suit the circumstances and requirements of the company and the board itself. Capable directors are valuable resources and on occasion both large and small boards suffer for lack of a uniform spread of excellent and capable directors. Ideally, a board should not be so large as to make a uniform level of capability difficult nor should it be too small that capability gaps are evident.

### Average number of directors

(FROM THE 2022-23 IOD DIRECTORS' FEES REPORT)

#### Board size for comparator organisation type

ORGANISATION TYPE	LOWER QUARTILE	MEDIAN QUARTILE	UPPER QUARTILE	AVERAGE
Council Controlled Organisation	5	6	8	6



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## Appendix 2 – Table to map chair and director time commitments

ACTIVITY	NUMBER	TIME IN HOURS	PREP TIME (HOURS)	HOURS PER ANNUM (ESTIMATE)
Board meetings				
<ul style="list-style-type: none"> <li>Sub-committee: (e.g Audit and Risk)</li> </ul>				
<ul style="list-style-type: none"> <li>Sub-committee:</li> </ul>				
<ul style="list-style-type: none"> <li>Sub-committee: (etc)</li> </ul>				
Other director time commitments	<i>e.g. stakeholder meetings, conferences, administration</i>			
<b>Average annual hours for director</b>	<i>Total director hours is the sum of the above rows</i>			
Chair – other time commitments	<i>e.g. meetings with CEO, functions, conferences, stakeholder meetings, administration</i>			
<b>Average annual hours for chair</b>	<i>Total chair hours is the sum of 'average annual hours for director' plus additional chair time commitments</i>			

## Appendix 3 – IoD Services for boards

### We will help you build a better board

We can help you strengthen the capabilities of your existing board with board evaluations, in-house training, director recruitment and fee advice.

*Evaluated your board lately?*

If you are seeking an impartial and independent review of your boards performance, our evaluations are tailored to your needs. Contact us today and discuss how you can get the most out of your next **board evaluation**.

*Want training for your whole board?*

We can organise a tailored **in-house training** programme for your whole board and, if desired, your senior executive team. Please contact us and we can talk through some options with you.

*Need to fill a vacancy at the board table?*

We can help you find prospective board members who will complement your organisation’s needs and your current board composition through our **board appointments** and **director vacancies** services. Please contact us to discuss further.

*Are you paying fair fees for your board of directors?*

We can provide independent analysis to ensure your fee level is at an appropriate level based on your organisations type, size and sector. Using this service demonstrates a robust and transparent approach to setting fee levels. If you need advice in setting the level of your **director fees** please give us a call.

**For further information, please contact our Governance Services team**

Phone: 0800 846 369

Email: [GovernanceServices@iod.org.nz](mailto:GovernanceServices@iod.org.nz)

Web: [iod.org.nz/ServicesforBoards](http://iod.org.nz/ServicesforBoards)



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## Appendix 4 – Understanding the data measures

<p><b>LOWER QUARTILE</b></p>	<p>This represents the point at which, when ranked from the lowest value to the highest value, 25% of the sample is lower and 75% of the sample is higher. The Lower Quartile is also known as the 25th percentile.</p>
<p><b>MEDIAN</b></p>	<p>When data is ranked from the lowest value to the highest value, the median represents the middle point of the data. At the median, 50% of the sample is lower and 50% of the sample is higher. The median is also known as the 50th percentile.</p>
<p><b>UPPER QUARTILE</b></p>	<p>This represents the point at which, when ranked from the lowest value to the highest value, 75% of the sample is lower and 25% of the sample is higher. The Upper Quartile is also known as the 75th percentile.</p>
<p><b>AVERAGE</b></p>	<p>Indicates the average value of remuneration or benefit in any given sample. The average is calculated by adding the numbers in a sample and then dividing by the count of the sample.</p>

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**9.4 Presentation of Timaru District Holdings Limited Statement of Intent for 2023/24**

**Author:** Trudie Hurst, Group Manager Commercial and Strategy  
**Authoriser:** Bede Carran, Chief Executive

**Recommendation**

1. That Council receives and notes Timaru District Holdings Limited's Statement of Intent for 2023/24.

**Purpose of Report**

- 1 To receive and note the Statement of Intent (Sol) for Timaru District Holdings Limited (TDHL) for 2023/24.

**Assessment of Significance**

- 2 This matter is of low significance in terms of Council's Significance and Engagement Policy. Council has previously discussed the Sol with the board of TDHL and provided feedback. The Sol for 2023/24 does not include any significant or material shift in the agreed objectives and priorities in the work TDHL undertakes as a Council Controlled Organisation (CCO).

**Discussion**

- 3 As a CCO TDHL is required to prepare a Sol annually and deliver it to the shareholder before the commencement of the financial year to which it relates. Mr Frazer Munro, General Manager for TDHL will be present to discuss this report.
- 4 Council has previously discussed the objectives and priorities TDHL has planned for 2023/24.
- 5 The Statement of Intent is reviewed and updated on an annual basis and was finalised by the TDHL Board on 22 June 2023. Work on the Statement of Intent for the 24/25 year begins in November and December of 2023. It would be beneficial to Council to engage early with the Board and General Manager of TDHL, Mr Frazer Munro, in October 2023, through either a working group, or combined workshop process.
- 6 TDHL provides quarterly reports on progress against the Statement of Intent to Council throughout the year.

**Attachments**

1. **TDHL Statement of Intent 2023/24** [↓](#) 





**TDHL**  
Timaru District Holdings Ltd  
*Delivering Prosperity*

# Statement of Intent 2023/2024

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[www.tdhl.co.nz](http://www.tdhl.co.nz)

Timaru District Holdings Ltd  
Statement of Intent 2023/2024

# Statement of Intent

## 1. Introduction

Timaru District Holdings Limited (TDHL) is a council-controlled organisation as defined by Section 6 of the Local Government Act 2002 (the Act). Accordingly, this Statement of Intent is prepared in accordance with section 64(1) of the Act.

This Statement of Intent sets out TDHL's strategic framework and the resulting activity and financial performance measures by which the performance of TDHL can be judged in accordance with the statutory requirements of Part 2 of Schedule 8 of the Act. It applies to the period 1 July 2023 to 30 June 2024 and the following two financial years.

TDHL was incorporated on 29 October 1997 as a 100% owned subsidiary of the Timaru District Council. Its purpose is to manage and grow an investment portfolio that provides a sustainable intergenerational return and is aligned with the values of the Shareholder.

The initial cornerstone assets were the shareholding in PrimePort Timaru Limited and Alpine Energy Limited which TDHL purchased off Timaru District Council. These remain key investments for TDHL forming intergenerational assets held in the interest of ensuring the community is provided with value add infrastructure.

Alpine Energy owns and manages infrastructure to provide secure reliable electricity supply in South Canterbury. PrimePort owns and operates the port, cargo and marine services along with facilities that support and enable the growth of our local economy through its connection to world markets.

TDHL also owns an industrial and commercial property portfolio which it actively manages. The purpose of this portfolio is to provide a commercial return and support the capacity of the Port. In addition, TDHL owns a smaller portfolio of property aimed at supporting wider economic investment.

**Timaru District Holdings Ltd**  
Statement of Intent 2023/2024

**2. Purpose of TDHL**

In addition to the requirements of s59 of the Act, the core purpose of TDHL is set out below. This reflects an approach focused on generating a financial return for our principal shareholder.

**Core Purpose**

*To manage and grow an investment portfolio that provides a sustainable intergenerational return and is aligned to the values of the Shareholder*

**3. TDHL Vision**

This is an aspirational goal that reflects the future state TDHL seeks to attain.

**Vision**

*To be a successful and diversified regional investment company*

**4. TDHL Values**

The values below set out the principles by which TDHL will go about achieving its purpose and vision

**We are Collaborative**

TDHL will work closely alongside its stakeholders, supporting their success and enhancing their reputation

**We are Agile**

TDHL will be nimble and move quickly to respond to the needs of its stakeholders and capitalise on new opportunities

**We are Intergenerational**

TDHL will take a sustainable and long-term view to the commercial and financial management of its investments

**We have Integrity**

TDHL will act with clear intent, honesty in all it does to maintain the trust and respect it holds with its stakeholders.

**We have Commercial Discipline**

TDHL will foster an innovative and proactive corporate culture that creates opportunities while delivering on operational and regulatory obligations

**TDHL**  
Timaru District Holdings Ltd  
*Delivering Prosperity*

**Timaru District Holdings Ltd**  
Statement of Intent 2023/2024

**5. Strategic Priorities**

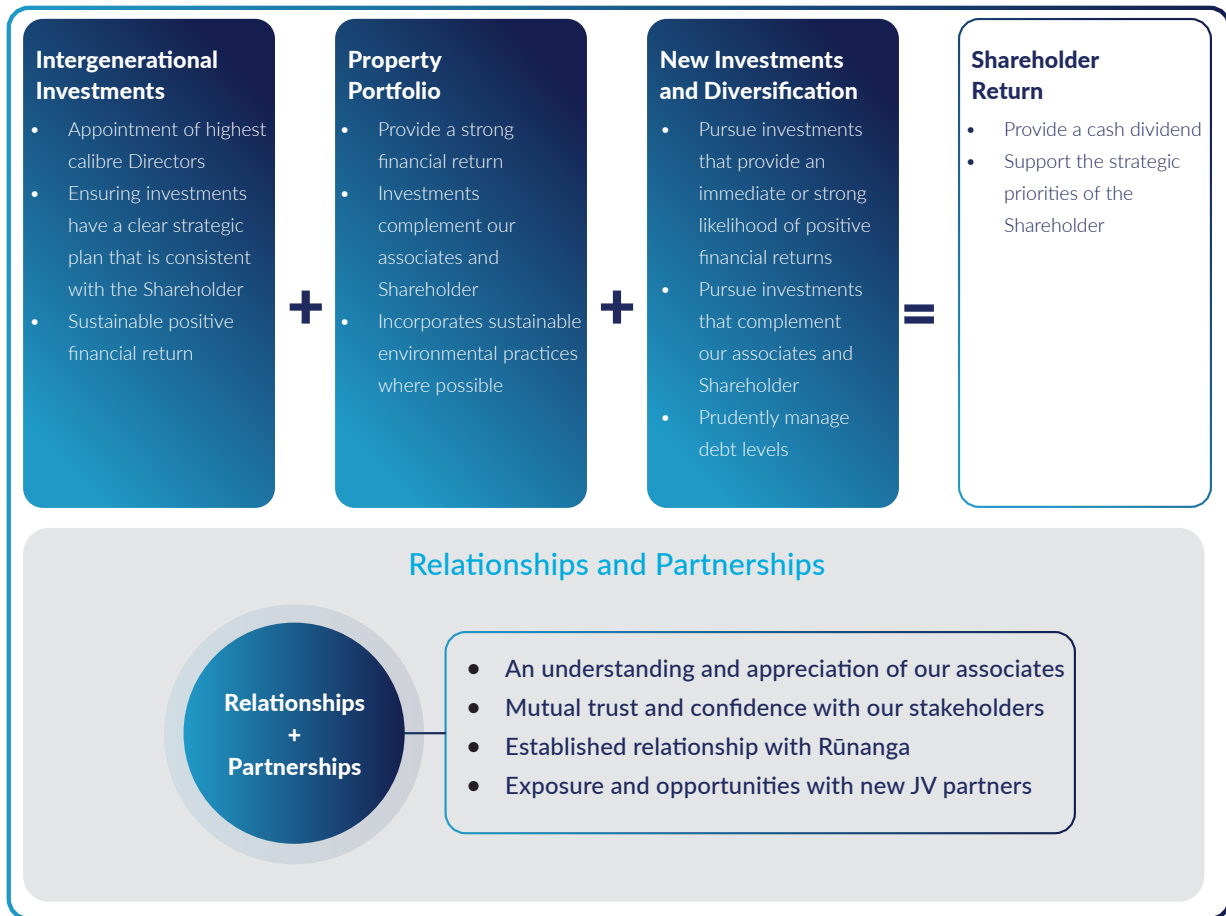
The Strategic Priorities are our areas of key focus. By successfully concentrating on these priorities, we will remain focused on our Core Purpose. They are structured to reflect the nature of our operations (intergenerational investment, property, new investments and diversification) and the core purpose of TDHL (providing a return to the Shareholder), all of which is underpinned by our approach (investing in relationships and partnerships). This approach reflects the importance we place on preserving our most valuable asset – our relationship with Council. This is supported by a ‘No Surprises Approach’ whereby TDHL is committed to keeping the Council informed of material matters at all times.



Timaru District Holdings Ltd  
Statement of Intent 2023/2024

6. Objectives and Outcomes

The Outcomes are the long-term results of focusing on each Strategic Priority and provide more granular detail to support the strategic priorities.



The property investments that complement our shareholder and the support of the strategic priorities of our shareholder shall be considered to the extent that they are commercially viable, clearly articulated by the shareholder, and does not inhibit reinvestment or the dividend.

Timaru District Holdings Ltd  
Statement of Intent 2023/2024

7. Specific Activity and Financial Performance Targets for 2023/24

The Specific Performance Targets are set annually and are designed to support the Strategic Outcomes based on the more granular Outcomes.



For the 2023/24 year, TDHL expects to have a net profit of \$0.86M excluding valuations and share of associate surpluses and to pay an ordinary dividend of \$1m. The dividend is forecast to remain at \$1m for subsequent years.

Performance Targets

	2021/22 Actuals	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
<b>EBITDA</b> (excluding revaluations)	3,908,000	3,696,151	3,080,421	3,253,451	3,511,141
Net Profit After Tax to S/H funds (ROE)	2.0%	2.08%	1.63%	1.74%	1.92%
Net tangible assets per fully paid share	4.82	4.87	4.87	4.87	4.88
Earnings per fully paid share	0.10	0.10	0.08	0.08	0.09
Dividends per fully paid share	0.03	0.03	0.03	0.03	0.03
Shareholder funds to total assets	85%	83%	83%	82%	81%

8. Financial Forecasts

The financial forecasts are based on estimated revenue flows and estimated capital structures.

Profit and Loss summary

	2021/22 Actuals	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
<b>Summary</b>					
Gross Profit from Property	2,214,601	2,395,268	2,365,381	2,545,279	2,873,840
Other Revenue	2,427,848	2,183,533	1,942,280	1,942,280	1,942,280
<b>Total Gross Profit</b>	<b>4,642,449</b>	<b>4,578,801</b>	<b>4,307,661</b>	<b>4,487,559</b>	<b>4,816,120</b>
Expenses	666,471	882,650	1,227,240	1,234,108	1,304,979
Interest	718,537	1,581,612	2,185,029	2,217,979	2,151,464
<b>Net Profit</b>	<b>3,257,440</b>	<b>2,114,539</b>	<b>895,392</b>	<b>1,035,472</b>	<b>1,359,677</b>

Balance Sheet Summary

	2021/22 Actuals	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
<b>Total Equity</b>	<b>149,476,536</b>	<b>151,091,075</b>	<b>150,986,467</b>	<b>151,021,939</b>	<b>151,381,616</b>
Current Assets	5,188,140	5,642,061	1,127,058	898,644	971,647
Current Liabilities	1,312,621	1,103,961	1,142,424	1,148,539	1,161,861
Total Non-Current Assets	169,781,631	176,933,588	180,741,580	183,311,581	185,511,577
Total Non-Current Liabilities	24,180,613	30,380,613	29,739,747	32,039,747	33,939,747
<b>Net Assets</b>	<b>149,476,536</b>	<b>151,091,075</b>	<b>150,986,467</b>	<b>151,021,939</b>	<b>151,381,616</b>



Timaru District Holdings Ltd  
Statement of Intent 2023/2024

9. Reporting to a Shareholder

The following information will be available to Council:

Information	Quarterly	Half Yearly	Annually	
	Within 2 months of the end of quarter	Within 2 months of the first six months	(Unaudited) Within 2 months of the end of financial year	(Audited) Within 3 months of the end of financial year
Statement of Revenue and Expense disclosing actual revenue and expenditure including a comparison of actual against budget	✓	✓	✓	✓
Statement of Changes in Equity	✓	✓	✓	✓
Statement of Financial Position	✓	✓	✓	✓
Cashflow Statement	✓	✓	✓	✓
Commentary The results for the quarter, together with a report on the outlook for the following quarter with reference to any significant factors that are likely to affect performance, include an estimated forecast of the financial results for the year based on that outlook.	✓	✓	✓	✓
Notice of dividends Notice of and the reasons for any material changes to the dividend payments.	✓	✓	✓	✓
Directors' report Including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to dividends.				✓
Auditor's report On the above statements and the measurement of performance in relation to objectives.				✓
Statement of Intent (Draft)				1 March
Statement of Intent (Final)				30 June



**Timaru District Holdings Ltd**

Statement of Intent 2023/2024

**10. Nature and Scope of Activities to be Undertaken**

TDHL's business is that of an investor for the benefit of our Shareholder by providing a commercial return. In all activities that TDHL undertakes, it shall apply the values set out above. The specific nature and scope of TDHL's activities include:

**a. Intergenerational Investments. As shareholders in Alpine Energy Ltd – (47.5%) and PrimePort Timaru Ltd – (50.0%) we will:**

- Act as an informed, diligent, constructive, and inquiring Shareholder
- Proactively engage on their Board skills, matrix, succession planning, strategic outlook, financial performance and their Statement of Intent

**b. Property investments including:**

- Properties primarily located in the vicinity of PrimePort Timaru that are targeted for leasing to port-related operations to achieve an overall set rate of return
- Activities to be undertaken include:
  - Ensuring appropriate leases are in place and lessees are compliant with the terms of those leases
  - Having appropriate insurance in place
  - Having appropriate asset management plans in place that comply with TDHL's obligations as a Lessor under the Health and Safety at Work Act

**c. New Investments and Diversification**

TDHL will undertake activities that enables the consideration and pursuit of new investments and diversification opportunities that are consistent with its purpose. The priorities for 2023/24 include:

- Development of a Statement of Investment Policy and Objectives
- The proactive development of industrial land

**Timaru District Holdings Ltd**

## Statement of Intent 2023/2024

**11. Governance**

TDHL proactively seeks to promote the highest standards of governance internally, with its shareholder, our joint venture partners and to its associates.

The TDHL Board meets on a monthly schedule and receives regular management reporting on all company activities. TDHL monitors the performance of associate companies Alpine Energy Ltd and PrimePort Timaru Ltd through:

- Monitoring each company's compliance with their Statement of Intent
- Regular monthly reporting on performance and against budget
- Regular reports on the property portfolio
- The AGM between each company and shareholders, as well as additional shareholder and Board to Board meetings on an as needed basis

Board succession and development planning for the TDHL Board (in conjunction with Council) and its associate companies (where TDHL has a right to appoint directors) will be managed on an ongoing basis. This includes the maintenance of an up-to-date skills matrix for the TDHL Board and an annual Board performance review.

**12. Ratio of Consolidated Shareholders' Funds to Total Assets**

This ratio shows the proportion of total assets financed by shareholders funds. TDHL will ensure that the ratio of Shareholders Funds to Total Assets remains above 25%.

For the purposes of this ratio, shareholders' funds are defined as the paid-up capital plus any tax-paid profits earned and less any dividends distributed to shareholders. They include undistributed profits, which have been accumulated into equity.

Total assets are defined as the sum of all current, fixed and investment assets of the group.

**13. Statement of Accounting Policies**

TDHL is registered under the Companies Act 1993. The Company's accounting policies comply with the legal requirements of the Companies Act 1993.

The financial statements are prepared in accordance with the Financial Reporting Act 1993, section 69 of the Local Government Act 2002, the New Zealand International Financial Reporting Standards and generally accepted accounting practice.

Details of the current accounting policies and their application are available in the most recent Annual Report which can be found here.

**Timaru District Holdings Ltd**

## Statement of Intent 2023/2024

**14. Periodic Workshops**

Strategic or targeted workshops will be offered to Council as needed, to improve Council's understanding of TDHL's business, to workshop matters of mutual interest or concern, and to discuss TDHL's performance and direction. Workshops are intended to be held once a year in addition to the AGM.

**15. Dividend Policy**

The company will distribute a dividend of no more than 100% of the accumulated tax-paid profit. It is the intention of TDHL to pay out interim dividends as cashflows allow. Dividends are to be disclosed along with the dividend payout policies, where applicable. Where there are material changes to the dividend payments, a notice of this and the reasons for it shall be disclosed in its reporting to the Council.

**16. Procedures for Acquisition of Other Interests**

The company will only purchase an interest in another business or invest in the shares of another company or organisation on the basis set out in its constitution.

**17. Activities for Which Compensation is Sought from Any Local Authority**

It is not anticipated that the Company will seek compensation from any local authority otherwise than in the context of normal commercial contractual relationships.

**18. Estimate of Commercial Value of the Shareholders' Investment**

The commercial value of the shareholders' investment in Timaru District Holdings Limited is considered by the directors to be no less than the shareholders' funds of the company as shown in the Statement of Financial Position. This will be considered annually when the Statement of Intent is completed. The shares held in Alpine Energy Limited were independently valued between \$104.4 and \$109.4 million as at 30 June 2022 whereas the cost and recorded value of these shares are \$84.4 million. The shares held in PrimePort Timaru Limited are recorded at fair value \$39.5 million as at 30 June 2022. No independent valuation has been completed at this time. The investment properties portfolio is revalued annually, at 30 June 2022 the portfolio had a valuation of \$46.8 million.

**19. Capital Expenditure and Asset Management Intentions**

TDHL will update Timaru District Council on its capital expenditure and asset management intentions as part of its periodic reporting and workshops.

**20. Other**

**Land:** Activities on TDHL's land will have appropriate consents and leases in place, and TDHL will use all reasonable endeavors to ensure lessees comply with their leases and consent conditions.



## 9.5 Venture Timaru Limited: Directors' Fees review

**Author:** Bede Carran, Chief Executive

**Authoriser:** Bede Carran, Chief Executive

### Recommendation

1. That Council:
  - (i) Approves the Directors' fees for Venture Timaru Limited increasing by 2.2% with effect from 1 July 2023.
  - (ii) Provides direction to Officers on whether to undertake a full director remuneration review be completed for Venture Timaru Limited as part of the Long Term Plan 2024-34.

### Purpose of Report

- 1 The purpose of this report is to present for Council's consideration and decision an increase of 2.2% in the directors' fees for Venture Timaru Limited with effect from 1 July 2023.

### Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement Policy as it does not affect levels of service, strategic assets or rates. It is acknowledged the payment of directors' fees to Council Controlled Organisations is a matter of public interest as it involves the expenditure of public funds.

### Background

- 3 There are 7 directors on the Board of Venture Timaru Limited. The directors are paid \$10,000 each with an additional \$5,000 paid to the chair, a total of \$75,000. Directors' fees were last reviewed in June 2020.
- 4 Council has a Governance Remuneration, Allowances and Expenses Policy (Policy) which states in respect of directors' fees:

'Council recognises that remuneration of directors to COs or appointed external members to committees or subcommittees is a matter of public interest.' [refer cl 6.8, page 4]
- 5 For this reason the Policy states that remuneration and any changes requires Council approval and that it 'will be based on the nature of the organisation, committee, or subcommittee, the market rates for comparable positions, and any specific process for determining remuneration specified in the organisation's constitution.' [refer cl 6.9, pages 4-5]

### Discussion

- 6 To ensure transparency and equity in considering a review of directors' fees an independent SnapShot of the Venture Timaru Limited fees prepared by the Institute of Directors (IoD) has been prepared (refer attachment 1). Broadly, the SnapShot reports that the 12 month fee movement for directors of CCOs is an increase of 2.2%.

- 7 Officers believe, if Council decides to increase the directors' fees, it is in line with the Policy to apply the IoD's movement for CCOs of 2.2% which is a total fee increase for the 2023/24 financial year of \$4,382. This equals an increase of \$1,320 for the chair, \$962 for the deputy chair and \$700 each for the other 3 directors.
- 8 Officers also believe it is appropriate for Council to consider whether it wishes to undertake a full director remuneration review to be included as part of the next Long Term Plan. It is proposed that any changes approved by Council and arising from this review would be effective from 1 July 2024.
- 9 A fees tailored review can be carried out by a provider of remuneration information such as the IoD or Strategic Pay. This is a formal independent and in-depth benchmarking review providing appropriate fee range recommendations to Council. The process is to benchmark the organisation, in this instance TDHL, against a range of variables, including the organisation type, size and its operating industry. Organisations such as the IoD and Strategic Pay hold extensive survey data and fee trend information and supplement this knowledge with further research into other sources of fee information. A tailored review includes a detailed analysis of the duties, time commitments and complexity of the board roles and is enhanced with further advice and governance updates.
- 10 A fees tailored assignment generally takes up to 4 weeks to complete for one organisation. Assignment fees start from approximately \$5,000 (plus GST) for a not-for-profit organisation and \$4,750 for a commercial organisation (a quotation would be based on Councils specific requirements).
- 11 Directors' fees should be reviewed on a regular cyclical basis to ensure fairness for both the directors and the community who pay the fees. Appropriate remuneration is important to ensure that people with the requisite skills offer themselves for appointment. Equally, the community requires assurance that it is paying a fair and appropriate level of remuneration to the governing body of the Council's CCOs. An independent review by an organisation with recognised competency is the appropriate mechanism for balancing the competing requirements and interests of the different parties.

### **Options and Preferred Option**

- 12 Broadly, there are two options open to Council.
- 13 Option one is for Council to approve the increase at the IoD 12 month movement rate of 2.2%, or some other increased percentage. The advantage of using the IoD 12 month movement rate is that it is independently assessed and reflects the movement for CCOs.
- 14 The second option open to Council is to decline any increase in the directors' fees, and leave the fees as they are or to instruct Officers to undertake further research for alternative director fee arrangements. In addition to the issues of equity noted above, given the relatively modest amount involved it is not an efficient use of resources to undertake further research on what should be paid as directors' fees.

### **Consultation**

- 15 The IoD report was commissioned to provide independent and objective advice on directors' fees for Council to consider. Additionally, the Board of Venture Timaru Limited was advised of the IoD's SnapShot report and it advised they would be comfortable with an increase of 2.2%.

**Relevant Legislation, Council Policy and Plans**

- 16 When preparing the report regard has been had to the:
- (i) The Local Government Act 2002
  - (ii) The Companies Act 1993
  - (iii) The Governance Remuneration, Allowances and Expenses Policy.

**Financial and Funding Implications**

- 17 The Director Fees are funded from Venture Timaru Limited's budget which has reflected general price movement. Additionally, the modest level of the increase can be absorbed within the current Venture Timaru Limited budget.

**Other Considerations**

- 18 Officers are not aware of any other considerations.

**Attachments**

1. **Institute of Directors Venture Timaru Director Fee SnapShot** [↓](#) 

## DirectorFees



# Venture Timaru Director Fees Snapshot

MAY 2023



**Governance** services

[iod.org.nz](http://iod.org.nz)



*The IoD's Director Fee SnapShot is intended to provide an overview of benchmark fee comparisons relevant to the client organisation. It does not include fee recommendations or the in-depth analyses of fees and hours that is included in our Director Fee tailored service. This report has been prepared as guidance for the board of Venture Timaru and is not intended to be exhaustive. It should not be used or relied upon by any other organisation other than the one it has been prepared for. The IoD believes the information it provides about comparable entities is accurate at the time it is provided but it relies on remuneration data provided by its members and on other publicly-available sources of information. The IoD provides no warranty (either expressed or implied) in relation to the completeness, accuracy or currency of any information provided about any comparator or third party organisation, and cannot be held liable for the consequences of any actions taken or not taken on the basis of such information.*

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## 1 Setting board fees

### Introduction

The depth and complexity of directors' duties are well known and growing. Given this, along with increased regulatory compliance and the personal risk that New Zealand directors face in their roles, setting director fees at the right level is essential.

Organisations need to attract progressive and effective directors who go beyond compliance, who aspire to meet the highest standards and are rewarded appropriately for their expertise and commitment.

Organisations should support and justify their board fee decisions with good disclosure, governance and accountability practices. This means demonstrating that fees have been set using robust processes and data.

### Benchmarking

Benchmarking is a good way to identify appropriate fee levels for directors. It is important to review benchmarks across a wide range of relevant criteria.

The IoD commissions an annual survey, which collects fee data from its members and New Zealand organisations, and that survey data forms the basis of the analyses in this report. Our 2022-23 survey includes information about over 2,200 New Zealand directorships, covering a wide cross-section of over 1,400 organisations. 79% of our surveyed members hold non-executive (independent) positions and our benchmarking focusses on these roles.

The IoD has reviewed our survey data to find suitable comparators to Venture Timaru in a variety of criteria (see pages 9 and 10). We provide data showing the level of remuneration for directors and chairs and the hours of work associated with the remuneration levels. We also provide overall fee movements for non-executive roles, as well as the annual fee movement in the organisation's comparator industry sector.

### Overall approach to setting fees

REMUNERATION OF DIRECTORS SHOULD BE TRANSPARENT,  
FAIR AND REASONABLE.

There is no 'right' or 'wrong' when it comes to setting fees because there are a multitude of factors that can influence remuneration levels. Ideally fees should be set by taking into account the individual circumstances of each organisation and the broader market context.

Generally the IoD recommends fixed fees, set annually at a level that reflects the commitment and skills your board requires and the level of liability and personal risk involved with the appointment. An overall fixed fee allows for

occasional heavy workloads and takes on board the fact that director liability does not vary in relation to the number of meetings. A fixed fee approach also creates the expectation that a director will devote appropriate time to the organisation. The 2022-23 IoD directors' fees survey found that 80% of directors are paid a fixed fee, with only 3% paid a 'per meeting rate' and 3% a combination of the two.

Directors' fees are generally a 'fee for service'. In line with the principle of collective responsibility, base fees should be shared equally as a rule, except in the case of additional responsibility of workload such as the chair.

Before reaching a final decision with respect to fee levels, you should consider where your organisation sees itself within the market in terms of the level of remuneration it pays (e.g. lower, median, upper quartile). In addition, consider factors such as complexity of role/operating environment, risk and liability, beneficiary expectations, your own view on appropriate levels of gratuity, as well as ensuring a level of remuneration that will attract and retain appropriate candidates.

## 2 Directors' fees and the role of the board

### General

Trust and accountability underpin long-term success and sustainability, and directors of all organisations need integrity, courage, judgment, emotional agility, energy and curiosity.

The IoD's publication *The Four Pillars of Governance Best Practice* emphasises that the key role of a board is to add value to their organisations through four key governance functions:

- Determination of a company's fundamental purpose and strategy
- Leading an effective governance culture, characterised by integrity, robust decision making and effective relationships with management, shareholders and stakeholders
- Holding management to account, rigorously and accurately
- Ensuring effective compliance.

These are significant responsibilities and it is IoD's view that in order to be accountable, board members need to spend more focussed time, thought and enquiry on their organisation - within board meetings and outside of them.

A key element of good governance is having a robust approach to reviewing and setting board fees underpinned by comprehensive and robust data. Remuneration for board members needs to be set at a level that acknowledges responsibilities and risks, as well as to attract, motivate and retain members with the ability and character necessary to carry out these critical and demanding functions.

An elected board must still ensure remuneration levels are sufficient to attract the appropriate people to stand for election and to support elected individuals to perform their duties to the highest standards.

### The role of the chair

The chair facilitates the board but under the Companies Act all directors share equal responsibility. In practice the role of the chair depends on the extent of his or her involvement with the organisation. This can be influenced by:

- The size or particular circumstances of the company,
- The complexity of its operations,
- The quality of its chief executive and management team, and
- The administrative or contractual arrangements that the board or shareholders have put in place.

In particular circumstances it may be appropriate for the chair to work significant additional hours. This may arise for example, where an organisation is dealing with a significant event, or is engaging in a major transaction. These additional hours are addressed in the chair fee by using a multiplier (premium) over the base director fee.

We generally advise that a good rule of thumb is a premium of around x1.8 to x2.0. Lower or higher loadings may be used depending on the individual circumstances of the organisation. In our 2022/23 survey, chair premiums vary with the lowest being x1.03 and the highest being x1.98.

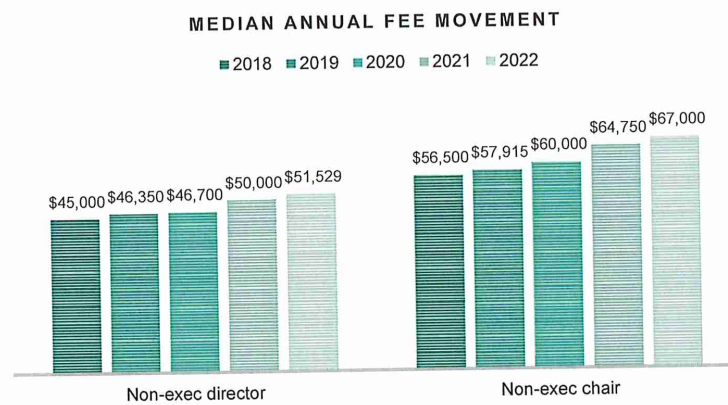
We generally recommend a loading of between x1.1 and x1.2 for committee chairs and from x1.25 for a deputy or vice chair.

### 3 General trends: IoD directors’ fees report

The key principle of a benchmarking exercise is to ensure that the fees Venture Timaru pays its board are relative to the market and take into account the remuneration levels provided to directors in New Zealand. The fees should reflect the added value directors bring to the organisation and adequately compensate them for their time, effort and skill level.

#### Median annual fee movements (non-executive roles)

Our latest and most comprehensive data on the remuneration of New Zealand directors is the 2022-23 IoD Directors’ Fees Report. The following graph shows the median annual fee movement across the entire survey data, which includes New Zealand organisations of all types and sizes and across all industries.



**The 5-year movement of fees is approximately 14.5% for non-executive directors and 18.6% for non-executive chairs.**

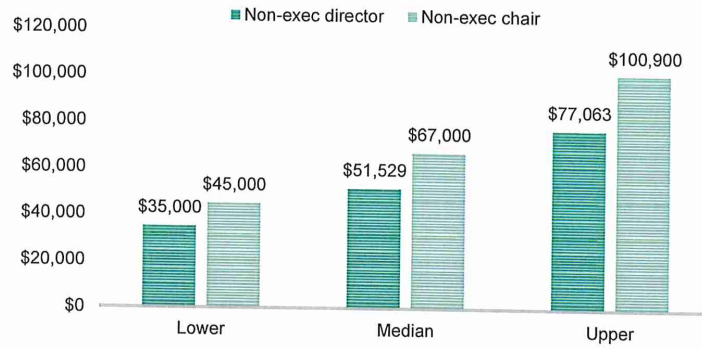
In the last 12 months, the median fee received by non-executive directors has increased by 3.1%, compared to a 7.1% movement in 2021. Non-executive chair fees have increased by 3.5%, compared to a 7.9% movement in 2021.

#### Overall survey quartiles

##### 2022 non-executive chair and director remuneration

The lower, median and upper quartiles for non-executive director remuneration in the most recent survey are \$35,000, \$51,529 and \$77,063 and for non-executive chairs, they are \$45,000, \$67,000 and \$100,900 respectively across the whole survey sample. The survey incorporates a very wide sample of organisations from NFPs to NZX listed companies.





**Other relevant fee movement data**

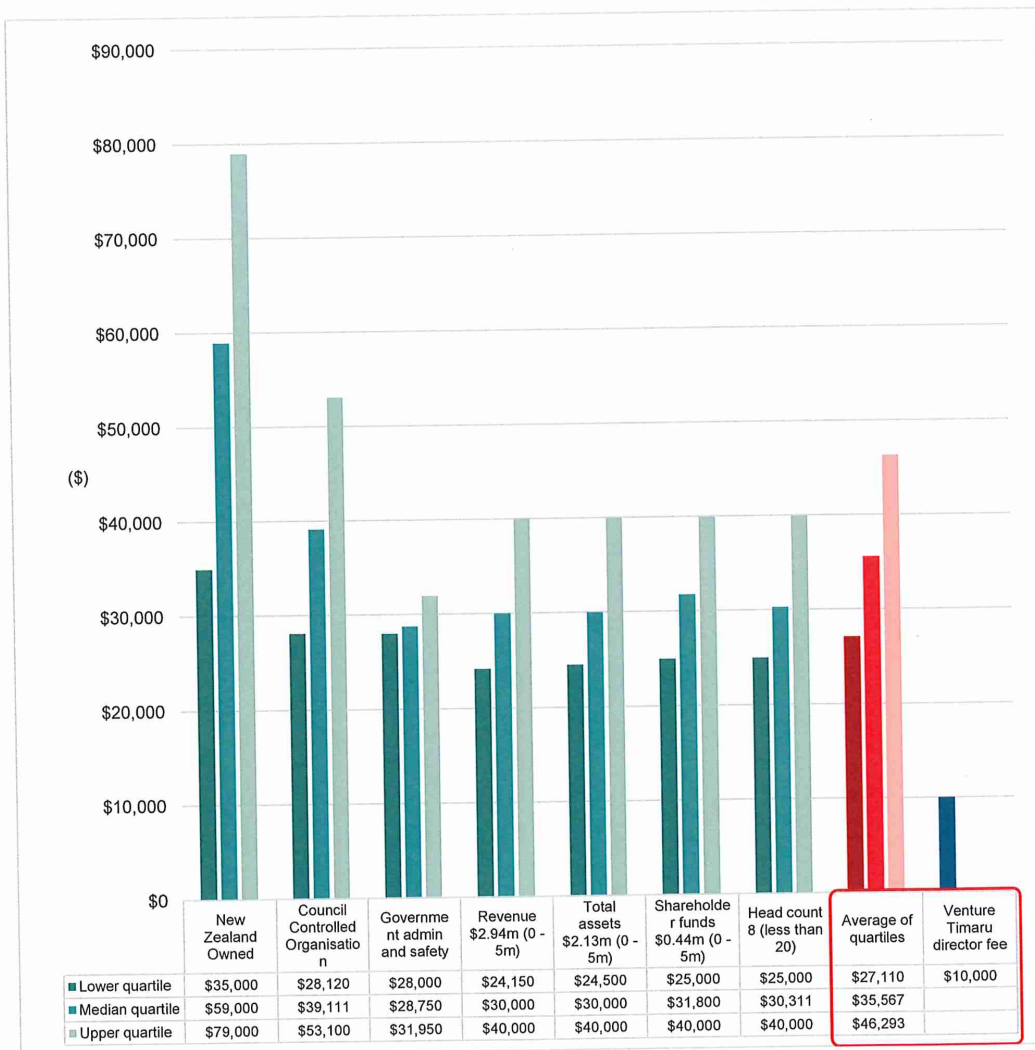
OUR FEE DATA USES THE ANZSIC (AUSTRALIAN AND NEW ZEALAND STANDARD INDUSTRIAL CLASSIFICATION) GROUPS

FEE CATEGORY	12 MONTH FEE MOVEMENT
Council Controlled Organisation	+ 2.2%
Government admin and safety	0.0%

## 4 Comparator fee benchmarking

### Director remuneration - comparator breakdown

The graph below shows director fee data relevant to Venture Timaru based on the information you have provided. Each fee category is a sub-set of our latest directors' fees survey. It demonstrates that Venture Timaru current director fee aligns to the lower quartile against the comparator fee categories.

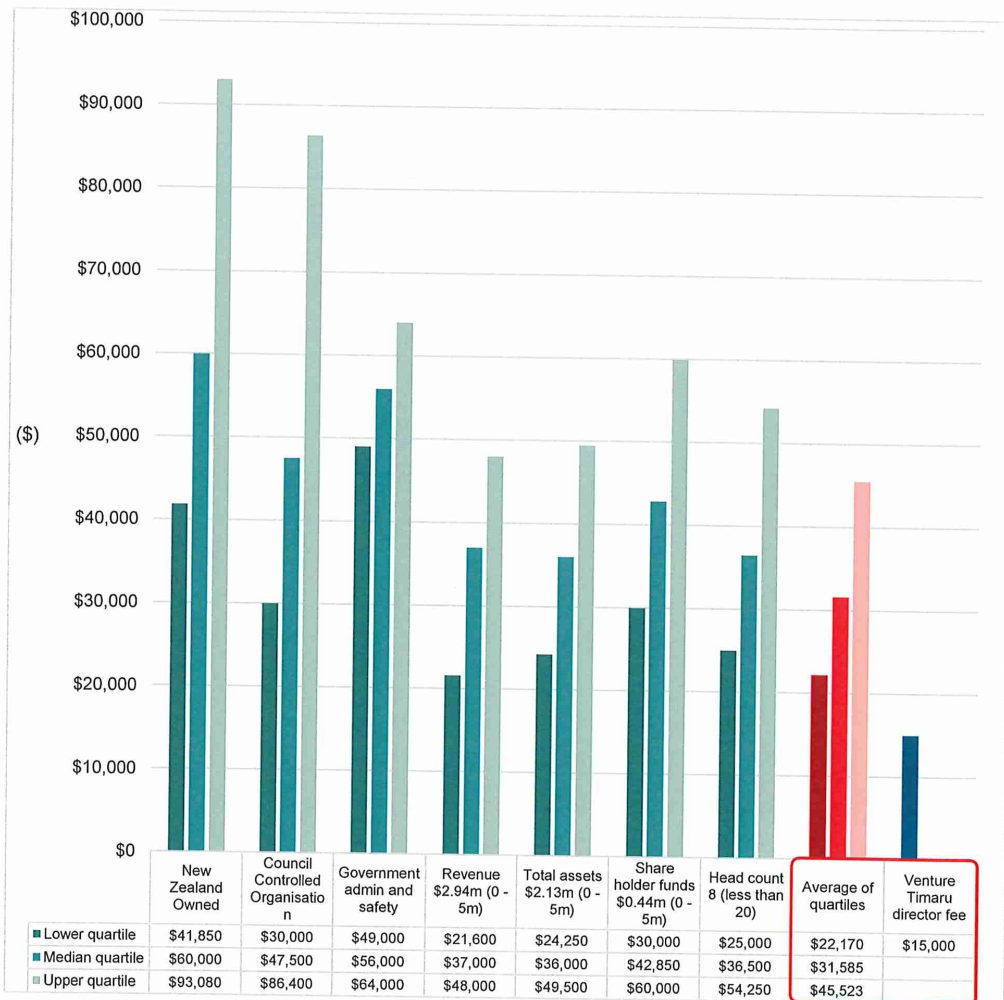




### Chair remuneration - comparator breakdown

This graph shows chair fee data relevant to Venture Timaru based on the information you have provided. Each fee category is a sub-set of our latest directors' fees survey. It demonstrates that Venture Timaru current chair fee aligns to the lower quartile against the comparator fee categories.

NOTE: THE IOD'S DATA FOR DIRECTOR ROLES IS CONSIDERABLY DEEPER THAN FOR CHAIRS; THEREFORE OUR METHODOLOGY PLACES A HIGHER RELIANCE ON DIRECTOR DATA AS A BASIS FOR ESTIMATING FEES FOR ALL BOARD MEMBERS.



## 5 Time commitments

The roles and responsibilities of board members have expanded over recent years. Directors are reporting that they need to spend an increasing number of hours keeping up to date with an ever-changing business and operating environment.

Directors are paid for the expertise and skills they bring to the boardroom rather than for the specific time invested in the role. However, the hours devoted to the organisations' governance may provide an indication of the complexity of the roles, the level of involvement required, and is one of the considerations that can help to inform the decision on the appropriate level of fees.

The table below shows the time commitments for director and chair roles within comparator organisations. These hours include board meetings, committee attendance and other governance duties.

	NON-EXECUTIVE DIRECTOR			NON-EXECUTIVE CHAIR		
	LOWER QUARTILE HRS	MEDIAN QUARTILE HRS	UPPER QUARTILE HRS	LOWER QUARTILE HRS	MEDIAN QUARTILE HRS	UPPER QUARTILE HRS
New Zealand Owned	71	111	175	88	150	250
Council Controlled Organisation	104	136	198	150	204	309
Government admin and safety	69	142	184	-	-	-
Revenue \$2.94m (0 - 5m)	45	76	121	72	113	180
Total assets \$2.13m (0 - 5m)	50	79	127	75	108	163
Shareholder funds \$0.44m (0 - 5m)	49	79	121	76	107	165
Head count 8 (less than 20)	47	78	124	77	117	190
<b>Average of quartiles</b>	<b>62</b>	<b>100</b>	<b>150</b>	<b>90</b>	<b>133</b>	<b>210</b>

NOTE: SEE APPENDIX 2 FOR A USEFUL TABLE ON WHICH TO MAP YOUR ORGANISATIONS DIRECTOR AND CHAIR HOURS TO COMPARE TO THE INFORMATION ABOVE.

## 6 Director hourly fees

The following table provides an analysis of hourly fee rates for directors in comparator data bands. As can be seen, hourly fees vary across industries, organisation types and sizes.

In some circumstances, hourly fees or 'per meeting' rates can be useful alternative fee structures to an annual fixed fee. For example in an environment where meetings numbers are relatively stable or when time commitments are low.

However, when meeting numbers or time commitments fluctuate significantly, it can make it difficult to track governance fees or to set an annual budget for board fees.

	NON-EXECUTIVE DIRECTOR		
	LOWER QUARTILE HOURLY FEES (\$)	MEDIAN QUARTILE HOURLY FEES (\$)	UPPER QUARTILE HOURLY FEES (\$)
New Zealand Owned	176	310	500
Council Controlled Organisation	157	284	366
Government admin and safety	95	172	238
Revenue \$2.94m (0 - 5m)	176	252	526
Total assets \$2.13m (0 - 5m)	159	239	451
Shareholder funds \$0.44m (0 - 5m)	166	273	488
Head count 8 (less than 20)	171	290	526
<b>AVERAGE HOURLY FEES</b>	<b>157</b>	<b>260</b>	<b>442</b>

### Ongoing fee review policy

Because of movements in the market and other factors, such as inflation and CPI, fees are not static. They should be assessed for market appropriateness regularly. We encourage a discipline to update the benchmark data regularly. Best practice would be to review director fees annually, and it should be no longer than 3 years. This should identify if the fees remain competitive or if the fee gap is widening. A significant fee gap against benchmark may indicate the need for a fee adjustment.

### Transparency of fee decisions

Consistent and open reporting on director fees helps build trust and confidence in business and corporate governance. We encourage all organisations to think beyond compliance. They should disclose director payments openly and consistently. Boards of all types of entities are welcome to use the IoD's [Guide to disclosing director remuneration in annual reports](#).

## Appendix 1 - Board size considerations

The interests of shareholders of a company will be best served if its board acts with maximum efficiency and effectiveness. The optimum number of directors required to attain maximum efficiency and effectiveness on any given board will depend on such factors as the company's size, nature, diversity and complexity of its business and its ownership structure.

A board that is too large may not give its members the opportunity of participating in discussions and decisions to the best of their abilities. It may result in board proceedings being unnecessarily prolonged. On the other hand, a board that is too small will limit the breadth of knowledge, experience and viewpoints that would otherwise be available to it and from which it could usefully benefit.

As a general rule, a board numbering between six and eight members is usually found to be the most appropriate in the case of medium to large-sized companies. This also takes the relatively small size of New Zealand companies in international terms into account. Smaller companies may operate quite satisfactorily with a lower number. Under NZX listing rules, the minimum number for a listed company (disregarding alternate directors) is three.

It is not really possible or practical to specify an ideal and optimal number for all boards. What every board needs to do is to achieve the right balance to suit the circumstances and requirements of the company and the board itself. Capable directors are valuable resources and on occasion both large and small boards suffer for lack of a uniform spread of excellent and capable directors. Ideally, a board should not be so large as to make a uniform level of capability difficult nor should it be too small that capability gaps are evident.

### Average number of directors

(FROM THE 2022-23 IOD DIRECTORS' FEES REPORT)

#### Board size for comparator organisation type

ORGANISATION TYPE	LOWER QUARTILE	MEDIAN QUARTILE	UPPER QUARTILE	AVERAGE
Council Controlled Organisation	5	6	8	6

### Appendix 2 – Table to map chair and director time commitments

ACTIVITY	NUMBER	TIME IN HOURS	PREP TIME (HOURS)	HOURS PER ANNUM (ESTIMATE)
Board meetings				
<ul style="list-style-type: none"> <li>Sub-committee: (e.g Audit and Risk)</li> </ul>				
<ul style="list-style-type: none"> <li>Sub-committee:</li> </ul>				
<ul style="list-style-type: none"> <li>Sub-committee: (etc)</li> </ul>				
Other director time commitments	<i>e.g. stakeholder meetings, conferences, administration</i>			
<b>Average annual hours for director</b>	<i>Total director hours is the sum of the above rows</i>			
Chair – other time commitments	<i>e.g. meetings with CEO, functions, conferences, stakeholder meetings, administration</i>			
<b>Average annual hours for chair</b>	<i>Total chair hours is the sum of 'average annual hours for director' plus additional chair time commitments</i>			



## Appendix 3 – IoD Services for boards

### We will help you build a better board

We can help you strengthen the capabilities of your existing board with board evaluations, in-house training, director recruitment and fee advice.

*Evaluated your board lately?*

If you are seeking an impartial and independent review of your boards performance, our evaluations are tailored to your needs. Contact us today and discuss how you can get the most out of your next **board evaluation**.

*Want training for your whole board?*

We can organise a tailored **in-house training** programme for your whole board and, if desired, your senior executive team. Please contact us and we can talk through some options with you.

*Need to fill a vacancy at the board table?*

We can help you find prospective board members who will complement your organisation's needs and your current board composition through our **board appointments** and **director vacancies** services. Please contact us to discuss further.

*Are you paying fair fees for your board of directors?*

We can provide independent analysis to ensure your fee level is at an appropriate level based on your organisations type, size and sector. Using this service demonstrates a robust and transparent approach to setting fee levels. If you need advice in setting the level of your **director fees** please give us a call.

For further information, please contact our **Governance Services team**

Phone: 0800 846 369

Email: [GovernanceServices@iod.org.nz](mailto:GovernanceServices@iod.org.nz)

Web: [iod.org.nz/ServicesforBoards](http://iod.org.nz/ServicesforBoards)



Director Fee Snapshot – Venture Timaru May 2023

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## Appendix 4 – Understanding the data measures

<p><b>LOWER QUARTILE</b></p>	<p>This represents the point at which, when ranked from the lowest value to the highest value, 25% of the sample is lower and 75% of the sample is higher. The Lower Quartile is also known as the 25th percentile.</p>
<p><b>MEDIAN</b></p>	<p>When data is ranked from the lowest value to the highest value, the median represents the middle point of the data. At the median, 50% of the sample is lower and 50% of the sample is higher. The median is also known as the 50th percentile.</p>
<p><b>UPPER QUARTILE</b></p>	<p>This represents the point at which, when ranked from the lowest value to the highest value, 75% of the sample is lower and 25% of the sample is higher. The Upper Quartile is also known as the 75th percentile.</p>
<p><b>AVERAGE</b></p>	<p>Indicates the average value of remuneration or benefit in any given sample. The average is calculated by adding the numbers in a sample and then dividing by the count of the sample.</p>

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[iod.org.nz](http://iod.org.nz)

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**9.6 Presentation of Venture Timaru Limited Statement of Intent for 2023/24****Author:** Trudie Hurst, Group Manager Commercial and Strategy**Authoriser:** Bede Carran, Chief Executive**Recommendation**

That Council receives and notes Venture Timaru Limited's Statement of Intent for 2022/23.

**Purpose of Report**

- 1 To receive and note the Statement of Intent (Sol) for Venture Timaru Limited for 2023/24.

**Assessment of Significance**

- 2 This matter is of low significance in terms of Council's Significance and Engagement Policy. Council has previously discussed the Sol with the board of Venture Timaru and provided feedback. The Statement of Intent for 2024/23 does not include any significant or material shift in the agreed objectives and priorities in the work Venture Timaru undertakes as a Council Controlled Organisation (CCO).

**Discussion**

- 3 Venture Timaru is required to prepare a Sol annually and deliver it to the shareholder before the commencement of the financial year to which it relates. The draft Sol was presented to Council in a workshop on 2 May 2023.
- 4 Following the presentation of the draft Sol, no material changes were suggested or received from Council.
- 5 The final Statement of Intent (Attachment 1) includes:
  - (i) Objectives and associated areas for action.
  - (ii) Strategic Priorities
  - (iii) Key Monitoring, Performance and Success Indicators.
  - (iv) Financial and governance information.
  - (v) Funding Request and Budget
- 6 The Sol is reviewed and updated on an annual basis.
- 7 Venture Timaru provides quarterly reports on progress against the Sol to Council (via the Commercial & Strategy Committee) throughout the year.

**Attachments**

1. **Venture Timaru Statement of Intent 2023/24**  



## STATEMENT OF INTENT







2023/24      2024/25      2025/26

Venture Timaru is the Economic and Tourism Agency for the Timaru District whose vision is”

### “A Thriving District – Population 75,000 by 2050”

This 2023/24 Statement of Intent is aligned to Venture Timaru’s Economic Development Strategy and Destination Management Plan, both of which were developed and implemented across 2022/23 year.

This 2023/24 Statement of Intent includes:

-  Vision
-  Strategic Priorities
-  Objectives and aligned Nature & Scope of Activities
-  Key Monitoring, Performance and Success Indicators
-  Financial and governance information
-  Funding Request and Budget.

Vision	<b>A Thriving Timaru District – “Population 75,000 by 2050”</b>					
Strategic Priorities	<b>“Timaru Towards 2050”</b> Develop and implement the 2050 plan		<b>Diversity of Housing Stock</b> Actively promote & facilitate investment in type-diverse housing developments		<b>People Attraction</b> Further amplify efforts to attract the people we need to grow and provide vibrancy to our district	
Objectives of the CCO	<b>Assist business to Attract, Maintain &amp; Develop a skilled workforce</b>	<b>Encourage new opportunities and facilitate business growth</b>	<b>Attract &amp; assist new businesses to the District.</b>	<b>Promote &amp; Facilitate investment in key infrastructure that support a thriving district economy</b>	<b>Facilitate destination management and event development</b>	<b>Adopt a collaborative partnership approach to delivery and impact</b>
Nature & Scope of Activities	<ul style="list-style-type: none"> <li>- Support talent attraction through delivery of expansive and ongoing targeted workforce attraction campaigns</li> <li>- Support youth transitions and employment through delivery of My Next Move and support/collaborate with other youth providers in the district.</li> <li>- Engage with the Interim Regional Skills Leadership Group to ensure needs to Timaru District’s learners and businesses are considered.</li> <li>- Support education and employment outcomes through the delivery of the Regional Apprenticeship Initiative and aligned opportunities.</li> <li>- Finalise and implement a District Aged Friendly Workforce strategy aligned to the Districts Aged Friendly Strategy in partnership with Council, Whatu Ora Sth Canterbury.</li> </ul>	<ul style="list-style-type: none"> <li>- Identify and promote new opportunities for sustainable and inclusive economic development within Timaru District.</li> <li>- Facilitate industry and sector engagement through facilitating Business Connection Groups</li> <li>- Connect businesses to new opportunities and help businesses navigate their way through council and government processes</li> <li>- Engage with Central Govt’s Industry Transformation Agenda ensuring business are aware of and are responding to opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>- Promote the District as a central location for key industries and sectors.</li> <li>- Facilitate the availability of shovel ready industrial land and promote Timaru as a logistics and distribution hub for the South Island.</li> <li>- Encourage a business friendly and responsive Council.</li> <li>- Act as the voice of industry to Council and Central Government</li> </ul>	<ul style="list-style-type: none"> <li>- Identify the need for growth enabling infrastructure and ensure the economic benefits for planned infrastructure investment are delivered.</li> <li>- Encourage a master planned approach to the development of new &amp; existing infrastructure, including a strategic approach to the future development of Caroline Bay and neighbouring CBD areas.</li> <li>- Continue to develop opportunities for new waste management and sustainable energy infrastructure including opportunities for the development of a circular economy for the Timaru District.</li> </ul>	<ul style="list-style-type: none"> <li>- Implement the new district destination management plan with consideration of environmental impacts and sustainability.</li> <li>- Promote an authentic and integrated destination identity for Timaru District.</li> <li>- Grow and attract events to the district and promote the case for investment in new destination infrastructure e.g., 4 star hotel.</li> <li>- Collaborate with surrounding districts to define the wider, and more cohesive South Canterbury and Central South Island offering and sustainably grow visitor numbers and spending across the district.</li> <li>- Cement a cruise ship offering in partnership with local stakeholders that is of value and benefit to businesses and our wider community.</li> </ul>	<ul style="list-style-type: none"> <li>- Partner with TDC and TDHL to support a thriving District economy.</li> <li>- Assist TDC to deliver the economic and lifestyle benefits of the City Hub development</li> <li>- Support TDC Long Term Plan and Growth Management Strategy objectives.</li> <li>- Encourage and support TDC and community aspirations for adaptation, resilience, and sustainability</li> <li>- Maintain and leverage strategic partnerships with iwi, government, and private sector to support above all outcomes</li> </ul>

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**Non-Financial Performance Targets and other measures**

The below Monitoring, Performance and Success Indicators align to aforementioned objectives and the nature of our scope and activities in the year ahead. They are also aligned to longer term priorities and opportunities identified within our Economic Development Strategy and Destination Management Plan.

The Monitoring Indicators are largely beyond our control as they are influenced by the wider economy. That said by monitoring our progress within these indicators, we maintain a health check on the performance of our local economy v national economy, which in turn highlights areas we need to focus on.

<b>Monitoring Indicators (non-financial)</b>	<b>There are a number of key indicators that, although not directly influenced by the work of Venture Timaru, are important to monitor, report, and proactively take action on, as appropriate, in the event of any deteriorating trends</b>			
	<b>GDP Contribution</b> Timaru District v NZ	<b>Unemployment Rate</b> Timaru District v NZ	<b>Housing Affordability</b> Timaru v like areas	<b>Consumer &amp; Visitor Spend</b> trends v same period last year
<b>Performance Indicators</b>	<b>Value of Venture Timaru interactions with local businesses</b>  Net promotor score evidencing year on year improvement	<b>Value of Venture Timaru work to shareholder</b>  Net promotor score evidencing year on year improvement	<b>Value of Venture Timaru work to wider stakeholders e.g., central government contract providers.</b>  Net promotor score evidencing year on year improvement	<b>Ease of doing business in the Timaru District.</b>  Year on year improvement
<b>Success Indicators</b>	<b>Successes will be captured and reported within Venture Timaru quarterly and annual reports to Timaru District Council</b>			



**In developing, enhancing, and implementing Venture Timaru's (VT) strategies, consultation and reference has been made to Timaru District Councils (TDC) long term plan, growth management strategy, vision, values, and community wellbeing outcomes.**

We value a strong economy that provides a diverse range of employment opportunities resulting in meaningful work, higher income earning potential, which are attractive to current and future generations in our district. Equally, there is an understanding that the health and wellbeing of our people, the protection and enhancement of our environment, and the strength of our communities allow us to achieve our potential. All of this is part of our Vision to have the population of the Timaru District reach 75,000 by 2050.

To deliver on these values and achieve our vision, we must address the challenges that have hold us back:

- our low rate of productivity and capital intensity,
- our infrastructure deficit,
- our ongoing skills shortages,
- our over-reliance on commodity exports,
- and the persistent inequality that limits the ability of many of our people to contribute to building a more prosperous future where they can live the lives they value.

We will only achieve this by working together, by strengthening our culture of partnership between business, workers, Māori, local communities, and Government, and by building on our brand for quality, integrity, and honesty. To lay the groundwork for achieving our vision, we will work with all stakeholders in our district to:

- Encourage the unleashing of business potential
- Strengthen Domestic and International Connections
- Support Māori and Pacific Aspirations
- Strengthening Venture Timaru

### **Boards approach to Governance**

**The Board of Venture Timaru Limited trading as Venture Timaru (VT)** seeks to govern the organisation in a way that is both aligned to central and local government plans and objectives and achieves the objectives stated and communicates with the Council in a timely and effective manner. Given the nature of the activities, the performance is not measured in strictly commercial terms such as profit, share value or rates of return.

#### **1. PERFORMANCE AND OTHER MEASUREMENTS**

Performance shall be assessed against key Monitoring, Performance and Success Indicators via the supply of a quarterly (and annual) report to the Timaru District Council including financial position. Other Performance measures include:

Financial - VT will prudently manage all financial matters, operating within its means predicated by the level of income and reserves received and held. Measured by financial performance v budget and adherence to all financial and reserves policies.

Good Employer - VT is committed and obligated to being a better than good employer of existing and future staff. Our well established policies and procedures clearly evidence the importance we place on the health, wellbeing, and ongoing development of our staff. Measured against staff retention rate, development opportunities and annual performance evaluations.

#### **2. GOVERNANCE STATEMENT:**

Venture Timaru Limited was incorporated and adopted a constitution on 23rd June 2010. Venture Timaru Limited Board Charter was adopted on 7th November 2016.

#### **Structure, Function and Obligations of the Board**

- a. The Role of the Board:
  - Ensuring VT meets its objectives as defined in this Statement of Intent.
  - Ensuring VT complies with all its lawful obligations.





- Ensuring the Council is kept well informed on all relevant issues and that there are no “surprises” on matters likely to cause community or political concern.
  - Making any decisions as to policy that is not the preserve of the Chief Executive and day-to-day administration.
  - Employing the Chief Executive (including entering into a performance management agreement, reviewing performance, and setting remuneration).
  - Ensuring sound financial management of VT.
- b. Composition of the Board:
- The Council, after consultation with the Board, will be responsible for appointing Directors to the Board whereby at least one board member is a Timaru District Councillor.

#### **Guidance and Resources Provided to Board Members**

- a. Resources available to Board members to perform their duties:  
Sound financial management and systems that provide reports to the Board as follows:
- Statement of financial performance for the preceding month and year to date.
  - Chief Executive’s monthly and quarterly reports addressing issues related to VT’s performance against objectives (financial and non-financial).
- b. The Board will ensure that relevant training opportunities are made available.
- c. Code of Conduct:
- All Board members will be required to comply with the New Zealand Institute of Directors’ “Code of Practice for Directors.”
  - All Board members will apply their best endeavours to ensure VT achieves its objectives defined within this Statement of Intent.
  - All Board members will ensure VT complies with the requirements of its constitution and this Statement of Intent.

#### **Significant Policies in Place for Accountability**

- a. The Board shall ensure VT complies with the reporting requirements outlined in Section 3 and 7 of this document.
- b. Risk Management Policies:
- The Board shall ensure that appropriate insurance is maintained on all insurable risks of VT, and in particular public liability insurance.
  - The Board shall ensure that VT has systems in place to achieve compliance with the Health and Safety at Work Act 2015 and subsequent amendments.
- c. Remuneration:
- The Council will set total remuneration for the Board.
- d. Reserves Policy (SOI)
- The Reserves Policy ensures the board has funds set aside for risk mitigation.
  - The Primary Objectives underlying the Reserves Policies for are:
    - To ensure that VT is operated in a prudent manner
    - To recognise that many streams of work and expenditure items are committed to and incurred for longer periods, than the annual funding approved by the Timaru District Council (TDC), with multiyear projects.
    - To ensure that money is available, as required, to meet the needs of VT and its key stakeholders.
    - To recognise that VT generates income over and above the funding from the TDC and also spends the majority of that income on related economic development & tourism activities for the benefit of the district with a breakeven or close to breakeven annual budget
    - Reserves to be held are therefore set at minimum of 3 months trading cashflow to be on hand. Calculated as ¼ of the total of annual operational funding received direct from Timaru District Council
- e. Ratio of Accumulated Funds to Total Assets
- This ratio shows the proportion of total assets financed by equity



- The Board will ensure that the ratio of Equity to Total Assets remains above 60%
- For the purpose of this ratio, equity is as per the financial statements of VT
- Total assets are defined as the total of current and non-current assets

**3. ACCOUNTING POLICIES**

**Summary of Significant Accounting Policies**

- a. Reporting Entity
  - Venture Timaru Limited ('VT') is a company incorporated and domiciled in New Zealand
  - VT is a CCO (as defined under section 6 of the Local Government Act 2002) based in Timaru and is a subsidiary 100% owned by the Timaru District Council.
  - The financial statements of VT are for the year end 30 June. The financial statements are authorised for issue by the directors.
- b. Statement of Compliance
  - The financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).
  - The financial statements are prepared in accordance with PBE SF-A(PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector).
  - All transactions are reported using the accrual basis of accounting.
  - The financial statements are presented in New Zealand dollars (\$) and all values are rounded to the nearest dollar. The functional currency of VT is New Zealand dollars.
- c. Revenue
  - Revenue is measured at the fair value of the consideration received.
  - Contributions received from the Timaru District Council and various Central Government Agencies are VT's primary source of funding.
  - Contributions are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the contribution are not met. No such obligation is attached to the council contributions received.
- d. Interest revenue is recognised in the Statement of Financial Performance as it accrues, using the effective interest method.
- e. Income tax is accounted for using the taxes payable method. The income tax expense charged to the Statement of Financial Performance is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years.
- f. Goods and Services Tax (GST): The financial statements have been prepared with income and expenditure items exclusive of GST. In the Statement of Financial Position, Accounts Receivable and Accounts Payable are both inclusive of GST. All other assets are shown exclusive of GST.
- g. Cash and Cash Equivalents includes cash on hand, deposits held at call with banks, other short – term highly liquid investment with original maturities of three months or less, and bank overdrafts
- h. Accounts Receivable are valued at their estimated net realisable value. Bad debts are written off during the period in which they are identified.
- i. Creditors and other payables are measured at the fair value of the consideration paid.
- j. Fixed Assets are recorded at cost less accumulated depreciation. VT has three classes of Fixed Assets, Computer Equipment, Furniture and Fittings & Office Equipment.
- k. Depreciation is calculated to allocate the cost or valuation of assets over their estimated useful lives, at the following rates:
 

Computer Equipment	DV	50%
Office Fit out and Equipment	DV	10-50%
Furniture and Fittings	DV	10-25%
- l. Leases: VT leases certain office equipment, office space and a motor vehicle.

**4. DIVIDEND POLICY**

VT is a non-profit organisation that does not generate income or dividend for the Timaru District Council.

**5. INFORMATION TO BE PROVIDED**

The following information will be made available to the Council by VT:



- a. By **1 March**, each year a DRAFT BUDGET for the following financial year together with a request for any changes requested to the Council's financial contribution to VT's activities.
- b. By **1 March**, each year a draft STATEMENT OF INTENT, then consider any Council comments on it and deliver a final Statement of Intent by **30 June**.
- c. QUARTERLY REPORTS (September, December, March & June) covering an abbreviated Statement of Financial Performance and Statement of Financial Position, performance indicators, commentary on activities, and other such information as the Directors consider necessary to enable an informed assessment of VT's performance during the period in question. Due dates as prescribed by section 66 of the Local Government Act 2002
- d. Within three months after the end of the financial year (i.e., **by 30 September**), VT shall deliver to the Council an ANNUAL REPORT which fulfils the requirements of Section 67 of the Local Government Act 2002, and audited financial statements in respect of the financial year, containing the following information as a minimum:
  - A Directors' Report including a summary of the financial results and a comparison of performance in relation to the objectives.
  - A Statement of Financial Performance disclosing revenue and expenditure and comparative figures from previous annual reports.
  - A Statement of Financial Position at the end of the year.
  - An Auditor's Report on the above statements and the measure of performance in relation to objectives.
  - The Chairman's Annual Report shall be made available for inspection at Council offices.
  - Any other matters that the Council and VT agree shall be disclosed as appropriate.

**6. PROCEDURE TO BE FOLLOWED WITH PURCHASE OF SHARES IN OTHER COMPANY OR ORGANISATION**

The procedure to be followed before subscription for, or purchase of, or other acquisition of shares in any Company or organisation, shall be by resolution of the Directors, excepting that any significant diversification or addition to existing activities will be referred to the Council for approval.

**7. COMPENSATION FROM LOCAL AUTHORITIES**

VT is seeking a 7.1% (v NZ CPI 7.2% year to 31.12.22) increase in total funding for the 2023/24 year, noting that all funding for 2024/25 and beyond is subject to annual application.

Proposed funding levels are aligned to VT maintaining the high-quality economic development and visitor service levels and the skills needed within the organisation to deliver the variety of services and projects.

	2022/23		2023/24	2024/25	2025/26
	Approved				
\$	672,000	<b>DEVELOPMENT OPERATIONAL GRANT</b>	\$ 720,000	\$ 720,000	\$ 720,000
\$	367,500	<b>VISITOR OPERATIONAL GRANT</b>	\$ 395,000	\$ 395,000	\$ 395,000
\$	230,000	<b>EVENTS SUPPORT GRANT</b>	\$ 245,000	\$ 245,000	\$ 245,000
<b>\$</b>	<b>1,269,500</b>	<b>TOTAL FUNDS</b>	<b>\$ 1,360,000</b>	<b>\$ 1,360,000</b>	<b>\$ 1,360,000</b>

**8. BOARD'S ESTIMATE VT VALUE**

The Directors estimate that the balance of funds in the Annual Report will represent the value of VT. The Directors will advise the shareholders on an annual basis if they believe the value to differ materially from this state.



Approved by VT on

Approved by the Council on

for Venture Timaru Ltd – Tony Howey Chairman

for Timaru District Council



FINANCIAL FORECASTS		
Reforecast Budget 2022/23		DRAFT BUDGET 2023/24
	<b>INCOME STATEMENT</b>	
\$ 672,000	Regional Development Grant - TDC	\$ 720,000
\$ 367,500	Regional Visitor Grant - TDC	\$ 395,000
\$ 230,000	Regional Events Support Grant - TDC	\$ 245,000
\$ 145,000	MyNextMove Youth Initiative - MSD	\$ 145,000
\$ 1,500,000	Regional Apprenticeship Initiative - Kanoa	\$ 700,000
\$ 65,000	Regional Events Fund - MBIE	\$ 15,000
\$ 23,000	STAPP #1 - MBIE	\$ -
\$ 415,000	TSRR #2 - MBIE	\$ -
\$ 152,000	Transport & Logistics/Simulator - Kanoa	\$ -
\$ 47,300	Other income	\$ 48,750
<b>\$ 3,616,800</b>	<b>Total Income</b>	<b>\$ 2,268,750</b>
\$ 282,991	Development Human Resource Expense	\$ 311,200
\$ 333,920	Development Expense	\$ 367,300
\$ 367,500	Visitor Expense	\$ 395,000
\$ 230,000	Events Support Grants	\$ 245,000
\$ 145,000	MyNextMove Youth Initiative Expense	\$ 145,000
\$ 1,500,000	Regional Apprenticeship Initiative Expense	\$ 700,000
\$ 65,000	Regional Events Fund - MBIE	\$ 15,000
\$ 23,000	STAPP #1 - MBIE	\$ -
\$ 415,000	TSRR #2 - MBIE	\$ -
\$ 152,000	Transport & Logistics/Simulator - Kanoa	\$ -
\$ 101,665	Special Projects - business support, cruise, pop 75,000 by 2050	\$ 100,000
<b>\$ 3,616,076</b>	<b>Total Expenses</b>	<b>\$ 2,278,500</b>
<b>\$ 724</b>	<b>Operating Profit (Loss)</b>	<b>-\$ 9,750</b>

## 9.7 Audit and Risk Committee: Remuneration of Independent Members

**Author:** Jacky Clarke, Governance and Executive Support Manager

**Authoriser:** Bede Carran, Chief Executive

### Recommendation

1. That Council resolves in respect of the Independent Chair of its Audit and Risk Committee to:
  - (a) Increase the meeting fees from \$3,000 (plus GST) per meeting to 3,200 (plus GST) per meeting;
  - (b) Increase the monthly advisory fee paid from \$1,000 (plus GST) per month to \$1,100 (plus GST) per month.
2. That Council resolves in respect of the Independent Member of its Audit and Risk Committee to increase the fee paid from \$10,000 (plus GST) per annum to \$11,500 (plus GST) per annum.

### Purpose of Report

- 1 The purpose of this report is to present for Council's consideration and decision an increase in the fees paid to the Independent Chair and Independent Member of its Audit and Risk Committee (ARC) with effect from 1 July 2023.

### Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement Policy as it does not affect levels of service, strategic assets or rates. It is acknowledged the payment of fees to the independent members of its ARC is a matter of public interest as it involves the expenditure of public funds.

### Analysis

- 3 There are 5 members of the ARC, 2 of whom are independent and are remunerated based on the amounts set by Council. The 3 elected member representatives of ARC have their remuneration set as part of the remuneration pool allocated by the Remuneration Authority. This report relates to the remuneration of the 2 independent members.
- 4 In respect of remunerating independent members of the ARC, Council references its Governance Remuneration, Allowances and Expenses Policy (Policy) which states in respect of those appointed to governance roles that:

Council recognises that remuneration of directors to COs or appointed external members to committees or subcommittees is a matter of public interest. [refer cl 6.8, page 4]
- 5 For this reason the Policy states that remuneration and any changes, will require Council's approval and that it 'will be based on the nature of the organisation, committee, or subcommittee, the market rates for comparable positions, and any specific process for

- determining remuneration specified in the organisation's constitution.' [refer cl 6.9, pages 4-5]
- 6 Currently the chair's remuneration is structured in 2 tranches, one is \$3,000 (plus GST) per meeting (for 4 meetings) and the other is \$1,000 (plus GST) per month for other meetings and advice to Council and in particular to its senior offices regarding risk, assurance and audit related matters. The independent member's remuneration is \$10,000 (plus GST) per annum and this is an all-inclusive fee. In addition to their remuneration both the independent chair and independent member are reimbursed actual and reasonable disbursements, eg mileage.
  - 7 It is proposed that the ARC remuneration for the independent chair is increased to \$3,200 (plus GST) per meeting (for 4 meetings) and the monthly fee to \$1,100 (plus GST), and the remuneration for the independent member is increased to \$11,500 (plus GST) per annum, a total increase in fees paid of \$3,500.
  - 8 The ARC, which reports directly to Council, has an important role supporting Council's governance by testing and examining how Council is identifying and managing risk across its operations. It also provides assurance by reviewing Council's financial processes, systems and information. As with all assurance functions having independence strengthens the trust and confidence that users have in the advice that comes from the Committee. For this reason, having members outside of the governing body as members is considered important to supporting its assurance function to Council. Having independent members is recommended by the Auditor General in his guidance on how to constitute a high performing audit committee. The Committee provides advice and recommendations to Council and does not have decision making delegations. Independent members are appointed based on their skills complementing the existing skill set of the elected member representatives.
  - 9 Both the chair and independent member of the ARC bring professional skills that are recognised and respected nationally and their calibre is also reflected in other positions they hold. The remuneration of the independent members should be reflective of their skills and professional standing balanced with the public's expectation of probity in regard to expenditure of public funds, and that there is an element of public service in what they undertake.
  - 10 Relevant also, is the workload of the ARC, which meets on a scheduled basis 4 times a year, along with another 2-3 meetings for various matters outside of the usual cycle of its 4 meetings annually. The agenda for the ARC are substantial, and meetings usually run for 5-6 hours, reflecting a significant time commitment including preparation for the meetings.
  - 11 Comparable data for the ARC is not as readily available as it is for directors' fees of companies. However, the information we have sourced indicates that when set the fees paid to the independent members were appropriate and reasonable and that an increase, which has not occurred since the dates of their respective original appointments (May 2021 for the independent chair and May 2020 for the independent member) are also reasonable and appropriate. The workload has increased significantly and the expectations placed on the independent members has risen commensurately. Information we have had regard to is the amount paid by other ARC related committees and the 'Revised Fees Framework for members appointed to bodies in which the crown has an interest' <sup>1</sup>

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<sup>1</sup> <https://www.dpmc.govt.nz/sites/default/files/2022-10/co-22-2-revised-fees-framework.pdf>: 6 October 2022

- 12 Fees paid to independent members should be reviewed on a regular cyclical basis to ensure fairness for both the independent members and the community who pay the fees. Appropriate remuneration is important to ensure that people with the requisite skills offer themselves for appointment. Equally, the community requires assurance that it is paying a fair and appropriate level of remuneration to independent members sitting on Committees of Council.

### **Options and Preferred Option**

- 13 Broadly, there are two options open to Council.
- 14 Option one is for Council to approve the increase the remuneration as set out above, or some other increased amount.
- 15 The second option open to Council is to decline any increase in the remuneration of the independent members of the ARC or to instruct Officers to undertake further research for alternative director fee arrangements. In addition to the issue of maintaining parity with the original fees paid and the issue of equity noted above, given the modest amount involved it is not an efficient use of resources to undertake extensive research on what should be paid to the ARC's independent members.

### **Relevant Legislation, Council Policy and Plans**

- 16 Reference has been had to the Local Government Act 2002, the Governance Remuneration, Allowances and Expenses Policy and the Revised Fees Framework for members appointed to bodies in which the crown has an interest.

### **Financial and Funding Implications**

- 17 Given the relatively modest level of increase being raised by Officers it can be absorbed within current budgets.

### **Attachments**

**Nil**



## 9.8 Updated Delegations Manual

**Author:** Jessica Kavanaugh, Governance Advisor

**Authoriser:** Jacky Clarke, Governance and Executive Support Manager

### Recommendation

That Council receive and note the amendments to the Delegations Manual.

### Purpose of Report

- 1 The purpose of this report is to present Council with an update on the changes that have been made to the Delegation Manual.

### Assessment of Significance

- 2 Reporting on the changes made to the Delegation Manual is considered of low significance in terms of the Council's Significance and Engagement Policy as this matter is operational in nature. There is no impact on levels of service, rates or strategic assets.

### Discussion

- 3 The Delegations Manual (the 'Manual') was adopted in August 2021. Under section 3.2.7 of the manual, the Chief Executive will report to Council on any new or changed delegations on an annual basis.
- 4 As a statutory body, Council exercises its powers and functions by delegations to various officers. The delegations are provided on an as required basis so that there is an effective and efficient administration of its functions, activities and services. Officers must act according to and within the delegations provided to them and so delegations are important part of our administration. Delegations should be reviewed regularly to ensure that they are fit for purpose and fit the roles of various officers in carrying out their functions.
- 5 The purpose of the delegations contained within the Manual is to assist the Council in:
  - achieving the goals and objectives recorded in any Long Term Plan, annual plan, strategic plan or other approved documents;
  - implementing Council's decisions; and
  - carrying out Council's statutory roles and functions as provided in but not limited to legislation, regulations, policies, bylaws, and standards.
- 6 The Manual is structured into the following sections:
  - Delegations framework
  - Governance delegations
  - Financial delegations
  - Statutory delegations, and
  - Non-statutory delegations

- 7 Council retains a number of delegations which cannot be further delegated including to the Chief Executive. These are specified in clause 32(1) schedule 7 of the LGA and listed in the Delegations Manual section 1.2 “Legal Authority and Reserved Powers to Council”.
- 8 The governing body appoints only one employee, the Chief Executive. The Chief Executive is the Council's principal administrative officer and as a consequence of their employment agreement, is delegated all of those tasks and accountabilities necessary for the Council to function and operate effectively and efficiently.
- 9 The Chief Executive may delegate to any other officer of the Council any of their powers except any power that the law requires only the Chief Executive to exercise.
- 10 The purpose of the delegations in the Delegations Manual are to meet Council’s statutory obligations and assist Council in achieving the goals and objectives recorded in any Long Term Plan, Annual Plan, Strategic Plan or other approved documents. The delegations recorded will assist Council in meeting the needs of its customers in a timely, efficient and effective manner.
- 11 Unit and Group Managers have been actively responsible for the review of this Manual to confirm it remains a living document ensuring subsequent updates are made as a result of officer title changes and both regulatory and non-regulatory changes.
- 12 A schedule of the changes made in the last 12 months is attached (attachment 1)

### Attachments

1. **Schedule of Updates - Delegations Manual.docx** [↓](#) 

**Schedule of updates**

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**Below are changes requested to position titles:**

Date Approved	Position Title	Change Required	Rationale
18 Jul 2023	Director Engagement & Culture & Director User Experience & Community Engagement	Retitle Director Engagement & Culture & Director User Experience & Community Engagement to Group Manager Engagement & Culture & Group Manager User Experience & Community Engagement	Role title changed
18 Jul 2023	Group Manager Commercial	Replace Group Manager Commercial and Strategy with Group Manager Infrastructure	The Group Manager Infrastructure oversees the Airport Section 4 Airport Authorities Act 1966

**Below are changes requested for new delegation:**

Date Approved	Position Title	Change Required	Rationale
2 Sep 2022	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Insert: Litter Act 1979: Section 7, Section 10 and Section 14	To provide necessary delegations to carry out role.

2 Sep 2022	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Insert: Camping Ground Regulations 1985: Section 3	To provide necessary delegations to carry out role.
2 Sep 2022	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Insert: Health Act 1956: Sections 29-35	To provide necessary delegations to carry out role.
2 Sep 2022	Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Insert: Health (Burial) Regulations 1946: Part 4 (20 and 21)	To provide necessary delegations to carry out role.
2 Sep 2022	Animal Control Officer	Insert: Dog Control Act 1996: Schedule 4 Section 33C and Section 33ED	To provide necessary delegations to carry out role.
2 Sep 2022	Enforcement Officer	Insert: Resource Management Act 1991: <ol style="list-style-type: none"><li>1. To direct a person to supply information under Section 22.</li><li>2. Authorisation and responsibilities of enforcement officers in terms of Section 38 (1a).</li><li>3. To serve abatement notices under Section 322.</li></ol>	To provide necessary delegations to carry out role.

		<ol style="list-style-type: none"> <li>4. Issue excessive noise direction under Section 327 and enforcement of that notice.</li> <li>5. Requiring compliance with excessive noise direction under Section 328.</li> <li>6. Power of entry for inspection on, into, under or over any place or structure, except a dwelling house, for the purpose of inspection under Section 332.</li> <li>7. To issue infringement notices under Section 343C.</li> </ol> <p>To gather information monitor and keep records under Section 35.</p>	
21 Feb 2023	Parking Warden	<p>Insert the following delegations for Parking Officers into the delegation manual:</p> <p>Currently Land Transport Act 1998: 128E Powers of Parking Wardens</p> <p>128 D is the statutory power to appoint parking wardens.</p> <p>'Appointment of Parking Wardens' pursuant to Land Transport Act 1998.</p> <p>Include delegation for Parking Wardens for S356 (Removal of abandoned vehicles) and S356A (S356A further provision in relation to abandoned vehicles) respectively under the Local Government Act 19741 as these have been added to the Parking Wardens responsibilities.</p>	
24 May 2023	Bylaws Monitoring Officer	<p>Insert the following delegations for Bylaws Monitoring officer:</p>	<p>To provide necessary delegations to carry out role.</p>

		<p>Resource Management Act 1991</p> <ol style="list-style-type: none"> <li>1. To direct a person to supply information under Section 22.</li> <li>2. To issue infringement notices under Section 343C.</li> <li>3. Freedom Camping Act 2011                     <ul style="list-style-type: none"> <li>To perform the functions and exercise the powers conferred on a warranted enforcement officer in relation to offences against the Freedom Camping Act and associated Freedom Camping Bylaws where provided;</li> </ul> </li> </ol> <p>S27. Power to issue infringement notices;                      S35. Power to require certain information;                      S36. Power to require persons to leave land;                      S37. Power to seize and impound certain property.</p> <p>Local Government Act 2022</p> <ol style="list-style-type: none"> <li>1. To remove works in breach of bylaws under Section 163.</li> <li>2. To act under Section 164 to seize property not on private land.</li> <li>3. To act under Section 165 to seize property from private land.</li> <li>4. To return property seized or impounded under Section 167.</li> <li>5. To dispose of property seized and impounded under Section 168.</li> </ol>	
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		<ol style="list-style-type: none"> <li>6. General power of entry under Section 171 for the purposes of doing anything that the local authority is empowered to do under this Act or any other Act.</li> <li>7. Power of entry under Section 172 on behalf of the local authority for the purposes of enforcement.</li> <li>8. Power of entry under Section 173 on behalf of the local authority for the purposes of an emergency.</li> <li>9. Authority to act under Section 174 for the purposes of local authority entry onto private land.</li> <li>10. To require certain information under Section 178 for the purposes of enforcement of an offence.</li> <li>11. Construction of works on private land by the local authority under Section 181.</li> <li>12. Power of entry on behalf of the local authority under Section 182 for the purposes of checking utility services.</li> <li>13. To issue of infringement notices under Section 245.</li> </ol> <p>Litter Act 1979</p> <ol style="list-style-type: none"> <li>1. To intervene to prevent littering in a public place, deposit of litter on a private place without authority, wilful damage of any litter receptable under Section 7, and require certain information from any person under this section.</li> <li>2. To serve notice on any owner or occupier of private land to clear or remove litter under Section 10.</li> </ol>	
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		To issue infringement notices under Section 14.	
26 May 2023	Deputy Mayor	Approval of a credit card for the Deputy Mayor for overseas travel purposes.	Deputy Mayor travelling with exchange students to Eniwa
31 May 2023	Governance Coordinator	Add "Authorised to operate Timaru District Council Mayor's Welfare accounts."	New role, role that previously carried out this function no longer exists
1 Jun 2023	Community Business Advisor (Contractor)	<p>Insert the following delegations for Community Business Advisor</p> <p>Local Government Act 2022</p> <ol style="list-style-type: none"> <li>1. General power of entry under Section 171 for the purposes of doing anything that the local authority is empowered to do under this Act or any other Act.</li> <li>2. Power of entry under Section 173 on behalf of the local authority for the purposes of an emergency.</li> <li>3. Authority to act under Section 174 for the purposes of local authority entry onto private land.</li> </ol> <p>Construction of works on private land by the local authority under Section 181.</p>	Updates
1 Jun 2023	Operations Manager (Contractor)	<p>Insert the following delegations for Community Business Advisor</p> <p>Local Government Act 2002</p>	Updates



		<ol style="list-style-type: none"> <li>1. General power of entry under Section 171 for the purposes of doing anything that the local authority is empowered to do under this Act or any other Act.</li> <li>2. Power of entry under Section 173 on behalf of the local authority for the purposes of an emergency.</li> <li>3. Authority to act under Section 174 for the purposes of local authority entry onto private land.</li> </ol> <p>Construction of works on private land by the local authority under Section 181.</p>	
1 Jun 2023	Bin Inspector (Contractor)	<p>Insert the following delegations for Community Business Advisor</p> <p>Local Government Act 2002</p> <ol style="list-style-type: none"> <li>4. General power of entry under Section 171 for the purposes of doing anything that the local authority is empowered to do under this Act or any other Act.</li> <li>5. Power of entry under Section 173 on behalf of the local authority for the purposes of an emergency.</li> <li>6. Authority to act under Section 174 for the purposes of local authority entry onto private land.</li> </ol> <p>Construction of works on private land by the local authority under Section 181.</p>	Updates
14 Oct 2022	Building Control Manager	Changes as per the track change version on the Delegation Manual	Due to accreditation regulations and a new team leader role

14 Oct 2022	Building Control Officer	Changes as per the track change version on the Delegation Manual	Due to accreditation regulations
8 May 2023	Governance Coordinator	<p>Non-statutory</p> <ul style="list-style-type: none"> <li>• Arrangements for Civic or Mayoral Functions</li> <li>• To authorise general advertising</li> </ul>	New role
8 May 2023	Governance & Executive Support Administrator	<p><u>Statutory</u></p> <p>Local Government Official Information and Meetings Act 1987</p> <p>46 Public notification of meetings.</p> <p>46A, 49, 51 Availability of agendas, reports and minutes.</p> <p>51A Public notification of resolution at emergency meeting.</p> <p><u>Non-statutory</u></p> <ul style="list-style-type: none"> <li>• Arrangements for Civic or Mayoral Functions</li> <li>• To authorize general advertising</li> </ul>	New role
13 Jun 2023	Infrastructure Committee	<p>Add</p> <p>6.20 – Road Naming</p>	Function previously sat with Environmental Services
19 Jun 2023	Team Leader Policy	Add position as described in 1.	New role
6 Jun 2023	Team Leader Animal Control and Parking	Insert following delegations as per appendix for the Team Leader Animal Control and Parking:	New role

		<p>Land Transport (infringement and reminder notices) Regulations 2012</p> <p>Local Government Act 1974</p> <p>Local Government Act 2002</p> <p>Search and Surveillance Act 2012</p> <p>Dog Control Act 1996</p> <p>Impounding Act 1955</p> <p>Resource Management Act 1991</p> <p>Timaru District Council Consolidated Bylaws 2018</p>	
19 Jun 2023	Senior Resource Consents Planner	<p>Add:</p> <p><u>Local Government Act 2002</u></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> <li>• <a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</li> </ul> <p><u>Resource Management Act 1991</u></p> <ul style="list-style-type: none"> <li>• <a href="#">22</a> Duty to provide information</li> <li>• <a href="#">221</a> The authorisation of a consent notice.</li> <li>• <a href="#">322</a> Scope of abatement notice</li> <li>• <a href="#">327</a> Issue and Effect an excessive noise direction</li> <li>• <a href="#">328</a> Compliance with an excessive noise direction</li> </ul>	Job title change

		<ul style="list-style-type: none"> <li>• <a href="#">332</a> Power of entry for inspection</li> <li>• <a href="#">333</a> Power of entry for survey under S 333 for purposes connected with any preparation, change or review of the District Plan</li> </ul> <p><a href="#">343C</a> Infringement Notices</p>	
19 Jun 2023	Consents Monitoring and Compliance Officer	<p>Add:</p> <p>Statutory:</p> <p><u>Local Government Act 2002</u></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> <li>• <a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</li> </ul> <p><u>Resource Management Act 1991</u></p> <ul style="list-style-type: none"> <li>• <a href="#">22</a> Duty to provide information</li> <li>• <a href="#">322</a> Scope of abatement notice</li> <li>• <a href="#">327</a> Issue and Effect an excessive noise direction</li> <li>• <a href="#">328</a> Compliance with an excessive noise direction</li> <li>• <a href="#">332</a> Power of entry for inspection</li> <li>• <a href="#">333</a> Power of entry for survey under S 333 for purposes connected with any preparation, change or review of the District Plan</li> </ul> <p><a href="#">343C</a> Infringement Notices</p>	Job title change

		<p><u>Non-Statutory:</u></p> <ul style="list-style-type: none"> <li>• Authority to authorise the recovery of reasonable costs in relation to the monitoring of Resource Consent, District Plan, Resource Management Act and National Environmental Standard compliance.</li> </ul>	
19 Jun 2023	Resource Consents Planners	<p>Add:</p> <p><u>Building Act 2004</u></p> <ul style="list-style-type: none"> <li>• <u>s36</u> To issue a development contribution notice.</li> <li>• <u>s37</u> The attachment or uplifting of a requirement for Resource Consent under the Building Act. (Note: The decision to require (or not) a resource consent under the District Plan will be identified by the District Planning Unit.)</li> <li>• <u>s39</u> To advise Heritage New Zealand of certain applications.</li> </ul> <p><u>Local Government Act 2002</u></p> <ul style="list-style-type: none"> <li>• <u>s171, 173, 174 and 181</u> To be an authorised officer to act and enter private land.</li> <li>• <u>s172, 178, 182</u> Power of entry for enforcement purposes and require certain information.</li> </ul> <p><u>Resource Management Act 1991</u></p> <ul style="list-style-type: none"> <li>• <u>22</u> Duty to provide information</li> <li>• <u>s42A</u> Powers regarding the preparation commissioning and provision of reports</li> </ul>	Job title change

		<ul style="list-style-type: none"> <li>• <a href="#">s88(3)</a> Authority to receive a resource consent application and determine whether the application meets the minimum requirements of the RMA, and to return that application if incomplete.</li> <li>• <a href="#">s92, 92A</a> and <a href="#">92B</a> The power to commission reports and request further information in respect of a resource consent application and to set a time that the applicant has to provide the information and tell the applicant of that time.</li> <li>• <a href="#">s101</a> To determine the commencement date, time and place for the hearing of an application for resource consent. If the application is being heard by the Council’s Hearing Committee, the decision should be taken in consultation with the Chair of the Hearings Committee.</li> <li>• <a href="#">S114</a> Authority to serve consent applicant and submitters with notice of the decision on an application</li> <li>• <a href="#">s223</a> To determine whether or not a survey plan, which has been submitted to the Council for approval, conforms to the relevant subdivision consent or certificate of compliance.</li> <li>• <a href="#">s224</a> To determine whether or not the conditions of a subdivision have been complied with.</li> <li>• <a href="#">322</a> Scope of abatement notice</li> <li>• <a href="#">327</a> Issue and Effect an excessive noise direction</li> <li>• <a href="#">328</a> Compliance with an excessive noise direction</li> </ul>	
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		<ul style="list-style-type: none"> <li>• <a href="#">332</a> Power of entry for inspection</li> <li>• <a href="#">333</a> Power of entry for survey under S 333 for purposes connected with any preparation, change or review of the District Plan</li> <li>• <a href="#">343C</a> Infringement Notices</li> </ul> <p><a href="#">Sale and Supply of Alcohol Act 2012</a>  <a href="#">s100</a> (f) Provide Resource Management Act information for the issue of a licence.</p>	
19 Jun 2023	Policy Planner	<p>Add:</p> <p><a href="#">Building Act 2004</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s36</a> To issue a development contribution notice.</li> <li>• <a href="#">s37</a> The attachment or uplifting of a requirement for Resource Consent under the Building Act. (Note: The decision to require (or not) a resource consent under the District Plan will be identified by the District Planning Unit.)</li> <li>• <a href="#">s39</a> To advise Heritage New Zealand of certain applications.</li> </ul> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171</a>, <a href="#">173</a>, <a href="#">174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> <li>• <a href="#">s172</a>, <a href="#">178</a>, <a href="#">182</a> Power of entry for enforcement purposes and require certain information.</li> </ul> <p><a href="#">Resource Management Act 1991</a></p> <ul style="list-style-type: none"> <li>• <a href="#">22</a> Duty to provide information</li> </ul>	Job title change

		<ul style="list-style-type: none"> <li>• <a href="#">s42A</a> Powers regarding the preparation commissioning and provision of reports</li> <li>• <a href="#">s88(3)</a> Authority to receive a resource consent application and determine whether the application meets the minimum requirements of the RMA, and to return that application if incomplete.</li> <li>• <a href="#">s92</a>, <a href="#">92A</a> and <a href="#">92B</a> The power to commission reports and request further information in respect of a resource consent application and to set a time that the applicant has to provide the information and tell the applicant of that time.</li> <li>• <a href="#">s101</a> To determine the commencement date, time and place for the hearing of an application for resource consent. If the application is being heard by the Council’s Hearing Committee, the decision should be taken in consultation with the Chair of the Hearings Committee.</li> <li>• <a href="#">S114</a> Authority to serve consent applicant and submitters with notice of the decision on an application</li> <li>• <a href="#">s223</a> To determine whether or not a survey plan, which has been submitted to the Council for approval, conforms to the relevant subdivision consent or certificate of compliance.</li> <li>• <a href="#">s224</a> To determine whether or not the conditions of a subdivision have been complied with.</li> <li>• <a href="#">322</a> Scope of abatement notice</li> <li>• <a href="#">327</a> Issue and Effect an excessive noise direction</li> </ul>	
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		<ul style="list-style-type: none"> <li>• <a href="#">328</a> Compliance with an excessive noise direction</li> <li>• <a href="#">332</a> Power of entry for inspection</li> <li>• <a href="#">333</a> Power of entry for survey under S 333 for purposes connected with any preparation, change or review of the District Plan</li> <li>• <a href="#">343C</a> Infringement Notices</li> </ul> <p><a href="#">Sale and Supply of Alcohol Act 2012</a>  <a href="#">s100</a> (f) Provide Resource Management Act information for the issue of a licence.</p>	
19 Jun 2023	Senior Policy Planner	<p>Add:</p> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> <li>• <a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</li> </ul> <p><a href="#">Resource Management Act 1991</a></p> <ul style="list-style-type: none"> <li>• <a href="#">22</a> Duty to provide information</li> <li>• <a href="#">221</a> The authorisation of a consent notice.</li> <li>• <a href="#">322</a> Scope of abatement notice</li> <li>• <a href="#">327</a> Issue and Effect an excessive noise direction</li> <li>• <a href="#">328</a> Compliance with an excessive noise direction</li> <li>• <a href="#">332</a> Power of entry for inspection</li> </ul>	Job title change

		<ul style="list-style-type: none"> <li>• <a href="#">333</a> Power of entry for survey under S 333 for purposes connected with any preparation, change or review of the District Plan</li> </ul> <p><a href="#">343C</a> Infringement Notices</p>	
19 Jun 2023	Team Leader Policy	Add	Job title change
19 Jun 2023		Amend wording to S222 of the Building Act 2004 to: “Authorised to carry out inspections and enter land, and therefore be an authorised officer”	Updates
19 Jun 2023	Team Leader Building Inspections	<p>New Role</p> <p>Add:</p> <p><a href="#">Building Act 2004</a></p> <ul style="list-style-type: none"> <li>• S7 Independent Qualified Persons: Approvals and Withdrawals.</li> <li>• <a href="#">s31</a> To apply for and provide PIM to owner on application of a building consent</li> <li>• s50 To determine whether to refuse any building consent and give written notice of the refusal and the reasons.</li> <li>• s52 To extend the time permitted to activate a building consent.</li> <li>• s53 Receive from the owner as applicant any levy payable, and make a refund of levy paid in certain circumstances</li> <li>• s54 To advise applicant of the amount payable.</li> </ul>	New role

		<ul style="list-style-type: none"> <li>• s64 The duty to keep in safe custody all records and building consents issued including the estimated value of the building work.</li> <li>• s67 Authority to grant or refuse any applications for a waiver or modification of the Building Code, on matters of minor non-compliance.</li> <li>• S67A Grant waivers and modifications specifically in relation to restricting access to residential pools.</li> <li>• S68 The duty to notify the Ministry of Business Innovation &amp; Employment (MBIE) of a waiver or modification to the building code.</li> <li>• S71 Authority to refuse any building consent in relation to land with natural hazards.</li> <li>• S73 Duty to make notification of building consent granted under section 72.</li> <li>• S74 Duty to notify where a previous entry is no longer required.</li> <li>• S75-77 Issuing certificates in respect to buildings across two or more allotments.</li> <li>• S83 Owner may apply for entry to be removed – approve removal of entry.</li> <li>• S99 Power to Issue Certificate of Acceptance and to determine whether any qualifications should be made on any certificate of acceptance.</li> <li>• S99A &amp; 99AA To refuse to issue Certificate of Acceptance</li> </ul>	
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		<ul style="list-style-type: none"> <li>• S115 The power and authority to determine the change of use of buildings.</li> <li>• S116 To determine whether to permit the extension of life of a building with a specified intended life.</li> <li>• S116(a) To determine whether to permit a subdivision that affects a building or part of a building.</li> <li>• S121 To determine whether a building is dangerous, including seeking advice from the Fire &amp; Emergency NZ (FENZ).</li> <li>• S123,123A To determine whether a building is insanitary and exercise powers.</li> <li>• S133AA-AY Authority to perform functions, exercise powers and determine if a building is earthquake prone.</li> <li>• S164-166 The power and authority to issue notices to fix, or to determine whether another authority should issue notices to fix.</li> <li>• S220 To carry out building work on default.</li> <li>• S371-372 To issue infringement notices.</li> <li>• S436 Transitional provision for code compliance certificates in respect of building work carried out under building consent granted under former Act.</li> <li>• Schedule 1 Cl.2 The power to consider exemptions from building consent.</li> </ul> <p><a href="#">Local Government Act 2002</a></p>	
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		<ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> </ul> <p><a href="#">172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	
19 Jun 2023	Building Compliance and Enforcement Advisor	<p>Add:</p> <p><a href="#">Amusement Devices Regulations 1978</a></p> <ul style="list-style-type: none"> <li>• R23 Power of entry.</li> </ul> <p><a href="#">Building Act 2004</a></p> <ul style="list-style-type: none"> <li>• S90 The power to inspect any land and building work and enter any premises for the purpose of inspection and be an “authorised agent or officer”.</li> <li>• S96 To determine whether to grant or refuse an application for a certificate of acceptance</li> <li>• S97-98 Power to determine information required and to require further information on an application for a certificate of acceptance.</li> <li>• S100-103,108 Authority to consider and implement all aspects relating to compliance schedules, building warrants of fitness and approval of Independent Qualified Persons.</li> <li>• S106,107,109 Power to amend a compliance schedule.</li> <li>• S110 To require production of annual written reports on compliance schedules.</li> <li>• S111 Power to inspect buildings under compliance schedules and specified systems.</li> </ul>	New role

		<ul style="list-style-type: none"> <li>• S124-130 Authority to take action in relation to dangerous, affected and insanitary buildings.</li> <li>• S167 The power to inspect the building work to which any notice to fix relates, to confirm whether or not the notice to fix has been complied with, and to issue any notices with reasons.</li> <li>• S216-218 The duty to keep all records relevant to the administration of the Building Act and to provide access to that information to the public</li> <li>• S222 Authorised to carry out inspections and enter land, and therefore be an authorised officer</li> <li>• S224 The duty of authorised and warranted officers to carry and produce evidence when required.</li> </ul> <p><a href="#">Health Act 1956</a></p> <ul style="list-style-type: none"> <li>• S41 Power to require owners or occupiers to cleanse property.</li> </ul> <p><a href="#">Sale and Supply of Alcohol Act 2012</a></p> <ul style="list-style-type: none"> <li>• S100(f) Provide building code information for the issue of a licence.</li> </ul> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• s171, 173, 174 and 181 To be an authorised officer to act and enter private land.</li> </ul> <p><a href="#">172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	
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19 Jun 2023	Building Compliance Officer	<p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> </ul> <p><a href="#">172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	Amendment to current delegations to include
6 Jun 2023	Environmental Compliance Manager	<p>Insert the following delegations for the Environmental Health Support Officer:</p> <p>Resource Management Act 1991:</p> <p>S35 – Duty to gather information;</p> <p>S343C – Infringement notices</p> <p>Sale and Supply of Alcohol Act 2012:</p> <p>All relevant powers, duties and responsibilities for a District Licensing Inspector,</p> <p>S129 – Authority to inquire into application;</p> <p>S267 – Powers of entry;</p> <p>S268 – Seize Samples of Alcohol</p> <p>S287 – Automatic Suspension of licence for non-payment of annual fee.</p>	Updates
		<p>Insert the following delegations for the Environmental Health Officer:</p> <p>Sale and Supply of Alcohol Act 2012:</p>	Updates

		<p>All relevant powers, duties and responsibilities for a District Licensing Inspector,</p> <p>S129 – Authority to inquire into application;</p> <p>S287 – Automatic Suspension of licence for non-payment of annual fee.</p> <p>Hazardous Substances and New Organisms Act 1996:</p> <p>S103A – Powers of entry</p>	
		<p>Insert the following delegations for a Food Verifier:</p> <p>Food Act 2014</p> <p>S55 – Authority to require information to be provided.</p>	Updates
21 Jun 2023		<p>Insert S 103A Hazardous Substances and New Organisms Act 1996 for Environmental Health Officer.</p> <p>Insert ‘Animal Control Officer’ for the Search and Surveillance Act 2012:</p> <ul style="list-style-type: none"> <li>• Part 4, Subpart 3 – search warrants</li> <li>• Sections 150, 151, 155 and 156 – perform the functions and duties associated with seized property</li> </ul> <p>Insert ‘Animal Control Officer’ for the following:</p> <p>Local Government Act 2022</p> <ol style="list-style-type: none"> <li>1. Section 164 to seize property not on private land.</li> <li>2. Section 165 to seize property from private land.</li> </ol>	Updates



		<p>3. To return property seized or impounded under Section 167.</p> <p>4. To dispose of property seized and impounded under Section 168.</p> <p>Resource Management Act 1991</p> <p>1. To direct a person to supply information under Section 22.</p> <p>2. Authorisation and responsibilities of enforcement officers in terms of Section 38 (1a).</p> <p>3. To serve abatement notices under Section 322.</p> <p>4. Issue excessive noise direction under Section 327 and enforcement of that notice.</p> <p>5. Requiring compliance with excessive noise direction under Section 328.</p> <p>6. Power of entry for inspection on, into, under or over any place or structure, except a dwellinghouse, for the purpose of inspection under Section 332.</p> <p>7. Power of entry for survey under Section 333 for any purpose connected with the preparation, change or review of a Plan.</p> <p>8. To issue infringement notices under Section 343C.</p>	
<p>28 Jun 2023</p>	<p>Building Compliance &amp; Enforcement Advisor</p>	<p>Add to Building and Compliance Enforcement Advisor</p> <p><u>Amusement Devices Regulations 1978</u></p>	<p>Additional delegation</p>

		<ul style="list-style-type: none"> <li>• R11 Power to inspect and issue a permit for amusement devices.</li> </ul>	
28 Jun 2023	Building Compliance Officer	<p>Add to Building Compliance Officer</p> <p><u>Amusement Devices Regulations 1978</u></p> <p>R11 Power to inspect and issue a permit for amusement devices</p>	Additional delegation
30 Jun 2023	Operational Supervisor - Contractor	<p>Add to delegation</p> <p>Local Government Act 2002</p> <ul style="list-style-type: none"> <li>• General power of entry under Section 171 (except to a dwelling house) for the purposes of doing anything that the local authority is empowered to do under this Act.</li> <li>• Power of entry under Section 172 (except to a dwelling house) for the purposes of enforcement following a breach of bylaw or commission of an offence under this Act.</li> <li>• Power of entry under Section 173 for the purposes of an emergency.</li> <li>• Authority to act under Section 174 for the purposes of entry onto private land.</li> <li>• Enforcement officers may require certain information under Section 178 for the purposes of enforcement of an offence.</li> </ul>	Additional delegation

		<ul style="list-style-type: none"> <li>• Construction of works on private land under Section 181 for the purposes of necessary construction of works, inspection, alteration, renew, repair, or cleaning.</li> </ul> <p>Power of entry to check utility services under Section 182 (except to a dwelling house) for the purposes of checking utility services.</p>	
29 Jun 2023	Parks Contract Auditor	<p>Add the following delegation</p> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• S163 Authority to remove works in breach of bylaws.</li> <li>• S164 Authority to seize property not on private land.</li> <li>• S167 Return of property seized or impounded</li> <li>• S168 Power to dispose of property seized and impounded</li> <li>• S178 Power of entry for enforcement purposes and require certain information</li> <li>• S245 Issue of Infringement Notices.</li> </ul> <p><a href="#">Litter Act 1979</a></p> <ul style="list-style-type: none"> <li>• S7 Powers and duties of wardens.</li> </ul>	Add new role
29 Jun 2023	Drainage and Water Serviceman (Contractor)	<p>Add the following delegation</p> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171</a>, <a href="#">173</a>, <a href="#">174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> </ul>	Add new role

		<p><a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	
29 Jun 2023	Branch Manager (Contactor)	<p>Add the following delegation</p> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> </ul> <p><a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	Add new role
29 Jun 2023	Civil Project Manager (contractor)	<p>Add the following delegation</p> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> </ul> <p><a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	Add new role
29 Jun 2023	Drainage and Water Trainee (Contractor)	<p>Add the following delegation</p> <p><a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>• <a href="#">s171, 173, 174</a> and <a href="#">181</a> To be an authorised officer to act and enter private land.</li> </ul> <p><a href="#">s172, 178, 182</a> Power of entry for enforcement purposes and require certain information.</p>	Add new role

29 Jun 2023	Water Services Reticulation Engineer	<p>Add the following delegation  <a href="#">Resource Management Act 1991</a>                      • s330 Emergency works and power to take preventive or remedial action.  <a href="#">Timaru District Consolidated Bylaws (General)</a>                      • Chapter 15 – Water Services                      • Chapter 16 – Water Races</p>	Add to current delegations
29 Jun 2023	Drainage Technician	<p>Add the following delegation  <a href="#">Resource Management Act 1991</a>                      • s330 Emergency works and power to take preventive or remedial action.  <a href="#">Timaru District Consolidated Bylaws (General)</a>                      Chapter 16 – Water Races</p>	Add to current delegations
29 Jun 2023	Water Services Technician	<p>Add the following delegation  <a href="#">Resource Management Act 1991</a>                      • s330 Emergency works and power to take preventive or remedial action.  <a href="#">Timaru District Consolidated Bylaws (General)</a>                      Chapter 16 – Water Races</p>	Add to current delegations
29 Jun 2023	Wastewater Compliance Officer	<p>Add the following delegation  <a href="#">Resource Management Act 1991</a>                      • s330 Emergency works and power to take preventive or remedial action.  <a href="#">Timaru District Consolidated Bylaws (General)</a></p>	Add to current delegations

		Chapter 15 – Water Services	
29 Jun 2023	Water Services Operations Engineer	Add the following delegation <a href="#">Resource Management Act 1991</a> • s330 Emergency works and power to take preventive or remedial action. <a href="#">Timaru District Consolidated Bylaws (General)</a> Chapter 15 – Water Services	Add to current delegations
29 Jun 2023	Wastewater Treatment Operator	Add the following delegation <a href="#">Resource Management Act 1991</a> • s330 Emergency works and power to take preventive or remedial action. <a href="#">Timaru District Consolidated Bylaws (General)</a> Chapter 15 – Water Services	Add to current delegations
29 Jun 2023	Wastewater Treatment Team Leader	Add the following delegation <a href="#">Resource Management Act 1991</a> • s330 Emergency works and power to take preventive or remedial action. <a href="#">Timaru District Consolidated Bylaws (General)</a> Chapter 15 – Water Services	Add to current delegations
29 Jun 2023	Water Services Technician	Add the following delegation <a href="#">Resource Management Act 1991</a> • s330 Emergency works and power to take preventive or remedial action. <a href="#">Timaru District Consolidated Bylaws (General)</a>	Add to current delegations

		Chapter 15 – Water Services	
29 Jun 2023	Trade Waste Officer	Add the following delegation <a href="#">Resource Management Act 1991</a> s330 Emergency works and power to take preventive or remedial action.	Add to current delegations
29 Jun 2023	Water Treatment Operator	Add the following delegation <a href="#">Resource Management Act 1991</a> • s330 Emergency works and power to take preventive or remedial action. <a href="#">Timaru District Consolidated Bylaws (General)</a> Chapter 15 – Water Services	Add to current delegations
29 Jun 2023	Water Services Project Team Leader	Add the following delegations <a href="#">Timaru District Consolidated Bylaws (General)</a> Chapter 15 – Water Services Chapter 16 – Water Races  <a href="#">Health Act 1956</a> • S69X Duty to check water quality before connecting to a new water source • S69ZZ Duty to have compliance tests carried out by a registered laboratory • S69ZZR Duty to approve taking of water from a fire hydrant. • S69ZZZ Duty to protect water supplies from risk of backflow. <a href="#">Local Government Act 1974</a> • S451 Council’s powers and functions in respect of diversion of drainage works	New role

		<ul style="list-style-type: none"> <li>•S459 Power to require land owners to provide private drains. <a href="#">Local Government Act 2002</a></li> <li>•.s171, 173, 174 and 181 To be an authorised officer to act and enter private land.</li> <li>•s172, 178, 182 Power of entry for enforcement purposes and require certain information <u>Non-statutory</u></li> <li>•Authority to issue works notices to property owners and residents in areas where works are to be carried out, subject to any other statutory provisions</li> </ul>	
29 Jun 2023	Water Services Project Manager	<p>Add the following delegations <a href="#">Timaru District Consolidated Bylaws (General)</a> Chapter 15 – Water Services Chapter 16 – Water Races</p> <p><a href="#">Health Act 1956</a></p> <ul style="list-style-type: none"> <li>•S69X Duty to check water quality before connecting to a new water source</li> <li>•S69Y Duty to monitor drinking water to ensure compliance with drinking water standards and assess public health risk</li> <li>•S69ZZ Duty to have compliance tests carried out by a registered laboratory</li> <li>•S69ZZR Duty to approve taking of water from a fire hydrant.</li> <li>•S69ZZZ Duty to protect water supplies from risk of backflow.</li> </ul> <p><a href="#">Local Government Act 1974</a></p> <ul style="list-style-type: none"> <li>•S451 Council’s powers and functions in respect of diversion of drainage works</li> </ul>	Add to existing delegations



		<ul style="list-style-type: none"> <li>•S468 Council’s powers and functions in respect of tree roots obstructing private drains. <a href="#">Local Government Act 2002</a></li> <li>•.s171, 173, 174 and 181 To be an authorised officer to act and enter private land.</li> <li>•s172, 178, 182 Power of entry for enforcement purposes and require certain information <u>Non-statutory</u></li> <li>•Authority to issue works notices to property owners and residents in areas where works are to be carried out, subject to any other statutory provisions</li> </ul>	
29 Jun 2023	Survey Design Technician	<p>Add <a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>•.s171, 173, 174 and 181 To be an authorised officer to act and enter private land.</li> <li>•s172, 178, 182 Power of entry for enforcement purposes and require certain information</li> </ul>	Add to existing delegations
29 Jun 2023	Projects & Contracts Officer	<p>Add <a href="#">Local Government Act 2002</a></p> <ul style="list-style-type: none"> <li>•.s171, 173, 174 and 181 To be an authorised officer to act and enter private land.</li> <li>•s172, 178, 182 Power of entry for enforcement purposes and require certain information</li> </ul>	Add to existing delegations

29 Jun 2023	Roading Design Technician	Change all delegations currently with Rooding Design Technician to Rooding Design Engineer	Title change
29 Jun 2023	Various	Replace the term warden with Officer for Litter Act 1979. Insert: To intervene to prevent littering in a public place, deposit of litter on a private place without authority, wilful damage of any litter receptacle under Section 7, and require certain information from any person under this section.  Insert Animal Control Officer in Local Government Act 2002 – Section 245	updates
28 Jun 2023	Water Services Project Team Leader	Add	New role
16 May 2023	Rooding Compliance Officer	Change all delegations currently with Rooding Compliance Officer to Road Officer	

**Below are changes requested for existing delegation:**

Date Approved	Position Title	Change Required	Rationale
18 Jul 2023		Change description from Powers of parking wardens to Appointment of parking wardens and change delegated authority from Parking Officer to Environmental Compliance Manager	Section 128D Land Transport Act 1998

18 Jul 2023		Change description from Appointment of parking wardens to Powers of parking wardens and change delegated authority from Environmental Compliance Manager to Parking Officer	Section 128E Land Transport Act 1998
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**Below are changes requested to remove delegations:**

Date Approved	Position Title	Change Required	Rationale
2 Sep 2022	Land Transport Unit Bylaws Officer	Remove: Food Act 2014: Section 70	Change due to Bylaws Officer moving to Land Transport Unit
8 May 2023	EA to Mayor	Delete	Role no longer exists
8 May 2023	Governance & Exec Support Coordinator	Delete	Role no longer exists
8 May 2023	Executive Assistant to Mayor	Delete	Role no longer exists
8 May 2023	Governance and Exec Support Coordinator	Delete	Role no longer exists
13 Jun 2023	Environmental Services Committee	Remove Road Naming	Now with Infrastructure Committee

19 Jun 2023	Team Leader Policy Planning	Remove	Role no longer exists
19 Jun 2023	Senior Animal Control Officer	Remove	Role no longer exists
13 Jun 2023	Various	Remove following delegations: Environmental Health Support Officer: 1. Food Regulations 2015 – R106 2. Resource Management Act 1991-S333 Environmental Health Officer: 1. Impounding Act 1955 – S4 Food Verifier: 1. Local Government Act 2002 – S171, s172, s173, s174, s178, s181, s182.	
19 Jun 2023	Planner	Remove	No longer a position (name change)
19 Jun 2023	Senior Planner	Remove	No longer a position (name change)
19 Jun 2023	Resource Consent Monitoring Officer	Remove	No longer a position (name change)

19 Jun 2023	Senior Animal Control Officer	Remove	Role no longer exists
19 Jun 2023	Team Leader Policy Planning	Remove	Role no longer exists
29 Jun 2023	Water Services Project Manager – Capital Expenditure	Remove	Role no longer exists
	Administration Support User Experience & Community Engagement	Remove	Role no longer exists

**9.9 Interim 2022/23 Financial Year Performance Report to 30 June 2023**

**Author:** Andrea Rankin, Chief Financial Officer  
 Bradley Robertson, Senior Finance Business Partner  
 Trudie Hurst, Group Manager Commercial and Strategy

**Authoriser:** Trudie Hurst, Group Manager Commercial and Strategy

**Recommendation**

1. That the summary draft financial results to 30 June 2023 be received and noted.

**Purpose of Report**

- 1 The purpose of this report is to outline progress on implementing year two of the 2021-31 Long Term Plan (LTP) and report on the financial results for the period ended 30 June 2023.

**Assessment of Significance**

- 2 This matter is considered to be of low significance in terms of Council’s Significance and Engagement Policy. It is a regular report to the Council on Council’s financial performance, activity performance and delivery of capital work programme during the current financial year.

**Discussion**

- 3 The following is a summary of the draft financial performance for the period ended 30 June 2023 and its draft financial position as at that date. This report is draft and will be finalised once we have completed our Audit process and final review.

	<b>Actuals to 30 June 2023 (\$000)</b>	<b>Budget to 30 June 2023 (\$000)</b>
Total Revenue	108,922	102,123
Total Expenses	122,068	101,867
Operating Surplus/(Deficit)	(13,146)	256

<b>Capital Expenditure</b>	<b>Actuals to 30 June 2023 (\$000)</b>	<b>Budget to 30 June 2023 (\$000)</b>	<b>YTD Actual % of Budget</b>
Community Support	3,678	4,902	75%
Corporate Support	2,937	2,501	117%
Roading and Footpaths	19,386	19,008	102%
Sewer	1,985	3,346	59%
Stormwater	1,561	1,982	79%
Waste Minimisation	3,672	3,325	113%
Water Supply	15,499	16,044	97%
Recreation and Leisure	7,909	25,279	31%
	<b>56,626</b>	<b>76,316</b>	<b>74%</b>

- 4 Capital expenditure was impacted by delays in the Theatre Royal and Aigantighe Art Gallery projects (approximately \$20 million) deferred to 2023/24.
- 5 Attachment 1 contains the draft financial statements and commentary relating to the interim financial results for the 12 month period ending on 30 June 2023.
- 6 Officers are currently progressing the 2022/23 Annual Report which have a number of year-end adjustments that require completion. Some examples of key areas that will be adjusted as part of the year end Annual Report (and not limited to) are as follows:
  - All Revaluation updates are to be processed (revaluations are being undertaken for Three Waters)
  - Depreciation calculation finalisation
  - Financial Assets – review of current and non-current assets to be undertaken
  - Provisions - movement in interest rate swap revaluations as well as waste provisions to be updated
  - Retained Earnings movements – suspense account reconciliations to be finalised
  - Properties rental/lease income splits of rent received in advance
  - Internal charges and final capitalisation of labour time
- 7 The overall financial results show a deficit to date of \$13.1M (million) (note amounts presented in the report are rounded). This is a \$13.4M variance to budget.
- 8 Operating Revenue to 30 June 2023 is \$6.8M above budget. This represents 107% of total revenue budgeted for the financial year. The major variances compared to budget are:

Rates revenue - \$704K above of which the material variance is:

Unit	Surplus /Deficit	Explanation
Rates	Surplus	Rates revenue is \$321K F due to growth in the District after budgets were set, and \$305K F water by meter income.

Subsidies and grants - \$92K deficit of which the material variance is:

Unit	Surplus /Deficit	Explanation
Theatre Royal Grants	Deficit	Theatre royal grants are budgeted at \$2.46M year to date with no amount being received in 2022/23. These grants are received in lump sums based on the stage of completion. The timing of this project has now changed due to community consultation, which will now fall into the 2023/24 year.
Waka Kotahi Subsidies	Surplus	Subsidies received from Waka Kotahi are \$2.41M F, largely a result of \$1.81M of additional subsidy received for Emergency Works.

Fees and Charges - \$879K deficit variance

Unit	Surplus /Deficit	Explanation
Waste Minimisation	Deficit	\$1.62M below budget overall. \$332K related to lower than budgeted new bin sets/upsizing, \$800K from lower tonnage than budgeted, and \$413K resulting from changes in contractual arrangements/supplier.
Sewer	Surplus	Trade waste revenue is \$289K above budget
Planning	Surplus	Fees and charges were \$353K above budget due to increased subdivision consents
Building Control	Deficit	Fees and charges were \$420K below budget potentially due to rising construction costs dampening the consenting market
Parking	Surplus	Fees and charges were \$454K above budget due to a higher proportion of infringements than budgeted
Animal Control	Surplus	Fees and charges were \$145K above budget due to higher instances of compliance



Other Revenue - \$2.64M surplus variance

Unit	Surplus /Deficit	Explanation
Three Waters	Surplus	Unbudgeted local contributions towards three waters infrastructure are \$953K year to date.
Drainage and Water Management	Surplus	Drainage & Water Management unbudgeted income of \$599K received relating to stimulus funding and 3 waters transition support.
CPlay donations	Surplus	\$1.0M donations previously held in Trust were received to fund construction on this project.

Finance Revenue - \$3.15M surplus variance

Unit	Surplus /Deficit	Explanation
Interest Income Received	Surplus	Interest income received is higher than budget due to rising interest rates. Related party interest was budgeted at 2.74%, the Council is currently receiving 7.04%. Investment interest was budgeted at 1.3%, currently receiving 4.57% on average (increasing upon investment maturity and re-investment).

Other gains - \$1.34M surplus variance

Unit	Surplus /Deficit	Explanation
Finance	Surplus	An unbudgeted fair value derivatives gain on revaluation of interest rate swaps has been recognised. At 30 June 2022 the value of derivatives was a \$3.06M asset. This has continued to increase in value and is now a \$4.45M asset. This is due to rising floating rates causing a favourable outcome on swaps entered into.

9 Operating Expenditure to 30 June 2023 is \$122.068M, which is \$20.2M above budgeted expenditure. The key variances within expenditure are:

- i. Depreciation has been re-calculated based on the actual movements in fixed assets in the draft 2022 Annual Report, which included revaluation of roading and water assets. The revaluation increased total fixed assets by \$370.5M, which increases depreciation required in proceeding years. Depreciation expenses are \$7.8M over budget.
- ii. Personnel costs are \$385K (1.5%) ahead of budget which is largely due to the salary changes related to the living wage alignment and subsequent increase.

- iii. Finance costs \$3.4M higher than budget due to interest rates. External borrowings were budgeted at 3.15%, currently paying an average of 4.97%.
- iv. Other expenses being \$8.6M higher than budget, made up of a number of variances across units as outlined in the detailed attachment.

Large variances are:

Unit	Surplus /Deficit	Explanation
Roading	Deficit	Roading is \$3.56M over budget for the year, mainly relating to the emergency works completed which are subsidised at 51% or 71%.
Waste Minimisation	Deficit	Waste minimisation and kerbside collection contractor costs are \$2.11M above budget due to cost escalations in the contract. 2023/24 fees have been increased to offset rising costs.
Professional Fees	Deficit	Professional fees are \$1.72M above budget due to the need to provide cover in vacant roles until permanent employees are recruited, provide specialist services on assurance engagements, asset valuations, respond to central government reporting requirements, e.g. 3 waters requests for information (required under the legislation) and increased and more complex requests for information requiring legal advice regarding matters such as privacy and commercially sensitive information.
Economic Development	Deficit	An unbudgeted grant of \$500K was provided towards development of Fraser Park
IT Software and Support	Deficit	IT software and support are \$330k over budget, largely relating to software support and upgrades expensed.
Peel Forest remediation	Deficit	Peel Forest remediation costs were an unbudgeted \$418K.
Parking Facilities	Deficit	Parking facilities costs were \$382K over budget mainly relating to professional fees and maintenance costs. Professional fees are associated with the Sophia Street carpark.
Urban Water	Deficit	Urban water operational costs are above budget by \$927K, this includes reticulation costs, treatment and pump station maintenance and chemical costs.
District Plan Review	Surplus	District plan review costs are below budget by \$1.09M due to changes in timing for the overall project, and has been re-budgeted into 2023/24 and beyond.

10 The total actual capital expenditure is \$56.6M. This is lower than budget by \$19.7M and represents 74% of our full year budget for this financial year.

- 11 Total borrowings as at 30 June 2023 were \$205M. The net debt position at the same date is \$165M. Net debt is total borrowings less cash reserves held by Council.
- 12 Debt to revenue ratio as at 30 June 2023 is 152%. Council's debt to revenue ratio limit is 210% as set out in its Financial Strategy. This is comfortably within Councils ceiling limit.

**Attachments**

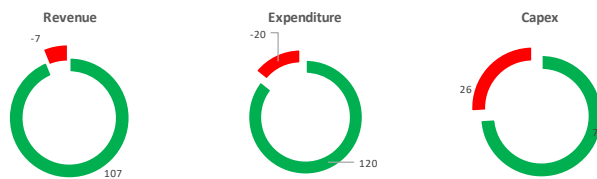
1. **Council Financial Performance Variance Analysis - June 2023 (preliminary)** [↓](#) 

## Council Financial Performance & Variance Analysis Summary as at 30<sup>th</sup> June 2023

### Council Performance as at 30 Jun 2023

#### YTD Actual % of FY Budget

YTD Actual	Remaining Budget
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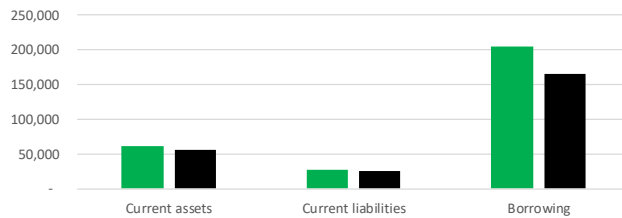
#### Financial Strategy

YTD Actual	30th June 2022
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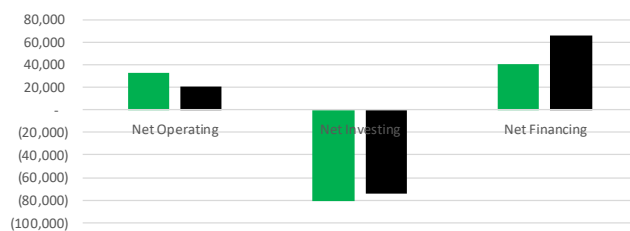
#### Financial Position - Balances (\$'000's)

YTD Actual	30th June 2022
------------	----------------

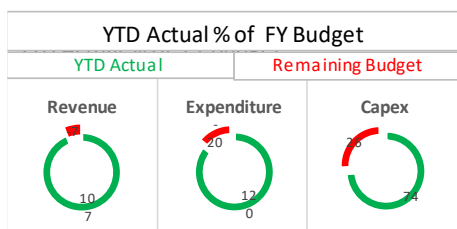


#### Cashflow - Movements (\$'000's)

YTD Actual	30th June 2022
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**Council Performance as at 30 Jun 2023**



	Year to Date			Full year Budget \$000's
	Actual \$000's	Budget \$000's	Variance Budget \$000's	

**Operating Revenue**

Rates revenue	65,621	64,917	704	64,917
Subsidies and grants	12,870	12,962	(92)	12,962
Fees & charges	17,291	18,170	(879)	18,170
Other revenue	6,672	4,032	2,640	4,032
Finance revenue	4,108	962	3,146	962
Dividend revenue	1,010	1,065	(55)	1,065
Other gains	1,350	15	1,335	15
<b>Total Operating Revenue</b>	<b>108,922</b>	<b>102,123</b>	<b>6,799</b>	<b>102,123</b>

**Operating Expenditure**

Personnel costs	25,896	25,511	(385)	25,511
Depreciation expense	32,994	25,199	(7,795)	25,199
Finance costs	7,850	4,407	(3,443)	4,407
Other expenses	55,328	46,750	(8,578)	46,765
<b>Total Operating Expenditure</b>	<b>122,068</b>	<b>101,867</b>	<b>(20,201)</b>	<b>101,882</b>
<b>Operating Surplus/(Deficit)</b>	<b>(13,146)</b>	<b>256</b>	<b>(13,402)</b>	<b>241</b>

**Capital Expenditure**

Community Support	3,678	4,902	1,225	4,902
Corporate Support	2,937	2,501	(436)	2,501
Roading and Footpaths	19,386	19,008	(378)	19,008
Sewer	1,985	3,346	1,361	3,346
Stormwater	1,561	1,982	421	1,982
Waste Minimisation	3,672	3,253	(419)	3,253
Water Supply	15,499	16,044	545	16,044
Recreation and Leisure	7,909	25,279	17,370	25,279
<b>Total Capital Expenditure</b>	<b>56,626</b>	<b>76,316</b>	<b>19,690</b>	<b>76,316</b>

## Notes to the Financial Statements for 30<sup>th</sup> June 2023

### Interpretation

1. Variances greater than \$100,000 are explained below.
  - i. **F** (favourable variance) means that either actual revenue is greater than budget or actual expenditure is less than budget.
  - ii. **U** (unfavourable variance) is when actual revenue is less than budget or actual expenditure is greater than budget.
2. Downlands Water is reported at 82% (TDC's shareholding in the scheme) in these financial reports.
3. Variance analysis for full year actuals against the budget for Council Performance (Actuals 2022/23 to Budget 2022/23) is presented below.
4. **Operating Revenue – Variances and explanations for Council performance are as follows (YTD Variance Actuals 2022/23 to Budget 2022/23):**
  - i. **Rates revenue – \$704K F**  
*Reason for variance*
    - Rates revenue is \$321K F due to growth in the District after budgets were set, and \$305K F water by meter income.
  - ii. **Subsidies and grants – \$92K U**  
*Reason for variance*
    - LTNZ subsidies received from Waka Kotahi are \$2.41M F, largely a result of \$1.81M of additional subsidy received for Emergency Works. Subsidy income is reflective of actual operating and capital expenditure incurred.
    - Waste Minimisation \$293K F relating to MFE waste levy grants higher than budgeted due to an increase in waste levy cost collected.
    - Theatre Royal grants are **\$2.46M U** with \$nil received. These grants are received in lump sums based on stage of completion. The timing of this project has now changed due to community consultation, with the majority now falling into the 2023/24 year.
  - iii. **Fees & charges - \$879K U**  
*Reason for variance*
    - Waste Minimisation fees are **\$1.62M U**. **\$332K U** relates to lower than budgeted new bin sets/upsizing, **\$800K U** is attributable to lower tonnes in than budgeted, and **\$413K U** relates to Rental/Lease property income not received due change in contract/supplier.
    - Trade waste revenue is \$289K F
    - CBAY revenue from Swim School, Aquatics & fitness **\$149K U**, which will reduce upon processing end of year internal 65+ contributions.
    - Planning fees are \$353K F, mostly related to increased subdivisions consents.
    - Building consent fees **\$420K U**. Potentially rising construction costs are dampening the consent market due to developments not going ahead.
    - Parking infringements and fines are \$454K F
    - Dog registration fees are \$145K F

**iv. Other Revenue - \$2,640 K F***Reason for variance*

- Unbudgeted \$1.00M F CPlay donations previously held in Trust were received to fund construction on this project
- Drainage & Water Management unbudgeted other income \$599K F received relating to stimulus funding and 3 waters transition support.
- Unbudgeted local contributions towards three waters infrastructure are \$953K F. These are contributions relating to new developments of sub divisions and varies year on year.
- Vehicle Management revenue is **\$264K U**. Finance are reviewing the internal charges applied to other activities.

**v. Finance Revenue - \$3,146K F***Reason for variance*

- Interest received is higher than budget due to rising interest rates. Related party interest was budgeted at 2.74%, currently receiving 7.04%. Investment interest was budgeted at 1.3%, currently receiving 4.57% on average (increasing upon investment maturity and re-investment).

**vi. Other Gains - \$ 1,335K F***Reason for variance*

- An unbudgeted fair value derivatives gain on revaluation of interest rate swaps has been recognised. At 30 June 2022 the value of derivatives was a \$3.06M asset. This has continued to increase in value and is now a \$4.45M asset. This is due to rising floating rates causing a favourable outcome on swaps entered into.

**5. Operating Expenditure – Variances and explanations for Council Performance ( YTD Variance Actuals 2022/23 to Budget 2022/23):****i. Personnel costs – \$385K U***Reason for variance*

- Salaries and wages are **\$385K U** overall. Budgeted salaries and wages included a vacancy factor of 8.5% which reduced the overall budget by \$2.30M to take into consideration timing of staff changes and challenges in recruitment. Excluding the vacancy factor, personnel costs are \$1.91M below budget, existing within the following activities (further analysis is provided in the Council Performance by Activity analysis):
  - i. Corporate Support \$1.27M F
  - ii. Environmental Services \$197K F
  - iii. Recreation & Leisure \$535K F
  - iv. Sewer **\$102K U**
  - v. Waste Minimisation **\$206K U**
  - vi. The above favourable variances are partially offset by the \$2.30M vacancy factor applied in 2022/23.

**ii. Depreciation expense – \$7,795K U***Reason for variance*

Depreciation has been re-calculated based on the actual movements in fixed assets in the draft 2022 Annual Report, which included revaluation of roading and water assets. The revaluation increased total fixed assets by \$370.5M, which increases depreciation required in proceeding years.

- i. Community Support - \$178K U
- ii. Corporate Support - \$239K U
- iii. Recreation & Leisure \$132K U
- iv. Roding & Footpaths - \$3.00M U
- v. Sewer - \$1.16M U
- vi. Stormwater - \$1.21M U
- vii. Waste minimisation - \$184K F
- viii. Water Supply - \$2.06M U

**iii. Finance costs – \$3,443K U**

*Reason for variance*

Interest expense is higher than budget due to rising interest rates. External borrowings were budgeted at 3.15%, currently paying an average of 4.97%.

**iv. Other Expenses - \$8,578K U**

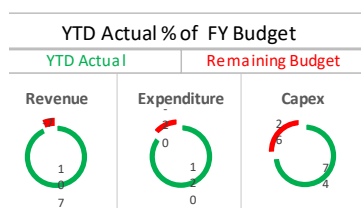
*Reason for variance*

Other expenses under the headings covers cost such as staff training, ACC, Kiwisaver, office administration insurance & Professional fess etc. Significant variances (favourable and unfavourable) are as follows with further detail provided in the Council Performance by Activity analysis:

- i. Community Support - \$242K U
- ii. Corporate Support - \$1.82M U
- iii. Environmental Services - \$996K F
- iv. Governance & strategy \$109K U
- v. Roding & Footpaths - \$3.72M U
- vi. Stormwater - \$284K U
- vii. Waste minimisation - \$2.42M U
- viii. Water Supply - \$1.01M U



**YTD Variance for Activity Groups Actuals 2022/23 to Budget 2022/23**



**Council Performance as at 30 Jun 2023**

Actual \$000's	Budget \$000's	Year to Date		Full year Budget \$000's
		Variance	Budget	
		\$000's	\$000's	

**Operating Revenue**

Community Support	6,927	6,868	59	6,868
Corporate Support	2,828	(2,013)	4,841	(2,013)
Roading and Footpaths	28,699	25,664	3,035	25,664
Sewer	9,024	8,580	444	8,580
Stormwater	3,220	3,023	197	3,023
Waste Minimisation	8,409	9,658	(1,249)	9,658
Water Supply	13,410	12,611	799	12,611
Recreation and Leisure	22,846	24,153	(1,307)	24,153
Governance and Strategy	4,765	4,691	74	4,691
Environmental Services	8,794	8,887	(93)	8,888
<b>Total Operating Revenue</b>	<b>108,922</b>	<b>102,122</b>	<b>6,800</b>	<b>102,123</b>

**Operating Expenditure**

Community Support	6,796	6,486	(310)	6,486
Corporate Support	9,841	3,326	(6,515)	3,326
Roading and Footpaths	29,541	22,957	(6,584)	22,957
Sewer	9,670	8,580	(1,090)	8,580
Stormwater	4,517	3,023	(1,494)	3,023
Waste Minimisation	12,070	9,658	(2,412)	9,658
Water Supply	15,940	12,614	(3,326)	12,614
Recreation and Leisure	21,261	21,686	425	21,686
Governance and Strategy	4,790	4,691	(99)	4,691
Environmental Services	7,642	8,846	1,204	8,861
<b>Total Operating Expenditure</b>	<b>122,068</b>	<b>101,867</b>	<b>(20,201)</b>	<b>101,882</b>

<b>Operating Surplus/(Deficit)</b>	<b>(13,146)</b>	<b>255</b>	<b>(13,401)</b>	<b>241</b>
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**Capital Expenditure**

Community Support	3,678	4,902	1,225	4,902
Corporate Support	2,937	2,501	(436)	2,501
Roading and Footpaths	19,386	19,008	(378)	19,008
Sewer	1,985	3,346	1,361	3,346
Stormwater	1,561	1,982	421	1,982
Waste Minimisation	3,672	3,253	(419)	3,253
Water Supply	15,499	16,044	545	16,044
Recreation and Leisure	7,909	25,279	17,370	25,279
<b>Total Capital Expenditure</b>	<b>56,626</b>	<b>76,316</b>	<b>19,690</b>	<b>76,316</b>

Variance analysis for actuals against budget for Activity Groups (Actuals 2022/23 to Budget 2022/23) is presented below

**6. Operating Revenue – variances for activity groups (actuals 2022/23 to budget 2022/23) are as follows:**

**i. Corporate Support \$4,841K F**

*Reason for variance*

- The LTU portion of subsidies not received from Waka Kotahi are **\$353K U** due to a categorisation difference with all currently recorded within Rooding & Footpaths.
- Drainage & Water Management unbudgeted other income \$755K F received relating to stimulus funding and 3 waters transition support.
- Vehicle Revenue is **\$264K U** relates to internal vehicle charges.
- Interest income received is \$3.1M F above budget due to rising interest rates.
- \$1.35M F unbudgeted fair value gain on revaluation of interest rate swaps has been recognised.

**ii. Rooding & Footpaths - \$3,035K F**

*Reason for variance*

- Rooding & footpaths Rates revenue are \$ 114K F due to growth in the district after budget was set
- Subsidies & Grant for Rooding and footpaths (excluding LTU) expenditure subsidies received from Waka Kotahi are \$2.41M F. Subsidy income is reflective of actual operating and capital expenditure incurred.
- Parking infringements and fines are \$511K F.

**iii. Sewer - \$444K F**

*Reason for variance*

- Tradewaste Charges are \$207K F
- Unbudgeted development contributions received \$ 229K F

**iv. Stormwater - \$197K F**

*Reason for variance*

- Unbudgeted development contributions received \$ 150K F

**v. Waste Minimisation - \$1,249K U**

*Reason for variance*

- Fees and charges are **\$1.62M U** overall. **\$332K U** relates to lower than budgeted new bin sets/upsizing, **\$800K U** is attributable to lower tonnes in than budgeted, and **\$413K U** relates to Rental/Lease property income not received due change in contract/supplier.
- Subsidies are \$293K F due to increased waste levy charges reimbursed

**vi. Water Supplies - \$ 799K F**

*Reason for variance*

- Unbudgeted local contributions towards water supply infrastructure are \$799K F.

**vii. Recreation and leisure - \$1,307K U**

*Reason for variance*

- Theatre Royal grants are **\$2.46M U** with \$nil being received. These grants are received in lump sums based on stage of completion. The timing of this project has now changed due to community consultation, which will now fall into the 2023/24 year.
- CBAY revenue is **\$149K U**.
- Rates allocated to Recreation and Leisure are \$165K F due to growth prior to rates being struck.

**7. Operating Expenditure variances for activity groups: (actuals 2022/23 to budget 2022/23) are as follows:**

**i. Community Support - \$310K U**

*Reason for variance*

- Depreciation **\$ 178K U** mainly related to the Timaru Airport
- Economic Development is **\$515K U** largely due to unbudgeted grants for Fraser Park
- Civil Defence is \$262K F largely a result of emergency costs not required to be spent

**ii. Corporate Support - \$6,515K U**

*Reason for variance*

- Personnel Costs – Salaries and wages are **\$1.02M U** overall, largely due to recognition of Whole of Council vacancy factory of \$2.30M. Excluding the vacancy factor, Corporate Support salaries and wages are \$1.27M F. The following are salaries and wages variances above \$100K (excluding vacancy factor)
  - CEO office **\$381K U**
  - People & Capability **\$477K U**
  - Commercial and Strategy Management \$300K F
  - Corporate Planning \$140K F
  - Programme Delivery \$210K F
  - Risk & Assurance \$288K F
  - Drainage & Water \$511K F
- Depreciation is **\$239K U** due to re-calculation based on actual Property, Plant & Equipment balances at 30 June 2022
- Finance costs are **\$3.42M U** due to rising interest rates.
- IT Services **\$330K U** largely relating to software support and upgrades expensed.
- The following business units have professional fee costs variances to budget above \$100K
  - CEO office **\$252K U** – mainly due to legal fees
  - People & Capability **\$477K U** – consultant acting in key role; advisory support
  - Commercial and Strategy Management **\$420K U** – consultant acting in key role
  - Properties Maintenance \$ 172K F
  - Risk & Assurance **\$319K U** – consultant acting in key role; internal audit
  - Park & Rec Management **\$107K U** – activity support
  - Drainage & Water **\$156K U** – personnel support
  - Land Transport Unit \$169K F
  - Recreation & Cultural Services **\$332K U** – consultant acting in key role

**iii. Rooding and Footpaths- \$6,584K U**

*Reason for variance*

- Depreciation is **\$3.00M U** due to considerable increases in Property, Plant & Equipment valuations at 30 June 2022.

- Subsidised roading costs were **\$3.56M U** overall, with **\$2.98M U** of the variance relating to emergency works completed which were 51% funded by Waka Kotahi.
- Parking facilities costs were **\$382K U** mainly relating to unbudgeted professional fees related to Farmer's Carpark.

**iv. Sewer- \$1,090 K U**

*Reason for variance*

- Depreciation is **\$1.16M U** due to considerable increases in Property, Plant & Equipment valuations at 30 June 2022.
- Remaining variances favourable & Unfavourable below \$100K largely relates to sewer maintenance and utilities costs below budget.

**v. Stormwater - \$1,494K U**

*Reason for variance*

- Depreciation is **\$1.21M U** due to considerable increases in Property, Plant & Equipment valuations at 30 June 2022.
- Timaru Stormwater costs are **\$170K U**, largely relating to reticulation costs and professional fees

**vi. Waste Minimisation - \$2,412K U**

*Reason for variance*

- Salaries and wages are **\$206K U**
- Depreciation is \$184K F
- Kerbside Collection government waste levy under budget by \$ 131K F
- Waste Minimisation and Kerbside Collection contractor costs are **\$2.11M U**
- Landfill aftercare & remediation work are **\$418K U** due to work completed at the closed Peel Forest landfill.

**vii. Water Supplies - \$3,326K U**

*Reason for variance*

- Depreciation is **\$2.06M U** due to considerable increases in Property, Plant & Equipment valuations at 30 June 2022.
- Finance costs are **\$287K U** due to increased interest rates on internal borrowings.
- Urban Water Operation are **\$927K U** largely due to reticulation costs
- Te Moana Operations are **\$194K U** largely due to purchase water

**viii. Recreation and leisure - \$425K F**

*Reason for variance*

- Salaries and wages are \$469K F overall, including CBAY \$119K F, Museum \$152K F and Art Gallery \$161K F.
- Depreciation is **\$132K U**

**ix. Environmental Services - \$1,204K F**

*Reason for variance*

- Salaries and wages are \$253K F overall, mainly residing in Planning due to vacancies within the team.
- District Plan Review costs are \$1.09M F, which has been re-budgeted into 2023/24 due to changes in timing for the overall project.

**8. Capital expenditure variance explanations (actuals 2022/23 to budget 2022/23) are as follows:****i. Community Support – \$1,225K F***Reason for variance*

- Airport Capital Works \$1.42M F relating to the terminal upgrade and runway resurfacing which was re-budgeted into 2023/24.
- Cemetery purchase of land **\$179K U**

**ii. Corporate Support –\$436K U***Reason for variance*

- IT - Computer Hardware and Software Projects are **\$732K U**, largely due to equipment renewals, and un-budgeted Council refurbishment and software implementation to support organisational improvements
- EQ strengthening works are \$663K F due to timing delays, with this work expected to be undertaken in 2023/24.
- Project management Software - \$165K F due to software not yet implemented.
- Vehicle Management **\$526K U**, partially offset by \$202K of cash received on disposals.

**iii. Roading and footpaths –\$378K U***Reason for variance*

- City Hub \$1.98M F due to project delays.
- Subsidised Roading and Footpaths **\$2.71M U**, mainly a result of reseals and renewals work required.
- Parking Facilities \$1.01M F due to delays in remediation work.

**iv. Sewer –\$1,361K F***Reason for variance*

- The full \$1.36M Sewer variance has been re-budgeted into 2023/24 due to project delays. Projects includes Industrial wastewater pumping station, Trade waste monitoring equipment, Dawson St pump station replacement, Reticulation renewals & upgrades and Talbot St Geraldine sewer siphon.

**v. Stormwater –\$421K F***Reason for variance*

- \$408K of the overall Stormwater budget variance was re-budgeted into 2023/24 due to project delays. These projects include Timaru Stormwater urban renewal and upgrade projects, Serpentine Creek Geraldine, Taitarakahi Creek upgrade and Rural stormwater renewal and upgrade projects.

**vi. Waste Minimisation – \$419K U***Reason for variance*

- Cell development costs are \$294K F due to timing delays, with construction completed in July 2023.
- Landfill flare and gas systems are **\$325K U**, which is covered by approved carry forwards of \$698K (not recorded within the budget total).
- Plant purchases are **\$330K U** due to electrical upgrades required at the material recovery facility.

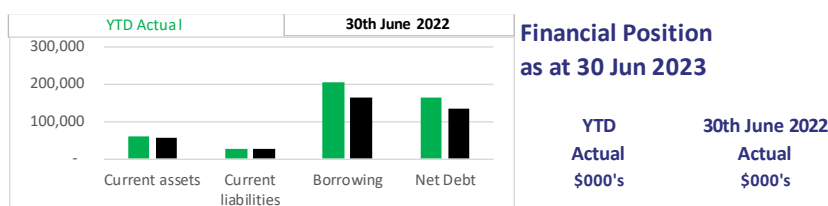
**vii. Water Supplies –\$545K F***Reason for variance*

- Urban water supply - \$2.96M F overall, of which \$2.65M has been re-budgeted into 2023/24 due to delays in work resources. The variance mainly relates to the Claremont Treatment Plant Upgrade, Pareora Pipeline, and Plant Renewals and upgrade projects.
- Te Moana water supply - **\$1.29M U**. This project was budgeted in the 2022 financial year, while the spend occurred in 2023.
- Seadown water supply - \$843K F. This project had consenting delays resulting in \$778K being re-budgeted into 2023/24.
- Downlands water supply - **\$1.38M U** relating to reticulation renewals required.

viii. **Recreation & Leisure – \$17,370K F**

*Reason for variance*

- Art Gallery earthquake strengthening is \$1.63M F due to project delays, with the full variance re-budgeted into 2023/24.
- Aorangi Stadium projects are \$277K F, with Master Plan Phase 1 budgeted to continue into 2023/24 and beyond.
- Fishing Hut Water treatment system \$184K F due to project delays
- Caroline Bay Bleachers project is **\$654K U**, which is covered by approved carry forwards of \$734K (not recorded in the budget total as carry forwards were approved after budgets were set).
- Parks & Recreation projects are \$750K F overall, with renewals being the main contributor
- Swimming pools – Fitness equipment, CBAY building & Pleasant point pool upgrades are \$118K F, where building renovations were work in progress at 30 June 2023.
- Theatre Royal - \$15.13M F, as project was paused due to community consultation. This project has been re-budgeted into 2023/24 and beyond based on the updated timeline.



**ASSETS**

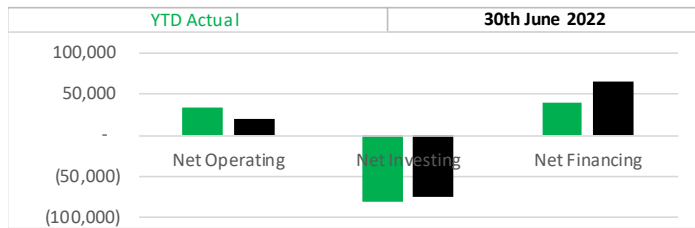
	YTD Actual \$000's	30th June 2022 Actual \$000's
<b>Current assets</b>		
Cash and deposits	8,762	15,648
Debtors and other receivables	11,223	20,894
Inventories	27	25
Other financial assets	41,520	19,970
<b>Total current assets</b>	<b>61,532</b>	<b>56,537</b>
<b>Non_current assets</b>		
Property plant & equipment	1,829,122	1,805,490
Intangible assets	5,688	5,688
Forestry	975	975
Investment property	1,560	1,560
Investment in cco's & other similar	54,985	55,074
Other financial assets	11,535	11,535
<b>Total non_current assets</b>	<b>1,903,865</b>	<b>1,880,322</b>
<b>Total assets</b>	<b>1,965,397</b>	<b>1,936,859</b>

**LIABILITIES**

<b>Current liabilities</b>		
Trade and other payable	25,524	22,853
Employee benefit liabilities	2,409	2,816
<b>Total current liabilities</b>	<b>27,933</b>	<b>25,669</b>
<b>Non_current liabilities</b>		
Provisions	11,082	11,721
Employee benefit liabilities	-	441
Non current borrowing	205,335	164,835
<b>Total non_current liabilities</b>	<b>216,417</b>	<b>176,997</b>
<b>Total liabilities</b>	<b>244,350</b>	<b>202,666</b>
<b>Net Assets</b>	<b>1,721,047</b>	<b>1,734,193</b>

**EQUITY**

Retained earnings	788,428	801,574
Special funds	15,035	15,035
Separate funds	25,166	25,166
Asset revaluation	892,418	892,418
<b>Total equity</b>	<b>1,721,047</b>	<b>1,734,193</b>



**Statement of Cashflow  
as at 30 Jun 2023**

	YTD Actual \$000's	30th June 2022 Actual \$000's
<b>OPERATING ACTIVITIES</b>		
Rates	66,399	61,639
Other revenue received	45,337	28,072
Interest received	4,108	1,320
Dividends received	1,010	1,000
Payments to suppliers and employees	(75,723)	(67,127)
Finance costs	(7,850)	(4,135)
<b>Net operating activities</b>	<b>33,281</b>	<b>20,769</b>
<b>INVESTING ACTIVITIES</b>		
Reduction of term investment	(20,822)	(1,701)
Proceeds from sale of property, plant and equipment	202	48
Purchase of property, plant and equipment	(60,047)	(72,926)
<b>Net investing activities</b>	<b>(80,667)</b>	<b>(74,579)</b>
<b>FINANCING ACTIVITIES</b>		
Drawdown / (repayment) of borrowings	40,500	65,351
<b>Net financing activities</b>	<b>40,500</b>	<b>65,351</b>
Cash movement	(6,886)	11,541
Opening Balance 1st July	15,648	4,107
<b>Closing Bank Balance</b>	<b>8,762</b>	<b>15,648</b>



**10 Consideration of Urgent Business Items**

**11 Consideration of Minor Nature Matters**

**12 Public Forum Items Requiring Consideration**



**13 Exclusion of Public**

**13.1 Public Excluded Minutes of the Council Meeting held on 30 May 2023**

**13.2 Public Excluded Minutes of the Council Meeting held on 27 June 2023**

**Recommendation**

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p><b>13.1 - Public Excluded Minutes of the Council Meeting held on 30 May 2023</b></p>	<p>s6(b) - Good reason for withholding official information exists if the making available of that information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <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)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>To protect a person’s safety</p> <p>To protect a person’s privacy</p> <p>Commercial sensitivity</p> <p>To protect all communications between a legal adviser and clients from being disclosed without the permission of the client.</p> <p>To enable commercial or industrial negotiations</p>
<p><b>13.2 - Public Excluded Minutes of the Council Meeting held on 27 June 2023</b></p>	<p>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or</p>	<p>To enable commercial activities</p>

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	disadvantage, commercial activities	