



AGENDA

Ordinary Council Meeting Tuesday, 17 September 2024

Date Tuesday, 17 September 2024

Time 2pm

Location Council Chamber
District Council Building
King George Place
Timaru

File Reference 1706062

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 17 September 2024, at 2pm.

Council Members

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

Nigel Trainor

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 13 August 2024

Author: Rachel Scarlett, Governance Advisor

Recommendation

That the Minutes of the Council Meeting held on 13 August 2024 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 13 August 2024**



MINUTES

Ordinary Council Meeting Tuesday, 13 August 2024

Ref: 1706062

**Minutes of Timaru District Council
Ordinary Council Meeting
Held in the Council Chamber, District Council Building, King George Place, Timaru
on Tuesday, 13 August 2024 at 2.02pm**

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

In Attendance: Community Board Members:

Officers: Nigel Trainor (Chief Executive), Andrew Dixon (Group Manager Infrastructure), Beth Stewart (Group Manager Community Services), Paul Cooper (Group Manager Environmental Services), Stephen Doran (Group Manager Corporate and Communications), Andrea Rankin (Chief Financial Officer), Nicole Timney (Group Manager Property), Andrea McAlister (Acting Group Manager People & Capabilities), Philip Howe (Museum Director), Planning Manager (Planning Manager - District Plan Review), Steph Forde (LTP Project Officer), Brendan Madley (Senior Policy Advisor), Samantha Molyneux (Operations Coordinator Community Services), Jan Finlayson (Geraldine Community Board Member), Maddison Gourlay (Marketing & Communications Advisor), Rachel Scarlett (Governance Advisor)

Public: Lisa Goodman (Environment Canterbury General Manager Governance) & Stephen Hill (Electionz.com)

1 Opening Prayer

Mayor Nigel Bowen led the waiata.

Wendy Geerling (Gleniti Baptist) conducted the opening prayer.

2 Apologies

2.1 Apologies received

That the apology of Clr Sally Parker are received and accepted.

Resolution 2024/43

Moved: Clr Michelle Pye

Seconded: Clr Owen Jackson

Carried

3 Public Forum

3.1 Representation Review Presentation

Lisa Goodman & Stephen Hill spoke to Council regarding the representation review. Discussion included the representational process and options that were considered. Lisa Goodman and Stephen Hill also showed a presentation which included boundary maps and population data.

3.2 Timaru District Library Submission

Clr Jackson presented a Submission letter on behalf of; Murray Ackroyd (DLA Architects), Desmond Prisk (Desmond Prisk Architects) & Leon Browning (NB Architects) of whom are in support of the Timaru District Library building.

Attachments

1 Timaru District Library Submission

4 Identification of Urgent Business

No items of urgent business were received.

5 Identification of Matters of a Minor Nature

- Property rates not available on the Timaru District Council Website

The Group Manager Corporate and Communications spoke to this query. The Timaru District Council Website is being updated alongside the rates database. Rates information will be available end of August 2024.

6 Declaration of Conflicts of Interest

Clr Michelle Pye and Clr Allan Booth declared a potential conflict of interest, in item 9.9 (Removal of Encumbrance on Lot 1 Deposited Plan 302425) and will remove themselves for this item.

7 Confirmation of Minutes

7.1 Minutes of the Council Meeting held on 30 July 2024

Resolution 2024/44

Moved: Mayor Nigel Bowen

Seconded: Clr Scott Shannon

That the Minutes of the Council Meeting held on 30 July 2024 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 2024/45

Moved: Mayor Nigel Bowen

Seconded: Clr Gavin Oliver

That the Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors be received and noted.

Carried

8.2 Schedule of Functions Attended by the Chief Executive

Resolution 2024/46

Moved: Clr Allan Booth

Seconded: Clr Owen Jackson

That the Schedule of Functions Attended by the Chief Executive be received and noted.

Carried

9 Reports

9.1 Affixing of the Common Seal

Council considered the report noting the affixing of the Common Seal to an Approval of Warrants of which names have been redacted to protect the privacy of employees.

Resolution 2024/47

Moved: Clr Gavin Oliver

Seconded: Clr Michelle Pye

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

27 June 2024 – Approval of Warrants

19 July 2024 – Approval of Warrants

Carried

9.2 Actions Register Update

The Mayor spoke to this report to provide the Council with an update on the status of the action requests raised by councillors at previous Council meetings.

The following actions are to stay on the Actions Register

- Budget Reallocation Trial

- Investigate Subcontracting Across Council – *with request for a road map to come back to Council*
- Investigate Small Trades
- Underutilised Assets – *with request for an update to be presented at the 17 September Council meeting*
- Template for Financial Impact
- Social Housing – *with request to stay on the actions register until papers have been presented to Council September meeting*
- Workshop on Water Standards
- Asset Management Programme
- Lists of Council Owned Properties - *request for a full list of all council assets, including underutilised to come back to Council*
- Investigate coastal erosion at Redruth – *with request to stay on the actions register until completion*

The following actions are to be removed from the Actions Register

- Investigate Traffic Management
- Quarterly Activity Reports
- Website updates to be automatically sent to Councillors

The Group Manager Infrastructure provided the Committee with an update of Investigate Traffic Management including; the minister of transport requesting that Councils report temporary traffic management costs on a six monthly basis to NZTA.

Resolution 2024/48

Moved: Mayor Nigel Bowen

Seconded: Cllr Stacey Scott

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

Carried

9.3 Interim 2023/24 KPI and Draft Financial Performance Report to 30 June 2024

The Group Manager Corporate & Communications and Chief Financial Officer spoke to this report to present a summary of the year end results for the 2023/24 financial year – year three of the 2021-31 Long Term Plan (LTP). This includes the performance indicator results to 30 June 2024.

The Chief Executive provided a high level overview of this report.

The Group Manager Community Services spoke to the Incorrect seals installed on new double glazed windows at the library which lead to a leakage. It was noted that information regarding possible damage that could have been associated with the leak will be investigated. The Group Manager Community Services also noted that the company that did the incorrect install footed the bill.

The Group Manager Property spoke to 'Temuka Alpine Energy Centre leaking roof'. Noted is that a full paper with costings, details and conditions will come back to Council.

It was requested a breakdown of the Parks Capital Grant that was not received, noted is the importance of fuller reporting.

The ability to spend unbudgeted funds was questioned. It was requested to provide further details of the Parks unbudgeted building maintenance and memorial overspending.

The Chief Executive spoke to Councillor queries of 'Professional Fees' in the 'Large Variance unit' breakdown, and discussed consultants that were employed and unbudgeted for. There has since been a rigorous process put in place for employment of consultants.

It was suggested that going forward unbudgeted money could come through the Council, and delegations could be changed.

The Group Manager Infrastructure spoke to the AirNZ flight cancellations. A meeting had occurred with the Group Manager Infrastructure, Chief Executive, Mayor and AirNZ during of which this concern had been raised and AirNZ provided comments on issues and solutions.

The Group Manager Community Services noted that summer recruitment advertisements for the Pools will go out mid-August 2024, and there will be a bulk recruitment which will include staff from last season. The campaign will be sent to Councillors to be shared amongst the community.

The Group Manager Infrastructure provided a breakdown of the Parks Other Costs, and provided feedback of the budget around the Building Maintenance. Further details will be investigated.

The Group Manager Environmental Services spoke to the Councillors concerns of the KPI Year end results for Environmental Services.

The Chief Financial Officer spoke to the 'Statement of Cash Flow as at 30 Jun 2024' and provided a breakdown, and spoke to the vested assets and inclusions. The Chief Financial Officer will investigate the Aorangi Stadium asset valuation, the process for accounting this asset was discussed.

The Group Manager Environmental Services spoke to the 'Activity Highlights and Issues' 'Building Controls' and spoke to the changes the new coalition government are looking at implementing.

The Group Manager Community Services spoke to 'Activity Highlights and Issues' 'Recreational Facilities' carparking availability concerns.

The Group Manager Properties spoke to the 'Activity Highlights and Issues' 'Halls' leaking roof at the Temuka Alpine Energy Community Centre. Budget from Earthquake prone works may be carried over to the roof.

The Group Manager Infrastructure spoke to the 'Activity Highlights and Issues' 'Waste Minimisation' Peel forest Closed Landfill. A resource consent has been lodged with Environment Canterbury and is being processed,. An application for the hazardous sites funds has also been submitted through Environment Canterbury.

The Group Manager Environmental Services spoke to the 'Activity: Community Support' 'Recruit and train volunteers to maintain team capacity and capability'. It was asked for Councillors to attend upcoming Emergency Operations Centre (EOC) training, and for Councillors to assist with community promotion of how to be prepared in the instance of an emergency and referring the community to the 'are you ready? guide'. It was noted that there is a struggle recruiting for specialty roles in the response team, going ahead there may be promotion and campaign for these roles.

The Group Manager Infrastructure spoke to 'Activity: Roading and Footpaths'. It was noted that the 'Percentage of sealed road network resurfaced' & 'Percentage of footpath network resurfaced' KPI was not achieved due to NZTA subsidy and affordability.

The Chief Financial Officer spoke to the financial drawdowns last year and capital expenditure this year.

The Group Manager Infrastructure spoke to the 'Activity Highlights and Issues' 'Sewer' and noted that the discharge consents are a result of a new requirement from ECan. Discussion is ongoing inhouse of whether discharge consents are required. The Group Manager Infrastructure also spoke to the 'Stormwater' resource consents, and 'Waste Minimisation' closed landfill reports on 26 sites.

It was requested for monthly financials with reforecasting and a list of issues that Council is aware of including those with uncertain costs associated.

Resolution 2024/49

Moved: Clr Stacey Scott

Seconded: Clr Allan Booth

That Council receives the Report: Interim 2023/24 Performance Report to 30 June 2024 and notes it includes:

1. Key performance indicators year end results to 30 June 2024;
2. The summary draft financial results to 30 June 2024.

Carried

9.4 Council Investments and Borrowing

The Chief Financial Officer updated Council on the status of Council's treasury activities at 30 June 2024.

It was noted that Bancorp have offered to speak to Council regarding interest rate swaps, debt, 3 waters and funding associated. Discussion included that Bancorp advises on interest rate swaps.

Requested was a revisit of 'special funds portfolio strategy' and how it fits with Councils financial strategy.

Resolution 2024/50

Moved: Clr Allan Booth

Seconded: Clr Michelle Pye

That Council receives and notes the Council Investments and Borrowing report.

Carried

9.5 Representation Review 2024 - Adoption of Final Proposal

The Group Manager Corporate & Communications and the Senior Policy Advisor spoke to this report for Timaru District Council (Council) to adopt a Final Proposal that elected members believes best provides for the fair and effective representation of identified communities of interest.

Councillors noted their support for status quo and commended the high level community submissions.

The Group Manager Corporate & Communications and Senior Policy Advisor discussed the risk involved with Resolving the Initial Proposal as the Final Proposal, this proposal would go to the Local Government Commission for final decision.

Councillors noted their thanks to the submitters.

Resolution 2024/51

Moved: Mayor Nigel Bowen

Seconded: Cllr Scott Shannon

That Council:

1. That the Timaru District Council adopts as its Final Proposal for the Representation Review for the local election to be held in 2025 and subsequent elections until altered by any subsequent decisions the following:

- (a) That the Council comprise nine (9) Councillors elected from three (3) wards, and the Mayor elected at large;
- (b) That the Council retain the existing ward names of Timaru, Pleasant Point-Temuka and Geraldine;
- (c) That the proposed boundaries of the three (3) wards remain as they are at present;
- (d) That the population each ward will represent will be as follows:

Wards	General Electoral Population	Number of councillors per ward	Population per councillor	Deviation from district average population per councillor	% deviation from district average population per councillor
Timaru	32,720	6	5,453	22	0.41
Pleasant Point-Temuka	9,930	2	4,965	-466	-8.58
Geraldine	6,230	1	6,230	799	14.71
Total	48,880	9	5,431		

- (e) That there be three (3) Community boards representing the communities of Pleasant Point, Temuka and Geraldine;
- (f) That the proposed boundaries of the three (3) Community boards remain as they are at present;
- (g) That for the Pleasant Point Community Board there be five (5) members elected at large from the Pleasant Point community and two (2) members appointed by the Council representing the Pleasant Point-Temuka Ward;

- (h) That for the Temuka Community Board there be five (5) members elected at large from the Temuka community and two (2) members appointed by the Council representing the Pleasant Point-Temuka Ward;
- (i) That for the Geraldine Community Board there be six (6) members elected at large from the Geraldine community and one (1) member appointed by the Council representing the Geraldine Ward;

2. The reasons for the Council's decisions include:

- The Council is satisfied that the existing structure will continue to provide effective and fair representation for the District's identified communities of interest;
- The Council believes that shifting the Orari, Kakahu and Rangitata Island areas to the Temuka-Pleasant Point Ward would limit their effective representation by splitting a community of interest;
- A clear majority of submitters supported retaining the current representation arrangements, and opposed the initial proposal.
- A clear majority of submitters stated their belief that the current representation arrangements provided them with effective representation, and that this would be undermined by the initial proposal.
- The existing ward and community board structure is well understood by the electors; and
- No significant changes have occurred since 2018 to indicate that the Council should be proposing significant changes to its representation arrangements at this time.

3. Direct the Chief Executive to issue a Public Notice advising of the Final Proposal and the Appeals/ Objections Period.

Carried

9.6 Policy review - Dangerous, Affected and Insanitary Buildings Policy

The Group Manager Environmental Services, Senior Policy Advisor and Building Control Manager spoke to this report to present Council with the draft Dangerous, Affected and Insanitary Buildings Policy, to seek elected member input regarding the policy content, and to approve the policy for consultation.

Discussion included the definition of heritage buildings aligning with the Building Act.

The Group Manager Properties provided an update on the status of the Chrome Platers building.

It was noted that the submissions close date will be moved from Sunday the 22 September to Monday 23 September.

Discussion also included Councils relationships with partner agencies including emergency services and how information about building concerns are passed to Council.

Resolution 2024/52

Moved: Cllr Michelle Pye

Seconded: Clr Allan Booth

That Council:

1. Receive and note the “Draft Dangerous, Affected and Insanitary Buildings Policy”; and
2. Approve the “Draft Dangerous, Affected and Insanitary Buildings Policy” and associated consultation materials for public consultation.

Carried

9.7 Policy review - Local Approved Products Policy

The Group Manager Environmental Services and Senior Policy Advisor spoke to this report to present Council with the draft Local Approved Products Policy, and to seek decisions about the policy content and next stages of the policy review process.

Discussion included the similar frame work compared to the LAP policy.

Noted was that the ‘Appendix A: Map’ will be updated.

Resolution 2024/53

Moved: Clr Allan Booth

Seconded: Clr Scott Shannon

That Council:

1. Receive and note the “Draft Local Approved Products Policy”; and
2. Rollover the policy without amendment or consultation.

Carried

9.8 Public consultation on future provision for performing arts in Timaru District

The Group Manager Community Services and the Group Manager Corporate & Communications spoke to this report to present for discussion and endorsement the content of the draft consultation document, *Providing a fit-for-purpose Performing Arts Venue in Timaru*. This report seeks approval from Councillors to put the agreed options out to public consultation during the month of September 2024. Officers also request that Council delegate authority to the Mayor and Chair of Community Services Committee for final approval and public release of the edited, completed, and designed document.

Suggestion was made of a title change to this report to include the wording ‘three civic facilities’.

Councillors discussed their views on the options they want included when going out for public consultation.

Councillors noted concern that the procedure feels rushed. Requested was a full report on the Timaru Library. It was also requested for a support paper for each of the options to include financials and what is included in each option.

Clr Jackson spoke to his disapproval of the options and is in favour for the original option ‘A’ of a refurbished Theatre Royal and Heritage Hub to go to public consultation.

There was also suggestions for details of build costs so Councillors can view contingencies; and for the document to include Councillors ranked priorities and assess each option against the priorities.

At 4:18 pm, Clr Peter Burt left the meeting.

Further Information was requested for the refurbished theatre back of house.

Discussion included the need for conversations with the Museum Trust regarding fundraising support, library fit out costs, and the operational cost savings if the facilities were combined. It was suggested for the Ministry of Business Innovation and Employment funding to be taken out.

Clr Jackson noted his favour for option one going to public consultation.

Resolution 2024/54

Moved: Clr Stacey Scott

Seconded: Clr Allan Booth

In Favour: Clrs Nigel Bowen, Allan Booth, Peter Burt, Gavin Oliver, Sally Parker, Stu Piddington, Stacey Scott, Scott Shannon and Michelle Pye

Against: Clr Owen Jackson

Carried 9/1

That Councillors

- Receive and discuss the content of the attached draft consultation document and provide feedback;
- Endorse the options outlined in the content of the draft consultation document.
- Delegate a timetable for consultation to the Chief Executive.

Carried

9.9 Removal of Encumbrance on Lot 1 Deposited Plan 302425

The Group Manager Infrastructure spoke to Council to determine if the encumbrance on Lot 1 Deposited Plan 302425 (the property) should be removed.

Car parking monitoring of this site has been conducted which showed that there is no high usage, and alternative parking is available.

Suggestion was made for the removal on the encumbrance to be considered in the future when the development on the site is guaranteed.

Resolution 2024/55

Moved: Mayor Nigel Bowen

Seconded: Clr Owen Jackson

That Council:

1. Retains the encumbrance on Lot 1 Deposited Plan 302425, until such time that Council can be confirmation that a development will occur.

Carried

10 Consideration of Urgent Business Items

No items of urgent business were received.

11 Consideration of Minor Nature Matters

No matters of a minor nature were raised.

12 Public Forum Items Requiring Consideration

There were no public forum items.

13 Resolution to Exclude the Public

Resolution 2024/56

Moved: Mayor Nigel Bowen

Seconded: Cllr Stacey Scott

That the public be excluded from—

- *(a)the whole of the proceedings of this meeting; or
- *(b)the following parts of the proceedings of this meeting, namely,—

13.1 Public Excluded Minutes of the Council Meeting held on 30 July 2024

13.2 Council Property - Under Utilised Assets

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows at 5.43pm:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p>13.1 - Public Excluded Minutes of the Council Meeting held on 30 July 2024</p> <p>Matters dealt with in these minutes:</p> <p>12.1 - Public Excluded Minutes of the Council Meeting held on 1 July 2024</p>	<p>Section 48(1) of the Local Government Official Information and Meetings Act 1987.</p>	<p>The public excluded minutes of the meeting held on 30 July 2024 are considered confidential pursuant to the provisions of the LGOIMA Act of 1987.</p> <p>The specific provisions of the Act that relate to these minutes can be found in the open minutes of the meeting held on 30 July 2024.</p>

<p>12.2 - Public Excluded Minutes of the Extraordinary Council Meeting held on 16 July 2024</p> <p>12.3 - Aorangi Road Land</p>		
<p>13.2 - Council Property - Under Utilised Assets</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 enable Council to carry out commercial activities</p> <p>To enable Council to carry out commercial or industrial negotiations</p>
<p>Carried</p>		

Note

[Section 48\(4\)](#) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4)Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof)—
 - (a)shall be available to any member of the public who is present; and
 - (b)shall form part of the minutes of the local authority.”

14 Public Excluded Reports

13.1 Public Excluded Minutes of the Council Meeting held on 30 July 2024

12.1 Public Excluded Minutes of the Council Meeting held on 1 July 2024

12.2 Public Excluded Minutes of the Extraordinary Council Meeting held on 16 July 2024

12.3 Aorangi Road Land

13.2 Council Property - Under Utilised Assets

15 Readmittance of the Public

Resolution 2024/57

Moved: Mayor Nigel Bowen

Seconded: Clr Stacey Scott

That the meeting moves out of Closed Meeting into Open Meeting 7.08pm.

Carried

The meeting closed at 7.08pm

.....
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 Support Manager

Authoriser: Nigel Bowen, Mayor

Recommendation

That the Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors be received and noted.

Functions Attended by the Mayor for the Period 1 August 2024 to 6 September 2024.

<i>1 August 2024</i>	Attended monthly meeting with Venture Timaru Chair Met with Civil Defence Emergency Management Regional Manager
<i>2 August 2024</i>	Spoke at the 2024 SADD Hui
<i>3 August 2024</i>	Attended Ascend Aoraki Foundation 2024 Gala
<i>6 August 2024</i>	Attended Elected Member Strategic Session Attended Council workshops
<i>7 August 2024</i>	Met with Geraldine Community members on different issues Met with Air New Zealand representatives
<i>8 August 2024</i>	Attended LGNZ roundtable physical security and safety meeting
<i>13 August 2024</i>	Attended Coastal Erosion meeting Chaired People and Performance Committee meeting Attended Official opening of SC Electorate Community Office Led Citizenship Ceremony Chaired August Council meeting
<i>14 August 2024</i>	Attended Local Water Done Well virtual session Attended Department of Prime Minister and Cabinet hui with Mayors and Chairs on emergency management - virtual
<i>15 August 2024</i>	Attended Strengthening Families LMG
<i>16 August 2024</i>	Attended Local and Regional Council Hui at Arowhenua Attended SC Business & Community Excellence Awards
<i>19 August 2024</i>	Attended TDC/NZTA catchup meeting Attended Housing First Working Group meeting Attended Citizens Advice AGM
<i>20 August 2024</i>	Spoke to Temuka Ladies Friendship club

<i>21-23 August 2024</i>	Attended LGNZ SuperLocal Conference Spoke to OJ on the Breeze for Mayoral Musings
<i>26 August 2024</i>	Attended Timaru South School Road Safety patrol morning Met with Otago Medical students for Community Contact week
<i>27 August 2024</i>	Attended Standing Committee meetings Attended Council workshops
<i>28 August 2024</i>	Met with Mayors Taskforce for Jobs representatives
<i>29 August 2024</i>	Attended TDHL Board meeting Attended Civil Defence Emergency Management Joint Committee meeting Attended Canterbury Regional Transport Committee Attended Canterbury Mayoral Forum dinner
<i>30 August 2024</i>	Attended Canterbury Mayoral Forum meeting
<i>31 August 2024</i>	Attended Onam Festival at Gleniti School
<i>3 September 2024</i>	Attended Water Services Delivery webinar
<i>4 September 2024</i>	Attended and spoke at the Social Sector Forum Attended monthly meeting with SC Chamber of Commerce Attended Youth Initiatives Subcommittee meeting
<i>5 September 2024</i>	Attended The Y BA5
<i>6 September 2024</i>	Met with Local MP for monthly catch up Attended Akona training on Leading Communities Attended 12-month celebration ceremony for Syrian families.
<i>7 September 2024</i>	Attended South Canterbury Justices of the Peace association Regional Conference Attended Geraldine Health Hub Open Day

In addition to these duties, I met with 52 members of the public on issues of concern to them.

Functions Attended by the Deputy Mayor for the Period 1 August 2024 to 8 September 2024

<i>10 August 2024</i>	Attended Tongan Church Blessing of St Peters Hall
<i>13 August 2024</i>	Attended SCCC Luncheon with Hon. Nicola Willis (Finance Minister)
<i>17 August 2024</i>	Attended celebration dinner of 30 years of SC Coastguards
<i>21 August 2024</i>	Attended as voting delegate at LGNZ 2024 AGM

Attachments

Nil

8.2 Schedule of Functions Attended by the Chief Executive**Author:** Alana Hobbs, Executive Support Coordinator**Authoriser:** Nigel Trainor, Chief Executive**Recommendation**

That the Schedule of Functions Attended by the Chief Executive be received and noted.

Functions Attended by the Chief Executive for the Period 1 August 2024 and 6 September 2024.

<i>1 August 2024</i>	Met with Civil Defence Emergency Management Regional Manager Met with Chief Executive Venture Timaru Limited
<i>6 August 2024</i>	Attended Elected Member Strategic Session Attended Council workshops
<i>7 August 2024</i>	Met with Air New Zealand representatives
<i>8 August 2024</i>	Met with Partnerships Director Department of Internal Affairs Attended LGNZ roundtable physical security and safety
<i>12 August 2024</i>	Attended water reform discussion with local Chief Executives Attended Local Water Done Well information session
<i>13 August 2024</i>	Attended People and Performance Committee meeting Attended Official opening of SC Electorate Community Office Attended luncheon with Hon Nicola Willis Attended Council meeting
<i>14 August 2024</i>	Attended Three Waters meeting with local Chief Executives
<i>15 August 2024</i>	Attended Chief Executives Hui
<i>16 August 2024</i>	Attended Local and Regional Council Hui at Arowhenua
<i>19 August 2024</i>	Attended TDC/NZTA catch up meeting Met with representatives from Audit New Zealand Attended Temuka Community Board meeting
<i>20 August 2024</i>	Attended Pleasant Point Community Board meeting
<i>21-23 August 2024</i>	Attended LGNZ SuperLocal Conference
<i>27 August 2024</i>	Attended Standing Committee meetings Attended Council workshops
<i>29 August 2024</i>	Attended Timaru District Holdings Limited Board meeting Attended Civil Defence Emergency Management Joint Committee meeting

- 30 August 2024* Attended Canterbury Mayoral Forum meeting
- 3 September 2024* Attended Water Services Delivery Plans webinar
- 4 September 2024* Met with representatives from South Canterbury Chamber of Commerce
- 5 September 2024* Met with Chief Executive Venture Timaru Limited
- 6 September 2024* Met with local Rangitata MP, James Meager

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

Attachments

Nil

9 Reports

9.1 Actions Register Update

Author: Rachel Scarlett, Governance Advisor

Authoriser: Stephen Doran, Group Manager Corporate and Communications

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)

Information Requested	Budget Reallocation Trial		
Date Raised:	17 October 2023	Status:	On Going
Issue Owner	Chief Financial Officer	Completed Date:	
<p>Background: The Councillors requested that a trial is to commence that includes officers work to advise the Chair of the relevant committee when budget reallocation occurs which is each Group Managers responsibility and provide an update to the Commercial and Strategy Committee in the Financial Report. This trial will be reviewed in March.</p> <p>Update: This has been implemented in the Monthly Financial Update to the Commercial and Strategy Committee for September 2023 and will continue to feature in these reports until a review of the trial in March 2024.</p> <p>July 2024 Update: Budget reallocation will be continued on a trial basis pending a further review.</p>			

Information Requested	Investigate Subcontracting Across Council		
Date Raised:	12 December 2023	Status:	On Going
Issue Owner	Group Manager Infrastructure	Completed Date:	13 August 2024
<p>Background: The Councillors requested a report on sub-contracting across council where sub-contracting is occurring with the consideration to if these services can be delivered in – house.</p> <p>Examples include – Street sweeping, rubbish collection.</p> <p>March 2024 Update: The Infrastructure Group is looking at alternative ways of carrying out various services, starting with the s17a review of Parks. Some of the identified opportunities will be included within the report on underutilised assets.</p>			

May 2024 Update: Direction has now been received on Parks and Recreation services. Review of Public Place Waste Disposal is being carried out – seeking direction if there are other areas Councillors would like reviewed.

July 2024 Update: Officers met on 23 May to discuss potential efficiencies in the delivery of services across different groups. These included the use of in-house services across groups or consolidation of individual contracts within groups to take a Council wide approach. Examples are use of in-house parks resources for Council property grounds maintenance, consolidation of public refuse bins collection to gain economies of scale, or consolidation of cleaning services into a Council wide contract rather than contracts in individual groups. The outcome is to initiate the development of a 5 year delivery plan for services that can be delivered in house or packaged in a different way to ensure the best community outcomes.

August 2024 Update: Request for a road map to come back to Council.

Information Requested	Investigate Small Trades		
Date Raised:	12 December 2023	Status:	On Going
Issue Owner	Chief Financial Officer	Completed Date:	
<p>Background: The Councillors requested a report on Trades - investigate the value of small trades outside of large contracts with the consideration to these being offered in-house. With an analysis of both procurement and spend on invoices under \$10k.</p> <ul style="list-style-type: none"> o Are we getting competitive pricing with a preferred supplier. o Do we get to a level whereby in-house provision of the particular trade could be the better way forward. <p>Update: Investigation is in progress and will return to council once complete.</p>			

Information Requested	Underutilised Assets		
Date Raised:	12 December 2023	Status:	Complete
Issue Owner	Group Manager Property	Completed Date:	7 May 2024

Background:
 The Councillors requested an investigation on assets that are not being utilised that could be sold. For example small pieces of land.

Update:
 A property list has been sent to the Programme Delivery Manager for Infrastructure to check off and add or delete any properties, as well as note if they are available for possible sale/divestment. Manager of Property Services and Client Representative is working on the vertical property list. This should be tabled at the next meeting.

March 2024 Update – Work is continuing on this to present to Council for consideration.

26 March 2024 – The Councillors agreed to merge this action with the following: Background: Cllr Michelle Pye requested a review of all “non core” assets to determine if we are getting a commercial return on them or if they would be better sold.
 Update: Working through this action as part of the Underutilised assets action. This portion is under investigation and will return to council once completed.

May 2024 Update – The report on underutilised assets is being presented to the May Council meeting.

July 2024 Update - Next report going to the 13 August Council meeting for an update and next group of properties for review.

July 2024 Update – Requested is for a clearer process moving forward, including, information of advertising the assets, and assets put back on the table for discussion. This Action will be subject further discussion between CE and Officers.

August 2024 Update - request for an update to be presented at the 17 September Council meeting

Information Requested	Template for Financial Impact		
Date Raised:	12 December 2023	Status:	Complete
Issue Owner	Chief Financial Officer	Completed Date:	July 2024
<p>Background: The Councillors requested a template for financial impact when there is a recommendation to do something, rate or loan funded, ongoing costs, expiry of Capital projects.</p> <p>Update: This is a work in progress and will be developed over time when needed. This action can now be closed out as this will be an on-going activity.</p> <p>REPORTED AS COMPLETE – WILL BE REMOVED FROM NEXT ACTIONS REGISTER</p>			

Information Requested	Social Housing			
Date Raised:	07 March 2024	Status:	Complete	
Issue Owner:	Group Manager Property	Due Date:		Completed Date: July 2024
<p>Background: Cllr Michelle Pye requested a report on Social Housing and whether Council should be delivering this or a community trust that would be better placed to apply for funding and have a sole focus of solving housing issues for more vulnerable members of our community.</p> <p>Update: A report on this will be on the agenda for the 26 March meeting.</p> <p>May 2024 Update: For a social housing 17a review to be brought to the June meeting. This action was discussed in the report 9.1 Actions Register Update.</p> <p>May 2024 Update: Councillors requested List of social houses Council owns all 260 of them , and for the discussion to be taken offline for further information gathering. This action was discussed in the report 9.1 Actions Register Update</p> <p>July 2024 Update: Report will be going up to the September Council meeting.</p> <p>August 2024 Update - request to stay on the actions register until papers have been presented to Council September meeting</p>				

Information Requested	Workshop on Water Standards			
Date Raised:	27 February 2024	Status:	On-going	
Issue Owner:	Group Manager Infrastructure	Due Date:		Completed Date:
<p>Background: Councillors agreed it would be beneficial to conduct a workshop on water standards based on what Council presented to the Department of Internal Affairs through previous LTP from the Draft Financial Strategy 2024-34 report.</p> <p>May 2024 Update: This workshop is scheduled for 30 July 2024.</p> <p>July 2024 Update: This workshop has now been rescheduled to 27 August 2024 to allow for Council meeting on Representation Review.</p> <p>August 2024 Update: Workshop scheduled for 27 August 2024.</p>				

Information Requested	Asset Management Programme			
Date Raised:	26 March 2024	Status:	On-going	
Issue Owner:	Group Manager Infrastructure	Due Date:		Completed Date:
<p>Background: Councillors requested for an asset management programme regarding the Parks and Greenspaces s17a Review Options report to be brought back to Council</p> <p>May 2024 Update: The preparation of a Parks and Greenspaces Asset Management Plan is underway. This will inform maintenance programmes and Level of Service that can be delivered within approved budgets. The delivery of this will be partially in-house and external contracted services as resolved by Council at the last meeting, this work is expected to be completed later this year and will be reported back to Council at the 17 September 2024 meeting.</p> <p>May 2024 Update: Councillors requested for the employment of a person, and for the process to begin – and for the discussion to be taken offline for further information gathering</p> <p>July 2024 Update: The preparation of a Parks and Greenspaces Asset Management Plan is progressing. This involves the collection of asset components inventory, condition assessment and assessing this with Council levels of service delivery. The analysis will determine long term renewal and maintenance requirements that will be smoothed to ensure affordability. This information will inform maintenance programmes that can be delivered within approved budgets. The asset management plan is a significant piece of work that has only been completed by Transport and 3Waters to date. A report will be presented to Council at the meeting on 13 August 2024.</p> <p>August 2024 Update: Due to secondment this piece of work is not yet complete, currently moving to recruit a new team member for this role and this will be a priority piece of work once this role is filled.</p>				

Information Requested	List of Council Owned Properties			
Date Raised:	26 March 2024	Status:	Complete	
Issue Owner:	Group Manager Property	Due Date:		Completed Date:
<p>Background: Councillors requested a list of Council owned properties and an explanation of why Council owns them.</p> <p>Update: A list of council owned properties will go up with the Under Utilised Assets report as an appendices at the 13 August Meeting. This action can be closed out then.</p>				

July 2024 Update: A timeline for this action will be discussed offline between the CE and Mayor.

August 2024 Update - request for a full list of all council assets, including underutilised to come back to Council .

Information Requested	Investigate coastal erosion at Redruth				
Date Raised:	07 May 2024			Status:	
Issue Owner:	Group Manager Infrastructure	Due Date:	13 August 2024	Completed Date:	13 August 2024
<p>Background: Councillors requested for the coastal erosion at Redruth looked at and a report to come back – suggested was drone footage of the area eroding over a time line. This action was discussed in item 9.3 Draft Waste Management and Minimisation Plan Consultation</p> <p>July 2024 Update: Further investigation and risk assessment is required including discussion with KiwiRail. Options also need to be assessed. A report will be presented to Council at the meeting on 13 August 2024.</p> <p>August 2024 Update: A report was presented to Council on the Patiti Point erosion. The information on potential erosion/inundation of Redruth landfill has not yet been received. This information will inform a report with the intention that the report be presented to the 17 September 2024 meeting.</p>					

Information Requested	Parks Capital Grant				
Date Raised:	13 August 2024			Status:	
Issue Owner:	Group Manager Infrastructure	Due Date:		Completed Date:	
<p>Background: Councillors requested for a breakdown of the Parks Capital Grant that was not received. This action was discussed in item 9.3 (Interim 2023/24 KPI and Draft Financial Performance Report to 30 June 2024)</p>					

Information Requested	Parks unbudgeted building maintenance and memorial overspending				
Date Raised:	13 August 2024			Status:	
Issue Owner:	Group Manager Infrastructure	Due Date:		Completed Date:	

Background: Councillors requested further details of the Parks unbudgeted building maintenance and memorial overspending. This action was discussed in item 9.3 (Interim 2023/24 KPI and Draft Financial Performance Report to 30 June 2024)

Information Requested	Monthly financials			
Date Raised:	13 August 2024	Status:		
Issue Owner:	Chief Financial Officer	Due Date:		Completed Date:
Background: Councillors requested for monthly financials with reforecasting and a list of issues that Council is aware of including those with uncertain costs associated. This action was discussed in item 9.3 (Interim 2023/24 KPI and Draft Financial Performance Report to 30 June 2024)				

Information Requested	Special funds portfolio strategy			
Date Raised:	13 August 2024	Status:		
Issue Owner:	Chief Financial Officer	Due Date:		Completed Date:
Background: Councillors requested for a revisit of 'special funds portfolio strategy' and how it fits with Councils financial strategy. This action was discussed in item 9.4 (Council Investments and Borrowing)				

Information Requested	Timaru Library Report			
Date Raised:	13 August 2024	Status:		
Issue Owner:	Group Manager Community Services	Due Date:		Completed Date:
Background: Councillors requested a full report on the Timaru Library, along with a support paper for each of the options to include financials and what is included in each option. This item was discussed 9.8 (Public consultation on future provision for performing arts in Timaru District)				

Information Requested	Refurbished theatre back of house			
Date Raised:	13 August 2024		Status:	
Issue Owner:	Group Manager Community Services	Due Date:		Completed Date:
Background: Councillors requested further Information for the refurbished theatre back of house. This item was discussed 9.8 (Public consultation on future provision for performing arts in Timaru District)				

9.2 Release of Public Excluded Items

Author: Jessica Kavanaugh, Team Leader Governance

Authoriser: Stephen Doran, Group Manager Corporate and Communications

Recommendation

That the Council notes the following public excluded items have been released to the public;

1. Infrastructure Committee – public excluded minutes 16 April 2024
2. Extraordinary Council Report - Theatre Royal and Heritage Facility Decision Report (redacted) 16 July 2024
3. Tenders and Procurement Committee Report - Item 9.2 Road Resurfacing Contract 2024-26 (redacted) 16 April 2024
4. Council Report – Item 13.2 Parks and Greenspace s17a Review Options (redacted) 26 March 2024

Purpose of Report

- 1 The purpose of this report is to provide the Council with an updated status of Public Excluded items released to the Public.

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 following items have been released to the public and are available on the Timaru District Council website under the following links;
 - Infrastructure Committee – public excluded minutes 16 April 2024. This release of the minutes related to the report Temporary Traffic Management works update was discussed and agreed to at the 11 June 2024 Infrastructure Committee meeting.
<https://www.timaru.govt.nz/council/council-and-committee-meetings/meeting-dates-calendar/district-services-committee/2024/infrastructure-committee-16.04.24>
 - Extraordinary Council Item 6.1 Theatre Royal and Heritage Facility Decision Report (redacted).
<https://www.timaru.govt.nz/council/council-and-committee-meetings/meeting-dates-calendar/council/2024/extraordinary-council-16.07.24>
 - Tenders and Procurement Committee Item 9.2 Road Resurfacing Contract 2024-26 (redacted).

<https://www.timaru.govt.nz/council/council-and-committee-meetings/meeting-dates-calendar/tenders-and-procurement-committee/2024/tenders-and-procurement-committee-16.04.24>

- Council Report Item 13.2 Parks and Greenspace s17a Review Options (redacted).
<https://www.timaru.govt.nz/council/council-and-committee-meetings/meeting-dates-calendar/council/2024/council-26.03.24>

Attachments

Nil

9.3 Venture Timaru Quarterly Report to 30 June 2024**Author:** Steph Forde, Corporate and Strategic Planner**Authoriser:** Stephen Doran, Group Manager Corporate and Communications**Recommendation**

That Venture Timaru Ltd's quarterly report for the period 1 April 2024 – 30 June 2024 be received and noted.

Purpose of Report

- 1 To present the Venture Timaru Quarterly Report for the period 1 April 2024 – 30 June 2024.

Assessment of Significance

- 2 This matter is assessed to be of low significance under the Council's Significance and Engagement Policy. This is a regular report to the Council on the progress of Venture Timaru against its Statement of Intent (Sol) which is considered by Council annually.

Discussion

- 3 Venture Timaru's Quarterly Report for the period ending 30 June 2024 is attached. This is provided by Venture Timaru to Council (as shareholder) as required by the Sol.
- 4 The financial statements and progress on the non-financial monitoring indicators to 30 June 2023 are also outlined in the attached report.
 - 4.1 The financial statement represents the draft end of 2023/24 financial year evidencing a surplus result.
 - 4.2 Key highlights include: An update on the Towards 2050 plan; Diversity of Housing Stock; People attraction, tourism and visitor overview; and financial and non-financial monitoring indicators.
- 5 The Chief Executive of Venture Timaru will be in attendance to speak to the report.

Attachments

1. **Venture Timaru 2023/24 Q4 Report to June 2024**



MEMORANDUM

FROM: Nigel Davenport – Venture Timaru Chief Executive
TO: Timaru District Mayor and Councilors
SUBJECT: Venture Timaru Operational Update for the quarter to 30 June 2024
DATE: 16th August 2024

Background

Please find attached an update relating to our Economic Development and Visitor Promotion operations for the quarter to 30 June 2024.

Local Economy

Our economic performance continued to soften into the middle of the year off the back of inflationary pressures and a higher interest rate environment. Traditionally recording a steady GDP performance, this past year has seen a sustained period of decline. At -1.3% the decline in GDP in Timaru District was provisionally greater than the -0.2% decline recorded for both the Canterbury Region and New Zealand. Timaru's weakness has been driven by a fall in transport, construction and manufacturing activity.

Further to this, our unemployment rate, which has long been one of the lowest in NZ, has risen to levels (3.7%) not seen since the immediate post COVID period 2020/21 and before that way back in 2017. Whilst our unemployment rate is below NZ 4.2% and Canterbury 4.1%, the fact remains our national economy is under a lot of pressure and the weakened labour market and tightening of immigration settings in recent times have flowed directly into our own local labour market.

Of note (*source Infometrics*) :

- job adverts nationally are 40% lower than they were a year ago (the biggest fall since 2009) and are at a level not seen since 2013.
- Employment confidence, surveyed per household, at its weakest since the survey started in 2004 (excluding COVID period)

Local businesses, who are looking to hire, are reporting a surge in the volume of job applicants, which pleasingly in some cases is actually matched by an increase in applicant quality which is somewhat of a positive. That said it is anticipated the weakened labour market nationally and locally will continue for a few quarters yet.

As tends to be the case locally, the colder winter months see a downturn in economic activity as there is an element or "hibernation", with this somewhat amplified by households concerns around employment security. Despite this the Districts consumer spending grew 6.4% over the year to June 2024, well ahead of national consumer spending growth of 1.9% and consumers price inflation of 3.3%.

New house construction in Timaru eased 25% over the year to June 2024, as high interest rates have discouraged new mortgages around the country. However, dwelling consents were relatively strong in the June 2024 quarter with 46 issued, perhaps signaling "green shoots" just as interest rates are starting to be cut. House sale volumes continue to pick up from a trough, with 18% more houses sold in the year to June 2024 than the prior year, with values still rising, up 6.4%pa in the June 2024 quarter.



2023/24 Strategic Priority #1 Develop the Towards 2050 plan

• Update

- This last quarter has seen a prioritised focus on establishing the foundations to ignite work on this long term aspirational vision and plan for our district.
- Further positioning of its importance and scope with the Mayor and Council CE has been completed
- The methodology and importance of such a strategy has also been positioned and “tested” with a variety of individuals and organisations who are all fully supportive of the development of a long term aspirational vision and plan by us all for our district.



• Next Steps

- August/September will see the Towards 2050 initiative launched into our community.
- to support the Towards 2050 work, VT will partner with TDC CE to bring key stakeholders and other influential entities together to progress full alignment at a high level for the benefit of the district and wider South Canterbury area. Looking aspirationally forward what are the barriers and opportunities within each specific sector and what plans and strategies are already in place/under development that can be brought together in a cohesive manner.
- Engagement with our communities will be progressed with initial feedback sought at a high level across:
 - *What should and could our district look like in 2050? (Population? Employment? Industry? Housing? Vibrancy?)*
 - *What do you think are the key risks to our District over the next 2-3 decades?*
 - *What needs to change to make Timaru District so much more by 2050 and why?*
 - *What opportunities are there for us to change for the better?*
 - *In addition to the primary and associated sectors which have been integral to our success and prosperity, what other industries or sectors do you think we should be attracting to diversify and why?*

2023/24 Strategic Priority #2 Diversity of Housing Stock -actively promote & facilitate investment in type-diverse housing developments

• Update

- Inner/Near City living
 - the “Making it Happen – guideline to inner/near city living” is nearing finalisation. This document aims to Inspire and Excite more inner and near city residential development within the Timaru City Centre bringing with it increased vibrancy and business opportunities. It will evidence Council’s commitment to a more enabling development environment, showcase what developments have been completed and are underway and also what could be possible. It will be a living document that will be updated as more developments progress and further enabling levers are put in place.
 - The database of current city centre developments and opportunities continues to be added to the aim being to ensure support and guidance is provided by appropriate persons (council



staff/professionals etc..) to help facilitate and expedite this much needed enhancement to our City Centre.

- Infill and residential developments – ongoing with landowners and developers to assist where we can with plans they may have to progress residential development of all sizes both within Future Development Areas and throughout other existing residential zoned areas of the district. Concerns recently raised by a local residential developer over the time taken to approve in-fill subdivisions and inconsistencies encountered with building inspections for the same house plan on 3-4 different sites are being reviewed by Council.
- Future Housing Preference Survey – at date this is out in our communities for completion and will be closed off in coming weeks and analysed with results shared.
- Next Steps
 - Finalise and implement a Benefits Realisation tool that monitors and reports on increased vibrancy and investment into our City Centre and the impacts this is having – *within 1-2 months*
 - Socialise the Making it Happen resource across all City Centre property owners and facilitate & ignite new inner and near city centre residential living developments.

2023/24 Strategic Priority #3 People Attraction - further amplify efforts to attract the people we need to grow and provide vibrancy to our district

- Update
 - Attraction [TOOLKIT](#) updated to incorporate new imagery, videos and infographics – free to use by all business, industry and recruitment agencies when attracting new staff.
 - This toolkit includes are latest [WORKFORCE ATTRACTION VIDEO](#) which has been shared throughout our business and recruitment agency community.
 - A summer attraction campaign to be developed for launch across Nov/Dec months when many traditionally take the time to reevaluate personal circumstances and seek out new opportunities.
 - Events play a major part on attracting not only visitors but also new individuals and families. Again supported by Council we recently opened applications for the 2024/25 round of the Major Events Fund and in August 245 we received 20 applications totaling \$555,947 for the \$245,000 available. VT have an established and proven assessment process which encompasses economic, social and cultural criteria and scoring. The following is a list of the events for which funding was both approved and declined:
 - Caroline Bay Rock and Hop 2025 - \$25,000
 - Caroline Bay Carnival - \$20,000
 - Rally South Canterbury - \$10,000
 - World Tennis Tour: Timaru - \$50,000
 - Harcourts Geraldine Festival - \$5000
 - Winchester Show - \$10,000
 - Matariki Night Market - \$10,000
 - Multicultural Festival 2025 - \$10,000
 - Timaru Festival of Roses - \$15,000
 - South Island Masters Games - \$25,000
 - Timaru Ten - \$15,000
 - Seaside Festival - \$25,000
 - Colour Fest - \$5,000



- Brews on the Bay 2024 - \$20,000

Of particular note we are thrilled to be working with Tennis NZ and Tennis South Canterbury to bring the World Tennis Tour to Timaru next summer. The event will see up and coming professional players from around the world and NZ's best talent head to the city for a week of world-class tennis in February 2025. More details will be announced soon.

- Next Steps
 - VT has recently employed a new Business Development Manager to substantially amplify our business (and people) attraction activities.
 - This role will update all business attraction resources and platforms, thereafter, identifying and then proactively targeting those business and industry sector opportunities to establish a presence in the district.
 - The role will also assume facilitation of the Towards 2050 workstream along with data collection and analysis associated with this and business attraction activities.
 - Planning is underway for our highly successful South Canterbury Outstanding Food Festival (SCOFF) for Sept 2024.
 - Seasonal visitor attraction campaigns continue.
 - Cruise Ship strategy being jointly developed with Primeport and to be aligned as appropriate to the soon to be released NZ Cruise Ship strategy and 2023.24 Cruise season statistics off which we will assess the economic impact of the last cruise season on our district and region. Initial estimates are the 2023.24 cruise season, with 12 ships bringing 18,000 new international visitors to Timaru, had an assessed Economic Benefit \$5.13m.

General updates:

- Traitors NZ (filmed at Claremont Castle in April and screened across July/August) showcased the District extensively and has gained rave reviews nationally and internationally [why this season of the traitors is the best reality TV ever made in NZ](#)
- Opportunities to enhance collaboration and drive efficiencies (across ED and Visitor activities) with neighbouring districts are being actively explored.
- Recent Alpine Energy workshop with large Washdyke Energy users confirmed an ability to accommodate additional scheduled energy use over the next 2-3 years, with importantly a significant improvement in capacity from 2027 on following planned GXP and line upgrades.
- VT 2024 year audit underway and scheduled for completion 20 Sept .
- Met with Domestic and Corporate AIRNZ representatives primarily against the backdrop of increasing flight disruptions locally. All parties agree the level of cancellations is unacceptable and leading into the next national flight schedule review (March 2025) its timely a wider facilitated discussion is undertaken to consider all and any options to reduce disruptions, realign Timaru arrival/departure schedules etc....
- Negotiated the retention of \$914,000 unutilised Regional Apprenticeship initiative funding (contracted with Ministry for Business & Innovation) enabling the support of a further 20 local trades apprentices at an assessed Economic Benefit \$3.20m
- The 2023.24 year saw \$259,734 (including \$14,734 ex VT Reserves) of support provided to events via the Major Events Fund administered by VT on behalf of Council. The average estimated ROI per event supported was \$30.00 for each \$1 invested – or an assessed Economic Benefit of \$7.79m. This past event season was highlighted by the return home by Kaylee Bell which saw 5,500-6,000 attendees at that concert.

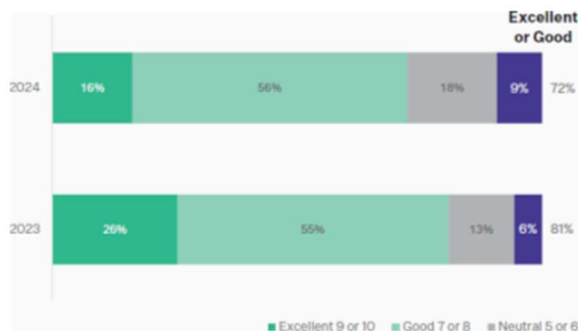


VT Annual Survey - undertaken across June/July with the response rate again low 98 (141) and 8/30 responses received ex our Council shareholder. A reassessment of how best to collect this information is to be undertaken in November.

Key Metrics (prior years in brackets)

Ease of doing business

A marked drop to 72% (81%) notably in the excellent category with respondents down to 16% (26%).



What are the barriers to doing business?

- a significant drop in rental availability to 66% (91%) but still considered the main barrier
- attracting people eased to 62% (75%) and still the 2nd most prominent barrier.
- variety in housing type not seen as the barrier it was previously 55% (63%) whilst compliance as a barrier back to 41% (53%)

Observation – More rentals still needed of a suitable and affordable range. Median rentals remain c\$400p.w (tenancy Services) and local rental market remains tight. This result supports the need for our ongoing advocacy for diverse housing options with an elevated focus on rental options. Like the rest of NZ, our local labour market has eased with more applicants per job advert with this reflected in workforce perceived as a lesser barrier. Noting 34% of respondents stated they have current vacancies (half of 2023 levels average vacancies expected to fill in year ahead has also dropped from to 1.6 (2.5).

What could make it easier to do business in the Timaru District?

- Top 4 were more local support 17% and exchange of information, transport links and district promotion/beautification (all 13% each)
- Notably regulations/red tape and issues with council well down at 8% each

Observation – key matters fall into our VT workspace whilst there is a potential opportunity for large business and employers to better communicate the local procurement and support they undertake as part of their BAU.

Why do you feel it is easy to do business in the Timaru District?

- Friendly people 30%, networks/relationships 15% and range of services/supplies 13%

Barriers to employing the people you need.



Observation –whilst labour market has softened it’s the quality of applicants as the prominent barrier. Emphasis’s the importance of future workforce priorities associated with MyNextMove – expose educate and excite (and retain) along with our SOI priority around targeted and local training and development for existing workforce.

In response to what more can VT do to assist and retain a skilled workforce? the key responses related to continued/more promotion of the district 23% (10%) businesses/jobs 14% (12%) and more housing/rentals 14% (9%).



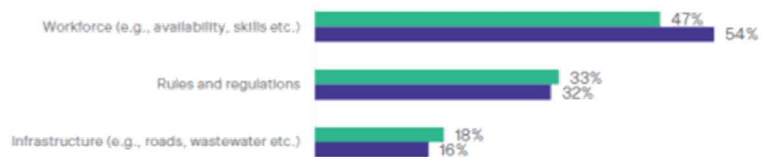
- “focus on ensuring adequate housing”
- “businesses will attract the people – they won’t look at VT’s website”
- “encourage new industries to migrate to Timaru”

Need to continue expanding the promotion and usage of links on business websites to key attraction data and information on VT websites and amplify business attraction activities.

Barriers to expansion plans

A staggering 52% of respondents claim they have expansion plans albeit many of which are relatively small.

Of these workforce rules & regulations and infrastructure are seen as the most prominent barriers.



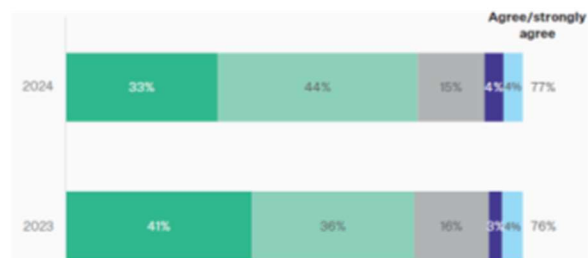
- “unwillingness of professionals to move to the regions”
- “too much red tape”
- “challenging to get resource consents”
- “the changes I seek are too big for the council to grasp”

Observation –no surprises but solidifies our identified SOI priority to get alongside business to better understand these expansion plans and assist to mitigate any barriers incurred through their planning and implementation process. Point in case Barkers with whom we continue to work closely with on their significant facility expansion 2024-2026.

Value of VT work to you and your role

Slightly better at 77% (76%), which is pleasing notably Transport & Logistics 100%, Business Services 100% and Education & Primary both 83%.

- 24% of respondents stated we are doing a good job, 21% state we attract people to the district and 16% believe the promotions we do are positive and important.



Observation: Rating reduction from Retail 50% (75%), Hospitality 70% (88%) and Tourism 70% (88%) most notable and requires further investigation especially given the work and engagements we have across CBD Group, DMP development T&V BCG etc.

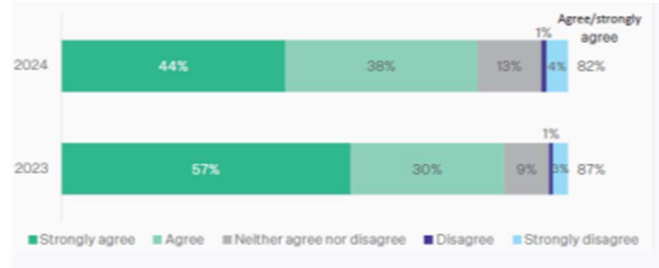
11% of respondents stated they don’t know enough about us or see us often enough.



Value of VT work to the District

A good result but still a reduction to 82% (87%) which equates to 4 respondents rating us less positively this year v 2023.

Notably 5 respondents of the 95 that answered this question rated us negatively whilst a further 12/95 provided an ambivalent answer (neither agreed nor disagreed). Of these 2/5 Tourism sector respondents, Hospitality 1/9 and Professional Services 1/9 rated us negatively in this segment.

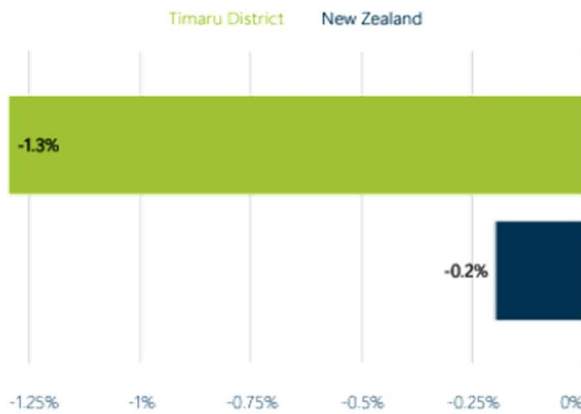


Observation – need to continue to communicate and promote the work we do ensuring wide engagement. Evidence of value provided.

Monitoring Indicators (non-financials) as per 2023/24 Statement of Intent - as at 30th June 2024

1. **Gross Domestic Product – Tim Dist v NZ** – source Infometrics

Figure 1. Gross domestic product growth (provisional)
Annual average % change June 2023 - June 2024



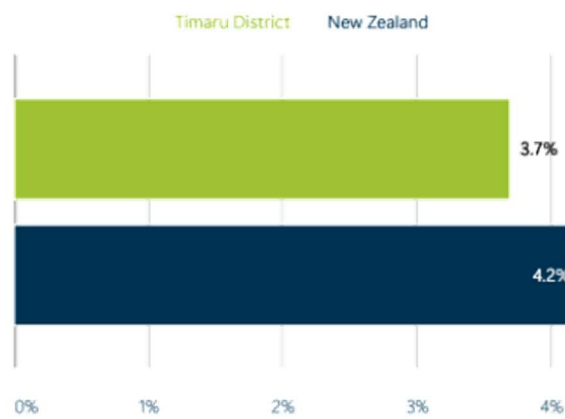
GDP in Timaru District was provisionally down 1.3% for the year to June 2024, compared to a year earlier. The decline was greater than in New Zealand (0.2%).

Provisional GDP was \$3,633 million in Timaru District for the year to June 2024 (2023 prices).

Annual GDP growth in Timaru District peaked at 7.5% in the year to June 2021.

2. **Unemployment Rate – Tim Dist v NZ** – source Infometrics

Figure 25. Unemployment rate
Annual average rate to June 2024



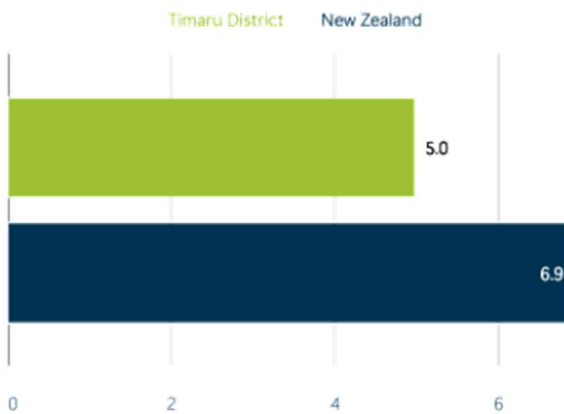
The annual average unemployment rate in Timaru District was 3.7% in the year to June 2024, up from 2.8% in the previous 12 months.

In the year to June 2024, the annual average unemployment rate in Timaru District was lower than in New Zealand (4.2%).

Over the last ten years the annual average unemployment rate in Timaru District reached a peak of 4.1% in June 2021.

3. **Housing Affordability – Tim Dist v NZ** – source *Infometrics/Corelogic*

Figure 37. Housing affordability
Ratio of house prices to household incomes, year to June 2024



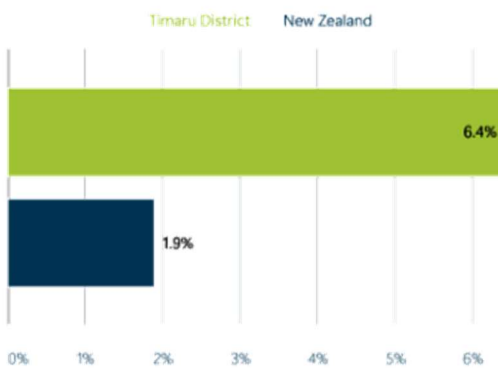
For Timaru 5.0 times the average household income \$106.4K buys you the average house valued at \$532K.

Household incomes are a better measure for housing affordability than individual incomes as it reflects the true ability of a household to afford housing. A higher ratio, therefore, suggests that average houses cost a greater multiple of typical incomes, which indicates lower housing affordability.

4. **Consumer Spend – Tim Dist v NZ** - source *Infometrics*.

Consumer spending

Figure 5. Growth in consumer spending
Annual average % change June 2023 - June 2024

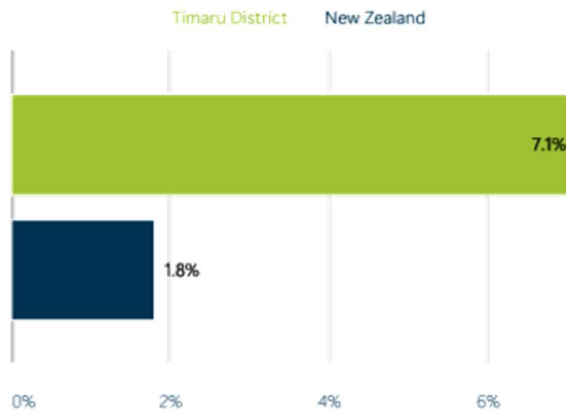


Despite challenging economic times with cost of living pressures, higher interest rates etc..., the Districts consumer spending figures remain a clear bright light.

Consumer spend in the district over the year to June 2024 increased 6.4% v a NZ wide increase of 1.9%.

5. Visitor Spend – Tim Dist v NZ - source Infometrics.

Figure 7. Tourism expenditure
Annual average % change June 2023 - June 2024



Alongside strong consumer spending levels, visitor spend has also performed strongly.

Total tourism expenditure in Timaru District increased by 7.1% in the year to June 2024, compared to a year earlier. This compares with an increase of 1.8% in New Zealand.

Total tourism expenditure was approximately \$272 million in Timaru District during the year to June 2024, which was up from \$254 million a year ago.

New Entry to Timaru Billboards





Financials

**Venture Timaru
Profit & Loss Statement**

1 July 2023 - 30 June 2024

	YTD ACTUAL 30/06/2024	YTD BUDGET 30/06/2024
INCOME		
Economic Development Grant - TDC	\$ 720,000	\$ 720,000
Tourism Grant - TDC	\$ 395,000	\$ 395,000
MyNextMove Contract - ex MSD	\$ 147,088	\$ 177,300
Reg Apprenticeship Initiative - ex Kanoa (Provincial Development Unit)	\$ 476,200	\$ 520,000
Major Events Funding - Tourism ex TDC	\$ 245,000	\$ 245,000
Regional Events Funding - Tourism ex Central Government	\$ 15,000	\$ 15,000
Private Sector Partnership project	\$ 181,912	\$ 195,000
Other Income - ED	\$ 101,480	\$ 81,500
Other Income - Tourism	\$ 137,157	\$ 89,657
TOTAL INCOME	\$ 2,418,837	\$ 2,438,457
EXPENDITURE		
Economic Development	\$ 309,947	\$ 328,585
Human Resources	\$ 345,200	\$ 369,290
Tourism	\$ 531,899	\$ 504,627
MyNextMove	\$ 136,964	\$ 180,470
Reg Apprenticeship Initiative	\$ 476,200	\$ 520,000
Major Events Funding	\$ 259,734	\$ 245,000
Regional Events Funding	\$ 15,000	\$ 15,000
Private Sector Partnership project	\$ 181,912	\$ 195,000
Special Project	\$ 37,046	\$ 81,000
TOTAL EXPENSES	\$ 2,293,902	\$ 2,438,972
Provision for taxation	\$ 35,592	
OPERATING SURPLUS/(DEFICIT)	\$ 89,343	-\$ 515

Draft results to year end 30 June 2024 evidence a post-tax surplus of \$89K with key variances:

Income - MyNextMove (MSD) (\$30K) v budget – timing of receipt of approved Tech Step career event funding \$24K and use of residual funds held for South Island broker Hui’s both now 2024.25. Regional Apprenticeship funding (MBIE) (\$44k) v budget – purely o/a timing following the successful negotiation to retain and reallocate residual funds to support 21 new apprentices locally. Private sector Partnership (13K) v budget – residual of contracted amount to be received and expensed Q1 2024.25. Other Income ED includes interest and additional overhead contribution from extended RAI contract. Other Income Tourism includes unbudgeted SCOFF sponsorship received from neighbouring areas and “pass through” reimbursed /reallocated MBIE project funding and 2023.24 cruise season income.

Expenses – VT continues to regularly review and implement operational cost efficiencies where possible within the organisation. Resource and overhead contributions received ex MnM and RAI contracts contributed to Economic Development and Human Resource costs being below budgeted levels. Tourism expense included the aforementioned reimbursement and subsequent reallocation of MBIE project funding resulting in the budget variance. Major events funding included an additional \$14,734 that VT approved ex reserves (over Council funding \$245K), largely to assist with the very successful Kaylee Bell concert over New Year.



Venture Timaru
June 5 at 9:29 AM

Such a great local success story - check out it out this Saturday morning.

Rural Delivery
June 4 at 12:00 PM

In a hotly competitive market, there is a New Zealand family-owned potato chip company based at Washdyke near Timaru that has gone from strength to strength since... See more

We Love Timaru
June 11 at 9:39 AM

TRAIL OF THE WEEK
Geraldine River Walk

Located right in the heart of Geraldine is the riverside walk, the track winds along the Waihi River. Native bush is found adjacent to Todd Park, and the Rhododendron's look amazing in the spring. This is a great track to take your dog for a walk, with dog exercise areas at either end of the track. T... See more

100% Pure New Zealand and We Love Timaru - Follow
Custom

Surrounded by native bush and beautiful birdsong, connect to the whenua (land) at Nga Whare Manatu. Ready to make memories?
#NZMustDo #NZBucketList
See more
New Zealand - Original audio



Venture Timaru
July 12 at 12:00 PM · 🌐

What housing does Timaru District need in the future?
Have your say!

We're launching a new survey to get feedback from our community about where and how you want to live in the future here.

Townhouses, inner city apartments, new builds?

Fill in the survey here:
<https://www.surveymonkey.com/r/HousingsurveyTimaru>

The graphic features a blue background with white text. Below the text is a photograph of a residential area in Timaru, showing houses, roads, and greenery under a clear sky.

We Love Timaru
July 16 at 4:42 PM · 🌐

Did you see last night's episode of The Traitors NZ?
Doesn't Tuhawaki (Jack's) Point look stunning! 🏡

The video player shows a man in a grey suit and hat holding a rifle, standing in a scenic outdoor setting. A text overlay reads: "Welcome players to Sailors Snare Lighthouse, Your four". The "at 10 now" logo is visible in the bottom left corner of the video frame.

9.4 Timaru District Holdings Limited Financial Year 2023-24 Annual Management Report 01 July 2023 - 30 June 2024**Author:** Steph Forde, Corporate and Strategic Planner**Authoriser:** Stephen Doran, Group Manager Corporate and Communications**Recommendation**

1. That Council receives and notes the Timaru District Holdings Limited Annual Management Report for the financial year 01 July 2023 – 30 June 2024 with particular attention to the:
 - (a) 01 July 2023 – 30 June 2024 financial results
 - (b) Annual service highlights

Purpose of Report

- 1 The purpose of this report is to provide an overview of the Timaru District Holdings Limited (TDHL) activities for the financial year 01 July 2023 – 30 June 2024. This includes a financial summary and service highlights for the year.
- 2 The unaudited Annual Report 2023/24 was approved by the TDHL Board on 29 August 2024. Audit New Zealand are yet to formally sign off the annual audit so it is likely that the Annual General Meeting will be held in November. The final TDHL Annual Report will be provided to Council upon completion of the audit.
- 3 Presentation of the Annual Management Report provides Council with an interim overview of the performance for the financial year. A copy of the report and the unaudited financial statements for the year are attached.

Assessment of Significance

- 4 This matter is considered to be of low significance in terms of Council's Significance and Engagement Policy. This is a regular report to the Council on progress of Timaru District Holdings Limited against its Statement of Intent (SoI) which is approved by Council annually.

Financial results

- 5 This section summarises the key financial results for the year:
 - 5.1 It is noted that the Profit and Loss in the attached report contains two 2023/24 budgets. This is a result of Audit New Zealand requiring TDHL to incorporate the associate's surplus into the June Update.
 - 5.2 The unaudited pre-tax operating surplus is \$920k, being \$227k (20%) below budget. This result is driven by primarily due to underlying property performance and focused cost control, and is impacted by associate dividends being below budget and delayed Showgrounds settlement.
 - 5.3 The pre-tax operating surplus is \$769k higher than 2022/23. It is noted that the vast majority of interest payments (\$2M of the total \$3M costs) went directly to the Council.

- 5.4 TDHL paid a total dividend of \$1M to the Council for the 2023/24 year as per the budget and Sol.

Service highlights

- 6 This section summarises the key service highlights for the year:
- 6.1 Regular engagement with Timaru District Council, PrimePort Timaru and Alpine Energy Ltd.
- 6.2 In the property portfolio, asbestos removal at 101-107 Stafford Street has been completed, construction works are ongoing for the restoration works at 117 Stafford Street, and opportunities for the Lyndon and Martin Street sites are being pursued.

Consultation

- 7 Consultation is not required on this matter. The year end results will be publicly reported in the Timaru District Holdings Limited Annual Report and the Timaru District Council Annual Report.

Relevant Legislation, Council Policy and Plans

- 8 Timaru District Holdings Limited Statement of Intent 2023/24
- 9 Local Government Act 2002
- 10 Timaru District Council Long Term Plan 2021-31

Financial and Funding Implications

- 11 There are no financial or funding implications as a result of reporting the year end results to Council.

Attachments

1. **Timaru District Holdings Limited (TDHL) Management Report for period 1 July 2023 - 30 June 2024**



The Chief Executive
 Timaru District Council
nigel.trainor@timdc.govt.nz

30 August 2024

Dear Nigel

Management Report for period 1 July 2023 to 30 June 2024

Please find attached the TDHL report for the period 1 July 2023 to 30 June 2024. In accordance with the Statement of Intent, this report contains the unaudited financial statements and commentary for financial year ending 30 June 2024.

The financial statements, although unaudited, include the incorporation of associates surplus and the property revaluation. They illustrate the challenging trading conditions that TDHL’s associates have encountered over the past year. As a result, TDHL’s Net Income is \$6.35m against the budget of \$13.25m. This is driven by the lower than budgeted non-cash incorporation of associates surplus as detailed in the table below. It shows the budgeted non-cash incorporations verses actual.

	Actual (\$m)	Budget (\$m)
TDHL Property Revaluation	\$2.77	\$2.61
Alpine Equity	\$1.84	\$6.65
PrimePort Equity	\$0.23	\$2.86

The underlying operations of TDHL remain strong with the EBIT being \$2.8m against a budget of \$3.17m. Within this, revenue from property operations is ahead of budget but the lack of a Q3 and Q4 dividend from Alpine has lowered overall earnings.

tdhl.co.nz 
 admin@tdhl.co.nz 
 PO Box 178 Timaru 7910 

The assessment of the 2023/24 Activity Targets shows that we met all of our activity targets for the year, ensuring that our most important asset – our relationships with Council, joint venture partners, associates and stakeholders, remains strong.

A consequence of the lower than forecast associate performance is that many of the financial performance targets have not been met as set out at the bottom of page 1 of the report. This is because they are required to include the associates non-cash incorporation. It is highlighted that, despite this, TDHL continued to pay a dividend to Council as forecast and in line with the Statement of Intent.

In addition to the statements, the bar graph at the bottom of page 3 of the report shows the returns from TDHL's core investment portfolios (PrimePort, Alpine and Property). These have been broken down into percentage returns (both cash and equity) over the past 3 years. These graphs clearly show the significant influence that incorporation of associates equity has on TDHL's results, and the comparative influence of the 2023/24 associate's performance.

Looking ahead to November we will be welcoming Councillors to the TDHL Annual General Meeting and an opportunity to meet with the full TDHL Board.

As always, we look forward to the opportunity to discuss this report with Council and welcome any questions.

Regards



Frazer Munro
General Manager

tdhl.co.nz 
admin@tdhl.co.nz 
PO Box 178 Timaru 7910 

Quarterly Report

Report for the period 1 July 2023 to 30 June 2024

Activity and Performance Targets

The specific 2023/24 Activity and Performance Targets for TDHL are set annually in the **Statement of Intent** and are designed to support the higher-level Strategic Priorities and Outcomes. An assessment of TDHL's achievement against the activity targets is set out below:

<p>Intergenerational Investments Annually undertake at least one workshop with each associate on Board skills matrix, succession planning, strategic outlook and financial performance.</p> <p>Achieved. Alpine Chair attended December meeting. PrimePort chair attended Feb meeting.</p>	+	<p>Property Portfolio Achieve a three-year rolling average return on investment of 7% or greater for Port property held for investment purposes.</p> <p>Achieved. Unaudited return = 7.2%</p>	+	<p>New Investments and Diversification Develop a Statement of Investment Policy and Objectives.</p> <p>Achieved. Presented to Council 16 April</p>	=	<p>Shareholder Return Pay a dividend to TDC of \$1M. Hold at least one workshop with Council per annum. Achieve statutory compliance. Review the dividend policy</p> <p>Achieved. Total Dividend of \$1m paid. Two workshops held, achieving compliance and revised dividend policy.</p>
<p>Relationships + Partnerships</p> <p>That the TDHL Chair and/or GM presents the quarterly reports to Council.</p> <p>Achieved. Chair and GM presented reports at 17 October, 12 December, 26 March and 1 July Council meetings. Workshops held 6 Dec and 16 April. The Board also welcomed the Mayor and CE for part of the April Board meeting.</p>						

Timaru District Council



- The TDHL Board welcomed the Mayor and CE for atour of TDHL property prior the April Board meeting.
- In April, the TDHL Chair and GM work-shopped new TDHL Investment Policy Statement with Councilors.

Alpine Energy



- In mid-April and mid-May the AEL Shareholders Group meet with the AEL Board to discuss the price path correction.
- With the change in Chair of the Alpine Board, TDHL facilitated a workshop with the new Chair, Melissa Clark-Reynolds, and Councilors.
- The Shareholder Group agreed to collaborate on the appointment of up to 3 new Directors.

PrimePort Timaru



- TDHL made an appointed to the PrimePort Board in May.
- The TDHL Board welcomed the PrimePort Chair to the 1 July meeting for a financial and activity update.
- Work on the joint District Plan Review submission and attendance at the hearings continues at a management level.

Property Portfolio



- Asbestos removal completed at 101 to 107 Stafford St.
- Construction works are ongoing for the restoration works at 117 Stafford St – the Union Bank building.
- Opportunities for the Lyndon St and Martin St sites continue to be actively pursued.

Financial Performance Targets	Measure	2023/24 SOI Target	Forecast and achievement
<p>An assessment of TDHL's achievement against the performance targets is set out below. It shows that targets are forecast to be achieved.</p> <p><i>The financial statements for the twelve months ending 30 June 2024 are attached.</i></p>	EBITA	\$3,040,215	✗ \$2,807,254
	Net Profit to S/H funds	6.9%	✗ 3.4%
	Net tangible assets per share	\$6.20	✗ \$5.97
	Earnings per share	\$0.43	✗ \$0.20
	Dividends per share	\$0.03	✓ \$0.03
	Shareholder funds to total assets	87%	✗ 86%

Profit and Loss – For the year ended 30 June 2024

- The full year Net Income is \$6.35m, well below of budget of \$13.25m. This is entirely driven by the lower than forecast non-cash incorporation of associate surpluses, which are \$7.3m below budget.
- Underlying operations remain strong with the EBIT being \$2.8m versus budget of \$3.17m, supported by above budget underlying property performance and focused cost control, impacted by associate dividends being below budget and delayed Showgrounds settlement.
- It is noted that the Profit and Loss below contains two 2023/24 budgets. This is a result of Audit NZ requiring TDHL to incorporate the associates surplus into the June Update.

PROFIT & LOSS	2022/2023	2023/2024	Budget 2023/2024 (Original)	Budget 2023/2024 (Updated June)
Revenue	\$2,943,120	\$3,312,943	\$3,180,519	\$3,201,554
Cost of Sales	\$616,875	\$672,063	\$847,952	\$742,106
Gross Profit	\$2,326,245	\$2,640,880	\$2,332,567	\$2,459,449
Expenses	\$1,517,875	\$1,062,266	\$1,536,481	\$1,119,013
Operating Profit	\$808,370	\$1,578,615	\$796,086	\$1,340,436
Other Income	\$2,941,063	\$1,228,639	\$2,374,288	\$1,699,779
Earnings Before Interest & Tax	\$3,749,432	\$2,807,254	\$3,170,374	\$3,040,215
Interest Income	\$184,112	\$113,617	\$0	\$125,820
Interest Expenses	\$1,606,948	\$2,000,231	\$2,183,534	\$2,017,916
Earnings Before Tax	\$2,326,596	\$920,640	\$986,840	\$1,148,119
Tax Expenses	\$92,056	(\$581,015)	\$0	\$24,633
Earnings After Tax	\$2,234,540	\$1,501,655	\$986,840	\$1,123,486
Revaluations and Share of Associate Equity	\$29,135,664	\$4,852,509	(\$141,905)	\$12,129,885
Net Income	\$31,370,203	\$6,354,164	\$844,935	\$13,253,371
Retained Income	\$31,370,203	\$6,354,164	\$844,935	\$13,253,371

Balance Sheet – As at 30 June 2024

The positive influence of the the property revaluation and positive growth in associates has contributed to equity increasing to \$215m.

BALANCE SHEET	2022/2023	2023/2024
ASSETS		
Cash & Equivalents	\$3,162,454	\$986,233
Accounts Receivable	\$548,974	\$98,403
Other Current Assets	\$147,643	\$565,509
Total Current Assets	\$3,859,070	\$1,650,144
Investments or Other Non-Current Assets	\$205,946,379	\$213,512,509
Total Non-Current Assets	\$205,946,379	\$213,512,509
Total Assets	\$209,805,449	\$215,162,653
LIABILITIES		
Accounts Payable	\$948,426	\$330,008
Tax Liability	\$899,636	\$626,183
Other Current Liabilities	\$28,194	\$123,105
Total Current Liabilities	\$1,876,256	\$1,079,296
Long Term Debt	\$28,080,613	\$28,880,613
Total Non-Current Liabilities	\$28,080,613	\$28,880,613
Total Liabilities	\$29,956,869	\$29,959,909
EQUITY		
Retained Earnings	\$98,812,191	\$130,182,394
Current Earnings	\$31,370,203	\$6,354,164
Other Equity	\$49,666,186	\$48,666,186
Total Equity	\$179,848,580	\$185,202,744
Total Liabilities & Equity	\$209,805,449	\$215,162,653

Statement of Cash Flows - For the 12 months ended 30 June 2024

CASH FLOW STATEMENT	2022/2023	2023/2024
OPERATING ACTIVITIES		
Rentals	\$3,406,971	\$3,782,395
Interest received	\$184,112	\$113,607
Dividends Received from Alpine Energy	\$1,177,848	\$942,279
Dividends Received from Primeport	\$1,100,000	\$757,500
	\$5,868,931	\$5,595,781
Payments to suppliers and employees	(\$2,136,298)	(\$2,331,273)
Interest Payments & Line of Credit	(\$1,434,592)	(\$1,923,315)
	(\$3,570,891)	(\$4,254,588)
Cash Flow from Operating Activities	\$2,298,040	\$1,341,193
INVESTING ACTIVITIES		
Showgrounds Sale	\$663,075	\$0
Capital Works	(\$5,983,433)	(\$3,317,414)
Cash Flow from Investing Activities	(\$5,320,358)	(\$3,317,414)
FINANCING ACTIVITIES		
Dividends Paid	(\$1,000,000)	(\$1,000,000)
Change in Long Term Debt	\$3,900,000	\$800,000
Cash Flow from Financing Activities	\$2,900,000	(\$200,000)
Change in Cash & Equivalents	(\$122,318)	(\$2,176,221)
Cash & Equivalents, Opening Balance	\$3,284,772	\$3,162,454
Cash & Equivalents, Closing Balance	\$3,162,454	\$986,233

Movements in Equity - For the 12 months ended 30 June 2024

Movements in Equity	2023/2024
Equity - Opening Balance	\$179,848,580
Current Year Earnings	\$6,354,164
Equity Dividends Paid	-\$1,000,000
Total Equity	\$185,202,744



The Property Portfolio returns include property available to lease on commercial terms. Legacy properties (e.g. 1 Unwin Street) and Capital Projects (e.g. Meadows Street) are excluded from the calculation.

9.5 Dog Control Annual Report for the 2023/2024 Year**Author:** Joanne Hamilton, Team Leader Animal Control/Parking**Authoriser:** Paul Cooper, Group Manager Environmental Services**Recommendation**

1. That the Dog Control Annual Report for the 2023/2024 year be received and noted; and
2. That in accordance with the Dog Control Act 1996 the report be publicly notified; and
3. That the report is forwarded to the Secretary for Local Government.

Purpose of Report

- 1 The purpose of this report is to inform the Council of the dog control activities during the 2023/24 financial year and to comply with statutory reporting requirements.

Assessment of Significance

- 2 This matter is not deemed significant under the Council's Significance and Engagement Policy as it is created to satisfy an annual statutory reporting obligation under the Dog Control Act 1996.

Background

- 3 Section 10A of the Dog Control Act 1996 (the Act) requires that Timaru District Council provides specific information to the Secretary for Local Government by way of an annual report each financial year (within one month of the Council adopting this report).
- 4 Further to providing the Secretary for Local Government with the report, Council must thereafter publicly notify the report, making it available for the community to view on its website.

Discussion

- 5 The dog control activities for Timaru District are shown in the data set provided in Attachment 1. This data has several points worthy of comment.
- 6 Five more Dangerous Dog Classifications have been issued 2023/24 year than in the 2022/23 year. This is due to the severity and level of aggression/threat the dog poses to people and/or other animals. Dangerous dog classifications impose stricter requirements for the dog and owner than a menacing classification does. Please note, the 17 Dangerous dogs that are included in section one of the 'attached figures', has included dangerous dogs that have departed the district or passed away during the reporting year, therefore the total number currently in the district is a lower figure.
- 7 The number of infringement fines issued is up 7% from 501 issued in the previous financial year to 536 issued this latest financial year. This is largely due to an increase in owners failing to microchip dogs and an increase in infringement fines being issued where dog owners are obstructing Animal Control Officers from exercising their powers under the Act, as well as owners failing to update their details when changes occur, as required by the Act.

- 8 Barking dog complaints are up 8% during the 2023/24 financial year, taking the total number of complaints to 552.
- 9 Wandering dog complaints have increased by 20% this last reporting period, however, found dog complaints have decreased by the same percentage. Please note, a found dog complaint is determined by a person being able to secure the dog for collection, whereas a wandering dog is not secured for collection by an Animal Control Officer. These figures may suggest that the public are less likely to approach and secure a dog, however, will report that it is wandering.
- 10 Dog attacks/rushing people is up from 55 to 77 incidences, representing an increase of 40%. Enforcement action in these cases vary from a notice of written warning, infringement fines, menacing or dangerous dog classifications or a prosecution seeking the destruction of the dog in the worst cases. In some cases, the offending dog is surrendered by its owner to council. This is also reflected in the rise of Dangerous dog Classifications.
- 11 With an increase in staff resources, the Animal Control team have been able to follow up on compliance matters that have not been audited in the previous years. Therefore, an audit was carried out on how many infringements dog owners had received in the last 24-month period. Owners that had a minimum of three infringements in that period were classified as probationary owners, explaining the increase from 0 in the 2022/23 year to 7 in the 2023/24 year.
- 12 Three hearings were convened during this time, two relating to appeals against menacing dog classifications following dog attacks, and one owner appealing a notice of disqualification of dog ownership. All three classifications were upheld.
- 13 In the 2022/23 year it was reported in the figures that there were 242 unregistered dog complaints, however, the number reported were only 6. This has now been corrected to reflect the true figure.

Attachments

1. **Annual dog report table of statistics 2023/24 year**

Dog Control Annual Report 2023



1. Number of Registered Dogs in the District.

Class	2022/2023	2023/2024
Working	1082	1077
Rural Pet	2534	2595
Pet	6033	6032
Disability Assist	5	2
Dangerous	11	17 (this includes dogs that have departed during the reporting year)
Menacing	74	84 (this includes dogs that have departed during the reporting year)
Total	9739	9807

2. Total Number of Disqualified Owners in the District.

Period	2022/2023	2023/2024
Total	0	1

3. Number of Dogs Classified as Dangerous during the Reporting Year.

Period	2022/2023	2023/2024
Total	2	7

4. Number of Dogs Classified as Menacing.

Total residing in District	2022/2023	2023/2024
Section 33C - Breed	10	12

Section 33A- Behaviour	64	65
------------------------	----	----

5. Number of Infringement Notices Issued.

Infringement	2022/23	2023/2024
Failure to Register Dog	349	302
Dog not under control/dog wandering	21	29
Dog in prohibited area	0	0
Failure to Comply with Micro-chipping Requirements	123	175
Failure to Advise change of address	0	3
Failure to Advise change of ownership	2	5
Non-compliance with Fencing Order	0	3
Obstruction	1	3
Providing False Information	0	1
Failure to Comply with Classification	1	5
Fouling	0	0
No Leash	0	0
Failure to Comply with Bylaw (excluding Prohibited Area)	10	10
Failure to Comply with Effects of Disqualification	0	0
Failure to Comply with Barking Abatement	0	0
Failure to Comply with Effects of Probationary Owner	0	0
Failure to provide proper care and attention, to supply food, water and shelter	0	0
Releasing dog from custody unlawfully	0	0
Total	501	536

6. Number and Nature of Dog Related Service Requests Received.

Service Request	2022/2023	2023/2024
Barking Dog	510	552
Dog Wandering	315	380
Dog Found	195	155
Dog Lost	210	165
Unregistered Dog	242 6	29
Microchipping by appointment	6	79
Dog Attacking/rushing animal	64	65
Dog Bylaw Breach	28	18
Dog Adoption	33	56
Dog rushing/attacking person	55	77
Dog Fouling	16	3
Total	1438	1579

7. Number of Prosecutions Undertaken.

Prosecutions	2022/2023	2023/2024
Total	0	0

8. Total Number of Probationary Owners in the District.

Period	2022/2023	2023/2024
Total	0	7

9. Total Number of Hearings/Decision Appeals

Period	2022/2023	2023/2024
Total	2	3

9.6 Annual Report to Alcohol Regulatory and Licensing Authority**Author:** Debbie Fortuin, Environmental Compliance Manager**Authoriser:** Paul Cooper, Group Manager Environmental Services**Recommendation**

That the Annual Report to the Alcohol Regulatory and Licensing Authority be received and noted.

Purpose of Report

- 1 The purpose of this report is to inform Council about the Annual Report to the Alcohol Regulatory and Licensing Authority (ARLA).

Assessment of Significance

- 2 This matter is deemed to be of low significance in terms of Council's Significance and Engagement Policy. It is a statutory reporting requirement in terms of the Sale and Supply of Alcohol Act 2012 (the Act). Its function is to summarise the alcohol licensing activities undertaken for the 2023-2024 year.

Discussion

- 3 Section 199 of the Act requires that within three months of the end of each financial year, each territorial authority must prepare and send to ARLA a report of the proceedings and operations of its District Licensing Committees (DLC) during the year.
- 4 As per previous annual reports, ARLA has specified the form and content required in the report.
- 5 This report is a public record for the purposes of the Act, and a copy must be made available for inspection on the Council's website for a period of not less than five years. ARLA or the DLC must, on payment of any reasonable fee it has prescribed, provide a copy of each report to any person who requests one.
- 6 Attachment 1 is the statutory requirement for annual reporting by ARLA. Attachment 2 is a submission to a survey that ARLA has requested relating to the annual report with additional questions to determine trend analysis.

Consultation

- 7 Consultation with the relevant officers and the Commissioner was undertaken in respect to drafting this report.

Relevant Legislation, Council Policy and Plans

- 8 Sale and Supply of Alcohol Act 2012
- 9 Joint Local Alcohol Policy

Financial and Funding Implications

10 There are no funding implications associated with this report.

Other Considerations

11 There are not considered to be any other relevant issues.

Attachments

1. **Timaru District Licensing Committee Report to ARLA 2023 - 2024.DOCX**
2. **TDC Annual Liquor Survey 2024**

Timaru District Licensing Committee

Annual Report to the Alcohol Regulatory and Licensing Authority

For the year 2023 - 2024

Date: 12 August 2024

Prepared by: Debbie Fortuin
Environmental Compliance Manager
Timaru District Council

Introduction

The purpose of this report is to inform the Alcohol Regulatory and Licensing Authority (the Authority) of the general activity and operation of the Timaru District Licensing Committee (DLC) for the year 2023-2024.

There are three DLC's operating in the South Canterbury area under a single Commissioner, this model having been adopted during the implementation of the Sale and Supply of Alcohol Act 2012 (the Act) in December of 2013. The three DLC's are that of the Timaru, Waimate and Mackenzie Districts.

This report relates to the activities of all the DLC's in the body of the text and to the Timaru DLC alone in the Annual Return portion of the report at the rear of this document. This satisfies the requirements of the territorial authority set out in section 199 of the Act.

Overview of DLC Workload

DLC Structure and Personnel

The table below shows the current membership of the three DLC's under the Commissioner. No changes occurred during the reporting period.

	Name	Role
Commissioner (Independent of Council Role)	Sharyn Cain	Deputy Mayor - Waimate District Council
Timaru DLC Members	Peter Burt	Deputy Chair, Councillor - Timaru District Council
	Stu Piddington	Councillor – Timaru District Council
	Gavin Oliver	Councillor - Timaru District Council
Mackenzie DLC Members	Scott Aronsen	Councillor – Mackenzie District Council
	Anne Munro	Councillor – Mackenzie District Council
	Murray Cox	Councillor – Mackenzie District Council
Waimate DLC Members	Craig Rowley	Mayor - Waimate District Council

Total costs for Timaru District Council DLC activities for the period amounted to \$ 174,862.00. This was made up of elected members allowances, travel costs, staff costs, administration costs and solicitors fees, relating to the DLC.

In terms of Council staff delivering licensing services to the community and the DLC, there are 2 FTE licensing inspectors, a 0.5FTE licensing administrator and the secretary to the three DLC's, who also manages the activity, for the 3 councils.

One hearing was held, to hear an appeal relating to a manager's certificate. The manager's certificate was declined.

Monitoring Visits

Monitoring visits of licenced premises throughout the 2023-2024 year largely indicated good compliance of the Act, however, 1 special licence event monitored resulted in a written warning regarding a breach of the conditions requiring low-alcohol options being available. A total of 59 premises were visited during this period, comprising 42% of total licensed premises.

Local Alcohol Policy

The Timaru, Mackenzie and Waimate District Councils jointly prepared and developed a Local Alcohol Policy, which originally came in to force on 24 March 2016.

The Joint LAP was reviewed and adopted on 13 February 2024 with two minor amendments namely:

The following was added to clause 56 - "When setting discretionary conditions for special licences, the District Licensing Committee (DLC) must have regard to the previous proven responsible history (if any) of the applicant"

Clause 55(i) was amended as follows - "Sale of Ready to Drink (RTD) alcoholic beverages to be under 5% alcohol" to "Sale of Ready to Drink (RTD) alcoholic beverages to be 5% or under in alcohol content".

A copy of the joint LAP can be found at the following link:

https://www.timaru.govt.nz/__data/assets/pdf_file/0004/869143/Local-Alcohol-Policy-adopted-13-February-2024.pdf

Statistical Information

Statistical information about the operation of the DLC for the year 2023 - 2024 is in the prescribed form and follows overleaf.

- Annual return
- Current listing of licenced premises.

One manager's certificate was declined.

Timaru District Licensing Committee

Annual Return

July 2023 – June 2024

On-licence, Off-licence and Club Licence Applications Received						
Application Type	Number Received in Fee Category – Very Low	Number Received in Fee Category – Low	Number Received in Fee Category – Medium	Number Received in Fee Category – High	Number Received in Fee Category – Very High	Total
On-licence new		3	4	1		8
On-licence variation						
On-licence renewal		10	10	3		23
Off-licence new			2	1		3
Off-licence variation			1			1
Off-licence renewal	1	2	6			9
Club licence new						
Club licence variation	1					1
Club licence renewal	11	4	1			16
Total number	13	19	24	5	0	61
Total fee paid to ARLA (GST incl.)	\$224.25	\$655.50	\$1242.00	\$431.25	0	\$2553.00

Annual Fees for Existing Licences Received						
Licence Type	Number Received in Fee Category – Very Low	Number Received in Fee Category – Low	Number Received in Fee Category – Medium	Number Received in Fee Category – High	Number Received in Fee Category – Very High	Total
On-licence	2	22	18	10		52
Off-licence	4	8	31	1		44
Club licence	21	12	1			34
Total number	27	42	50	11	0	130
Total fee paid to ARLA (GST incl.)	\$465.75	\$1449.00	\$2587.50	\$948.75	0	\$5451.00

Managers' Certificate Applications Received	
Application Type	Number Received
Managers' certificate new	64
Managers' certificate renewal	135
Total number	199
Total fee paid to ARLA (GST incl.)	\$5721.25

Special Licence Applications Received

	Number Received in Category – Class 1	Number Received in Category – Class 2	Number Received in Category – Class 3
Special licence	11	27	70

Temporary Authority Applications Received

	Number Received
Temporary authority	7

Permanent Club Charter Payments Received

	Number Received
Permanent club charter payments	0

Total fee paid to ARLA (GST incl.)	\$0
---	------------

Total paid to ARLA	\$13725.25
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Number of District Licensing Committee Meetings Held

Date	Number
July 2023	
August 2023	
September 2023	
October 2023	
November 2023	
December 2023	
January 2024	
February 2024	
March 2024	
April 2024	
May 2024	
June 2024	

Timaru District Licensing Committee

List of Licenced Premises

As at 1July 2024: 135

Applicant	Licence Type Desc
South Canterbury Club	Charter Club
Timaru South Cosmopolitan Club Incorporated	Club Licence
Vintage Car Club of New Zealand (South Canterbury Branch) Incorporated	Club Licence
Timaru South Cosmopolitan Club Incorporated	Off Licence
Kings Curry House Limited	On Licence
Stafford Hospitality Limited	On Licence
West End (Timaru) Bowling Club Incorporated	Club Licence
Timaru Town & Country Club Incorporated	Club Licence
Kia Toa Bowling Club Incorporated	Club Licence
Geraldine District Golf Club Incorporated	Club Licence
Timaru Bridge Club Incorporated	Club Licence
Temuka Golf Club Incorporated	Club Licence
Grande Vue Golf Club Incorporated	Club Licence
Geraldine Rugby Football Club Incorporated	Club Licence
South Canterbury Aero Club Incorporated	Club Licence
South Canterbury Aero Club Incorporated	Club Licence
Timaru Golf Club Incorporated	Club Licence
Gleniti Golf Club Incorporated	Club Licence
Timaru Squash Rackets Club Incorporated	Club Licence
Northern Hearts Association Football Club Incorporated	Club Licence
Old Boys Sports Club Timaru Incorporated	Club Licence
Pleasant Point Rugby Football Club Incorporated	Club Licence
General Distributors Limited	Off Licence
JMSV Limited	On Licence
Timaru Town & Country Club Incorporated	Off Licence
DB South Island Brewery Limited	Off Licence
The Sail & Anchor Tavern (1999) Limited	On Licence
Temuka Returned Services Association Incorporated	Club Licence

Benny's Again Limited	On Licence
J Ballantyne and Company Limited	On Licence
J Ballantyne and Company Limited	Off Licence
Timaru Yacht and Power Boat Club Incorporated	Club Licence
Tennis South Canterbury Incorporated	Club Licence
Timaru City Association Football Club Incorporated	Club Licence
Geraldine Bowling Club Incorporated	Club Licence
Pleasant Point Golf Club Incorporated	Club Licence
Pareora Country Club Incorporated	Club Licence
West End Amateur Football Club Incorporated	Club Licence
West End Amateur Football Club Incorporated	Club Licence
Timaru Harlequins Rugby Football Club Incorporated	Club Licence
Pleasant Point Bowling Club Incorporated	Club Licence
Sykes Liquor Limited	Off Licence
South Canterbury Ale House Limited	On Licence
Bolina Foods Limited	On Licence
Richard Pearse Tavern (2009) Limited	Off Licence
JMSV Limited	Endorsed On/Caterers Licence
Richard Pearse Tavern (2009) Limited	On Licence
Customs Steak House Limited	On Licence
Ishu Isha Limited	On Licence
Thistle Association Football Club (Timaru) Incorporated	Club Licence
The Partnership of Stephen Patrick Inkersell and Christine Mavis Inkersell	On Licence
Celtic Rugby Football Club Timaru Incorporated	Club Licence
South Canterbury Car Club Incorporated	Club Licence
Tornado Rod & Custom Club Incorporated	Club Licence
Polladio Holdings Limited	On Licence
Guo Rong Company Limited	On Licence
Temuka Rugby Football Club Incorporated	Club Licence
Temuka Bowling Club Incorporated	Club Licence
The Station Cafe Limited	On Licence
Timaru Bowling Club Incorporated	Club Licence
Geraldine Orchard Retail Limited	On Licence

I Love Home Cooking Limited	On Licence
Timaru Indoor Bowls Association Incorporated	Club Licence
Klifden Limited	On Licence
South Canterbury Ale House Limited	Endorsed On/Caterers Licence
Mia Flora Trading Limited	On Licence
A & S Wen Limited	On Licence
Ara Institute of Canterbury	On Licence
Salt and Light Timaru Limited	On Licence
Black Kat Limited	On Licence
The Partnership of Craig William James Austin & Tracey Anne Austin	On Licence
Kyarvi Limited	Off Licence
Chippendale Enterprises Limited	On Licence
Pleasant Point District Squash Rackets Club Incorporated	Club Licence
Stonebridge Function Venue (2017) Limited	On Licence
Stonebridge Function Venue (2017) Limited	On Licence
M A & C V Thomas Limited	Off Licence
The Green Man Peel Forest Limited	On Licence
CMR Holdings Timaru Limited	Off Licence
Quarry Rock Holdings Limited	Endorsed Off/Remote Sellers Licence
CannaCo Operations Limited	Endorsed Off/Remote Sellers Licence
Bullock Bar Timaru Limited	On Licence
Hynes Maree Therese	On Licence
KSK PVT Limited	On Licence
KSK PVT Limited	Off Licence
Barker Food Stores Limited	On Licence
Sheeds Supermarket 2019 Limited	Off Licence
Strathallan Lifecare Village Limited	On Licence
SKTHAI Prime Wealth Limited	On Licence
C-Shell Limited	On Licence
Geraldine Distillery Limited	Endorsed Off/Remote Sellers Licence
BS Chahal Enterprises Limited	Off Licence

Singh Trading (2016) Limited	Off Licence
B.A.R. (2003) Limited	On Licence
B.A.R. (2003) Limited	Off Licence
T & S (2019) Limited	On Licence
Woodbury Store Holdings Limited	On Licence
Geraldine Distillery Limited	Off Licence
C & J Hall Supermarkets Limited TA PAK'nSAVE Timaru	Off Licence
Richard Pearse Tavern (2009) Limited	On Licence
Purcell Supermarkets Limited	Off Licence
Drift Inn Limited	On Licence
Faiva W Enterprises Limited	On Licence
Waybridge Limited	Off Licence
Waybridge Limited	On Licence
Yedo Investments Limited	On Licence
Pink Tortoise Limited	On Licence
Chippendale Enterprises Limited	Endorsed Off/Auctioneer
Three Wise Mens Trading Limited	On Licence
Born to Shine Trading Limited	On Licence
Born to Shine Trading Limited	Off Licence
Three Wise Mens Trading Limited	Off Licence
Joyccs Trading Limited	Off Licence
South Hospo Limited	Off Licence
South Hospo Limited	On Licence
AMTC Limited	Endorsed Off/Remote Sellers Licence
Cafe Verde Limited	On Licence
SKN 66 Limited	On Licence
Kazoku Limited	On Licence
General Distributors Limited	Off Licence
Empire Six Limited	On Licence
Foxes Holdings Limited	On Licence
Empire Six Limited	Off Licence
Jolly Potter 2022 Limited	On Licence
Seaview Trading Limited	Off Licence

GR Trading (2022) Limited	Off Licence
GR Trading (2022) Limited	Off Licence
Sunshine Traders Limited	On Licence
The Fort Timaru Limited	On Licence
Singh Trading (2016) Limited	Off Licence
Singh Brothers Trading Limited	Off Licence
Kiwi Taverns Limited	Off Licence
Kiwi Taverns Limited	On Licence
A J Griffiths Limited	Off Licence
Ariana Enterprises Limited	On Licence

Response ID ANON-3QYT-HC9E-T

Submitted to Questions for DLC Annual Reports 2023-2024
 Submitted on 2024-07-11 15:39:38

Questions relating to the make up of your DLC

1 Please provide the name of your District Licensing Committee and a generic email address to which general correspondence will be certain of a response.

generic email:

Timaru District Licensing Committee,
 dlc@timdc.govt.nz

2 Please provide the name, email and contact number of your Committee's Secretary.

generic email:

Debbie Fortuin
 036877200

3 Please name each of your Licensing Inspectors and provide their email and contact number.

generic email:

Sharon Hoogenraad - Chief Licensing Inspector - sharon.hoogenraad@timdc.govt.nz
 Hendrina Petronella Simpson - Licensing Inspector - petro.simpson@timdc.govt.nz

contact number : 03-6877200

New Licences 2023-2024

4 a) How many applications for new on-licences did your committee grant?

report:

8

4 b) How many applications for new on-licences did your committee refuse?

report:

0

4 c) How many applications for new off-licences did your committee grant?

report:

3

4 d) How many applications for new off-licences did your committee refuse?

report:

0

4 e) How many applications for new club licences did your committee grant?

report:

0

4 f) How many applications for new club licences did your committee refuse?

report:

0

Managers' Certificates 2023-2024

5 a) How many applications for new manager's certificates did your committee grant?

report:

64

5 b) How many applications for new manager's certificates did your committee refuse?

report:

1

Renewals 2023-2024

6 a) How many applications for the renewal of licences did your committee grant?

report:

48

6 b) How many applications for the renewal of licences did your committee refuse?

report:

0

6 c) How many applications for the renewal of manager's certificates did your committee grant?

report:

135

6 d) How many applications for the renewal of manager's certificates did you committee grant?

report:

0

Total Number of Licences (new and existing) at 30 June 2024

7 a) What is the total number of on-licences in your licensing district?

report:

57

7 b) What is the total number of off-licences in your licensing district?

report:

32

7 c) What is the total number of club licences in your licensing district?

report:

39

Questions

8 Please comment on any changes or trends in the committee's workload in 2023-2024.

report:

17% increase in applications processed

9 Please comment on any new initiatives the committee has developed/adopted in 2023-2024.

report:

No new initiatives introduced

LAPs

10 Has your committee developed a Local Alcohol Policy? (LAP)

Yes

If the answer is yes, at what stage is your LAP?

Adopted

11 If the answer to 10 is 'in force', what effect do you consider your LAP is having?

report:

Consistency of decision-making throughout the district, restricts areas for licensed premises

12 If the answer to 10 is 'in force', when is your LAP due for review - date?

report:

13 Feb 2030

Operations

13 Please comment on the ways in which you believe the Sale and Supply of Alcohol Act 2012 is, or is not, achieving its objective. Note: the object of the Act is: a) The sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and b) The harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

report:

Meets the objective in conjunction with our joint LAP which compliments the legislation for local conditions as it has some stricter restrictions as compared with the act.

14 What changes or trends in licensing have you seen since the Act came into force?

report:

None noted

15 What changes to practices and procedures under the Act (if any) would you find beneficial?

report:

Stricter controls for remote sales and off licenses.

Recognition of craft breweries alongside wine cellar doors.

Possibly change to require Class 1 large club premises to have a Duty Manager on-site at all times alcohol available for sale, in line with taverns which require duty managers. Please note that some clubs are larger than some taverns and are not required to have a duty manager on-site at all times.

Last Step

9.7 Parking Bylaw Addition for Caroline Bay Car Parking

Author: Jacky Clarke, Programme Delivery Manager
Elliot Higbee, Legal Services Manager

Authoriser: Andrew Dixon, Group Manager Infrastructure

Recommendation

1. That Council resolves the following parking addition to Chapter 13 Parking of the Timaru District Council Consolidated Bylaw:
 - That parking in the two carparks at the eastern end of Caroline Bay accessed from Marine Parade nearest the beach be metered between 9pm and 9am.
 - That the fee for this metered overnight parking be \$20 including GST.
 - That overnight parking in the two carparks at the eastern end of Caroline Bay nearest the beach volleyball courts and roller-skating rink in the above timeframe is restricted to motorhomes.
2. Council delegates to the Group Manager Infrastructure, as the Road Controlling Authority, all necessary powers and functions to implement the parking resolution.
3. Council delegates to the Group Manager Infrastructure & Group Manager Environmental Services to determine the best method to obtain revenue and monitor non-compliance for overnight parking at Caroline Bay.
4. Council delegates to the Chairperson of the Infrastructure Committee and the Group Manager Infrastructure, as the Road Corridor Authority, all necessary powers and functions to design, authorise, install and operate temporary traffic control devices and parking fee at the grassed area east of the Piazza promenade in Caroline Bay over the period of 26 December 2024 to 12 January 2025 to manage traffic and parking issues.

Purpose of Report

- 1 To consider an addition to the Timaru District Council Parking Bylaw through Council resolution under the Land Transport Act 1998, and the Parking Bylaw that will implement paid parking restrictions in identified areas at Caroline Bay. This will result in these additional rules being included in the Timaru District Council Bylaw, Chapter 13 Parking.
- 2 To legalise the resolution by way of signage and road markings, the report also proposes the Group Manager Infrastructure is delegated all necessary implementation powers and functions as the Road Control Authority.
- 3 To provide an option for further bespoke parking and traffic resolutions to be made by the Chairperson of the Infrastructure committee and the General Manager of Infrastructure, as Road Control Authority, to manage traffic and parking at the Caroline Bay Carnival over the period of 26 December 2024 to 12 January 2025.

Assessment of Significance

- 4 This matter is of low-medium significance in accordance with the current Significance and Engagement policy. The options presented are consistent with Council bylaws and policies with little financial impact. Officers do note that there is likely to be a moderate level of community interest in the matter.

Background

- 5 At the Council meeting on 30 July 2024, officers presented a report around options to manage overnight parking at Caroline Bay. At this meeting, Council resolved:

Agree in principle to the implementation of metered parking areas and charging at the existing Caroline Bay car parks adjacent to the skating rink off Marine Parade and potentially an extended overflow area on the grass near to these car parks.

That officers present to Council for consideration and consultation an addition to the Timaru District Council Bylaw, Chapter 13 Parking to allow for metered parking in identified areas at Caroline Bay.

That officers are to begin work on developing a Freedom Camping Bylaw.

- 6 The Land Transport Act 1998 enables a bylaw to leave any matter to be regulated by resolution. The Timaru District Council Bylaw, Chapter 13 Parking (attachment 1) at 1309.1 provides for the Council to declare any road or public car park, by ordinary resolution, to be a metered zone, determine the hours that the meter fees will apply and fix the fees payable to use the zone. The parking bylaw also enables at 1317.1 the amending of the first schedule which provides over-arching rules for fees.
- 7 By making the proposed traffic resolution, Council will in effect add to the existing bylaw to enable the proposed parking restrictions.
- 8 Council at the 30 July 2024 meeting also queried how best to manage traffic and parking issues at the Caroline Bay Carnival over the period 26 December 2024 to 12 January 2025. A resolution is provided to enable further traffic and parking rules to be made under the bylaw by the Chairperson of the Infrastructure committee and the Group Manager Infrastructure acting as the Road Control Authority.

Discussion

- 9 The reason for the change is to manage the use of the car parks, ensure that people using public assets are contributing to their upkeep, and to enhance the behaviour of those parking overnight, by putting a value on overnight parking at this important community location.
- 10 To minimise impact on non-overnight parkers, charging is only for overnight parking only, this should still enable usage of parking in the evenings to attend events or for recreational purposes.
- 11 The locations for the permanent paid overnight parking are the two carparks at the Southern end of Caroline Bay nearest the beach. The area for the temporary paid overnight parking is the grassed area east of the Piazza promenade. These are all identified in the map below.



12 It is known that motorhomes use these car parks overnight. However, we have not monitored overnight parking in the past revenue can only be estimated. Based on 10 motorhomes per night at \$20 per night including GST the revenue would be \$200/day. This parking revenue can be obtained at reasonably low cost therefore it is considered that this revenue stream is worth pursuing.

Options and Preferred Option

- 13 **Option 1 – That Council makes the proposed parking bylaw traffic addition resolution and delegates to the Group Manager Infrastructure, as the Road Controlling Authority, all necessary powers and functions to implement the parking resolution. (preferred option)** This would enable officers to achieve the outcome previously sought by Councillors. There is the risk that payment deters any overnight stays, and therefore losing potential revenue from other spending within the district.
- 14 **Option 2 – Council declines making the proposed parking bylaw traffic resolution.** This would leave the status quo as the operating model and no opportunity to gather revenue in these areas.
- 15 If Option 1 is supported, then the options available to enact this addition to the bylaw are:
- 16 **Option A – Council delegates to the Group Manager Infrastructure & Group Manager Environmental Services to determine the best method to obtain revenue for overnight camping at Caroline Bay.** This will enable officers to progress and start gathering revenue at the earliest opportunity.

- 17 **Option B – Council determines the best method to obtain revenue for overnight camping at Caroline Bay.** This could require further reporting to Council with more detailed information to enable Councillors to make an informed decision.
- 18 In addition to Option 1 above there is a further extension to be considered.
- 19 **Option 1A To include a grassed car park area in Caroline Bay (as shown in paragraph 11) through a Temporary traffic control device at Caroline Bay** - Finally in respect of the Caroline Bay Carnival, officers have suggested a resolution that will enable traffic and parking rules to be made within the operational design of the event. These resolutions must be made by the Road Control Authority. To enable the rules to be designed within the operational context and proportionate to the significance (short term event) it is proposed that this function is delegated to the Chairperson of the Infrastructure Committee and the Group Manager Infrastructure.
- 20 The delegation would be a once off for the 2024/2025 event, require unanimity, and follow the specific legal processes. It is envisaged that temporary parking restrictions would be implemented across aspects of Caroline Bay to manage traffic, environmental and behavioural issues. Revenue from parking fees would be used to offset the cost of managing the traffic impacts caused by the event to the community.

Consultation

- 21 The Timaru District Council Bylaw, Chapter 13 Parking allows for Council to make further additions to the bylaw by ordinary resolution.
- 22 The level of necessary consultation is a matter for the significance and engagement policy. Officers are of the view that the notice and public forum procedure provided for under the Local Government Official Information and Meetings Act 1987 provides an appropriate level of community consultation.

Relevant Legislation, Council Policy and Plans

- 23 Land Transport Act 1998
- 24 Traffic Control Devices Rules 2004
- 25 Timaru District Council Bylaw, Chapter 13 Parking

Financial and Funding Implications

- 26 It is recommended that the parking payment be through the PayMyPark parking app that Timaru District Council currently subscribes to. This is a low-cost implementation of the parking fee without the need for capital investment in ticketing machines, or vehicle number plate recognition technology. The only cost for the MyPayPark system will be signage at the two car parking areas as required by the traffic regulations. The cost of the signage is minimal and can be accommodated in current budgets.
- 27 None of the costs associated with the options have been budgeted for within existing budget. It is anticipated that there will be some revenue that will offset the costs, but this is not able to be quantified with the data currently available. Based on a \$20 (including GST) overnight parking fee with an average of 35 motor home vehicles per week this would derive an annual revenue of approximately \$31,000 (excluding GST). This does not include the additional grass area of Caroline Bay suggested as a parking area over the Christmas period.

- 28 It is believed that making the resolution to incur a cost of \$20 including GST for overnight parking will enable Council to gather revenue to assist in maintaining the carpark and surrounding amenities particularly relating to overnight motor homes/campervans use.
- 29 Using the recommended parking payment App MyPayPark is based on an honesty system. Most users are familiar with the system and it is expected that there will be a good level of compliance. Non-Payment of the parking fee may incur an infringement fee of \$70 including GST as set by government statute.

Other Considerations

- 30 There are various ways that the parking could be monitored and enforced:
- 31 **Installation of signage with details for PayMyPark for users to pay for parking with no monitoring being carried out** – this is the recommended option being a low-cost option. Many other overnight stay options are set up based on an honesty system with users being aware that enforcement is possible, so the behaviour is generally compliant.
- 32 **Installation of signage with details for PayMyPark for users to pay for parking with random spot checks being carried out or daily monitoring** – random checks or daily monitoring would enable Council to monitor compliance and issue infringements but would keep operational costs down. These checks could be carried out by the Council's parking enforcement officers or a contractor. The parking infringements would be issued by Council.
- 33 **Installation of free flow camera system and signage** – this is an automated system the captures number plates on arrival and departure of the carparks allowing for tickets to be issued to anyone that does not pay. The cost for installation of this system is around \$50,000 (excluding GST) and an annual operating cost of around \$17,000 (excluding GST) per car parking area. This option while the most expensive to install it would ensure all users pay or if not receive an infringement. The system would also not require enforcement officers to monitor but would require around 1 hour per day administrative support to process infringements. This system can be installed at a later date when parking demand data is available that will allow a robust business case to be developed.

Attachments

1. **Timaru District Consolidation Bylaw - Chapter 13 - Parking**

Chapter 13: Parking

Scope

The purpose of this chapter of the bylaw is to allow for areas where public parking is available and to provide the rules and guidelines for such areas.

1300. Interpretation

1300.1. This Chapter to be read in conjunction with Chapter 1 – Interpretation.

1301. Offences

1301.1. No person shall use any road or Council controlled parking place for the keeping or placing of vehicles for sale, exhibition or demonstration or otherwise in connection with the trade or business of such person, provided, however nothing in this clause shall prevent any person from driving or operating a vehicle along any road for demonstration purposes.

1301.2. No person shall park any vehicle on or adjacent to the median strips of those one way roads named in the Fifth Schedule of Chapter 10 of the bylaw.

1301.3. No person shall, stop, stand or park a vehicle on a road or any Council controlled parking place for the prime purpose of sale or advertising it for sale.

1301.4. No person shall stop, stand or park a vehicle on a road or footpath for the purpose of repair.

1302. Stopping prohibited

1302.1. No person or driver shall stop, stand or park any vehicle in any manner contrary to any prohibition limitation or restriction imposed from time to time by resolution of Council and indicated by the erection of a sign prescribed by the Land Transport Act 1998 or any rules or regulations made there under or as indicated in any other clear manner.

1303. Parking places and time limits

1303.1. Council may from time to time by ordinary resolution:

- (a) Declare any piece of land or any road or any part of a road or any building or part of a building owned or occupied by Council to be a parking place.
- (b) Direct the times, manner and conditions for parking of vehicles in any such parking places.
- (c) Direct the classes of vehicles that shall be permitted to be parked in any such parking places.

- (d) Make other provision for the efficient management and control of any such parking places.
 - (e) Delegate authority to alter the management of any parking space or spaces, set time limits and fix the fees payable for any such parking places.
 - (f) Declare any parking space in a parking place to be reserved for the exclusive parking of vehicles displaying a mobility parking permit.
- 1303.2. No driver or person in charge of any vehicle shall permit such vehicle to be parked in any such parking place except as permitted by any such resolution.
- 1303.3. Any such resolution may from time to time be amended or rescinded by a further ordinary resolution of Council.
- 1304. Payment of fees**
- 1304.1. Where a fee has been prescribed for parking pursuant to clause 1303.1(d) hereof payment of the fee shall be by the method prescribed for that area or, where more than one method of payment has been prescribed, by one of those methods.
- 1305. Weight limit in Stafford Street**
- 1305.1. No person shall stop, stand or park any vehicle of the weight of 3.5 tonnes or more other than a passenger service vehicle, in Stafford Street, except for the purposes of loading or unloading goods.
- 1306. Parallel parking**
- 1306.1. Unless marked for angle parking, all legal parking spaces are to be used by vehicles parking parallel to the kerb line in the same direction as the vehicle would move on that road.
- 1307. Angle parking**
- 1307.1. Council may from time to time determine and appoint any place or places where vehicles may be parked only at an angle to the direction of the road, parallel to white painted lines indicating individually marked spaces, and so the front of the vehicle is facing inwards toward the kerb or footpath or centre island.
- 1308. Parking correctly in individually marked space**
- 1308.1. In any parking area where individual spaces are indicated by lines painted or otherwise marked, no driver or person in charge of a vehicle shall park such vehicle in a parking space across any line marking the parking space, or in such a position that the said vehicle shall not be entirely within the area designated as a parking space.

1308.2. In any parking area where individual parks are indicated by lines painted or otherwise marked, no driver or person in charge of a vehicle shall park such vehicle in a parking space which is already occupied by another vehicle. However it shall be lawful for a maximum of 3 motorcycles (including motorcycles with sidecars attached thereto), to occupy any parking space at the same time.

1309. Metered zones and parking meters, and pay and display machines and multi-bay meters

1309.1. Council may from time to time by ordinary resolution:

- (a) Declare any road or part of a road to be a metered zone.
- (b) Declare any piece of land owned or occupied by Council and not being a road or part of a road to be a metered zone.
- (c) Declare the time allowed for parking in metered spaces beyond which it shall be unlawful to remain parked.
- (d) Fix the fees payable for the parking of vehicles within the metered zone.
- (e) Delegate authority to alter a metered zone, time allowed for metered spaces and fix fees payable within a metered zone.

1309.2. Any such resolution may from time to time be amended or rescinded by a further ordinary resolution of Council.

1309.3. In accordance with the provisions of any such resolution Council shall establish and mark out or cause to be established and marked out metered spaces in all metered zones, and where marked spaces are controlled by a multi-bay meter each space shall be marked with an identifying number.

1309.4. Individual parking meters shall be placed upon and firmly fixed to the kerb or footpath or area adjoining each metered space and each such meter shall clearly indicate the time allowed for parking in such metered space, the prescribed coin and where a maximum time is permitted under clause 1309.1(d) hereof.

1309.5. Multi-bay meters shall be located within the metered zones they are intended to control and such machines shall clearly indicate the prescribed coin and the maximum time permitted under clause 1309.1(d) hereof. Upon the insertion of the prescribed coin such machine shall clearly indicate the time allowed for parking in the specified space.

1309.6. Pay and display machines shall be located within the metered zone which they are to control. Any such pay and display machine shall, on insertion of the prescribed coin and in accordance with the instructions on the pay and display machine issue a parking receipt.

1309.7. The extremities of each metered space or carpark shall be clearly indicated by white lines painted on the road.

1310. Parking fee to be paid

1310.1. When any vehicle is parked in a metered space the driver or person in charge of such vehicle shall prior to leaving the vehicle but no later than five minutes after parking the vehicle deposit or cause to be deposited in the controlling parking meter or by a cell phone based payment application the prescribed value as indicated on the parking meter or pay and display machine, as a parking fee and shall forthwith activate the mechanism in accordance with the instructions on the parking meter. Thereupon the metered space may be lawfully occupied by the vehicle during the period indicated on the parking meter or parking receipt, but no longer, provided that the driver or person in charge of such vehicle may without any payment park the same during such time (if any) as may be indicated on the parking meter as being unexpired from its previous use.

1310.2. It shall be lawful for the driver or person in charge of a vehicle immediately upon the expiration of any authorised period of parking again to deposit or cause to be deposited the prescribed coin in the parking meter and thereafter the said vehicle may lawfully occupy the metered space for the further period indicated on the parking meter or parking receipt provided that the maximum period for parking in clause 1309.1(c) hereof is not exceeded in total.

1310.3. No driver or person in charge of any vehicle is permitted to remain parked in a metered space while the meter has not been properly operated in accordance with the instructions on the meter.

1310.4. Where more than one motorcycle occupies a metered space it shall not be necessary for the payment of more than one parking fee but no such vehicle shall remain parked in the metered space while the parking meter controlling the metered space or the parking receipt displayed shows that the time has expired and each motorcycle so parking is in breach of this chapter of the bylaw.

1310.5. Where a vehicle is parked on a metered space controlled by a pay and display machine, a valid parking receipt issued by the pay and display machine shall be placed on the dashboard at the front of the vehicle in a manner which will allow the expiry time to be seen by Council officer from outside the vehicle or if the vehicle is not fitted with a dashboard the parking receipt shall be displayed on the vehicle in a clear manner.

1310.6. No person shall display a parking receipt in a manner that is likely to deceive or confuse, or display a copy of a parking receipt or an altered or false parking receipt.

1311. Reserved or discontinued parking space

1311.1. Where Council is of opinion that any metered space or spaces or time restricted parking space or spaces should be temporarily discontinued as a parking space or spaces, Council may place or erect, or cause to be placed or erected a sign or signs or a road cone or road cones indicating "No Stopping" at such space or spaces, and it shall be unlawful for any person to park a vehicle at such space or spaces while such an indication is so placed or erected.

1311.2. Council may, subject to such conditions as are appropriate in the circumstance and upon payment of the prescribed fee, if any, authorise the stopping, standing or parking of a specified vehicle or vehicles, notwithstanding the provisions of clause 1311.1 hereof. In any case where an authorisation has been granted there shall be displayed on the vehicle a document issued by Council authorising the occupation of the space and setting out the days and times and location applying to the authorisation.

1311.3. Council may designate parking spaces in any off street car park to be reserved spaces available for lease to individuals or companies and may set the conditions and fees applying to the sole right to use such spaces.

1311.4. No driver or person in charge of any vehicle shall permit such vehicle to be parked in any reserved parking space except as permitted by the conditions set by Council pursuant to clause 1311.3 hereof.

1312. Interference with parking meters

1312.1. Every person who misuses any parking meter, or who interferes, tampers, or attempts to tamper with the working or operation of any parking meter or who without due authority affixes or attempts to affix any placard, advertisement, notice list, document board or thing, or to paint, write upon or disfigure any parking meter commits an offence against this chapter of the bylaw.

1313. Prescribed coins only

1313.1. No person shall deposit or cause to be deposited in any parking meter anything whatever other than the prescribed coin or coins.

1314. Unlawful parking

1314.1. It shall be unlawful for any person to park any vehicle in a metered space except as permitted by the provisions of this chapter of the bylaw.

1315. Operation of parking meters

1315.1. No person shall operate or attempt to operate any parking meter by any means other than as prescribed by this chapter of the bylaw.

1316. Exemption from payment and defences available

- 1316.1. The driver or person in charge of any of the following vehicles shall be exempt from the provisions of this chapter of the bylaw:
- (a) A vehicle used as an ambulance and being at the time used for an urgent ambulance service.
 - (b) A vehicle used by a fire brigade for attendance at emergencies and at the time used for an urgent emergency service.
 - (c) A vehicle being used at the time for a police service.
 - (d) A vehicle marked with Council logo on duty signage
 - (e) Such driver or person entitled to be in possession of "Over 80" parking exemption signage which is properly on display.
- 1316.2. It shall be a defence to any person who is the driver or is in charge of any goods-service vehicle and who is charged with a breach of this chapter of the bylaw if such person proves that the act complained of was done during the loading or unloading of the vehicle in the course of trade and that the vehicle was being used on the road with due consideration to the safety and convenience of other road users.
- 1316.3. It shall also be a defence to any charge of a breach against this chapter of the bylaw if the act complained of was done in compliance with the directions of a police officer, Council officer, traffic control sign or traffic sign or that the vehicle was engaged on a public work and was being used on the road with due consideration to other road users.

1317. Hours applicable to metered parking zones

- 1317.1. The hours for parking meter restrictions shall be in accordance with the First Schedule of this chapter of the bylaw and may be altered from time to time by ordinary Council resolution.

1318. Mobility parking spaces

- 1318.1. The extremities of each mobility parking space shall be indicated by yellow lines clearly painted on the road. A yellow wheelchair emblem shall be painted within the space, and the appropriate sign shall be erected.
- 1318.2. No person shall park a vehicle on a mobility parking space except for the needs of the holder of a mobility parking permit who is travelling in the vehicle and such permit being prominently displayed within the vehicle.

CHAPTER 13: Parking

FIRST SCHEDULE BYLAW POLICY

Parking meters

Subject

Clause 1317.1 - Hours applicable to metered parking zones

The hours during which payment of the fee for metered parking is required are as follows:

- 9.00am to 5.30pm, Monday to Friday excluding Public Holidays
- 9:00am to 1:00pm, Saturdays, excluding Public Holidays.

9.8 Waste Levy Overview

Author: Grant Hamel, Waste Operations Manager

Authoriser: Andrew Dixon, Group Manager Infrastructure

Recommendation

That Council receives and notes the Waste Levy overview information.

Purpose of Report

- 1 The purpose of this report is to provide Council with an overview of the Waste Levy Regulations and how the Waste Levy has been used to support the Waste Management and Minimisation Plan (WMMP) for the Timaru District. The report was requested following the adoption of the Timaru District Council WMMP 2024-2030.

Assessment of Significance

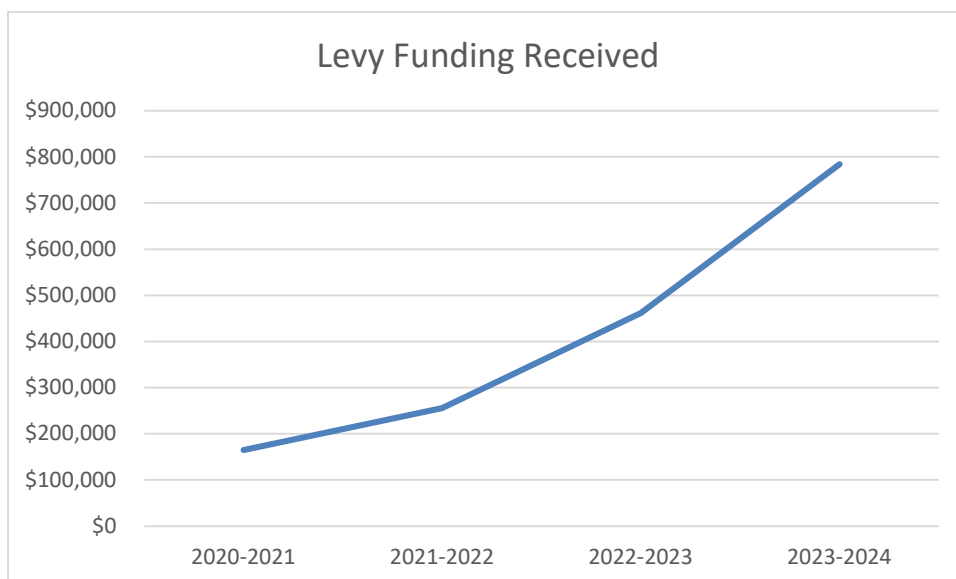
- 2 This report is of low significance when assessed against the criteria of the Council's Significance and Engagement Policy as this report is providing information on existing statutory processes.

Discussion

- 3 The Waste Disposal Levy was introduced under the Waste Minimisation Act 2008. The Levy raises revenue to fund Waste Minimisation activities that reduce environmental harm or increase environmental benefits.
- 4 Half of the money collected via the Waste Levy scheme goes to territorial authorities to spend on promoting or achieving the waste minimisation activities set out in their WMMP.
- 5 The remaining Waste Levy money (minus administration costs) is put into funding emergency waste management; activities to improve and protect the environment; the Waste Minimisation Fund and Plastics Innovation Fund; the Contaminated Site and Vulnerable Landfills Fund and the Ministry for the Environment (MfE) to carry out its waste and hazardous substances work programme.
- 6 Redruth is a Class 1 Landfill with these landfills required to pay the full Waste Levy of \$60 per tonne for all materials that are sent to Landfill for the 2024/25 financial year, up from \$50 the previous year.
- 7 Timaru District Council (TDC) uses weighbridges at all transfer stations and landfill to record waste material types and tonnages. Weightrax, a weighbridge software, is used to record the data and provide reporting.
- 8 The Waste Levy is built into our charges for items coded as "landfill". On a monthly basis we are required to report on the tonnage to landfill. The reporting is done via a MfE portal, from this downloaded information MfE invoice us monthly.
- 9 MfE conduct audits of Class 1 Landfills that include an onsite and a data audit. The data audit includes a complete weighbridge tonnage dataset from a Weightrax download over a 12-month period that must match the waste tonnages return totals submitted to MfE monthly.

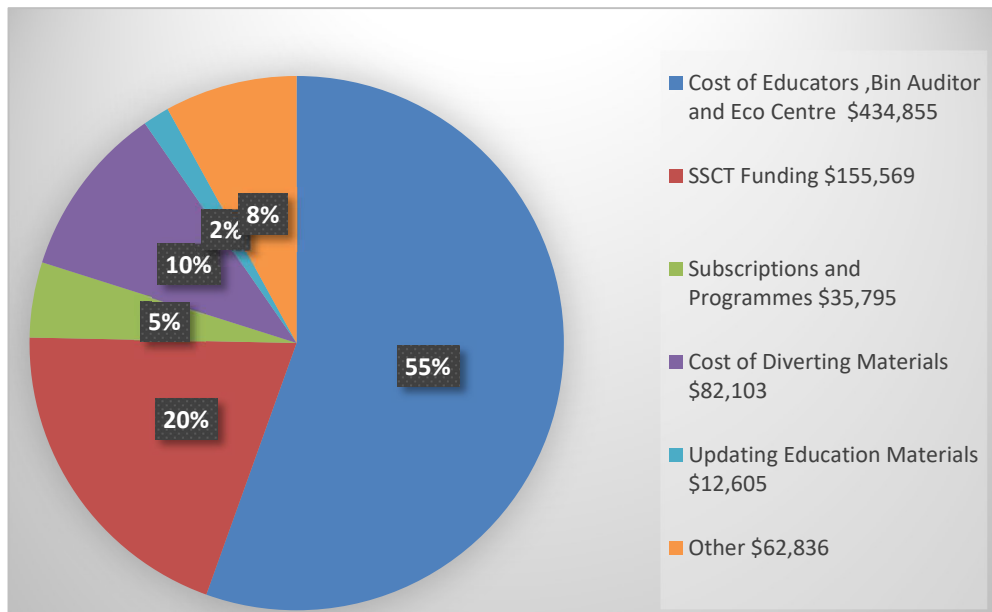
The last audit for TDC was completed in November 2022 – TDC was found to be fully compliant with no corrective actions required.

- 10 Waste Disposal Levy – Territorial Authorities (TA) receive back a share of the Waste Levy money that is paid on a quarterly basis. This is calculated and distributed based on the district’s population. Each TA must plan for and undertake their own spend activity in accordance with the WMA (Waste Minimisation Act) and their WMMP.
- 11 TA’s are required to provide information to the MfE about their Waste Levy Expenditure on an annual basis and MfE carry out audits to ensure that the TA is using the funding according to the requirements.
- 12 TDC were audited in June 2023. An area of improvement identified was to create a separated ringfenced GL code for Spending of the Waste Levy funds – this has now been completed to enable easier reporting for the 2024-2025 year.
- 13 The Waste Levy payable to MfE has increased significantly since 2020, which has consequently increased the amount we receive back as Waste Levy funding. This is shown in the graph below:



- 14 TDC allocates its current waste levy funding for a variety of activities as follows:
 - Cost of 2 Educators, 1 Bin Auditor and Eco Centre under the Waste Services contract with Enviro NZ.
 - Funding to Sustainable South Canterbury Trust for the Crow’s Nest Operations and other Waste Minimisation initiatives.
 - Subscriptions to national Waste Organisations (Waste Minz, Zero Waste) and Recycling Programmes.
 - Costs for diversion of materials – for example we subsidise the cost of recycling car seats, E-waste and fund degassing of domestic fridge/freezer refrigeration systems for metal recycling.
 - Updating Education Materials – including costs for printed materials created by Enviro NZ Educators
 - Other– Costs of new Waste Assessment and WMMP and the purchase of new ZERO Waste Event Bins

- 15 Below is a graph detailing the total Waste Levy spend of \$783,763.25 for the 2023-2024 period. The above is in accordance with WMMP and in consideration of the Waste Minimisation hierarchy of reduce, reuse, recycle, recover and treatment.



- 16 The WMMP provides a list of Council Activities/Actions that can be supported. (Attachment 1)
- 17 Waste Levy funds that are not spent can be accumulated and carried over. Any unspent funds, which are ring-fenced, must be accounted for in following years. In recent years all Waste Levy funding received has been fully allocated and spent.

Attachments

- 1. WMMP Actions 2024-2030**

Table 4 Action items for Council to address and implement during the 2024-2030 WMMP

Action	Approach	New or Existing	Funding	Implementation timeframe	
1. Promote upstream waste hierarchy and circular economy principles					
1.1.	Support provision of education programmes to raise awareness of circular economy principles and businesses, products, and services through the Sustainable South Canterbury Trust Eco Centre and EnviroNZ educators.	Influence	New	Rates, waste levy funds	FY2024/25 onwards
1.2.	Support the implementation of national product stewardship schemes and reuse items through the promotion and use of TS/ RRP/ Crow's Nest as part of the collection network.	Influence	Existing	Rates, waste levy funds	Ongoing
1.3.	Support the development of local circular economy systems through support options, including potentially providing a grant programme and continuing to build on our relationship with SSCT and other external organisations.	Influence	New	Grant, waste levy funds	FY2024/34 LTP
1.4.	Continue to collaborate with other councils, in particular South Canterbury Councils (Mackenzie and Waimate), and the Canterbury Joint Waste Committee on waste minimisation projects.	Influence	Existing	Rates, waste levy funds	Ongoing
1.5.	Collaboration that supports regional and national transition to a circular economy. For example, providing Zero Waste Bins to enable event managers to reduce materials going to landfill. Pursuing other options, such as developing relationships with Soft Plastics Recyclers.	Influence	New	Rates, waste levy funds	Ongoing
1.6.	Continue to divert items from landfill (e.g. E-waste, car seats and whiteware for metal recycling) by absorbing the majority of the cost of diversion, thus making it easier and economically viable for households	Service	Existing	Rates, waste levy funds	Ongoing
2. Recover more from kerbside waste streams					
2.1.	Continue to provide four-bin kerbside collection services (refuse, mixed recycling, glass and organics) to residents in urban areas and, in rural areas, on collection routes between townships. Continue to provide event bins, for events that meet TDC criteria and public place recycling in high use locations.	Service	Existing	Rates	Ongoing
2.2.	Continue to provide relevant and updated information to customers via website and other communication channels.	Influence	Existing	Rates, waste levy funds	Ongoing

Action	Approach	New or Existing	Funding	Implementation timeframe
2.3. Undertake a review of the provision of Kerbside bins to the business community	Service	Existing	Rates	Investigate 2024/25
2.4. Continue to support education programmes to schools, businesses and the community and audit bins to help our community reduce waste and make better decisions about recycling and waste minimisation.	Influence	Existing	Rates, waste levy funds	Ongoing
3. Better service rural and business customers				
3.1. Investigate options for increasing services for business customers, rural residents or provide drop-off points. Implement preferred option.	Service	New	Waste levy funds	Investigate FY2025/26, implement FY2027/28
3.2. Work with private collectors to increase options to business customers.	Influence	New	Private service	FY2025/26 onwards
3.3. Continue to operate TS in Temuka, Pleasant Point and Geraldine, as well as the Redruth RRP, Eco-centre and Crow's Nest Reuse Shop. Liaising with SSCT to utilise their experience, expertise, and initiatives to reach out to members of the rural and business communities.	Service	Existing	Rates, fees and charges	Ongoing
3.4. Regular meetings with South Canterbury Commercial Waste Contractors to discuss opportunities and issues.	Support	New	No funding required	FY2024/25
4. Support diversion activities for C&D waste				
4.1. Work with local construction and demolition businesses to support the development and delivery of targeted education programmes to promote awareness of how to divert waste.	Influence	New	Rates, waste levy funds	FY 2024/25 onwards
4.2. Support the implementation of changes to Building Act process requiring waste minimisation plans.	Influence	New	Rates, waste levy funds	Once amendments are in place
4.3. Continue to monitor C&D waste quantity and composition at Council TS/ RRP and introduce a targeted SWAP focused on C&D waste in FY2025/26.	Service	Existing New (SWAP)	Rates, waste levy funds	Ongoing
4.4. Participate in investigating sub-regional C&D waste recovery options including availability of Class 2-5 facilities for cleanfill soils.	Influence	New	Rates, waste levy funds	FY 2025/26 onwards
5. Infrastructure to support circular, diversion and disposal activities				

9.9 Social Housing 17A Insights Report

Author: Nicole Timney, Group Manager Property

Authoriser: Nigel Trainor, Chief Executive

Recommendation

That Council

1. Receive and review the MartinJenkins Housing Insight Report
2. Agree to a Housing Strategic Framework workshop in October.

Purpose of Report

- 1 To receive and review the MartinJenkins Housing Insight Report August 2024 in preparation of a workshop, a draft Housing Strategic Framework and delivery of a 17A Review on Councils Social Housing Portfolio.

Assessment of Significance

- 2 This matter has been assessed as being of low to medium significance at this time, in accordance with Council's Significance and Engagement Policy. This is because no changes are proposed at this stage that will affect levels of service.

Background

- 3 Under section 17A of the Local Government Act 2002 Council has an obligation to review the cost-effectiveness of the current service delivery arrangements for meeting the needs of communities within its district for good quality infrastructure, public services, and the performance of regulatory functions.
- 4 In accordance with that obligation the Property Department commissioned a Housing Insights Report August 2024 to understand how other Councils managed their housing portfolios and what opportunities are available to Council to explore.

Discussion

- 5 As noted, MartinJenkins were commissioned to complete a Housing Insights Report which was completed in August 2024 and sets the scene for the housing review report.
- 6 The Insights Report covers the districts social housing portfolio, the wider housing market pressures, trends in the community housing sector and as requested by Officers, how Council might explore new approaches and models.
- 7 It further details what other Councils are doing with their portfolios by way of a benchmark exercise and poses three scenarios for consideration.
 - 7.1 Scenario 1 - No change to the current operating model with a focus on increasing rents and maintaining the level of service.

- 7.2 Scenario 2 – Optimise and expand the portfolio of property, focus on the same changes as Scenario 1 but also the composition of the portfolio and the delivery mechanisms.
- 7.3 Scenario 3 – Adopt new initiatives and include the opportunities outlined in Scenario’s 1 and 2.
- 8 Further consideration needs to be given to a strategy for the overall management of the portfolio. The Insights report does give some examples that other Councils across the country have taken with the Community housing portfolio. The report also gives an indication of other funding streams that are available to entities that are independent of Council. The strategy needs to ensure that we have the right balance to meet the demand and supply sides of Community housing and ensuring that available funding streams can be accessed to enhance the service.
- 9 Options and Preferred Option
- 10 Option 1 – (Preferred Option) – The MartinJenkins Housing Insights Report poses opportunities for Council but without a Housing Strategic Framework, Council has nothing to help guide a decision-making process and deliver the optimum outcome for Social Housing for the district.
- 10.1 Council read and contemplate the MartinJenkins Housing Insight Report August 2024.
- 10.2 Officers deliver a workshop at the October 2024 Council Meeting and invite the authors to discuss their findings and recommendations.
- 10.3 Officers deliver a draft Housing Strategic Framework for discussion.
- 10.4 Officers deliver a Housing Strategic Framework and full 17A Review of the Social Housing Portfolio at the November 2024 Council Meeting.
- 11 Option 2 – Proceed directly to a full 17A Review Report to be delivered at the October 2024 Council Meeting.

Consultation

- 12 This matter formed part of the Long Term Plan 2024 2034 deliberations and the public were informed of the requirement for a 17A Review of the housing portfolio.

Relevant Legislation, Council Policy and Plans

- 13 Relevant legislation, policies and plans include:
- 13.1 Local Government Act 2002
- 13.2 Residential Tenancies Act 1986

Financial and Funding Implications

- 14 This information will form part of the full 17A Review in November 2024 and information will be available at the October 2024 workshop.

Other Considerations

- 15 None

Attachments

1. **Timaru District Council - Housing insights report (28 August)**



Housing insights report

Timaru District Council

Final Report

28 August 2024

Commercial in Confidence



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Preface

This report has been prepared for Timaru District Council by Susan Burns and Cathryn Lancaster from MartinJenkins (Martin, Jenkins & Associates Ltd).

For over 30 years MartinJenkins has been a trusted adviser to clients in the government, private, and non-profit sectors in Aotearoa New Zealand and internationally. Our services include organisational performance, employment relations, financial and economic analysis, economic development, research and evaluation, data analytics, engagement, and public policy and regulatory systems.

We are recognised as experts in the business of government. We have worked for a wide range of public-sector organisations from both central and local government, and we also advise business and non-profit clients on engaging with government.

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Executive summary

Timaru District Council has 236 housing units

Like many other councils, Timaru District Council has been providing council housing for the local community for some years. These units are intended to provide affordable one-bedroom accommodation for low-income members of the community.

Like council housing in many other parts of the country, Timaru District Council's units are mainly for pensioners.

Your wider housing market faces some pressure

Unlike many other districts, Timaru has relatively affordable housing. The median sales price was \$495,000 in January 2024.

However, even with relatively affordable housing, there is housing pressure. One-quarter of households (26%) pay more than 40% of their income on rent, with 19% paying more than 50%.

Timaru has also seen one of the highest annual changes in the number of people registered on the Housing Register, with an increase of 38% in the year ending January 2024, and a 283% increase since 2019.

You want to understand trends in the community housing sector

So that you can meet future housing needs, the Council wants to understand how effective and cost-effective its current delivery model is, both now and for the future.

As part of this, the Council wants to identify levers it can use to sustainably support housing in the future, and to identify options for expanding its housing role.

Councils are exploring new approaches and models

Many councils are considering how they deliver council-owned housing and some have taken different approaches. In this context, there are four important levers available to support change.

Composition of the portfolio

This focusses on changes such as selling assets and redevelopment. For example:

- sales and transfers to Kāinga Ora (Nelson City Council)
- transferring assets to other entities (Carterton District Council)

- selling to a community housing provider (Horowhenua District Council), and
- redevelopment (Palmerston North City Council).

Delivery mechanisms

Some councils are shifting to independent delivery models through establishing new entities. For example:

- establishing a community housing provider (Ōtautahi Community Housing Trust)
- establishing a council-controlled trading organisation (Hutt City Council), and
- establishing a joint venture (Auckland Council).

Scope of service delivery

This focusses on changes such as outsourcing some aspects of housing delivery. For example:

- outsourcing tenancy management (Waimate District Council).

Policy settings

This focusses on internal policy changes. For example:

- changes to eligibility criteria (Hastings District Council).



Executive summary (continued)

Councils are also considering levers for affordable housing

Councils and other housing providers are starting to explore new innovative housing products at the top-end of the housing continuum to support their communities, with a focus being on the supply, purchase, and rental of affordable housing.

Demand side interventions

These aim to support households to rent or own. Examples include:

- rent to buy, such as Tamaki Regeneration's rent to buy
- shared equity, such as YouOwn's co-ownership model
- affordable rentals, such as Wellington City Council's Te Kāinga, and
- leasehold, such as Queenstown Lakes Community Housing Trust's Secure Home.

Supply side interventions

These aim to increase the supply of affordable housing. Examples include:

- inclusionary zoning, such as Queenstown Lakes District Council

- council partnerships, such as Nelson City Council's Housing Reserve Grants Programme, and
- build to rent, such as Kiwi Property's Resido.

The options you explore further depend on your housing market and housing strategy

Depending on the housing strategy and approach you want to take in your district, there are three potential scenarios to help explore the different options that you might want to consider:

Scenario 1 involves no change to your current operating approach. You would focus on changes to policy settings (such as rents and customer focus) and the scope of the service.

Scenario 2 focusses on optimising and expanding your portfolio. You would focus on the same changes as in scenario 1 (to policy settings and the scope of the service), but also on the composition of the portfolio and your delivery mechanisms.

Scenario 3 focusses on expanding into new initiatives. You would focus on the same changes as under scenario 1 and 2, but also demand- and supply side interventions.

Your funding strategy depends on four considerations

To be able to short-list viable options, there is also a need to define your funding strategy. To do this, you need to understand:

- your current state, including the financial sustainability of the current approach
- your housing strategy, including having a clear vision for the portfolio
- your financial position as a council, including your overall financial position and capability, and
- funding availability, including what demand there is to support housing provision and who the potential funders are.

A summary of funding sources other councils have used to deliver against their housing objectives is included later in this report. We present a table that outlines possible funding sources for the three scenarios outlined above.

The funding sources identified are not exhaustive and there is opportunity for councils to develop their own innovative approaches to funding to meet their unique circumstances.



Key findings

<p>The Timaru housing market is relatively affordable. However, even with relatively affordable housing, there is still housing pressure. In 2018, a quarter of households (26%) paid more than 40% of their income in rent, with 19% paying more than 50%.</p>	<p>Your housing portfolio is large compared to other councils of similar size. You are the second-largest provider of housing support in Timaru, after Kāinga Ora.</p>	<p>Demand for housing support is also increasing. Timaru saw one of the highest annual changes to the number registered on the Housing Register, with an increase of 38% in the year ending January 2024, and a 283% increase since 2019.</p>
<p>Unlike Timaru District Council, many councils cannot sustainably fund the provision of housing through rental income. Those that can't often rely on council contributions through rates and debt.</p>	<p>Some councils have established arm's length housing entities to access income-related rental subsidies. The subsidy targets portfolio growth so does not necessarily address the underlying challenges of financial operating sustainability.</p>	<p>A few councils are implementing demand side affordable housing tools such as shared equity, often through the establishment of a trust. They then use non-council funding sources to manage supply and demand for their affordable housing solutions.</p>
<p>Councils have access to numerous funding sources and there hasn't been a prevailing approach to funding. Situational and circumstantial factors have been the driver for most funding strategies, including availability of government grants and council balance sheet strength.</p>	<p>There is growing demand and interest from the private sector to invest in community housing. This is accompanied by and growing demand and interest from the not-for-profit sector to become providers of community housing. Councils have the opportunity to work with these sectors.</p>	<p>There is no single trend in the approaches councils are taking. Councils are choosing options that best suits their needs, circumstances, and strategy. The market is open for councils to innovate in how they deliver community housing.</p>



Introduction

Timaru District Council manages and maintains 236 housing units

The Council provides a mixture of studio and one-bedroom units to low-income members of the community. The Council leads the day-to-day management of these housing units, including handling applications, processing rent, maintaining the properties, and liaising with tenants. Upgrades to some units are also underway.

Currently, the income the Council receives from rents covers the costs of providing housing services, with no contribution from ratepayers required.

Demand for housing support is increasing

Although Timaru District Council's current housing model sustainably supports its 236 housing units, the model is unlikely to meet the future needs of the community. Demand for smaller and more affordable housing units is increasing.

Further, housing stress is on the rise across the community. The number of Timaru-based applicants on the national housing register per 10,000 people has increased by 225% over the last five years.

The Council wants to ensure it meets its future community housing needs

So that it can support future housing needs, Timaru District Council wants to understand how effective and cost-effective its current delivery model is, both now and for the future. The Council is therefore carrying out a review of its housing services under Section 17A of the Local Government Act 2002.

As part of this review, the Council wants to identify levers it can use to sustainably support housing in the future, and to identify options for expanding its housing role. The Council also wants to understand alternative models for supporting housing within the community, such as shared/progressive home ownership ("YouOwn") and rent to buy.

The Council wants to understand trends in the Council housing sector

Timaru District Council commissioned MartinJenkins to identify the trends across the community housing sector, and what other councils and housing providers are doing to meet their communities' needs.

This report gives you a snapshot of the trends across the sector and provides you with options that you can use to refine the scope of the Section 17A review.

The options cover two distinct areas:

- levers as a council housing provider, and
- levers for affordable housing.

This is not an exhaustive list of all the approaches being taken, rather it is summary of the key approaches and trends across the sector.

We have also explored potential funding sources that are available to Timaru District Council to deliver these options.



Council housing in Timaru and Canterbury

Timaru's housing market presents challenges

Timaru has a population of around 48,000 people

Timaru District covers 2,737 square kilometers of South Canterbury, with the Rangitata and Pareora rivers naturally defining its northern and southern boundaries.

Timaru District had around 48,000 residents in 2023. This is up 0.8% from a year earlier, compared to 2.1% growth across New Zealand over the same period. Population growth in Timaru District averaged 0.5% per year over the five years to 2023, compared with 1.3% per year nationally.

The district's population is also getting older. Nearly a quarter (23%) are over the age of 65, compared with 16.5% for the whole of New Zealand. Around 17% of residents are under the age of 15, compared to 18.5% for the whole of New Zealand.

Population projections for Timaru depend on different growth scenarios. In a high-growth scenario, the population could grow to 53,600 by 2033, grow to 49,700 in a median growth scenario, or decline to 45,900 in a low-growth scenario. The average annual population change to 2048 for Timaru would be 0.6% in a high-growth scenario, 0.1% with median growth, and -0.5% with low growth.

Timaru is also one of 24 districts expecting to see a natural decrease by 2033 - that is, more deaths than births. The proportion of the Timaru population aged 65 and older is expected to rise to 30% by 2038. Timaru is not the only district with an ageing population, but the district already has a higher proportion of those aged 65 and older than nationally.

Timaru has a complex housing system

Unlike many other districts, Timaru has relatively affordable housing. The median sales price was \$495,000 in January 2024, an increase from \$345,000 in December 2018.

In comparison, the median sales prices in neighbouring areas at the same time (January 2024) are:

- \$430,000 in Waimate
- \$513,000 in Ashburton
- \$662,000 in Christchurch, and
- \$790,000 in Selwyn.

However, even with relatively affordable housing, there is still housing pressure. In 2018, a quarter of households (26%) paid more than 40% of their income in rent, with 19% paying more than 50%.

Demand for housing support is also increasing.

Timaru saw one of the highest annual changes to the number of people registered on the Housing Register, with an increase of 38% in the year ending January 2024, and a 283% increase since 2019.

Timaru has only 417 Kāinga Ora public houses. There is no community housing provided by community housing providers, and there are only five transitional houses in the Canterbury region outside of Christchurch.

The supply of new houses is also relatively low, with 38 building consents per 10,000 people.

In comparison, here are building consents per 10,000 people for other districts in the area:

District	Consents
Waimate	24
Waitaki	38
Ashburton	73
Kaikōura	80
Mackenzie	100
Hurunui	101
Christchurch City	102
Waimakariri	110
Selwyn	150

Timaru's housing market presents challenges (continued)

Timaru's demographics



47,907
Timaru population
as at Dec 2021



23%
of the population
is aged over 65



Changing population
Timaru's projected
population change to
2048 could grow by
0.6%, or decline by 0.5%

Stats New Zealand, 2022

The Timaru housing continuum and market

<p>The number of households in severe housing deprivation in Timaru is 24 per 10,000.¹</p>	<p>9 households are receiving Emergency Housing Special Needs Grants in Timaru – including 6 children – as of Dec 2023.²</p>	<p>Timaru has one of the highest annual changes to those registered on the Housing Register – increase of 38% for the year ending Jan 2024, with a 283% increase since 2019.¹</p>	<p>Lower-quartile weekly rent was \$350 in Dec 2023 in Timaru, an increase from \$280 in Dec 2018. Average weekly rent was \$420, up from \$325 in Dec 2018.¹</p>	<p>26% of households paid more than 40% of their income in rent in 2018 in Timaru, with 19% paying more than 50%.¹</p>	<p>The median sales price in Jan 2024 was \$495,000, an increase from \$345,000 in Dec 2018. The lower-quartile sales price was \$405,000 in Jan 2024, compared with \$282,000 in Dec 2018.¹</p>	
Rough sleepers	Emergency and transitional housing	Public housing	Assisted rental	Market rental	Progressive home ownership	Full home ownership
	<p>There are only 5 transitional houses in the Canterbury region outside Christchurch as of Jan 2024.¹</p>	<p>There are 417 Kāinga Ora public houses in Timaru, with an additional 5 houses developed since 2019.¹ No community housing.¹</p>		<p>There were 757 total residential sales in the month of Dec 2024 in Timaru, compared with 980 in Dec 2018.¹</p>		<p>34 building consents per 10,000 people in Timaru for the year ending February 2024.¹</p>

1 Ministry of Housing and Urban Development
2 Ministry of Social Development

Your council housing provides a core community service

Timaru District Council has 236 housing units

The Council has housing units in Timaru, Temuka, Geraldine, Pareora, and Pleasant Point. These units are intended to provide affordable one-bedroom accommodation for low-income members of the community.

The units are either one-bedroom or bedsits, with each being part of a larger communal property. There are usually between 6 and 18 units on any one site.

Eligibility

As in many other parts of the country, Timaru District Council's units are mainly for pensioners. To be eligible, applicants must:

- be receiving NZ Superannuation, a Veteran's Pension, an Assisted Living Payment (health condition), or another equivalent permanent benefit
- need housing
- have an income that is not more than the income limit for the Non-beneficiary Accommodation Supplement, and
- be able to care for themselves independently.

Rents

The rent depends on the location and the number of tenants:

Accommodation type	Cost
Bedsit for 1 tenant	\$110 - \$115
Bedsit for 2 tenants	\$130 - \$135
1-bedroom unit for 1 tenant	\$126 - \$171
1-bedroom unit for 2 tenants	\$146 - \$186

There is currently a waitlist of 9 people, down from 50 recently.

Your housing services fund themselves

Operating costs

Rental income currently funds the full operating costs for both tenancy management and asset-management services. Those services therefore don't need any additional funding.

For this report, these costs are defined as follows:

- **Tenancy management** – costs associated with allocating assets to customers and collecting income from them.

- **Asset management** – costs that are regular, ongoing expenses to keep the assets in good working condition.

Rentals are set each year and typically increase \$5 to \$10 per year.

The costs of renewing and maintaining the assets is currently funded by the Council through its reserves.

Capital costs

Capital costs are based on an asset management plan and are budgeted for on a life-cycle basis, annually.

These costs are capitalised and defined as follows:

- **Renewals and maintenance** – costs that are incurred in replacing or improving property, and equipment in order to increase the asset's functionality, or extend its life, or make it more efficient.



Council housing is provided across the Canterbury region

Almost all Canterbury councils provide council housing

Seven councils in the Canterbury region continue to own and provide council housing in some form:

- **Waimakariri District Council** owns and manages 110 units in Woodend, Oxford, Kaiapoi, and Rangiora.
- **Ashburton District Council** owns and maintains 102 units across Ashburton, Methven, and Rakaia.
- **Waitaki District Council** owns and manages 91 units in Oamaru, Hampden, and Palmerston.
- **Hurunui District Council** owns and manages 34 units across Amberley, Waikari, Hanmer Springs, Waiau, and Cheviot.
- **Waimate District Council** owns 27 units, with tenancy managed by real estate agency LJ Hooker.
- **Kaikōura District Council** owns and manages 16 1- and 2-bedroom pensioner cottages.
- **Mackenzie District Council** owns and manages 12 units in Fairlie and Twizel.

Selwyn District Council does not provide any form of council housing. **Ōtautahi Christchurch** is discussed further on in this report.

Eligibility is mainly focussed on pensioners

Across the seven councils, the main customers of council housing are those over 65 – although Waitaki District Council has a lower age limit of 60.

A few councils do provide housing services for families and workers in their districts:

- **Kaikōura District Council** works with Te Whare Putea, which manages seven temporary housing units for the Council, used for individuals with urgent housing needs.
- **Hurunui District Council** also has accommodation units in Waiau Village to support families, couples, and individuals with a housing need who want to live and work in this area.

All the Councils have a focus on low-income applicants with limited assets.

Rents are set differently across councils

As with Timaru District Council's housing, rents are often set depending on the size of the units and the number of tenants. Some councils use different pricing approaches.

For example:

- **Mackenzie District Council** sets rents at 80% of current market rental and no more than one-third of the current National Superannuation payment.
- **Ashburton District Council** sets rents based on international standards of affordability, whereby tenants pay no more than 30% of their gross household income on housing costs.
- **Hurunui District Council** set rents based on a percentage of estimated market rental and the priority category of the applicant.

Eligibility and rental prices for council housing in Canterbury are summarised on the next page, with more detailed information in **Appendix 1**.

Some councils are expanding their housing portfolios

Ashburton District Council is also in the process of redeveloping 16 units at Friendship Lane. This \$3 million project is being funded by a range of sources, including external funding, a previous property sale, and loan funding.

Ashburton District Council has also entered into leasing arrangements with the Ashburton Housing & Support Trust.



Summary of council housing in the Canterbury region

COUNCIL	# OF UNITS	OWNERSHIP / MANAGEMENT	ELIGIBILITY	RENT (L)	RENT (H)
<i>Timaru</i>	236	Owns and manages	Receiving pension or benefit - Low income Can care for self independently	\$110	\$186
<i>Ashburton</i>	102	Owns and manages	Over 65 - Limited assets and income - Can care for self independently	\$130	\$150
<i>Waimakariri</i>	110	Owns and manages	Over 65 - Do not own property or limited assets - Can care for self independently	\$180	\$256
<i>Waikati</i>	91	Owns and manages	Over 60 - Limited financial means - Sometime consider other applicants	\$145	\$229
<i>Hurunui</i>	34	Owns and manages	Older persons - People with health problems - Sometimes consider other applicants	\$127	\$175
<i>Waimate</i>	27	Owns / tenancy managed LJ Hooker	Over 65 - With medical conditions	\$160	\$190
<i>Kaikoura</i>	16	Owns and manages	Over 65 - Do not own property or limited assets	\$125	\$185
<i>Mackenzie</i>	12	Owns and manages	Over 65 - Low-income	\$155	\$205



Considering the available options

Council housing accounts for over 12,000 tenancies across Aotearoa

Local government is New Zealand's third-largest provider of social housing, behind Kāinga Ora and community housing providers.

Council houses originate from government low-interest loans

Council housing, also referred to as "pensioner housing" and "community housing" depending on the location, originates from the low-interest loans provided by central government in the 1950s and '60s for councils to develop pensioner housing. With councils taking care of older citizens, central government could focus on low-income families.

Pensioner houses were usually complexes that provided a level of collegiality and friendship for residents. Many domestic needs, such as gardening, lawn mowing and utilities, were looked after by the Council as owner.

Complexes tended to be scattered throughout towns and cities so that older citizens could stay in, or close to, the communities in which they previously lived.

Most councils still provide a form of council housing

Across Aotearoa, many councils continue to

provide a form of council housing, with portfolios ranging in size from tens to thousands. Of those that still own and manage their own portfolio, **Dunedin City Council** has the largest portfolio, and **Mackenzie District Council** has the smallest.

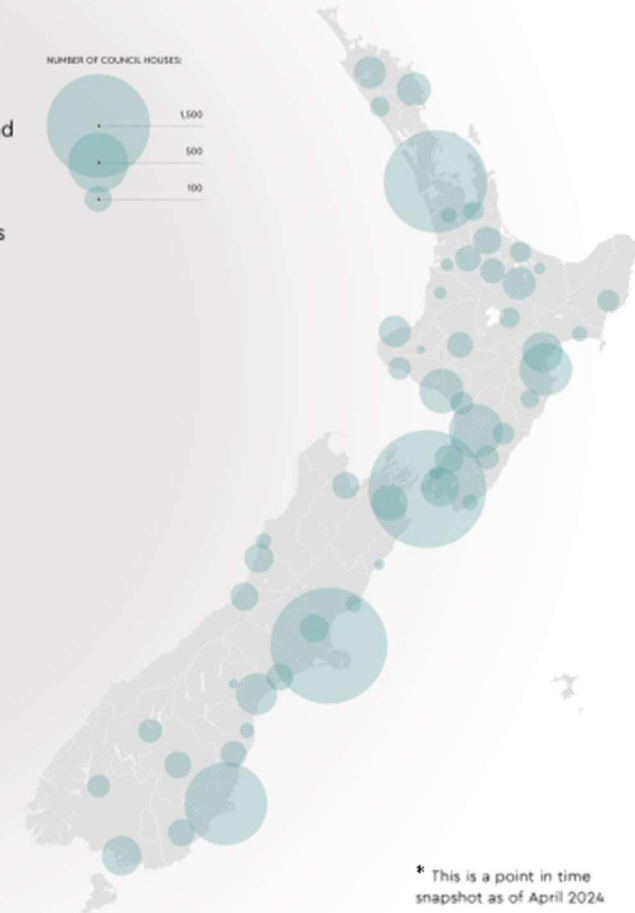
Timaru District Council's portfolio is sizable, and the seventh-largest in the country among councils that continue to own and manage a form of council housing.

The Timaru portfolio is also the largest in the Canterbury region.

Affordable pensioner housing

Most council housing continues to focus on low-income pensioners who are still self-sufficient, in line with the original intent.

However, over the years some councils have opted to broaden their scope and now provide housing for low-income and disabled tenants as well. For example, Napier City Council provides 377 units for three main cohorts: those over 65; those receiving the Supported Living Benefit; and those on low incomes.



Many councils are considering how they deliver their housing services

Changes to the delivery of council housing have come in three waves

First, around 2007 and 2008 a small handful of councils changed their operating models. For example, Hutt City Council moved to a council-controlled trading organisation and Manawātū District Council transferred the ownership of its housing to a community trust.

Then, from 2015 to 2017, councils started exploring options for divesting or creating community housing providers after central government changed some policy settings. Christchurch City Council established the Ōtautahi Community Housing Trust in 2016 and Horowhenua District Council sold their housing portfolio to a community housing provider in 2017.

We are now in a third wave, where over the last few years, councils have again been considering the future of their council housing portfolios, and making decisions about operations, divestment, and growth.

Many councils are reflecting on their role in providing housing

Councils have been reflecting on how to most effectively deliver housing for their communities in light of increasing financial pressure, increasing housing stress, and changing central government policy settings.

Financial pressure on council housing

Councils have been under significant financial pressures for several years, and council-owned housing has felt these pressures along with other council services.

Because councils have sought to keep council housing affordable, and because the housing stock is aging and therefore more expensive to maintain, the rents charged to tenants usually aren't enough to keep the service sustainable in the long-term.

Growing housing stress

Across the country, a shortage of affordable housing and increasing living costs have meant that demand for housing support has been increasing – with demand for council housing being at the forefront.

As a result of those pressures, operating housing services has also become more complex for councils, with more high-needs tenants applying for council housing.

Changes in central government policy settings

Policy settings for council housing and the different delivery options are also potentially shifting – particularly around community housing providers.

The Government has committed to ensuring that community housing providers and Kainga Ora operate on a level playing field. This includes giving community housing providers more support in the form of capital, operational funding, and long-term contracts.

However, although demand for housing is increasing across the board, councils face a disadvantage compared to other providers of social housing: councils don't have access to the Income-Related Rent Subsidy (IRRS) and therefore their tenants can't access Income-Related Rents (IRRs).

More information about the Income-Related Rent Subsidy is on page 33.



You have four key levers as a council housing provider

Councils are exploring new approaches and models for providing council housing

With the pressures just discussed now front-of-mind, councils across the country are taking different approaches.

Some councils are looking at ways to consolidate their portfolio through sales or to recover more of their operating costs. Other councils are looking at expansion and redevelopment opportunities so they can play a bigger role in supporting those in their communities who are facing housing pressures.

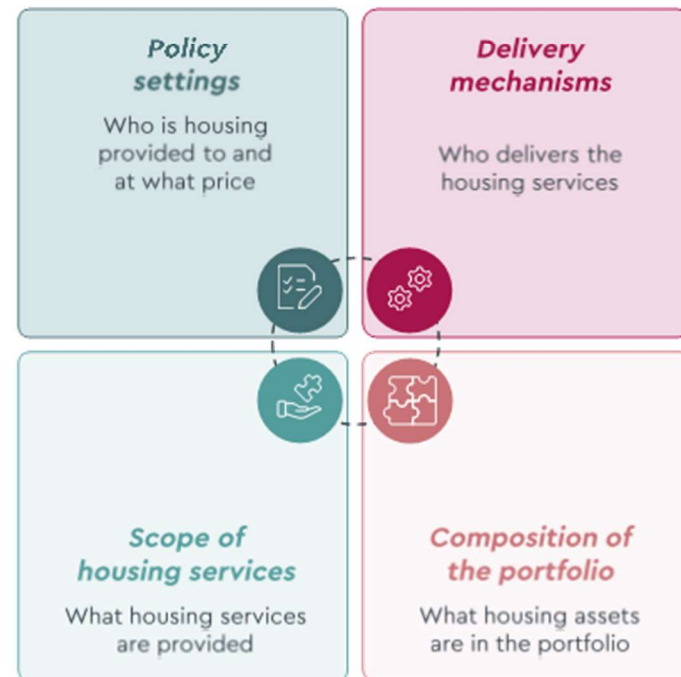
Four key levers

While councils are mostly taking different approaches to ensuring the future of their housing, all approaches involve adjusting one or more of the following four key levers:

- **Policy settings** - including changes to rental settings.
- **Delivery mechanism** - including establishing a community housing provider.
- **Scope of housing services** - including outsourcing tenancy management.
- **Composition of the portfolio** - including selling or redeveloping assets.

These levers are cross-cutting, with some councils adjusting more than one lever at a time.

Levers as a council housing provider



Councils are also considering other levers for supporting affordable housing

Councils have six core housing roles

Being a **direct provider of housing** is only one role that a council can play in the housing system.

Other roles include:

- an **infrastructure provider** that provides core amenities and services necessary for housing and communities
- a **land-use and building regulator** that establishes regulatory settings and zoning to enable councils to achieve wider housing goals, as well as the authority for issuing and enforcing building consents
- a **connector and advocate**, by connecting public agencies, iwi and hapū, housing developers, businesses, and housing providers to help achieve better housing outcomes
- a **landowner** of strategic assets in strategic locations, and
- a **partner** with iwi and hapū, informed by its responsibilities under the Treaty of Waitangi.

Historically, councils have focussed on their roles as housing provider, infrastructure provider, and regulator, so that they can ensure that the housing settings in their areas are as enabling as possible.

While those core traditional roles will continue to be the most important, councils are also actively looking at how they can harness other roles - like landowner, connector/advocate, and partner - to support more affordable housing.

There are further levers available to support affordable housing

As part of this, councils and other housing providers are starting to explore innovative new housing products at the rental and homeownership end of the housing continuum to support their communities.

These levers fall into two broad categories:

- **demand side interventions** that aim to support households to rent or own, and
- **supply side interventions** that aim to increase the supply of affordable housing options.

Other levers for affordable housing

Demand side interventions



Supporting households to rent and own in the district

Supply side interventions



Enabling development of affordable housing in the district

You need a clear understanding of your housing market and a clear housing strategy

To be able to short-list viable options as part of your 17A review, you first need to understand the dynamics of your housing market, and to be clear about the approach that you want to take to housing in the district.

This will enable you to set up a clear assessment framework and work through the choices available to you.

Understanding your housing market

This includes building a deeper understanding of the development market, and the gaps you want to fill.

For example, you need answers to these questions:

- What type of dwellings is the private sector focussed on?
- What is the housing need and demand profile in the area?
- What do your demand and supply projections look like for the next 30 years?
- What constraints is the development market facing in the area?
- Who are the key players in the housing market?

A clear housing strategy that covers the housing continuum

Building on what you know about your housing market, you can then set out a clear housing strategy and vision for Timaru.

The strategy should set out the housing outcomes you want to achieve across the housing continuum – from homelessness through to homeownership. It should also set out the role the Council wants to play in relation to each of these outcomes, and therefore what actions you can take over the short, medium, and long-term.

Your strategy should include a clear purpose and vision for your council-housing portfolio. Armed with that purpose and vision, and a clear overall housing strategy, you will be better able to assess different delivery options and different funding strategies.

This is discussed further in the "Funding approaches" section later in this report.

Three scenarios

To help you explore the different options you might want to consider, we have developed three potential scenarios. Each one involves a different package of options and a different use of the levers discussed on the previous two pages:

Scenario 1. No change to your current operating approach

Scenario 2. Optimising and expanding your portfolio

Scenario 3. Expanding into new initiatives

These scenarios, and the different options they draw on, are explored on the next page and the next two sections of this report.



Three scenarios to help you assess housing options

Scenario 1: No change to your current operating approach

Under this scenario, Timaru District Council continues to provide around 236 council housing units for pensioners in the district, using the same operating approach.

The options considered under this scenario focus on changes to **policy settings** (such as rents and customer focus) and the **scope of the service**.

This scenario is Timaru District Council's current approach.

Scenario 2: Optimising and expanding your portfolio

Under this scenario, Timaru District Council would optimise and expand on its housing portfolio, including looking at opportunities for redevelopment and growth.

Options considered under this scenario would build on the options in scenario 1, and also include changing the **composition of the portfolio** and the **delivery mechanisms**.

Examples for this scenario include the approach taken in Ōtautahi Christchurch, where the Council established a community housing provider, and the redevelopment approach being consulted on in Napier.

Scenario 3: Expanding into new initiatives

Here, Timaru District Council looks beyond its own housing portfolio and pursues opportunities to support households into affordable housing and incentivise the supply of new developments.

Scenario 3 builds on the options taken up in scenario 2, but also included **supply and demand side interventions**.

An example of scenario 3 is the approach being taken by Queenstown Lakes Housing Trust.



Levers as a council housing provider

Examples of using council housing levers

This section explores some of the approaches being taken by different councils to make use of their key levers as providers of council housing.

Composition of the portfolio

Some councils have sold, transferred, or redeveloped some or all of their housing assets.

Sales and transfers to Kāinga Ora

Nelson City Council transferred their portfolio of 142 houses to Kāinga Ora in February 2021. Financial sustainability had become an issue for the Council, particularly because of increasing regulatory requirements. The Council saw the transfer to Kāinga Ora as the option that offered the most secure tenure for existing tenants. Kāinga Ora also has the ability and expertise to offer wrap-around services.

The total sale price was \$19.8 million, with \$5m held back for up to 15 years for the costs of any necessary retrofitting and renewal of units, consents for expanding the housing, and rent top-ups for tenants who do not qualify for the IRRS, the government rent subsidy. The remaining \$12.8 m was to be used for Healthy Homes upgrades to the housing, and to pay back a loan from Kāinga Ora for the upgrade of the Orchard Street flats.

Many existing tenants qualified for the IRRS, but for

the small number of tenants who didn't meet the criteria, money was set aside to provide rent top-ups. Generally, only new tenants are eligible for IRRS, but existing eligible tenants could access it in this case.

A housing reserve of \$12 million was created with the sale proceeds. This is discussed in the section "Wider housing tools and services".

Tauranga City Council sold seven of its nine older-persons villages to Kāinga Ora in 2022 for \$17.2 million, as Kāinga Ora was better able to redevelop and update the units. This was done with the agreement that Kāinga Ora would continue to provide affordable housing to existing tenants. The remaining two villages were sold for private development.

As in the case of Nelson City Council, proceeds of the sales went to a Housing Equity Fund. The fund, which was established by Bay of Plenty organisations, including Tauranga City Council, was set up to provide affordable housing where this is not being adequately provided by the market or government.

Transfers to other entities

In 2015, **Carterton District Council** transferred its portfolio (valued at \$1.76 m) to the Cater Society, a Carterton-based not-for-profit organisation. At the

time it was hoped residents would become eligible for the government's Income-Related Rent Subsidy, which was not available to tenants of council-owned housing.

Manawatū District Council transferred the ownership of its 208 Housing for the Elderly and Disabled units to the Manawatū Community Trust in 2008.

Sale to a community housing provider

Horowhenua District Council sold its housing portfolio of 115 units to Compassion Housing (a community housing provider) in 2017 for \$5.25 million. The sale also included 1.1 hectares of land to enable Compassion Housing to build further housing in the future. The portfolio was sold with the express intent that it would continue to provide housing for older people. If sold on the open market it may have fetched a higher price, but the Council wanted to ensure security of tenure for the current tenants.

Hamilton City Council took a similar approach in 2016 and sold 344 pensioner housing units to Accessible Properties. The buyer committed to causing as little disruption as possible to the current tenants, including welcoming them to stay in their homes.



Examples of using council housing levers (continued)

Redevelopment

Palmerston North City Council funded a new development of 50 units to transform its existing social housing stock, which had been built in the 1960s. Government funding was provided to support this development through the Covid-19 Response and Recovery Fund.

Waipā District Council started the development of an additional 10 pensioner housing units in Cambridge in mid-2023. This was in response to a 2017 review and decision to commit to providing and expanding its stock of housing for the elderly.

Funding for the new units was signalled in the Council's 2018–28 Long-Term Plan, with the project funded from the Council's reserves for housing for the elderly. There was no impact on rates.

Delivery mechanisms

Some councils have adjusted how they deliver their council housing, for example by shifting to independent delivery models through establishing new entities.



Ōtautahi Community Housing Trust

Christchurch City Council established the Ōtautahi Community Housing Trust (OCHT) in 2016 to take over the day-to-day management of its social housing portfolio of approximately 2,300 units.

Christchurch City Council retains full ownership of the housing stock and continues to be responsible for long-term asset management, while OCHT is responsible for tenancy management, rent setting, and day-to-day maintenance.

OCHT's lease agreement with the Council also includes an annual payment into an asset fund for long-term house improvements. The fund cannot be used for other council activities.

OCHT has grown from a tenancy management service to include managing maintenance, projects, and the construction of new community homes.

Tenants

OCHT is a registered community housing provider and a Class 1: Social Landlord. This means new tenants can access the Income-Related Rent Subsidy.

Around two-thirds of tenants are currently on grand-parented rentals (historical arrangements), and the other one-third accesses the IRRS.

The Trust's structure and governance

OCHT has nine board members, including three appointed by the Council.

As OCHT is an independent charitable trust, any surplus money is reinvested back into social housing, to improve the service provided to tenants and the wider community.



Examples of using council housing levers (continued)

Establishing a community housing provider

Wellington City Council is in the process of establishing a community housing provider (Te Toi Mahana) to deliver its housing service. Te Toi Mahana is an independent community-owned trust.

As a community housing provider, Te Toi Mahana can access the government's Income-Related Rent Subsidy for new tenants.

Assets are leased (not transferred) to the trust and the community housing provider is supported with upfront capital to enable it to get underway with upgrading housing and investing in new supply.

Establishing a council-controlled trading organisation

Hutt City Council established Urban Plus in 2007, a specialist property company. Urban Plus manages the Council's social housing portfolio and is involved in property development.

As a council-controlled trading organisation, Urban Plus works to ensure the best financial return, and it drives this through property development.

Establishing a joint venture

Auckland Council transferred ownership of 1,412 units to a joint venture company, Haumarū Housing, which the Council formed with the Selwyn Foundation in 2015. Haumarū Housing is responsible for managing the portfolio.

Tasked with ongoing development of new units is Eke Panuku Development Auckland, a council-controlled organisation for urban regeneration, which works with Haumarū to ensure that the location and quality of the new homes address the needs of older people.

As a community housing provider, Haumarū Housing has access to the government's Income Related Rent Subsidy.

Scope of service delivery

While most councils are continuing to provide both asset- and tenancy management services, some have outsourced different aspects, including tenancy management.

Waimate District Council owns and maintains 27 council housing units. However, tenancy-management services for these units are outsourced to LJ Hooker.

Kaipara District Council owns community housing in Dargaville, Ruawai, and Mangawhai. The Dargaville Community Housing units are managed by the Dargaville Community Development Board.

Policy settings

Hastings District Council reviewed their rental policy in late 2023, and increased rents to 65 percent of the market value for properties of a similar size, age and condition.

As part of this review, Hastings District Council also changed the eligibility of their council housing to those over the age of 65 (from 55).



Signals from 2024 Long-term Plans

As councils engage with their communities as part of developing their 2024–2034 Long-term Plans, some are consulting on the future of their council housing.

Napier City Council

Napier City Council owns and manages 377 housing units for people who are on a low income, have few assets, and have a special housing need. The Council subsidises the rent.

However, the cost of providing this housing has increased a lot and on average the housing stock is 50 years' old. The Council's current social-housing delivery model has become financially unsustainable for its ratepayers and the community, particularly when considering the costs other services the Council provides.

As part of developing its 2024–2034 Long-term Plan, Napier City Council is exploring ways of delivering council housing in a more financially sustainable way. The Council discounted the option of selling all its housing. It is exploring the following options:

- **Option 1A: Continue to use loan funding and rates increases** to support the Council's current housing delivery approach – that is, the status quo.

- **Option 1B: Shift the focus to providing retirement housing only and sell some of the Council's housing portfolio** (the preferred option).

Napier City Council is also consulting on these three potential delivery models for a shift to focussing solely on retirement housing:

- **Option 2A: Focus on retirement housing but use the current approach to delivery.** The Council would sell three housing villages to pay for the cost of providing the remaining villages with no changes in services or rent for the next decade. This would need to be reassessed once this funding runs out.
- **Option 2B: Focus on retirement housing only and sell some council-owned housing – mixed delivery** (the preferred approach). Rent would be reviewed annually so that it covers 80% of maintenance costs. This will enable the Council to provide the housing over the longer term, to respond to increasing costs and demands, and to explore delivery by other providers.
- **Option 2C: Focus on retirement – independent delivery approach.** The Council leases or transfers housing assets to other providers, who would decide future rents. Independent

delivery may be more responsive to the community's needs due to reduced council control over the services provided.

On 30 May the Council agreed to shift its focus to delivering retirement housing only and fund this through selling some social housing villages, noting that no tenants will lose their home.



Signals from 2024 Long-term Plans (continued)

Invercargill City Council

Invercargill City Council's current housing stock is old and increasingly lags behind today's new build standards. As part of its Long-term Plan, the Council is exploring options for increasing the quality and availability of council-run housing for elderly people.

Currently, rent from tenants covers the costs of maintenance. However, the Council needs a new funding model to build replacement houses faster. It is exploring the following options:

- **Option 1: Provide some funding from general rates to replace aging houses faster.** There would be an additional \$7.7 million capital expenditure, resulting in rates increasing by a total of 0.61% by 2030/31. Service levels and debt would increase.
- **Option 2: Maintain the current funding policy and reduce the speed of replacement of houses.** There would be no impact on rates, no increases to service levels, and no debt increase.

Kāpiti Coast District Council

In 2023, Kāpiti Coast District Council comprehensively reviewed the condition of its 118 homes and their upgrade needs, and considered options for how the service could better meet the needs of the Kāpiti community.

The cost of providing community housing in Kāpiti is increasing, and the Council cannot access central government funding to help ratepayers and tenants cover the cost. Currently, ratepayers are subsidising pensioner housing as the Council cannot charge enough rent to maintain and operate the assets. The Council's 2024–2034 Long-term Plan states that "Retaining ownership of our housing assets isn't affordable, or sustainable, for us, or for our community."

The Council is consulting on three options to provide more sustainable council housing for its older people.

- **Option 1: Transfer housing assets to a new community housing provider** (preferred option). The Council would establish a new community housing provider that would be entirely self-funding. The houses would be gifted to the new provider and the Council would maintain a level of influence over the provider. Option 1 should ensure that pensioner housing continues to be provided but the costs

are not passed onto ratepayers. It should also enable the portfolio to grow without increasing the Council's debt.

- **Option 2: Transfer or sell housing assets to an existing community housing provider.** This option would deliver some benefits but would reduce the Council's influence on how the funding or assets are used – particularly if the existing community housing provider is focussed on other regions. This option is unlikely to ensure that a local voice and focus protects current and future tenants and does not provide certainty that there will be opportunities for housing growth.
- **Option 3: Deliver housing under current model, with no option to grow the portfolio** (status quo). The Council will continue to own and operate its portfolio, and ratepayers will continue to subsidise the costs, which are expected to rise annually. The Council is also unlikely to be able to maintain and refurbish its current stock or build new pensioner housing. Tenants will miss any wrap-around supports available through community housing providers and there will be no access to the government's Income-Related Rent Subsidy.



Levers for affordable housing

Examples of levers to support affordable housing

Demand side interventions

Often described under the umbrella of "progressive home ownership", there are a range of tools and products that can be used to support households to be able to rent (often called "assisted rentals") or own affordable housing.

Rent to buy

Rent to buy (also known as "rent to own" or "lease to purchase") is an approach where a household moves into a home and makes weekly payments that cover their rent and a contribution towards a deposit to buy the house.

Tamaki Regeneration's Affordable Rental and Shared Home Ownership schemes

Under the Affordable Rental scheme, households enter into a five-year fixed-term tenancy at an affordable rent to give them time to save for a deposit. After the five years (or sooner), they can buy the home through a Shared Home Ownership programme. Households can use half of the increase in value of the home while they were in the programme to put towards the deposit.

Housing Foundation's Rent to Own

This Rent to Own programme allows households to enter into a five-year tenancy agreement, at the end of which they will have the option of buying the home. Rent is based on 30% of gross income and is never more than market rent.

Habitat for Humanity's Progressive Home Ownership

Habitat for Humanity run Progressive Home Ownership programmes across the country. Families occupy a new home built by Habitat and pay the equivalent of fair market rent determined by their total gross household income. This programme gives households secure tenure at an affordable rent for at least five years, until they refinance and take ownership of their own home.

Shared equity

Shared equity is an approach where a provider owns a portion of the household's home alongside them, and the household buys them out over time.

This offers tenants an opportunity to buy a home when the cost of a mortgage is too high. It also allows the household to increase their share in the property as their financial circumstances allow.

Marlborough Sustainable Housing Trust's Shared Ownership programme

The Trust was set up to bridge the gap between the region's low wages and high property prices. Its Shared Ownership programme allows individuals to buy a share in a new house (between 50% and 80%), and over time buy out the Trust and achieve full ownership.

This model prioritises tenant households on low incomes who have a demonstrated housing need (for example, unaffordability, tenure insecurity, crowding, or disabilities).

YouOwn's Co-ownership model

YouOwn is a private funder that supports shared equity. Households buy a majority portion of the property that they can afford now, and YouOwn helps with the rest (up to 25%).

After five years, households can buy out YouOwn's share when they are able to, at an independently assessed market value. Until they buy out YouOwn, the household pays an equity charge of 5.95% on the money that YouOwn invests.



Examples of levers to support affordable housing (continued)

Affordable rentals

"Affordable rental" schemes provide rental properties for target residents at affordable rents.

Wellington City Council's Te Kāinga

Te Kāinga is a partnership between the Council and private building owners to provide long-term, high-quality, family-friendly rental housing to workers in Wellington. The Council has committed to providing 1,000 Te Kāinga apartments in the next five years.

Building owners are responsible for construction and maintenance of the apartments and the Council is responsible for tenancy management. This makes it cost-neutral for the Council, as they receive a tenancy management fee from the developer.

Leasehold

Here the household buys a registered leasehold interest in a home from a provider with the right to occupy the property over a long term, such as 100 years. The leaseholder pays a modest ground rent, as well as servicing any mortgage commitment.

With this model, the tenant doesn't achieve freehold home ownership.



Queenstown Lakes Community Housing Trust

In 2007, the Queenstown Lakes District Council recognised the lack of affordable housing and established the Queenstown Lakes Community Housing Trust (QLCHT). The Trust works with the Council and a range of other funders, and has a Relationship Framework Agreement in place.

QLCHT is an independent, not-for-profit, community-owned organisation that is governed by a board of six trustees.

QLCHT is a registered community housing provider.

The Secure Home scheme

Secure Home is based on a leasehold ownership tenure where households pay an upfront payment (purchase price) for the home based on its construction costs only, with no margins added.

QLCHT registers a 100-year lease over the land in the household's name. The household pays a monthly "ground rent" to QLCHT for use of the land.

Secure Home requires the household to commit to staying in the property for the first three years. After that, they can sell the home back to QLCHT at any time, for any reason. QLCHT will buy the property back at the same price as they paid at the outset, plus an inflation adjustment for the time the household has owned the property.

The Rent Saver programme

This is a five-year programme where households can focus on saving for a deposit. Each year households are asked to provide evidence of their savings and QLCHT matches it, up to an equivalent of \$50 a week (\$2,600 a year) for five years.

At the end of the five years (or sooner if ready) households can apply to buy their home under the Secure Home programme. If they're successful, QLCHT will put the matched savings towards their purchase.



Examples of other levers to support affordable housing (continued)

Supply side interventions

Many councils are considering what other housing tools they have available to incentivise the supply of affordable housing in their regions.

Inclusionary zoning

Inclusionary zoning is a planning tool that requires, or provides incentives for, private developers to incorporate affordable housing into developments. There are many different variations on what an inclusionary zoning policy can look like – for example, it can be mandatory or voluntary.

Queenstown Lakes District Council

This Council has used a form of inclusionary zoning since 2005 to help capture some of the value created when rural land is up-zoned for residential development.

It has done this through negotiations as part of several private plan change requests (and previous Special Housing Areas). For example, a developer who applies to rezone a rural area to an urban zone must allocate 5% of the land to the Trust.

The policies have provided \$24 million in funding and land for the Queenstown Lakes Community Housing Trust.

At the time of writing this report, the Queenstown Lakes District Council is consulting on a policy to formalise this approach through an “affordable housing financial contribution”. The policy would make developers contribute 5% – in the form of either land or a monetary payment – of the estimated sales value of new subdivisions to fund construction of affordable housing through the Queenstown Lakes Community Housing Trust.

Waipā District Council

Following a decision in August 2023, Waipā was the second council after Queenstown to use inclusionary zoning to address concerns about housing costs. The Council is taking a “greenfields first” approach, applying inclusionary zoning provisions to three greenfield sites that are subject to significant urban expansion pressures.

Based on the experience of the greenfields areas, any programme could then be rolled out to selected brownfields areas likely to see growth.

The details of this are still being worked through.

Wellington City Council

As it developed its recently adopted District Plan, Wellington City Council considered introducing inclusionary zoning that would require new developments to make a financial contribution towards affordable homes or require a minimum proportion of new homes built to be sold below an affordability threshold.

The Council ultimately decided against it because of the risk that it would disincentivise new development – especially given that neighbouring councils would not have the same rules.



Examples of levers to support affordable housing (continued)

Council partnerships

Nelson City Council's Housing Reserve Grants Programme

In March 2021, the Council divested its community housing portfolio to Kainga Ora and established a Housing Reserve with the \$12 million of revenue. The Housing Reserve's purpose is to "work with and support partners who have the ability to deliver social and affordable housing solutions for the community." The Council is a steward for the Housing Reserve and the Housing Reserve Grants Programme is led by the Community Housing Acceleration Taskforce.

In 2021 and 2022, \$3.85 million in contestable grants were given to registered community housing providers and iwi trusts to support the delivery of enduring, affordable housing in Nelson.

The aim of the Housing Reserve Grants Programme is to "help grow, as quickly as possible, the stock of community housing with the goal to double the number of community houses from 50 to 100 by 2026." Grants are available to housing providers and developers for the purchase of land and housing construction costs, with an overall requirement that there is a net increase in the unit numbers within three years of receiving funding.

As part of the Grants Programme, the Community Housing Acceleration Taskforce could consider other innovative housing proposals for support "where it offers good use of public money to alleviate Nelson's housing problems".

Ashburton District Council and Ashburton Housing and Support Trust

Ashburton District Council partnered with the Ashburton Housing and Support Trust (Haven Housing) in 2020 to deliver 17 new affordable housing units. The Council leased the land to the Trust for a nominal rent, and the Trust set about fundraising for and managing the build.

Build to rent

Build to rent is a type of medium to high-density residential development, specifically built to provide long-term rental housing.

Kiwi Property's Resido

Kiwi Property is offering a new build to rent offering, Resido, where they develop, own, and manage homes and apartments specifically for long-term rental.

In Sylvia Park, Kiwi Property is delivering more than 1,200 residential apartments for long-term rental accommodation, as the flagship build.

Other

Hawke's Bay Regional Council's Sustainable Homes

The Council's Sustainable Homes programme aims to make more homes in the region healthy and dry. All eligible ratepayers can borrow up to \$20,000 from the Council for insulation and ventilation, double glazing, solar, water heating, storage and septic tanks, and clean heating.

The Council's programme supports ratepayers to make home improvements that will make their homes warmer and drier, more energy efficient, and less dependent on networked supply. It will also increase the region's renewable energy use.

The funding is repaid to the Council over 10 years through a "voluntary targeted rate", which has a current interest rate of 6%. The voluntary targeted rate is paid as a direct debit simultaneously with property rates.





**Key considerations
across all options**

Understanding the complexity of the options

Each of the different approaches and options have nuances that would need to be explored further if short-listed.

This section discusses some of the key considerations you will need to work through.

Access to the Income-Related Rent Subsidy is complex

The majority of social housing tenants pay an Income-Related Rent (IRR) determined by the Ministry of Social Development, with the amount generally set at 25% of their net income.

The Ministry of Housing and Urban Development (HUD) pays the Income-Related Rent Subsidy (IRRS) to Kāinga Ora and registered community housing providers, to cover the balance between the tenant's rental payment and the market rent for the property.

Community housing providers can also access the Operating Supplement (OS), a funding subsidy paid in addition to the IRRS for eligible "net-new" (additional housing) social houses to help enable new build supply. The OS is calculated as a percentage of market rent up to a percentage cap.

Local authorities and council-controlled

organisations cannot register to be a community housing provider. However, a **subsidiary** of a local authority or council-controlled organisation may apply to register as a community housing provider if it's operating at arm's length.

The subsidiary must genuinely be operating independently from the parent and not be part of its corporate structure. This should be evident from its constitution, the membership of its governing body, and its structures for governance and financial management.

Under current policy, an independent housing entity can access the IRRS and OS on net-new units within their portfolio only, following a moratorium on "redirects" (providing IRRS on existing units) in previous years. In limited cases HUD will consider redirects, where through the additional funding, the provider is able to bring on new supply. The OS, which is paid in addition to the IRRS for eligible net-new public housing, was introduced by HUD to incentivise new builds.

Further, existing tenants are not eligible for IRRS, it is only available to those who are from the public housing register. However, when taking tenants from the register, there is some discretion as to who can be allocated units based on set eligibility

criteria (for example, residents must be over 65).

Sale and transfer options for council housing have limitations

Councils need to consider a number of limitations on the options available.

First, sales often are discounted. Council housing that has been sold in the past for continued housing purposes has often been done so on a discounted rate that factors in the age of the portfolios and the maintenance costs needed to continue to run them.

For example, as mentioned earlier, Horowhenua District Council sold its housing portfolio in 2017 to Compassion Housing under the express condition that the portfolio be used for housing for older persons, to ensure security of tenure for the existing tenants. Given this condition of sale, the price received was lower than if the portfolio had been sold on the open market.



Understanding the complexity of the options (continued)

Similarly, Tauranga City Council, sold its portfolio in two distinct sales – nine villages were sold to Kāinga Ora for continued use at a discounted rate, while the remaining two were sold on the open market at a market rate.

Council housing sales to Kāinga Ora are also not common – there have been only two in recent years (Tauranga and Nelson). Any purchase of council housing by Kāinga Ora requires ministerial agreement.

Disruption to tenants is a key consideration

Any change to the delivery of council housing requires careful consideration of the current tenants and the transitional arrangements, with different implications depending on the options.

As noted earlier, often sale agreements will provide for the current tenants to continue to be housed. For example, Napier City Council, which is currently consulting on the sale of three villages, has committed to ensuring that current tenants will always be housed.

Many of the broader range of housing levers require independent partners

Many of the other levers to support affordable housing involve housing products that usually are not provided directly by councils, but rather by community housing providers, trusts, and charities.

Councils such as Auckland that did provide a shared equity type of product have recently exited the service. Auckland Council had been delivering its "Own-your-own home" scheme since the 1970s but sold its share in 2023 due to decreasing demand and increasing maintenance expenses.

When considering these options, it is therefore important to reflect on the wider players in the region, and how the Council can lean into the roles of "connector and advocate" and "partner", rather than taking on the delivery role alone.

Unintended consequences of supply side incentives

Although seemingly successful in some areas, supply side tools such as inclusionary zoning can have unintended consequences that need to be

thought through. Housing is a complex sector and inclusionary zoning is a particularly complex tool.

By its nature, inclusionary zoning increases the cost of providing housing and reduces profits for developers. This can result in:

- development moving elsewhere to nearby areas without the policy, particularly if the area with inclusionary zoning already has fragile development margins, and
- house prices increasing as developers seek to pass on the costs.

Further, inclusionary zoning extracts the most value when the supply of land that can be developed is extremely inflexible and unresponsive. Put simply, inclusionary zoning works best in markets with tight regulatory constraints.

Therefore, when exploring these options further, it is important to understand:

- the local housing market, including developers' perspectives
- the problem you are trying to solve, and
- who you are trying to target.



Government policy signals for social housing

National housing policy settings are changing

Policy settings for council housing and the possible delivery approaches are also potentially shifting – especially for community housing providers.

The Government has committed to ensuring that community housing providers and Kāinga Ora are on a level playing field. This includes giving community housing providers more support in the form of capital and operational funding and long-term contracts.

The Government has also signaled that it will establish a new procurement function in HUD to allocate capital for new public housing, on a contestable basis, to Kāinga Ora, community housing providers, and other providers. It is also planning to use Social Impact Bonds, in partnership with providers who can shift families out of emergency housing.

More clarity about these settings are finally being announced.

As part of Budget 2024, the Government has provided further funding for community housing providers

Budget 2024 will allocate \$140 million in new funding for 1,500 new social housing places to be provided by Community Housing Providers, from savings found by ending the First Home Grant.

The Government's new investment in 1,500 social housing places will start to become available from July 2025 onwards, with the aim of giving the community housing sector certainty about the social housing pipeline. This will allow them to plan for the future, and scale-up their build programmes.

As part of this announcement, a new 'active purchaser' arrangement was detailed

Currently, social housing is procured from community housing providers on a project-by-project basis.

Around 500 new homes of the 1500 will be allocated quickly using the existing pipeline of opportunities and with three objectives in mind:

- **value for money** from government investment
- contributing towards the government's target of **getting people out of emergency housing motels**
- a balanced approach between achievability and building capability in historically **underserved regions**

The balance of the 1500 social housing places will likely be allocated using an "active purchaser" approach which is still being developed.

"Active purchasing" is a concept developed in the Independent Review of Kainga Ora (discussed further on the next page). It refers to the government developing a much more sophisticated understanding of current and future housing needs at a national, regional and cohort level, taking a Social Investment approach to improving housing outcomes, and potential outcome-based contracts.

Therefore, subject to Ministerial agreement, HUD will be looking at developing longer term strategic partnerships with some community housing providers to achieve specific social and housing outcomes, rather than looking at single proposals one by one.



Government policy signals for social housing (continued)

The review into Kāinga Ora has signaled that further work on social housing policy settings is to come

The Report into the review of Kāinga Ora was released in May.

As well as findings on the performance of Kāinga Ora, the report found that the social policy landscape is complex. It detailed how successive governments have developed a range of funding appropriations and programmes to support people into affordable, secure, and suitable housing.

Seven recommendations were outlined

The report set out seven recommendations (summarised to the right, with a full summary of the recommendations attached as appendix 3), with Cabinet initially agreeing to:

- align contractual arrangements across Kāinga Ora and Community Housing Providers (CHPs)
- refresh the Kāinga Ora Board
- issue Simplified Direction to Kāinga Ora, and
- set an expectation that the Kāinga Ora Board

will develop a credible and detailed plan to improve financial performance with the goal of eliminating losses.

The remaining recommendations will be considered in August following further advice from central government officials.

Localised decision-making is prominent in these remaining recommendations

The report detailed government settings have favoured Kāinga Ora and there have been challenges for all social housing providers. The report noted that devolving more ownership and decision-making to the local level will get better results.

Recommendation three

Recommendation three details that to better enable tenants and local communities to meet their diverse housing needs and aspirations, government policy and investment should build on the advancements made in place-based and specialised approaches. This will be done to increase local decision making regarding the management and ownership of housing.

Summary of recommendations

1. To strengthen government accountability for social housing outcomes
2. To prioritise tenant outcomes and cost-effective provision of housing support and supply
3. To better enable tenants and local communities to meet their diverse housing needs and aspirations
4. To increase choice, diversity, and innovation, Government enables more providers to participate in the provision of social housing
5. To ensure that Kāinga Ora has the leadership and mandate to effectively implement the recommendations of this Review
6. Responsible Ministers set an expectation that the board will develop a credible and detailed plan to improve financial performance with the goal of eliminating losses
7. To generate momentum toward the recommendations above, the Panel recommends a timeframe for key milestones

Government policy signals for social housing (continued)

This could include using HUD's established place-based and urban growth partnership initiatives to agree local housing strategies and priorities with communities.

This could also include the creation of "**Community Housing Associations**" to manage the government's local social housing and pursue agreed local housing strategies and priorities.

Community Housing Associations would be established as Crown Companies under schedule 4A of the Public Finance Act 1989 and allow non-Crown partners to become shareholders. Kāinga Ora over time would facilitate the transfer of its social housing to management by Community Housing Associations.

Recommendation four

Recommendation four details that to increase choice, diversity, and innovation, the Government should enable more providers to participate in the provision of social housing by:

- the purchaser contracting with Kāinga Ora in a similar manner that it does with Community Housing Providers
- addressing barriers in order to increase provision of social housing by CHPs, Iwi and

Māori, and other providers

- ensuring the funding model incentivises delivery where needed and is responsive to the different needs of tenants
- implementing alternative delivery models based on local decision-making and specific tenant needs, with pathways for communities to manage Kāinga Ora housing stock.

Implications for council housing

These proposals are yet to be agreed by Cabinet, with further advice being sought from government officials between now and August.

Three key take-outs for local government

Firstly, if accepted, these proposals will fundamentally change the landscape for community housing providers and how they operate. This may mean that options for councils around the delivery mechanisms should be reviewed once more is known.

Secondly, the creation of Community Housing Associations will change the local social housing landscape - especially in areas like Timaru where Kāinga Ora owns a significant portion of units. The Council will need to keep close to these changes

and understand what a "Community Housing Association" in the area would mean.

And finally, the review mentions 'other providers' a number of times, without naming councils. Council housing across Aotearoa accounts for a significant number of social housing units. There is the potential for councils to communicate their impact, challenges, and opportunities ahead of Cabinet's consideration in August to make sure they are front of mind.



Government policy signals for urban development

Alongside the policy changes being announced across the social housing sector (discussed on the previous pages), the Government has also been progressing several changes across the urban development sector.

Going for Housing Growth

Going for Housing Growth seeks to address the underlying causes of the housing supply shortage. It aims to significantly increase the availability of developable land for housing within and at the edge of urban areas. The programme is organised around three pillars:

- **freeing up land** for urban development, including removing unnecessary planning barriers
- **improving infrastructure funding and financing** to support urban growth, and
- providing incentives for communities and **councils to support growth.**

Freeing up land has been the focus to date. The Government has announced that it will require councils to release land for housing, through changes to the Resource Management Act and the National Policy Statement on Urban Development, with requirements in place by mid-2025, and

formal consultation on the detail in early-2025.

This pillar also includes:

- housing growth targets for tier 1 and 2 councils, requiring them to enable 30 years of housing capacity in their district plans
- enabling greenfield growth, prohibiting councils from imposing rural-urban boundary lines in planning documents
- requirements for tier 1 councils to enable intensification along strategic transport corridors
- requirements that tier 1 and 2 councils enable mixed use development, including hospitality and retail, and
- removing the ability for councils to set minimum floor areas or requirements for balconies from developers

It is expected that further decisions will be announced on funding and financing, and incentives to support growth this year and next.

Resource Management Reform

The Government is also reforming the Resource Management system. While the first Bill repealed previous legislation, a second Bill will give effect

to the Government's Going for Housing Growth programme of initiatives.

This will include providing central government with new powers relating to compliance with housing and business development capability assessments and exploring further intervention powers relating to the Going for Housing Growth policy programme.

The Government has also signalled that it will make amendments to the National Policy Statement on Urban Development, and National Policy Statement on Highly Productive Land; and will set new national direction for housing targets, granny flats and papakāinga.

It is expected that this Bill will be introduced by the end of the year, with the intent to pass it into law by mid-2025.

The Government has also indicated that it will introduce a Bill that fully replaces the Resource Management Act before the end of 2025.



Government policy signals for urban development (continued)

Fast Track Approvals

The Government introduced the Fast-track Approvals Bill in March 2024. The Bill proposes to establish a permanent fast-track approvals regime for projects of national or regional significance, to reduce the cost burden of working through resource consent under the Resource Management Act, and other approvals under other legislation.

The Bill is working through the Parliamentary process, with the Government making significant changes during select committee process.

The Bill establishes a one-stop-shop for expedited resource consents, notices of requirement, and certificates of compliance under the Resource Management Act. It also extends to necessary approvals across a range of other legislation, including the Public Works Act, and the Reserves Act.

Projects will be referred to an expert panel by the Minister for Infrastructure, who will be required to consult the Minister for the Environment and other portfolio ministers as relevant. An expert panel, appointed by Cabinet, will make final decisions on projects.

384 applications have already been submitted to be considered for direct referral to the expert

panel - 40% relate to urban development projects, with the rest spread across infrastructure, renewable energy development, mining and quarrying, and primary industries.

Regional Deals

On 22 August, the Government announced a framework for establishing Regional Deals.

Under the deals, there will be a focus on long-term collaboration between local and central government, a focus on economic growth, infrastructure, and housing supply, access to new funding tools and opportunities to coordinate capital investment.

The deals will include entering a 10-year strategic plan, developed between central and local government, and may require regions to undertake work to support the deals, such as zoning decisions, community consultations, or the establishment of appropriate governance structures.

Selecting the first deals to progress

Local authorities will be selected by the Infrastructure and Investment Ministerial Group, based on assessment against set criteria:

- alignment with the strategic framework
- region growth potential
- commitment to a regional spatial plan
- capability, capacity and readiness to deliver
- commitment to fiscal prudence, and
- commitment to broader government reform objectives, including Local Water Done Well, and Going for Housing Growth.

The Government has indicated that it will invite up to five regions to apply for a Regional Deal and expects the first one to be in place in 2025.

Implications for council housing

Many of these urban development announcements and policy changes largely impact only tier 1 and 2 councils. However, they do send strong signals about the need for all councils to focus on enable housing and urban development and driving local growth.



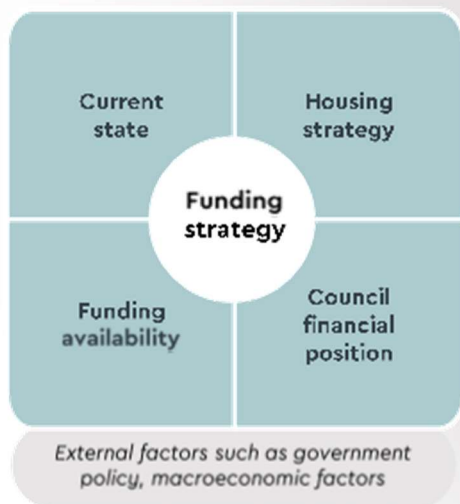
Funding approaches

Understanding your funding choices

Developing a funding strategy

To be able to short-list viable options as part of your 17A review you will need to determine a clear funding strategy.

Funding considerations



Assessing the financial sustainability of your current council housing model

To be able to understand the funding sources and mechanisms that could be accessed, you will need to assess and understand the financial sustainability of your current model for providing council housing.

The following considerations are key:

- Does the rental income cover the costs of providing community housing?
- Does the rental income cover the costs of maintaining the housing stock and ensuring it is fit-for-purpose ?
- If the rental income is not sufficient to cover these costs, how are they being funded?
- What alternative operating mechanisms can be used to improve financial sustainability?
- Can existing capital be re-purposed to meet the current needs?

In your assessment, the existence of mechanisms like grants and subsidies to address unsustainable models should not be allowed to obscure the underlying unsustainability of the model.

Housing strategy

As we emphasise earlier in the report, it is important to clearly articulate your housing vision and strategy for Timaru. This will then help you determine an appropriate funding strategy.

In articulating your housing vision and housing strategy, the following are some key questions to consider:

- Who does the Council provide housing to?
- What services does the Council seek to provide?
- What asset base is required to provide for those customers?
- How does the Council provide those services?
- What policy settings are available to the Council to achieve the outcomes it wants?

It is important to clearly delineate a funding strategy from a housing strategy.

Understanding your funding choices (continued)

The Council's financial position

The Council's overall financial position is another factor that will determine its funding strategy. This is particularly relevant if the Council decides to adopt a strategy along the lines of scenarios 2 or 3 on the next page.

The following are some key considerations:

- Are there competing demands for Council funding?
- What is the Councils' capability to manage shared risk funding?
- How affordable are the financing costs?
- What are the Council's financial policies that may affect the approach taken?
- Are there any external regulatory or other requirements that need to be considered?

You will also need to clearly understand the Council's capability as well as capacity to access funding. For example, does the Council have the capability to deliver and manage complex partnership funding?

The availability of funding

The availability of funding will also determine the Council's funding strategy, particularly if the Council is seeking external sources of funding.

The following are some key considerations :

- What is the level of demand from potential funders and what is the level of competition among them?
- Is there alignment between the outcomes that funders expect and the outcomes the Council is seeking?
- Are there available government grants?

It is important to be able to clearly align the expected returns and benefits of funding sources between Council and funders. For example, are purely financial returns expected or social benefits too.

Using the three scenarios to understand your funding choices

The table on the next page sets out the potential funding sources available to the Council under each of the three scenarios presented earlier in the report.

The table works through the different operating and capital funding sources and where they may come from.

These are not mutually exclusive or exhaustive. There is scope for the Council to develop new and innovative ways to fund housing in their communities.

The table considers only the funding sources and does not deal with any changes to delivery or entity structure that may be needed. For example, accessing the IRRS requires the housing provider to operate at arm's length from the Council or any CCOs or subsidiaries, to register as a community housing provider, and to apply for funding.



A number of funding sources are available to the Council

			CROWN	COUNCIL	THIRD PARTY	TENANT	RATEPAYER	OTHER	MIXED	
Operating	Income	Rates					● Napier City Council			
		Rent				●				
		Operating supplement*	●							
		Operating subsidies (e.g. IRRS)*	●							
		Efficiencies					●			
		Other		●						
Capital	Retained earnings	General reserves**		● Ashburton District Council						
		Housing reserves**		● Nelson City Council						
	Liability	Loan	●		●				●	
		Use of asset	●	●	● Te Kāinga					
	Equity	Levies			● OLCHT					
		Grants	●							
		Special purpose funding	● Palmerston North						●	
		Capital subsidies	●							

* Only available as registered Community Housing Provider
 ** Existing reserves or generated from sale of assets

Key

- Scenario 1: No change to current operating approach
- Scenario 2: Portfolio optimisation and expansion
- Scenario 3: Expansion into new initiatives

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Appendices

Appendix 1: Policy settings across the Canterbury region

Council	Eligibility	Rent
Waitaki District Council	Priority is given to applicants who are over 60 years of age with limited financial means. However, occasionally other applicants in hardship who have a specific need for this type of housing are considered.	Rental prices range from \$145 - \$229 per week, depending on the type of unit and where it is located. <ul style="list-style-type: none"> • 1-bedroom: \$170 - \$220 • Bedsit: \$145 - \$175 • 2 bedroom: POA
Waimate District Council	Priority is given to applicants over the age of 65 and people with medical conditions, where they would benefit from being able to access this type of housing.	Rental prices range from \$160 - \$190 per week.
Mackenzie District Council	Tenants must be over the 65 years of age or more or qualify for the National Superannuation or War Pension and be on a low income.	Rental prices are set at 80% of current market rental and no more than one-third of the current National Superannuation payment. The cost varies depending on the type of unit and number of people in the unit. <ul style="list-style-type: none"> • Single unit: \$155 • Double unit: \$205 • Single person in double unit: \$150
Ashburton District Council	Tenants must be either 65 years of age or more or qualify for the National Superannuation. They must have limited assets and a low-income, a housing need that cannot be met adequately elsewhere, and be able to care for themselves independently.	Rental prices are set based on internationally adopted standards of affordability, whereby tenants should pay no more than 30% of their gross household income on housing costs. Rent will increase incrementally each year. As at 2023/24, rent was: <ul style="list-style-type: none"> • Single unit: \$130 • Double unit: \$150
Waimakariri District Council	Housing is available for individuals over the age of 65 years and do not own property or do not have assets to purchase a small property in the district. They must be able to live independently.	Rental prices differ depending on the location, size of the unit and if it has been newly renovated. They range between \$179.50 - \$256 per week. In general, <ul style="list-style-type: none"> • Bedsit unit: \$179.50 • Studio unit: \$190.50 • Single unit: \$212.20 • Queen unit (double unit - one occupant): \$234.10 • Queen unit (double unit - separate double bedroom): \$256
Hurunui District Council	Housing is for older persons or people with mobility, mental health, or disability issues who may be unable to afford housing at market rates. The Council also has accommodation units in Waiiau Village to support families, couples and individuals with a housing need who wish to live and work in this area.	Rental rates for the social housing units are calculated as a percentage of estimated market rental and the priority category of the applicant. <ul style="list-style-type: none"> • Single unit: \$127 - \$139 for a priority 1-3 renter, \$169-175 for a priority 4 renter, or estimated market rent for a priority 5 renter • Double unit: \$175 for a priority 1-3 renter, \$211 for a priority 4 renter, or estimated market rent for a priority 5 renter
Kaikōura District Council	Allocation for the pensioner cottages is allocated based on priority of needs. The highest priority tenants are 65 years or older with a genuine housing need, do not own any property, and have limited assets.	Rental prices vary depending on the size of the unit. They are: <ul style="list-style-type: none"> • Single unit: \$125 • Double unit: \$165 • Two bedroom unit (1 x double and 1 x guest room): \$185



Appendix 2: Summary of options

Option	Example	Type
Levers as a council housing provider		
Rental increases	Hastings District Council	Policy settings
Eligibility	Napier City Council (LTP)	Policy settings
Outsourcing of tenancy and/or asset management	Kaipara District Council	Scope of housing services
Establishment of Community Housing Provider	Christchurch City Council	Delivery mechanisms
Use of Council-Controlled Organisation / Trading Organisation	Hutt City Council	Delivery mechanisms
Other, such as Joint Ventures	Auckland Council	Delivery mechanisms
Sale or transfer	Tauranga City Council	Composition of the portfolio
Redevelopment	Palmerston North City Council	Composition of the portfolio
Affordable housing levers		
Rent to buy	Tamaki Regeneration	Demand side interventions
Shared equity	YouOwn co-ownership model	Demand side interventions
Affordable rentals	Wellington City Council	Demand side interventions
Leasehold	Queenstown Lakes Community Housing Trust	Demand side interventions
Inclusionary zoning	Queenstown Lakes Community Housing Trust	Supply side interventions
Build to rent	KiwiProperty	Supply side interventions
Council partnerships	Ashburton District Council	Supply side interventions

Appendix 3 – Kāinga Ora review recommendations

Recommendation one

Recommendation

To strengthen government accountability for social housing outcomes, Cabinet considers consolidating government funding for housing outcomes under the Minister of Housing, who will be supported by HUD to administer that funding on behalf of the Crown, together with expectations of formal reporting of outcomes by a third party

Government response

A report back to Cabinet in August 2024 by the Minister of Housing which includes consideration of whether to accept this recommendation, and proposed approaches and a staged programme over the short and medium term

Recommendation two

Recommendation

To prioritise tenant outcomes and cost-effective provision of housing support and supply, the Minister of Housing directs HUD to become an active purchaser that takes a social investment approach to cost-effectively improving housing outcomes.

Government response

A report back to Cabinet in August 2024 by the Minister of Housing which includes consideration of whether to accept this recommendation, and proposed approaches and a staged programme over the short and medium term.

Recommendation three

Recommendation

To better enable tenants and local communities to meet their diverse housing needs and aspirations, government policy and investment builds on the advancements made in place based and specialised approaches to increase local decision making regarding the management and ownership of housing.

Government response

A report back to Cabinet in August 2024 by the Minister of Housing which includes consideration of whether to accept this recommendation, and proposed approaches and a staged programme over the short and medium term.

Recommendation four

Recommendation

To increase choice, diversity, and innovation,

Government enables more providers to participate in the provision of social housing by

- the purchaser contracting with Kāinga Ora in a similar manner that it does with Community Housing Providers (CHPs)
- addressing barriers in order to increase provision of social housing by CHPs, Iwi and Māori, and other providers
- ensuring the funding model incentivises delivery where needed and is responsive to the different needs of tenants
- implementing alternative delivery models based on local decision-making and specific tenant needs, with pathways for communities to manage Kāinga Ora housing stock.



Appendix 3 – Kāinga Ora review recommendations (continued)

Government response

Part A of this recommendation has been accepted immediately and work is underway on this. The Minister of Housing has directed the Ministry of Housing and Urban Development develop a new contract and initiate negotiations with Kāinga Ora to put it on a more level playing field with Community Housing Providers (CHPs). A report back will go to Cabinet in August 2024 by the Minister of Housing which will include consideration of whether to accept the remaining points of this recommendation, and proposed approaches and a staged programme over the short and medium term.

Recommendation five

Recommendation

To ensure that Kāinga Ora has the leadership and mandate to effectively implement the recommendations of this Review, responsible Ministers:

- refresh the Kāinga Ora board with a focus on the skills to implement the recommendations of this Review
- issue simplified government expectations and direction to Kāinga Ora

- report back to Cabinet with options to narrow the scope of Kāinga Ora activities to social housing and ensure it has the leadership and governance expertise to deliver effectively, including repealing the Kāinga Ora – Homes and Communities Act 2019 and designating Kāinga Ora as a Crown Company under Schedule 4A of the Public Finance Act 1989 with social and financial objective

Government response

Parts A and B of this recommendation have been accepted immediately, and implementation has started, including the appointment of a new Board Chair, and refreshing the Board. A report back will go to Cabinet in August 2024 by the Minister of Housing which will include consideration of whether to accept the remaining point of this recommendation, and proposed approaches and a staged programme over the short and medium term.

Recommendation six

Recommendation

Responsible Ministers set an expectation that the board will develop a credible and detailed plan to improve financial performance with the goal of

eliminating losses. The board should be held accountable for implementing this plan through regular reporting to Ministers, supported by ongoing engagement between the Kāinga Ora board, Kāinga Ora management and HUD

Government response

This recommendation has been accepted immediately, and implementation has started, including:

- an updated Letter of Expectations is being drafted to go to the refreshed Board
- a reduction in the delegation to the Board for individual investment decisions to \$35 million (was \$50 million)
- the Minister of Housing to request a plan from the Board to develop a credible and detailed plan by November 2024 to improve financial performance with the goal of eliminating losses as quickly as possible and present Ministers with choices around the renewal programme of the aged assets include pace, scale and procurement approaches to deliver the programme.



Appendix 3 – Kāinga Ora review recommendations (continued)

Recommendation seven

Recommendation

To generate momentum toward the recommendations above, the Panel recommends a timeframe for key milestones.

Government response

This timeline for relevant milestones has been accepted.





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10 Consideration of Urgent Business Items

11 Consideration of Minor Nature Matters

12 Public Forum Items Requiring Consideration

13 Exclusion of Public

Recommendation

That the public be excluded from—

- *(a)the whole of the proceedings of this meeting; or
- *(b)the following parts of the proceedings of this meeting, namely,—

13.1 Public Excluded Minutes of the Council Meeting held on 13 August 2024

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p>13.1 - Public Excluded Minutes of the Council Meeting held on 13 August 2024</p>	<p>Section 48(1) of the Local Government Official Information and Meetings Act 1987.</p>	<p>The public excluded minutes of the meeting held on 13 August 2024 are considered confidential pursuant to the provisions of the LGOIMA Act of 1987.</p> <p>The specific provisions of the Act that relate to these minutes can be found in the open minutes of the meeting held on 13 August 2024.</p>

*I also move that [\[name of person or persons\]](#) be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of [\[specify\]](#). This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because [\[specify\]](#)

*Delete if inapplicable.

Note

[Section 48\(4\)](#) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4)Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof)—

- (a) shall be available to any member of the public who is present;
and
- (b) shall form part of the minutes of the local authority.”