



# AGENDA

## Ordinary Council Meeting Tuesday, 21 September 2021

**Date** Tuesday, 21 September 2021

**Time** 3pm

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

**File Reference** 1447553

## **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 21 September 2021, at 3pm.**

### **Council Members**

Mayor Nigel Bowen (Chairperson), Cllrs Allan Booth, Peter Burt, Barbara Gilchrist, Richard Lyon, Gavin Oliver, Paddy O'Reilly, Sally Parker, Stu Piddington and Steve Wills

Quorum – no less than 5 members

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

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

Bede Carran

**Chief Executive**

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

## **7 Confirmation of Minutes**

### **7.1 Minutes of the Council Meeting held on 10 August 2021**

**Author:** Mark Low, Strategy and Corporate Planning Manager

#### **Recommendation**

That the Minutes of the Council Meeting held on 10 August 2021 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 10 August 2021**



# **MINUTES**

## **Ordinary Council Meeting Tuesday, 10 August 2021**

**Ref: 1447553**

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**Minutes of Timaru District Council  
Ordinary Council Meeting  
Held in the Council Chamber, District Council Building, King George Place, Timaru  
on Tuesday, 10 August 2021 at 3pm**

**Present:** Mayor Nigel Bowen (Chairperson), Cr Allan Booth, Cr Peter Burt, Cr Barbara Gilchrist, Cr Richard Lyon, Cr Gavin Oliver, Cr Paddy O'Reilly, Cr Stu Piddington, Cr Steve Wills

**In Attendance:** Janine Roux – Zone Facilitator, Orari-Temuka-Opihi-Pareora Water Zone Committee – for item 9.5

Wayne O'Donnell - Chairperson - Geraldine Community Board

Jan Finlayson – Member – Pleasant Point Community Board

Chief Executive (Bede Carran), Group Manager Infrastructure (Andrew Dixon), Acting Group Manager Commercial and Strategy (Erik Barnes), Director Engagement and Culture (Hannah Goddard-Coles), Acting Chief Financial Officer (Jason Rivett), Strategy and Corporate Planning Manager (Mark Low), Risk and Assurance Manager (Ernest Bernard), Three Water Stimulus Manager (Ashley Harper)

## **1 Opening Prayer**

Brent Richardson of Timaru Presbyterian Parish offered a prayer for the work of Council.

Brent read out the names of the five boys tragically killed in the weekend car accident in Timaru District, followed by a minute's silence.

This was followed by the singing of the Council Waiata.

## **2 Apologies**

### **Apology**

#### **Resolution 2021/118**

Moved: Cr Barbara Gilchrist

Seconded: Cr Paddy O'Reilly

That the apology from Cr Sally Parker be accepted and leave of absence granted.

That the apology from Anne Lemmens – Pleasant Point Community Board and Gaye Broker – Temuka Community Board be accepted.

**Carried**

## **3 Public Forum**

### **May 2021 Flood Event**

Chris Fauth - Environment Canterbury Flood controller attended to provide an update on the recent flood event in May 2021.

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Chris gave an overview of the flooding event via presentation, including a summary of the rainfall totals and the catchments where it fell, peak flows for key rivers and Average Recurrence Intervals (ARI) estimates. Serious flows occurred in northern district rivers – the Orari, Waihi and Temuka, with reasonable flows in Te Moana and Kakahu Rivers and lesser flows in Te Ana Wai, Opihi and Pareora Rivers. Flood breakouts were experienced from Kowhai Stream into Peel Forest. The Orari River suffered a large flood below State Highway One with flood breakouts into Coopers Creek channel. Photos and maps showed the extent of the flooding with serious on-farm damage, some house flooding and isolation and transport links severed. The Coopers Creek breakout occurred at a higher level than anticipated with Farm Road flooding unexpected.

Chris also outlined what had not occurred despite significant rainfall, including in Blandswood, Temuka and the south of the district. He emphasised the seriousness of the event and how conditions such as a previous dry period, low level of Lake Opuha, less impact in the Southern tributaries of the Opihi and key rivers remaining within their banks had saved the district from a much more extreme flood. The flooding event had left the district vulnerable, particularly in the Orari and Waihi Rivers, with significant gravel distribution and vegetation loss. Other events such as the 2019 Rangitata River flood and ocean swell event in June 2021 meant significant repair work and restoration was required across the district which would take years.

Councillors questioned the approach to future gravel control. Work would occur in the short term to physically redistribute via bulldozers in vulnerable locations. The significant change in gravel distribution and dynamics in how river channels had changed meant a long term management approach with gravel extraction to occur where appropriate, but balanced with the needs of the river. Congratulations was also offered to Environment Canterbury for work in previous years to protect townships.

### **Government Three Waters Reform**

Janya Lobb and Carol Keetley spoke to the government's Three Waters reform programme.

Janya emphasised Three Waters infrastructure has been paid for by successive generations of district residents. The 2021-31 TDC Long Term Plan had been prepared including the Three Waters. Inadequate and incomplete information had been provided by the government. The proposals needed close examination comparing the TDC LTP and proposed Scottish WICS model with the Three Waters excluded, including considering factors such as the effects on rating, projected asset replacement and maintenance, the loss of asset value and impact on Council finances and the effect of additional layers of administration and costs. The proposals would challenge the resilience of smaller community water schemes and the protection of rights of water to smaller areas, who should not be disadvantaged. Water contamination in privately added water assets should not be the responsibility of the provider when government regulation had failed. A local trust could be considered to own and manage local assets.

Carol emphasised concerns over a loss of control over water supply, the asset grab and the ability to get 75% iwi agreement when changes were needed. There would be a loss of control over future costs and how this would impact on the cost of water – rates and charges. The Scottish model did not align with New Zealand. The democratic process was being undermined via the bribe being offered by government and threatening Council with higher future costs.

Both speakers emphasised that the community expected consultation and/or a referendum on the Three waters programme. This should occur with full and complete information, considering the factors outlined earlier and to get a clear understanding of community feeling. The government's Three Waters campaign has been pitched at kindergarten level and adults needed to have a

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conversation with Council as our representatives. A ratepayers group – our district, our water - was being set up and was happy to support Council in its advocacy.

Councillors acknowledged the speakers' concerns that full information was unavailable, a need for full and factual information, the current system not being broken, and the links to other reviews underway such as the Resource Management and broader local government review.

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

There were no matters of urgent business.

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

#### **Motion**

##### **Resolution 2021/119**

Moved: Cr Allan Booth

Seconded: Mayor Nigel Bowen

That the response to the government's Three Waters reform programme be discussed as a matter of Minor nature.

**Carried**

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

There were no conflicts of interest declared.

#### **7 Confirmation of Minutes**

##### **7.1 Minutes of the Council Meeting held on 29 June 2021**

##### **Resolution 2021/120**

Moved: Cr Barbara Gilchrist

Seconded: Cr Paddy O'Reilly

That the Minutes of the Council Meeting held on 29 June 2021 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Carried**

##### **7.2 Minutes of the Tenders and Procurement Committee Meeting held on 29 June 2021**

##### **Resolution 2021/121**

Moved: Mayor Nigel Bowen

Seconded: Cr Peter Burt

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That the Minutes of the Tenders and Procurement Committee Meeting held on 29 June 2021 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Carried**

### **7.3 Minutes of the Extraordinary Council Meeting held on 14 July 2021**

#### **Resolution 2021/122**

Moved: Cr Peter Burt  
Seconded: Cr Barbara Gilchrist

That the Minutes of the Extraordinary Council Meeting held on 14 July 2021 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Carried**

### **7.4 Minutes of the Council Meeting held on 20 July 2021**

#### **Resolution 2021/123**

Moved: Cr Steve Wills  
Seconded: Cr Gavin Oliver

That the Minutes of the Council Meeting held on 20 July 2021 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

One change was requested for an error on item Two of the Minutes to record Cr Steve Wills as In Favour of Resolution 2021/116, not against the Resolution.

**Carried**

### **7.5 Minutes of the Tenders and Procurement Committee Meeting held on 27 July 2021**

#### **Resolution 2021/124**

Moved: Cr Barbara Gilchrist  
Seconded: Cr Peter Burt

That the Minutes of the Tenders and Procurement Committee Meeting held on 27 July 2021 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

**Carried**

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## **8 Schedules of Functions Attended**

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

#### **Resolution 2021/125**

Moved: Mayor Nigel Bowen

Seconded: Cr Steve Wills

That the report be received and noted.

**Carried**

### **8.2 Schedule of Functions Attended by the Chief Executive**

#### **Resolution 2021/126**

Moved: Cr Richard Lyon

Seconded: Cr Allan Booth

That the report be received and noted.

**Carried**

## **9 Reports**

### **9.1 Affixing of the Common Seal**

Council was presented with the affixing of the Common Seal to Warrants of Appointment.

#### **Resolution 2021/127**

Moved: Cr Steve Wills

Seconded: Cr Paddy O'Reilly

That the affixing of the Common Seal to the following document be noted:

2 June 2021 Warrants of Appointment

9 July 2021 Warrants of Appointment

**Carried**

### **9.2 Contracts Let By Tenders and Procurement Committee**

Council was advised of contracts let by the Tenders and Procurement Committee.

#### **Resolution 2021/128**

Moved: Cr Barbara Gilchrist

Seconded: Mayor Nigel Bowen

**That the following information on a contract let by the Tenders and Procurement Committee be received.**

<b>Contract Description</b>	<b>Number of Tenders</b>	<b>Price Range</b>	<b>Successful Tenderer and Price</b>
<b>Contract 2522 – Timaru and Waimate District Council Resurfacing Contract 2021-2023</b>	<b>3</b>	<b>\$8,544,263.90 to \$9,998,229.68</b>	Fulton Hogan Limited \$8,544,263.90
Contract 2522 - Tenders were evaluated using Timaru District Council price quality method.			
<b>Contract 2536 – Timaru Richard Pearse Airport – Partial Runway Reseal 2021</b>	<b>2</b>	<b>\$2,033,592.93 to \$2,399,071.90</b>	Downer NZ \$2,033,593.93
Contract - Tenders were evaluated using Timaru District Council weighted attributes method.			

All prices exclude GST

**Carried**

### **9.3 Delegations Manual**

Council was presented with an updated delegations manual for approval. An outline of the manual was given by the Acting Group Manager Commercial and Strategy. Some delegations were required to remain with Council under the Local Government Act.

#### **Resolution 2021/129**

Moved: Cr Steve Wills

Seconded: Cr Peter Burt

That Council:

1. Receives the report: Timaru District Council Delegations Review 2021
2. Approves the delegations to the Chief Executive;
3. Approves the removal of delegations for committees and sub committees from the delegations manual; Noting these are approved under separate resolution by Council (October 2019 and November 2019 Ordinary meetings);
4. Receives and notes, as updates, the Financial Delegations, Statutory Delegations and Non-Statutory Delegations contained in the Delegations Manual (June 2021) from the Chief Executive to Council Officers.
5. Notes the Legal Authority and Reserved Powers to Council noted in Section 1.2 of the Delegations Manual including those under clause 32(1) schedule 7 of the LGA.

**Carried**

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## **9.4 Risk Management Framework**

Council was provided with the revised Risk Management Policy and Risk Management Framework that has been endorsed by the Audit and Risk Committee for adoption. The Risk and Assurance Manager outlined the process of preparation, including the review of TDC risk management practices and recommendations that had led to the policy and framework development.

### **Resolution 2021/130**

Moved: Mayor Nigel Bowen

Seconded: Cr Barbara Gilchrist

That Council adopts the revised Risk Management Policy and Risk Management Framework that has been endorsed by the Audit and Risk Committee.

**Carried**

## **9.5 Orari-Temuka-Opihi-Pareora Water Zone Committee Letter of Shared Priorities**

The Draft Letter of Shared Priorities from the Timaru, Mackenzie, and Waimate District Councils and Environment Canterbury to the Orari-Temuka-Opihi-Pareora Water Zone Committee (OTOP) was presented to Council.

The Three Waters Stimulus Manager and Zone Facilitator, Orari-Temuka-Opihi-Pareora Water Zone Committee outlined the process of development and for Council to approve a Letter of Shared Priorities as outlined in the new Terms of Reference for zone committees. The letter included Timaru District's priorities for the zone committee to help guide their ongoing work.

### **Resolution 2021/131**

Moved: Cr Barbara Gilchrist

Seconded: Cr Paddy O'Reilly

1. That Council approves the Orari-Temuka-Opihi-Pareora Water Zone Committee Letter of Shared Priorities.
2. That Council notes the confirmation and implementation of changes to the role and function of the CWMS Zone Committees, as reviewed in 2020.
3. That Council confirms the revised CWMS Terms of Reference for the CWMS OTOP Water Zone Committee.

**Carried**

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

There were no matters of urgent business.

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

The government's Three Waters reform programme was discussed as an item of minor nature.

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The Three Waters Stimulus Manager gave an overview of reform progress. Information continued to come from the Department of Internal Affairs. Timaru District Council had appointed a consultant to review as a whole why Timaru District should be matched with the Scottish model, how the proposed agencies will achieve savings and implications of standalone authority for the next 30 years for the Timaru District. This would be reviewed by Council via a workshop on the next meeting day. The Communications Manager was preparing an approach for a conversation with the community on Three Waters reform during September to help inform Council's decision by the end of September.

The Mayor and Councillors highlighted a number of concerns regarding the reform process, including:

- The tight timeframe to make a decision, with limited opportunity to take it to the community and get adequate and robust facts;
- The lack of information and the need to be well-informed on the implications and impacts on the Timaru District of the proposed reforms;
- That the process was being steamrolled, with inadequate time to properly consider;
- The potential loss of \$½ billion of assets;
- The impact on rates and water metering charges and subsidisation of others debt;
- The loss of control of water assets and how funding would be used and protected for spending on the three waters, with questionable efficiency gains;
- The risk of loss of democracy with control given to appointed people and potential right to veto;
- The impact on Council finances, borrowing capacity and debt to revenue ratios;
- The uncertainty over the water regulatory regime and its application to Council;
- The lack of independence being shown by Local Government New Zealand and signing of a Heads of Agreement with government without full consultation with Councils along with lack of release of some information;
- The lack of visibility over thousands of smaller water schemes and their potential cost as well as significant repairs required in places like Christchurch, which would mean funding would prioritised in places with perceived greatest need at the expense of Timaru District.

A referendum was suggested as an option, but Councillors were advised that time available would not allow that to occur.

Council's \$50M programme spend on three waters in the future was highlighted and the ongoing commitment to improve three waters services.

It was questioned whether Community Boards would be consulted and Boards were assured that they would be fully informed via consultation and public meetings in the Board areas.

The 'stranded overheads' issue was discussed with potential for reduction in Council's overall capacity to borrow and fund future activities along with less efficiencies within Council with less activities over a smaller base.

It was questioned why water standards had not been adequately followed by other Councils and the reform was being driven by the least performing Council.

It was generally supported as important to go through the process, gather more information, stand up to Central government and present the facts from a Timaru District Council perspective. It was

also necessary to understand the impact of the water regulator with appropriate regulation being implemented. Other options could be considered instead of the proposed approach, such as better ways to address it in smaller communities or a Waka Kotahi type funding model. The Productivity Commission Funding and Financing Report water chapter was highlighted as a good summary of background and issues, and advocated other potential solutions.

## **12 Public Forum Items Requiring Consideration**

There was no further discussion on public forum items.

## **13 Resolution to Exclude the Public**

### **Resolution 2021/132**

Moved: Mayor Nigel Bowen

Seconded: Cr Barbara Gilchrist

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

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Plain English Reason</b>
<b>13.1 - Public Excluded Minutes of the Tenders and Procurement Committee Meeting held on 29 June 2021</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Commercial sensitivity
<b>13.2 - Public Excluded Minutes of the Tenders and Procurement Committee Meeting held on 27 July 2021</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Commercial sensitivity
<b>13.3 - Orari-Temuka-Opihi-Pareora Water Zone Committee Refresh Membership</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy

**Carried**

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**14 Public Excluded Reports**

**13.1 Public Excluded Minutes of the Tenders and Procurement Committee Meeting held on 29 June 2021**

**13.2 Public Excluded Minutes of the Tenders and Procurement Committee Meeting held on 27 July 2021**

**13.3 Orari-Temuka-Opihi-Pareora Water Zone Committee Refresh Membership**

**15 Readmittance of the Public**

**Resolution 2021/133**

Moved: Mayor Nigel Bowen

Seconded: Cr Allan Booth

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

**Carried**

**The meeting closed at 4.55pm.**

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

## 8 Schedules of Functions Attended

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

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

**Authoriser:** Nigel Bowen, Mayor

#### Recommendation

That the report be received and noted.

#### Functions Attended by the Mayor for the Period 2 August 2021 to 10 September 2021.

<i>5 August 2021</i>	Attended Rangitata River Restoration Announcement
<i>6 August 2021</i>	Spoke with OJ from the Breeze for monthly Mayoral Musing
<i>10 August 2021</i>	Presided Citizenship Ceremony Chaired Council meeting
<i>11 August 2021</i>	Met with local Police representatives Met with Venture Timaru Chair and Chief Executive
<i>12 August 2021</i>	Met with South Canterbury Chamber of Commerce representatives
<i>16 August 2021</i>	Presented award at Roncalli College Assembly Met with the South Canterbury Chamber of Commerce Board of Directors Attended Temuka Community Board meeting Attended South Canterbury Drama League Board meeting
<i>17 August 2021</i>	Attended and spoke to Mountain View Men's Friendship Club Attended South Canterbury Neighbourhood Support AGM Attended Council workshops New Zealand went to Covid-19 Alert Level 4 at 11.59pm
<i>20 August 2021</i>	Attended Canterbury Mayoral Forum meetings via zoom
<i>24 August 2021</i>	Met Otago Medical School - Third Year Students via zoom
<i>30 August 2021</i>	Attended SCDHB and SC Mayors/CE's COVID discussion via zoom
<i>31 August 2021</i>	Chaired Tenders and Procurement Committee meeting via zoom Attended Standing Committee meetings via zoom
<i>1 September 2021</i>	Attended Youth Initiatives Subcommittee meeting via zoom
<i>3 September 2021</i>	Spoke with OJ from the Breeze for monthly Mayoral Musing
<i>7 September 2021</i>	Attended Council workshops via zoom
<i>8 September 2021</i>	Attended Age-Friendly Steering Group meeting via zoom

*9 September 2021*      Attended online workshop on Rivers Work Programme post floods

In addition to these duties I met or spoke on the phone with 16 members of the public on issues of concern to them.

In addition to these duties I attended 17 meetings relating to the Three Waters Reform

### **Attachments**

**Nil**

**8.2 Schedule of Functions Attended by the Chief Executive****Author:** Jacky Clarke, Executive Assistant to Chief Executive**Authoriser:** Bede Carran, Chief Executive**Recommendation**

That the report be received and noted.

**Functions Attended by the Chief Executive for the Period 31 July 2021 to 8 September 2021.**

<i>2 August 2021</i>	Attended Canterbury Chief Executives Forum Attended Canterbury Civil Defence Emergency Management Coordinating Executive Group Meeting
<i>3 August 2021</i>	Meeting with Chief Executive Alpine Energy Meeting with General Manager Timaru District Holdings Limited
<i>4 August 2021</i>	Presented at Public Sector Network Architecting your Future Smart City Event Meeting with Chief Executive Engineering New Zealand Meeting with Canterbury Acting Civil Defence Controller
<i>5 August 2021</i>	Attended LGNZ Three Waters Meeting
<i>9 August 2021</i>	Meeting with General Manager Timaru District Holdings Limited Attended Canterbury Mayoral Forum meeting with Waka Kotahi Attended LGNZ Three Waters Meeting
<i>10 August 2021</i>	Attended Citizenship Ceremony Attended Council Meeting
<i>11 August 2021</i>	Meeting with Board Chairman and Chief Executive Venture Timaru District Meeting with Christchurch City Council Mayor and Chief Executive Officer Te Rūnanga o Ngāi Tahu
<i>12 August 2021</i>	Attended workshop on Public Liability and Professional Indemnity Insurance Meeting with representatives of South Canterbury Chamber of Commerce Meeting with Chief Executive Prime Port Timaru
<i>13 August 2021</i>	Meeting with General Manager Arowhenua Marae
<i>16 August 2021</i>	Meeting with South Canterbury Chamber of Commerce Board Attended South Canterbury Drama League Board Meeting

<i>17 August 2021</i>	Attended Council Workshops
<i>19 August 2021</i>	Attended LGNZ Three Waters Meeting
<i>20 August 2021</i>	Attended Canterbury Mayoral Forum Meeting Attended meeting of the Canterbury Civil Defence Emergency Management Joint Committee
<i>23 August 2021</i>	Meeting with South Canterbury Regional Manager Environment Canterbury
<i>24 August 2021</i>	Attended Directors and Trustee Appointments Subcommittee Meeting
<i>26 August 2021</i>	Meeting with Chief Executive Venture Timaru District
<i>30 August 2021</i>	Meeting with representatives of South Canterbury District Health Board and South Canterbury Mayors Attended meeting of South Canterbury Community Water Scheme representatives Attended Department of Internal Affairs Three Waters Meeting
<i>31 August 2021</i>	Attended Standing Committee Meetings Attended Council Workshops
<i>2 September 2021</i>	Meeting with General Manager Timaru District Holdings Limited Attended LGNZ Three Waters Meeting
<i>3 September 2021</i>	Attended LGNZ Three Waters Meeting
<i>6 September 2021</i>	Meeting with Chief Executives from Ashburton, Mackenzie, Waimate and Waitaki District Councils and Regional Manager: South Canterbury Environment Canterbury
<i>7 September 2021</i>	Meeting with Chief Executive Taituarā Attended Council Workshops
<i>8 September 2021</i>	Attended meeting of South Canterbury Community Water Scheme representatives Attended LGNZ Three Waters Meeting

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

During Covid-19 Levels 3 and 4 meetings were held remotely by teleconference and videoconference.

## **Attachments**

**Nil**

## 9 Reports

### 9.1 Stimulus Fund Accountability and Extension Requests Received

**Author:** Courtney MacKenzie, Executive Assistant Commercial and Strategy  
Erik Barnes, Acting Group Manager Commercial and Strategy

**Authoriser:** Erik Barnes, Acting Group Manager Commercial and Strategy

#### Recommendation

That Council:

1. Receives and notes the Accountability Form from applicants of completed projects from the 2020/21 Timaru District Council Stimulus Fund; and
2. Approves the request for extensions for the noted applicants, including any conditions; and/or
3. Declines the requests for extensions for the noted applicants, noting rationale for each applicant.

#### Purpose of Report

- 1 To advise Council of accountability forms received for the Timaru District Council Stimulus Fund Grant approved by Council on September 2020.
- 2 To advise Council of applications of extensions received and seek approval or not for extension requests.

#### Assessment of Significance

- 3 The decision to establish the \$2 million Stimulus Fund was considered of medium to high significance and consulted on as part of the Annual Plan 2020/21 community engagement.
- 4 The decisions related to distribution of the Fund are considered of low significance in terms of Council's Significance and Engagement Policy.
- 5 The decisions related to extending time frames in this report are considered of low significance in terms of Council's Significance and Engagement Policy. This assessment is based on the assessment criteria with specific focus on impact on the number of people affected, the degree that people may be impacted, community interest, financing and rating impact, and impact on wellbeing.

#### Background

- 6 Given the challenges facing the district as a result of the COVID-19 pandemic, Council decided to establish a fund to support and boost the Timaru District economy and community wellbeing.
- 7 On the 23 June 2020, Council met to consider submissions received on the Annual Plan. In relation to the Stimulus Fund, Council's discussion centred on the Fund's objectives, size and the application process.

- 8 Council made the following decision at that meeting:
- “That Council confirms the creation of proposed Stimulus Fund of \$2M. \$150,000 of the fund to be administered by Aoraki Tourism/Aoraki Development for community-wide events applications and the remaining \$1,850,000 to remain in the Stimulus Fund with parameters to be set in place.”
- 9 The Annual Plan 2020/21 was formally adopted on 30 June 2020.
- 10 Council discussed the Fund objectives, criteria and options for application and distribution processes at a meeting on 21 July 2020, resolving:
- “That Council approves the COVID-19 Stimulus Fund objectives and criteria and agrees on option two for the application and distribution process.”
- 11 All grants were made in the form of a pledge subject to conditions of the funding agreement being met.
- 12 Council considered the distribution of funds for the COVID-19 Stimulus Fund (the Fund) on 1 September 2020.
- 13 Council reviewed the applications and approved in principle the applications to be supported to the next stage on 1 September 2020. For stage two Council discussed the process to allocate funds across the supported applicants to provide fairness. The total funding requested from the supported applications was \$2.043M and the available funding was \$1.85M.
- 14 The Options considered in assessing the applications included:
- Option 1: Reducing all supported applications by a pro rata amount (approx. 10%) for proportional allocation equally across all applicants.
- Option 2: Determining whether there is a partial allocation for some and giving full allocation to other projects.
- 15 Council agreed to Option 1 (pro-rata allocation) across all supported applicants.
- 16 Council approved the Applicant Funding Agreement as presented, and delegates authority to the Mayor and Chief Executive to amend any Applicant Funding Agreement to include any specific conditions relating to the provision of funding; and Where specific conditions are applied to an Applicant Funding Agreement, the Mayor and Chief Executive have delegated authority to decide if the conditions have been satisfactorily met. Any conditions determined by Council in relation to the approval of funding will be included in the Funding Agreement with the applicant. Resolution 2020/55 1 September 2020.
- 17 Council advised should an extension be requested and the applicant is not able to meet the funding agreement, this will be brought back to Council. Resolution 2020/56 1 September 2020.

### Discussion

- 18 Successful applicants of the Timaru District Council Stimulus Fund Grant complete an Accountability Form within two months of a projects completion, or ten months after the Grant has been approved.
- 19 The table attached includes details from completed projects and lists the applicants applying for extensions.

**Options and Preferred Option**

- 20 Council to consider and provide an extension to allow those applicants to complete their projects.
- 21 Council to consider and decline an extension to identified applicant(s), noting rationale for declining the application.

**Consultation**

- 22 Consultation on the COVID-19 Stimulus Fund occurred as part of the Annual Plan 2020/21 development.

**Relevant Legislation, Council Policy and Plans**

- 23 **Annual Plan 2020/21:** Following community consultation, Council approved the creation of the \$2 million Stimulus Fund. It was resolved that \$150,000 of the Fund would be administered by Aoraki Development (now trading as Venture Timaru) for community-wide events and the remaining \$1,850,000 to remain in the Stimulus Fund with parameters to be set in place.
- 24 **Donations and Loans Policy:** This policy outlines how Council will manage applications for Community funding. The Stimulus Fund is not governed by this policy. Council approved a discrete set of objectives and criteria for the Stimulus Fund at the 21 July Council Meeting.

**Financial and Funding Implications**

- 25 There are no financial implications with providing an extension.

**Other Considerations**

- 26 None

**Attachments**

- 1. **Timaru District Council Stimulus Fund Schedule as at September 2021**  

Completed Projects		
Applicant	Amount Received and Spent	Project
South Canterbury Car Club Inc	\$62,096.00	<b>Levels Raceway Resealing Project</b> 9500m2 of new “racepave” hotmix was laid by Fulton Hogan. Invoices and photos received. The South Canterbury Car Club thanks Timaru District Council for the assistance towards this project.
Lions Club of Timaru Suburban	\$73,658.00	<b>South Canterbury Bike Park Skills</b> The Timaru District Council Stimulus Fund enabled the Timaru Suburban Lions South Canterbury Bike Skills Park to have sufficient funding to complete the roading component of the project. Although this project is not complete, the Stimulus Fund was used towards the Fulton Hogan invoices for materials and labour. Invoices and photos received. The Timaru Suburban Lions South Canterbury Bike Skills Park team thank the Timaru District Council for assistance with this project. When the project is complete there will be a “wall” displaying all Sponsors who contributed to the project.
South Canterbury Traction Engine & Transport Museum	\$117,706.00	<b>New Classic Truck &amp; Vintage Tractor Building</b> The Timaru District Council Stimulus Fund Grant was spent on the new 70m x 20m Truck Museum Building located at 33 Brosnan Road, RD 5, Timaru.  Invoices and photos received. The South Canterbury Traction Engine & Transport Museum Inc thank Timaru District Council for making this project possible.
Temuka and Geraldine Agricultural & Pastoral Association	\$11,987.00	<b>Re-roofing of the main building at the Winchester Domain/Showgrounds.</b> The Timaru District Council Stimulus Fund Grant was spent on the re-roofing project at the Winchester Domain. The entire funds were spent. Invoices and photos received. Temuka & Geraldine A&P Association Inc thanks The Timaru District Council for the assistance with this project. The Council has been acknowledged in Newspaper articles, a sponsor board and will be acknowledged in the Presidents opening address at the 2022 A&P Show. Unfortunately due to Covid19 restrictions this could not happen in 2021.

Extensions Requested				
Applicant	Amount	Spend Date	to Extended Amount	Project
Fraser Park Community Trust	\$905,433.00	0.00	\$905,433.00	<b>Redevelopment of Alpine Energy Stadium</b> The NZ Lotteries Community and Facilities Funding was confirmed in June. Following this, the Board have confirmed construction to begin in October 2021. The amount of \$905,433.00 is currently held in a Fraser Park Community Trust account and will be used for the first progress payment to The Rooney Group Ltd. An extension is requested for the Accountability to Timaru District Council for the Stimulus Fund Grant.
Temuka District Projects Trust	\$16,524.00	\$14,524.00	\$2,000.00	<b>Temuka Projects</b> Swimming Pool Mural – Extension requested for this project as painting will not be able to commence until later in the year when weather is more suitable for exterior painting. Town Story Boards – Extension requested as some of the processes and consultation through Council have been slow, final installation time falls outside of the timeframe. The \$2000.00 allocated for this project has been spent and invoice received. Note: Disc Golf – Project complete. Timaru District Council will be recognised within signage at the Disc Golf venue. Invoices received. Temuka Dog Park – Funds spent on fencing and other works. Invoices received. Community Garden – Funds spent and invoices received. Planter boxes have been completed with approx. 30 hours of volunteer labour and distributed to Arowhenua School, Opihi College, Winchester

				<p>Primary, Wallingford home, and Temuka Primary for their community gardens. Signage has been applied to each planter box identifying Timaru District Council Stimulus Fund and Temuka &amp; Districts Projects Trusts for these funds.</p> <p>From the \$16,524.00 received from the Timaru District Council Stimulus Fund, the total assets created is in excess of \$59,000 for the Temuka and wider community. To date Temuka District Projects Trust have been able to include a wide variety of ages, socio economic groups, and community groups who will benefit from this Fund. Timaru District Projects Trust thanks Timaru District Council very much for the support.</p>
Central South Island Cycle Trails Inc	\$226,358.00	\$91,000.00 approx	\$135,358.00 approx	<p><b>Cycle Trail – Stage 1: Timaru to Cave</b></p> <p>To date the project has been funded using NZTA and Timaru District Council money. The floods of June 2021 have caused delays for the Contractor Paul Smith Earthworks and the construction program. The remaining Timaru District Council Stimulus Fund Grant money will be spent in September and October 2021 on the three bridges. An extension is requested for the Accountability to Timaru District Council.</p>
C-Play Timaru	\$77,867.00	\$77,867.00	0.00	<p><b>C-Play Timaru</b></p> <p>Extension requested as the project is still on-going. Moving in the right direction as Council is now a co-founder of the project, with a Joint Steering Committee set up to oversee the project.</p>
Tennis South Canterbury Inc	\$158,451.00	0.00	\$158,451.00	<p><b>Tennis South Canterbury Court Resurfacing</b></p> <p>Tennis South Canterbury are very grateful and appreciative of Timaru District Council for receiving the Timaru District Council Stimulus Fund Grant. The Grant will be used for the Resurfacing Project at Trust Aoraki Tennis Centre, which will be a full facility renewal of their 14 courts and surrounding infrastructure.</p>

				<p>Unfortunately, due to lengthy delays with Contractors, the project has not yet commenced. Mainly due to Contractor prior commitments and weather conditions.</p> <p>Discussions with Fulton Hogan over recent months have locked in a definitive timeline for the project to commence. Tennis South Canterbury Inc have advised they have a formal agreement with Fulton Hogan to commence works in later December 2021.</p> <p>In reference to Grant Funds and the new timeline in mind, Tennis South Canterbury respectfully request an extension of Accountability for this new extended project timeframe.</p>
Geraldine Combined Sports Incorporated (GCS)	\$199,920.00	0.00	\$199,920.00	<p><b>Geraldine Domain Development</b></p> <p>GCS had to wait until the outcome of their Lottery Community Facilities Application which was in May. A Lotteries requirement was that no part of the project commenced prior to funding being received. They achieved their total project target, but during the time lag there have been cost increases resulting in a small shortfall. They were about to commence community fundraising before lockdown. The shortfall won't delay the project from commencing. CGS have reviewed all costings, ordered the turf carpet and are engaging with other suppliers and contractors. Request a further 6 months extension.</p>

## 9.2 Director and Trustee Appointment Committee Membership

**Author:** Erik Barnes, Acting Group Manager Commercial and Strategy

**Authoriser:** Bede Carran, Chief Executive

### Recommendation

1. That the Director and Trustee Appointment Committee be increased in membership from three to four members.
2. That Council delegate authority to the Chair to appoint a replacement member or members to the Director and Trustee Appointment Committee in the event of a sitting member or members being unavailable.

### Purpose of Report

- 1 To increase the size of the Director and Trustee Appointment Subcommittee from three to four members and provide the Chair with the delegated authority to appoint a replacement member or members to the Director and Trustee Appointment Subcommittee in the event of a sitting member or members being unavailable.

### Assessment of Significance

- 2 The content contained in this report has been assessed as of low significance in accordance with Councils Significance and Engagement Policy. This assessment is based on the assessment criteria with specific focus on impact on the number of people affected, the degree that people may be impacted, community interest, financing and rating impact, and impact on wellbeing. Providing delegated authority to the Chair to appoint an additional Committee member will have low significance and can be easily reversed by Council if desired.

### Background

- 3 The Director and Trustee Appointment Subcommittee was established by Council at its inaugural meeting on 31 October 2019. The original details of Committees, membership, quorum and delegations as resolved on 31 October 2019 are outlined in Attachment 1.
- 4 The Director and Trustee Appointment Committee convenes on an as needed basis.
- 5 As a result of the small membership of the Committee, the unavailability of one or more members can challenge the Committee in terms of delivering on its identified duties, especially in the instance where the members are also required to sit on interview panels.
- 6 Currently replacement of Elected Members on the Committee requires a Council resolution.
- 7 It is proposed that the committee size is increased and that the Chair is delegated authority to appoint a replacement member or members to the Committee in the event of a sitting member or members being unavailable, eg due to a conflict or a perceived conflict of interest.
- 8 It is noted that this authority will endure for the remainder of the current Council term. Each situation where a replacement member(s) is appointed will only be temporary and endure only for the time required for the Committee to complete the director or trustee appointment that led to the Committee meeting(s) being called.

**Discussion**

- 9 The appointment of Directors and Trustees is often a time sensitive process that requires coordination with external parties and schedules. The ability of the Committee to be called and convene in a timely and efficient fashion greatly improves the effectiveness of the Committees role in making its recommendations to Council.
- 10 For clarity, in accordance with the original delegation, the role of the Committee is to make a recommendation to Council and it remains Council's decision as to the appointment of Directors and Trustees.
- 11 It is noted that the timing of this delegation is intended to be used to appoint an additional member to the Director and Trustee Appointment Committee for the current TDHL Director appointment.

**Options and Preferred Option**

- 12 Resolve that the Committee be increased in size from three to four members and that the Chair be delegated the authority to appoint a replacement Director and Trustee Appointment Committee member(s) in the event of a sitting member or members being unavailable. This is the preferred option.
- 13 Do nothing. This will result in Council retaining the authority to appoint replacement members and potential delays with director and trustee appointments.

**Relevant Legislation, Council Policy and Plans**

- 14 Local Government Act 2002
- 15 Director and Trustee Appointment Committee

**Attachments**

- 1. **Annexure A: Director and Trustee Appointment Committee Current and Proposed Delegations**

**Annexure A****Current Delegations: Director and Trustee Appointment Committee**

<b>Type of Committee</b>	Council Committee
<b>Subordinate to</b>	Council
<b>Subordinate Committees</b>	None
<b>Legislative basis</b>	Committee established pursuant to s41A or clause 30 of Schedule 7 of the Local Government Act 2002  Committee delegated powers by Council pursuant to clause 32 of Schedule 7 of the Local Government Act 2002
<b>Membership</b>	The Mayor, Deputy Mayor, Chairperson Commercial and Strategy Committee.
<b>Quorum</b>	Two
<b>Delegations</b>	Council delegates to the Director and Trustee Appointment Subcommittee all of the duties and decision-making powers within the following areas of responsibility:  Delegated authority to conduct the process for new director and trustee appointments in accordance with the Council Director Appointment and Remuneration Policy, and provide a recommendation to Council.

The following are the proposed delegations for the Committee, with additions highlighted in red.

**Proposed Delegations: Director and Trustee Appointment Committee**

<b>Type of Committee</b>	Council Committee
<b>Subordinate to</b>	Council
<b>Subordinate Committees</b>	None
<b>Legislative basis</b>	Committee established pursuant to s41A or clause 30 of Schedule 7 of the Local Government Act 2002  Committee delegated powers by Council pursuant to clause 32 of Schedule 7 of the Local Government Act 2002
<b>Membership</b>	The Mayor, Deputy Mayor, Chairperson Commercial and Strategy Committee and one additional Councillor.
<b>Quorum</b>	Two
<b>Delegations</b>	Council delegates to the Director and Trustee Appointment Subcommittee all of the duties and decision-making powers within the following areas of responsibility:  Delegated authority to conduct the process for new director and trustee appointments in accordance with the Council Director Appointment and Remuneration Policy, and provide a recommendation to Council.  That the Chair has Delegated Authority to appoint a replacement member(s) should any of the sitting member(s) of the Committee be unavailable for an appointment process.

### 9.3 Tenders and Procurement Committee Delegations

**Author:** Nicole Timney, Manager of Property Services and Client Representative

**Authoriser:** Erik Barnes, Acting Group Manager Commercial and Strategy

#### Recommendation

1. That the Tenders and Procurement Committee delegations be adjusted as outlined:
  - i. Membership: For carrying out Delegation 2 below, the membership is the Mayor as Chairperson and all Elected Members.
  - ii. Delegation 2: Delegated authority for the Theatre Royale and Heritage Facility Project until the point in time when the main contract is signed, to accept tenders and contracts exceeding \$750,000, and approve changes to the scope of work, cost or the procurement plan, provided the cost remains within Council's overall budget.

#### Purpose of Report

- 1 To revise the existing membership and delegations of the Tenders and Procurement Committee to enable all Council Members to be involved in tenders decision-making relating to the Theatre Royal and Heritage Facility project.

#### Assessment of Significance

- 2 The content contained in this report has been assessed as of low significance in accordance with Councils Significance and Engagement Policy. This assessment is based on the assessment criteria with specific focus on impact on the number of people affected, the degree that people may be impacted, community interest, financing and rating impact, and impact on wellbeing. Providing these changes to membership and delegated authority has low significance and can be easily reversed by Council if desired.

#### Background

- 3 The Tenders and Procurement Committee was established by Council at its inaugural meeting on 31 October 2019.
- 4 The Tenders and Procurement Committee convenes on an as needed basis. Due to commercial sensitivity, most items are held in public excluded, and the outcomes of the deliberations released after the meeting has concluded.
- 5 Currently changes to delegations on the Committee requires a Council resolution.

#### Discussion

- 6 It is proposed that the Committee delegations are adjusted to enable all Councillors to be involved in decision-making relating to the Theatre Royal and Heritage Facility project, as outlined in attachment 1.
- 7 Meetings of the Tenders and Procurement Committee are often time sensitive processes. The Tenders and Procurement Committee enables Council to efficiently and effectively enact procurement processes and decisions. The Committee allows for the ability to be agile and

can quickly hold meetings outside of normal Standing Committee and Council meeting timelines.

- 8 The Theatre Royal and Heritage Facility project is of particular significance to the community and elected members have expressed an interest in being involved in the process. The recommended change in delegations enables Council to continue to participate in the Theatre Royal and Heritage Facility procurement processes while still ensuring decisions can be made in an efficient and effective manner.
- 9 For clarity, in accordance with the original delegation, the Committee is subordinate to Council.

### **Options and Preferred Option**

- 10 Resolve that the Committee delegations are adjusted as per the attachment with a separate membership and delegation focused on the Theatre Royal project. This is the preferred option.
- 11 Do nothing. This will result in the existing Committee membership retaining the authority to make decisions to be reported to the Council.

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

- 12 Local Government Act 2002
- 13 Tenders and Procurement Committee

### **Attachments**

1. **Tenders and Procurement Committee (004) (003)(2)** [!\[\]\(e7c383ef974c103d53089674c9218ce0\_img.jpg\)](#) 

Name of Committee      Tenders and Procurement Committee	
<b>Type of Committee</b>	Council Committee
<b>Subordinate to</b>	Council
<b>Subordinate Committees</b>	None
<b>Legislative basis</b>	Committee established pursuant to clause 30 and 31 of Schedule 7 of the Local Government Act 2002 Committee delegated powers by Council pursuant to clause 32 of Schedule 7 of the Local Government Act 2002
<b>Membership</b>	For carrying out Delegation 1 below, the membership of the committee is the Mayor as Chairperson, Chairperson Commercial and Strategy Committee, Chairperson of the appropriate Standing Committee whose work is being tendered or the Deputy Chairperson of the Commercial and Strategy Committee if work is in this area, Chairperson of the Environmental Services Committee (or their respective deputies)  For carrying out Delegation 2 below, the membership is the Mayor as Chairperson and all Elected Members.
<b>Quorum</b>	The quorum for both Delegations is two (altered 23/3/20 Ccl meeting)
<b>Delegations</b>	Council delegates to the Tenders and Procurement Committee all of the duties and decision-making powers within the following areas of responsibility:  Delegation 1 - Delegated authority to accept tenders and contracts for items approved in the Council's Budget exceeding \$750,000.  Delegation 2 – Delegated authority for the Theatre Royale and Heritage Facility Project until the point in time when the main contract is signed, to accept tenders and contracts exceeding \$750,000, and approve changes to the scope of work, cost or the procurement plan, provided the cost remains within Council's overall budget.

#### 9.4 TDHL Director Skills Matrix

**Author:** Erik Barnes, Acting Group Manager Commercial and Strategy

**Authoriser:** Bede Carran, Chief Executive

##### **Recommendation**

That Council approves the Skills Matrix to be used to identify appropriate candidates for the Timaru District Holdings Limited Director position.

##### **Purpose of Report**

- 1 To confirm, or otherwise, the recommendations from the Directors and Trustees Selection Subcommittee on the skills matrix to be used for the Timaru District Holdings Limited Director position.

##### **Assessment of Significance**

- 2 The content contained in this report has been assessed as of low significance in accordance with Councils Significance and Engagement Policy. This assessment is based on the assessment criteria with specific focus on impact on the number of people affected, the degree that people may be impacted, community interest, financing and rating impact, and impact on wellbeing. Adoption of the Timaru District Holding Limited Skills Matrix will have low impact on people with no adverse impact on wellbeing or financial impact on rates.

##### **Background**

- 3 The MartinJenkins' Timaru District Holdings Limited review undertaken by Council resulted in several procedural and governance changes to Timaru District Holdings Limited. These include: the Timaru District Holdings Limited Board Director Appointment Process and the Board Competency Framework adopted by Council on 9 June 2020; and the Timaru District Holdings Limited Constitutional amendments adopted on 21 July 2020.
- 4 The approved Timaru District Holdings Limited Board Director Appointment Process sets out the process that Councils' Director and Trustee Selection Subcommittee follows when undertaking an appointment.
- 5 In accordance with this document, the Directors and Trustees Selection Subcommittee have met and formulated a skills matrix (attached). This matrix identifies the priority competencies that are sought for the vacant Director position.
- 6 The Subcommittee has developed and recommends the skills matrix be approved by Council.

##### **Discussion**

- 7 The broader Board and Director competencies are outlined in the Timaru District Holdings Limited Board Competency Framework (attached). It lists the desired skills, competencies and experience, inclusive of an explanation. It is reviewed every time a new Director is to be appointed, to ensure requirements are kept up to date.

- 8 The framework is identical with the skills matrix approved by Council on 1 September 2020 and based on a combination of wider Directorship requirements and specific Timaru District Holdings Limited needs; in consultation with the Institute of Directors New Zealand (IoD).

### **Options and Preferred Option**

- 9 That Council approves the skills matrix from the Directors and Trustees Selection Subcommittee. This is the preferred option.
- 10 If Council would like to alter the skills matrix then it provide clear direction on this.

### **Consultation**

- 11 In accordance with Timaru District Holdings Limited Appointment Process (attached), the Timaru District Holdings Limited Chairperson has been consulted.

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

- 12 Local Government Act 2002
- 13 Companies Act 1993
- 14 Timaru District Holdings Limited Constitution
- 15 Timaru District Council and Timaru District Holdings Limited Roles and Responsibilities Policy
- 16 Timaru District Holdings Limited Competency Framework
- 17 Timaru District Holdings Limited Board Appointment Process







### **Financial and Funding Implications**

- 18 Director search costs can be accommodated within existing TDC budgets.
- 19 Other than the costs relating to the appointment process, there are no funding implications for TDC as TDHL Director fees are funded from within TDHL budgets.

### **Other Considerations**

- 20 Not applicable.

### **Attachments**

1. Timaru District Holdings Limited - Skills Matrix 2021  
2. Timaru District Holdings Limited Board Appointments Process  
3. Timaru District Holdings Limited Board Competency Framework  

**ATTACHMENT 1: TDHL - SKILLS MATRIX 2021**

		<<name>>	<<name>>	<<name>>
<b>DESIRED SKILLS AND EXPERIENCE</b>				
Corporate or other Governance experience	(a) Proven corporate or other governance experience. (at least 5 years' experience as a director or trustee with an organisation of substance).			
	(b) At least 10 years business experience with preferably at least five years in a managerial, executive leadership or ownership role.			
Strategy and Planning	Ability to think strategically; identify and critically assess strategic opportunities and risks. Experience that would support effective strategies in the context of the strategic objectives of TDHL and TDC			
Risk and Compliance	Ability to identify key risks to TDHL and Timaru District Council in a wide range of areas including financial, legal and regulatory compliance.			
Financial literacy and performance	Ability to demonstrate they possess strong financial and commercial acumen including the ability to: <ul style="list-style-type: none"> <li>- analyse key financial statements</li> <li>- critically assess financial viability and performance</li> <li>- oversee budgets and the efficient use of resources</li> <li>- oversee investment arrangements and accountability</li> </ul>			
Legal expertise	An understanding of legal and accounting financial reporting standards and of accounting principles and practice			
IT/digital/cyber	An understanding of information technology, cyber security and the digital economy			
Other relevant Sector skills/experience etc, eg infrastructure, RMA,	Experience in one or more of the following industries: local government, infrastructure, logistics, engineering, services, import/export, and property			
Treaty of Waitangi	An understanding of the principles of the Treaty of Waitangi including the obligations of Councils under the Local Government Act 2002.			
Community Engagement	Understanding of, and connections with, the interests and need of Timaru District communities, including the ability to effectively engage and communicate with key stakeholders.			
Key Competencies	(a) The ability and intelligence to make sensible, astute, business decisions and recommendations based on reasonable assumptions and factual information, including the ability to deal with uncertainty, risk, incomplete information and complexity, both in the present and reaching out several years.			
	(b) The ability to "stand above the level of the problem".			
	(c) The ability to see the overall strengths and weaknesses of the company, the manner in which they are driven and the impact of the board's decisions and other influences upon them.			
	(d) The ability to probe the facts, challenge assumptions, identify the advantages or drawbacks of proposals, provide counter-arguments and ensure discussions are penetrating and constructive.			
	(e) The ability to work harmoniously within a group, to recognise and value the contributions of other board members in a diplomatic manner, and to support and accept majority board decisions.			
Personal Characteristics	(a) A high level of emotional intelligence.			
	(b) A reputation for trustworthiness and integrity			
	(c) Capacity to commit sufficient time to the role.			
	(d) No conflict of interest (either perceived or real)			
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>

Ratings: 1=Limited skills and experience - 5=Strong skills and experience

## Timaru District Holdings Limited

### Director Appointments Process

#### Purpose of this document

This document sets out at a high level the process for the appointment of Directors to Timaru District Holdings Limited. The process is consistent with State Services Commission Board appointment and induction guidelines, and AOG guidance on governance and accountability of Council Controlled Organisations (CCOs).

#### Background

##### Purpose of TDHL

Timaru District Holdings Limited (TDHL) is a CCO as defined by Section 6 of the Local Government Act 2002. TDHL was established in 1997 to hold the commercial assets of Timaru District Council (TDC) as its shareholder. The objective of TDHL is to provide strong commercial oversight on behalf of TDC, in respect of the governance of companies providing economic and community benefit.

##### Legislative requirements

Under the Local Government Act 2002, "...a local authority may appoint a person to be a director of a council organisation if the person has, in the opinion of the local authority, the skills, knowledge or experience to (a) guide the organisation given the nature and scope of its activities; and (b) contribute to the achievement of the objectives of the organisation."

##### TDHL Constitutional provisions

TDHL has an independent Chair and at least two and up to six Board members, one of whom is appointed as Deputy Chair. The Mayor cannot be a member of the Board.

Directors should be an equal number of independent and elected members, with a view to transitioning to more independent than elected members over time. The Board can comprise a greater number of independent Directors if the required skills and experience are not available from among elected members. The Chair has a casting vote on the Board. Only independent Board members are appointed as a Director of a subsidiary company.

TDC makes all Director appointments. Appointments are for up to three years, and are renewable for a maximum of three terms. One third, and if not divisible into a whole number then the nearest whole number, of Directors retire from office at the annual meeting of the Shareholders, and retirees are those who have been longest in office.

Those who retire are eligible for reappointment. Elected members who are not re-elected to office can continue their role until TDC replaces them, or removes them from the Board.

All appointments are made on merit. The independent and elected member candidates are subject to the same selection criteria, which reflect the requirements set out in the Board competency framework.

## Principles underpinning the appointments process

Three principles guide this appointments process, based on international good practice:

- *Merit: providing a choice of high-quality candidates whose skills, experience and qualities have been judged to best meet the needs of public office.*
- *Fairness: selection processes that are objective, impartial and consistently applied to all candidates.*
- *Openness: information about the requirements of the post and the selection process must be publicly available.*

These principles are met in large part by separating the judgement of merit of candidates from the final decision to appoint. This means that intermediary judgments about merit do not influence the final appointment decision.

## Appointments process

The appointments process has been designed to be consistent with the principles above. In particular, it establishes a selection panel which identifies more suitable candidates than vacancies for consideration by a Council committee, which makes recommendations to Council as the appointing body. The Mayor is not a member of the selection panel.

The key steps are set out below, and illustrated in the diagram at Appendix A.

1. Council agrees or refines a Board competency framework which comprises the individual and collective competencies, skills and knowledge required of the Board members to deliver their objectives.
2. Council's Director and Trustee Appointments Committee (the Committee) is responsible for executing the appointments process. The Committee is chaired by the Mayor and can co-opt a suitably qualified independent member.
3. The Committee, in consultation with the TDHL Board Chair (or Deputy Chair if the Chair is seeking reappointment), determines the vacancies for each recruitment round, and identifies the skill sets sought either to address gaps in the collective board skills, competencies and knowledge, or to assist succession planning. The Committee also confirms the appointments process, including the selection criteria, and appoints a search company. The search company's role in the appointments process is to undertake the candidate search, due-diligence,

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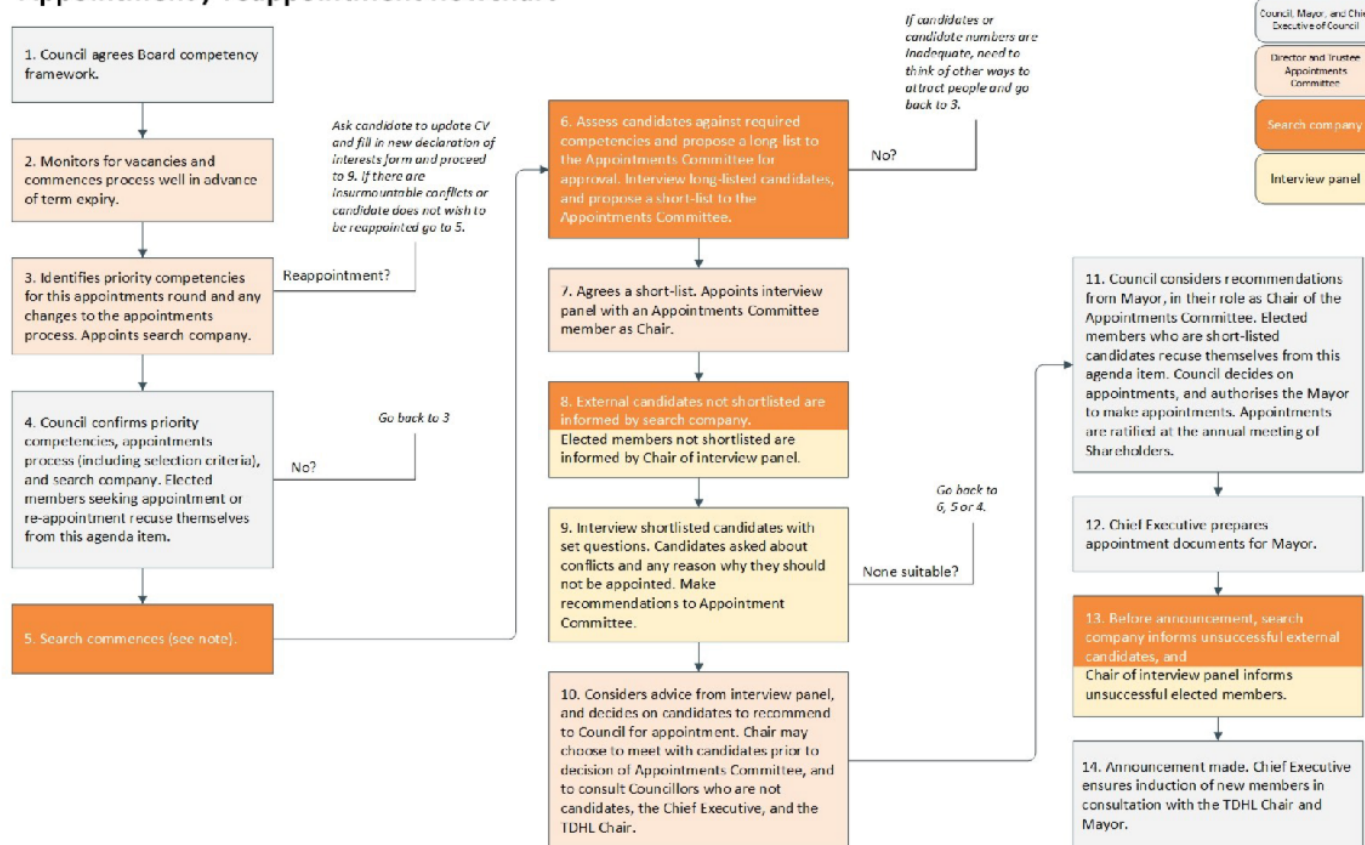
screening and long-listing, and to provide good practice advice and guidance to the Committee.

4. The priority competencies for each appointment round, and the selection criteria, are approved by Council. Elected member seeking appointment or re-appointment recuse themselves from this agenda item.
5. A variety of methods are then used by the search company to find suitable candidates, including advertising and search.
6. The search company assesses all applications against the selection criteria, and recommends a long-list to the Committee. The Committee agrees a long-list, and the search company then interviews each long-listed candidate. The search company then proposes a short-list of candidates to the Committee, ideally with more candidates than the number of vacancies.
7. The Committee agrees a recommended short-list and appoints a panel to interview the candidates. The panel comprises up to two Committee members (one of whom is appointed Chair), the TDHL Board Chair and an independent industry specialist. If the TDHL Board Chair is seeking re-appointment, the Mayor will appoint another Director to the interview panel. The Mayor is not a member of the interview panel.
8. External candidates not shortlisted are informed by the search company. Elected members not shortlisted are informed by Chair of interview panel.
9. The panel interviews the short-listed candidates using questions to assess the candidates against the selection criteria, including on actual or perceived conflicts of interest, and recommends a ranking of candidates to the Committee. The search company does not take part in the interviews of short-listed candidates, but may attend the interviews as an advisor.
10. The Committee considers the advice from the interview panel and agrees candidate(s) to recommend to Council for appointment. The Committee Chair may choose to meet with candidate(s) prior to decision of the Committee, and to consult Councillors who are not candidates, the Chief Executive, or the TDHL Chair.
11. Council considers recommendations from Mayor, in her/his role as Chair of Appointments Committee. Councillors who are short-listed candidates recuse themselves from this agenda item. Council decides on appointments, and authorises the Mayor to make the appointments on its behalf. Appointments are ratified at the annual meeting of Shareholders.
12. The Chief Executive prepares the appointment documents for the Mayor.

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13. Before a public announcement, the search company informs unsuccessful short-listed external candidates, and the Chair of the interview panel informs unsuccessful short-listed elected members.
  14. The Chief Executive ensures the induction of new members in consultation with the TDHL Chair and Mayor.

## Appendix A

### Appointment / reappointment flowchart



# Timaru District Holdings Limited

## Board competency framework

Last updated: June 2020

### Purpose of this document

This Board competency framework is designed to ensure Board of Timaru District Holdings Limited (TDHL) consists of individual Directors with a balance of skills and experience to oversee TDHL, achieve its strategic objectives, and deliver value to Timaru District Council (TDC) and its communities.

The competency framework will be used to guide and support:

- an annual self-evaluation by the TDHL Board, and informal assessments between the Chair and individual Directors
- identification of gaps in the required skills and experience on the Board, to inform recruitment and professional development plans.

### Background

#### Purpose of TDHL

Timaru District Holdings Limited (TDHL) is a council-controlled organisation as defined by Section 6 of the Local Government Act 2002. TDHL was established in 1997 to hold the commercial assets of Timaru District Council (TDC) as its shareholder. The objective of TDHL is to provide strong commercial oversight on behalf of TDC, in respect of the governance of companies providing economic and community benefit.

#### Legislative requirements

Under the Local Government Act 2002, "...a local authority may appoint a person to be a director of a council organisation if the person has, in the opinion of the local authority, the skills, knowledge or experience to (a) guide the organisation given the nature and scope of its activities; and (b) contribute to the achievement of the objectives of the organisation."

#### TDHL Constitutional provisions

TDHL has an independent Chair and at least two and up to six Board members, one of whom is appointed as Deputy Chair. The Mayor cannot be a member of the Board.

Directors should be an equal number of independent and elected members, with a view to transitioning to more independent than elected members over time. The Board can comprise a greater number of independent Directors if the required skills and experience are not available from among elected members. The Chair has a casting



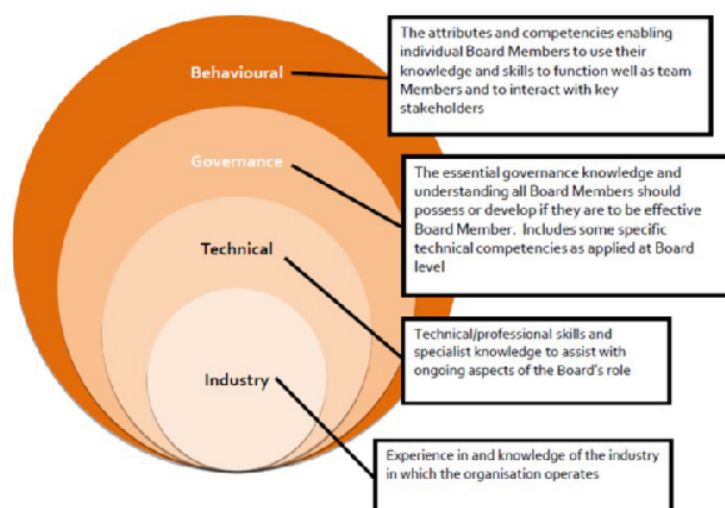
vote on the Board. Only independent Board members are appointed as a Director of a subsidiary company.

TDC makes all Director appointments. Appointments are for up to three years, and are renewable for a maximum of three terms. One third, and if not divisible into a whole number then the nearest whole number, of Directors retire from office at the annual meeting of the Shareholders, and retirees are those who have been longest in office. Those who retire are eligible for reappointment. Elected members who are not re-elected to office can continue their role until TDC replaces them, or removes them from the Board.

All appointments are made on merit, and the independent and elected members are subject to the same selection criteria, reflecting the specifications in this Board competency framework.

## Principles underpinning the competency framework

The framework below, based on international good practice, has been used to guide the competency framework:



Source: GC Kiel et al., 2012, *Directors at work: a practical guide for boards*, Sydney: Thomson Reuters.

Competencies are categorised in two parts:

### Core competencies

Core competencies are the behavioural and governance competencies that are required of every board member. They are personal attributes or qualities, and set the minimum standard for board members.

**In performance assessments:** for individual Directors, professional development can be provided where any potential to strengthen these competencies is identified.

**In recruitment:** only candidates who hold these competencies should be considered as a potential board member.

### Collective competencies

These are technical and industry related competencies which should be held by the collective skills and experience of the Board members. However, it is not necessary for every Board member to hold every competency.

**In performance assessments:** the annual Board evaluation will assess the Board's collective strength in these competencies. This may identify professional development requirements for the Board as a whole, and skills or experience gaps on the board.

**In recruitment:** search and appointment processes will seek to fill any gaps or weaknesses identified in the collective skills and experience of the Board. In assessing a candidate's suitability, the collective competencies should only be considered after it has been confirmed that the candidate holds the core competencies.

### Chair competencies

In addition to holding the core competencies and at least one of the collective competencies, the Chair must possess additional competencies that are required to lead the board effectively. These competencies will guide the recruitment and the performance assessment of the TDHL Chair.

### Competency framework review

The competency framework will be reviewed annually by TDC in consultation with TDHL to ensure that the composition of skills and experience on the Board remain aligned with TDHL's purpose and strategic objectives.

## TDHL Board competency framework

### Core competencies

To be held by all Directors

Attributes	Description
Integrity	<p>A commitment to:</p> <ul style="list-style-type: none"> <li>Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development</li> <li>Putting TDHL's and TDC's interests before any personal interests</li> <li>Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict</li> <li>Maintaining Board confidentiality at all times.</li> </ul>
Effective Communicator	<p>The ability to:</p> <ul style="list-style-type: none"> <li>Listen to, and constructively and appropriately debate, other people's viewpoints</li> <li>Develop and deliver cogent arguments.</li> </ul>
Constructive Questioner	The preparedness to ask questions and challenge peer Directors and Boards of subsidiary companies in a constructive and appropriate way about key issues.
Contributor and team player	The ability to work as part of a team, and demonstrate the passion and time to make a genuine and active contribution to TDHL.
Commitment	A visible commitment to the purpose for which TDHL has been established and operates, and its on-going success.
Critical and innovative thinker	The ability to critically analyse complex and detailed information, readily distil key issues, and develop innovative solutions to problems.

## Collective competencies

### To be held collectively by the Board

Competency	Description
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and risks. Experience to develop effective strategies in the context of the strategic objectives of TDHL and TDC.
Governance, Risk and Compliance	Experience in the application of governance principles in a commercial enterprise, public sector body or other entity.
	Ability to identify key risks to TDHL and TDC in a wide range of areas including financial, legal and regulatory compliance.
Financial Performance	Qualifications and experience in governing commercial investment, including to: <ul style="list-style-type: none"> <li>Analyse key financial statements</li> <li>Critically assess financial viability and performance</li> <li>Contribute to strategic financial planning</li> <li>Oversee budgets and the efficient use of resources</li> <li>Oversee investment arrangements and accountability.</li> </ul>
Business and commercial	Experience in, or understanding of, growing a successful commercial business
Community engagement	Understanding of, and connections with, the interests and needs of Timaru District communities, including the ability the ability to effectively engage and communicate with key stakeholders.
Treaty of Waitangi	An understanding of the principles of the Treaty of Waitangi including experience relevant to TDC's obligations under the Local Government Act 2002.

### Chair competencies

Competency	Description
Leader	Innate leadership skills, including the ability to: <ul style="list-style-type: none"><li>• Articulate and champion the strategic direction of TDHL</li><li>• Lead and manage Board meetings, ensuring the Board sets the right focus</li><li>• Set an appropriate Board culture, ensuring it works effectively as a team</li><li>• Take responsibility for decisions and actions.</li></ul>
Mentor	Experienced in and knowledgeable of good practice governance, with the ability to guide and support individual Directors, and the Board as a whole.
Relationship manager	Aptitude and capacity to engage effectively and constructively with TDC as TDHL's shareholder.

### Board evaluation table

This table should be completed for each individual Director prior to the annual Board evaluation. The results will inform the Board's discussion on its collective skill strengths and gaps.

Each Director should identify their top 3 or 4 skills, and grade them as follows:

(E) Expert – has strong knowledge of key concepts and principles and more than five years relevant experience

(P) Proficient – has a sound knowledge of key concepts and principles but less than three years relevant experience

(D) Developing – has a knowledge of key concepts and principles but limited direct or applied experience

Skill Area	Description							
		D1	D2	D3	D4	D5	D6	D7
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and risks. Experience to develop effective strategies in the context of the strategic objectives of TDHL and TDC.							
Governance, Risk and Compliance	Experience in the application of governance principles in a commercial enterprise, public sector body or other entity.							
	Ability to identify key risks to TDHL and TDC in a wide range of areas including financial, legal and regulatory compliance.							



Skill Area	Description							
		D1	D2	D3	D4	D5	D6	D7
Financial Performance	Qualifications and experience in governing commercial investment, including to: <ul style="list-style-type: none"> <li>Analyse key financial statements</li> <li>Critically assess financial viability and performance</li> <li>Contribute to strategic financial planning</li> <li>Oversee budgets and the efficient use of resources</li> <li>Oversee investment arrangements and accountability.</li> </ul>							
Business and commercial	Experience in, or understanding of, growing a successful commercial business.							
Community engagement	Understanding of, and connections with, the interests and needs of Timaru District communities, including the ability to effectively engage and communicate with key stakeholders.							
Treaty of Waitangi	An understanding of the principles of the Treaty of Waitangi including experience relevant to TDC's obligations under the Local Government Act 2002.							



## 9.5 Reporting of Council Controlled Organisations

**Author:** Erik Barnes, Acting Group Manager Commercial and Strategy

**Authoriser:** Bede Carran, Chief Executive

### Recommendation

That Council approves that Timaru District Holdings Limited and Venture Timaru report directly to full Council.

### Purpose of Report

- 1 For Council to consider amending the delegation such that Timaru District Holdings Limited and Venture Timaru report directly to full Council as opposed to the Commercial and Strategy Committee.

### Assessment of Significance

- 2 The content contained in this report has been assessed as of low significance in accordance with Councils Significance and Engagement Policy. This assessment is based on the assessment criteria with specific focus on impact on the number of people affected, the degree that people may be impacted, community interest, financing and rating impact, and impact on wellbeing. TDHLs changes to governance reporting will have low impact on people with no adverse impact on wellbeing or financial impact on rates.

### Background

- 3 Timaru District Holdings Limited (TDHL) and Venture Timaru (VT) are Council Controlled Organisations and are 100% owned by Council.
- 4 In accordance with the current delegations these organisations report via the Commercial and Strategy Committee (C&S). This arrangement is a historical arrangement when the Commercial and Strategy Committee separately managed the tourism and economic development functions. It was also structured this way when the Mayor was a Director on TDHL and it was operated from within Council.
- 5 The two organisations have continued to grow and develop through the years as noted in a recent review (Martin Jenkins review of TDHL) and with increased responsibilities (addition of tourism to Venture Timaru). As the organisations change it is also appropriate to review and adjust the governance structure to ensure it continues to be as effective as possible.
- 6 Council Controlled Organisations report quarterly as per their respective Statements of Intent.

### Discussion

- 7 To continue to enable the most effective governance structure it is recommended the reporting lines of Timaru District Holdings Limited and Venture Timaru changed to report directly to full Council.
- 8 Reporting directly to full Council would enable:

- i. Council to more effectively support the governance relationships with Timaru District Holdings Limited and Venture Timaru through the Mayor to CCO Chair relationship as opposed to the current Chair of Commercial and Strategy Committee to CCO Chair relationship.
- ii. Council to improve direct oversight and strategic direction for the CCO's.
- iii. Council to improve role definition and clarity for the Elected Members who are also CCO Directors.
- iv. Council to reduce inefficiencies for administration.

**Options and Preferred Option**

9 Council has the following options:

- i. Maintain the status quo by retaining the role of Commercial and Strategy Committee as being the reporting committee for Timaru District Holdings Limited and Venture Timaru.
- ii. Change the reporting so that Timaru District Holdings Limited and Venture Timaru report directly to full Council – this is the preferred option.

**Consultation**

10 Consultation has been undertaken with the Chairs', Boards and management of Timaru District Holdings Limited and Venture Timaru who are supportive of reporting to full Council.

**Relevant Legislation, Council Policy and Plans**

11 Local Government Act 2002

12 Timaru District Council committee delegations as set by Council

**Financial and Funding Implications**

13 There are no financial or funding implications from these proposed change in reporting lines.

**Other Considerations**

14 There are no other considerations.

**Attachments**

Nil

**10      Consideration of Urgent Business Items**

**11      Consideration of Minor Nature Matters**

**12      Public Forum Items Requiring Consideration**



**13 Exclusion of Public**

**13.1 New Zealand (Emissions) Units - Options to Acquire**

**13.2 TDHL Director Reappointment**

**13.3 Theatre Royal & Heritage Facility Project Option**

**Recommendation**

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<b>13.1 - New Zealand (Emissions) Units - Options to Acquire</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	Commercial sensitivity
<b>13.2 - TDHL Director Reappointment</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy
<b>13.3 - Theatre Royal &amp; Heritage Facility Project Option</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  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)	Commercial sensitivity  To enable commercial or industrial negotiations