



AGENDA

Ordinary Council Meeting Tuesday, 28 June 2022

Date Tuesday, 28 June 2022

Time 3pm

Location Council Chamber
District Council Building
King George Place
Timaru

File Reference 1507723

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 28 June 2022, at 3pm.

Council Members

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

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 May 2022

Author: Andrew Feary, Governance Advisor

Recommendation

That the Minutes of the Council Meeting held on 10 May 2022 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 May 2022**



MINUTES

Ordinary Council Meeting Tuesday, 10 May 2022

Ref: 1507723

**Minutes of Timaru District Council
Ordinary Council Meeting
Held in the Council Chamber, District Council Building, King George Place, Timaru
on Tuesday, 10 May 2022 at 3pm**

Present: Mayor Nigel Bowen (Chairperson), Cr Steve Wills, Cr Allan Booth, Cr Peter Burt, Cr Barbara Gilchrist, Cr Richard Lyon, Cr Gavin Oliver, Cr Sally Parker, Cr Stu Piddington (via Zoom)

In Attendance: Bede Carran (Chief Executive), Erik Barnes (Acting Group Manager Recreation & Cultural Services), Andrew Dixon (Group Manager Infrastructure), Paul Cooper (Group Manager Environmental Services), Jason Rivett (Acting Group Manager Commercial & Strategy), Bill Steans (Parks & Recreation Manager), Azoor Ali (Chief Financial Officer), Mark Low (Strategy & Corporate Planning Manager), Wayne O'Donnell (Geraldine Community Board), McGregor Simpson (Geraldine Community Board)

1 Opening Prayer

Rev. Alistair McNaughton of St. Andrew's Church Geraldine gave the opening prayer.

2 Apologies

Apology

Resolution 2022/21

Moved: Cr Barbara Gilchrist

Seconded: Cr Peter Burt

That the apology received from Cr Paddy O'Reilly be accepted and leave of absence granted.

Carried

3 Public Forum

Refer to Minutes of Public Excluded Council Meeting 10 May 2022

4 Identification of Urgent Business

No items of urgent business were received

5 Identification of Matters of a Minor Nature

No matters of a minor nature were raised.

6 Declaration of Conflicts of Interest

Cr Peter Burt declared a conflict of interest in relation to item 3.1 Public Forum, due to a previous involvement with both parties.

7 Confirmation of Minutes**7.1 Minutes of the Council Meeting held on 5 April 2022****Resolution 2022/22**

Moved: Cr Peter Burt
Seconded: Cr Steve Wills

That the Minutes of the Council Meeting held on 5 April 2022 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 Extraordinary Council Meeting held on 12 April 2022**Resolution 2022/23**

Moved: Cr Sally Parker
Seconded: Cr Steve Wills

That the Minutes of the Extraordinary Council Meeting held on 12 April 2022 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 and Deputy Mayor****Resolution 2022/24**

Moved: Mayor Nigel Bowen
Seconded: Cr Barbara Gilchrist

That the report be received and noted.

Carried

8.2 Schedule of Functions Attended by the Chief Executive**Resolution 2022/25**

Moved: Cr Richard Lyon
Seconded: Cr Allan Booth

That the report be received and noted.

Carried

9 Reports

9.1 Financial Year 2021/22 Nine Month Performance Report to 31 March 2022

The Strategy & Corporate Planning Manager and the Chief Financial Officer spoke to this report to outline progress on implementing year one of the 2021-31 Long Term Plan (LTP). This includes the work programme, key performance indicators and financial results for the nine month period ended 31 March 2022.

There was discussion from the Councillors of the modelling of the large scale projects with several large scale projects in the infrastructure & property space. Officers noted the difficulty in modelling with accuracy until the projects are at the tender stage. There has been an increase in costs being identified in the tender stages however the projects are currently within budget.

Several completed projects have been under budget.

The impact of the proposed Three Waters reform is likely to have a significant impact on the Council's financial forecast. Once the Government releases the model proposed for the Three Waters bureaucracy, a re-evaluation of the Council's financial situation will be undertaken to give a better indication as to the impact of the reform on the Council.

Resolution 2022/26

Moved: Cr Barbara Gilchrist

Seconded: Cr Peter Burt

That Council receives and notes the 9 month report to 31 March 2022 with particular attention to:

- (a) The Financial Year 2021/22 key performance indicators progress report to 31 March 2022.
- (b) Council's financial performance for the 9 months ending 31 March 2022.
- (c) The Financial Year 2021/22 capital work programme progress report to 31 March 2022.

Carried

9.2 Timaru District Council Local Elections 2022 - Order of Candidate Names

The Strategy & Corporate Planning Manager spoke to this report to seek a decision on the order in which the candidates' names are to be arranged on the voting documents for the 2022 Timaru District Council triennial elections and any subsequent by-elections.

Resolution 2022/27

Moved: Cr Sally Parker

Seconded: Cr Peter Burt

That the Council resolves that the names of candidates for the 2022 Timaru District Council triennial elections and any subsequent by-elections are to be arranged on the voting papers in random order

Carried

9.3 Timaru District Holdings Limited - Draft Statement of Intent

The General Manager & Chairman of Timaru District Holdings Ltd spoke to the Council with a copy of Timaru District Holdings Limited's (TDHL) Draft Statement of Intent (Sol) for 2022/23 and the following 2 financial years, and obtain feedback to be provided to TDHL.

The Statement of Intent's broad capacity to enable investment in property development including residential development was discussed.

Resolution 2022/28

Moved: Cr Steve Wills

Seconded: Cr Allan Booth

That the Timaru District Holdings Limited Draft Statement of Intent be received and the Council provides feedback to Timaru District Holdings on its Draft Statement of Intent

Carried

9.4 Venture Timaru - Draft Statement of Intent

The Chief Executive of Venture Timaru spoke to the Council with a copy of Venture Timaru's Draft Statement of Intent (Sol) for 2022/23 and the following 2 financial years, to obtain feedback to be provided to Venture Timaru.

Typographical alteration – Page 3 of the Venture Timaru Statement of Intent "Strategic Projects" substituted to "Strategic Priorities".

Resolution 2022/29

Moved: Mayor Nigel Bowen

Seconded: Cr Gavin Oliver

That the Venture Timaru Draft Statement of Intent be received and the Council provides feedback to Venture Timaru on its Draft Statement of Intent

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

Refer to Minutes of Public Excluded Council Meeting 10 May 2022

13 Resolution to Exclude the Public

Resolution 2022/30

Moved: Mayor Nigel Bowen

Seconded: Cr Gavin Oliver

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
<p>12.1 South Canterbury Amateur Athletics Club</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>To protect a person’s privacy</p> <p>Commercial sensitivity</p> <p>To prevent use of the information for improper gain or advantage</p>
<p>13.2 - Recommendation from Directors & Trustee Appointment Committee</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p>	<p>To protect a person’s privacy</p>

Carried

14 Public Excluded Reports

12.1 South Canterbury Amateur Athletics Club

13.1 Public Excluded Minutes of the Council Meeting held on 5 April 2022

13.2 Recommendation from Directors & Trustee Appointment Committee

15 Readmittance of the Public

Resolution 2022/31

Moved: Mayor Nigel Bowen

Seconded: Cr Steve Wills

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

Carried

The meeting closed at 4.54pm.

.....

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 26 April 2022 to 10 June 2022.

<i>26 April 2022</i>	Attended Standing Committee meetings Attended Council workshops
<i>27 April 2022</i>	Attended Aigantighe Project Governance Group Meeting
<i>28 April 2022</i>	Attended 'Saving the Town' with Glen Hazelton (Dunedin City Council)
<i>3 May 2022</i>	Chaired Directors & Trustee Selection Subcommittee
<i>4 May 2022</i>	Spoke to Timaru Benvenue Mens Club
<i>5 May 2022</i>	Attended Cityhub - Project Steering Group
<i>9 May 2022</i>	Met with SCDHB and local Mayors regarding COVID-19 pandemic Attended CPlay Steering Group meeting
<i>10 May 2022</i>	Attended Downlands Water Supply Committee meeting Chaired Council meeting
<i>12 May 2022</i>	Attended meeting with South Canterbury Chamber of Commerce
<i>13 May 2022</i>	Attended via zoom Communities 4 Local Democracy Attended Plunket Art Show
<i>18 May 2022</i>	Met with Venture Timaru representatives Attended A D Hally Trust meeting
<i>20 May 2022</i>	Attended SC Sports Awards
<i>23 May 2022</i>	Attended Dementia South Canterbury Event
<i>24 May 2022</i>	Meet with Minister Mahuta at Timaru District Council Attended 'A Post Budget Briefing' with Hon Grant Robertson' Attended Pleasant Point Community Board meeting
<i>26 May 2022</i>	Attended Civil Defence Emergency Management Group Joint Committee via zoom Attended Canterbury Regional Transport Committee via zoom Attended Canterbury Mayoral Forum via zoom

31 May 2022 Attended Council Workshop via zoom
7/8 June 2022 Attended Air New Zealand Mayoral Forum
 Attended Three Waters Reform High Court case
10 June 2022 Spoke on radio for monthly Mayoral Musing

In addition to these duties I met with 31 members of the public on issues of concern to them.

Attachments

Nil

8.2 Schedule of Functions Attended by the Chief Executive**Author: Jacky Clarke, Governance and Executive Support Manager****Authoriser: Bede Carran, Chief Executive****Recommendation**

That the report be received and noted.

Functions Attended by the Chief Executive for the Period 26 April 2022 and 10 June 2022.

<i>26 April 2022</i>	Attended Communities 4 Local Democracy Governance Oversight Group meeting Attended Standing Committee meetings Attended Council workshops
<i>27 April 2022</i>	Meeting with Chief Executive of National Emergency Management Agency Meeting with Group Controller Canterbury Civil Defence Emergency Management
<i>28 April 2022</i>	Meeting with Venture Timaru Chief Executive Meeting with Department of Internal Affairs representatives: 3 Waters information requests Attended Saving the Town with Glen Hazelton (Dunedin City Council)
<i>29 April 2022</i>	Meeting with General Manager Arowhenua Marae Attended Taituarā Executive Committee meeting Meeting with Chief Executive Alpine Energy Limited
<i>2 May 2022</i>	Attended Canterbury Chief Executive forum Chaired Canterbury Civil Defence Emergency Management Coordinating Executive Group meeting
<i>3 May 2022</i>	Attended Communities 4 Local Democracy Governance Oversight Group meeting
<i>5 May 2022</i>	Attended Institute of Directors – Reporting to the Board course
<i>6 May 2022</i>	Meeting with Chief Executive Venture Timaru District
<i>9 May 2022</i>	Meeting with General Manager Timaru District Holdings Limited
<i>10 May 2022</i>	Attended Council meeting
<i>12 May 2022</i>	Attended meeting with South Canterbury Chamber of Commerce Attended Airport Users Group meeting
<i>13 May 2022</i>	Attended Communities 4 Local Democracy Oversight Group meeting

- 16 May 2022* Attended Communities 4 Local Democracy Governance Oversight Group meeting
Attended meeting with South Canterbury District Health Board
- 17 May 2022* Attended planning meeting with Taituarā officers
- 18 May 2022* Meeting with Chief Executive Venture Timaru District
- 19 May 2022* Meeting with Chief Executive Alpine Energy Limited
Attended Communities 4 Local Democracy Governance Oversight Group meeting
- 20 May 2022* Meeting with General Manager Arowhenua Marae
Attended Communities 4 Local Democracy Governance Oversight Group meeting
- 23 May 2022* Attended Communities 4 Local Democracy Governance Oversight Group meeting
- 24 May 2022* Attended meeting with Minister Mahuta
Attended 'A Post Budget Briefing' with Hon Grant Robertson
- 25 May 2022* Meeting with Chief Executive PrimePort Timaru
- 26 May 2022* Meeting with Chief Executive Venture Timaru District
Attended Canterbury Civil Defence Emergency Group Joint Committee meeting
- 27 May 2022* Attended Canterbury Mayoral Forum meeting
- 31 May 2022* Meeting with Environment Canterbury representatives
Attended Council workshops
- 1 June 2022* Attended Communities 4 Local Democracy Governance Oversight Group meeting
Meeting with Group Controller Canterbury Civil Defence Emergency Management
- 3 June 2022* Meeting with Chief Executive Venture Timaru District
Meeting with Audit New Zealand officers
- 7 June 2022* Attended 3Waters High Court Case
- 8 June 2022* Attended Communities 4 Local Democracy Governance Oversight Group meeting
Attended Air New Zealand Mayoral Forum
- 9 June 2022* Meeting with Group Controller Canterbury Civil Defence Emergency Management
- 10 June 2022* Meeting with General Manager Timaru District Holdings Limited

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

Attachments

Nil

9 Reports

9.1 Affixing of the Common Seal

Author: Andrew Feary, Governance Advisor

Authoriser: Jacky Clarke, Governance and Executive Support Manager

Recommendation

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

6 May 2022 Approval of Warrants

23 May 2022 Approval of Warrants

Purpose

1. To report the affixing of the Common Seal to Warrant of Appointment.
2. Names have been redacted for the privacy of the employees / contractors.


Attachments

1. **Approval of Warrants - 6.5.2022** [!\[\]\(e1bdc70a9006e3802acd56af7aa337d8_img.jpg\)](#) [!\[\]\(6ae057bca7ac6a248ab7813081463b17_img.jpg\)](#)
2. **Approval of Warrants - 23.5.2022** [!\[\]\(78e56d5e55225fd4f2631cbf51155cb8_img.jpg\)](#) [!\[\]\(49a09a2adad763e6bca9d23ca8610d0f_img.jpg\)](#)




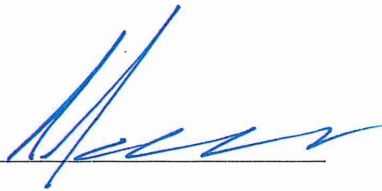
Approval of warrants

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



 Nigel Bowen





 Bede Carran

6 May 2022


Date

Name	Unit
[REDACTED]	Environmental

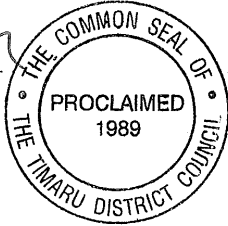
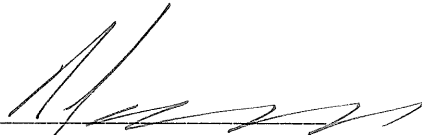


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 Nigel Bowen

 Bede Carran

23/5/2022
 Date

Name	Unit
[REDACTED]	Environmental Services

[REDACTED] #1437377

9.2 Adoption of the 2022/23 Annual Plan

Author: Ann Fitzgerald, Corporate Planner
Mark Low, Strategy and Corporate Planning Manager
Lili Delwaide, Programme Delivery Manager
Azoor Ali, Chief Financial Officer

Authoriser: Jason Rivett, Acting Group Manager Commercial & Strategy

Recommendation

1. That Council:
 - (a) Receives the annual plan feedback and considers officer comments provided on the feedback
 - (b) Authorises the Chief Executive and Acting Group Manager Commercial and Strategy to make any non-material changes to the Annual Plan 2022/23 prior to publication for example to improve readability.
 - (c) Adopts the Timaru District Council Annual Plan 2022/23, in accordance with Section 95 of the Local Government Act (LGA).
 - (d) Sets the Timaru District Council Fees and Charges 2022/23.

Purpose of Report

- 1 The purpose of this report is to adopt the Timaru District Council 2022/23 Annual Plan and set the fees and charges for 2022/23 and (attached).

Assessment of Significance

- 2 The adoption of the Annual Plan itself is deemed to be of low significance under Council's Significance and Engagement policy as there are no significant or material changes in the draft Annual Plan to what was signalled in Year two of the Long Term Plan 2021-31. There has been engagement with the community over the period 12 May – 9 June 2022 to highlight the key variations, project and plans in the draft Annual Plan.

Background

- 3 The Local Government Act 2002 requires Council to prepare and adopt an Annual Plan each financial year, the purpose of which is to:
 - (a) Contain the proposed annual budget and funding impact statement for 2022/23
 - (b) Identify any variations from the financial statements and funding impact statement contained in the Long Term Plan (LTP) 2021-31
 - (c) Provide integrated decision-making and coordination of the resources of the local authority
 - (d) Contribute to the accountability of the local authority to the community.
- 4 Council considered the draft Annual Plan 2022/23 work programme, budget and fees and charges on 12 April 2022, following which feedback was invited from the community.

- 5 The Plan must be adopted before the commencement of the year to which it relates.
- 6 Accordingly, the Annual Plan 2022/23 and the Fees and Charges for 2022/23 are presented for adoption, as attached.

Discussion

Community Feedback opportunity

- 7 An information publication highlighting key projects, explaining the main variations from the LTP and providing overall financial information was circulated to every household via the Courier Newspaper, and promoted on the Council website and via Facebook. Feedback was invited on:
 - (a) Do you think we are on the right track with our plans for 2022/23?
 - (b) Are there any big issues you think Council should be addressing?
 - (c) Are there any key projects or initiatives you believe Council should be considering?
 - (d) Are there things you think Council should be doing more or less of?
- 8 The feedback period was 12 May to 9 June 2022. A copy of the 11 responses received are attached. Summary officer comments on the feedback from the relevant Activity Manager are also attached.
- 9 The feedback was discussed by Councillors at an informal session on 14 June 2022. Six of those providing feedback took the opportunity to discuss their views with Councillors.
- 10 No material changes are proposed to the Annual Plan as a result of the feedback received.

Adjustments to draft annual plan and budget

- 11 The Annual Plan captures the prior decisions of Council in relation to the draft annual plan considered on 12 April 2022.
- 12 There is an additional proposal for \$20,000 following on from a community meeting in Pareora on 31 May 2022 attended by Cllr Parker and officers. It is proposed that Council provides \$20,000 to support some minor enhancement and beautification works in the township that may be identified in conjunction with Pareora community members. It is proposed that the funding for this comes from contestable funds that were established in the 2021/31 Long Term Plan for this purpose, ie \$100,000 for cycleways and walkways.
- 13 In addition, since the start of the community feedback process, there have been some changes of circumstances, and further information has become available on some 2022/23 planned projects, which will impact on their delivery.

Capital delivery

- 14 A list of the most significant changes to projects, including reasons is included below:

Project	Description	\$ Change	Reasons
CityHub Project	CityHub Strategy	+\$2,869,825 <i>(brought forward from 2023/24)</i>	Brought forward to enable the project to proceed at pace, while 2023/24 will be a comparatively dormant period of activity awaiting consultation results.

Project	Description	\$ Change	Reasons
Sophia Street Carpark	Waterproofing and structural repair	+\$180,000 <i>(reserve/NZTA funding)</i>	Following annual inspection it was identified that there was some work required to ensure ongoing safe use of the structure, this includes waterproofing and some crack repairs.
Public Alerting Siren System	Upgrade of civil defence sirens across the district	+\$450,000 <i>(\$35,000 rephased and \$280,000 brought forward from 2023/24 to 2024/26)</i>	Project scope revised and accelerated. Costs escalation due to freight.
Motor camps	Renewals	\$45,000 <i>(Rephased from 2021/22)</i>	Ongoing discussion with Winchester school to replace septic tank.
Property – EQ-prone buildings project	Completion of detailed seismic assessments	\$366,000 <i>(Rephased from 2021/22)</i>	Additional reports will be completed in the next four months.
Social housing	Social housing renewals and upgrades	\$202,000 <i>(Rephased from 2021/22)</i>	Supply delays due to COVID-19.
Fishing Huts	Water Treatment Rangitata Huts	\$50,000 <i>(Rephased from 2021/22)</i>	\$150k of the overall \$200k project was already re-budgeted from 2022 into 2023. This represents the whole project now being delayed until 2023.
District Council Building	Clock upgrade	\$90,000 <i>(Rephased from 2021/22)</i>	Clock repairs were previously in 2022 operating expenditure and have been re-budgeted into 2023 capital expenditure as fundamental changes are required to the inner workings of the clock (digital vs analogue).

15 Changes made to these projects will have no significant effect on rating for 2022/23. The Annual Plan has been adjusted to reflect these changes.

16 In total, the 2022/23 Annual Plan includes a capital investment of \$76.3M in 2022/23. This investment accounts for the 90% delivery assumption adopted as part of the Long Term Plan 2021-31 and Downlands at 82%.

Rates

17 The Annual Plan includes a rates requirement (excl. GST) to be levied of \$62.7M, this is as presented in the draft annual plan.

- 18 The proposed average rates increase to all existing ratepayers remain at 4.9% as forecasted in the 2021-31 Long Term Plan.

Revenue

- 19 Total operating revenue is \$101.9M. This is \$521,000 lower than that included in the Draft Annual Plan. The main revenue changes are:
- (a) Reduction in fees and charges of \$747,000. This is due to waste levy income reducing by \$810,000 (offset by reduction in expense of \$0.698M) and an increase in property revenue of \$64,000.
 - (b) Increase in finance revenue of \$226,000. Adjustments have been made to interest rate increases for CCO loans (Timaru District Holdings Limited and Downlands)

Operating Expenditure

- 20 The total operational expenditure of \$101.7M is \$503,000 below forecast in the draft Annual Plan. Key variances are due to:
- (a) Other expenses reducing by \$224,000. This is a combination of various increases and decreases offsetting each other, for example adjustments to overhead charges which are collected via rates and carry forward expenditure, including \$50,000 for rates review and \$75,000 for business process improvement.
 - (b) Finance costs are forecast to reduce by \$336,000 and depreciation and amortisation expense increased by \$57,000. These are mainly due to the proposed Annual Plan having movements in both the 2022 forecast as well as brought forward items from the 2023 year.

Fees and Charges

- 21 The schedule of fees and charges for 2022/23 includes mostly modest increases for a number of activities to reflect the costs associated with providing these services and facilities. These were highlighted through the Annual Plan community feedback opportunity. Any new fees apply from 1 July 2022.

Operating Surplus

- 22 The Annual Plan for 2022/23 shows an accounting surplus of \$241,000 before revaluations. This is a reduction of \$18,000 from the draft Annual Plan. In line with the LTP, Council is forecasting a balanced budget for 2022/23.

Options and Preferred Option

- 23 The following options are available to Council:
- (a) Set the Fees and Charges for 2022/23 and adopt the Annual Plan 2022/23 as presented (*Preferred option*).
 - (b) Do not set the Fees and Charges or adopt the Annual Plan due to requiring changes to either the financial statements, the setting of rates, or fees and charges.
- 24 The advantages of adopting the Annual Plan by 30 June 2022 avoids further complications that may arise due to setting the rates at a later date and delays in confirmation of the 2022/23 work programme.

- 25 Should the plan not be adopted at this point, there will be delays in setting the rates, application of fees and charges and implementation of the 2022/23 work programme.

Consultation

- 26 Section 95 of the LGA requires a local authority to consult in a manner that gives effect to the requirements of Section 82 of the Local Government Act before adopting an Annual Plan.
- 27 As there were no significant or material changes to Year two of the Long Term Plan 2021-31 Council chose not to formally consult with the community through use of a Consultation Document under Section 95A.

Relevant Legislation, Council Policy and Plans

- 28 Local Government Act 2002
- 29 Timaru District Council Long Term Plan 2021-31





Financial and Funding Implications

- 30 The cost of preparing the 2022/23 Annual Plan and the associated community engagement has been budgeted for.

Other Considerations

- 31 There are no other matters that require consideration.

Attachments

1. **Annual Plan 2022/23 Community Feedback** [↓](#) 
2. **Annual Plan 2022/23 Community Feedback - Officer comments** [↓](#) 
3. **Fees and Charges 2022/23** [↓](#) 
4. **Timaru District Council Annual Plan 2022/23** [↓](#) 

Annual Plan 2022 23 Community Feedback Summary				
	Name/Organisation	Talking with Councillors	Topics	Page
1	Joseph McKenzie	No	Cycle lanes	3
			Soft plastic recycling facilities	
			Basketball hoops - Geraldine	
2	Andrea Clegg	Yes 1pm	Café on the Bay	3
3	Raymond Ward-Smith	Yes 1pm	Roading	3
4	Wendy Johnston	No	Roading – speed limits north of Temuka	3
5	Sustainable South Canterbury Trust	Yes 1pm	Climate Change Strategy Sustainability	4
6	Peter Stayt Hockey South Canterbury	No	Aorangi Park Redevelopment	4
7	Shaun Campbell Sport Canterbury	No	Aorangi Park Redevelopment CPlay Play, Active Recreation and Sport Strategy City Hub Redevelopment	5
8	Stacey Scott	Yes 1pm	Aorangi Park Redevelopment	6
9	Fraser Park Trust	Yes 1.20pm	Fraser Park Development	7
10	Nicky Snoyink/Ines Stager Forest & Bird Society	Yes 1.45 –video link	Biodiversity	8

11	Angela Johnston Federated Farmers	No	Roading	10
			Water Services Entities	
			RMA Reforms	
			Future for Local Government Review	
			Uniform Annual General Charge (UAGC) and Fees and Charges	

Annual Plan 2022/23 Feedback**Joseph McKenzie**

I would like to suggest three things for our district moving forward:

1. Bike lanes, especially in Timaru and Geraldine. It's becoming increasingly dangerous for cyclists on the road due to large industry vehicles and dairy and shipping trucks. South Canterbury is being left behind by other districts around the country in this department.
2. Soft plastic recycling facilities. Again, this is widely available in places like Christchurch and Blenheim but not in south Canterbury. I was pleased to see the council introduce blue recycling bins for glass last year, the next step is soft plastics.
3. The final thing I wanted to suggest is some decent basketball hoops in Geraldine. There is a good netball court with multiple hoops but no basketball hoops. They could possibly be an addition here and wouldn't be particularly costly to set up.

Thank you for listening to my suggestions.

Andrea Clegg

Thank you for the opportunity to chat over views with the council, in the past I attended the coffee mornings but from there nothing had eventuated sadly I stopped going.

Perhaps a discussion on the café for the bay where the plans went for this or perhaps if this is in the plan again.

Ray Ward Smith

Roads need more attention over the whole district - city and rural. There has been a lot of patching over the last couple of years that will require a major longer term catch up. The Government reduction of fuel and distance licence fees may see no increase from that source and maybe a reduction. Services and infrastructure maintenance are key.

Suggest therefore:- Increase rates by a further 1% or more. Defer further spending on the Art gallery or transfer the capital spend to the heritage precinct. Increase parking fees by a small amount to contribute to continuing parking improvements.

The continuing capital spend on water supply infrastructure is excellent.

Wendy Johnston

I was hoping there would be consideration into extending the change from 50k zone to 70k zone north of Temuka. We have recently moved into 340 King Street, Temuka (previously owned by my parents) and are quite appalled at the speed of cars and trucks in what is now a very residential area. The trucks braking at 5am is a real treat. Previously, there was not as much traffic on the road and less housing, however over the last 25 years it has substantially changed. If the change to 70k could be moved towards the Springfield Road area, that would be safer for all the families in this area.

Sustainable South Canterbury Trust

The Sustainable South Canterbury Trust (SSCT) supports the progress to be made by Council on progressing a Climate Change Strategy.

As part of this process, Council needs to also consider the wider sustainability matters for the District.

The new EcoCentre at Redruth will be completed in this July 2022. As part of the community messaging for sustainability for the District, the Trust will be promoting the United Nations Sustainable Development Goals, of which Climate Action is #13.

The Council can adopt the UN Goals in principle, and report on progress towards the relevant Goals applicable to the Council. Council can set its own targets. https://sdgs.un.org/#goal_section

There is scope to collate reporting from other organisations for a “Community” reporting matrix. A number of corporate companies are now reporting on these. As a community responsible organisation the Council should now make more visible the good work that it is already doing in these fields.

Hockey South Canterbury – Peter Stayt President

As an affected party to this development, Hockey South Canterbury would like to commend the Timaru District Council on its earlier decision to commence this development during the 2023 year.

We would like to reinforce the very tight timeline HSC is operating on regarding the effective lifespan of rear sand based turf (Alpine Energy Turf) - which had an effective life in mid 2021 of approx two years (= 2023). After this point there are concerns regarding the safety of the turf. If this turf was withdrawn from service, HSC could not deliver the Hockey programme we do now - the greatest impact would be on School age players who are our key priority group with between 80-100 primary age teams taking part each week.

We note there are further discussions taking place regarding the Stadium development, particularly in light of the seismic evaluation recently undertaken.

We ask that these considerations not delay the initial work to relocate the Alpine Energy Turf (allowing for stadium expansion) as this could very probably lead to the loss of the facility with ongoing knock on effects.

Thank you again for our forward thinking in adopting the Aorangi redevelopment into the long term plan.

Sport Canterbury*Aorangi Park Redevelopment*

Sport Canterbury commends the council on their decision to proceed quickly with the proposed redevelopment of Aorangi Park. We would like council to ensure they maintain the momentum on this project and make decisions in a timely manner and get started to preserve the strong community buy in for this project. It is a daily occurrence where the community query about the progress. As originally indicated, there are lifespan concerns with one of the current hockey turfs and it would be sensible to make all planning decisions and begin relevant work before funding is required on that space just to maintain a level of safety and use. The proposed indoor court increase

is becoming more critical as sports like netball, futsal, volleyball and basketball continue a resurgence in numbers post Covid interruptions.

CPLAY

Thank you for your significant contribution to the CPLAY playground development at Caroline Bay. Exploring and learning through play is critical in a child's overall development and wellbeing. This facility will be a significant attraction that will encourage full family engagement in physical activity and togetherness. We look forward to the next stage of development.

Play, Active Recreation and Sport Strategy

Currently there is significant development and investment into our sport and recreation spaces, places and facilities following the establishment of a clear space and places strategy for South Canterbury. Sport Canterbury encourages Council to create a Play, Active Rec and Sport strategy in partnership with Sport Canterbury and other community partners that encompasses all opportunities in the physical activity space not just facilities and the environment. This could include opportunities for events, volunteer education / recognition, networking, facility activation, balance is better and the delivery of play and active recreation opportunities among other things. A long term view on what we are doing with who and how is now required and it is important this is created in a collaborative manner to improve the experiences for locals and visitors over the next 25 years.

City Hub Redevelopment

Sport Canterbury congratulates council and staff on the progress made on the City Hub project. The engagement with stakeholders has been positive. We look forward to being a part of the next phase of this initiative and exploring some trial options as the Urban Master Plan develops.



Aorangi Park and Stadium Redevelopment

Netball South Canterbury remain 100 percent behind the stadium redevelopment program as set out in the LTP with feasibility studies & detailed design planning targeted to be completed in the 2022/23 year (year 2 of the LTP), construction work commencing during the 2023/24 year (year 3 of the LTP) with a completion date for the rebuild sometime during 2024/25 year (year 4 of the LTP).

Netball South Canterbury's preference remains for nine multipurpose courts inside the stadium and the retention of six of the existing outdoor netball courts.

The trend for netball throughout NZ is to move the sport indoors. However, the existing facilities at Aorangi Stadium are insufficient to meet the combined needs of ours and the other sporting codes that use the facility. This hampers all of our ability to grow our sports and deliver what our communities are asking for. The additional indoor facilities will remove this barrier to the growth of all of our sporting codes in the region.

On completion of the project Netball South Canterbury is committed to bringing regional and national age group tournaments into Timaru on a regular basis to showcase the sport and the quality of the newly created facilities.

Having been a part of the Aorangi Park Development Reference Group we understand further discussions have taken place regarding the scope of the redevelopment because of the outcome of the seismic evaluation that was carried out. We urge Council to, as far as is practical, continue to work within the timeframes set down in the LTP to deliver the completed Aorangi Park & Stadium Redevelopment project to the community by the end of the 2024/25 year.

While we understand there will be a level of disruption to sports during the construction phase of the project, we ask that consideration be given to finding ways to minimise this through effective (early) two-way communication with the affected sporting codes.

Stacey Scott - Chair
On behalf of Netball South Canterbury



Key redevelopment only proceeds with generous support

Building in this current market can be challenging for any project, let alone one the size, scale and importance of Fraser Park – the South Canterbury region's newly planned multi-sport and event centre.

While the Fraser Park Community Trust committed to the project late last year – setbacks due to COVID, increased global material costs and the Ukraine situation have certainly provided additional challenges.

Not unexpectedly, the project's main contractors called a recent meeting to advise that the vertical build cost had risen by \$500,000. This could have been significantly more, but due to additional support from The Rooney Group the civil construction price of the project has remained unchanged.

"Investment into our community is key," says Mr Gary Rooney, "State of the art facilities like Fraser Park provides not only community wellbeing but a drawcard for families to take up employment opportunities. In addition the economic spinoff from people attending events and using the conference facilities can only be positive for Timaru and the greater region."

The team behind the project are all volunteers and have worked incredibly hard to raise close to \$7.5 million from a range of funding avenues. However with a new total of \$8.1 million, they are now asking the wider community for support to help them reach the shortfall.

Project Redevelopment Manager Phillipa Guerin said that while they are continuing to try all doors open to them, any community support would go a long way in helping provide the extra funding and minimise the Trust's loans.

"We now have a request for funding in front of Sports Minister, Grant Robertson. We will also present to the TDC 's Long Term Planning Committee next week in the hope of attracting additional support. The reality is though that community support - large or small - would be a real game changer for the project."

Many regional businesses have already seen the potential in this multi-sport centre that is set to be the envy of many communities by purchasing promotional blade signage at the entrance. There is still a limited number of these available as well as an array of personal options for potential supporters that can be easily accessed from the Fraser Park website - www.fraserpark.co.nz.

We continue to be very grateful to the many supporters already onboard and hope there will be many more to help bring this facility to life.

If you require further information, please contact Phillipa Guerin or Brent Isbister (Chairman of the Fraser Park Community Trust), or visit www.fraserpark.co.nz.

ENDS

Contact: Phillipa Guerin - phillipa@fpct.co.nz / 03 685 8980 / 027 685 8008



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9 June 2022

Timaru District Council
2 King George Place
Timaru
Canterbury 79105

BY EMAIL: annualplan@timdc.govt.nz

Feedback on Timaru District Annual Plan 2022

1. Forest & Bird is New Zealand's leading independent conservation organisation. Our mission is to protect and preserve New Zealand's unique ecological values, flora and fauna, and natural habitats in a climate crisis. We have played a significant role in protecting and preserving Aotearoa New Zealand's natural environment since 1923. Forest & Bird is independently funded by private subscription, donations, and bequests.
2. Forest & Bird has 47 branches throughout Aotearoa New Zealand. Our South Canterbury Branch has a long history of conservation in the Timaru District. Forest & Bird have contributed significantly—and continue to contribute significantly—to conservation in the Canterbury region, as advocates for the environment through national, regional, and local planning processes; through biodiversity and biosecurity advisory groups; through our youth network; as an educator through our Kiwi Conservation Club; and in action through on-the-ground conservation work within our communities. The Society also owns and manages Conway's Bush, a private nature reserve located in the Timaru District that is listed as a significant natural area (SNA) in the Timaru District Plan.
3. Forest & Bird understand that the Timaru District Council (TDC) is not formally consulting on an annual plan this year, because there are no significant changes to the 2021-2031 Long Term Plan (LTP) and have instead offered the opportunity to provide feedback on key projects that we think the council should be focussing on. We wish to take the opportunity to provide feedback on an issue of interest to Forest & Bird that we urge council to place a greater focus on, specifically the protection and maintenance of indigenous biodiversity in the Timaru District.
4. Forest & Bird supports TDC's LTP goal for a sustainable environment that includes encouraging biodiversity. In its LTP, council has pledged to support practices, partnerships and policies to protect and regenerate native flora and fauna in the Timaru District. The LTP has a priority of progressing the protection and restoration of biodiversity.
5. The council has a statutory obligation to protect significant indigenous biodiversity and to control land-use for the purpose of maintaining indigenous biodiversity. The

1

proposed National Policy Statement-Indigenous Biodiversity (NPS-IB) is likely to be gazetted later this year. The NPS-IB reinforces councils' role to identify, list and protect significant natural areas (SNA) and to maintain indigenous biodiversity.

6. Forest & Bird acknowledge the excellent work that TDC has already done to identify, map and list SNA in the Timaru District Plan. This places TDC ahead of many other councils as being proactive on indigenous biodiversity protection.
7. However, Forest & Bird are less certain about the degree to which the LTP goal and priority for biodiversity is being achieved and the level of effort being undertaken by council to ensure that the excellent work of the past is supported, and the SNA are maintained and protected over time.
8. In 2020, Forest & Bird brought to council's attention damage to a listed SNA. This resulted in a retrospective resource consent for vegetation clearance within an SNA being issued with conditions to restore the remaining indigenous biodiversity in the SNA. We are sorry to report that this kind of SNA damage is not an isolated incident, with other similar occurrences reported to Forest & Bird.
9. The retrospective resource consent process was confronting and costly for everyone involved. It could have been avoided if regular SNA monitoring were occurring. It could have also been avoided if the land occupier were regularly made aware of the importance of the SNA and better supported to protect and restore the SNA.
10. Forest & Bird urge the council to increase its funding for biodiversity to enable the engagement of a suitably qualified in-house biodiversity person, to monitor SNA and to provide advice and help for land occupiers with SNA on their property, to maintain and protect them. This person could also provide advice on biosecurity matters.
11. We strongly advise council to allocate more funding to its community biodiversity fund to help incentivise private land occupiers to protect biodiversity as a public good. A suitably qualified in-house biodiversity person with knowledge of the District's SNA, could help prioritise opportunities for funding.
12. Forest & Bird strongly recommends, that TDC as a signatory to Environment Canterbury's Biodiversity Strategy, continue supporting and resourcing participation Environment Canterbury's Biodiversity champion's programme. The strategy's guiding priority principle¹ is as relevant today as when it was written, just with much greater urgency.
13. We hope that our suggestions are helpful and that they will be adopted so that council can fulfil its LTP goals and priorities for biodiversity in the Timaru District, help uphold its statutory responsibility to protect and maintain indigenous biodiversity and to support the exceptionally good work that has been done by this council in the past.

Thank you for the opportunity to submit. Forest & Bird would welcome the opportunity to speak with council on these matters.

Nicky Snoyink
Regional Conservation Manager Canterbury/West Coast
Royal Forest & Bird Protection Society of New Zealand Inc.

¹ Biodiversity Strategy for the Canterbury Region Guiding Priority Principle
"Focus first on protecting and maintaining what remains, and then on restoring what has been lost."



Timaru District Council Annual Plan 2022-2023

Federated Farmers of New Zealand

9 June 2022



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FEEDBACK ON TIMARU DISTRICT COUNCIL ANNUAL PLAN 2022-2023

TO: Timaru District Council

DATE: 9 June 2022

ADDRESS FOR SERVICE

Name	Position	Phone Number	Email Address
Angela Johnston	Senior Policy Advisor	021 518 271	ajohnston@fedfarm.org.nz

OTHER CONTACTS

Simon Johnson	Timaru Branch Chair, South Canterbury Federated Farmers	021 874 448	simon.johnson@scorch.co.nz
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We do not wish to speak to Council.

ABOUT FEDERATED FARMERS

Federated Farmers of New Zealand is a membership organisation, which is mandated by its members to advocate on their behalf and ensure representation of their views. Federated Farmers does not collect a compulsory levy under the Commodities Levy Act and is funded from voluntary membership.

Federated Farmers represents rural and farming businesses throughout New Zealand. We have a long and proud history of representing the needs and interests of New Zealand’s farmers.

Federated Farmers aims to empower farmers. Our key strategic priorities as an organisation are that we:

- Be the respected voice of farming.
- Foster an inspired leadership network.
- Support vibrant rural communities.

FEEDBACK ON TIMARU DISTRICT COUNCIL ANNUAL PLAN 2022-2023

Overview

The impact of Covid 19, as it drags on into 2022, is varied across local government. It appears, thus far at least, that the more major financial implications have been felt by city councils with provincial and rural councils relatively unscathed. A large part of the reason for this is that agriculture is almost singlehandedly holding the New Zealand economy together, and you do not find farms in CBDs.

The dire loss of revenue predictions for local government forecast in early 2020 did not fully materialise, although many councils severely trimmed their rate increases in the 2020 Annual Plans. Some postponed capital expenditure while others leant on debt. This resulted in some major rate increases in the 2021 LTPs as councils sought to recover their financial positions.

As the pandemic continues, financial effects will be felt more deeply in local government as councils attempt to navigate three competing tensions:

- Loss of revenue from non-rate sources due to lower investment returns and reduced economic activity leading to reduced fees and charges income.
- Pressure to contain or lower rates in the face of some households and businesses in their communities facing economic hardship; and
- The desire to maintain local employment and infrastructure investment as part of the whole of government response to the pandemic.

Council must bear in mind that the primary industries are facing their own substantial challenges arising from Covid 19, including labour shortages, supply chain problems and increases in farm input costs. Farmers are facing huge costs and mental stress arising from freshwater reforms and drinking water reforms. If councils are at all interested in maintaining the resilience of local economies and communities, lower rates on farms would be a worthwhile step in that direction.

The best thing council can do generally to reduce the pressure of rising costs on all ratepayers is to keep their spending under firm control, focusing on the basics and striving for value for money.

Perhaps the councils suffering most right now are the ones that spent a fortune, some of which was paid for by farmers through rates, on promotion of their cities and towns as international tourist destinations. It has been a source of frustration that council economic development strategies focus on the visitor industry, and often farm businesses making their own significant local economic contribution are rated to help fund those strategies. The net effect of this is to shrink local GDP, not expand it.

Roading

The condition of local roads is a perennial issue for farming communities, with the feeling in recent years that rural roads, which are so essential socially and economically, are being forgotten.

For many farmers the road at the front gate is the main benefit they receive from council, and when set against their substantial rate demands the value-for-money equation does not stack up.

We recommend that TDC reviews the productivity of their roading contractor.

Our Timaru district members have ongoing concerns regarding lack of maintenance and poor decision making; either through over allocation of resources for basic jobs or the prioritisation of roading jobs.

The funding of local roads is shared between local council rates and the National Land Transport Fund, with each council receiving a set percentage of the cost of eligible projects. This percentage varies for each council and is known as the Financial Assistance Rate (FAR).

We always want more attention for rural roads and were alarmed last year that the funding available for local roads was short by \$420m. This became apparent just as councils were finalising their 2021 LTPs and had arisen from lower fuel excise revenue resulting from Covid 19 lockdowns.

Fortunately, Government moved to boost the Fund later in 2021; our press release at the time outlines our views clearly:

Boosting local road funding heads in the right direction, Feds says

News that the government has shifted funding for local road maintenance back up a gear is heartening for rural families dismayed by potholed access and dilapidated bridges, Federated Farmers says.

"What we need now is for district councils all over New Zealand to dedicate a significant portion of this increased funding to dealing with the backlog of repairs to rural roads and bridges," Federated Farmers Vice-President and transport spokesperson Karen Williams says.

Earlier this year, right when the nation's district and city councils were finalising Long-Term Plan budgets, Waka Kotahi NZ Transport Agency warned it was \$420 million short for the local road subsidies it had already indicatively approved. But today, in announcing final decisions on the 2021-24 National Land Transport Programme (NLTP), the government responded to the outcry this caused with an extra \$2 billion for local road maintenance.

This brings the total amount available for local road and state highway maintenance to \$7 billion over the next three years.

"Federated Farmers compliments the government for recognising that failing to do the necessary maintenance on local roads is false economy in the long run," Karen said. "This should mean that councils can re-dedicate themselves to those roading projects that were under threat from the reduced Waka Kotahi subsidies."

Water Services Entities

There is major national controversy over the establishment of four regional water services entities that will take over local government's water assets. We fully support Council's stance on Three Waters.

Resource Management Act reforms

Implementing the RMA costs local authorities tremendously, a cost significantly ramped up with changes to freshwater regulations requiring revamps of councils' policies.

On the regional council side farmers experienced some major rate increases last year, with the need to increase policy and technical capacity to meet government's Action for Healthy Waterways regulations featuring among the main reasons. The South Island really stood out with Environment Canterbury proposing a 24% overall increase, later pared to 12.5% with the use of borrowing, and Otago Regional Council forging ahead with a massive 47.5% rates revenue increase.

This year councils and farmers are facing the Natural and Built Environments Bill, with government's determination to get this through signaled by their early branding of the Bill as an Act.

The key relevance of the Natural and Built Environments Bill to Annual Plans is its proposed removal of the district planning function of district councils, moving that role across to regional planning committees. This will make planning less local (same as Three Waters) and remove another activity from district councils, further downsizing their balance sheets.

Importantly, if a function is to be removed from district councils, we would want to see a consequent decrease in rates revenue.

Future for Local Government Review

Given the extensive and controversial changes to Three Waters and the makeover of the resource management system, it is unsurprising that government has commissioned a review of the future of local government.

The most recent system-wide review of local government was the Productivity Commission's in 2019, although the focus was on funding and financing. They came up with some useful findings, for example that rates should reflect the cost of benefits derived from council services, but their recommendations were ignored.

This latest review is much broader in scope. It will consider what local government does, how it does it, and how it pays for it.

The Review's chair is ex-CEO of Waimakariri District Council, Jim Palmer, and the panel members all have backgrounds in local government and/or the public sector. They are experienced but there is not a strong business or ratepayer perspective. Federated Farmers and other business groups met with the Panel in September 2021 to help provide that perspective.

Our view is that any future role, be that social, cultural, or economic, needs a more equitable and appropriate method of funding than property value rates. The limitations of this antiquated form of taxation in turn limits the role and function of local government.

Late last year the Review panel published its interim report to the Local Government Minister signaling the direction of the review and next steps. A draft report is scheduled for release on 30 September 2022 for public consultation.

Uniform Annual General Charge (UAGC)

The UAGC is a general revenue mechanism that sits alongside the general rate in a district. Under section 21 of the Local Government (Rating) Act 2002 the UAGC can be used to collect up to 30% of total rate revenue.

The level and proportion of the UAGC is frequently adjusted in Annual Plan years, as it is generally not fixed at a particular level by the Revenue and Financing Policy in the LTP – rather that policy establishes whether the UAGC will be used or not.

Use of the UAGC strongly influences the distribution of rates across properties in a district or region. Its effect is to reduce property value rates on higher value properties, while ensuring lower value properties pay a little more.

Federated Farmers strongly supports use of the full 30% allowed. The basis of our view is the fact that council services are in large part used by people, and a per property charge at least ensures that all people make some reasonable contribution (whether through rates or rent) toward their cost.

Owning a farm is not a good reason to pay hundreds of dollars towards for example the local library, when urban residents nearby are paying in the tens of dollars. That is not rational, let alone fair, and in no way complies with good taxation principles.

Timaru is an average performer regarding its UAGC use - 23% in 2020-21. This figure was ascertained from an information request to all councils on behalf of the Local Government Business Forum.

Reducing the UAGC is a very blunt way of addressing affordability concerns. It takes no account of the fact that many low-income households are rented, thus the lower general rates benefit the property owner, and council's knowledge of the true financial situations of their individual ratepayers is limited.

Instead of lowering the UAGC for affordability reasons, Council should consider central Government's rates rebate scheme for low-income ratepayers. This is means tested against income, which is the best measure of affordability.

Or Council can more effectively attend to affordability through a rates remission policy for financial hardship. Use of this policy is more appropriate, logical, and targeted.

Fees and Charges

Overall, Federated Farmers supports a high proportion of fees and charges funding council services to reduce the reliance on rates. In recent years, a few councils have advanced proposals for fees and charges to contribute more of the cost of running council facilities and we have supported them wholeheartedly in this.

Annual Plan 2022/23 Community Feedback – Officer Comments on topics

	Name/Organisation	Topics	Officer comment
1	Joseph McKenzie	Cycle lanes	Cycle lanes are supported and the focus has been on major urban roads. In addition the Central South Trails group have just completed the off road cycleway from Washdyke to Pleasant Point, which was supported by Council and is proving very popular. We will be continuing to implement further cycle lanes as funding permits.
		Soft plastic recycling facilities	Effective recycling is only achieved where there is a market for the processing of the recyclable material. Plastic recycling in New Zealand is very limited and is generally off-shore. We are focussing on recycling materials that can be processed in New Zealand and ensuring that the recycling materials are free from contamination that leads to unnecessary disposal. We always encourage reduction of waste particularly packaging which is where most of the soft plastics originate from.
		Basketball hoops - Geraldine	Geraldine Combined Sports has plans for a basketball hoop in their current courts upgrade work.
2	Andrea Clegg	Café on the Bay	An earlier issue with a lack of power supply has been resolved. A Request For Proposals for a Café on the Bay was delayed because the existing cafes were finding trading conditions difficult. Council is planning to call for expressions of interest in the near future.
3	Raymond Ward-Smith	Roading	The level of service for roads is matched to the available funding. The submitter is correct in that the government financial assistance is reducing and increasingly harder to get. Having said that recent audits show that the Timaru roading network is well maintained to an appropriate level of service. The increasing numbers of heavy vehicles are our biggest challenge as these vehicles are consuming the asset at a faster rate than we can renew it.

4	Wendy Johnston	Roading – speed limits north of Temuka	This is a Waka Kotahi matter. A new Government Speed Limit Setting Rule has just been released that changes the legislative requirements for setting speed limits. Recommend that this submission be referred to Waka Kotahi.
5	Sustainable South Canterbury Trust	Climate Change Strategy Sustainability	<p>The submission initiatives are noted and will be considered. Council will be considering the adoption of a Climate Change Governance statement and actions at the Council meeting on 28 June 2022.</p> <p>The Sustainable South Canterbury Trust (SSCT) supports the progress to be made by Council on progressing a Climate Change Strategy. As part of this process, Council needs to also consider the wider sustainability matters for the District.</p> <p>Council is developing a climate change governance statement which will provide direction on future climate change initiatives. Further community engagement is also planned acknowledging that a climate change response requires support of all.</p> <p>The new EcoCentre at Redruth will be completed in this July 2022. As part of the community messaging for sustainability for the District, the Trust will be promoting the United Nations Sustainable Development Goals, of which Climate Action is #13. The Council can adopt the UN Goals in principle, and report on progress towards the relevant Goals applicable to the Council. Council can set its own targets. https://sdgs.un.org/#goal_section There is scope to collate reporting from other organisations for a “Community” reporting matrix. A number of corporate companies are now reporting on these. As a community responsible organisation the Council should now make more visible the good work that it is already doing in these fields.</p> <p>This can be considered as part of the Climate Change Strategy in due course, there is already strong alignment with Council’s Community Outcomes as articulated in the LTP. The Sustainable Development Goals are referenced in the CityTown Strategic Framework.</p>
6	Peter Stayt	Aorangi Park Redevelopment	Thank you for your comments relating to the Aorangi Park and Stadium redevelopment project. The Annual Plan 2022/23 includes funding to continue

	Hockey South Canterbury		work on this project. Council is aware of the importance of this project and its impact across a range of stakeholders. Recognising the recent earthquake prone building status of the existing stadium, Council is considering options and budget requirements for the project. Engagement with the stakeholders on design will commence once the preferred option to achieve the additional courts is determined.
7	Shaun Campbell Sport Canterbury	Aorangi Park Redevelopment, CPlay, Active Recreation and Sport Strategy City Hub Redevelopment	<p><i>Aorangi Park Redevelopment</i> Thank you for your comments relating to the Aorangi Park and Stadium redevelopment project. The Annual Plan 2022/23 includes funding to continue work on this project. Council is aware of the importance of this project and its impact across a range of stakeholders. Recognising the recent earthquake prone building status of the existing stadium, Council is considering options and budget requirements for the project. Engagement with the stakeholders on design will commence once the preferred option to achieve the additional courts is determined.</p> <p><i>CPlay</i> Support for CPlay is noted.</p> <p><i>Play, Active Recreation and Sport Strategy</i> Currently there is significant development and investment into our sport and recreation spaces, places and facilities following the establishment of a clear space and places strategy for South Canterbury. Sport Canterbury encourages Council to create a Play, Active Rec and Sport strategy in partnership with Sport Canterbury and other community partners that encompasses all opportunities in the physical activity space not just facilities and the environment. This could include opportunities for events, volunteer education / recognition, networking, facility activation, balance is better and the delivery of play and active recreation opportunities among other things. A long term view on what we are doing with who and how is now required and it is important this is created in a collaborative manner to improve the experiences for locals and visitors over the next 25 years.</p>

			<p><i>City Hub Redevelopment</i></p> <p>Sport Canterbury support for this project is noted. Sport Canterbury are represented on our Community Advisory Group but we are also having direct conversations with Sport Canterbury in the context of the proposed trials looking at ways to tap into their networks and capacity for community-led initiatives.</p>
8	Stacey Scott	Aorangi Park Redevelopment	<p>Thank you for your comments relating to the Aorangi Park and Stadium redevelopment project. The Annual Plan 2022/23 includes funding to continue work on this project. Council is aware of the importance of this project and its impact across a range of stakeholders. Recognising the recent earthquake prone building status of the existing stadium, Council is considering options and budget requirements for the project. Engagement with the stakeholders on design will commence once the preferred option to achieve the additional courts is determined.</p>
9	Fraser Park Trust	Fraser Park Development	<p>The Fraser Park Community Trust (Trust) presented a request for additional funds as a result of cost escalations on its redevelopment project (approximately \$1.2 million), noting how with other project supporters it has managed the escalations. The Trust is seeking to bridge a shortfall of approximately \$1 million (without contingency included), and it is seeking from Council additional funds of this amount, ie up to \$1 million. It is noted as additional information that following a restructuring of arrangements in 2016 the Trust received \$240,000 for capital projects (by way of loan to be remitted on completion of capital projects) and \$905,433 (GST excl) from Council's stimulus fund in 2020. In the September/October 2021 round of funding the Trust applied for but was declined a \$500,000 grant. In addition the Trust has been offered, and indicated it will take up a Sport and Recreation loan from Council of \$1 million (either a 5 year term at 3.54% or 10 year term at 3.61%). This loan is already included in the pledged funding of the Trust and the \$1 million shortfall it is requesting is after taking out the</p>

			loan. Trust representatives noted when submitting to Council its concern regarding the level of indebtedness the Trust will have after drawing down its total loan funding (\$2.8 million in total). Repayments of the loans will come from the blade signage revenue (20 signs at \$15,000 per sign per year for 5 years renewal, ie \$300,000 per annum). Officers propose, that if Council wishes to support the Trust it indicate the amount of support to be provided and Officers will then report back with funding options.
10	Nicky Snoyink Forest & Bird Society	Biodiversity	Council is systematically liaising with landowners of significant natural areas at this time about the values on their land and how the biodiversity fund could contribute to enhancement. The point about long term monitoring of SNA health in a cost-effective manner is being explored. Council has a 0.5FTE Biodiversity Advisor funded role to go out to market. To make the position more attractive there has been liaison with adjoining Councils, particularly ECan, to consider whether a full time cost share might be viable which is ongoing.
11	Angela Johnston Federated Farmers	Roading	The level of service for roads is matched to the available funding. Having said that recent independent audits show that the Timaru roading network is well maintained to an appropriate level of service. We continue to collect performance data of rural roads and this is used to determine robust maintenance and renewal programmes. The increasing numbers of heavy vehicles are our biggest challenge as these vehicles are consuming the asset at a faster rate than we can renew it.
		Water Services Entities	Support is noted.
		RMA Reforms	Thank you for your comments relating to the RMA reforms. At this point without having the detail relating the government's proposals, it is difficult to determine the impact on rating. When this detail emerges, we will be better able to determine its impact on rating.

		Future for Local Government Review	Thank you for your comments relating to the Future for Local Government Review. Council have met with the panel and provided their views back in April. We await the outcomes from the Panel's work and look forward to contributing further when this is released.
		Uniform Annual General Charge (UAGC) and Fees and Charges	<p>The Uniform Annual General Charge (UAGC) is a charge of an equal amount on each rateable unit or separately used or inhabited portion of a rating unit to ensure that all ratepayers make a minimum contribution to Council activities and services. This charge is applied to fund services where community benefits apply across the district.</p> <p>As noted in the submission, under section 21 of the Local Government (Rating) Act 2002, the UAGC can be used to collect up to 30% of total rate revenue. Timaru District Council's UAGC was 23% in 2020/21 and in this Annual Plan that percentage is increasing to 27% to better reflect where community benefits apply.</p>



Fees and Charges

For period 1 July 2022 to 30 June 2023

2 King George Place - PO Box 522 Timaru 7940 - Telephone 03 687 7200

#1370936

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Airport

Description	Weight Category (kgs)		2022/23 (GST incl.)
a) Terminal users			
MTOW	20,001 – 30,000		\$447.50
MTOW	10,001 – 20,000		\$315.00
MTOW	5,001 – 10,000		\$89.50
MTOW	3,501 – 5,000		\$68.50
MTOW	2,001 – 3,500		\$52.50
MTOW	< 2,000		\$21.00
b) Non-terminal users			
MTOW	> 30,000		\$273.50
MTOW	20,001 – 30,000		\$121.00
Business Jet			\$158.00
MTOW	10,001 – 20,000		\$63.00
MTOW	5,001 – 10,000		\$47.50
MTOW	3,501 – 5,000		\$36.50
MTOW	2,001 – 3,500		\$31.50
*MTOW	701 – 2,000		\$10.50
*MTOW	< 700		\$10.50
Helicopters			\$10.50
Glider Tow Planes			\$10.50
Airport parking			
Daily charge			\$10.50 (but remove 3-hour free parking)
Lost Ticket			\$52.50



Note:

- Touch and Go Practice Landings Treated as One Landing.
- Tow Plane and Glider Charged for Tow Plane Only.
- Scheduled service providers subject to separate agreement.
- Unpaid landing fees will incur an administration fee of \$25.00.

Animal Control – Dog Registration

Description	2022/23 (GST incl.)
First Registration Fee for a New Puppy (3 months to 12 months)	38.00
Registration Fees for Working Dogs, Rural Pet Dogs, and Selected Dog Owner	40.00
Registration Fees for Neutered Dogs (12 months and above)	66.00
Registration Fees for Entire Dogs (not desexed) (12 months and above)	116.00
Registration Fees for Disability Assist Dog (Certified In Training / Trained)	No charge

Late Registration: Plus 50% of the appropriate fee (as provided by Statute) in the event of a dog not being re-registered by 1 September.

Dangerous Dog: Plus 50% of the appropriate fee (as provided by Statute) for Dog classified as Dangerous.

Description	2022/23 (GST incl.)
Dangerous Dogs – Entire	174.00
Dangerous Dogs – Neutered	99.00
Dangerous Dogs – Rural/Working	60.00
Selected Owners Policy (SOP) Application Fee (New Fee)	44.00
3 Plus Licence	44.00
SOP/3 Plus Dual Application Fee (New Fee)	64.00
SOP/3 Plus Re Inspection Fee	34.00
Replacement registration tag	5.00

Dog Registration / Refunds for Deceased Dogs and Registration / Refunds Pro Rata of Current Fees

Month	Pets (> 1 year)	Neutered	Working	Rural Pets	Selected Owner Policy	Puppy Refunds Only (Deceased)
	2022/23 (GST incl.)	2022/23 (GST incl.)	2022/23 (GST incl.)	2022/23 (GST incl.)	2022/23 (GST incl.)	2022/23 (GST incl.)
July	116.00	66.00	40.00	40.00	40.00	38.00
August	110.00	60.00	36.00	36.00	36.00	34.00
September	100.00	55.00	33.00	33.00	33.00	31.00
October	90.00	49.00	29.00	29.00	29.00	28.00
November	80.00	44.00	26.00	26.00	26.00	25.00
December	70.00	38.00	23.00	23.00	23.00	22.00
January	60.00	33.00	19.00	19.00	19.00	19.00
February	50.00	27.00	16.00	16.00	16.00	15.00
March	40.00	22.00	13.00	13.00	13.00	12.00
April	30.00	16.00	9.00	9.00	9.00	9.00
May	20.00	11.00	6.00	6.00	6.00	6.00
June	10.00	5.00	3.00	3.00	3.00	3.00

Note: The Registration of a new puppy is always \$30.00. There is no pro-rata for Registration.



Animal Control – Dog Impounding Fees

Description	2022/23 (GST incl.)
First impoundment in a 12 month period – Dog wearing tag	82.00
First impoundment in a 12 month period – Dog not wearing tag	115.00
Second impoundment in a 12 month period – Dog wearing tag (1 plus micro-chipping charge)	95.00
Second impoundment in a 12 month period – Dog not wearing tag (1 plus micro-chipping charge)	125.00
Third impoundment in a 12 month period – Dog wearing tag (2 plus \$200 infringement may apply)	104.00
Third impoundment in a 12 month period – Dog not wearing tag (2 plus \$200 infringement may apply)	135.00
Daily sustenance	16.00
Micro-chipping fee – Pound	50.00
Micro-chipping fee – community	50.00
Surrender	40.00
Seizure	55.00
Barking collar hire (Hire \$25.00 & Bond \$25.00)	50.00
Adoption from Pound	105.00

1. Second impoundment also results in a micro-chipping charge of \$50.00 per dog.
2. Third impoundment may result in a \$200.00 infringement for failing to control a dog.

Appropriate impounding fee applies to dogs returned home by an Animal Control Officer.
 Unregistered dog – above fees plus appropriate registration and micro-chipping charge.

Animal Control – Impounding Fees (Dogs and other animals)

Description	2022/23 (GST incl.)
Rangers charge out rate	\$80.00 per hour
Travel charge per km	0.85

To be charged at the actual charge out rate per hour or part thereof plus any other costs including travel and impounding fees and a 25% administration fee.



Art Gallery

Description	2022/23 (GST incl.)
Exhibition Hire (subject to contractual approval and management of the exhibition)	
Main Gallery	\$42.00 per day
Main Gallery – Community Groups	\$37.00 per day
Main Gallery – Corporate Groups	\$84.00 per day
Octagon Foyer	\$26.00 per day
After Hours	\$80 per hour plus \$30 per hour staff charge
Exhibition Pod Hire (when not in use at Aigantighe)	Free
Hourly staff rate for after hour events	\$30.00
Research Fee (first 15 minutes free)	\$26.00 per half hour
Student Research fee	Free
Reproduction Fee (per image outside Copyright)	
Laser print A4	\$8.00
Laser print A3	\$12.00
Digital image (300 dpi jpeg via online link)	\$20.00
A4 Poster	\$60.00
A3 poster	\$80.00
A2 Poster	\$100.00
A1 Poster	\$120.00
Custom size poster	\$POA
For images under copyright the applicant is required to produce written authorization from the copyright holder before the Gallery can reproduce the image/s. Any fees payable to a copyright holder is an additional to fees due to the gallery. If the applicant requires the gallery to seek copyright authorisation from the copyright holder this will be charged at research fee rate	
Photography Fees	
Staff hourly rate for photography of artworks (when a new image needs to be created from an original artwork. This fee covers the staff time involved in retrieval of collection items, installation, and photography setup and production)	\$120.00



Publication Fee (per image and per print run)		
Books, Periodicals, Internet		\$70.00
Calendars, Book Covers		\$290.00
Advertising / Publicity (labels, packaging, posters)		\$290.00
TV Programmes and Commercial Films (New Zealand)		\$290.00
TV Programmes and Commercial Films (International)		\$600.00
TV Commercials		\$600.00
Commercial Still Photography and Filming in the Gallery		\$290.00
Postage within NZ		\$10.00
Postage International		\$30.00

Exhibitions initiated by Gallery: No rental, but 25% commission if works are for sale.

Exhibitions not initiated by Gallery (subject to approval of Gallery Manager)

Community i.e. "non-profit" Groups	No commission but rental (also refer note below)
Single Artist / Artist Groups	25% commission plus daily rental
Young South Canterbury Solo Artist	25% commission within minimum daily rental
Corporate / Commercial (selling) Exhibition	25% commission and double daily rental

Note:

- No commission or rental charge for Friends of Aigantighe.
- Exhibitions falling outside categories to be charged at Gallery Manager’s discretion.



Assignment of Other Leases (Residential / Commercial / Rural)

Description		2022/23 (GST incl.)
Lease details		
Deed of Assignment of Lease requested by Counter Party – Administration Fee		\$200.00
		+ actual and reasonable legal costs and LINZ registration fees (if applicable)

Building Control Services

Description	2022/23 (GST incl.)
Administration/Lodging Fee	
Work with a value of less than \$20,000	\$216
Work with a value of between \$20,001 and \$100,000	\$288
Works with a value of between \$100,001 and \$500,000	\$431
Work with a value of more than \$500,000	\$602
Amendments	\$216
Certificate of Acceptance	\$216
Other Minor Applications (total fee to be invoiced when granted)	
Solid and Liquid Fuel Heating Appliances	\$455
Solid Fuel Heater (insert/inbuilt 2 inspections required)	\$648
Marquees	\$455
Demolition (Residential Only)	\$455
Solar Hot Water Systems	\$455
PIM Only	\$455
Project Information Memorandum	
PIM Minor Works	\$168
PIM – All Other Works	\$431
Existing PIM Assessment (if applicable to new building consent application)	\$162
Building Consents / Amendments	
Advice Notes (Minor)	\$168
Advice Notes (All other work)	\$431
Technical Processing (per half hour or part thereof)	\$96
Full Inspection	\$192
Waivers & Modifications – Refer technical processing	Invoice
Fire & Emergency NZ Service Section 46 Notice (plus all NZFS charges)	\$176
Exempt Building Work	
Exempt Building Work Notification	\$144
Exempt Building Work (Discretionary Decision clause 2) – (Technical check and Administration)	\$264



Description	2022/23 (GST incl.)
Compliance Schedules and WOFs	
Compliance Schedules (Issue & Register)	\$347
Amended and Provision of Existing Compliance Schedules	\$139
Compliance Schedule (one specified system only)	\$139
Receiving Building Warrant of Fitness	\$139
Audit of Building Warrant of Fitness	\$324
Re-Inspection following non-compliance	\$192
Certificates of Acceptance	
Technical Process (per half hour or part thereof)	\$96
Inspection	\$192
Other Building Charges	
Notice to Fix – Technical Check and Administration (plus full inspection charge per inspection)	\$527
Certificate under Sale and Supply of Liquor Act 2012 (plus all inspections and other action necessary to confirm compliance)	\$86
Extension of Building Consent Timeframe	\$168
Non-consent Inspections	\$192
Section 73 Notice (Building on land subject to natural hazards)	\$623
Section 77 Notice (Building on two or more allotments)	\$623
Building Record Update – (Non Technical Check and Administration)	\$264
Change of Use/Extension of Life/Subdivision of Building (assessment and record) (per ½ hr or part thereof)	\$96
Certificate for Public Use – Technical Check and Administration (plus full inspection charge per inspection)	\$360
Amusement Device (charges set by legislation) (for 1 device, for the first 7 days of proposed operation or part thereof)	\$11.50
Amusement Device (charges set by legislation) (for each additional device operated by the same owner, for the first 7 days or part thereof)	\$2.30
Amusement Device (charges set by legislation) (for each device for each further period of 7 days or part thereof)	\$1.15
Building file viewing	invoice
Administration fee per half hour	\$72.00
Fencing of Residential Swimming Pools	



Description		2022/23 (GST incl.)
Exemptions (Schedule One)		\$144.00
Registration of Swimming Pool (new)		\$216.00
Administration (per half hour)		\$72.00
3 yearly compliance assessment (for pools that do not require a building consent):		\$192.00
Re-inspection follow-up (for pools that do not require a building consent):		\$192.00
South Island IQP Processing		
Application		\$280.00
Per feature / specified system		\$20.00
Annual Renewals		\$120.00
Earthquake Prone Buildings		
Registration and maintenance of Earthquake Prone Building Register (per building)		\$420.00
If technical assessments or reviews are required in addition to the above fee, this additional time will be charged at a rate per half hour		\$72.00
Contractors and Consultants		
Due to the nature of some applications or the incorporation of specialist services the Council may, at its discretion, refer these applications to consultants for checking. The fees and charges incurred will be additional to the fees identified on this schedule		At Cost

Note:

- The Building Control Manager has delegated authority to use discretion as required.
- Certain charges remain applicable if an application/consent is withdrawn.

Description		2022/23 (GST incl.)
Printing of a full Building Consent or additional copies (other than minor consents)		\$57
Charging for any other printing requirements or requests will be at the discretion of the Building Control Manager		



Cemeteries

Description	Type	Plot Purchase	Interment	Concrete Beam
		2022/23 (GST incl.)	2022/23 (GST incl.)	2022/23 (GST incl.)
All Cemeteries	Single	\$1215.00	\$1320.00	\$380.00
	Infant (Four years and under)	\$430.00	\$655.00	\$195.00
	Stillborn	\$285.00	\$0.00	\$195.00
	Ashes	\$285.00	\$295.00	\$195.00
RSA Sections (Timaru, Temuka, Geraldine)	Single	-	\$1320.00	-
	Ashes	-	\$295.00	-

Description	2022/23 (GST incl.)
Additional Charges	
Record search in excess of ONE request per day	\$15.00 per enquiry
*Funeral – Saturday (completed 12.00pm to 4.00pm)	\$655.00
*Funeral – Saturday (completed after 4.00pm)	\$1515.00
*Funeral - Statutory Holiday/Sunday (completed 10.00am to 4.00pm)	\$1165.00
*Funeral – Statutory Holiday/Sunday (completed after 4.00pm)	\$1810.00
Funeral – Monday to Friday (completed after 4.00pm)	\$655.00
Dig Grave – Statutory Holiday/Saturday/ Sunday (where requested)	\$655.00
Concrete Removal	\$655.00
Extra Depth (3 Burials in One Plot)	\$655.00
Lowering Device Placement (where supplied by Funeral Director)	\$125.00
Memorial Application Approval	\$35.00

- Burial Warrants (interment) - Must be received by the Customer Services staff at least eight working hours before a burial. For funerals to take place before 2.00pm on Monday or the day following a Statutory Holiday, burial warrants must be received by Customer Services staff prior to 4.00pm on the previous Council work day.
 - * Funerals on weekends or statutory holiday are subject to availability.
- RSA - Pleasant Point, Pareora West and Arundel do not have an RSA section and Arundel does not have concrete burial berms.



- Memorial Application Approval – All headstones, plaques and other memorials erected in cemeteries must be approved by Council for compliance with the appropriate New Zealand Standard and be applied for and erected by a Monumental Mason.

Council and Standing Committee Agendas

Description		2022/23 (GST incl.)
Organisations and individuals who request copies of the Council and Standing Committee agendas on a regular basis will be charged a fee of \$25.00 per copy.		\$25.00 per copy

Note: This shall not apply to the media.

- Agendas are available from Timaru District Council Website at no cost.



Infrastructure Group Administration Fees

Description	2022/23 (GST incl.)
Services Consents (Connection/Disconnections to Public Infrastructure)	
Application Fee	\$500.00
Amendment Fee	\$250.00
Retrospective Approval Fee (additional to application fee)	\$250.00
Inspection / Re-inspection Fee (per inspection)	\$250.00
Bond Application Fee	\$500.00
Request for Time Extension (for other than minor changes)	\$125.00
Acceptance of Engineering Design (for new assets to be vested to Council)	Actual Cost
Occupation of Road Reserve (Installation of Private Services)	
Application Fee	\$250.00
Amendment Fee	\$125.00
Charge Rates (staff time rate)	
Group Manager	\$220.00 per hour
Unit Manager	\$185.00 per hour
Senior Engineer	\$150.00 per hour
Engineer	\$125.00 per hour
Infrastructure Planner	\$150.00 per hour
Administration Staff	\$85.00 per hour



Facility Hire – Alpine Energy Community Centre, Temuka

Preparation time (must be arranged at the time of booking the facilities. This will be charged at the normal hire charge)

Hire (minimum hire charge of two hours per hire including preparation / pack out time).

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description		2022/23 (GST incl.)
Bond (function involving alcohol)		\$750.00
AD Hally Lounge (upstairs)		
Meetings only		\$21.00 per hour
Others:		
morning to 6.00pm		\$27.00 per hour
6.00pm to 2.00am		\$31.00 per hour
Preparation/pack-in night before event and pack-out/clean up morning after event, charged at normal hourly rate		
Maximum Daily Rate (day/night events, multi-day events)		\$260.00
Kitchenette		\$10.00 per hire
Stadium		
Sporting Activity		\$15.00 per hour
Others:		
morning to 6.00pm		\$30.00 per hour
6.00pm - 2.00am		\$35.00 per hour
Preparation/pack-in night before event and pack-out/clean up morning after event, charged at normal hourly rate		
Maximum Daily Rate (day/night events, multi-day events)		\$340.00
Main Kitchen (Tea/Coffee only)		\$12.00 per hour
Changing Rooms and Showers	\$26.00 per room plus cleaner with Club's agreement	
Heater – Downstairs Stadium (electricity per hour as per booking)		\$19.00 per hour
Public Liability Insurance Cover (if required)		\$13.00 per hire
Regular Users Rates Per Annum		



Description		2022/23 (GST incl.)
Temuka Fitness Centre		\$1,700.00
Citizens Indoor Bowls		Hourly Rates
Temuka Geraldine Bowls Association		Hourly Rates
Temuka Small Bore Rifle Club		\$1,415.00
Temuka Cricket Club		\$142.00

Facility Hire – Aorangi Pavilion, Timaru

The Aorangi Pavilion, Lounge, Aorangi Park may be used for sporting events, wedding receptions, exhibitions and public meetings as approved by Council. Other uses are considered on an individual basis. The facilities available are the Lounge which is licensed for 80.

Preparation time (must be arranged at the time of booking the facilities. This will be charged at the normal hire charge)

Hire (minimum hire charge of two hours per hire including preparation / pack out time).

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description		2022/23 (GST incl.)
Bond (function involving alcohol)		\$750.00
Hire		
Hourly Rate (includes kitchen)		\$21.00 per hour

Facility Hire – Caroline Bay Entertainment Centre

**This facility is now leased to the Caroline Bay Association and is no longer available for hire.*

Facility Hire – Caroline Bay Lounge

The Caroline Bay Lounge may be used for meetings, seminars, receptions and smaller functions for up to 100 people.

Hire Minimum hire charge of two hours per hire. Hirer will be charged from start of booking (including pack in and pack out) until end of booking including hirer’s clean up.

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description	2022/23 (GST incl.)
Bond (function involving alcohol)	\$750.00
Hire	
Hourly Rate (includes kitchen)	
- Up to 11pm	\$16.00 per hour
- After 11pm	\$19.00 per hour
- Preparation/pack-in night before event (after 5pm) and pack-out/clean up, morning after event (before 12pm) charged at normal hourly rate	
Maximum Daily Charge (day/night events, multi-day events)	\$215.00
Electrical facilities (Heating, Lighting etc.)	\$0.50 per unit
Public Liability Insurance Cover (if required)	\$13.00 per hire
* Security Check	\$40.00 per check

* **Security:** Please note an additional charge of securing the lounge will apply to any hire closing **from 11.00pm onwards** as per the security company’s scale of charges. Should this fee change, any hirer who requires this service is notified by letter. District Plan rules and bylaws apply limiting hours of use (e.g. noise control).

Facility Hire – Caroline Bay Hall

The Caroline Bay Hall may be used for dances, socials, cabarets, wedding receptions, exhibitions and public meetings.

Hire Minimum hire charge of two hours per hire, including pack in and pack out) until end of booking including clean up.

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description	2022/23 (GST incl.)
Deposit (required one month prior to your reservation)	\$50.00
Bond (function involving alcohol)	\$750.00
Hire	
Hourly Rate	
- Up to 6pm	\$30.00 per hour
- 6pm-11pm	\$67.00 per hour
- After 11pm	\$97.00 per hour
- Preparation/pack-in night before event and pack-out/clean up, morning after event charged at normal hourly rate	
Maximum Daily Rate (day/night events, multi-day events)	\$635.00
Electrical facilities (Heating, Lighting etc.)	\$0.50 per unit
Kitchen facilities	\$30.00 per hour
Public Liability Insurance Cover (if required)	\$13.00 per hire
Security Check*	\$40.00 per check
Miscellaneous Charges	
Conference chairs for use <u>within</u> the hall (if alcohol or food is served)	\$1.60 each per day
Tables and chairs are available to hire out from the Caroline Bay Hall at the following charges:	
Tables	\$6.30 each per day
Chairs (wooden and plastic)	\$1.50 each per day
Conference Chairs (upholstered)	\$3.00 each per day
Use of baby grand piano	\$50.00

* **Security:** Please note an additional charge of securing the hall will apply to any hire closing **from 11.00pm onwards** as per the security company's scale of charges. Should this fee change, any hirer who requires this service is notified by letter. District Plan rules and bylaws apply limiting hours of use (e.g. noise control).



Facility Hire – Caroline Bay Soundshell

The Caroline Bay Soundshell is an outdoor venue with seating for 1,780.

Deposit - A deposit is required on signing the Agreement to cover the Statutory Advertising. This will only be refundable if cancellation notice is given one week prior to concert.

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Screen Fencing - Council can provide screen fencing for the Bay Hill frontage from the Piazza to about opposite the restaurant. This would be erected on the afternoon of the concert if it is required. The cost of fencing will vary accordingly to the requirements of each concert, typically at a cost of \$2,500 - \$3,000.

Description	2022/23 (GST incl.)
Hire - Show Charging Admission	
Deposit (refundable)	\$300.00
Soundshell hire, electricity supply, clean up/labour, two public notices re Liquor ban / exclusive use and admission charge	\$650.00
Fencing / labour	At cost
Hire – Show with No Admission Charge or Community Event	
A Community Events is when admission is by donation (gold coin or similar) and/or the net proceeds are being donated to an approved charity or community cause	
Deposit (refundable)	\$200.00
Hire	\$120.00
Covers limited electricity supply: Any additional electricity supply must be arranged for and paid by the hirer.	
Clean up: Any additional clean up / rubbish removal etc. must be paid by the hirer.	
Public Liability Insurance Cover (if required)	\$13.00 per hire

Council does **NOT** offer the following Services: Security, Ticket Sales/Booking Agent, Ushers, Sound, Electrician, Additional Electrical Supply, Additional Spot Lighting, and Additional Stage Lighting. Please make your own arrangements for these services. A list of service providers can be supplied if required.

The Hirer's attention is drawn to the following legal requirements of the Electrical Regulations covering outdoor venues:

- Should the Hirer's 'Electrical Load' requirements exceed the capacity of the 'Residual Current Device Protected 3 Phase 5 Pin Sockets' then a power supply of '3 Phase 150 Amp' may be drawn from a fuse/switch provided.
- The Hirer's electrician when taking a power connection from the fuse/switch is responsible for arranging his own Electrical Permit and assumes full legal responsibility at all times for the temporary electrical installation whilst it is connected to a power supply.
- The Council shall **NOT** accept any responsibility or claims for compensation of loss due to power failure at the venue for whatever reason. The Hirer and the hirer's electrician are totally responsible for all electrical safety of performers, staff and the public.

Facility Hire – Geraldine Pavilion

Preparation time (must be arranged at the time of booking the facilities. This will be charged at the normal hire charge)

Hire (minimum hire charge of two hours per hire including preparation / pack out time).

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description	2022/23 (GST incl.)
Bond (function involving alcohol)	\$750.00
Lounge (upstairs)	
Hourly Rate (includes kitchen)	
- Up to 11pm	\$21.00 per hour
- After 11pm	\$21.00 per hour
- Preparation/pack-in night before event (after 5pm) and pack-out/clean up, morning after event (before 12pm) charged at normal hourly rate	
Public Liability Insurance Cover (if required)	\$13.00 per hire
Changing Rooms (downstairs)	
Hire	\$25.00 per hire
Storage Rooms	By arrangement

Facility Hire – Pleasant Point Town Hall

Hire Minimum hire charge of two hours per hire. Hirer will be charged from start of booking (including pack in and pack out) until end of booking including clean up. Preparation time to be arranged at time of booking (charged at normal rates).

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description	2022/23 (GST incl.)
Bond – Dances, Socials, Cabarets including alcohol	\$750.00
Deposit – Dances, Socials, Cabarets	\$100.00
Hire	
Hourly Rate – Meetings only	\$14.00 per hour
Hourly Rate – Sports only	\$10.00 per hour
Others – morning to 6pm	\$16.00 per hour
Others – 6pm - midnight	\$22.00 per hour
Others – midnight to 2am	\$24.00 per hour
Preparation/pack-in night before event (after 5pm) and pack-out/clean up, morning after event (before 12pm) charged at normal hourly rate	
Maximum Daily Rate (day/night events, multi-day events)	\$205.00
Miscellaneous	
Heating	\$2.00 per hour of use
Kitchen facilities	\$10.00 per hour
Memorial Lounge only	\$11.00 per hour
Supper Room only	\$11.00 per hour
Public Liability Insurance Cover (if required)	\$13.00
Hire Out Equipment From Hall	
Tables	\$6.60 each per day
Chairs	\$1.50 each per day

Facility Hire – Pleasant Point Gymnasium

The gymnasium is now leased to the Pleasant Point Community Health & Fitness Club Incorporated. Fees and charges are set by the lessee.



Facility Hire – The Southern Trust Events Centre

The Southern Trust Events Centre features a large multi-purpose Stadium, a Lounge including Kitchen and Bar, and a Meeting Room.

Commercial and special events rates are available on request. Quoted prices will vary depending on the type of event, spaces required, door charges, services requested etc.

A bond of up to \$1,000 may be charged depending on the usage/function. **Stadium** (up to 2,400 people).

Description			Adult / Senior Competition	School Usage Junior Competition
			2022/23 (GST incl.)	2022/23 (GST incl.)
Full Stadium Floor (three sections)				
Hourly			108.00	\$87.00
Full Day (8.00am-5.00pm)			\$729.00	\$587.00
Full Day and Evening (8.00am-11.00pm)			\$1,215.00	\$978.00
Lighting per hour (electricity)			\$42.30	\$42.30
Heating per hour (gas)			\$56.40	\$56.40
Air vents / Circulation per hour (electricity)			\$42.30	\$42.30
Two Thirds Stadium Floor (two sections)				
Hourly			\$72.00	\$58.00
Full Day (8.00am-5.00pm)			\$486.00	\$391.00
Full Day and Evening (8.00am-11.00pm)			\$810.00	\$652.00
Lighting per hour (electricity)			\$28.20	\$28.20
Heating per hour (gas)			\$37.60	\$37.60
Air vents / Circulation per hour (electricity)			\$28.20	\$28.20
One Third Stadium Floor (one section)				
Hourly			\$36.00	\$29.00
Full Day (8.00am-5.00pm)			\$291.00	\$235.00
Full Day and Evening (8.00am-11.00pm)			\$486.00	\$391.00
Lighting per hour (electricity)			\$14.10	\$14.10
Heating per hour (gas)			\$19.30	\$19.30
Air vents / Circulation per hour (electricity)			\$14.10	\$14.10



Description	2022/23 (GST incl.)
Upstairs Meeting Room (up to 40 people)	
Hourly	\$30.00
Morning, Afternoon or Evening	\$70.00
Upstairs Lounge, Kitchen and Bar (up to 300 people)	
Morning or Afternoon	\$115.00
Full Day (8.00am-5.00pm)	\$235.00
Full Day and Evening (8.00am-11.00pm)	\$295.00
Evening only	\$155.00
Weddings	\$565.00
Other Social Functions	\$330.00
Exercise class with owner instructor per hour	\$40.00
Gym	
Rmove from F&C's	
Groups using their own qualified instructor per hour	\$40.00
Other Charges	
Cancellation of Booking - at Manager's discretion	\$30.00 minimum
Set up/pack down equipment (per hour) - at Manager's discretion	\$40.00
External Changing Rooms (per room per half day)	\$99.00
Downstairs commercial kitchen (large functions and events)	\$315.00
Electricity per kwh	\$0.27
Additional clean up (per hour) – at Manager's discretion	\$40.00
Security Unlock / Lock up	\$70.00

Note: The Centre reserves the right to adjust the final account based on the actual level of use, additional services provided and any damage incurred.



Facility Hire – Temuka Domain Pavilion

Preparation time (must be arranged at the time of booking the facilities. This will be charged at the normal hire charge)

Hire (minimum hire charge of two hours per hire including preparation / pack out time).

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description		2022/23 (GST incl.)
Bond (function involving alcohol)		\$750.00
Hire		
Hourly Rate		\$15.00 per hour

Facility Hire – Theatre Royal Timaru – currently closed for The Theatre Royal Upgrade/Heritage Facility Project



Facility Hire – Washdyke Community and Sports Centre

The Washdyke Community and Sports Centre may be used for meetings, seminars, receptions and functions for up to 200 people.

Hire of the Lounge and Bar: Contact Soccer South Canterbury, telephone 03 693 8594 or 027 637 4775.

Hire of the Squash Courts: Contact Don McLean, telephone 03 688 6330.

Council administers the hire of the **Gymnasium and the Squash Lounge as follows:**

- **Hire** Minimum hire charge of two hours per hire. Hirer will be charged from start of booking (including pack in and pack out) until end of booking including clean up.
- **Public Liability Insurance** The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description	2022/23 (GST incl.)
Bond – Functions including alcohol	\$750.00
Deposit – Required one month prior to reservation	\$50.00
Hire	\$17.00 per hour
- Minimum Charge 2 hours \$30.00	
Electrical facilities (heating / lighting)	\$0.50 per unit
Public Liability Insurance Cover (if required)	\$13.00 per hire
*Security check	\$40.00 per check

* Please note: An additional charge for a **security** check of the Centre will apply to all functions at which alcohol is served and to any reservation closing from 11.00pm onwards as per the security company’s scale of charges. Should this fee change, any hirer who requires this service is notified by letter.



Facility Hire – West End Hall

The West End Hall may be used for meetings, seminars, receptions and functions for up to 200 people.

Hire Minimum hire charge of two hours per hire. Hirer will be charged from start of booking (including pack in and pack out) until end of booking including hirer’s clean up.

Public Liability Insurance The hirer is required to have Public Liability Insurance and provide a confirmation of this to the Council before the booking is confirmed. If the hirer does not have Public Liability Insurance the Council will charge \$13.00 per hire. This provides cover to a maximum of \$2,000,000.

Description	2022/23 (GST incl.)
Bond – Functions including alcohol	\$750.00
Hire	
Meeting Room (can be hired separately)	\$20.00 per hour
Hall Hireage	
Hourly Rate	
- Morning to 6pm	\$30.00 per hour
- 6pm to midnight	\$40.00 per hour
- Midnight to 2am	\$47.00 per hour
Preparation/pack-in night before event (after 5pm) and pack-out/clean up, morning after event (before 12pm) charged at normal hourly rate	
Maximum Daily Charge – day/night events, multi-day events	\$435.00
Kitchen Facilities (can be hired separately)	\$24.00 per hour
West End Bowls	\$19.00 per hour
Committee Room (Masonic Lodge)	\$18.00 per hour
Ante Room (available only when Committee Room and Lodge Room not in use)	\$12.00 per hour
Hire Out Equipment From West End Hall	
Tables	\$4.00 each per day
Chairs	\$0.50 each per day
Public Liability Insurance Cover (if required)	\$13.00 per hire

Cleaning Costs: Should the Hall require additional cleaning following hire, the hirer will be charged at an hourly rate.

Fishing Huts

Description		2022/23 (GST incl.)
Lease Transfer		\$200.00
Rangitata Hut Lease		\$700.00
Rangitata Hut Lease – Permanent Resident		\$1050.00
Stratheona Hut Lease		\$700.00

Land Information Memorandum

Description		2022/23 (GST incl.)
Residential Single Unit Properties (based on rating differential)		\$320.00
All Other Properties		\$450.00

Land Transport

Description		2022/23 (GST incl.)
Services Consents (Connection/Disconnections to Public Infrastructure)		
Application fee		\$500.00
Vehicle crossing – application fee		Refer to CAR Fees below
Occupation of Road Reserve (Installation of Private Services)		
Application Fee		\$250.00
Amendment Fee		\$125.00
Road Occupation Inspection Fee		\$100.00
Reinspection Fee		\$250.00
Private Bridge / Stock Underpass Structural Inspection Fee		\$575.00
Corridor Access Request (CAR) – Application Fees		
Works within footpaths/berms:		
<ul style="list-style-type: none"> Type FB1 (Minor) Up to 6 square metres and/or 20 lineal metres 		\$50.00
<ul style="list-style-type: none"> Type FB2 (Major) Greater than 6 square metres and/or 20 lineal metres, but less than 10 square metres and/or 100 lineal metres 		\$500.00
Works within road carriageway (formed road):		
<ul style="list-style-type: none"> Type C1 (Minor) Up to 2 square metres and/or 5 lineal metres 		\$500.00
<ul style="list-style-type: none"> Type C2 (Major) Greater than 2 square metres and/or 5 lineal metres, but less than 10 square metres and/or 15 lineal metres 		\$1,100.00
Project Work Areas greater than the above category types		At Cost

Latter Street Car Park

Description		2022/23 (GST incl.)
Clamping release fee for unauthorised vehicles		\$80.00

Library

Description	2022/23 (GST incl.)
Out of District Membership – per adult member	free
Temporary Membership – residing in Timaru District – 1 week – 6 months	free
Fines - Adult	Free
Fines - Children	Free
Adult Reserves	Free
Interloans	From \$6.00
Lost Borrower Card	Free
Photocopying	
A4	\$0.10 per page \$0.20 double sided
A4 Colour	\$1.00 per page \$2.00 double sided
A3	\$0.20 per page \$0.40 double sided
A3 Colour	\$1.50 per page \$3.00 double sided
Other	
Temuka Meeting Room	\$18.50 / hour
Geraldine Meeting Room	\$18.50 / hour
Lost/Damaged Item - Administration fee – per invoice	\$ 10.00
Lost Book	Replacement cost



Licence Fees

Description	2022/23 (GST incl.)
Bylaws Licences	
Taxi Stands – Cab Fee	\$102.00 per year
Annual Mobile shop or stall permit / public trader	\$150.00
Annual Multiple mobile shop outlets for same produce/same trader (New Fee)	\$150.00 for first unit plus 25% for each additional unit
Monthly Mobile Shop or stall permit / public trader	\$100.00
One Day Mobile Shop / Stall or Hawkers permit / public trader	\$40.00
Street Dining Areas (Permit to Occupy)	
Timaru, Geraldine, Temuka and Pleasant Point:	
Seat up to 17 persons	\$265.00
Seat 17 + persons	\$530.00
Health Licences	
Application for / Renewal of: -	
Camping Grounds	\$300.00
Food Premises:	
Charge-out rate – to apply to any activities that requires recovery of costs	\$155.00 per hour
Administration fees (Food/Health)	\$75.00/hr
Application for / Renewal of:	
Hairdressers	\$184.00
Public Health – Low Risk (i.e. Beauty Therapists [makeup only] - Non-Transferable	\$125.00
Public Health–High Risk (i.e. Skin piercing, Tattooing, etc) - Non-Transferable	\$215.00
Offensive Trades	\$215.00
Funeral Directors	\$215.00
Public Health Pool Registration/Renewal (Bylaw) includes inspection	\$210.00
Pre-Opening, etc – Cost of licence plus charge out rate per hour or part thereof.	\$215.00 - \$395.00 + \$160.00 per hour
New Registration	



Description		2022/23 (GST incl.)
Food Control Plan - single site		\$150.00 fixed fee plus \$77.50 / half hour after 1st hour
Food Control Plan – multi site		\$225.00 fixed fee plus \$77.50 / half hour after 1st hour
National Programme		\$150.00 fixed fee plus \$77.50 / hour after 1st hour
Consultancy (optional) – new business set up assistance/preopening visit		\$155.00 per hour
Food Control Plan Mentoring (optional)		\$310.00 fixed fee
Registration Renewal		
12 month renewal Food Control Plan - single site		\$150.00 fixed fee
12 month renewal Food Control Plan - multi site		\$225.00 fixed fee
24 month renewal National Programme		\$150.00 fixed plus \$77.50/half hr after 1st hr
Food Control Plan Mentoring (optional)		\$300.00 fixed fee
Compliance and Monitoring		
Food Control Plan – annual (includes those FCP’s registered before 1 March 2016)		\$75.00 fixed fee
National Plan – 24 month		\$150.00 fixed fee
Verification (Audit)		
Food Control Plan – single site audit		\$300.00 fixed fee plus \$77.50 per half hour after the first 2 hours
Food Control Plan – multi site audit		\$300.00 fixed fee plus \$77.50 per half hour after the first 2 hours
Food Control Plan Audit close-out over 15 minutes		\$155.00 per hour
National Plan 1 Check (one off)		\$155.00 per hour
National Plan 2 Audit – 3 yearly		\$155.00 per hour
National Plan 3 Audit – 2 yearly		\$155.00 per hour
Complaint Driven Investigation		
Complaint resulting in issue of improvement notice		\$155.00 per hour plus actual travel costs and disbursement
Exemption		
Application and Assessment		\$155.00 per hour



Description	2022/23 (GST incl.)
Travel Charges (applied to the fees above as appropriate)	
Timaru District	\$10.00 fixed charge per visit
Actual Travel Costs	Where applicable, charges at 0.85c per km plus staff travel time at \$155.00 per hour
Miscellaneous Licences / Fees	
Re-inspection for Non Compliance - All licences	\$160.00 per hour
Environmental Health Regulatory Functions and Enforcement	\$160.00/hr
Transfer Fee	\$105.00
Gambling Act Consent Fee – Deposit (Includes processing of application up to a maximum of 2 hours: Charge out fee per hour or part thereof applies thereafter)	\$315.00
Public Swimming and Spa Pools – Investigation and Tests	\$160.00/hr plus cost of lab tests
Liquor	
Application fees (On, Off, Club)	
Very low	\$368.00
Low	\$609.50
Medium	\$816.50
High	\$1,023.50
Very high	\$1,207.50
Annual fees (On, Off, Club)	
Very low	\$161.00
Low	\$391.00
Medium	\$632.50
High	\$1,035.00
Very high	\$1,437.50
Special licence	
Class 3: one or two small events	\$63.25
Class 2: three to twelve small events or one to three medium events	\$207.00
Class 1: one large event, more than three medium events, more than twelve small events	\$575.00



Description		2022/23 (GST incl.)
Other application fees		
Public Notice of Application Fee		\$50.00
Managers certificate application and renewal		\$316.25
Temporary authority		\$296.70
Temporary licence		\$296.70
Appeal to Alcohol Regulatory Licensing Authority (paid to ARLA)		\$517.50
Extract of register		\$57.50
Permanent club charter		\$632.50
Bylaws Regulatory function and Enforcement ³		
Removal of advertising signs		\$105.00
Removal of abandoned vehicles		\$100.00/hr staff time plus Actual cost of towage
Litter		
a) As permitted under the Litter Act 1979		\$400.00
b) Clean – up relating to litter and illegal dumping		Actual cost of contractor + \$50.00 administration fee
Animals Seized under Local Government Act 2002		
Sustenance Fee per animal (New Fee)		\$15 per day
Bylaws Regulatory functions and enforcement		\$100/hour after first hour
Breach of Bylaw		\$500.00

- 1 Applies to applications for new licences, renewals of licences and variations to licences.
- 2 Event Definitions:
 - Small Event (0 – 100 people)
 - Medium Event (100 – 400 people)
 - Large Event (more than 400 people)
- 3 Bylaw fees and fines are charged under the LGA 2002. When the cost of bylaw monitoring and or enforcement related processes exceeds the stated fee, (min. charge), Council may recover all additional costs on a time and cost bases

Note: All Liquor Licence Fees are set by Government Statute and are subject to change.



Museum

Description		2022/23 (GST incl.)
Room rental		
Open Hours		\$26.50 per hour
After Hours		\$31.50 per hour + \$26.50 staff charge

Note: Use of Digital Theatre equipment will attract further charge to South Canterbury Museum Development Trust. Rental fees may be reduced for organisations linked to the South Canterbury Museum at the Museum Director’s discretion.

Description			Public	SC Historical Society /Friends of the Museum
			2022/23 (GST incl.)	2022/23 (GST incl.)
Photocopying – A4			\$0.50	\$0.20
Photocopying – A3			\$0.50	\$0.20
Microfilm scans / digital images / colour copies – A4			\$1.00	\$0.50
Microfilm scans / digital images / colour copies – A3			\$1.50	\$1.00
Database printouts – per page			\$1.00	\$0.50
Research				
SC Genealogy Society fee ¹			\$2.00	\$2.00
Research by staff			\$31.50 per ½ hour	\$31.50 per ½ hour

1 Fee applies to use of South Canterbury Genealogy Society resources by person who is not a member of the Society.

Description			Public	SC Historical Society/ Friends of the Museum
			2022/23 (GST incl.)	2022/23 (GST incl.)
Digital reprints²				
Catalogue print			\$1.00	\$0.50
Laser print – A5 / A4			\$8.00	\$7.00
Laser print – A3			\$12.00	\$10.00
Digital images (300dpi JPG on CD)			\$20.00	\$20.00
Commercial use of single image			\$50.00 per image	\$50.00 per image
Television or commercial filming in museum ³			\$280.00	\$280.00
Delivery timeframe (indicative)			5-10 working days Postal charges apply	2-3 working days Cost plus 50%

- 2 Prices given are for personal, private and non-commercial purposes. Commercial use of the museum’s images will incur further charges.
- 3 Fee may be reduced or waived with agreement from Museum Director. Filming for advertisements will be charged double the fee.



Motor Camps

Description		2022/23 (GST incl.)
Pleasant Point		
Cabins		\$31.00 adult / \$12.00 child
Caravan power sites		\$21.00 adult / \$7.00 child
Unpowered sites		\$16.00 adult / \$6.00 child

These motor camps are leased on term contracts.

- Geraldine Holiday Park
- Rangitata South Reserve
- Temuka Motor Camp
- Winchester Motor Camp

Parking

Description	2022/23 (GST incl.)
On Street Meters	\$1.40 per hour
Sophia Street Farmers	unchanged
Library	Unchanged
Barnard Street	\$0.80 per hour
The Landing Services	\$1.40 per hour
Cains Terrace	\$1.00 per hour
Bay Hill On Street	\$1.40 per hour
Cone Hire	\$15.00 per day
Infringement Fees Any parking offence involving parking on a road in breach of a bylaw, in excess of a period fixed by a meter or otherwise, where the excess time is:	
Not more than 30 minutes	\$12.00 discounted \$2.00
More than 30 minutes but not more than 1 hour	\$15.00 discounted \$2.00
More than 1 hour but not more than 2 hours	\$21.00 discounted \$2.00
More than 2 hours but not more than 4 hours	\$30.00 discounted \$2.00
More than 4 hours	\$42.00 discounted \$2.00
More than 6 hours	\$57.00 discounted \$2.00
Failing to display Pay & Display Receipt	\$40.00

Note: Discounts apply if paid within 14 days. Infringement fees are set by Statute.



Planning

Resource Management Fees

Section 36 of the Resource Management Act 1991 enables Council to charge additional fees to recover actual and reasonable costs where the Lodgement Fee is inadequate.

When the total cost to process an application exceeds the Lodgement Fee in Table One, the additional fees are charged at the rates specified in Table Two of this fee schedule.

The Council also reserves its discretion to refund part of the fixed fee if the work required to process the application is less than usual.

The Lodgement Fee will be required to accompany the application. An invoice will be sent for any additional fees. The Lodgement Fee is a deposit only and may not be the complete charge. There may be additional fees or a part refund as explained above.

Discounts shall be paid on administrative charges for applications for resource consent and applications to change or cancel conditions that are not processed within the statutory timeframes. The discounts shall be in accordance with the Regulations to the Resource Management Act 1991.

Description		2022/23 (GST incl.)
Table 1:		
Lodgement Fees (Deposit)		
Notified Consent		\$4,160.00
Limited Notified (service only) Consent		\$3,120.00
Non-notified Subdivision Consent		\$728.00
Non-notified Land Use Consent g		\$936.00
Non-notified Subdivision Consent - Change to Flats Plan or Unit Title		\$728.00
Right of Way Approval (not included in Subdivision Consent)		\$676.00
Revocation of Easements and Consent Notices (not included in Subdivision Consent)		\$546.00
Existing Allotments Section 226 Certificate (new titles created)		\$546.00
Section 223 Certificate (survey plan approval)		\$426.40
Section 224(c) Certificate		\$426.40
Section 224(c) Certificate including Section 223 Certificate		\$426.40
Removal of Building Line Restriction		\$665.60
Certificates of Compliance		\$665.60
Change or Cancellation of Conditions		\$546.00



Description		2022/23 (GST incl.)
Existing Use Rights and Existing Use Certificate		\$546.00
Extension of Time		\$499.20
Outline Plan		\$656.60
Waiver of Outline Plan		Actual cost
Alteration to a Designation		\$1,144.00
Extension of Time to a Designation		\$1,144.00
Plan Change		\$10,920.00
Notice of Requirements for Designations or Heritage Order		\$5,304.00
Certificates for LMVD		\$640.00
Certificates under the Sale and Supply of Alcohol Act 2012		\$155.00
Overseas Investment Office Certificate		Actual cost
Pre-Lodgement Work – Staff time conducting assessments, attending meeting(s) and writing correspondence prior to the lodgement of specific resource consent application(s) and private plan change(s).		Actual cost after first half hour free
Permitted Boundary Activity Notice		\$546.00
Permitted Activity Notice		\$546.00
Monitoring of Permitted Activity under the National Environmental Standards		\$125 per hour
Monitoring of resource consents and monitoring of non-compliance with the Timaru District Plan or the Resource Management Act 1991		\$125 per hour
Description		
Table 2:		
Charge Rates (staff time rate)		
District Planning Manager		\$165.00 per hour
Senior Planner		\$135.00 per hour
Planner		\$115.00 per hour
Subdivision and Compliance Officer		\$115.00 per hour
Monitoring Officer		\$115.00 per hour
Administration Staff		\$75.00 per hour
Other Council Staff		\$135.00 per hour
Public Notices		At cost
Disbursements		At cost



Description		2022/23 (GST incl.)
Consultants/Legal Advice (incl Aoraki Environmental Consultancy)		At cost
Commissioning Special Reports		At cost
Hearing costs		
Hearings Committee		\$104.00 per hour for the chairperson \$84.00 per hour per member who is not the chairperson
Commissioner		At cost
Other Charges		
Timaru District Plan		\$208.00 + postage
Annual update service to the District Plan		\$156.00 per year
District RAPID Numbers (book)		\$78.00
Allocation of new Rapid Number (includes Plate)		\$52.00
Replacement Rapid Number Plate		\$26.00
Bond Application		\$400.00 (to match infrastructure fee)
Bond Refund		\$365.00
Road name request		\$728.00

Records and Information Services Charges

Description	2022/23 (GST incl.)
Staff time	\$52.00 per half hour
Flashcard	\$20.00
Photocopying	
A4 colour – per side	\$1.50
A3 colour – per side	\$2.50
Building file viewing	\$30.00
Supply of Drainage plans	Free of Charge
Official Information Enquiries	
Staff time – first hour is free - then	
Staff time – per half hour, or part thereof	\$36.00

Sewer

Description	2022/23 (GST incl.)
Services Consents (Connection/Disconnections to Public Infrastructure)	
Application Fee	\$500.00
Inspection/Re-inspection fee (per inspection)	\$250.00
Connection/Disconnection (Physical Works)	
All pipe sizes and manholes – all locations	Actual Cost
Trade Waste Charges	
Fixed costs – per cubic metre of consented median discharge volume per day	\$0.71
Variable costs – per cubic metre of discharge (Invoiced after 1 July irrespective of time period covered)	\$0.12
Inspection (per visit)	\$250.00
Special Liquid Waste Charges	
Disposal charge (per cubic metre)	\$9.50
Additional charge for high solids content (per cubic metre) – dependant on solids content – Minimum charge 1 cubic metre	\$160.00
Solid waste requiring landfill disposal (per tonne)	\$315.00

Social Housing

In accordance with amendments to the Residential Tenancies Act, rent may only be increased every 12 months.

			Single (weekly) [If full cost recovery required]	Double (weekly) [If full cost recovery required]
			2022/23 (GST incl.)	2022/23 (GST incl.)
Timaru				
Clyde Street / Le Cren Street – One bedroom			\$145.00	\$175.00
Clyde Carr Crescent – One bedroom			\$135.00	\$155.00
Clyde Carr Crescent – Bedsits			\$112.00	\$132.00
Craigie Avenue – One bedroom			\$140.00	\$160.00
Edinburgh Street – One bedroom			\$160.00	\$175.00
Flemington Street – One bedroom			\$160.00	\$175.00
Hanan Place – One bedroom			\$135.00	\$155.00
7A – 9A Harper Street – One bedroom			\$135.00	\$155.00
9 Harper Street – One bedroom			\$145.00	\$170.00
James Street / Keith Street – One bedroom			\$135.00	\$160.00
Jonas Street – One bedroom			\$150.00	\$175.00
Maltby Avenue – One bedroom			\$160.00	\$175.00
Princes Street – One bedroom			\$140.00	\$160.00
Rhodes Street – One bedroom			\$135.00	\$155.00
Taylor Street – One bedroom			\$120.00	\$140.00
Taylor Street – Bedsits			\$112.00	\$132.00
Victoria Street – One bedroom			\$165.00	\$180.00
Wilson Street – One bedroom			\$135.00	\$155.00
Woodlands Road – One bedroom			\$135.00	\$155.00



In accordance with amendments to the Residential Tenancies Act, rent may only be increased every 12 months.

			Single (weekly) [If full cost recovery required]	Double (weekly) [If full cost recovery required]
			2022/23 (GST incl.)	2022/23 (GST incl.)
Temuka				
Hamilton Street – One bedroom			\$135.00	\$155.00
Hewlings Place – One bedroom			\$140.00	\$170.00
King Street – One bedroom			\$140.00	\$155.00
Levens Lane – One bedroom			\$140.00	\$170.00
Whitcombe Street – Bedsits			\$112.00	\$132.00
Wilkin Street – One bedroom			\$135.00	\$155.00
Wilmshurst Road – One bedroom			\$135.00	\$160.00
Wilmshurst Road – Bedsits			\$112.00	\$132.00
Wilmshurst Road / King Street – One bedroom			\$160.00	\$175.00
Geraldine				
Huffey Street – One bedroom			\$140.00	\$155.00
89 Talbot Street – One bedroom			\$127.00	\$147.00
113-115 Talbot Street – One bedroom			\$160.00	\$175.00
Pareora				
King Street – One bedroom			\$140.00	\$160.00
Pleasant Point				
Horton Street – One bedroom			\$135.00	\$155.00
Horton Street – Bedsits			\$107.00	\$127.00



Sports Grounds

Description	2022/23 (GST incl.)
Private hire per ground	\$45.00
Site Fees - Clubs with facilities on Council land will pay site fees of:	
Up to 200m ²	\$30.00 per annum
200m ² – 5,000m ²	\$105.00 per annum
5,000m ² – 10,000m ²	\$210.00 per annum
10,000m ² – 50,000m ²	\$325.00 per annum
50,000m ² – 100,000m ²	\$440.00 per annum
100,000m ² – 200,000m ²	\$560.00 per annum
Greater than 200,000m ²	\$1100.00 per annum

Sports fields - Charges for sports fields will be based on the extra cost of maintaining the area at sports field standard, compared with just maintaining it as a passive green area. These are additional to any Site Fees and reflect the actual marginal cost.

Hardcourts - Charges for publicly available Hardcourts and sealed areas will be based on:

- A 25% user capital contribution when the courts are constructed or resealed.
- 20% of the balance being recovered through user charges spread over the life of the improvements
- 20% of the annual maintenance cost recovered from user charges.

Stormwater

Description		2022/23 (GST incl.)
Services Consents (Connection/Disconnections to Public Infrastructure)		
Application Fee		\$500.00
Inspection/Re-inspection Fee (per inspection)		\$250.00
Connection/Disconnection (Physical Works)		
All pipe sizes and manholes – all schemes		Actual Cost
Pipe to water table – rural schemes		Actual Cost
Application for Stormwater Discharge		
Application Fee – using Council acceptable solution		No Charge
Application Fee – Specific Design		Actual Processing Cost



Swimming Pools: Geraldine, Pleasant Point and Temuka

Description	2022/23 (GST incl.)
Admission	
One Preschool (under 5 years) with a paying Adult	No Charge
Junior (5 - 17 years)	\$3.00
Adult	\$5.00
i Adult 65 years and over	\$4.00
ii Adult 80 years and over (upon application)	Free entry
Family Group Admission	
Adult with 2 Preschoolers (under 5 years)	\$6.00
i Adult 65 years and over with 2 Preschoolers (under 5 years)	\$5.00
Adult with Child under 8 (5 to 7 years)	\$6.00
i Adult 65 years and over with Child under 8 (5 to 7 years)	\$6.00
Entry Only Discounts	
Buy 10 receive 11	\$30.00 junior / \$50.00 adult / \$40.00 for 65+
Buy 20 receive 23	\$60.00 junior / \$100.00 adult / \$80.00 for 65+
Buy 50 receive 60	\$150.00 junior / \$250.00 adult / \$200.00 for 65+
Seasonal swim membership	\$126.00 junior / \$200.00 adult /\$160.00 65+
Aqua classes (plus admission)	\$2.00

Notes:

- The Recreation Facilities Manager has delegated authority to negotiate the hire of a portion of the facilities.
- One Pre-school child will be admitted to the pool with one paying Adult and the child must remain within arms length.
- ⁱ Adult 65 years and over - please supply proof of age
- ⁱⁱ Adult 80 years and over – application must be made and approved. Application Forms are available on request.



Swimming Pools: Caroline Bay Trust Aoraki Centre (CBay)

Description	2022/23 (GST incl.)
Admission	
One Preschool (under 5 years) with a paying Adult	No charge
Junior (5 - 17 years)	\$4.00
Adult	\$6.50
i Adult 65 years and over	\$5.50
ii Adult 80 years and over (upon application)	Free entry
Family Group Admission	
Adult with 2 Preschoolers (under 5 years)	\$8.50
i Adult 65 years and over with 2 Preschoolers (under 5 years)	\$7.50
Adult with Child under 8 (5 to 7 years)	\$8.50
i Adult 65 years and over with Child under 8 (5 to 7 years)	\$7.50
Hydro slide per session (plus admission)	\$4.00
Sauna / steam / spa per session (plus admission)	\$3.00
Entry Only Discounts	
Buy 10 receive 11	\$40.00 junior / \$65.00 adult / \$55.00 over 65 years
Buy 20 receive 23	\$80.00 junior / \$130.00 adult / \$110.00 over 65 years
Buy 50 receive 60	\$200.00 junior / \$325.00 adult / \$275.00 over 65 years
Buy 100 receive 125	\$400.00 junior / \$650.00 adult / \$550.00 over 65 years
Annual swim membership	\$500.00 junior / \$750.00 adult / \$625.00 over 65 years
Learn to Swim classes	
Explore and Learn - Pipi-frog (was Pipi-swordfish)	\$10.50
Explore and Learn - Turtle-swordfish	\$12.00
400Gold – per class – Seal-silver (CBay Learn to Swim After School Programme)	\$13.00

Description		2022/23 (GST incl.)
Aqua classes (plus admission)		
Aqua gentle - morning		\$3.00
Aqua fit – evenings		\$5.00

Notes:

- The Recreation Facilities Manager has delegated authority to negotiate the hire of a portion of the facilities.
- One Pre-school child will be admitted to the pool with one paying Adult and the child must remain within arms length.
- ⁱ Adult 65 years and over - please supply proof of age
- ⁱⁱ Adult 80 years and over – application must be made and approved. Application Forms are available on request.



Water

Description	2022/23 (GST incl.)
Services Consents (Connection/Disconnections to Public Infrastructure)	
Application Fee - Connection/Disconnection/Flow Alteration – all schemes	\$500.00
Application Fee – Request to deviate from Downlands Policy	\$735.00
Inspection / Re-inspection fee (per inspection)	\$250.00
Connections/Disconnections/Flow Alterations (Physical Works)	
Connections - All pipe sizes – all schemes	Actual Cost
Disconnections - Permanent/ Temporary/Reconnections	Actual Cost
Flow Alterations – Jet Alterations – all schemes	Actual Cost
Backflow Preventor and Water Meter	
Backflow Testing – By Owner	Actual Cost
Backflow Testing – By Council	\$265.00
Installation	Actual Cost
Sale Price of Water (per cubic metre) (Invoiced after 1 July irrespective of time period covered)	
Geraldine	\$0.75
Pleasant Point	\$0.75
Seadown	\$0.98
Temuka	\$0.75
Timaru	\$0.75
Winchester	\$0.75
Rural Schemes – Connection Fee	
Downlands – per Tank Connection	\$6,500.00
Downlands – per Unit	\$8,000.00
Orari	\$650.00
Seadown	\$1,600.00
Te Moana Downs – per Tank Connection	\$6,500.00
Te Moana Downs – per Unit	\$8,000.00
Rural Schemes – Other Fees	
Bond to cover remedial work	\$550.00 minimum to 10% of estimated value of work



Description		2022/23 (GST incl.)
Damage to network infrastructure by third party		Actual cost
Unauthorised water tampering or take from rural water supplies		\$2,000.00 plus actual cost
Upper Pareora Water Supply (annual charges) - per Tank Connection		\$554.00
Upper Pareora Water Supply (annual charges) - per Unit		\$222.00

Waste Minimisation

The small and large options are available upon application.

Extra Bins - It is likely that there will be situations where people will require extra bins (limits will apply – contact Council if required – up to two sets per property). For example, an extra recycle or rubbish bin for businesses, an extra compost bin for properties with a large garden. This option is available on application and will be invoiced pro-rata in the first year, after which costs will be charged on rates.

***Note Extra Bins fees below re-aligned to match Targeted Rates charges (the below are Fees charged for a New set after rates strike for the year, after which they are covered by targeted rates). Rates to be confirmed, with potential delivery charge attached if an increase is required above the Targeted rates charge

Extra Bin Fee					Compost 2022/23 (GST incl.)	Recycle 2022/23 (GST incl.)	Rubbish 2022/23 (GST incl.)	Glass (New) 2022/23 (GST incl.)
Standard 140L					\$234.00	\$153.00	\$324.00	\$153.00
Large 240L					\$279.00	\$180.00	\$450.00	\$180.00

Replacement Bin Fee								2022/23 (GST incl.)
Standard 140L								\$153.00
Large 240L								\$180.00

Bin Reinstatement Fee								2022/23 (GST incl.)
Return of bins after removal for non-compliance								\$105.00



Geraldine, Pleasant Point, Temuka and Timaru Transfer Station charges (for non-permitted users)

A Waste Levy of \$34.50 per tonne is recovered by Council on behalf of Central Government. This is incorporated into the fees.

Key: t = Tonne

Description (all vehicles charged by weight)			Charge by Tonne	Minimum Charge
			2022/23 (GST incl.)	2022/23 (GST incl.)
Rubbish			\$265/t	\$16.00
Sand, Soil, Clay*			\$11.00/t	\$11.00
Bricks, Blocks, Concrete			\$90.00/t	\$11.00
Organic			\$85.00/t	\$11.00
Recyclable °			\$65.00/t	\$11.00

Description			Minimum Charge
			2022/23 (GST incl.)
Public weigh			\$12.00

* Sand, Soil, Clay not currently accepted at Pleasant Point Transfer Station

° Applies to recycling delivered to the Materials Recovery Facility only

Free drop-off facilities for recyclable materials are provided at all transfer stations.



Special Waste Streams

A **Waste Levy** of \$34.50 per tonne is recovered by Council on behalf of Central Government. This is incorporated into the fees.

Key: t = Tonne

Waste Materials Requiring Permits

Criteria apply for the delivery of the following goods. Customers may apply to Council for the following permits:

Permit Type	Description of Materials	Cost of Permit	Cost of Materials
Organics Permit	Delivery of organic materials to the Compost Facility	\$50.00	\$85.00 / t Minimum fee: \$11.00
Polystyrene Permit	Delivery of clean packaging polystyrene to the Materials Recovery Facility	\$50.00	\$5.00 / woolsack \$10.00 / m3
Landfill Access Permit (LAP) Waste Category	Delivery of waste to Redruth Landfill	\$50.00	Waste: \$236.00 / t Minimum fee: \$40.00
Landfill Access Permit (LAP) Clean fill Category	Delivery of clean fill to Redruth Landfill	\$50.00	Sand, soil, clay: \$11.00 / t Minimum fee: \$11.00 Slurry \$20.00 / t Minimum fee: \$11.00 Hardfill: bricks, blocks, concrete \$90.00 / t Other clean fill as notified
Waste Manifest	Required for Special or Hazardous Waste		\$265.00 / t Minimum fee \$11.00
Cover – Recreational Guidelines – testing and approval required, along with Waste Manifest approval			\$50 / t

Recycling Services

Description	2022/23 (GST incl.)
ESCRAP	
Computer Screen	\$11.00
Television	\$16.00
Photocopier - small - medium (0.1 – 0.5m3)	\$27.00
Photocopier - large (>0.5m3)	\$47.00
All other miscellaneous electronic items accepted at no charge for households only. Commercial deliveries (schools, organisations, businesses) please contact Council.	
Mice, cellphones, GPS units and digital cameras free for commercial deliveries.	
Child car seat	\$5.00
Tyres	
Car / 4x4 / Light Truck	\$7.00
Heavy Truck	\$21.00
Tractor	\$78.00
Per tonne (must be de-rimmed or per tyre charge applies)	\$700.00
Transfer Station Administration Fees	2022/23 (GST incl.)
Monday to Friday after hours opening. Actual cost charged if exceeds minimum	\$110.00 Minimum fee
Saturday, Sunday and Public Holidays after hours opening. Actual cost charged if it exceeds minimum	\$160.00 Minimum fee
Drive off Administration Fee	\$30.00
Delivery of non-compliant materials	\$110.00 Minimum fee or charged at cost





TIMARU
DISTRICT COUNCIL
Te Kaunihera ā-Rohe
o Te Tihi o Maru

ANNUAL PLAN

2022/2023



Timaru District Council

Annual Plan 2022/2023

For the year beginning 1 July 2022

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An Introduction from your Mayor and Chief Executive

2021/22 was a big year for the Timaru District, characterised by the uncertainty of an ongoing global pandemic and the flow on effects on the economy, supply chains and service delivery.

As we move into the new financial year, the more recent impacts of international political tensions on the world economy, cost increases and significant proposed legislative changes affecting local government, means that 2022/23 looks to be another year with significant events for Council to navigate.

We remain committed to delivering on the objectives we agreed to with the community during the Long Term Plan (LTP) consultation – this includes major infrastructure and community facilities projects, while keeping within agreed financial limits. We are proud to say that much of the 2021/22 year (Year 1 of the LTP 2021-31) work programme is on track, with a number of projects successfully being delivered. Examples include the Pareora water pipeline replacement stages 1 and 2, Te Ana Wai (Downlands) Water upgrade, and roading upgrades.

More information on the Long Term Plan projects can be found at www.thrivingtogether.co.nz

In total, for 2022/23, we've budgeted \$76.3M for capital projects, and \$101.7M for our operating budget to run all of Councils' day to day activities, over the next year.

To do this we are looking at a 4.9% increase in the amount of revenue we collect from rates, as agreed during the Long Term Plan consultation. We have been able to achieve this through careful financial planning as well as rescheduling or deferring some capital works projects.

We acknowledge that delivering a large programme in these globally challenging times is ambitious. However, we consider these challenges to be positive and we look forward to working closely with our community to achieve what we have planned together.

Ma te mahitahi o nga whenu, ma te mahitahi o nga kairaranga

Ka oti tenei mahi

(Only by the weaving together of many strands by many weavers will this work be completed)

Kei te harikoa mātou ki te mahi tahi ki a koutou

(We look forward to working with you)



Nigel Bowen
Mayor
Koromatua

Bede Carran
Chief Executive
Kaiwhakahaere

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Plus Geraldine Ward Councillor: Gavin Oliver

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Plus Pleasant Point-Temuka Ward Councillors: Richard Lyon and Paddy O'Reilly (Chairperson)

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Plus Pleasant Point-Temuka Ward Councillors: Richard Lyon (Chairperson) and Paddy O'Reilly

Relationship with Ngāi Tahu

Te Rūnanga o Ngāi Tahu as Mana Whenua of Timaru District

Te Rūnanga o Ngāi Tahu (Ngāi Tahu) are a Treaty Partner of the Crown and are mana whenua of the area administered by the Timaru District Council. Ngāi Tahu is the collective representation of whānau and hapū who share a common ancestry and are tangata whenua (people of the land). They hold ancestral and contemporary relationships with the lands, waters, and ecosystems of their takiwā. Mana whenua are hapū or whānau who, through a combination of whakapapa and occupation (ahi ka) hold customary authority over the land and resources of an area or takiwā. Associated with mana whenua status are the rights and duties of rangatiratanga and kaitiakitanga.

Ngāi Tahu Takiwā

The Te Rūnanga o Ngāi Tahu Act 1996 acknowledges the takiwā of Ngāi Tahu as extending over most of the South Island south of a line from Kahurangi Point on the West Coast and Te Parinui o Whiti (White Bluff) near Cloudy Bay on the East Coast; and including offshore islands. The contemporary structure and membership of Ngāi Tahu is set out in the Te Rūnanga o Ngāi Tahu Act 1996. The Act recognises Ngāi Tahu as being descended from five primary hapū: Ngāti Kuri, Ngāi Tūāhuriri, Ngāti Irakehu, Ngāti Huirapa and Ngāi Te Ruahikihiki. Chiefs from these hapu occupied and established themselves as mana whenua in various parts of the takiwā; Kati Huirapa in the Timaru District.

Ngāi Tahu and Papatipu Rūnanga (ngā rūnanga)

The Te Rūnanga o Ngāi Tahu Act 1996 recognises Te Rūnanga o Ngāi Tahu as the iwi authority within the Ngāi Tahu takiwā. Ngāi Tahu is comprised of 18 papatipu (main) rūnanga who represent the whānau and hapū who hold mana whenua within the Ngāi Tahu takiwā. The takiwā of each rūnanga is described in the Te Rūnanga o Ngāi Tahu (Declaration of Membership) Order 2001. The papatipu rūnanga who represent those who hold mana whenua in the Timaru District and their respective takiwā are Te Rūnanga o Arowhenua (Arowhenua) – whose takiwā centres on Arowhenua and extends from the south bank of the Rakaia River in the north to the north bank of the Waitaki River in the south and from the coast in the east to Aoraki and the main divide in the west.

Te Rūnanga o Arowhenua share interests with Te Rūnanga o Waihao – whose takiwā centres on Morven and extends from the Waitaki River in the east to Omarama and the Main Divide in the west.

Under s15 of the Te Rūnanga o Ngāi Tahu Act, Ngāi Tahu must consult with papatipu rūnanga in forming a view on any matter. In practice, Ngāi Tahu encourages councils, other Government Agencies, and individuals to consult directly with papatipu rūnanga on issues in their takiwā.

Ngāi Tahu supports ngā rūnanga in these matters when requested by them and represents Ngāi Tahu whānui in tribal matters and in negotiations with the Crown. Ngāi Tahu whānui also have shareholdings and interests in commercial activities and entities. These commercial entities may make applications or lodge submissions on Resource Management Act 1991 (RMA) processes from time to time, but they are not mana whenua or the iwi authority.

Treaty of Waitangi and Duties of Local Authorities

Council is required to take appropriate account of the principles of the Treaty of Waitangi when carrying out its duties under the Local Government Act (LGA) 2002 (s4), the RMA (s8). The relationship between Ngāi Tahu whānui and the Timaru District Council reflects, at a local level, the relationship between the Crown and its Treaty Partners; it is a partnership.

Council is also required to engage directly with mana whenua in relation to policy-making and decision-making under both the LGA, the RMA.

Section 81 of the LGA requires all local authorities to establish and maintain processes to provide opportunities for Māori to contribute to Council's decision-making processes. It also requires councils to consider ways to foster the development of Māori capacity to contribute to these processes and to provide Māori with relevant information.

The RMA has specific requirements for Council to engage with tangata whenua through the iwi authority when preparing and reviewing the district plan and to consider tangata whenua values as part of decision-making on resource consent applications. While engagement with tangata whenua is provided specifically within the project planning for the District Plan Review and other key Council projects, it is important that the Long Term Plan recognises these obligations and provides for adequate resourcing and timeframes to ensure an appropriate level of engagement on relevant Council projects.

It is also important that Council recognises its relationship with Ngāi Tahu under all legislation it administers not just the LGA and the RMA. It is also important that the Council look for opportunities to strengthen its role and relationship with mana whenua in any government legislative reforms process.

Council Relationship with Mana Whenua

Council considers it important to further develop relationships with the papatipu rūnanga who represent those who hold mana whenua in the Timaru District. Fostering these relationships is key to enabling Council to meet its statutory requirements under the LGA and RMA. Council will ensure all its key policy and decision-making processes include opportunities for discussion with mana whenua, through their mandated representatives, at the earliest opportunity and before any decisions are made; and endeavour to provide resources to help facilitate that engagement.

Council shall provide opportunities for mana whenua to engage in the development of key policy and plans, including the long-term plans and annual plans, and on resource management plans, policies and strategies including the process, timing and content of plan or policy development and review. Opportunities are also considered for appointments on planning and resource consent hearing committees. To assist in this commitment, the Council has signed a Service Level Agreement with Aoraki Environmental Consultancy Limited (AEC). AEC is mandated by Arowhenua to help advise councils and other agencies on issues of interest to Arowhenua Rūnanga, to facilitate consultation with Arowhenua, and to ensure timely and appropriate input into policy, plans, resource consents and processes on behalf of Arowhenua.

Council will also continue to offer places for Rūnanga representatives on Council Committees, including the Environmental Services Standing Committee, the Safer Communities Committee and the Local Arts Assessment Committee, and other bodies as appropriate, and seek regular engagement with papatipu rūnanga to discuss matters of common interest and foster general relationships.

Council's Senior Management Team will also be available to meet with ngā rūnanga representatives as required.

Key Projects

Mana whenua interests in Council activities are broad. Arowhenua have a deep connection to the land including within the Timaru District. Arowhenua Rūnanga have developed a deep sense of responsibility to care for it, as it has cared for them and those who came before them. This way of life is known as kaitiakitanga and incorporates the responsibility to ensure that the whenua and wai will continue to provide for their mokopuna – 'for those who come after us'.

For Arowhenua Rūnanga, exercising kaitiakitanga supports the philosophy of rangatiratanga, the value and practice of people exercising their independence, determining their choices for governing themselves, their lands, and all their treasures. Rangatiratanga has particular prominence, as it is the basis of Article 2 of Te Tiriti o Waitangi/The Treaty of Waitangi (1840).

Rangatiratanga is associated with sovereignty, leadership, autonomy to make decisions, and self-determination. This includes leadership within the whānau and community, as well as leadership within business activities in the private and public sectors. For Arowhenua Rūnanga, rangatiratanga in the cultural sphere relates to stewardship of others, advocating for others and the community, doing the right thing for their people, and ensuring wellbeing and generosity of spirit. In relation to the environment, rangatiratanga is about caring for wāhi tapu and wāhi taonga (sacred places and objects) and ensuring co-governance and co-management of natural resources. This in turn ensures that rangatahi (the younger generations) and the community know the history of the land and reserves that surround them, and that the land is safe, appreciated and used.

Mana whenua interests are not limited to 'culturally significant sites.' A township may have buildings or places that are prized for their architectural history, or providence, but a council is interested in all aspects of how the town functions. Similarly for mana whenua, wāhi tapu and wāhi taonga (sacred and treasured places) are highly valued and require special protection, but kaitiakitanga is a duty that extends over the entire takiwā and to all those living within it.

Mana whenua is interested in all aspects of local governance; however, it is accepted that there are limitations on individual's time and resources. Consequently, some projects may have to be prioritised from time to time.

Current priorities include:

- Exploring potential for transfer of powers to make decisions over ancestral land.
- Appropriate use of traditional place names.
- Spatial planning for growth of the district.
- Protection and enhancement of mahinga kai (traditional food and other natural resources and the places where those resources are obtained).
- Management and protection of significant sites including rock art, wāhi tapu and wāhi taonga sites.
- Stormwater and sewerage management.
- Management of natural hazards including flooding and coastal erosion.
- Effects of industrial development/expansion at Washdyke.

What is an Annual Plan?

What's the Annual Plan all about?

As the name says it is a plan for one year, but it's also part of a longer term planning process as the diagram opposite shows.

The work programme for the year was approved when the Long Term Plan (LTP) was finalised after input from the community.

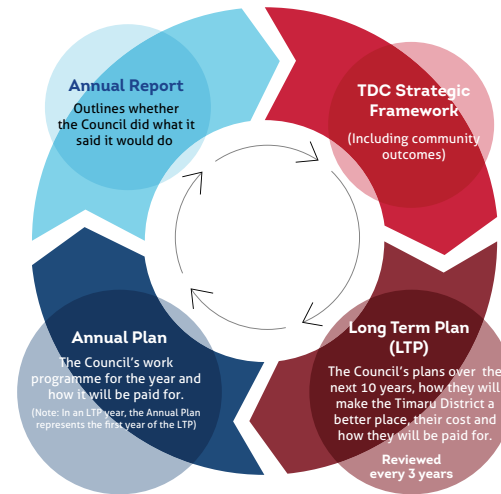
The Annual Plan provides a summary of this agreed work, how much it will cost and how it will be paid for. It also outlines any major changes from what was approved in the LTP and the reasons for these changes.

Why are there changes to the plan?

The Annual Plan 2022/23 is based on Year 2 of the Long Term Plan 2021-31.

While most of the plans and projects agreed at that time are proceeding, the ongoing uncertainty of the global pandemic and the impacts of international political tensions as resulted in some rescheduling of some capital works projects.

The diagram below shows our planning and reporting cycle.



Engagement with the community on this Annual Plan

We sought feedback from our community on our plans, and in particular asked for views on the following issues.

- Do you think we are on the right track with our plans for 2022/23?
- Are there any big issues you think Council should be addressing?
- Are there any key projects or initiatives you believe Council should be considering?
- Are there things you think Council should be doing more or less of?

We received a small number of responses, and some residents took the opportunity to chat with Councillors about their ideas.







Our Strategic Direction

Vision

Where people, place and business prosper within a healthy, adaptable and regenerative environment.

Our Values and Role

Inclusive Leadership

Through inclusive leadership, citizens play an active role in the District, creating shared responsibility and a connected vision for the future.

Cultural Caretakers

Protecting and regenerating our unique cultural and environmental heritage so that we can retain a strong sense of identity for current and future generations.

Transition Navigators

Being adaptable to change by embedding the principles of agility and resilience into our approach towards enhancing our community wellbeing outcomes.

Community Wellbeing Outcome

Connected Citizens

GOALS

Connected Citizens embrace social connection and learning through sharing stories and ideas, and civic engagement.

This Community Wellbeing Outcome seeks to actively support the contribution of citizens in activities that foster inclusion, agency and democracy.

FOCUS AREAS

1. Open to Ideas

We will actively support the contribution of citizens in activities to foster inclusion and democracy.

2. Sharing Stories

We will support the growth of local identity, and community pride through sharing stories, learning and documenting local history.

3. Enabling Community

We will enable community ownership of projects, by supporting community groups and initiatives.

4. Foster Iwi Relationships

We will develop collaborative relationships with papatipu runanga.

5. Advocacy and Leadership

We will advocate and encourage citizens to contribute ideas and perspectives in an easily accessible way.

Community Wellbeing Outcome

Enhanced Lifestyle

GOALS

Enhanced Lifestyle focuses on providing a healthy community environment, that enables affordable access to the range of facilities, opportunities and resources we need to thrive.

This Community Wellbeing Outcome seeks to enhance lifestyle and strengthen equity within our community.

FOCUS AREAS

1. Accessible and Active

We will enable an active lifestyle for everyone across the accessibility spectrum.

2. Shared Spaces

We will develop and maintain shared spaces that support community activity, diversity and foster pride.

3. Facilities and Services

We will provide future proofed services and facilities to enhance the community.

4. Affordability

We will strive to ensure affordability and equitability are at the heart of our planning.

5. Health & Wellness

We will create opportunities for all citizens to live within a safe, healthy community, where wellness needs are embraced.

Community Wellbeing Outcome

Sustainable Environment

GOALS

At the heart of our sustainable environment is the practice of kaitiakitanga. It is our role to be guardians of our natural environment.

This Community Wellbeing Outcome seeks to encourage the regeneration of our environment and foster a culture of sustainability.

FOCUS AREAS

1. Kaitiakitanga

We will foster a strong connection between our people and the environment.

2. Low Carbon and Energy

We will promote and support low-carbon, low-energy practices.

3. Minimise Waste

We will lead and promote waste minimisation.

4. Clean Environment

We will prioritise sustainable land and water use to help regenerate our environment.

5. Encourage Biodiversity

We will support practices, partnerships and policies to protect and regenerate our native flora and fauna.

Community Wellbeing Outcome

Diverse Economy

GOALS

Enabling the conditions for a diverse and prosperous economy that creates local, national and international opportunity for a thriving community.

This Community Wellbeing Outcome seeks to build on our unique local strengths to create a prosperity now and for future generations.

FOCUS AREAS

1. Sustainable growth

We will support sustainable growth in the right place.

2. New and Niche

We will encourage innovation and new opportunities to further diversify our economy.

3. Leverage Local Strength

We will leverage local strengths to retain and grow local talent.

4. Thriving Business

We will create opportunities for local businesses to thrive through networks & support.

Community Wellbeing Outcome

Resilient Infrastructure

Investing in the future through well conceived and planned projects that support the growth and wellbeing of the community and the environment.

This Community Wellbeing Outcome considers the critical transitions we are facing creating a sustainable platform for future generations.

1. Invest for Future

We will invest in high quality infrastructure to meet the needs of our community.

2. Apply Good Practice

We will use quality data and good practice to enable high quality infrastructure decision-making.

3. Responsive Planning

We will prioritise resilience in our planning for future infrastructure.

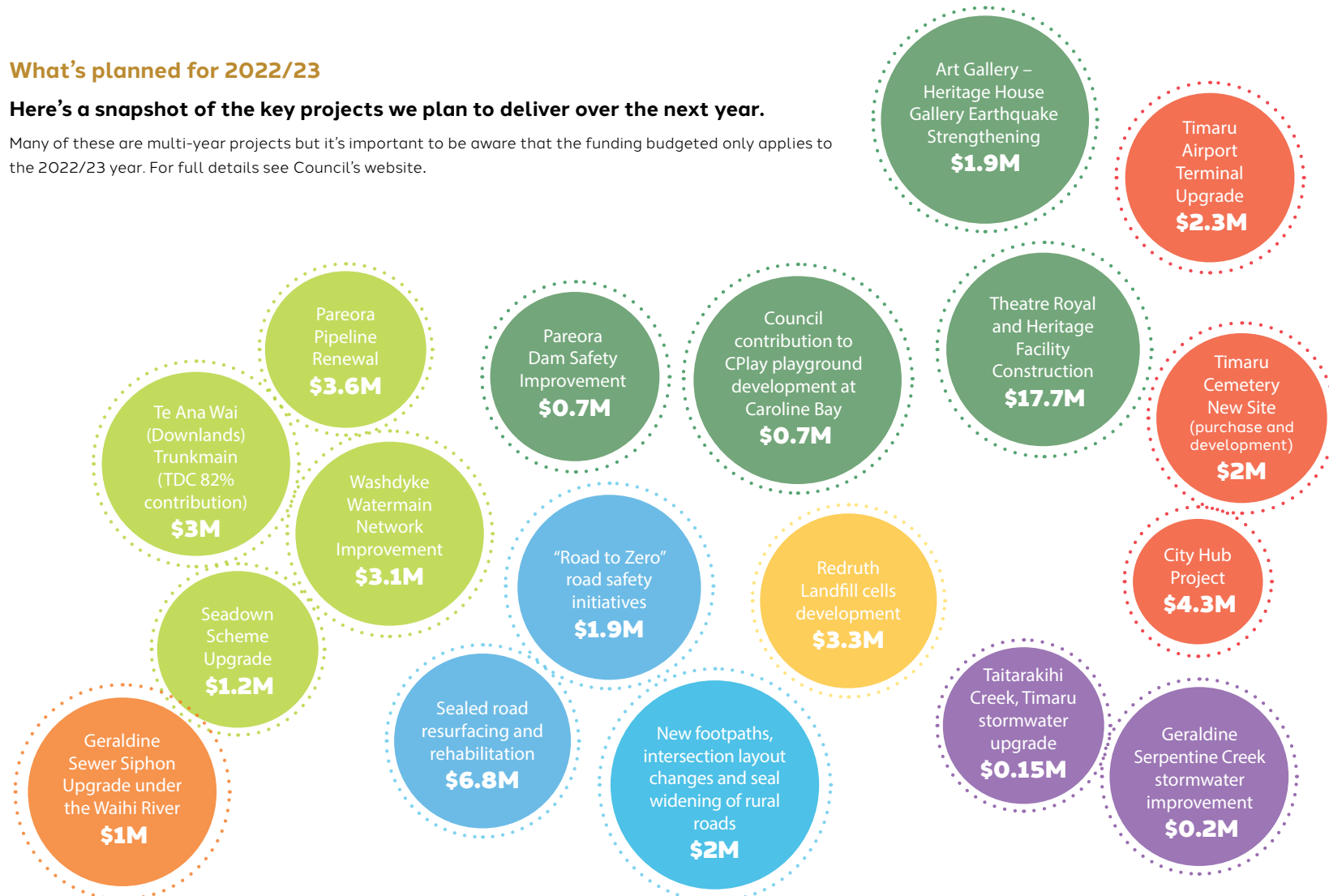
4. Engage with People

Council will engage with our community to develop solutions to future infrastructure challenges.

What's planned for 2022/23

Here's a snapshot of the key projects we plan to deliver over the next year.

Many of these are multi-year projects but it's important to be aware that the funding budgeted only applies to the 2022/23 year. For full details see Council's website.



Key changes from Year 2 of our Long Term Plan (LTP) 2021-31

This section outlines the main variances with Year 2 of the LTP.

Most of what was agreed in the LTP is still going ahead as planned, however there have been some timing and budget changes.

Approximately \$13.2M is for projects that were initially planned to be completed in 2021/22, that will be delivered in 2022/23, including:

Renewal of the trunkmain in the Te Ana Wai (Downlands) Water Supply Scheme
\$2M

Theatre Royal and Heritage Facility Development project
\$5.1M (part of \$17.7M 2022/23 budget)

Timaru Airport Terminal Upgrade
\$0.6M (part of \$2.3M 2022/23 budget)

Urban Water Supplies Renewals
\$1.4M (part of \$1.8M 2022/23 budget)

Parks and Recreation renewals and the Pareora Dam project
\$0.87M (part of \$2.1M 2022/23 budget)

Council contribution to CPlay as construction is planned to commence in August 2022
\$0.7M

Refurbishment of the chemical storage building at Claremont water treatment plant
\$0.65M



Three projects will be started earlier than originally planned

Public Alerting Siren System **\$0.4M**

Opihi River Crossing Pipeline Renewal
\$0.42M

Development/implementation of strategic plans for Community Board areas
\$0.2M

Several projects (\$1.7M) have been deferred to future years due to the extensive planning work required to deliver them:

Washdyke Industrial Road Upgrade

Renewal of the Downlands Reservoir covers

Urban Water Reticulation Renewals and Upgrades

Operating costs are marginally higher – \$101.7M compared to \$100.4M in Year 2 of the LTP

Our operating budget provides for the day to day running of all the services council provides such as parks, swimming pools, libraries, waste minimisation, finance functions, customer services, roading and footpaths and water services.

The most significant increases are:

Increase in the amount collected for the Government Waste levy because of the waste levy increasing by \$10 per tonne in 2022/23

\$0.95M

Grant towards upgrading port infrastructure for Scott Base rebuild project

\$0.5M

Sewer oxidation pond desludging that is now scheduled for 2022/23

\$0.5M

Extra funding for the Street Tree maintenance contract

\$0.2M

Some of this increase is offset by decreases in other areas, such as insurance savings, and favourable interest rates for borrowing due to forward hedging of loans.

Additional budget is included to complete ongoing projects or address issues identified during the year, such as:

Installation of a retaining wall at Caroline Bay following a recent landslip

\$0.36M

Additional funding to complete renewal of the Caroline Bay Soundshell seating

\$1.6M

Replacement of two road bridges that have been identified at end of life

\$1M

Sophia Street carpark upgrade

\$0.18M



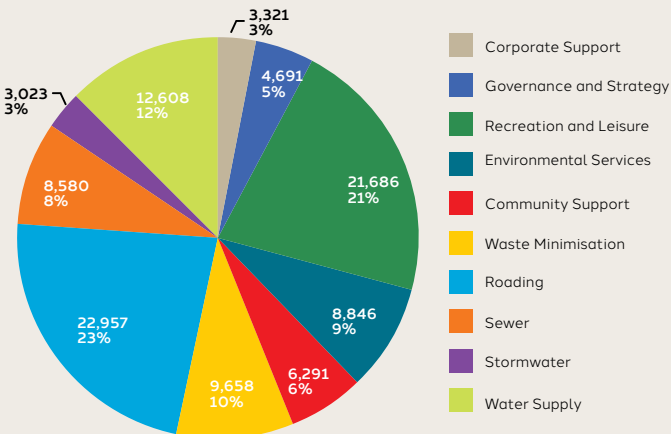
The numbers

Key financial information relating to the Annual Plan 2022/23

Total Expenditure 2022/2023 (\$000s)

What does Council spend money on?

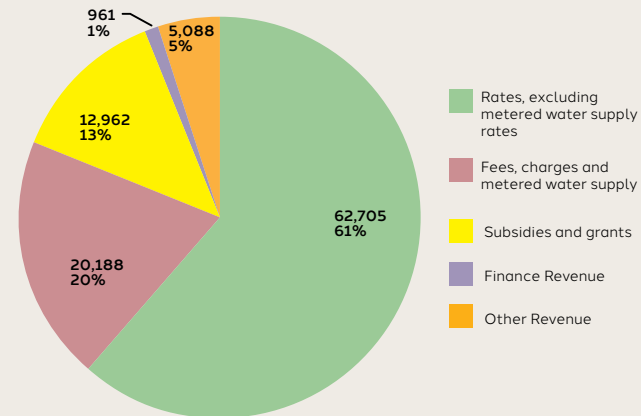
The graph shows what the Council will be spending during the year – both operating expenditure for the day to day running of services and facilities as well as capital expenditure to improve services and facilities.



Total Income 2022/2023 (\$000s)

Where does Council's money come from?

Expenditure is paid for from a mix of rates, fees, interest and dividends on Council's investments, and external sources such as financial assistance from government agencies (e.g. NZ Transport Agency). The graph shows where the money will come from in 2022/23.



Fees and Charges

While a substantial portion of our funding comes from rates, some funding comes from fees and charges for various services.

Every year these are reviewed to ensure they still meet the cost of providing the services they help to fund. There is a range of fee increases proposed across our activities. In some cases, fee increases are higher to reflect user pays, rather than being subsidised by ratepayers who do not use the relevant services.

Most of the increases are minor. Some of the more significant increases include building consents and related work, water and stormwater connection application fees, infrastructure service consenting fees, and waste disposal fees due to increases in the waste levy charges Council is required to pay.

On the plus side library fees for out of district and temporary membership and charges for reserving books will be removed. Some fees, such as parking, are not increasing.

For full details see Council's website.

What does this mean for rates?









Rates are complex and every ratepayer is different due to their property valuation, location, and type of property.


Rates are what enable quality services to be provided to our community, such as safe roads, clean drinking water, waste collection and access to our community and cultural facilities.


They also enable us to maintain our services to a high standard to ensure the community has a positive experience on a day to day basis, whether it's turning on the tap, driving to work, visiting the libraries, or walking through our CBD.


For 2022/23, the total increase in the overall rate take is 4.9%. Your own individual rate increase will vary depending on: where you live in the district, the services you receive, the type and value of your property and the impact of the changes agreed through the Long Term Plan.

Some examples of the proposed rates for 2022/23 are:

	 Geraldine	 Pleasant Point	 Temuka	 Timaru	 Timaru	 Pleasant Point	 Rural	 Commercial/Industrial/Accom'n
Land Value (2020 valuation)	\$175,100 (Average)	\$161,500 (Average)	\$132,000 (Average)	\$203,400 (Average)	\$400,000 (Sample)	\$417,600 (Sample)	\$1,571,400 (Sample)	\$536,100 (Sample)
General Rates (including UAGC)	\$1,467.81	\$1,425.65	\$1,334.20	\$1,555.54	\$1,757.00	\$1,793.61	\$4,193.51	\$8,140.91
Targeted Rates	\$1,140.29	\$933.13	\$1,086.21	\$1,112.86	\$376.00	\$21.70	\$62.86	\$1,425.60
Total Rates	\$2,608.10	\$2,358.78	\$2,420.41	\$2,668.40	\$2,133.00	\$1,815.31	\$4,256.37	\$9,566.51
Increase % over 21/22	2%	4%	1%	3%	3%	9%	11%	10%
Increase \$ over 21/22	\$54.68	\$93.42	\$27.07	\$68.25	\$71.00	\$155.22	\$432.14	\$837.82

 Residential

 Rural

 Commercial/Industrial/Accommodation



COUNCIL
ACTIVITIES
AND WORK
PROGRAMME
2022/23

19



Groups of Activities

This section is an overview of the services Council provides, organised within Groups of Activities. Each Group of Activities includes the following information:

What we do

Summarise the service we deliver to the community.

Why we do it

Outlines why the Council provides the service, including legislative requirements and the activity's contribution to Council's vision for the district.

Our Projects

Lists the capital projects for next year

Funding Impact Statement

Provides details on the expected costs and funding of the service.

Groups of Activities

GOVERNANCE AND STRATEGY

COMMUNITY SUPPORT

- Airport
- Climate Change and Sustainability
- Community Funding
- Community Facilities (includes public toilets, cemeteries)
- Economic Development
- Emergency Management
- Safer Communities
- Social Housing

ENVIRONMENTAL SERVICES

- Building Control
- District Planning
- Environmental Compliance (includes environmental health, animal control, parking enforcement)

RECREATION AND LEISURE

- Cultural and Learning Facilities (includes art gallery, halls, theatre royal, libraries, museum)
- Parks (includes parks, fishing huts, motor camps, forestry)
- Recreational Facilities (includes Caroline Bay Trust Aoraki Centre, Swimming Pools, Southern Trust Events Centre)

ROADING AND FOOTPATHS

SEWER

STORMWATER

WASTE MINIMISATION

WATER SUPPLY

CORPORATE ACTIVITIES

Effects of the services we provide on the wellbeing of our community

Council's activities are provided with the aim of maintaining or improving community wellbeing. The positive contributions to wellbeing are outlined in the description of each Activity.

90% Capital Delivery Assumption

Council have made an assumption that for any given year in the 2021-31 Long Term Plan period, 90% of the capital work programme will be delivered. This recognises that in some circumstances, projects can be delayed outside of Council's control as a result of internal (e.g. resourcing and planning issues) or external factors (e.g. design, planning,

consenting, stakeholder issues, contractor availability or hold-ups in the supply chain).

The Funding Impact Statement included in each Group of Activities statement discloses this assumption. Each Group of Activities statement also illustrates our full capital work programme, recognising that we cannot predict which specific projects may be impacted. Council has set an ambitious work programme via this LTP that involves a number of large projects. We anticipate that even at 90% capital delivery, levels of service will be maintained across our services.



Governance and Strategy

What we do

Our Governance and Strategy services support and guide all the activities carried out by the Timaru District Council. It enables the Council to function and provide stable, transparent, effective, efficient and accountable local governance to the District.

The elected members of Council set direction, lead and make decisions based on Council's Strategic Direction, and with the overall goal of improving community wellbeing.

This includes all work associated with the elected Council and Community Boards in Geraldine, Pleasant Point and Temuka.

Elected members, being the community's representatives, make decisions within the framework of the Local Government Act 2002 (LGA) on behalf of and in the interests of the community.

Council and Community Boards are elected every three years.

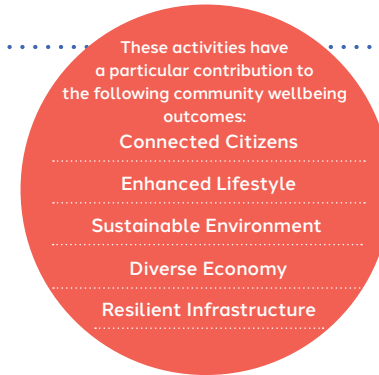
The key functions include:

- Engagement with the community
- Advocacy on issues that affect the district
- Civic functions, such as citizenship ceremonies, award ceremonies and parades
- Elections and Representation reviews
- Administering statutory governance functions such as Standing Orders, Delegations Registers
- Maintaining Sister City relationships with Eniwa (Japan), Weihai (China), Orange (Australia) and Orange (United States)
- Developing and implementing Council wide strategies and policies
- Partnering with external agencies
- Performance, planning and accountability, including the development and adoption of key Council planning and accountability documents such as the Long Term Plan, Annual Plan and the Annual Report
- Overall monitoring of the Council operation.

Why we do it

As a statutory body, Council exists to meet the purpose of local government, as set out in Section 10 of the Local Government Act 2002.

Council is committed to decision-making processes that supports our vision "Where people, place and business prosper within a healthy, adaptive and regenerative environment"



For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Project Work Programme 2022/23

Projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

(Projects are shown at 100% budgeted costs, including inflation).

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project Title	2022/23
Rating Framework Review	\$50,000
Community Board Strategic Plans - Implementation	\$200,000

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	3,986	4,217	4,001
Targeted Rates	27	27	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding	4,013	4,244	4,001
Applications of Operating Funding			
Payments to staff and suppliers	1,384	1,465	1,486
Finance costs	-	-	-
Internal charges and overheads applied	2,629	2,777	2,514
Other operating funding applications	-	-	-
Total Applications of operating funding	4,013	4,242	4,000
Surplus/(Deficit) of Operating Funding	-	2	1
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	24	(56)	(1)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	24	(56)	(1)

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase/(decrease) in reserves	24	(54)	-
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	24	(54)	-
Surplus/(Deficit) of Capital Funding	-	(2)	(1)
Funding Balance			
	-	-	-
Activity Depreciation Expense	1	1	1



Community Support

What we do

Airport

Council owns and manages the Richard Pearse airport located approximately 10 kilometres northwest of Timaru. The airport provides a key business and community link from the district to Wellington, with daily return passenger flights. In addition to ensuring the airport is run to legislative and Civil Aviation rules, Council provides other services such as car parking and land for lease to commercial and private aircraft hangars and aviation-orientated industry.

Climate Change and Sustainability

Recognising its community leadership role, Council has provided funding to begin data collection, research and analysis on the long-term effects of climate change on Council activities and the development of strategy, policies and processes to embed climate change/sustainability into decision making, project planning and design.

Community Facilities (Public Toilets and Cemeteries)

Council operates cemeteries for burial and cremation interments at Timaru, Temuka, Pleasant Point, Geraldine, Arundel, Woodbury, Mesopotamia and Pareora West. The day to day maintenance and interments at Mesopotamia and Woodbury cemeteries are managed by local communities.

Council provides public toilet facilities throughout the district. These range from central city complexes that are open 24 hours, to envirotoilets in remote areas. Cleaning and maintenance services are managed by the Council and carried out by contract.

Community Funding

Council provides several community funding schemes to support a range of community events, services and projects.

Economic Development and Tourism

The Council is a key contributor to enhancing the district's economy. A significant part of this contribution is through the Council-Controlled Organisation, Venture Timaru, which has a key focus of strengthening the local economy and promoting the district as a great place to live, work and visit.

Emergency Management

Council provides leadership, advice, planning and resources to enable the community to prepare for, respond to and recover from emergency events. This includes working with partner agencies across the region. We also work with local communities to build greater resilience through local community response plans.

Safer Communities

Development and implementation of a strategy to help ensure Timaru District is a safe, connected and collaborative community. The priorities are:

- Increasing pathways and opportunities to support people / whanau/ family to thrive in our community
- Supporting and celebrating diversity
- Facilitating proactive partnerships that have a shared commitment to resilience and wellbeing
- Reducing harm related to alcohol, drugs and violence.

Social Housing

Council provides over 200 social housing units that fill a need in the community for quality but affordable rental housing for those in need. This compliments other rental property provided by central government community housing, rest homes and the private sector.



Why we do it

These activities contribute to all aspects of the Council's Vision by helping to:

- build strong, connected and supportive communities
- support and celebrate diversity in our communities
- provide high quality community facilities (cemeteries and public toilets)
- support people, organisations and the business community
- assist the most vulnerable people in our communities
- assist individuals and communities be prepared and resilient in times of adversity

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Planned Work 2022-23

The list below represents the projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project	2022/23
Cemeteries	
Cemeteries-Concrete Beams, Furniture, Structures and Services	22,016
Timaru Cemetery New Site (purchase and development)	2,048,000
Civil Defence	
Equipment (new sirens, handsets and bases replacement)	425,984
Housing	
Refurbishment Social Housing	360,448
Public Toilets	
ANZAC Square Replacement Toilet	204,800
Public Toilets Renewals	61,440
Timaru Airport	
Timaru Airport Terminal Upgrade	2,324,480

Community Support

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's		Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding				Applications of Capital Funding			
General Rates, Uniform annual general charges, rates penalties	3,525	3,765	3,776	Capital expenditure			
Targeted Rates	-	-	-	- to meet additional demand	700	-	-
Subsidies and grants for operating purposes	6	6	6	- to improve the level of service	22	2,080	2,070
Fees and charges	2,061	2,174	2,194	- to replace existing assets	3,110	1,812	2,832
Internal charges and overheads recovered	184	73	259	Increase/(decrease) in reserves	(170)	124	382
Local authorities fuel tax, fines, infringement fees, and other receipts	45	46	46	Increase/(decrease) of investments	-	-	-
Total Operating Funding	5,821	6,064	6,281	Total Applications of Capital Funding	3,662	4,016	5,285
Applications of Operating Funding				Surplus/(Deficit) of Capital Funding			
Payments to staff and suppliers	5,235	5,025	5,183		(459)	(821)	(907)
Finance costs	127	218	191	Funding Balance			
Internal charges and overheads applied	-	-	-		-	-	-
Other operating funding applications	-	-	-	Activity Depreciation Expense			
Total Applications of operating funding	5,362	5,243	5,374		523	547	525
Surplus/(Deficit) of Operating Funding							
	459	821	907				
Sources of Capital Funding							
Subsidies and grants for capital expenditure	-	-	-				
Development and financial contributions	-	-	-				
Increase/(decrease) in debt	3,203	3,195	4,378				
Gross proceeds from sale of assets	-	-	-				
Lump sum contributions	-	-	-				
Total sources of Capital Funding	3,203	3,195	4,378				



Environmental Services

What we do

Building Control

Council is responsible for administering and implementing the provisions of the Building Act 2004 (the Act). This involves balancing delivery of a customer focused service within legislative requirements, while managing the risk to the community and Council. Under the Act, Council must maintain accreditation as a Building Consent Authority. It is responsible for processing and granting building consents, inspecting and monitoring building work, issuing Code Compliance Certificates, Certificates of Public Use, and processing Land and Project Information Memorandums, providing advice on building related matters and enforcing numerous other provisions under the Act.

District Planning

Council is responsible for promoting the sustainable management of the natural and physical resources within the district. This includes developing, and administering the District Plan and related policies, such as the Biodiversity policy, and processing applications for resource consents under the District Plan and administering the Built Heritage Protection Fund.

Environmental Compliance

Council has monitoring and enforcement responsibilities under a range of legislation relating to food safety, noise control, hazardous substances, liquor licensing, environmental nuisance, gambling control and animal control. The Timaru District Consolidated Bylaw 2018 outlines rules and processes to protect the public.

Why we do it

These activities contribute to all aspects of the Council's Vision by helping to ensure:

- the district's built and natural environment is safe to live, work and play in
- building and land developments are managed in a safe and sustainable way and land is used appropriately through enforcing building and planning legislation
- negative effect of activities that may occur in the district are minimised or managed (eg noise, animals, overhanging trees)
- commercial food premises practice a high standard of hygiene
- the natural and built environment is managed sustainably

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Project Work Programme 2022/23

Projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

(Projects are shown at 100% budgeted costs, including inflation)

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project Title	2022/23
District Plan Review	\$1,638,497



Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	1,963	2,364	3,960
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	3,373	3,526	4,014
Internal charges and overheads recovered	139	143	-
Local authorities fuel tax, fines, infringement fees, and other receipts	99	101	229
Total Operating Funding	5,574	6,134	8,204
Applications of Operating Funding			
Payments to staff and suppliers	5,509	6,334	7,235
Finance costs	69	101	107
Internal charges and overheads applied	1,112	1,207	809
Other operating funding applications	-	-	-
Total Applications of operating funding	6,690	7,642	8,151
Surplus/(Deficit) of Operating Funding	(1,116)	(1,508)	53
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	1,153	1,556	(12)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	1,153	1,556	(12)

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	20	-	-
- to replace existing assets	12	-	-
Increase/(decrease) in reserves	5	48	41
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	37	48	41
Surplus/(Deficit) of Capital Funding	1,116	1,508	(53)
Funding Balance	-	-	-
Activity Depreciation Expense	12	14	12



Recreation
and Leisure

Recreation and Leisure

What we do

Cultural and Learning Facilities (including Art Gallery, Halls, Theatre Royal, Libraries, Museum)

Aigantighe Art Gallery is the home of art in South Canterbury. With frequently changing exhibitions, we offer visitors exciting and inspiring opportunities to view the Gallery's rich permanent collection along with works by local, national, and international artists. The garden surrounding the Gallery showcases a wide variety of permanent sculptures.

South Canterbury Museum is a regional museum of nature, history and culture located in Timaru. It provides access to unique collections of local heritage items, images, archives and information, long term displays, a programme of short-term exhibitions, a variety of public programmes and services and heritage programmes for schools both at the museum and around the District (Government funded).

Timaru District Libraries are important community hubs providing a public library service to connect residents with information that is important to all aspects of their lives and to support and promote reading and literacy. In addition to the main library in Timaru, the libraries at Geraldine and Temuka provide library services, Council Service Centre facilities and visitor information services (Temuka).

Theatre Royal in Timaru is a Category B Heritage building and has been the premier venue for local and visiting cultural and entertainment shows. The Theatre complex is currently closed for a major upgrade.

Community Halls

A number of community complexes are either owned or managed by Council, including:

- **Facilities owned and managed solely by Council** – Caroline Bay Hall, Lounge, SoundShell, Pleasant Point Hall, Temuka Alpine Energy Centre, Winchester Hall and Washdyke Community Hall and Sports Centre.
- **Facilities owned by Council and managed by community committees** – 11 community halls across the district

- **Community owned facilities with some Council support** – Three halls are owned by community organisations and funded by via targeted rates, which Council collects on behalf of the hall owners.

Parks

We provide and maintain 615 hectares (excluding Crown leases) of parks, reserves, sportsgrounds and gardens throughout the district including:

- **Premier Parks** – parks of particular significance to the district including the Timaru Botanic Gardens, Caroline Bay and parts of Temuka and Geraldine Domains.
- **Sports and Recreation Parks** – including the Pleasant Point Domain, Gunnion Square in Temuka and Aorangi Park in Timaru.
- **Neighbourhood Parks** – are developed urban parks and usually contain a children's playground. Examples include Cornwall Park and Lough Park in Timaru.
- **Amenity Parks** – include developed areas with mown grass, gardens or trees through to undeveloped natural green areas providing corridors for native fauna along rivers and streams. Generally, these areas enhance the environment with open spaces and plantings. Examples include Kennedy Park in Geraldine, independently managed rural domains, Patiti Point Reserve and Centennial Park in Timaru.
- **Natural Parks** – Predominantly located in rural areas, these include native bush areas, wetlands and riparian areas. Many of the areas include walking tracks, mountain biking tracks and picnic areas with facilities in each area to support the particular activities catered for. Examples include Claremont Bush and Otipua Wetland in Timaru and Pekapeka Gully in Geraldine.
- **Special Purpose Parks** – include Cultural Heritage Parks such as memorials and historic structures and places and Civic Spaces.
- **Fishing Huts & Motor Camps** - Council manages two fishing huts sites on reserve land at South Rangitata and

These activities have a particular contribution to the following community wellbeing outcomes:

Connected Citizens

Enhanced Lifestyle

Sustainable Environment

Stratheona near Pleasant Point, subject to the Reserves Act 1977. Land on which privately owned fishing huts are located is leased to hut owners, who are responsible for all hut and site maintenance.

Five motor camps are managed on domain reserves at Geraldine, Temuka, Pleasant Point, South Rangitata and Winchester. All motor camps, except Pleasant Point, are leased under management agreements. The Pleasant Point Motor Camp is managed by the Council with local businesses supporting its operation.

Recreational Facilities

We provide the following recreational facilities:

- **Swimming Pools** – the Caroline Bay Trust Aoraki Centre (CBay) in Timaru incorporates a 50 metre outdoor pool and an indoor complex featuring a ten-lane 25 metre lap pool, a programme pool, a 250m² leisure pool with a lazy river and learn to swim area, an attached toddlers pool and wet playground, a chillax area featuring a spa pool, a steam room and sauna as well as a Fitness facility and café. Pool complexes are also provided at the following locations: Geraldine – 25 metre outdoor pool and learners pool, Pleasant Point – 25 metre outdoor pool and learners pool, Temuka – 30 metre outdoor pool and toddlers' pool
- **Southern Trust Events Centre (Aorangi Stadium)** is a triple basketball court and fitness studio complex located on Aorangi Park, Timaru owned by Aorangi Stadium Trust and managed by Council.

Why we do it

These activities provide a significant contribution to the wellbeing of our community by:

- Providing venues and facilities to meet the community’s sporting and recreational needs
- Encouraging a strong community identity and an active lifestyle
- Facilitating lifelong learning and literacy
- Enabling the care and preservation of valuable art and heritage

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Planned Work 2022-23

The list below represents the projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31

Project Title	2022/23
Aigantighe Art Gallery	
Arts Purchase	29,389
Furniture and Equipment	10,240
House EQ Strengthening	1,945,600
Aorangi Stadium	
Aorangi Park Master Plan Phase 1	364,339
Equipment and Furniture	93,184
District Libraries	
Building Capital Works	20,480
Libraries Car parks Renewals	20,480
Libraries Renewals	5,325
New shelving and self-checkout upgrade	153,600
Purchase Books and Resources	390,451
Fishing Huts	
Fishing Hut Water Treatment System	204,800
Forestry	
Renewals	25,600

Recreation and Leisure

Halls and Community Centres	
Halls & Community Centres Renewals	70,861
Caroline Bay Soundshell Seating Renewal	1,696,768
Motor Camps	
Motor Camps Renewals	81,920
Parks and Recreation	
Furniture Tables & Signs	204,800
Cplay	746,496
Highfield Park Development	337,920
Land purchases	57,344
Pareora Dam	716,800
Parks Reseal Programme including Geraldine Domain Reseal	358,400
Playground Equipment Renewals	256,000
Renewals (courts, structures, furniture, services)	1,124,454
Services and Minor Structures	307,200
Shared Urban Tracks	153,600
Temuka Domain Development	181,248
Walkway Enhancement and Planting	43,008
South Canterbury Museum	
Heritage Hub Fit-out	102,400
Renewals	48,128
Van purchase for collection handling and moving between facilities	36,864
Swimming Pools	
CBay Building Capital Works	104,448
Fitness Equipment Capital Works	92,160
Pleasant Point Pool Upgrades and Renewals (heating and filtration plant renewal)	358,400
Theatre Royal	
Theatre Royal and Heritage Facility Development	17,745,613

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	13,486	14,596	15,532
Targeted Rates	20	20	-
Subsidies and grants for operating purposes	88	43	43
Fees and charges	1,323	1,388	1,306
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2,142	2,131	2,118
Total Operating Funding	17,059	18,178	19,000
Applications of Operating Funding			
Payments to staff and suppliers	13,248	13,759	15,131
Finance costs	499	634	698
Internal charges and overheads applied	1,108	1,592	972
Other operating funding applications	-	-	-
Total Applications of operating funding	14,855	15,985	16,801
Surplus/(Deficit) of Operating Funding	2,204	2,193	2,199
Sources of Capital Funding			
Subsidies and grants for capital expenditure	7,368	1,988	2,460
Development and financial contributions	-	-	-
Increase/(decrease) in debt	3,904	12,945	20,613
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	11,272	14,933	23,073

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	50	-	-
- to improve the level of service	6,247	9,629	13,070
- to replace existing assets	7,421	7,720	12,210
Increase/(decrease) in reserves	(242)	(223)	(7)
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	13,476	17,126	25,272
Surplus/(Deficit) of Capital Funding	(2,204)	(2,193)	(2,199)
Funding Balance	-	-	-
Activity Depreciation Expense	2,158	2,210	2,206



Roading and Footpaths

What we do

We provide a transport network and associated assets and services throughout the district. This includes both infrastructure, such as roads, footpaths and signage, and non-asset functions, such as street cleaning, roadside garden maintenance, temporary traffic management and road safety initiatives.

Transportation activities are influenced by a complex mix of policy, legislation and national and regional strategies. We work within this framework to develop, maintain and renew assets in the network on all roads, except state highways. State Highways are managed by Waka Kotahi (New Zealand Transport Agency).

This includes:

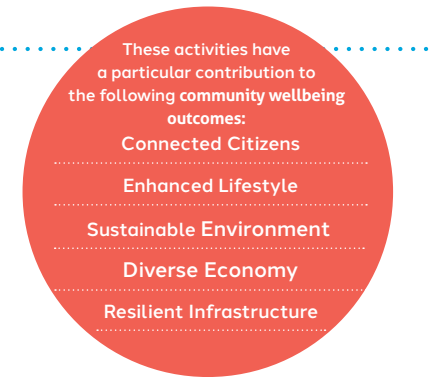
- over 1,700km of sealed and unsealed roads
- more than 280 bridges (including single lane bridges, weight restricted bridges, large culverts and footbridges),
- approximately 300km of footpaths
- on road cycleways and walkways
- at least 7,000 road signs
- more than 4,400 streetlights
- more than 10,000 drainage facilities including catchpits or culverts
- traffic signals, street furniture, bus stops, carparks, parking meters

Why we do it

These activities contribute to Council's vision "Where people, place and business prosper within a healthy, adaptable and regenerative environment" by providing:

- Fit for purpose roads and structures that enable areas of economic strength to thrive and maximises local economic growth
- Resilient and affordable roading infrastructure that meets community needs
- Walking and cycling options across the district
- Safe roads, footpaths and street networks
- Sustainable transport options including cycle lanes, walkways, on demand public transport and transport for those who are mobility challenged

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31



Planned Work 2022-23

The list below represents the projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project Title	2022/23
Subsidised Roading (Waka Kotahi/Council funded)	
Bridge and structures renewals	1,228,800
Cycle path renewal	40,960
Drainage renewals	716,800
Environmental renewals	20,480
Footpath renewal	1,433,600
Low Cost Low Risk Capital	2,150,400
Road to Zero - Capital	1,858,658
Road to Zero Education	168,960
Sealed road pavement rehabilitation	3,227,631
Sealed road resurfacing	3,584,000
Structures component replacements	409,600
Traffic services renewals	460,800
Unsealed road metalling	460,800
Non-Subsidised Roading (Council Funded)	
Seal Extension	130,991
CCTV	20,480
City Hub	4,300,800
Parking - New South End Carpark	1,054,720
Parking Reseals	51,200
Survey Equipment	5,120

Roading and Footpaths

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	11,650	12,464	12,598
Targeted Rates	-	-	-
Subsidies and grants for operating purposes	2,903	3,039	3,023
Fees and charges	1,042	958	879
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	82	84	84
Total Operating Funding	15,677	16,545	16,584
Applications of Operating Funding			
Payments to staff and suppliers	7,974	8,418	8,624
Finance costs	552	612	757
Internal charges and overheads applied	1,085	1,529	1,209
Other operating funding applications	-	-	-
Total Applications of operating funding	9,611	10,559	10,590
Surplus/(Deficit) of Operating Funding	6,066	5,986	5,994
Sources of Capital Funding			
Subsidies and grants for capital expenditure	7,606	6,941	6,907
Development and financial contributions	-	-	-
Increase/(decrease) in debt	508	2,815	5,707
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	8,114	9,756	12,614

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	50	875	870
- to improve the level of service	4,214	6,514	8,602
- to replace existing assets	10,988	8,703	9,536
Increase/(decrease) in reserves	(1,072)	(350)	(400)
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	14,180	15,742	18,608
Surplus/(Deficit) of Capital Funding	(6,066)	(5,986)	(5,994)
Funding Balance	-	-	-
Activity Depreciation Expense	10,027	10,080	10,194



Sewer

What we do

Council collects and treat domestic and industrial wastewater and returns clean water to the environment.

Sewer systems are provided in the urban areas of Timaru, Temuka, Geraldine and Pleasant Point. These systems are linked via pipelines to the main wastewater treatment plant and ocean outfall in Timaru. A small collection scheme also serves the Arowhenua community which feeds into the Temuka pond for treatment. Approximately 80% of the total district residential population have a connection to the sewer system.

Timaru’s industrial wastewater stream is treated separately from the domestic wastewater stream. Primary treatment is carried out onsite by industries to comply with tradewaste discharge limits set by Council, before discharging to the public wastewater system, and ultimately ocean discharge.

Environment Canterbury has granted Council consent to discharge to the ocean until 2045.

As part of providing this service we operate:

- three oxidation ponds at the inland towns of Geraldine, Pleasant Point and Temuka
- 24 sewer pump stations
- approximately 354km of pipeline
- approximately 4,000 manholes

Why we do it

This activity contributes to Council’s vision “Where people, place and business prosper within a healthy, adaptable and regenerative environment” by:

- Removal and mitigation of the adverse impacts of wastewater on the natural environment
- Providing safe treatment and disposal of sewage
- Safeguarding the district waterways and the environment from direct discharge
- Collective provision of waste water/sewer services on behalf of the community

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Planned Work 2022-23

The list below represents the projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project Title	2022/23
Plant and Equipment Renewals and Upgrades	1,311,744
Reticulation Renewals and Upgrades	1,331,200
Talbot St Geraldine Sewer Siphon Upgrade	1,024,000
Wastewater Reticulation Modelling	51,200



Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted Rates	6,672	5,993	5,787
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2,600	2,689	2,704
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	87	90	89
Total Operating Funding	9,359	8,772	8,580
Applications of Operating Funding			
Payments to staff and suppliers	3,110	2,441	2,349
Finance costs	1,237	1,187	1,273
Internal charges and overheads applied	1,112	1,242	1,058
Other operating funding applications	-	-	-
Total Applications of operating funding	5,459	4,870	4,679
Surplus/(Deficit) of Operating Funding	3,900	3,902	3,901
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(1,736)	(637)	(593)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	(1,736)	(637)	(593)

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	-	1,029	1,024
- to improve the level of service	-	-	-
- to replace existing assets	3,216	2,287	2,322
Increase/(decrease) in reserves	(1,052)	(51)	(38)
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	2,164	3,265	3,308
Surplus/(Deficit) of Capital Funding	(3,900)	(3,902)	(3,901)
Funding Balance			
	-	-	-
Activity Depreciation Expense	3,900	3,900	3,901



Stormwater

What we do

Stormwater is rainwater that flows from surfaces like roofs, gardens, footpaths and roads. Council manages and maintains a network of pipes, pumping stations and other infrastructure to safely dispose of stormwater run-off. Where practicable Council is making increasing use of low impact design systems that when not used for stormwater purposes, provide open green space for people to enjoy.

Our network includes:

- Approximately 146km of pipeline and 33km of open channel
- Six detention dams and 1 retention and filtration basin to treat stormwater run-off and help prevent flooding
- Several pump stations
- Over 2,344 manholes, 216 soak pits, over 3,000 sumps
- Secondary overland flow paths

Why we do it

This activity contributes to Council’s vision “Where people, place and business prosper within a healthy, adaptable and regenerative environment” by:

- Collecting, redirecting and disposing of rain water to protect both property and people from flooding
- Treating stormwater to remove contaminants before entering the receiving environment in order to minimise adverse environmental impacts
- Collective provision of waste water services on behalf of the community



For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Planned Work 2022-23

The list below represents the projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project	2022/23
Geraldine Stormwater	
Reticulation Renewals and Upgrades	312,320
Serpentine Creek Geraldine Improvements	204,800
Rural Stormwater	
Rural Stormwater Renewals	30,720
Temuka Stormwater	
Reticulation Renewals and Upgrades	220,160
Timaru Stormwater	
Gleniti Stormwater Bund	133,120
Plant and Equipment Renewals	204,800
Reticulation Renewals and Upgrades	942,080
Taitarakahi Creek Upgrade	153,600

Stormwater

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted Rates	3,737	3,047	3,023
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding	3,737	3,047	3,023
Applications of Operating Funding			
Payments to staff and suppliers	1,547	823	875
Finance costs	46	52	28
Internal charges and overheads applied	197	221	172
Other operating funding applications	-	-	-
Total Applications of operating funding	1,790	1,096	1,075
Surplus/(Deficit) of Operating Funding	1,947	1,951	1,948
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	210	215	339
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	210	215	339

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	275	87	338
- to replace existing assets	1,818	1,492	1,644
Increase/(decrease) in reserves	64	587	306
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	2,157	2,166	2,288
Surplus/(Deficit) of Capital Funding	(1,947)	(1,951)	(1,948)
Funding Balance	-	-	-
Activity Depreciation Expense	1,947	1,950	1,948



Waste Minimisation

What we do

Council provides a safe and effective waste collection, recycling, recovery and disposal service with a focus on minimising waste.

Approximately 85% of the district's households have organic waste, recycling and rubbish bins which are collected regularly. The materials are then sorted and managed at the Redruth Resource Recovery Park in Timaru.

Council manages the overall activity and owns waste minimisation sites and facilities where operational work is carried out by contractors. From 1 July 2021, EnviroWaste Services Ltd is contracted to provide kerbside collection, transfer stations, landfill, composting and recycling operations and waste minimisation education.

Services include:

- 4-bin kerbside collection
- Transfer stations in Temuka, Geraldine and Pleasant Point
- Resource Recovery Centre in Timaru (Redruth)
- Reduction – community education for schools and businesses, public place recycling, zero waste events

- Reuse – Crow's Nest shop
- Recycling – via MRF and non-MRF recycling
- Recovery – composting, metal recovery and pyrolysis
- Treatment – hazardous waste drop-offs
- Disposal – Class A landfill (Redruth)

Why we do it

This activity contributes to Council's vision "Where people, place and business prosper within a healthy, adaptable and regenerative environment" by:

- Encouraging waste minimisation and better waste management practices to reduce the amount of waste going to landfill, which results in a reduction in greenhouse gas emissions, composting of green waste, which eventually goes back onto the land to improve soil structure), and reusing waste materials which can lower the demand for raw materials.
- Collection and appropriate disposal of waste reduces the potential for disease and vermin issues, and degradation of the environment (land and water)



- Managing waste locally to reduce financial and environmental cost of transporting waste out of district for disposal
- Landscaping of facilities and closed landfill areas provides enhanced amenity areas (e.g. Saltwater Creek walkway) and recreational venues.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31

Project Work Programme 2022/23

Projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31. (Projects are shown at 100% budgeted costs, including inflation)

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project Title	2022/23
Fixed Plant & Equipment Renewals	62,464
Landfill Cells Development	3,308,544
Landfill gas systems	10,240
Landfill Roading Programme (sealed areas)	39,936
Plant Purchases	141,312
Capital Works (new/improved assets)	51,200

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted Rates	3,124	3,552	3,435
Subsidies and grants for operating purposes	165	170	169
Fees and charges	5,852	6,213	6,325
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	53	54	54
Total Operating Funding	9,194	9,989	9,982
Applications of Operating Funding			
Payments to staff and suppliers	7,113	8,064	8,068
Finance costs	151	247	374
Internal charges and overheads applied	1,286	966	821
Other operating funding applications	-	-	-
Total Applications of operating funding	8,550	9,277	9,262
Surplus/(Deficit) of Operating Funding	644	712	720
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	3,368	2,556	2,532
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	3,368	2,556	2,532

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	3,573	3,120	3,450
- to replace existing assets	1,430	148	(198)
Increase/(decrease) in reserves	(991)	-	-
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	4,012	3,268	3,252
Surplus/(Deficit) of Capital Funding	(644)	(712)	(720)
Funding Balance	-	-	-
Activity Depreciation Expense	643	712	720



Water Supply

What we do

The Council's water supply service treats and distributes water that we source from groundwater bores and rivers in the district for residential, commercial, industrial and stockwater purposes. Our water supplies are required to comply with the New Zealand Drinking Water Standards.

Over 19,000 residential and non-residential properties are served through the following individual water supplies:

- Urban Water Supply Schemes: Geraldine, Peel Forest, Pleasant Point, Temuka, Timaru, Winchester Rural
- Drinking Water and Stockwater Supply Schemes: Downlands, Orari, Seadown, Te Moana
- Stockwater only Schemes: Beautiful Valley, Rangitata – Orari Water Race

The Downlands scheme is managed and operated by Timaru District Council on behalf of residents of the Timaru, Mackenzie and Waimate districts. The policy for this scheme is determined by a Joint Standing Committee of the three Councils.

Our water supply network includes:

- 19 water intakes
- 12 treatment plants
- 35 reservoirs
- 24 pump stations
- Approximately 1,850 kilometres of water supply pipelines

Environment Canterbury (ECan) allocates water to the Council via resource consents, which set upper limits on the amount of water that can be taken from each water source.

Why we do it

This activity contributes to Council's vision "Where people, place and business prosper within a healthy, adaptable and regenerative environment" by:

- Providing safe drinking water
- Maintaining water supply infrastructure to ensure a reliable water supply
- Managing water use in a sustainable way to minimise adverse impacts on the environment
- Providing water for firefighting in urban areas

Water abstraction must occur within allowable limits to safeguard the environment and protect cultural values of water bodies. Provision of water aims to provide the best balance between economic, environmental and community needs for the benefit of current and future generations, discourages water wastage and ensures water is directed to the best purposes.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2021-31



Planned Work 2022-23

The list below represents the projects planned for the Annual Plan 2022/23, based on and as adjusted from Year 2 of the Long Term Plan 2021-31.

For a full list of projects relating to 2021-31, please refer to the Long Term Plan 2021-31.

Project Title	2022/23
Beautiful Valley Water Supply	
Reticulation Renewals and Upgrades	12,288
Rangitata/Orari Water Supply	
Reticulation Renewals and Upgrades	30,720
Seadown Water Supply	
Seadown Scheme Upgrade	1,187,840
Te Moana Downs Water Supply	
Fixed Plant & Equipment Capital Works	51,200
Water Reticulation Capital Works	256,000
Water Reticulation Capital Works - Maintenance generated	10,240
Urban Water Supplies	
Claremont Reservoir Cover Replacement	20,480
Claremont Treatment Plant Upgrade	1,177,600
Pareora Pipeline Renewal	3,584,000
Plant and Equipment Renewals and Upgrades	3,124,224
Reticulation Renewals and Upgrades	1,781,760
Washdyke Watermain Network Improvements	3,072,000

Downlands Water Supply (82%)

Project Title	2022/23
Downlands Reservoir Cover Renewals	41,984
Network Analysis	83,968
New Reticulation	419,840
Reticulation Renewals and Upgrades	2,972,467

Water Supply

Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted Rates	12,064	13,325	10,591
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	10	2,009
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	67	69	14
Total Operating Funding	12,131	13,404	12,614
Applications of Operating Funding			
Payments to staff and suppliers	4,872	4,851	4,795
Finance costs	513	1,226	1,274
Internal charges and overheads applied	2,136	2,406	2,036
Other operating funding applications	-	-	-
Total Applications of operating funding	7,521	8,483	8,105
Surplus/(Deficit) of Operating Funding	4,610	4,921	4,509
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	25,025	6,705	11,611
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Total sources of Capital Funding	25,025	6,705	11,611

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	6,238	3,595	3,997
- to improve the level of service	6,266	1,194	1,700
- to replace existing assets	17,714	6,765	10,347
Increase/(decrease) in reserves	(583)	72	75
Increase/(decrease) of investments	-	-	-
Total Applications of Capital Funding	29,635	11,626	16,119
Surplus/(Deficit) of Capital Funding	(4,610)	(4,921)	(4,509)
Funding Balance			
	-	-	-
Activity Depreciation Expense	4,169	4,477	4,509



Corporate Activities

What we do

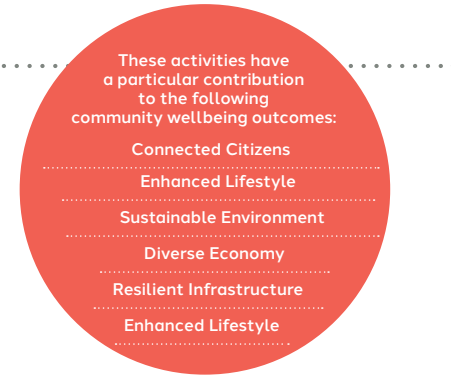
Corporate Activities are functions at Council that support other activities and assist the day to day running of our activities.

The key functions include:

- Financial Services – financial planning, monitoring, and reporting; administering the rating, accounts receivable and payable functions
- Information Technology – providing high quality, secure and cost effective technology-based services
- People and Capability – employee recruitment, training, performance and remuneration; health and safety
- Customer Services – Council’s interface with our communities – assisting with payments, bookings, documentation, and answering general enquiries
- Communications – managing the sharing of Council information with the community through a range of media.

Why we do it

Corporate Activities support Council in the delivery of its statutory responsibilities.



Funding Impact Statement

	Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's		Annual Plan 2021/22 \$000's	Long Term Plan 2022/23 \$000's	Annual Plan 2022/23 \$000's
Sources of Operating Funding				Applications of Capital Funding			
General Rates, Uniform annual general charges, rates penalties	1,214	1,364	-	Capital expenditure			
Targeted Rates	-	-	-	- to meet additional demand	-	-	-
Subsidies and grants for operating purposes	345	355	353	- to improve the level of service	680	797	1,353
Fees and charges	669	664	758	- to replace existing assets	1,649	1,052	1,149
Internal charges and overheads recovered	-	-	21,772	Increase/(decrease) in reserves	4,016	(144)	(359)
Local authorities fuel tax, fines, infringement fees, and other receipts	3,216	3,144	3,415	Increase/(decrease) of investments	-	-	-
Total Operating Funding	5,444	5,527	26,297	Total Applications of Capital Funding	6,345	1,705	2,142
Applications of Operating Funding				Surplus/(Deficit) of Capital Funding	2,777	2,584	4,159
Payments to staff and suppliers	1,134	1,419	20,094	Funding Balance	-	-	-
Finance costs	188	379	(193)	Activity Depreciation Expense	1,162	1,205	1,183
Internal charges and overheads applied	6,899	6,313	10,555				
Other operating funding applications	-	-	-				
Total Applications of operating funding	8,221	8,111	30,456				
Surplus/(Deficit) of Operating Funding	(2,777)	(2,584)	(4,159)				
Sources of Capital Funding							
Subsidies and grants for capital expenditure	-	-	-				
Development and financial contributions	-	-	-				
Increase/(decrease) in debt	9,122	4,289	6,301				
Gross proceeds from sale of assets	-	-	-				
Lump sum contributions	-	-	-				
Total sources of Capital Funding	9,122	4,289	6,301				



Forecast Financial Information

These prospective financial statements were authorised for issue by Timaru District Council on 28 June 2022. Timaru District Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

Timaru District Council's planning processes are governed by the Local Government Act 2002. The Act requires Council to prepare a ten year Long-Term Plan (LTP) every three years and an Annual Plan, which updates the LTP by exception, in the intervening years. This is Timaru District Council's Annual Plan for the 2022/2023 year and is prepared in accordance with the Act. The Council and management are responsible for the preparation of the prospective financial statements and the appropriateness of the underlying assumptions.

The information contained within this document is prospective financial information in terms of PBE FRS 42. The forecast financial statements have been prepared on the basis of assumptions as to future events the Council reasonably expects to occur associated with actions the Council expects to take. They have been prepared in accordance with current accounting policies in the Long Term Plan 2021-2031. Actual results up until January 2019 have been taken into account in preparation of these prospective financial statements. Prospective Group financial statements have not been prepared as information for all entities in the group is not available.

The purpose for which this plan has been prepared is to enable the public to participate in the decision making

processes as to the services to be provided by the Timaru District Council to its community for the year, and to provide a broad accountability mechanism of Council to the community. This information has been prepared for the Council's budgeting and financial planning purposes. It may therefore not be appropriate to be used for any other purpose. Actual results are likely to vary from the information presented and the variations may be material.

These prospective financial statements will not be updated.

Forecast Statement of Comprehensive Revenue and Expense

For The Year Ended 30 June	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
Revenue			
Rates excluding metered water supply rates	59,515	62,729	62,705
Targeted rate for metered water supply	1,952	2,009	2,059
Fee and charges	16,920	17,620	18,129
Subsidies and grants	18,481	12,542	12,962
Finance revenue	723	733	961
Dividend Revenue	1,040	1,070	1,065
Other Revenue	4,026	3,916	4,023
Other gains / (losses)	29	29	-
Total operating revenue	102,686	100,648	101,904
Expenditure			
Personnel costs	23,825	24,794	24,794
Other expenses	44,541	45,853	47,263
Finance costs	3,381	4,657	4,407
Depreciation and amortisation expense	24,543	25,097	25,199
Total operating expenditure	96,290	100,401	101,663
Operating surplus (deficit) before tax	6,396	247	241
Income Tax Expense	-	-	-
Operating surplus (deficit) after tax	6,396	247	241

For The Year Ended 30 June	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
Other comprehensive revenue and expense			
<i>Items that could be reclassified to surplus(deficit)</i>			
Financial assets at fair value through other comprehensive revenue and expense	-	-	-
<i>Items that could be reclassified to surplus(deficit)</i>			
Gain on revaluation of property, plant and equipment	-	13,924	34,352
Gain on revaluation of financial Instruments	47	48	-
Total other comprehensive revenue and expense	47	13,972	34,352
Total Comprehensive Revenue And Expense	6,443	14,219	34,593

Forecast Statement of Changes in Net Assets / Equity

For The Year Ended 30 June	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
Equity balance at 1 July	1,358,420	1,364,863	1,370,138
Comprehensive income for year	6,443	14,219	34,593
Equity Balance 30 June	1,364,863	1,379,082	1,404,731

Forecast Statement of Financial Position

As at 30 June	Annual Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Annual Plan 2022/23 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	19,394	19,551	4,107
Debtors and other receivables	10,234	10,531	15,505
Prepayments	-	-	-
Other financial assets	28,339	28,339	21,950
Inventories	35	35	8
Total Current Assets	58,002	58,456	41,570
Non-Current Assets			
Plant, property and equipment	1,435,215	1,483,046	1,523,183
Intangible assets	3,513	3,408	3,802
Forestry	1,241	1,254	1,420
Investment Property	1,661	1,677	1,739
Investment in CCOs and other similar entities	53,659	53,659	53,659
Other Financial Assets Term	4,785	4,833	4,430
Total Non-Current Assets	1,500,074	1,547,877	1,588,233
TOTAL ASSETS	1,558,076	1,606,333	1,629,803
LIABILITIES			
Current Liabilities			
Trade and other payables	15,641	16,094	22,873
Employee benefit liabilities	2,192	2,192	2,045
Income in advance	-	-	-
Other Financial Liabilities	3,976	4,142	441
Total Current Liabilities	21,809	22,428	25,359
Non-Current Liabilities			
Provisions	8,511	8,345	5,542
Employee benefit liabilities	130	130	458
Borrowings	162,763	196,348	193,712
Total Non-Current Liabilities	171,404	204,823	199,712

As at 30 June	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
TOTAL LIABILITIES	193,213	227,251	225,071
NET ASSETS	1,364,863	1,379,082	1,404,732
EQUITY			
Retained Earnings	816,930	817,407	835,324
Asset Revaluation Reserves	528,825	542,749	555,127
Special Funded Reserves	19,108	18,926	14,280
Trust Funds	-	-	-
TOTAL EQUITY	1,364,863	1,379,082	1,404,731

Forecast Statement of Cash Flow

	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
Cash flow from operating activities			
Receipts from rates revenue	59,160	62,432	62,705
Receipts from other revenue	41,379	36,087	37,173
Interest received	723	733	961
Dividends received	1,040	1,070	1,065
Payments to suppliers and employees	(67,822)	(70,193)	(72,058)
Interest paid	(3,381)	(4,657)	(4,407)
Net Cashflow from Operating Activity	31,099	25,472	25,439
Cash flow from Investing activities			
Receipts from sale of property, plant and equipment	-	-	-
Receipts from sale of investments	-	-	-
Acquisition of investments	-	-	-
Purchases of property, plant and equipment	(75,693)	(58,899)	(76,315)
Net Cashflow from Investing activity	(75,693)	(58,899)	(76,315)
Cash flow from financing activities			
Proceeds from borrowings	44,782	33,584	50,876
Repayment of borrowings	-	-	-
Net Cashflow from Financing Activity	44,782	33,584	50,876
Net Increase (Decrease) in Cash Held	188	157	-
Add Opening Cash brought forward	19,206	19,394	4,107
Closing Cash Balance	19,394	19,551	4,107
Closing Balance made up of Cash and Cash Equivalents	19,394	19,551	4,107

Reserve Funds Summary

Special Funds

Separate Accounts are maintained for targeted rates charged for a specific purpose. A separate account is maintained for each targeted rate to ensure that the funds are held and used for the specific purpose intended.

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2022 (\$000s)	Funds Deposited (\$000s)	Funds Withdrawn (\$000s)	Forecast Balance 30 June 2023 (\$000s)
Aquatic Centre contributions	Recreation and Leisure	Funds donated towards to Aquatic centre facility to be used for its construction and funding of interest payments.	4	0	0	4
Cemetery Future (Timaru) Fund	Community Support	Development of future cemetery for Timaru.	92	0	0	92
Collett Bequest (Museum)	Recreation and Leisure	For museum items.	579	0	0	579
Community Development Interest Fund	Community Support	To make major grants (over \$10,000) to non profit community based organisations and clubs for improving or developing new or existing facilities which reflect credit or provide benefit to the Timaru District residents.	65	0	0	65
Community Development Loan Fund	Community Support	To make major loans to non profit community based organisations and clubs for improving or developing new or existing facilities which reflect credit or provide benefit to the Timaru District residents.	353	0	0	353
Contingency Fund	All of Council	For emergency purposes as determined by Council.	1,275	0	0	1,275
Development (Timaru) Fund	All of Council	Funding of major developments within Timaru. Interest on this fund to be credited to the Community Development Interest Fund.	90	0	0	90
Disaster Relief Fund	All of Council	For the replacement of infrastructural assets excluding subsidised roading in the event of a natural disaster.	2,729	0	0	2,729
District Recreation Facilities Fund	All of Council	To be used for the development of significant recreation facilities in the district.	729	0	0	729
Dowling Bequest	Recreation and Leisure	For the purchase of Christian fiction literature for the library.	20	0	0	20
Downlands Capital Contribution Reserve	Water Supply	For the provision of capital expenditure financed from capital contributions.	202	0	0	202
Economic Development Fund	Community Support	For economic development support.	218	0	0	218
Election Expenses Fund	Democracy	To provide for meeting election expenses.	36	0	0	36
Endowment Land Geraldine Fund	All of Council	From the proceeds of Endowment Land. For the purchase of similar land.	816	0	0	816
George Barclay Bequest	Recreation and Leisure	Original bequest was \$600. Interest to be used for the purchase of reference books for the Timaru Children's Library.	2	0	0	2
Grants & Donations Fund	Community Support	For the provision of grants & donations (created from the unspent grant allocation and carried forward balances)	249	0	0	249

Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2022 (\$000s)	Funds Deposited (\$000s)	Funds Withdrawn (\$000s)	Forecast Balance 30 June 2023 (\$000s)
Joan & Percy Davis Library Trust (Geraldine)	Recreation and Leisure	Interest to be used to purchase books for the Geraldine Library. (8/7/82)	1	0	0	1
Jordan Bequest (Art Gallery)			501	0	0	501
Jordan Bequest (Museum)			235	0	0	235
Lattimore W A (Timaru) Bequest	Recreation and Leisure	Interest to be used for the purchasing of art works for the Aigantighe Art Gallery.	15	0	0	15
Mackay Bequest (Art Gallery)	Recreation and Leisure	For the purchase of paintings.	234	0	0	234
Mackay Bequest (Library)	Recreation and Leisure	For the purchase of books relating to art for the Timaru Library.	149	0	0	149
Main Creative Communities NZ Fund	Community Support	Carried forward balance of Creative Communities NZ fund – main committee.	16	0	0	16
Main Drains Cost Sharing Fund	Sewer, Stormwater and Water Supply	Extension of main drains on a cost sharing basis.	1,444	0	0	1,444
Mayor's Welfare Fund	Democracy	Help out the needy as determined by the Mayor.	23	0	0	23
McCarthy Bequest - Library	Recreation and Leisure	For general purposes at the Timaru Public library	14	0	0	14
McCarthy Bequest - Parks	Recreation and Leisure	For general purposes at the Timaru gardens	51	0	0	51
Museum Acquisition Fund/Alan Ward Fund	Recreation and Leisure	For the purchase of articles for the Museum.	10	0	0	10
National Libraries Partnership	Recreation and Leisure	For the purpose of funding for the National Libraries Partnership	153	0	0	153
Officials' Indemnity, Safety and Health Fund	All of Council	For the purpose of officials' indemnity insurance excess, and for providing funds to comply with Occupational Health and Safety Regulations.	368	0	0	368
Parking Improvement (Timaru) Fund	Roading and Footpaths	For the purchase of land buildings, or equipment which will be used for providing, or in association with, parking facilities within Timaru or for meeting the annual charges on any loan raised for any of these purposes.	222	0	0	222
Property Development Fund	All of Council	For the purchase or development of land and improvement projects within the District.	1,820	0	0	1,820
Russell C Hervey Fund	Recreation and Leisure	For providing improved services to the Timaru Library.	81	0	0	81
Reserves Development (Timaru) Fund	Recreation and Leisure	For the planting of trees and general development of reserves owned by the District Council within Timaru.	12	0	0	12
Reserves from Subdivisions/ Development Levy	Recreation and Leisure	Development of reserves within the District as set out in the Local Government Act 1974 Section 288.	245	0	0	245
Safer Community Funds	Community Support	For Safer Communities projects.	292	0	0	292
Sevicke-Jones Bequest			3	0	0	3

Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2022 (\$000s)	Funds Deposited (\$000s)	Funds Withdrawn (\$000s)	Forecast Balance 30 June 2023 (\$000s)
Sport and Recreation Loan Fund	Community Support	Sport and Recreation loans for facilities and/or major plant items in excess of \$2,000 total value.	862	0	0	862
Timaru Ward Capital Asset and Loan Repayment Fund	All of Council	For the purpose of repayment of Timaru Ward separate rate loans and/or Timaru Ward Capital Projects.	22	0	0	22
Timaru Maritime and Transportation	All of Council	For the purpose of Timaru Maritime and Transportation	5	0	0	5
Winchester Domain Fund	Recreation and Leisure	For maintenance and Development of the Winchester Domain area	43	0	0	43
Total Special Reserves			14,280	-	-	14,280

Reserve Funds Summary

Seperate Funds – disclosed as part of Retained earnings

Separate Accounts are maintained for targeted rates charged for a specific purpose. A separate account is maintained for each targeted rate to ensure that the funds are held and used for the specific purpose intended.

Name of Fund			Forecast Balance 1 July 2022 (\$000s)	Funds Deposited (\$000s)	Funds Withdrawn (\$000s)	Forecast Balance 30 June 2023 (\$000s)
Fishing Huts – Rangitata	Recreation and Leisure	Each fishing hut area retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over its lifetime. Each individual reserve balance is only available for use by that fishing hut area.	(21)	0	0	(21)
Fishing Huts – Strathoena	Recreation and Leisure	Each fishing hut area retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over its lifetime. Each individual reserve balance is only available for use by that fishing hut area.	46	0	0	46
Geraldine Community Board	Democracy	Each community board area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated board. Each individual reserve balance is only available for use by that board.	28	0	0	28
Pleasant Point Community Board	Democracy	Each community board area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated board. Each individual reserve balance is only available for use by that board.	29	0	0	29
Temuka Community Board	Democracy	Each community board area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated board. Each individual reserve balance is only available for use by that board.	48	0	0	48
Fairview Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	(10)	0	0	(10)
Claremont Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	1	0	0	1
Otipua Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	(0)	0	0	(0)
Kingsdown Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	(0)	0	0	(0)

Name of Fund			Forecast Balance 1 July 2022 (\$000s)	Funds Deposited (\$000s)	Funds Withdrawn (\$000s)	Forecast Balance 30 June 2023 (\$000s)
Seadown Hall	Recreation and Leisure	Each community hall (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated hall. Each individual reserve balance is only available for use by that community hall.	12	0	0	12
Depreciation Fund (Housing)	Community Support	For the renewal and/or replacement of Housing depreciable assets and for the repayment of loans associated with such assets.	628	588	(206)	1,010
Dog Control	District Planning and Environmental Services	Council's dog control enforcement activity retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the activity. The balance is only available for use by that activity.	614	55	(14)	655
Forestry Development Fund	Recreation and Leisure	To provide funding for the development of forests within the District.	288	4	(21)	271
Waste Minimisation	Waste Minimisation	Each waste collection area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that waste collection area.	747	0	0	747
Geraldine Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	170	77	(247)	0
Rural Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	490	32	(28)	495
Temuka Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	430	141	(211)	359
Timaru Works and Services	Roading and Footpaths and Stormwater	Each works and services area (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that works and services area.	4,223	1,699	(1,157)	4,765

Name of Fund			Forecast Balance 1 July 2022 (\$000s)	Funds Deposited (\$000s)	Funds Withdrawn (\$000s)	Forecast Balance 30 June 2023 (\$000s)
District Sewer	Sewer	Each sewerage scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	3,658	3,901	(3,939)	3,620
Beautiful Valley Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	93	8	(12)	90
Orari Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	292	4	(0)	296
Rangitata Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	52	7	(33)	27
Seadown Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	1,054	245	1	1,300
Te Moana Water Supply	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	145	277	(423)	0
Urban Water Supplies	Water Supply	Each water supply scheme (for which targeted rates are levied) retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rated area. Each individual reserve balance is only available for use by that scheme.	0	3,266	(3,266)	0
Downlands Asset Replacement Fund	Water Supply	Replacement of infrastructural assets relating to Downlands Water Supply Scheme.	0	816	(816)	0
Total Separate Reserves			13,017	11,119	(10,370)	13,767
Investment Fund	All of Council	1. For the repayment of district wide loans. 2. For the funding of district wide capital projects. 3. For provision of internal loans.	13,399	0	0	13,399

Forecast Funding Impact Statement 2022-23

This Funding Impact Statement has been prepared in compliance with Part 1: Clause 20 of Schedule 10 of the Local Government Act 2002.

In general terms, the Council will use a mix of revenue sources to meet operating expenses, with major sources being general rates, dividends and fees and charges. Revenue from targeted rates is applied to specific activities. The following table outlines Council expenditure and sources of funds.

Rates are assessed on properties in accordance with the statutory provisions of the Local Government (Rating) Act 2002.

As at 30 June	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
Sources of Operating Funding			
General rates, uniform annual general charge, rates penalties	35,823	38,773	39,868
Targeted rates	25,644	25,965	24,896
Subsidies and grants for operating purposes	3,507	3,613	3,595
Fees and charges	16,920	17,620	18,129
Interest and dividends from investments	1,763	1,804	2,026
Local authorities fuel tax, fines, infringement fees, and other receipts	4,026	3,916	4,023
Total Operating Funding (A)	87,683	91,691	92,537
Applications of Operating Funding			
Payments to staff and suppliers	68,365	70,647	72,057
Finance costs	3,381	4,657	4,407
Other operating funding applications	-	-	-
Total applications of operating funding (B)	71,746	75,304	76,464
Surplus (deficit) of operating funding (A-B)	15,937	16,387	16,073
Sources of capital funding			
Subsidies and grants for capital expenditure development and financial contributions	14,974	8,929	9,367
Increase (decrease) in debt	-	-	-
Increase (decrease) in debt	44,782	33,584	50,876
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	59,756	42,513	60,243
Applications of capital funding			
Capital expenditure			
- to meet additional demand	7,038	5,499	5,892
- to improve the level of service	21,297	23,422	30,582
- to replace existing assets	47,358	29,979	39,842
Increase (decrease) in reserves	-	-	-
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	75,693	58,900	76,316
Surplus (deficit) of capital funding (C-D)	(15,937)	(16,387)	(16,073)
Funding Balance ((A-B)+(C-D))	-	-	-

Forecast Funding Impact Statement 2022-23

Reconciliation to Statement of Comprehensive Revenue and Expense

As at 30 June	Annual Plan 2021/22 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000
Surplus (deficit) of operating funding	15,937	16,387	16,073
Add / (deduct)			
Subsidies and grants for capital	14,974	8,929	9,367
Other dedicated capital funding	-	-	-
Development and financial contributions	-	-	-
Vested assets	-	-	-
Other gains / (losses)	28	28	-
Landfill Post Closure	-	-	-
Movement in Rates balance	-	-	-
Depreciation expense	(24,543)	(25,097)	(25,199)
Surplus / (deficit) Statement of comprehensive income	6,396	247	241

Rating Base

	2022/23
Projected number of rating units at end of preceding year	23,212
Total capital value of rating units at end of preceding year	15,320,088,600
Total land value of rating units at end of preceding year	7,748,945,650

Funding Impact Statement – Rates Examples

Rating Information (all amounts are shown inclusive of 15.0% GST)

Rates are set and assessed on properties in accordance with the Local Government (Rating) Act 2002. The Funding Impact Statement provides information on the general rates and targeted rates, including how the liability for rates is calculated and the activities that targeted rates fund.

Definition of separately used or inhabited parts of a rating unit

For the purposes of setting and assessing rates, the following definition of 'a separately used or inhabited part of a rating unit' is used:

'A separately used or inhabited part of a rating unit is any part which is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement'.

Examples include:

- Each separately used or inhabited part of a residential unit will count as a separate part. This includes minor household units with kitchen facilities often referred to as "granny flats".
- Where residential properties are partially used for business, the number of parts will equal the number of separately used or inhabited residential units plus one for each separate business use (e.g. a house with a doctor's surgery attached contains two parts).
- In the case of retirement villages and similar types of properties, each separately used or inhabited residential unit and each other major use (such as halls, libraries etc) are separate parts.

Rates examples

The following examples show how the adopted changes will affect properties in different areas. The examples show the rates proposed for 2022/23 compared with the actual rates for 2021/22.

In the following examples the variables are used to demonstrate the potential impacts on rateable properties in different locations:

- Standard waste management rates have only been used.
- Rural water supplies are not included and where applicable will be additional to the rates identified.
- Metered water is not included and where applicable will be additional to the rates identified.
- Community centre rates are not included and where applicable will be additional to the rates identified.

Funding Impact Statement – Rates Examples

Timaru – residential, recreational, community

	Actual 2021/22	Rates 2022/23
Land Valuation	\$203,400.00	\$203,400.00
UAGC	870.00	925.00
General Rate	551.21	630.54
Community Works & Service	235.94	191.20
Waste Management	162.00	176.00
Water	442.00	451.00
Sewer	339.00	294.67
	\$2,600.16	\$2,668.40

Timaru – residential multi-unit

	Actual 2021/22	Rates 2022/23
Land Valuation	\$265,500.00	\$265,500.00
UAGC	870.00	925.00
General Rate	1,383.26	1,585.04
Community Works & Service	307.98	249.57
Waste Management	162.00	176.00
Water	442.00	451.00
Sewer	339.00	294.67
	\$3,504.24	\$3,681.27

Timaru – commercial, industrial, accommodation

	Actual 2021/22	Rates 2022/23
Land Valuation	\$536,100.00	\$536,100.00
UAGC	870.00	925.00
General Rate	6,293.81	7,215.91
Community Works & Service	621.88	503.93
Waste Management	162.00	176.00
Water	442.00	451.00
Sewer	339.00	294.67
	\$8,728.69	\$9,566.51

Timaru – primary

	Actual 2021/22	Rates 2022/23
Land Valuation	\$400,000.00	\$400,000.00
UAGC	870.00	925.00
General Rates	728.00	832.00
Community Works and Services	464.00	376.00
	\$2,062.00	\$2,133.00

Funding Impact Statement – Rates Examples

Geraldine – residential, recreational, community

	Actual 2021/22	Rates 2022/23
Land Valuation	\$175,100.00	\$175,100.00
UAGC	870.00	925.00
General Rates	474.52	542.81
Community Works and Services	260.90	213.62
Community Board	5.00	5.00
Waste Management	162.00	176.00
Water	442.00	451.00
Sewer	339.00	294.67
	\$2,553.42	\$2,608.10

Temuka – residential, recreational, community

	Actual 2021/22	Rates 2022/23
Land Valuation	\$132,000.00	\$132,000.00
UAGC	870.00	925.00
General Rate	357.72	409.20
Community Works & Service	219.12	161.04
Community Board	3.50	3.50
Waste Management	162.00	176.00
Water	442.00	451.00
Sewer	339.00	294.67
	\$2,393.34	\$2,420.41

Pleasant Point – residential, recreational, community

	Actual 2021/22	Rates 2022/23
Land Valuation	\$161,500.00	\$161,500.00
UAGC	870.00	925.00
General Rate	437.67	500.65
Community Works & Service	9.69	6.46
Community Board	5.00	5.00
Waste Management	162.00	176.00
Water	442.00	451.00
Sewer	339.00	294.67
	\$2,265.36	\$2,358.78

Rural – Primary

	Actual 2021/22	Rates 2022/23
Land Valuation	1,571,400.00	1,571,400.00
UAGC	870.00	925.00
General Rate	2,859.95	3,268.51
Community Works & Service	94.28	62.86
	\$3,824.23	\$4,256.37

Funding Impact Statement - Rating Information

Uniform Annual General Charge (UAGC)

The cost of providing community amenities, such as libraries, swimming pools (including Caroline Bay aquatic centre), parks and the cost of governance and leadership, civil defence, environmental health, the roading network, street lighting, road/streets landscapes refuse disposal, footpaths, dog control, economic development and promotion, property costs (non commercial), and the airport, is recovered from all ratepayers in the form of a uniform annual general charge assessed as a fixed amount per rating unit.

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Uniform Annual General Charge	\$870.00	\$925.00	19,546

General Rates

The general rate includes that portion of the above activities not recovered by the uniform annual general charge, plus costs associated with building control and district planning. It is assessed on all rateable land within the District in the form of a differential general rate assessed on the Land Value of the rating unit. Information about the categories of rateable land and the differentials can be found under the heading Differential Rating.

	Differential Factor	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Commercial-Central/Commercial-Other/Industrial/ Accommodation	4.35	\$0.01174	\$0.01346	7,579
Primary	0.67	\$0.00182	\$0.00208	6,953
Residential – General/Recreational/ Community Services	1.00	\$0.00270	\$0.00310	11,076
Residential – Multi-Unit	1.93	\$0.00521	\$0.00597	354

Targeted rates

Community Works and Services Rates

The cost of stormwater drainage is recovered from each community in which the service is provided in the form of a targeted community works and services rate assessed on the Land Value of the rating unit. The communities in which these rates are assessed are:

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23(\$000)
Geraldine	\$0.00149	\$0.00122	311
Rural	\$0.00006	\$0.00004	166
Temuka	\$0.00166	\$0.00122	358
Timaru	\$0.00116	\$0.00094	2,673

Funding Impact Statement - Rating Information

Community Board Charges

The cost of providing specific Council services as determined by the Temuka, Geraldine and Pleasant Point Community Boards, is recovered from those ratepayers in the form of a targeted fixed amount per rating unit in each of the Temuka, Pleasant Point and Geraldine communities (see description of these areas below).

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Geraldine	\$5.00	\$5.00	14
Pleasant Point	\$5.00	\$5.00	7
Temuka	\$3.50	\$3.50	10

Sewer Charge

The cost of providing sewage disposal is recovered from those ratepayers who receive the service, and are not subject to tradewaste charges, in the form of a targeted uniform sewer rate. This is a fixed amount per water closet or urinal connected either directly or through a private drain to a public sewage drain subject to the proviso that every rating unit used primarily as a residence of not more than one household shall be treated as having not more than one water closet or urinal.

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Sewer Charge	\$339.00	\$294.67	6,655

Funding Impact Statement - Rating Information

Waste Management Charges

The cost of providing waste collection is recovered from rating units which receive the service in the form of a targeted differential annual waste management charge of a fixed amount per set of 4 bins for all rateable and non-rateable land (see description of waste categories below).

- "Standard" waste rate is for 4 bins: a 140 litre rubbish bin, a compost bin, a recycling bin and a glass bin, or a 3 bin stacker set and a glass bin.
- "Large" waste rate is for a 240 litre rubbish bin, a compost bin, a recycling bin and a glass bin.

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Standard Set	\$162.00	\$176.00	3,244
Large Set	\$210.00	\$229.00	557

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

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Small Recycling - 140 litres / Small Glass - 80 litres	\$41.00	\$44.00	2
Large Recycling - 240 litres / Large Glass - 240 litres	\$46.00	\$50.00	27
Small Compost - 140 litres	\$63.00	\$69.00	4
Large Compost - 240 litres	\$73.00	\$80.00	29
Small Rubbish - 140 litres	\$78.00	\$85.00	16
Large Rubbish - 240 litres	\$110.00	\$120.00	78

Funding Impact Statement - Rating Information

Water Charges

The cost of providing a water supply is recovered from those ratepayers who receive or could receive the service in the form of a targeted annual water charge.

- **“Connected”** means those rating units which receive an ordinary water supply.
- **“Serviceable”** means those rating units which are situated within 100 metres from any part to the water works to which water can be but is not supplied.
- **“Unit”** means 1,000 litres per day per day delivered at a constant rate through a trickle feed to provide that volume over 24 hours

All references to a “Water Supply” are references to schemes defined by a Special Order. Water rates are assessed as follows:

a Urban

- i Urban water is supplied at Geraldine, Pleasant Point, Peel Forest, Temuka, Timaru and Winchester.
- ii A differential targeted rate of fixed amounts in accordance with the following differentials (excluding those rating units supplied through a meter):
 - i per separately used or inhabited part of a Connected residential rating unit;
 - ii per rating unit for other Connected rating units (being the same amount assessed per separately used or inhabited part of a Connected residential rating unit)
 - iii per Serviceable rating units (being 50% of the above amount) assessed on rating units as:

b Rural

- i A targeted rate of a fixed amount per hectare within the rating unit located in the Rangitata-Orari Water Supply District.
- ii A targeted rate in the Te Moana Downs Water Supply District of a fixed amount per unit of water supplied and a targeted rate of a fixed amount for each tank, except where there is more than one tank to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.
- iii A targeted rate of a fixed amount per unit of water supplied in the Orari Water Supply District.
- iv A targeted rate in the Seadown Water Supply District of a fixed amount per hectare within the rating unit and a targeted rate of a fixed amount per separately used or inhabited part of a rating unit for each domestic supply. Metered rating units within the Seadown Water Supply District are not subject to Area and Domestic charges.
- v A targeted rate per rating unit of a fixed amount per hectare in the Beautiful Valley Water Supply District.

- vi On so much of the rating units appearing on Valuation Rolls number 24640, 24660, 24670, 24680, 24690, 24700, 24710, 24820, 24840, 24850, 24860, and part 25033, as is situated within the Downlands Water Supply District the following targeted rates.
 - a) a fixed amount for each separately used or inhabited part of a rating unit within the Pareora Township and for rating units used as halls within the scheme.
 - b) a fixed amount per rating unit for rating units used as schools within the Pareora Township.
 - c) in addition a fixed amount for each separate connection (excluding Pareora Township) to the water supply except where there is more than one connection to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.
 - d) in addition to the charge assessed in (c) a fixed amount per unit of water or where water supplied in one half units a fixed charge (being 50% of the amount per unit) per half unit.

Urban supplies	Actual Rate 2021/22		Rate 2022/23		Estimated revenue 2022/23 (\$000)
	Connected	Serviceable	Connected	Serviceable	
Urban supplies	\$442.00	\$221.00	\$451.00	\$225.20	8,147

Funding Impact Statement - Rating Information

Rural supplies	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Rangitata-Orari (Area charge)	\$16.50	\$16.80	303
Te Moana (Unit charge)	\$253.00	\$395.00	489
Te Moana (Tank Charge)	\$527.00	\$826.00	548
Orari (Unit charge)	\$345.00	\$349.90	42
Seadown (Area charge)	\$28.70	\$28.80	147
Seadown (Domestic charge)	\$713.00	\$720.00	261
Beautiful Valley (Area charge)	\$8.90	\$16.70	31
Downlands (Domestic charge)	\$774.00	\$777.00	148
Downlands (School charge)	\$1,326.00	\$1,332.00	1
Downlands (Service charge)	\$553.00	\$555.00	1,075
Downlands (Unit charge)	\$221.00	\$222.00	1,005

c Water by Meter

Targeted rates for water supply per cubic meter of water consumed to any rating unit situated in the following areas which has been fitted with a water meter:

Water by Meter	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Seadown	\$0.94	\$0.98	2
Urban	\$0.72	\$0.75	2,007

Funding Impact Statement – Rating Information

Community Centre Charges

To provide funding for community centres uniform targeted rates of a fixed amount per separately used or inhabited part of a rating unit situated in the following Community Centre Areas:

	Actual Rate 2021/22	Rate 2022/23	Estimated revenue 2022/23 (\$000)
Claremont Community Centre	\$19.00	\$19.00	5
Fairview Community Centre	\$30.00	\$29.00	6
Kingsdown Community Centre	\$36.00	\$35.00	5
Otipua Community Centre	\$19.00	\$18.00	2
Seadown Community Centre	\$33.00	\$33.00	6

Lump sum contributions

Lump sum contributions will not be invited in respect of any targeted rate.

Differential Rating

The Council differentiates the general rate based on land use (Schedule 2 Local Government (Rating) Act 2002).

For the general rate, the relationship between the rates set on rateable land value in each different differential type is shown below. A rating unit can be partitioned into property parts that can be put into different differential categories.

There are nine differential categories as follows:

Type	General Rate factor
1 Accommodation	4.35
2 Commercial - Central	4.35
3 Commercial - Other	4.35
4 Community Services	1.00
5 Industrial	4.35
6 Primary	0.67
7 Recreational	1.00
8 Residential - General	1.00
9 Residential - Multi Unit	1.93

Description of differential categories

Type 1 – Accommodation

All properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.

Type 2 – Commercial - Central

All properties situated within the Timaru Central Business District and used primarily for commercial purposes and excluding properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.

Type 3 – Commercial - Other

All properties used primarily for commercial purposes other than those situated in the Timaru Central Business District and excluding properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.

Type 4 – Community Services

All properties used primarily for education, religious and/or community purposes.

Type 5 – Industrial

All properties used primarily for industrial purposes.

Type 6 – Primary

All properties used primarily for agricultural, horticultural or pastoral purposes, including the grazing of animals.

Type 7 – Recreational

Properties used primarily for active or passive indoor/outdoor recreational activities.

Type 8 – Residential – General (including baches)

All properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area in which residential dwellings are permitted.

Type 9 – Residential – Multi- Unit

All properties used primarily for multi unit residential accommodation, for example, purpose-built rental flats.

Funding Impact Statement - Rating Information

Timaru means the area comprising the rating units on valuation roll numbers 24930, 24941, 24942, 24950, 24960, 24971, 24972, 24981, 24991, 25000, 25011, 25021, 25022, 25023, 25032 and 25033.

Geraldine means the area comprising the rating units on valuation roll numbers 24751 and 24752.

Temuka means the area comprising the rating units on valuation roll numbers 24770 and 24780.

Pleasant Point means the area comprising the rating units on valuation roll number 24821.

Peel Forest means the area comprising the rating units on valuation roll number 24640.

Winchester means the area comprising the rating unit appearing on valuation roll number 24700.

Rural means all parts of the Timaru District excluding Geraldine, Pleasant Point, Temuka and Timaru.

Rates payable by instalment

Rates and charges (except for metered water) are due and payable on the following dates:

All Ratepayers

Instalment	Due Date
1	20 September 2022
2	20 December 2022
3	20 March 2023
4	20 June 2023

Ratepayers may elect to pay on a more regular basis if they choose. Rates may be paid using any one of a number of payment methods acceptable to the Council including direct debits, cash or EFTPOS at Council offices, credit card via Council website, direct credits or other bank transfer method.

The due dates for metered water targeted rates are as follows:

Month invoice raised	Due Date
July 2022	22 August 2022
August 2022	20 September 2022
September 2022	20 October 2022
October 2022	21 November 2022
November 2022	20 December 2022
December 2022	20 January 2023
January 2023	20 February 2023
February 2023	20 March 2023
March 2023	20 April 2023
April 2023	22 May 2023
May 2023	20 June 2023
June 2023	20 July 2023

Penalties

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

Instalment	Penalty Date
1	22 September 2022
2	22 December 2022
3	22 March 2023
4	22 June 2023

A further penalty under section 58(1)(b) and 58(1) (c) of 10% of the amount of any rates from previous financial years remaining unpaid on 7 July 2022 will be added on 22 September 2022.

Under section 58(1)(c), an additional penalty of 10% will be added to any unpaid rates from previous financial years that remain unpaid on 22 March 2023. This penalty will be added on 22 March 2023.

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

Annual Plan Disclosure Statement for the year ending 30 June 2022

What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark		Planned	Met
1. Rates (income) affordability benchmark	Total rates will not exceed \$85 million	62,704,533	Yes
2. Rates (increase) affordability benchmark	Total rates increase will be less than 7% plus inflation	4.90%	Yes
3. Debt affordability benchmark	The quantified limit is a ratio of net debt/total income of 2.1	1.7	Yes
4. Balanced budget benchmark	100%	100%	Yes
5. Essential services benchmark	100%	196%	Yes
6. Debt servicing benchmark	10%	4%	Yes

Notes

1. Rates (income) affordability benchmark

The council meets the rates (income) affordability benchmark if its planned rates income is equal or less than each quantified limit on rates income.

2. Rates (increase) affordability benchmark

The council meets the rates (increase) affordability benchmark if its planned rates increase is equal or less than each quantified limit on rates income.

3. Debt affordability benchmark

The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

4. Balanced budget benchmark

Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

5. Essential services benchmark

Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

6. Debt servicing benchmark

Because Statistics New Zealand projects Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

Fees 2022/23

Fees and charges are one of the ways the Council passes on some of the costs directly to those that benefit from Council services and facilities.

This means those who benefit from these services pay for them. Council has approved some small increases to fees for 2022/23 in some areas to meet the increased costs of some services and reflect required cost recovery.

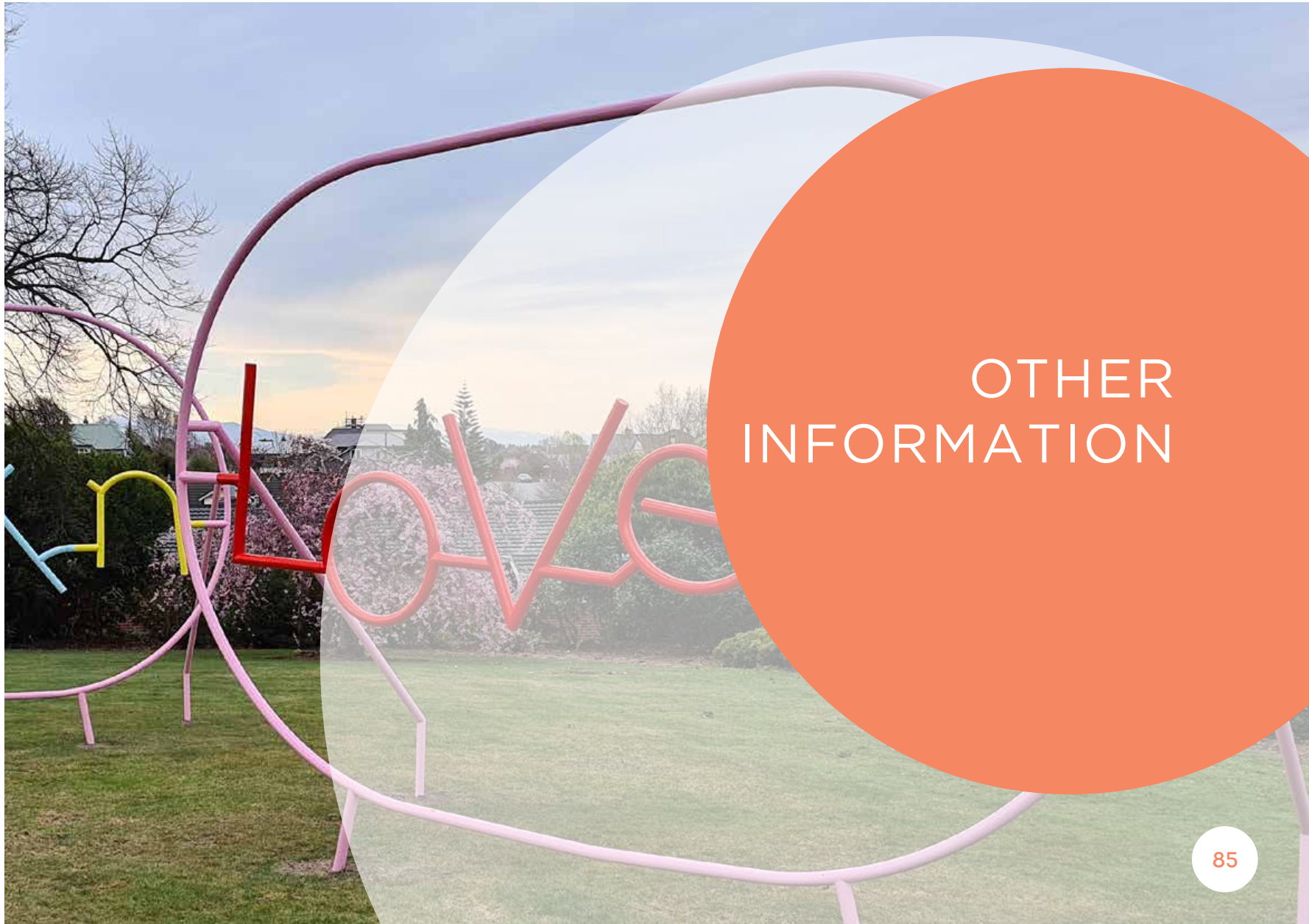
Fees and Charges are in place for:

- | | |
|---|---|
| Airport | Museum |
| Animal Control | Motor Camps |
| Art Gallery | Parking |
| Assignment of Other Leases (Residential / Commercial / Rural) | Planning Resource Management Act Fees |
| Building Control Services | Records and Information Services Charges |
| Cemeteries | Sewer |
| Council and Standing Committee Agendas | Social Housing |
| Infrastructure Group Administration Fees | Sports Grounds |
| Facility Hire | Stormwater |
| Fishing Huts | Swimming Pools |
| Land Information Memorandum | Water |
| Land Transport | Waste Minimisation |
| Latter Street Car Park | Full details of all fees is available from the Council, and on the Council website www.timaru.govt.nz |
| Library | |
| Licence Fees | |

Accounting Policies

Accounting policies applied to the Annual Plan 2022/23 are those utilised for the Long Term Plan 2021-31. These can be found in the Long Term Plan 2021-31 on the Council website www.timaru.govt.nz.

There have been no changes to accounting policy which significantly impact on the Annual Plan.



Directory

Timaru District Council

Timaru District Council

PO Box 522

Timaru 7940

Timaru Main Office:

2 King George Place

Timaru 7910

Telephone: (03) 687 7200

Email: enquiry@timdc.govt.nz

Website: www.timaru.govt.nz

Hours (except statutory holidays)

Monday – Friday 8.30am – 5pm

Temuka Library, Service and Information Centre

72-74 King Street, Temuka 7920

Telephone: (03) 687 7591

Email: temuka.library@timdc.govt.nz

Hours (except statutory holidays):

Monday –Friday 8.30am – 5pm

Geraldine Library and Service Centre

78 Talbot Street, Geraldine 7930

Telephone: (03) 693 9336

Email: libger@timdc.govt.nz

Hours (except statutory holidays):

Monday –Friday 8.30am – 5pm

Bankers

Bank of New Zealand

247 Stafford Street

Timaru 7910

Auditors

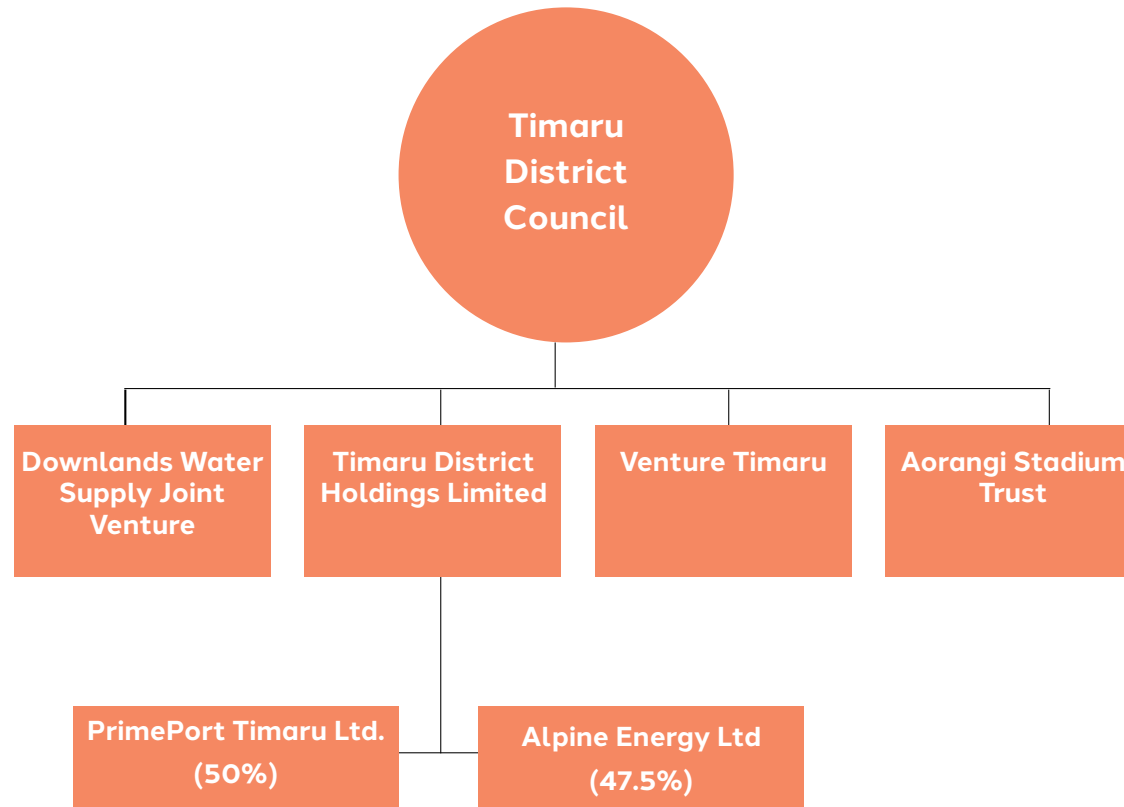
Audit New Zealand

on behalf of the Controller and Auditor-General

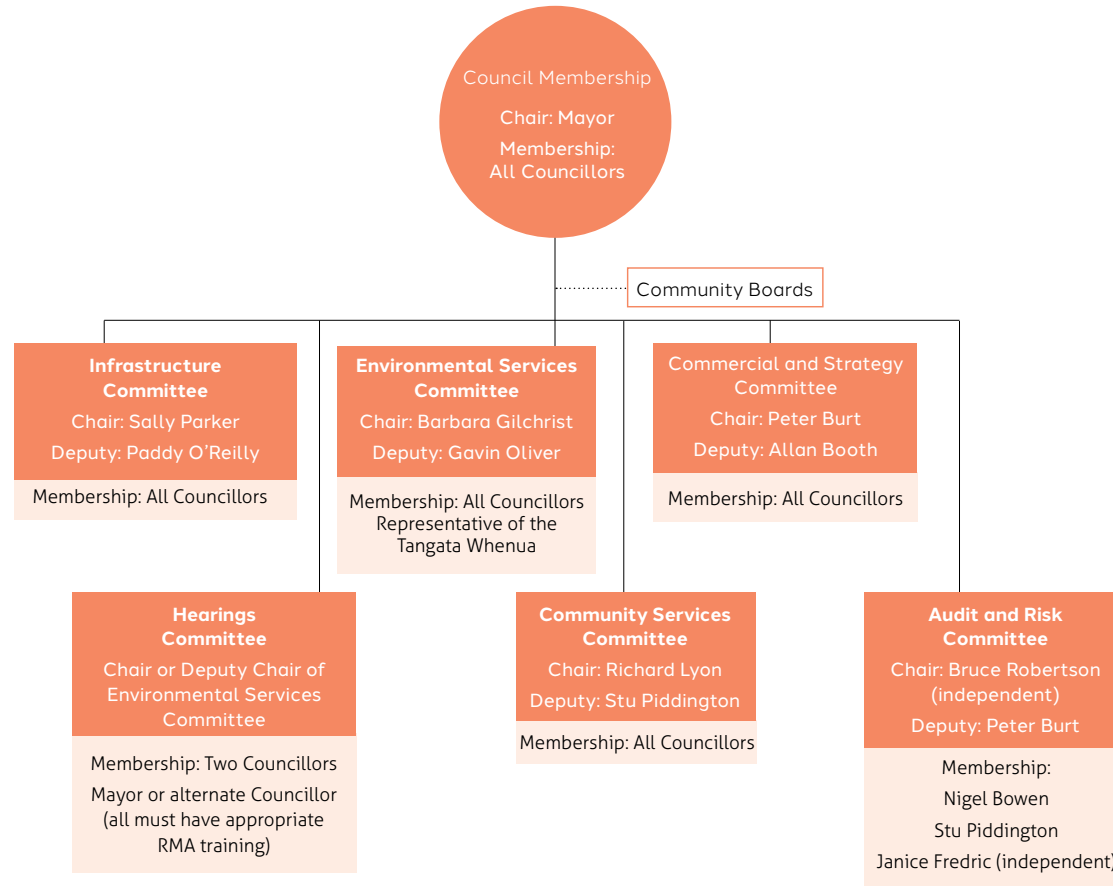
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Wellington 6140

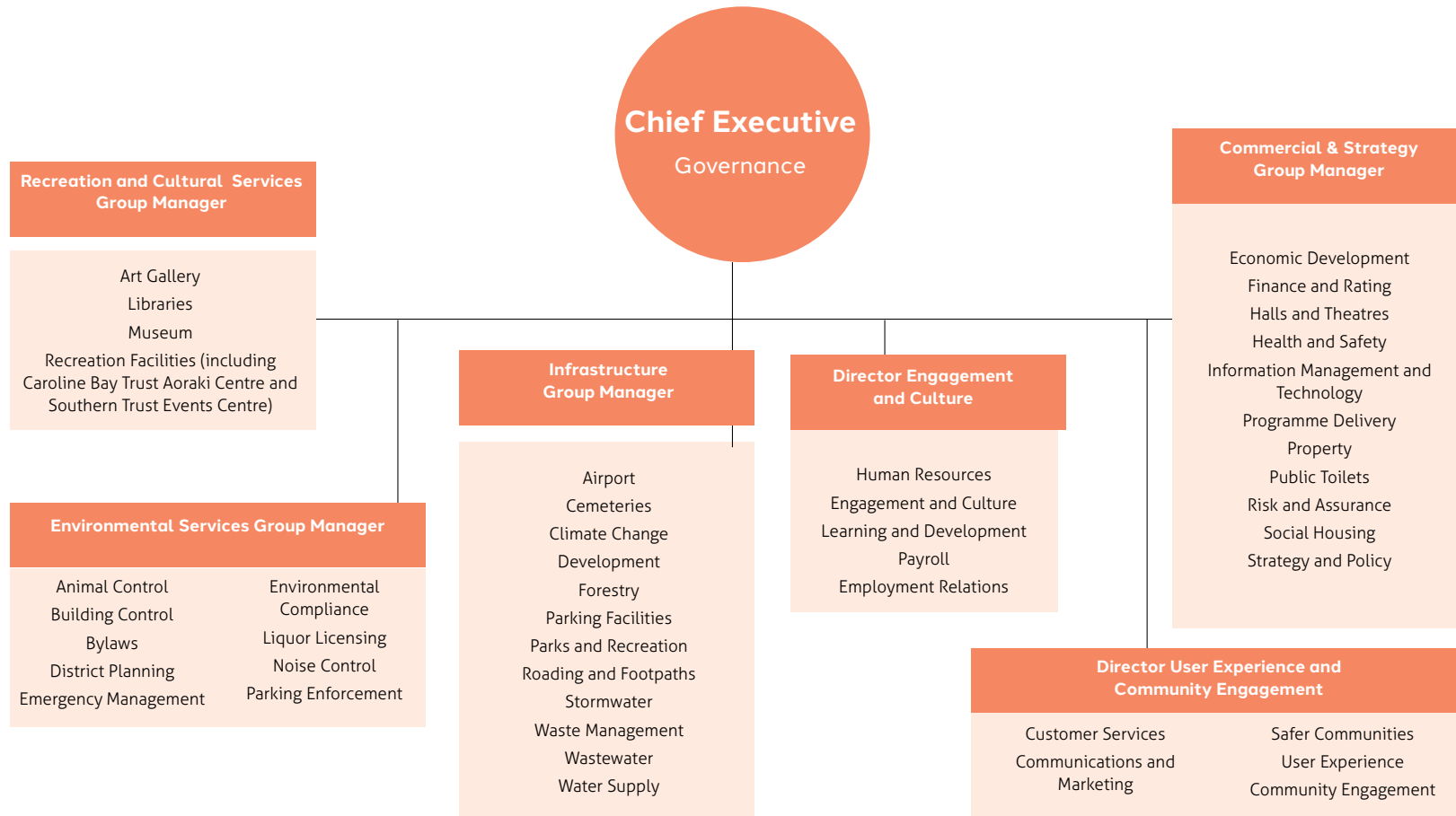
Group Organisation Structure



Council Committees (as at June 2022)



Council Management (as at May 2022)



Timaru District Council

2 King George Place
PO Box 522, Timaru 7940
T (03) 687 7200
F (03) 687 7209
E enquiry@timdc.gov.nz

Temuka Service Centre

72-74 King Street, Temuka
T (03) 687 7591
F (03) 615 8538

Geraldine Service Centre

73 Talbot Street, Geraldine
T (03) 693 9336
F (03) 693 9451

www.timaru.govt.nz

9.3 Resolution to Set Rates 2022/23

Author: Andrea Rankin, Financial Controller
Azoora Ali, Chief Financial Officer

Authoriser: Jason Rivett, Acting Group Manager Commercial & Strategy

Recommendation

That as the Annual Plan 2022/23 has been adopted and in accordance with the Funding Impact Statement (FIS) and relevant provisions of the LTP 2021/31, Council sets the rates in the following resolution.

Purpose of Report

- 1 To set the rates, due dates and penalties regime for the 2022/23 financial year.

Legal Compliance

- 2 Rates are set and assessed in accordance with requirements of the Local Government (Rating) Act 2002 and the Local Government Act 2002.
- 3 Rates are a tax and a very high standard of administration is expected in the tax setting process.
- 4 The rates resolution must be made after the Annual Plan has been adopted.
- 5 Due to the significance of rates revenue and the complex requirements of rates resolutions, officers have obtained legal advice to ensure that all parts of the Funding Impact Statement (FIS) and rates resolutions are compliant with legal requirements.

Risks

- 6 If the information in the resolution is not accurate the rates could be invalid. The wording and calculations have been prepared and checked by members of the Finance Team to ensure the information is correct. It has also had an external legal review to confirm accuracy and that the rates resolutions are legally compliant.
- 7 The rating model has been used for a number of years and the output from the rates resolution has been run through the rating system to ensure that the revenue generated is correct.
- 8 Should the Annual Plan not be adopted at the meeting, the rates cannot be set.

Timaru District Council Rates Resolution 2022/23**9 That Council resolves:**

To set the following rates under the Local Government (Rating) Act 2002, on rating units in the district for the financial year commencing 1 July 2022 and ending on 30 June 2023. Such rates shall become due and payable by instalments on the dates prescribed in clause 11 of this resolution.

All rates and charges are inclusive of Goods and Services Tax (GST).

(a) General Rate

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

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

Differential categories are defined in the Funding Impact Statement 2022/23.

(b) Uniform Annual General Charge

That pursuant to Section 15(1)(a) of the Local Government (Rating) Act 2002 a uniform annual general charge of \$925.00 per rating unit is set and assessed on every rating unit within the Timaru District.

(c) Community Works and Services

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

Geraldine	\$0.00122
Rural	\$0.00004
Temuka	\$0.00122
Timaru	\$0.00094

Community areas are defined in the Funding Impact Statement 2022/23.

(d) Community Board

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

Geraldine	\$5.00
Pleasant Point	\$5.00
Temuka	\$3.50

(e) Sewer

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

Sewer	\$294.67
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(f) Waste Management

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

- (i) \$176.00 per standard size “four bins” provided to each rating unit;
- (ii) \$229.00 per large “four bins” provided to each rating unit;
- (iii) \$44.00 per additional small (140 litres) recycling bin provided to each rating unit; and
- (iv) \$50.00 per additional large (240 litres) recycling bin provided to each rating unit; and
- (v) \$69.00 per additional small (140 litres) compost bin provided to each rating unit; and
- (vi) \$80.00 per additional large (240 litres) compost bin provided to each rating unit; and
- (vii) \$85.00 per additional small (140 litres) rubbish bin provided to each rating unit; and
- and
- (viii) \$120.00 per additional large (240 litres) rubbish bin provided to each rating unit, and
- and
- (ix) \$44.00 per additional small (80 litres) glass bin provided to each rating unit; and
- (x) \$50.00 per additional large (240 litres) glass bin provided to each rating unit.

(g) Water

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

(i) Urban Water

A differential annual rate of \$451.00 set and assessed per separately used or inhabited part of a rating unit for all connected rating units (excluding those supplied through a meter) and \$225.20 set and assessed per rating unit for all serviceable rating units within the Geraldine, Pleasant Point, Peel Forest, Temuka, Timaru and Winchester urban supply areas.

Definitions of “connected” and “serviceable” and of differential categories are contained in the Funding Impact Statement 2022/23.

- (ii) Rural Water
 - (a) **The Rangitata-Orari Water Supply District**
A targeted rate of \$16.80 set and assessed per hectare within the rating unit.
 - (b) **The Te Moana Downs Water Supply District**
 - (i) A targeted rate of \$395.00 set and assessed for each unit of water supplied;
 - (ii) A targeted rate of \$826.00 set and assessed for each tank except where there is more than one tank to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.
 - (c) **The Orari Water Supply District**
 - (i) A targeted rate of \$349.90 set and assessed for each unit of water supplied.
 - (d) **The Seadown Water Supply District**
 - (i) A targeted rate of \$28.80 set and assessed per hectare within the rating unit;
 - (ii) A targeted rate of \$720.00 set and assessed per separately used or inhabited part of a rating unit for each domestic supply;
 - (e) **Beautiful Valley Water Supply District**
 - (i) A targeted rate of \$16.70 set and assessed per hectare within the rating unit
 - (f) **Downlands Water Supply District**
On so much of the rating unit appearing on District Valuation Rolls number 24640, 24660, 24670, 24680, 24690, 24700, 24710, 24820, 24840, 24850, 24860, and part 25033, as is situated within the Downlands Water Supply District.
 - (i) A targeted rate of \$777.00 set and assessed for each separately used or inhabited part of a rating unit within the Pareora Township and for rating units used as halls within the scheme.
 - (ii) A targeted rate of \$1,332.00 set and assessed per rating unit for rating units used as schools within the Pareora Township.
 - (iii) In addition a targeted rate of \$555.00 set and assessed for each separate connection (excluding Pareora Township) to the water supply except where there is more than one connection to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.
 - (iv) In addition to the charge assessed in (c) above, a targeted rate of \$222.00 set and assessed per unit of water or where water supplied in one half units a charge of \$111.00 set and assessed per half unit supplied.

Differential categories are defined in the Funding Impact Statement 2022/23.

- (iii) Water by Meter

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

Seadown	\$0.98
Urban	\$0.75

(h) **Community Centre**

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

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

(i) **Instalment Dates**

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

All Ratepayers

Instalment	Due Date
1	20 September 2022
2	20 December 2022
3	20 March 2023
4	20 June 2023

The due dates for metered water charges are as follows:

Month invoice raised	Due Date
July 2022	22 August 2022
August 2022	20 September 2022
September 2022	20 October 2022
October 2022	21 November 2022
November 2022	20 December 2022
December 2022	20 January 2023
January 2023	20 February 2023
February 2023	20 March 2023
March 2023	20 April 2023
April 2023	22 May 2023
May 2023	20 June 2023
June 2023	20 July 2023

(j) Penalties

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

(i) A Penalty

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

Instalment	Penalty Date
1	22 September 2022
2	22 December 2022
3	22 March 2023
4	22 June 2023

(ii) Further Penalties

A further penalty under section 58(1)(b) and 58(1) (c) of 10% of the amount of any rates from previous financial years remaining unpaid on 7 July 2022 will be added on 22 September 2022. Under section 58(1)(c), an additional penalty of 10% will be added to any unpaid rates from previous financial years that remain unpaid on 22 March 2023. This penalty will be added on 22 March 2023.

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

Attachments

Nil

9.4 Climate Change Governance

Author: Rosie Oliver, Development Manager

Authoriser: Andrew Dixon, Group Manager Infrastructure

Recommendation

That the following principles are endorsed for community comment that will guide Council's and our community's responses to Climate Change:

1. Be a climate-friendly council;
We will adapt to Climate Change and reduce greenhouse gas emissions from Council's operations wherever feasible.
2. Lead and facilitate mitigation and adaptation projects with others;
We will help enable, empower and inspire substantial climate change actions by many stakeholders in the district, including collaborations with our Tiriti partners.
3. Support others to learn and adapt;
We will guide and support communities that are most vulnerable to climate change, i.e., those who are most:
 - exposed to climate change
 - badly impacted by climate change
 - least resilient

Purpose of Report

- 1 For the Council to consider and adopt a governance statement on Climate Change to ensure that their actions on climate change align with the governance principles.

Assessment of Significance

- 2 This matter is assessed as being of medium significance in terms of the Timaru District Council Significance and Engagement Policy as although it is consistent with the Long Term Plan outcomes on this issue there is a high community interest and a potential impact future well-being.

Background

- 3 The Timaru District Council Long Term Plan 2021-31 acknowledges the need for a response to climate change addressing this issue. As part of this response, Dr Phil Driver was commissioned to engage with a selection of community and industry leaders in the Timaru District to gain their perceptions of what we need to do. Dr Driver's survey and recommendations are described in the report included as Attachment 1, which was presented to Council in a workshop on 12 April 2022. (Note Appendix 3 has been redacted for protection of privacy of individuals).

- 4 Climate Change is already having an impact on Timaru District, on biodiversity losses and on those who are vulnerable in different ways to climate change. Vulnerability has three elements:
 - Is someone exposed to climate change impacts?
 - How much are they impacted?
 - How resilient are they to manage those impacts?
- 5 The Canterbury Climate Change Risk Assessment report confirmed that the Timaru District will be affected by climate change, especially with regard to the sustainability and resilience of its urban and rural water supplies. More frequent extreme weather events are also expected that will cause disruption particularly with farming and food production.

Discussion

- 6 By Council providing leadership, removing impediments and supporting climate-friendly actions, the Council's actions can be substantially leveraged to have a far greater impact on addressing climate change than can the Council achieve on its own.
- 7 While the causes of climate change are very well understood (essentially increasing levels of greenhouse gases in the atmosphere arising from many sources), its impacts, practical adaptations and mitigations are still being understood and developed. The reports mentioned below under 'Relevant Legislation, Council Policy and Plans' provide a robust basis for Timaru District Council's Climate Change Governance Statement and for developing a District-Wide strategy which has already been approved by Council as an essential action. In this respect, the recommended Governance Statement is an essential precursor for guiding the development of this strategy.
- 8 The proposed governance statement was developed following a workshop with Mayor and Councillors on 12 April 2022. The recommended Climate Change Governance Statement has been explicitly informed by those discussions.
- 9 The adoption of a governance statement is part of the framework for Council to lead the community to support adaptation and mitigation to cope and thrive.

Options and Preferred Option

- 10 Option 1, that the proposed Climate Change Governance Statement as written be adopted. This is the preferred option.
- 11 Option 2, that the proposed Climate Change Governance Statement with minor changes subject to retaining the meaning of the proposed Statement be adopted.
- 12 Option 3, Do not adopt a Climate Change Governance Statement

Consultation

- 13 As noted in the report Attachment 1, Dr Phil Driver consulted with stakeholders in the Timaru District and that consultation led to the above recommended principles as an essential first step.
- 14 It is proposed that these guiding principles are socialised with our community for comment.

- 15 To help Council apply these principles, a Climate Change Working Party including Elected Members, officers, Tiriti partners, community groups, organisations and businesses will be formed. Through widespread engagement and consultation including with other councils, the Working Party will develop a Climate Change Management Strategy for the Timaru District for subsequent implementation, where feasible, by council and District stakeholders.
- 16 Business cases will then be prepared for priority projects and submitted to council and other stakeholders for review and, where agreed, approval, resourcing and action.

Relevant Legislation, Council Policy and Plans

- 17 The proposed principles and subsequent programme of work are guided by and aligned with:
 - The three recent reports from the International Panel on Climate Change (see details in the attached report)
 - The recommendations of the New Zealand Climate Change Commission (<https://haveyoursay.climatecommission.govt.nz/our-advice-and-evidence/>)
 - The 'Canterbury Climate Change Risk Assessment' report prepared for the Canterbury Mayoral Forum (see details in the attached report)
 - Timaru District Council's Long Term Plan commitment to act on Climate Change

Financial and Funding Implications

- 18 There are no funding implications in regard to the adoption of this governance statement.

Other Considerations

- 19 The Mayoral forum is also coordinating a regional climate change community education initiative through, "It's Time Canterbury" campaign <https://itstimecanterbury.co.nz/>.

Attachments

1. **Timaru District Council Climate Change Management report**  

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Timaru District Council Climate Change Management

"Climate change presents legal liability for councils and public agencies." "The Office for the Auditor General is also closely monitoring Council actions relative to their commitments, following widespread deferral on action in 2018 Long Term Plans." "Climate change is the biggest environmental challenge of our time". "The sea level is projected to rise by about 0.8m above present-day levels by 2100." "Wildfires will become more likely as hotter drier summers occur. *Rural areas will be more highly exposed.*" "Drought potential is likely to increase across most of Canterbury." "Extreme weather events (e.g., severe storms) are likely to happen more often." "Current planning objectives, rules and policies are, generally speaking, inadequate and ineffective in dealing with effects of climate change."

Canterbury Climate Change Risk Assessment Summary Report
Prepared for the Canterbury Mayoral Forum, December 2021

"It is unequivocal that human influence has warmed the atmosphere, ocean and land. Widespread and rapid changes in the atmosphere, ocean, cryosphere and biosphere have occurred."

Climate Change 2021 – The Physical Science Basis
Working Group I Contribution to the Sixth Assessment Report
of the Intergovernmental Panel on Climate Change
Endorsed by 198 countries

"Increased heatwaves, droughts and floods are already exceeding plants' and animals' tolerance thresholds, driving mass mortalities in species such as trees and corals. These weather extremes are occurring simultaneously, causing cascading impacts that are increasingly difficult to manage. They have exposed millions of people to acute food and water insecurity.... People and ecosystems least able to cope are being hardest hit"

Climate Change 2022 – Impacts, Adaptation and Vulnerability
Working Group II Contribution to the Sixth Assessment Report
of the Intergovernmental Panel on Climate Change
Endorsed by 195 countries

Regarding the above report: "I've seen many scientific reports in my time, but nothing like this." UN Secretary General Antonio Guterres described it as an "atlas of human suffering". He has no doubt as to where the blame lies. "The facts are undeniable. This abdication of leadership is criminal."

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Timaru District Council Climate Change Management

Contents

This paper:

1. Presents key points relevant to Timaru District regarding climate change
2. Recommends governance-level and management-level, climate-change actions
3. Is supported by appendices containing background information:
 1. A summary of feedback from interviews with over 50 Timaru District stakeholders
 2. Lists of actions that TDC can lead including what TDC:
 - i. Has to do
 - ii. Can choose to do in-house
 - iii. Can choose to support externally
 - iv. Probably cannot do because they come under central government and international agreements
 3. A list of stakeholders who contributed their climate change management ideas
 4. Bibliography
 5. An example of a hypothetical potential major project, demonstrating multiple benefits

Key points relevant to Timaru District Council regarding climate change

1. The latest two reports from the International Panel on Climate Change (IPCC) confirm the reality and expected major impacts of climate change, are based on over 30,000 scientific papers and have been endorsed by 198 countries (report #1) and 195 countries (report #2) and by many major institutions and companies
2. A report for the Canterbury Mayoral Forum, "*Canterbury Climate Change Risk Assessment 3/2/22*" further confirmed the reality and impact of climate change in South Canterbury
3. But, while:
 - a. 80% of New Zealanders accept the science that anthropogenic climate change is happening
 - b. 76% believe individuals are responsible for responding to climate change
 - c. 61% want more ambitious emissions' targets
Ministry for the Environment survey results
 - d. in the UK (which may or may not be similar to Canterbury), a majority of people do not want to change their lifestyles to mitigate or adapt to climate change
UK YouGov survey results
4. Our climate is changing 200 times faster than anything found in the geological record
5. Per capita emissions by New Zealanders are 6th highest in the world (16.9 tonnes CO₂ equivalent per person). For our district with a large rural population, 47% of emissions are *on-farm*, with two other main contributors being transport (which includes substantial

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- transportation of *agricultural* products) and industry (with some of the main emitters being processors of *agricultural* products)
6. Canterbury sea levels have risen 0.2m since 1900 and are on track to rise by 0.8m by 2100
 7. Global heating and sea level rise are accelerating, with 1.5 degrees heating already locked in and the world on a path to 2.7 degrees even if all countries' pledges are met
 8. With 1.7-1.8 degrees of heating, half the world's people will experience life-threatening heat and humidity events
 9. With 3 degrees of heating, climate refugees will be New Zealand's biggest issue as Australia and all countries within about 30 degrees of the equator become essentially uninhabitable
 10. All of Canterbury is already experiencing more frequent and more extreme weather events, especially bigger floods and longer and more severe droughts, leading to property and crop losses. For example, the recent Rangitata floods were 20% more likely and 10-15% bigger due to climate change
 11. South Canterbury will experience some localised coastal inundation and erosion, with the most valuable assets that will be impacted being commercial land at the port and at Washdyke, farming land north of Washdyke and the residential land at Milford Huts
 12. Although South Canterbury will experience the above impacts of climate change, these impacts are small compared to what billions of vulnerable people worldwide will experience (New Zealand is one of the most privileged places on the planet in terms of climate change)
 13. While the science of climate change is unequivocal, determining the best mix of actions that individuals, communities, government and organisations must take locally is challenging
 14. *Business-as-usual is not an option, so we need to define the best possible new business-as-usual for South Canterbury and 'go-for-it' – perhaps before other parts of New Zealand realise that we are securing the best future opportunities (first-mover advantage)*
 15. Climate change risk is a combination of exposure x sensitivity x adaptability, so all three parameters need to be evaluated when prioritising actions
 16. By world standards, the majority of people in South Canterbury have sufficient resources to be able to adapt to climate change, albeit with some effort and discomfort
 17. However, our various vulnerable communities will be worse affected by climate change, less able to adapt and will suffer accordingly
 18. Even if TDC became carbon neutral it would have only a modest impact on South Canterbury's greenhouse gas emissions, so to be effective, our responses to climate change need to be embedded throughout our district
 19. Climate change cannot be made 'simple' as it is inherently complex and evolving
 20. To respond effectively we must understand climate change in sufficient detail to make wise decisions and/or to trust the recommendations of those who *do* understand climate change.
 21. Council staff appear to have most of the knowledge and skills necessary to implement, enable or guide almost all in-house climate change management actions that are within the remit of the council
 22. All but three of the 52 South Canterbury stakeholders spoken with asked that TDC take a lead on climate change management and as a minimum, publish succinct *governance* statements about the council's position on climate change
 23. *These governance statements by TDC are essential first steps for guiding actions by TDC management and staff. They will also give confidence to the many stakeholders who are already taking, or are wanting to take, action on climate change*

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24. Specifically, council staff and our communities need explicit governance guidance from the elected council on the council's adoption of all, or an edited combination of the following 5 principles and/or other principles:
- a. Take no new climate change management actions because the impacts of climate change in South Canterbury will be much less than for other countries, plus by global standards, a majority of our residents have enough resources to adapt with only moderate difficulty
 - b. Take new climate change management actions that address just TDC's own greenhouse gas emissions and adaptations
 - c. Take new climate change management actions (both mitigation and adaptation) that will enable, empower and inspire substantial actions by many stakeholders throughout the district e.g., improving resilience of water supplies through catchment restorations, large scale wetland development following coastal inundation, regenerative farming, alternative housing and so on
 - d. Take new climate change management adaptation actions focused on enabling and empowering our various vulnerable communities to adapt to climate change
 - e. Take responsibility for our share of world-wide climate change mitigation to reduce the international impacts of climate change on vulnerable people worldwide

Recommendations

1. *Governance*: TDC councillors issue a succinct statement of its *governance* position on climate change based on all or some of the above 5 statements. This is the *first, essential action* for council to take
2. *Governance*: TDC establish a Climate Change Working Group (CCWG) of councillors, staff and potentially other stakeholders with a robust, results-oriented mandate, upskill the CCWG members and draw on the knowledge of credible climate change professionals
3. *Governance and management*: TDC commission the development of a South Canterbury Climate Change Strategy encompassing, but not limited to, the TDC's own climate change management strategy, to be completed within 6 months
4. *Management*: TDC staff:
 - a. triage the many climate change actions that have been proposed for South Canterbury through various channels
 - b. distil those that have particular merit consistent with the above TDC governance statement, the Canterbury Climate Change Risk Assessment, the IPCC reports and the evolving South Canterbury-wide climate change strategy
 - c. implement those actions that require minimal resources
 - d. prepare compelling business cases for those actions that require more resources
 - e. prepare a succinct engagement plan to help guide our communities' actions, possibly including the phrase "double the good, halve the bad" and a table of "good things to do more of and bad things to less of".

Contact

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Appendix 1: Feedback from 52 stakeholder interviews

These many statements are not prioritised or put in any particular order but are provided as guidance for TDC staff and other stakeholders for use *after* Council has *first* confirmed its governance statements on Climate Change. The governance statements are necessary to enable the following stakeholder suggestions to be prioritised.

Stakeholders:

1. acknowledged and appreciated the support TDC has historically provided and currently provides to our communities to help them act on a range of issues (52 stakeholder agreed)
2. confirmed that climate change is real (51)
3. confirmed that climate change poses significant threats in South Canterbury and the world (51)
4. acknowledged that the impacts of climate change in South Canterbury will be relatively small and manageable compared to those experienced by vulnerable communities around the world (51)
5. confirmed that while living in a relatively wealthy part of the world, most South Cantabrians have the resources and resilience to adapt to climate change, albeit with considerable effort and cost (51)
6. confirmed our various types of vulnerable communities will be the most impacted by, and less able to respond to, the challenges of climate change (51)
7. confirmed that significant climate change management action is essential in South Canterbury (50)
8. a majority of stakeholders believe Timaru District needs a district-wide climate change strategy of which TDC's own climate change strategy will be an essential component
9. confirmed that climate change, its impacts and its mitigations and adaptations are complex and evolving, so need in-depth understanding in order to make wise decisions (50)
10. confirmed that we need to either develop sufficient understanding of climate change or find, trust and follow leaders who do understand the issues (50)
11. urged TDC to lead, and be very visibly seen to lead, on climate change adaptation and mitigation (48)
12. urged TDC to make a succinct statement on their *governance* position on climate change management so as to guide in-house actions as well as help support climate-friendly actions by communities, organisations and businesses (49)
13. confirmed that in many cases, domestic and commercial stakeholders are *already* taking, or are willing to take, significant actions to adapt to and mitigate climate change (50)
14. want TDC to enable, empower and facilitate community groups and others to take collaborative climate change actions and that this is at least if not more important than TDC taking internal actions on climate change (49)
15. recognised that TDC:
 - a. Is required to take some climate change management actions (52)
 - b. Can optionally take further in-house climate change management actions (52)
 - c. Can optionally take external climate change management actions, especially inspiring, enabling, empowering, facilitating actions by others (52)
 - d. Cannot take some climate change actions as they are the responsibility of central government, communities, businesses and other organisations but can nevertheless influence such actions in various ways (lobbying, inspiring, enabling, empowering, and facilitating) (52)

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16. encouraged TDC to align its actions with the insurance industry which puts a huge amount of effort into risk-assessment
17. encouraged TDC to publicly sign-up to the Global Sustainability Goals
18. offered numerous examples of actions that can be taken in South Canterbury to mitigate and adapt to climate change (see Appendix 2) (50)
19. a majority of stakeholders asked that TDC's climate change management actions address all four wellbeings: economic, social, environmental and cultural
20. a majority expressed concern about poorly managed, (in some cases abandoned), exotic production forests that are established purely for carbon credits and which are badly impacting local communities and water retention in the upper catchments
21. a majority acknowledged that 'electric cars and solar panels are ways in which wealthy people can invest to live cheaper' as these technological options are not affordable by our vulnerable communities
22. we therefore need to support our vulnerable communities
23. many stakeholders said "we don't know where to start" so are seeking succinct guidance on at least some of the steps they can take
24. when people say "climate has always changed" I sense that they increasingly recognise that climate is changing faster and is more unpredictable and what they are in fact saying is "we've coped before and we'll cope again – and we're proud of that". I think this is a really important perspective. We need to tap into this proud and pragmatic spirit of South Canterbury in order to effectively address climate change.
25. young people on Environment Canterbury Youth Rōpū asked for a recognition of the urgency of climate change, saying: "change suggests gradual – we need to recognise the abrupt nature of it"
26. Iwi are looking for opportunities to 'bring our people home', so support initiatives such as wetland and catchment restorations and can assist, for example, by providing employment (tree propagation and plantings; fencing) and increasing Mahinga Kai opportunities
27. many stakeholders feel their lives have become unstable due to everything that is going on around them (Covid, Ukraine, biodiversity loss, plastic and chemical pollution etc) and crave some sort of 'stable core' where they feel safe enough to then branch out into new actions such as addressing climate change
28. most big businesses in the district are on-board with climate change management but many medium and smaller businesses are struggling financially to survive so are not focused on climate change actions
29. many stakeholders want very visible and accessible demonstrations of climate-friendly actions – locals prefer to listen to locals
30. need a climate change management think-tank reporting directly to council on district issues and options
31. we need persuasive and inspiring narratives to bring people on board including potential positives to come out of action on climate change
32. such narratives need to be in a crisp '101-format' so they are readily understood and acted on by all stakeholders because climate change is too big and complex for most people to comprehend
33. make 'the right behaviours' more appealing and easier, for example by fine-tuning development contributions to be climate-friendly
34. need credible media to counter climate mis-information

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35. be clear about the inspiration behind actions, e.g., the inspiration behind rain barrels (emphasise the benefits and how people can use the water)
36. keep monitoring and assessing our communities' willingness to act on climate change
37. support innovators and early adopters and the late adopters and laggards will follow along in due course
38. support catchment groups who are already trying to implement climate-friendly actions
39. recommend it is essential to retain water in the landscape and not flush it out to sea
40. confirm many industries already moving on sustainability and becoming carbon neutral as its either an advantage, or essential, in their markets. However, many (e.g., Fonterra, PrimePort, Alpine Energy) think of themselves as meeting/reporting to national standards and probably don't see themselves as 'reporting' to TDC.
41. recognise that many actions cannot be just one-off but require ongoing maintenance
42. ask TDC to really listen to the many wise stakeholders in our communities and to encourage the sharing and debating of ideas
43. ask ECan and TDC to present the same messages on climate change
44. ask TDC to recognise multiple simultaneous often-inter-related emergencies: climate change, biodiversity loss, increasing inequality, pollution, aging populations, pandemics, many caused by ecological overshoot (our over-consumption of finite planetary resources)
45. ask TDC to prepare for weather event extremes
46. propose that more emphasis is required on deconstruction/component re-use rather than demolition of buildings
47. encourage more re-use of waste and grey water
48. propose running 3-month trials of new ideas because no-one knows all we need to know to manage climate change – we must keep testing the system (consistent with complexity management)
49. ask that waste treatment must not enable continuing waste production but rather continually reduce waste production (the waste incinerator proposed for Waimate *may* be inconsistent with this)
50. ask TDC to better coordinate all climate-friendly actions across the district as it's too fragmented at the moment
51. request that any climate-friendly strategy that is developed must focus on what must be achieved, not on 'actions' and 'busyness'
52. request that updates to the District Plan encourage/permit rain gardens, rainwater tanks and other climate-friendly actions
53. note that current local democracy is not fit for purpose - split district and regional elections are not based on the integrated skill-sets required
54. note a need for more data – a Timaru District (not just TDC) climate change dashboard – so we can monitor what is and isn't working and share this information with our communities to help inspire climate-friendly actions, e.g., something visible and accessible that defines our actions within a global context
55. request cabinet collective responsibility for climate change management actions by TDC
56. note the symbolism of cycle trails and other forms of active transport is important because it increases the perception of a new climate-friendly-normal, as does the MyWay service
57. note that Timaru is at the confluence of the region so it is imperative to link urban and rural communities here
58. request the use of the phrase "*our* TDC" instead of "*the* TDC" to help improve engagement and collective ownership of issues
59. ask TDC to identify/anticipate 'trigger points' for action e.g., consider eVs and hybrids when council vehicles need replacing rather than replace them immediately

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60. request use of language like 'water resilience, food resilience and health resilience' (i.e., desired Benefits) rather than on the negative driving force of climate change
61. a number of stakeholders said that techniques such as Dynamic Adaptive Planning will be necessary to respond to the continually evolving climate change environment, so that everyone recognises that some activities may continue for years or even decades but will eventually need to change or cease
62. several stakeholders said that Timaru has many financially-comfortable retired people who want to volunteer but only if they feel they can make a substantial difference
63. about 45-50 stakeholders supported TDC leading perhaps 3-5 major, 10-30-year multi-stakeholder initiatives such as:
 - a. the planned management of inundation areas (e.g., the Port, Milford Huts, Washdyke Lagoon, coastal farmlands)
 - b. the restoration of key catchments such as the Pareora that is the primary source of Timaru's potable water
 - c. the large-scale development of 'community gardens' that are linked by active transport pathways (cycling, walking)
 - d. the redesignation of land to enable communities of tiny houses/permaculture/food forests
 - e. facilitation of education and physical support (e.g., provision or classification of land for allotments and community gardens) for community food growing and cooking
 - f. large-scale re-engineering and use of biological wastes especially as fertiliser replacements in agriculture
 - g. Large-scale water-use reductions and re-use
 - h. Continued development of public and active transport infrastructure
64. recognised that climate change's biggest impact in the Timaru District relate to water (coastal inundation and erosion, flooding droughts) so it makes sense to manage all aspects of water together (3 waters + source water + seawater) (51)
65. generally supported a district focus on "water resilience, food resilience, health resilience" as being consistent with how South Cantabrians view themselves (as being pragmatic, resourceful, capable of handling whatever comes our way, community-minded and independent)

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Appendix 2: Actions TDC management and staff can potentially take to manage climate change mitigation and adaptation

These statements are to provide guidance to TDC staff for use *after* Council has *first* confirmed its governance statements on Climate Change.

What TDC is required to do now or within the next 3 years

1. Monitor and report on The Council's main greenhouse gas emissions
2. Purchase carbon off-sets for the council's emissions, particularly from landfills (and/or capture and use of these emissions)
3. Additional actions as will be required through the evolving central government policies on climate change, 3 waters, RMA reforms and LGA reform
4. Include climate-related responses in the Stormwater Management Plan and associated applications for resource consents from ECan, due in 2022
5. Include climate-related responses in the District and Long-Term Plan updates
6. Continually identify and act on issues that affect the wellbeing of its communities

Optional behaviours and actions TDC can take for their in-house activities

1. Publish a succinct statement on TDC's climate change governance principles for in-house actions
2. Insist that all in-house council actions consider and where feasible incorporate climate change mitigation and adaptation
3. Facilitate and partly fund catchment and wetland restorations of TDC-owned land, including preparation for coastal inundation
4. Replace lawns in parks and other council-managed properties with meadows and low-maintenance plants (cut twice a year apart from firebreak margins)
5. Plant food-producing plants such as fruit trees in public spaces
6. Install rain gardens in public spaces to retain water and reduce flooding
7. Adopt procurement policies that place greater weighting on climate change mitigation and adaptation
8. Replace the vehicle fleet with hybrid and eV vehicles
9. Encourage more staff to use buses and active forms of transport such as walking and cycling
10. Install and use solar and wind power on council buildings

Optional behaviours and actions that TDC can take to support our communities (this list continues to evolve)

1. Publish a succinct statement on TDC's climate change governance principles for external actions
2. Adopt a climate change management leadership mantle while openly acknowledging the evolving uncertainties and asking for community support
3. Integrate actions so they simultaneously address climate resilience, biodiversity renewal, inequality reduction, pollution, recreation, and health

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4. Establish a Climate Change Working Group of councillors, staff and potentially other stakeholders who build and maintain familiarity with key aspects of climate change with particular emphasis on the impacts of climate change on our less resilient communities
5. Facilitate the development of a district-wide Climate Change Management strategy of which the TDC's Climate Change Management strategy is a part
6. Develop, maintain and disseminate a Timaru District Climate Action Information Dashboard
7. Promote the principle that climate mitigation and adaptation are 'the new normal'
8. Insist that all external council actions consider and where feasible incorporate climate change mitigation and adaptation
9. Insist that all council actions consider and where feasible incorporate actions which produce a minimum of 7 well-being benefits (this is a permaculture principle that is surprisingly easy to achieve)
10. Run multiple public and in-school information sessions on the causes, impacts and potential mitigation and adaptation actions of climate change
11. Promote very simple messages such as "double the good, halve the bad"
12. Facilitate communities to mitigate and adapt to climate change. This will especially include the identification of key community leaders and helping facilitate new leaders to pick up the reins when original leaders need to move on
13. Facilitate and partly fund catchment and wetland restorations including responses to coastal inundation in collaboration with Runanga, DOC, ECan, communities and businesses
14. Apply Dynamic Adaptive Planning to address the evolving coastal inundation of port land
15. Enable, permit and promote alternative domestic water sources especially rainwater tanks but also potentially treatment of ground water
16. Reduce transport costs and increase community food-resilience and ownership of local food production through various forms of allotments, community gardens and the use of public spaces for food production
17. Reduce waste-related methane emissions by promoting reductions in what's dumped and also capturing and using methane from landfills and/or water waste treatment
18. Increase carbon capture through supporting long-lived native forestry, wetlands and potentially coastal seaweed production
19. Increase transport resilience by enabling easier use of low emission forms of transport such as electric vehicles including new forms of ultra-light and heavy electric or hydrogen freight vehicles
20. Designate urban and rural 'social roads' which are safer for all users, for example by limiting speeds, especially for large vehicles
21. Reduce the need for fossil-based road re-surfacing of damaged roads by lobbying central government for road-use changes so heavy vehicles are excluded or must go slower on poorly formed roads – a big issue on easily damaged rural roads where HGVs need access
22. Permit and enable the re-engineering of large-scale biological waste processing such as optimally blended composts for agricultural use
23. Promote and enable the replacement of lawns with meadows and mulched native plantings
24. Enable a wider range of active and public transport including ride-sharing and social roads (see above)
25. Build on what communities, businesses and organisations are already doing
26. Be flexible with implementing District planning rules to enable dynamic adaptive planning of land to enable short to medium term use of land that will eventually be inundated (e.g., the continued medium term dairy farming on coastal land that will be inundated and converted

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- to wetlands) as well as permitting climate-friendly housing and food growing such as tiny homes, food forests and community gardens
27. Establish extensive natural carbon capture, especially through enabling riparian planting and catchment revegetation using native and non-pine exotics (including food producing) and possibly the development of kelp beds which would also provide coastal protection
 28. Lobby ECan and central government to update legislation and provide resources for South Canterbury climate action
 29. Change District Plan rules to more readily permit climate-friendly housing and food growing such as tiny homes, food forests and community gardens
 30. Make land available for community gardens of various sorts and link them with active transport options (e.g., cycleways)
 31. Enhance community resilience by running, facilitating and/or co-funding community courses on food growing and sustainable minimal-waste cooking
 32. Lobby central government to control forestry so as to be sustainable and contribute to climate change management goals, especially catchment water management
 33. Lobby government to replace coal-fired boilers in schools and hospitals with climate-friendly energy sources, especially solar electric power (which is available during the day when young people are at school)

What TDC probably can't directly do

1. Create rules on defend/retreat/compensate for loss of land due to coastal inundation, flooding or any other climate-change-induced land use changes. It is expected that these rules will be created through the reform of the RMA.
2. Create legislation relating to carbon emissions, e.g., the Emissions Trading Scheme, fossil fuel prices, types of vehicles permitted and discouraged, conversions from fossil fuel to alternative energy sources.
3. Change electricity generation and distribution networks other than indirectly through Alpine Energy.
4. Change international agreements on climate change
5. Have an impact on property insurance

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Appendix 3: Contributors to the climate change discussion



The table area is almost entirely obscured by large black redaction bars. Only a few thin horizontal lines of the table grid are visible, indicating a multi-row structure. The redactions cover the names of contributors and their respective comments or contributions.

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Appendix 5: An example of one potential major project

A number of major, multi-decade projects have been proposed including improving resilience of water supplies through large-scale catchment restorations (especially the Pareora), large scale wetland development following coastal inundation, regenerative farming, enabling alternative housing, and enabling a network of community gardens and allotments. Depending on which governance stance TDC takes on climate change management, such projects will need their own strategies to underpin compelling business cases for action.

Each of these projects has many potential benefits as demonstrated by the following hypothetical but realistic example.

Large scale catchment restoration e.g., the Pareora catchment

The challenge

Due to climate change the Pareora will become flashier with heavier but less frequent rain and longer very low flow periods. This will reduce the availability and quality of Timaru's drinking water supply. This situation is exacerbated by the historical mis-management (but perceived at the time to be good management) of the catchment and river. This included large-scale removal of native vegetation, loss of river-side vegetation, use of water-thirsty willows for flood control, a narrowed river bed having converted a meandering river into a drain to accelerate water removal (instead of slowing it down), in-bed weeds, pests such as wallabies preventing vegetative restoration, damming, gravel extraction, water abstractions, agricultural run-off, and ground-water drawdown reducing river flows. The Canterbury and Auckland university professors who taught river engineering in New Zealand published a report a couple of years ago acknowledging that they 'got it wrong'.

A possible solution – the large-scale restoration of the Pareora catchment and river

The large-scale restoration of the Pareora catchment and river would involve primarily:

1. Wallaby and pest control (potentially by a catchment-scale pest fence)
2. Extensive plantings of suitable plants (mostly natives + edibles)
3. Replacement of water-thirsty willows
4. Where possible, the widening of the river bed
5. Establishing water-retaining wetlands and swales

The Results and Benefits

1. Higher water *reliability* (drinking, cultural, irrigation, recreation)
2. Higher water *quality* including TDC city and community water supplies and irrigation (avoiding having to use manganese/iron-rich groundwater)
3. Improved mahinga kai opportunities
4. Restored mana of the river
5. 'Slower water', leading to improved low flows, reduction in damaging high flood flows and potentially allowing slow-moving flood waters to deposit minerals on agricultural land
6. Reduced sediment build-up in estuaries and lagoons
7. Increased carbon sequestration
8. More water due to the taller vegetation condensing and holding moisture from mist and clouds
9. More people employed to do the restoration work and then to provide ongoing guidance to people engaging with the restored environment (short courses on mahinga kai and other cultural practices and biodiversity, guided cycle tours, guided fishing, food harvesting)

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10. A beautiful environment
11. More recreation opportunities (swimming, fishing, boating, cycling, walking)
12. An educational environment e.g., for Kiwi Conservation Club
13. Enhanced biodiversity – especially more birds and bats
14. Reduced multiple pests (wallabies, deer, possums, rabbits, hares, plant pests) for the 'natural' parts of the catchment and also for surrounding agricultural land
15. High value timber for later selective harvesting
16. Free food for hunter-gatherer folks
17. Enhanced relationships between different parts of our communities by bringing people together to work collaboratively (enhanced community resilience)
18. Improved health outcomes due to more people exercising in the outdoors in a healthy environment
19. Demonstrated TDC leadership
20. Demonstrated what's possible and so inspire people to do restore other catchments

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9.5 Presentation of Timaru District Holdings Limited Statement of Intent for 2022/23

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

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

Purpose of Report

- 1 To receive and note the Statement of Intent (Sol) for Timaru District Holdings Limited (TDHL) for 2022/23.

Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement Policy. Council has previously discussed the Sol with the board of TDHL and provided feedback. The Sol for 2022/23 does not include any significant or material shift in the agreed objectives and priorities in the work TDHL undertakes as a Council Controlled Organisation (CCO).

Discussion

- 3 As a CCO TDHL is required to prepare an Sol annually and deliver it to the shareholder before the commencement of the financial year to which it relates.
- 4 Council has previously discussed the objectives and priorities TDHL has planned for 2022/23.
- 5 A draft Statement of Intent was discussed with Council on 10 May 2022. No material changes were suggested. Two minor amendments have been made
 - (i) Section 5 - General Objective (f) has been simplified by deleting "from time to time" to become 'To evaluate and consider commercial development options ~~from time to time~~'
 - (ii) Section 6 – Specific Objectives. The following text has been moved from being a performance target to an objective which is considered more appropriate:

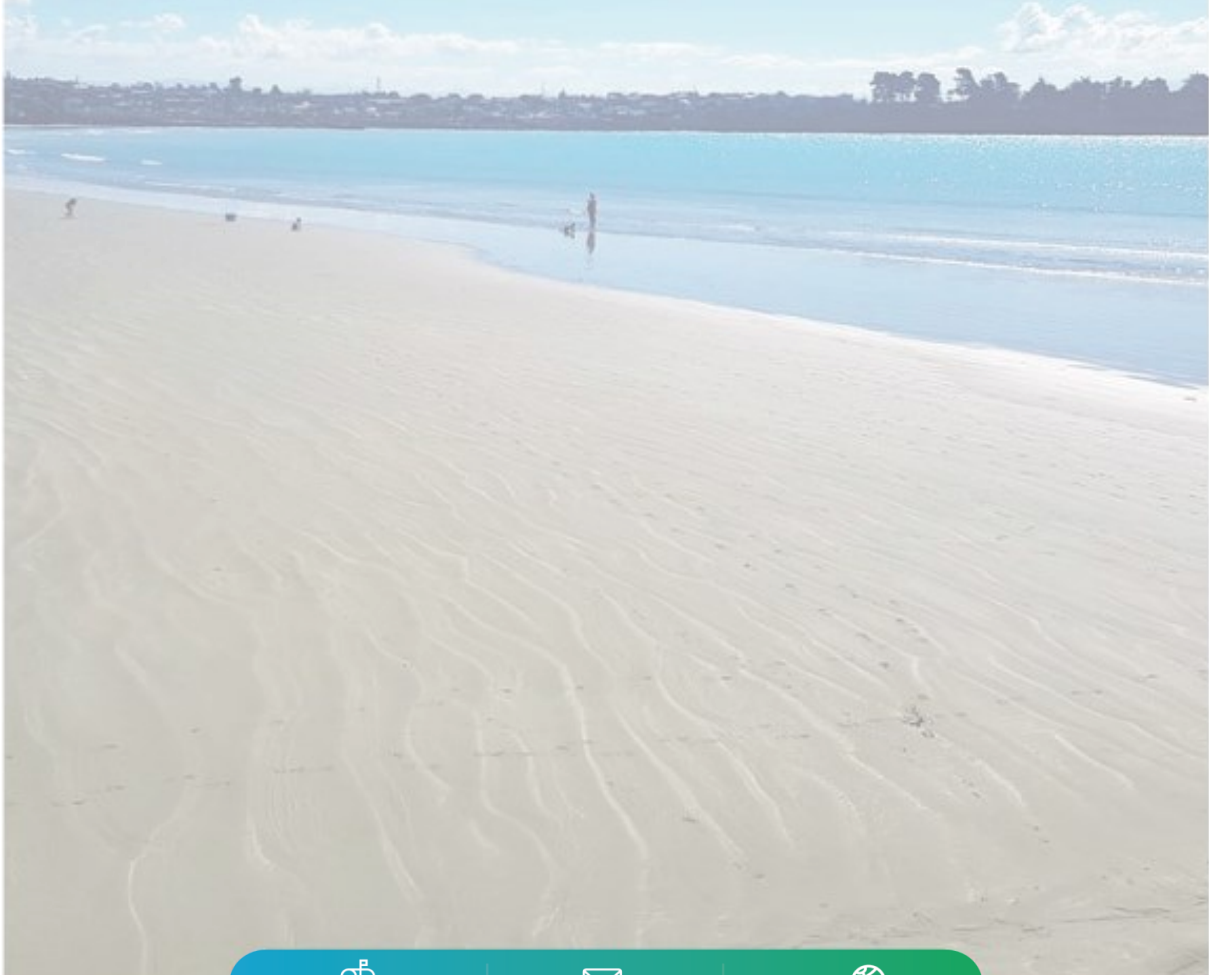
'Continue with business-as-usual approach with port property acknowledging there will be some optimisation on the fringes of the portfolio'
- 6 The Statement of Intent is reviewed and updated on an annual basis.
- 7 TDHL provides quarterly reports on progress against the Statement of Intent to Council throughout the year.

Attachments

1. **Timaru District Holdings Limited Statement of Intent 2022/2023**  



Timaru District Holdings Limited Statement of Intent 2022/2023



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Timaru 7910



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Timaru District Holdings Limited Statement of Intent 2022/23

1 Preamble

Timaru District Holdings Limited (TDHL) is a council-controlled organisation as defined by Section 6 of the Local Government Act 2002.

This Statement of Intent sets out the overall intentions and objectives for TDHL for the period 1 July 2022 to 30 June 2023 and the following two financial years.

TDHL was incorporated on 29 October 1997 as a 100% owned subsidiary of the Timaru District Council with the intent to manage the commercial assets and investments of Timaru District Council. The initial cornerstone assets were the shareholding in PrimePort Timaru Limited and Alpine Energy Limited which TDHL purchased from Timaru District Council.

These remain key investments for TDHL forming intergenerational assets held in the interest of ensuring value add infrastructure is provided to the community. Value add infrastructure is that which in addition to being a commercial investment, adds value to the wider Timaru District by supporting the community and enabling its business to thrive.

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

TDHL also owns an industrial and commercial property portfolio which is directly and actively managed. The purpose of this portfolio is to provide a commercial return and support the capacity of the Port. In addition, TDHL owns a smaller portfolio of property aimed at supporting wider economic development and meeting the strategic priorities of the shareholder.

TDHL's intention is to be profitable, to enable reinvestment in the business, deliver a return on investment to Council, and repay debt.

Since its inception, the company has consistently paid a dividend to its Shareholder while also minimising debt levels.

2 Operating Environment

The prevalent operating environment for 2022/23 includes:

- a. COVID-19 – navigating the adverse economic, commercial and social impacts of COVID-19.

In relation to COVID-19, TDHL will continue to monitor the implications of COVID-19 on its commercial activities. TDHL's own programme of work continues, and through this, TDHL contributes to local economic activity, with a significant portion of its expenditure spent within the district.

- b. TDHL strategic refinement – the work of refining and communicating TDHL's strategic direction is ongoing.

3 Objectives of the Company

Pursuant to Section 59 of the Local Government Act 2002, as a Council Controlled Organisation, the principal objectives of TDHL are to:

- a. Achieve the objectives of its shareholder, both commercial and non-commercial, as specified in the Statement of Intent; and
- b. Be a good employer; and
- c. Exhibit a sense of social, environmental and cultural responsibility by having regard to the interests of the community in which it operates and by endeavoring to accommodate or encourage these when able to do so; and
- d. Conduct its affairs in accordance with sound business practice.

4 Purpose and Mission Statement

The purpose of TDHL is to hold and manage commercial assets and investments that add value to the Timaru District.

It seeks to be a successful and growing business increasing the value of the Company and its return to its shareholder, while taking into account the strategic priorities of the shareholder.

5 General Objectives

- a. To maximise the value of the subsidiary and associate and joint venture trading companies to the Council, as the shareholder in TDHL.
- b. To ensure insofar as it is reasonably and lawfully able, that the Statements of Intent of each of TDHL's subsidiaries and associates, reflect the policies and objectives of the Council and TDHL in the area of activity or operation of that subsidiary or associate.
- c. To monitor the activities of the companies, comprising the group, to ensure that the respective Statements of Intent are adhered to.
- d. To keep the TDC informed of matters of substance affecting the group.
- e. To obtain a commercial return and build long term strategic value from the port property portfolio, but to have regard to the broader port economy including working in conjunction with PrimePort to ensure operations contribute to the port business as far as practicable.
- f. To evaluate and consider commercial development options.
- g. To undertake regional investments, asset purchases, partner with external parties, or assist future developments that, taking into account the strategic priorities of the shareholder, contribute to the economic capacity of the district.
- h. To maintain current best practices of risk management including health and safety.
- i. To ensure that activities around TDHL's property portfolio mitigate risk to the Company and its Shareholders.

6 Specific Objectives and Performance Targets for 2022/23

Objective	Performance Target
<p>Engage with Council to ensure TDHL contributes to Council's Strategic Framework.</p> <p>Keep Council informed on a no surprises basis of TDHL's activities.</p>	<p>Hold at least two strategic workshops with Council per annum.</p> <p>Quarterly reporting to Council in accordance with Sol.</p>
<p>Building on previous engagement with Council, refine the strategic plan for the company.</p>	<p>Refine the medium to long term investment strategy in alignment with Council's strategic priorities.</p>
<p>Effectively and prudently manage TDHL's property assets, obtaining a satisfactory return on investment on commercial properties.</p> <p>Property held for non-financial reasons shall achieve good community outcomes over the medium term.</p> <p>Continue with business-as-usual approach acknowledging there will be some optimisation on the fringes of the portfolio.</p>	<p>To achieve a three-year rolling return on investment of 7% or greater on the leasable port property portfolio held for investment purposes.</p>
<p>To continue debt reduction and shareholder distributions subject to no major investments being undertaken subject to available cashflow.</p>	<p>The current intention is to maintain \$3m of reserves, provide a dividend to Timaru District Council as indicated below, with any remaining surplus to be used for debt reduction.</p> <p>The above is subject to the solvency test and no new major investments being undertaken.</p>

Additional financial performance targets are included below.

7 Nature and Scope of Activities to be Undertaken

TDHL's business is that of an investor for the benefit of the district and to provide a commercial return to the Council. Its investment portfolio includes:

- a. Shareholding in local companies providing significant economic and community benefits; specifically Alpine Energy Ltd – 47.5% shareholding, PrimePort Timaru Ltd – 50.0% shareholding.

Activities to be undertaken regarding TDHL's investment in Alpine Energy and PrimePort, in addition to the above objectives, include:

- Acting as a diligent, constructive and inquiring Shareholder
- Commenting on their Statement of Intent.

- b. Property investments providing portfolio of investment properties including:

- Properties located in the vicinity of PrimePort Timaru that are targeted for leasing to port related operations to achieve an overall set rate of return; and
- Other properties such as the "Showgrounds" site on State Highway 1 and Stafford Street South.

- c. Activities to be undertaken regarding TDHL's property investments, in addition to the above objectives, include:

- Ensuring appropriate leases are in place and lessees are compliant with the terms of those leases,
- Having appropriate insurance in place,
- Having appropriate asset management plans in place that comply with TDHL's obligations as a Lessor under the Health and Safety at Work Act.

TDHL may undertake development of properties that, taking into account the strategic priorities of the shareholder, will benefit the district or the company.

8 Governance

The TDHL Board meets monthly and receives regular reporting in relation to its financials and property portfolio.

TDHL monitors the performance of associate companies Alpine Energy Ltd and PrimePort Timaru Ltd through:

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

Board succession and development planning for the TDHL Board (in conjunction with Council) and its associate companies (where TDHL has a right to appoint directors) will be managed on an ongoing basis.

9 Ratio of Consolidated Shareholders' Funds to Total Assets

This ratio shows the proportion of total assets financed by shareholders funds.

TDHL will ensure that the ratio of Shareholders Funds to Total Assets remains above 25.00%.

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

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

10 Statement of Accounting Policies

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

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

Details of the current accounting policies and their application are available in the most recent annual report.

11 Performance Targets (Parent)

The performance targets are based on the financial forecasts and the associated assumptions.

For the 2022/23 year, TDHL expects to have a net profit of \$2.8M excluding valuations and share of associate surpluses and to pay an ordinary dividend of \$1m. The dividend is forecast to remain at \$1m for subsequent years.

Performance Targets					
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actuals	Forecast	Budget	Budget	Budget
EBITDA (excluding revaluations)	\$ 4,424,692	\$ 4,072,547	\$ 3,376,837	\$ 3,182,511	\$ 2,214,740
Net Profit Before Tax to S/H funds (ROE)	2.65%	2.53%	2.00%	1.85%	1.20%
Net tangible assets per fully paid share	4.43	4.51	4.40	4.40	4.40
Earnings per fully paid share	0.12	0.11	0.08	0.08	0.05
Dividends per fully paid share	0.06	0.03	0.03	0.03	0.03
Shareholder funds to total assets	83%	85%	80%	83%	85%

12 Financial Forecasts

The financial forecasts are based on estimated revenue flows and estimated capital structures. The forecasts are based on the current operating environment and are subject to no major investments being undertaken.

Profit and Loss Summary					
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actuals	Forecast	Budget	Budget	Budget
Summary					
Gross Profit from Property	\$ 2,168,075	\$ 2,141,196	\$ 2,069,453	\$ 2,223,469	\$ 2,343,428
Other Revenue	\$ 2,787,308	\$ 2,612,791	\$ 2,126,312	\$ 1,863,584	\$ 800,000
Total Gross Profit	\$ 4,955,383	\$ 4,753,987	\$ 4,195,765	\$ 4,087,053	\$ 3,143,428
Expenses	\$ 530,692	\$ 681,440	\$ 818,928	\$ 904,542	\$ 928,688
Interest	\$ 788,979	\$ 531,452	\$ 535,764	\$ 535,764	\$ 535,764
Net Profit	\$ 3,635,712	\$ 3,541,095	\$ 2,841,073	\$ 2,646,747	\$ 1,678,976

Balance Sheet Summary					
	2020/21	2021/22	2022/23	2023/24	2024/25
	Actuals	Forecast	Budget	Budget	Budget
Total Equity	\$ 137,241,243	\$ 139,782,338	\$ 141,495,745	\$ 143,057,986	\$ 143,736,962
Current Assets					
Bank	\$ 3,137,368	\$ 4,092,227	\$ 3,769,124	\$ 5,713,615	\$ 6,398,384
Other Current Assets	\$ 1,183,559	\$ 108,367	\$ 87,109	\$ 89,964	\$ 92,958
Total Current Assets	\$ 4,320,927	\$ 4,200,594	\$ 3,856,233	\$ 5,803,579	\$ 6,491,342
Current Liabilities	\$ 1,479,466	\$ 882,208	\$ 754,651	\$ 761,284	\$ 766,206
Working Capital	\$ 2,841,461	\$ 3,318,386	\$ 3,101,582	\$ 5,042,295	\$ 5,725,136
Total Non-Current Assets	\$ 160,080,395	\$ 161,144,564	\$ 160,574,772	\$ 160,196,303	\$ 160,192,444
Total Non-Current Liabilities	\$ 25,680,613	\$ 24,680,613	\$ 22,180,613	\$ 22,180,613	\$ 22,180,613
Net Assets	\$ 137,241,243	\$ 139,782,337	\$ 141,495,741	\$ 143,057,985	\$ 143,736,967

13 Financial Projections

It is forecast that term debt within the company be repaid in each of the years. External debt will continue to be repaid. This is assuming that alternative investment opportunities necessitating funds are not required.

The Board has a policy of retaining \$3 million in cash reserves.

14 Reporting to Shareholder

The following information will be available to the Council based on an annual balance date of 30 June.

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

15 Periodic Workshops

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

16 Dividend Policy

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

17 Procedures for Acquisition of Other Interests

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

18 Activities for Which Compensation is Sought from Any Local Authority

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

19 Estimate of Commercial Value of the Shareholders' Investment

The commercial value of the shareholders' investment in Timaru District Holdings Limited is considered by the directors to be no less than the shareholders' funds of the company as shown in the Statement of Financial Position. This will be considered annually when the Statement of Intent is completed.

The shares held in Alpine Energy Limited were independently valued between \$99.1 and \$105.4 million as at 30 June 2021 whereas the cost and recorded value of these shares is \$83.4 million. A review of this valuation, along with a valuation of PrimePort Timaru Limited, will be undertaken periodically.

The shares held in PrimePort Timaru Limited are recorded at fair value. No independent valuation has been completed at this time.

The investment properties portfolio is revalued annually, at 30 June 2021 the portfolio had a valuation of \$43.6 million.

20 Capital Expenditure and Asset Management Intentions

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

21 Other

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

9.6 Presentation of Timaru District Holdings Limited Quarterly Report from 1 January 2022 to 31 March 2022

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

That the Timaru District Holdings Limited report for the period 1 January - 31 March 2022 be received and noted.

Purpose of Report

- 1 To present the Timaru District Holdings Limited Quarterly Report for the period 1 January - 31 March 2022.

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 progress of Timaru District Holdings Limited (TDHL) against its Statement of Intent which is considered by Council annually.

Discussion

- 3 TDHL's quarterly report for the period ending 31 March 2022 is attached. This is provided by TDHL to Council (as shareholder) as required by the Sol.
- 4 The financial statements and activity updates in the quarterly report reflect continuing strong financial performance for the year with the current operating surplus now exceeding the full year budget. This is principally due to the strong PrimePort dividend.
- 5 The operational focus of re-investing in the business through its tenants and key relationships continues.
- 6 The General Manager of Timaru District Holdings Limited will be in attendance to speak to the report.

Attachments

1. **Timaru District Holdings Limited report for period 1 July to 31 March 2022**  



26 May 2022

The Chief Executive
Timaru District Council

via email: bede.carran@timdc.govt.nz

Dear Bede

Report for period 1 July to 31 March 2022

TDHL is pleased to present this report for the period 1 July 2021 to 31 March 2022.

The financial statements and activity updates below reflecting a continuing strong financial performance for the year with the current operating surplus already exceeding budget. This is mainly due to the strong PrimePort dividend.

The operational focus re-investing in the business through its tenants and key relationships continues.

Financial Performance

The TDHL financial statements as at 31 March 2021 are provided below.

Profit and Loss

- The year-to-date operating surplus of just over \$3.0M is well above YTD and FY budget. This is a result of an increased dividend from PrimePort and the timing of dividend payments from Alpine Energy.
- The property portfolio continues to perform strongly with the timing of rental payment expected to see the full year result slightly above budget.
- Holding Company operational costs remain above budget due to higher than anticipated audit costs, associate appointment costs and the increasing realisation of the cost of operations.

Movements in Equity / Statement of Cashflows

- These show the \$500,000 dividend paid to TDC on 28 October 2021 as per the Statement of Intent and a \$1M debt repayment made in November 2021.
- The Cashflow shows a strong cash position which will be allocated to a further \$500,000 dividend to TDC that was paid on 25 May 2022 and a \$500,000 repayment on the TDC cash advance facility to be paid in June.



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- This in combination with the \$1.62M of interest payments made to TDC to date will result in TDHL providing \$3.2M in cash to TDC over the financial year.

Balance Sheet

- This reflects the increased equity, reduced liabilities and strong position as previously reported.

Governance

Timaru District Council

- Engagement with Council continues at a governance and officer level.
- The priority for third quarter has been facilitating the appointment of the new independent director and discussing the 2022/23 Statement of Intent.
- TDHL would like to acknowledge and thank Councillors and officers for their co-operation on these matters which has enabled successful outcomes and a more aligned strategic direction.

PrimePort Timaru Limited

- In addition to the regular monthly reporting, the PPT Chair updated the Board via zoom in early February on trends and issues in the port sector.
- Engagement with the Port of Tauranga has also occurred via zoom.

Alpine Energy Limited

- TDHL, with the support of other shareholders, reappointed, Warren McNabb, for a further 3 year term. Mr McNabb is currently the Alpine Chair.
- The relationship with fellow shareholders remains a key focus with several joint projects and collaborative initiatives in progress.
- Regular updates continue to be received from AEL, with an update briefing from the Board anticipated for May 2022.

Property

- Through a strong operation relationship with PrimePort and active targeting of prospective tenants, the high-level of interest from businesses to be close to the wharf continues.
- Work and reinvestment continue with key tenants, including several large civil projects soon to commence.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Rogers', with a stylized flourish at the end.

Mark Rogers
Chairperson



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Profit and Loss

TDHL

For the 9 months ended 31 March 2022

Account	YTD Actuals	YTD Budget	Full Year 2022 Budget	Full Year FY2021 Actuals
Trading Income				
Property Operations				
Total Revenue	2,037,323	2,137,248	2,849,664	2,944,487
Total Expenses	458,289	539,860	723,980	776,412
Total Property Operations	1,579,034	1,597,388	2,125,684	2,168,075
Total Trading Income	1,579,034	1,597,388	2,125,684	2,168,075
Showgrounds				
Show grounds - Sale of Property	0	0	0	6,444,480
Show grounds Expenses - Cost of Property Sold	0	0	0	(5,059,208)
Total Expenses	11,799	103,455	137,940	185,266
Total Showgrounds	(11,799)	(103,455)	(137,940)	1,200,006
Gross Profit	1,567,235	1,493,933	1,987,744	3,368,081
Holding Company Operations				
Total Revenue	2,448,848	1,311,210	1,548,280	1,587,302
Total Operating Expenses	489,273	392,343	559,787	530,692
Total Holding Company Operations	1,959,575	918,867	988,493	1,056,611
Finance Costs				
Total Finance Costs	480,327	381,841	495,649	593,521
Operating Surplus (Deficit) Before Taxation	3,046,484	2,030,959	2,480,588	3,831,171

Movements in Equity

TDHL

For the 9 months ended 31 March 2022

Account Jul 2021-Mar 2022

Equity

Opening Balance	137,241,243
Current Year Earnings	3,046,484
Equity Dividends Paid	(500,000)
Total Equity	139,787,726



Statement of Cash Flows

TDHL

For the 9 months ended 31 March 2022

Account	YTD	Prior YTD
Operating Activities		
Total Cash was provided:	4,900,442	12,263,066
Total Cash disbursed:	2,088,134	2,290,183
Net Cash Flows from Operating Activities	2,812,308	9,972,883
Financing Activities		
Repayment of long-term loans	(1,000,000)	(6,900,000)
Dividends Paid to Shareholders	(500,000)	(1,500,000)
Net Cash Flows from Financing Activities	(1,500,000)	(8,400,000)
Net Cash Flows	1,312,308	1,572,883
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	3,137,368	2,667,648
Cash and cash equivalents at end of period	4,449,676	4,240,532
Net change in cash for period	1,312,308	1,572,883

Balance Sheet

TDHL

As at 31 March 2022

Account	31 Mar 2022	31 Mar 2021
Assets		
Total Bank	4,449,676	4,240,532
Total Current Assets	1,074,887	122,585
Non-current Assets		
Investment Properties - Buildings & Other Structures	4,622,000	4,204,000
Investment Properties - Other Assets	39,022,895	36,745,064
Investments - Alpine	83,421,000	75,115,000
Investments - Primeport	33,014,500	30,290,000
Total Non-current Assets	160,080,395	146,354,064
Total Assets	165,604,958	150,717,181
Liabilities		
Total Current Liabilities	1,136,618	954,885
Non-current Liabilities		
Total Non-current Liabilities	24,680,613	26,680,613
Total Liabilities	25,817,231	27,635,498
Net Assets	139,787,726	123,081,682
Equity		
Retained Earnings	108,787,541	92,081,497
Shares	31,000,186	31,000,186
Total Equity	139,787,726	123,081,682

9.7 Presentation of Timaru District Holdings Limited Annual Report 2020/21

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

That Council receives and notes the audited Timaru District Holdings Limited Annual Report for 2020/21.

Purpose of Report

- 1 To receive and note audited Timaru District Holdings Limited's (TDHL) audited annual report for the financial year 1 July 2020 – 30 June 2021 (FY 2020/21).

Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement policy. The priorities, business, and financial and non-financial performance of the company are in line with the agreed Statement of Intent for 2021/22.

Discussion

- 3 As a Council Controlled Organisation TDHL is required to present an audited annual report including its financial statements to Council.
- 4 The Annual Reporting and Audit Time Frames Extensions Legislation Act 2021 that extended reporting timeframes to 31 December for Councils also applies to Council Controlled Organisations for the 2020/21 financial year.
- 5 TDHL received an unmodified audit report, and the audited annual report was authorised by the Chairperson and a fellow director on 29 November 2021. The audited annual report and accompanying financial statements were presented to the shareholder at TDHL's annual meeting held on 8 December 2021.
- 6 The year end results are in line with the progress and forecasts reported to Council on a quarterly basis during the year.

Attachments

1. **Timaru District Holdings Limited Annual Report 2020/21** [↓](#) 

Timaru District Holdings Limited

Annual report 2021

Timaru District Holdings Limited
 Annual report for the year ended 30 June 2021

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Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Directors' declaration

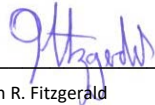
In the opinion of the Directors of Timaru District Holdings Limited ('the Company') the financial statements and notes, on pages 11 to 30:

- comply with New Zealand generally accepted accounting practice and present fairly the financial position of the Company as at 30 June 2021 and the result of operations for the year ended on that date;
- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The Directors are pleased to present the annual report including the financial statements of Timaru District Holdings Limited for the year ended 30 June 2021.



Ian R. Fitzgerald

Date: 29 November 2021



Richard L. Lyon

Date: 29 November 2021

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Directory

Incorporation number	881487	
Principal activities	Property - non-residential - renting or leasing	
Registered office	2 King George Place TIMARU New Zealand	
Directors	Ian R. Fitzgerald Richard L. Lyon Peter J. Burt Rebecca L. Keoghan Mark F. Rogers Nigel W. Bowen (ceased 26 November 2020)	
Shareholders	Timaru District Council	49,550,000 ordinary shares
		<u>49,550,000 ordinary shares</u>
Auditor	Audit New Zealand, Christchurch On behalf of the Auditor-General	

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Annual report 2020/21

Chairman's Report

I have pleasure in presenting the Annual Report of Timaru District Holdings Limited (TDHL) for the year ended 30 June 2021.

Since TDHL was established in October 1997, the company has adapted and evolved to meet the needs of its shareholder. The 2020/2021 year has been no different and has seen the evolution continue with TDHL refining its structure to ensure it is future focused and achieves its purpose of managing commercial assets in the interests of Timaru District Council.

The structural changes following from Timaru District Council's review of TDHL were finalised this year and included: a refreshed constitution; a suite of updated policies and procedures; new Board composition commencing; and a dedicated manager employed.

A key focus of this year has been continuing to work closely with our associates and fellow shareholders, to realise greater benefit for the community and to address the increasingly complex commercial transactions that arise from the property portfolio.

The world around TDHL and the Timaru District also continues to evolve with the enduring consequences of COVID-19, regulatory reform, the long term impacts of climate change on both the port and lines companies, and economic disruption being just some of the uncertainties in the years ahead. However, with TDHL's structural changes now bedding in, I am more confident than ever that TDHL is well positioned and equipped to act proactively, seek opportunities and continue to meet the needs of its shareholder.

The Board, with its balanced mix of new and long serving, independent and Elected Member Directors, has worked seamlessly to enable this year's successes. I would like to acknowledge their contribution and vision that has enabled TDHL to adapt and evolve. Of particular note, I would like to acknowledge the significant contribution of retiring Director Richard Lyon who, as a director since 1998, has brought to the Board invaluable experience, a common sense perspective, patience and a clear vision that has resulted in considerable benefit to the District and its community.

Summary of activities

Financial Performance

TDHL's after tax operating surplus was \$16.5 million for the year ended 30 June 2020 as summarised below.

Summary of Financial Performance Results for the Year Ended 30 June 2021

	Actual 2021 \$000	Budget 2021 \$000	Actuals 2020 \$000
<i>Operating Income</i>			
Alpine Energy Limited dividend	707	-	4,711
PrimePort Timaru Limited dividend	850	650	850
Property rentals	2,945	2,714	2,688
Shares of associate surplus	11,031	-	6,156
Investment property revaluations	3,760	1,604	1,874
Other	137	61	282
	<u>19,430</u>	<u>5,029</u>	<u>16,561</u>
Financial costs	-786	-855	-1,250
Other operating expenditure	-1,494	-1,397	-953
Operating surplus	17,150	2,777	14,358
Tax benefit / (charge)	-603	-	-
Net surplus after income tax attributable to shareholders	<u>16,547</u>	<u>2,777</u>	<u>14,258</u>

Commercial property portfolio

TDHL owns and manages a portfolio of commercial properties surrounding the Timaru port. These properties are utilised to complement the activities of the port and its users. The proactive management and fostering of opportunities supports the continued growth in revenue and long-term surety of return.

The sale of the Showgrounds site was completed this year and enables a significant commercial development in Timaru that will further enhance Timaru's role as a regional hub.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Annual report 2020/21 (continued)

Alpine Energy Limited

TDHL has a 47.5% shareholding in Alpine Energy Limited.

The principal activity of Alpine Energy is electricity distribution to households and businesses in the South Canterbury region via its electricity distribution network. The group, comprising Alpine Energy Limited and its subsidiary and associated entities, also undertakes asset management and contracting services.

Alpine has responded to its regulatory environment, is equipping itself for a rapidly changing energy market and the impact of decarbonisation, whilst still delivering a dividend and strong financial result to TDHL and its other shareholders.

A key TDHL initiative this year, with support of the other shareholders, was to appoint an additional Alpine Director to ensure the Alpine Board has the full set of skills and experience needed for effective governance to oversee the delivery of a reliable energy distribution network for the community.

PrimePort Timaru Limited

TDHL has a 50% shareholding in PrimePort Timaru Limited with the other 50% shareholding held by Port of Tauranga Limited. The principal activity of PrimePort is the efficient and cost-effective transfer of commodities between land and water transport systems.

PrimePort has had a strong year in terms of both profit and volumes as well as continuing a proactive programme of infrastructure investment. This pleasing result bodes well for the wider economic vitality of the District. In addition, the ongoing investment in infrastructure ensures that the Port is fit for purpose and capable of ensuring our region remains connected to the world.

Conclusion

The 2020/21 year has been another successful one for TDHL. Not only are associate and property activities continuing to perform well, but the Company has successfully adapted to its shareholder's needs and is equipped for success.

Ian R Fitzgerald

Chairman

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Statement of objectives and performance

The objectives of the company for this financial year are specified in the Statement of Intent which was approved by the shareholders. These objectives are listed below and the performance achieved during the financial year.

General Objectives

- a. To maximise the returns from, and the value of, the subsidiary and associate and joint venture trading companies to the Council, as the shareholder in TDHL.

Achievement:

Alpine Energy Limited

The Alpine Energy Group's results for the 2020/21 financial year are as follows:

Performance Manager	Target	Actual
Ratio of shareholders funds to total assets	54%	56%
Rate of return on shareholders funds	7.34%	11.09%
Net Tangible assets per share	\$7.45	\$7.25
Earnings per fully paid share	\$0.288	\$0.430
Dividend per fully paid share	\$0.06	\$0.06

PrimePort Timaru Limited

The PrimePort results for the 2020/21 financial year are as follows:

Performance Manager	Target	Achieved
Return on total assets	4.31%	Yes
Return (after tax) on shareholders' funds	7.52%	Yes
Ratio of shareholders' funds to total assets	0.57	Yes
Net Tangible assets per share	\$7.62	Yes
Earnings per fully paid share	\$0.57	Yes
Dividend per fully paid share (proposed)	\$0.00	Yes

- b. To ensure insofar as it is reasonably and lawfully able, that the Statements of Intent of each of TDHL's subsidiaries and associates reflects the policies and objectives of the Council and TDHL in the area of activity or operation of that subsidiary or associate.

Achievement: All Statements were reviewed and considered to be in line with applicable policies and objectives.

- c. To monitor the activities of the companies, comprising the group, to ensure that the respective Statements of Intent are adhered to.

Achievement: All Statements of Intent were adhered to during the year.

- d. To keep the TDC informed of matters of substance affecting the group.%

Achievement: The Timaru District Council was informed on a quarterly basis on the performance of the Company and its associates. Presentations were also made to the Council on various matters.

- e. To ensure that regular reporting of results from the subsidiaries and associates to TDHL occurs to the holding company.

Achievement: Monthly summary reports were received from Alpine Energy Limited and PrimePort Timaru Ltd

- f. To provide feedback on Statements of Intent, for each of TDHL's subsidiaries and associates through which the performance (including the financial performance) will be monitored, and to confer with each company on their long term strategic direction.

Achievement: Timaru District Holdings Limited has been kept informed of the long term strategic direction of Alpine Energy Limited and PrimePort Timaru Limited.

Statement of objectives and performance (continued)

g. To undertake strategic asset purchases, partner with external parties, or assist future developments in the district.

Achievement: Timaru District Holdings Limited continues to take a proactive approach with an outlook to pursue opportunities where considered appropriate. TDHL is actively engaging with external parties on current and future projects and will continue to do so.

h. To obtain a commercial return and build long term strategic value from the port property portfolio, but to have regard to the broader port economy including working in conjunction with PrimePort to ensure operations contribute to the port business as far as practicable.

Achievement: The commercial focus on the port property portfolio is formalised and advanced through regular engagement and the development of a strategic approach. The cooperative working relationship with PrimePort has seen the realisation of several significant projects in the past, and supports the ongoing initiatives to attract and accommodate future opportunities. This engagement and cooperation clearly supports the commercial return of the Port and property as can be seen in the annual result of the PrimePort and the return on property.

i. To ensure activities around TDHL's property portfolio mitigate risk to the Company and its Shareholders.

Achievement: Timaru District Holdings Limited continually reviews its investment portfolio, specifically around the tradeable property assets. This included several Property Deep Dive sessions and a consideration of the risks on the whole portfolio. This work reinforced the ongoing need for review and assessment, which will continue with added focus.

Specific Objectives for 2020/2021

Objective	Performance Target	Achieved
Effectively and prudently manage TDHL's property assets, obtaining a satisfactory return on investment on commercial properties	To achieve a return on investment of 7% or greater on the leasable port property portfolio held for investment purposes.	Yes. A return on investment of 8.6% was achieved.
Property held for non-financial reasons shall achieve good community outcomes over the medium term.	Annual review of property held for non-financial reasons and related strategy. Community outcomes to be defined and monitored.	Yes. Undertaken and monitored in the course of Board meetings.
	Ensure that all lease renewals are completed in a timely manner.	Yes.
To review the TDHL investment portfolio for strategic opportunities.	Annual deep dive on each investment by TDHL Board.	Yes.
	Update shareholder on outcomes through quarterly workshops and AGM.	Yes.
To continue debt reduction and shareholder distributions subject to no major investments being undertaken and available cashflow.	The current intention is to maintain \$3m of cash and other financial assets, provide a dividend to Timaru District Council as indicated below, with any remaining surplus to be used for debt reduction.	Yes. \$3m of cash and current financial assets maintained, \$2m dividend paid and \$7.9m of debt repayments made.
	The above is subject to the solvency test and no new major investments being undertaken.	
To work with Council in relation to the implementation of the recommendations from the 2019 TDHL review.	<ul style="list-style-type: none"> Together with Council, document the roles and responsibilities between Council, TDHL and council officers (provide feedback to Council). Refresh the TDHL constitution (Council led). Develop and implement an appointments process (Council led) Hold periodic joint "deep dives" to discuss TDHL's performance and direction 	Yes. Yes. Yes. Yes.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Statement of objectives and performance (continued)

Financial Performance Targets

	Target	Actual	Achieved
Net profit after tax to shareholders funds	3%	12%	Yes
Net tangible assets per share	3.57	2.77	No
Earnings per fully paid share	0.09	0.53	Yes
Dividends paid per fully paid share	0.06	0.06	Yes
Shareholder funds to total assets	80%	83%	Yes

Comment for below performance targets

The target for the FY2021 net tangible assets per share of \$3.57 has not been achieved for the year. This target was set by management based on the total fully paid shares as opposed to total share capital. At 30 June 2021 total share capital comprised of 49,550,000 shares. However, 18,550,000 shares issued at a price of \$1.35 each have been paid to \$185.50, therefore, fully paid shares total 31,000,000. Net tangible assets per fully paid share for FY2021 were \$4.43 per share which shows the target as being met based on management's intentions.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Statement of comprehensive income

For the year ended 30 June 2021
in New Zealand dollars

	Note	2021 \$000	2020 \$000
Revenue	3	2,945	2,689
Share of associate surplus	11	11,031	6,156
Gain on changes in fair value of derivative financial instruments		195	244
Revaluation of investment properties	9	3,760	1,874
		<u>17,931</u>	<u>10,963</u>
Operating expenses		(1,494)	(953)
Losses on sale of investment property	9	(89)	-
Operating profit before financing costs		<u>16,348</u>	<u>10,010</u>
Finance income		1,588	5,599
Finance expenses		(786)	(1,250)
Net financing income	4	<u>802</u>	<u>4,349</u>
Profit before income tax		<u>17,150</u>	<u>14,359</u>
Income tax expense	6	(603)	-
Profit for the year		<u>16,547</u>	<u>14,359</u>
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		<u><u>16,547</u></u>	<u><u>14,359</u></u>

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Statement of financial position

As at 30 June 2021
in New Zealand dollars

	Note	2021 \$000	2020 \$000
Assets			
Current assets			
Cash and cash equivalents		635	1,668
Other financial assets		2,503	1,000
Trade and other receivables	8	104	2,005
Total current assets		3,242	4,673
Non-current assets			
Right of use assets	12	14	-
Investment properties	9	43,645	47,482
Investments in associates	11	116,436	105,405
Property held for sale	10	1,064	-
Deferred tax asset	6	2	-
Total non-current assets		161,161	152,887
Total assets		164,403	157,560
Liabilities			
Current liabilities			
Trade and other payables	13	860	1,088
Employee benefits	14	6	-
Derivative financial liabilities	16	-	195
Income tax payable	6	599	-
Interest bearing loans and borrowings	15	-	22,181
Lease liabilities	12	9	-
Total current liabilities		1,474	23,464
Non-current liabilities			
Interest bearing loans and borrowings	15	25,681	11,400
Lease liabilities	12	5	-
Total non-current liabilities		25,686	11,400
Total liabilities		27,160	34,864
Equity			
Share capital	19	31,000	31,000
Retained earnings		106,243	91,696
Total equity		137,243	122,696
Total liabilities and equity		164,403	157,560

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Statement of changes in equity

For the year ended 30 June 2021
in New Zealand dollars

	Note	Share capital \$000	Retained earnings \$000	Total \$000
Balance at 1 July 2020	19	31,000	91,696	122,696
Total comprehensive income for the year				
Profit for the year		-	16,547	16,547
Total comprehensive income for the year		-	16,547	16,547
Transactions with owners of the company				
Dividends paid during the year		-	(2,000)	(2,000)
Total transactions with owners		-	(2,000)	(2,000)
Balance at 30 June 2021		31,000	106,243	137,243
Balance at 1 July 2019	19	31,000	80,187	111,187
Total comprehensive income for the year				
Profit for the year		-	14,359	14,359
Total comprehensive income for the year		-	14,359	14,359
Transactions with owners of the company				
Dividends paid during the year		-	(2,850)	(2,850)
Total transactions with owners		-	(2,850)	(2,850)
Balance at 30 June 2020		31,000	91,696	122,696

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Statement of cash flows

For the year ended 30 June 2021
in New Zealand dollars

	Note	2021 \$000	2020 \$000
Cash flows from operating activities			
Cash received from customers		2,962	2,757
Cash paid to suppliers and employees		(1,718)	(938)
Income tax paid		(5)	-
Interest received		31	38
Interest paid		(785)	(1,250)
Dividends received		3,442	5,561
Net cash from operating activities		3,927	6,168
Cash flows from investing activities			
Proceeds from sale of investment property		6,444	-
Acquisition of property, plant and equipment and investment property		-	(118)
Acquisition of investments		(1,500)	(500)
Net cash from/(to) investing activities		4,944	(618)
Cash flows from financing activities			
Repayment of borrowings		(7,900)	(2,500)
Dividends paid		(2,000)	(2,850)
Lease payments		(4)	-
Net cash (to) financing activities		(9,904)	(5,350)
Net (decrease)/increase		(1,033)	200
Opening cash and cash equivalents 1 July		1,668	1,468
Closing cash and cash equivalents 30 June		635	1,668

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements

1 Reporting entity

Timaru District Holdings Limited (the "Company") is a Council Controlled Organisation as defined in section 6 of the Local Government Act 2002. The company is wholly owned by Timaru District Council. The company began operation on 29 October 1997.

The entity consists of Timaru District Holdings Limited, and associated entities, PrimePort Timaru Limited (50%) and Alpine Energy Limited (47.50%). All entities are incorporated in New Zealand.

The Company's principal activity is Property - non-residential - renting or leasing.

The financial statements presented are for Timaru District Holdings Limited as at and for the year ended 30 June 2021.

2 Basis of preparation

The financial statements of Timaru District Holdings Limited have been prepared in accordance with the requirements of the Companies Act 1993, the Local Government Act 2002 and the New Zealand International Financial Reporting Standards.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

For the purposes of complying with NZ GAAP, the Company is eligible to apply Tier-2 For-profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime ("NZ IFRS RDR")) on the basis that it does not have public accountability and is not a large for-profit public sector entity. The Company has elected to report in accordance with NZ IFRS RDR and has applied disclosure concessions.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Timaru District Holdings Limited is New Zealand dollars.

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investment property and interest rate swaps which are measured at fair value, and associates which are equity accounted. Fair values have been determined for measurement purposes based on the methods outlined in the notes specific to the asset.

Where applicable, further information about the assumptions made in determining fair value is also disclosed in the notes specific to that asset or liability.

These financial statements are presented in New Zealand dollars (\$) which is the Company's functional currency, rounded to the nearest thousand dollars (\$000). They have been prepared on a GST exclusive basis except for receivables and payables that are stated inclusive of GST.

Use of estimates and judgements

The preparation of the financial statements in conformity with NZ IFRS RDR requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The principal areas of judgement in preparing these financial statements are set out below. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 9 Valuation of investment property.
- Note 12 Leases, on determining whether a contract contains a lease, lease terms, incremental borrowing rate, and lease renewal options.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements (continued)

2 Basis of preparation (continued)

Impact of COVID-19

The World Health Organisation declared a global pandemic on 11 March 2020 due to the outbreak and spread of COVID-19. Measures to prevent transmission of the virus were gradually introduced to New Zealand including limiting the movement of people. Since March 2020, the global pandemic remains uncertain with cases sporadically appearing within the community to date and therefore, COVID-19 continues to remain a risk for New Zealand. While the team has had to adapt to alert level changes, the overall impact on the operations of the company has been minimal.

Investment properties held by the company were independently valued as at 30 June 2021 by Ian Fairbrother VP (Urban) FNZIV, FPINZI, a registered valuer and Tom Patterson B.Com (VPM), MIPINZ, a registered valuer who are both with Telfer Young (Canterbury) Limited. The valuation report has indicated that the last twelve months has seen some modest growth in land values for industrial land in both the Port and Washdyke locations as a result of low interest rates and the COVID-19 pandemic. An impairment assessment has been completed for the Company's investment in associated entities, Alpine Energy Limited and PrimePort Timaru Limited as at 30 June 2021. No impairment loss is required to be recognised due to COVID-19 based on the results of the assessment. In summary, management and the board have considered the impact of COVID-19 on the Company's operations and the relevant balances and disclosures in the financial statements. Overall, the financial impacts of COVID-19 on the Company have been minimal for the year ended 30 June 2021.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Goods and Services Tax

All items in the financial statements are exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense. Timaru District Holdings Limited became registered for GST in January 2007 and all parent transactions prior to this time were recorded inclusive of GST.

Notes to the financial statements (continued)

Impairment

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Cash and cash equivalents policy

Cash and cash equivalents means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the company invests as part of its day-to-day cash management.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements (continued)

3 Revenue

	2021 \$000	2020 \$000
Property rentals	2,945	2,689
	<u>2,945</u>	<u>2,689</u>

Revenue is recognised when the performance obligation associated with the respective contract is satisfied and can be reliably measured.

Rental income from the investment property is recognised in the Statement of Comprehensive Income when due and paid by the Lessee and is spread evenly over the lease period. Rental income from investment property solely comprises of operating lease income from lease contracts in which the Company acts as a lessor (refer to note 12).

4 Net financing costs

	2021 \$000	2020 \$000
Interest income	31	38
Dividends received	1,557	5,561
Finance income	<u>1,588</u>	<u>5,599</u>
Interest expense	(786)	(1,250)
Finance expense	<u>(786)</u>	<u>(1,250)</u>
Net financing income	<u>802</u>	<u>4,349</u>

Finance income and expenses policy

Finance income comprises interest income on funds invested using the effective interest method and dividend income.

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance costs comprise interest expense on interest bearing loans and borrowings. The interest expense component of interest bearing loans and borrowings is recognised in the statement of comprehensive income using the effective interest rate method.

5 Operating expenses

	2021 \$000	2020 \$000
Directors' fees	149	81
Audit fees - Audit fees relating to the previous financial year	9	-
Audit fees - Annual accounts audit	17	17
Holding company operating costs	1,310	840
Bad debts written off	5	15
Depreciation - Lease assets	4	-
	<u>1,494</u>	<u>953</u>

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements (continued)

6 Income tax

	2021 \$000	2020 \$000
<i>Tax recognised in profit or loss</i>		
Current tax expense		
Current period	605	-
Total current tax expense	605	-
Deferred tax expense		
Origination and reversal of temporary differences	(2)	-
Total deferred tax (benefit)/expense	(2)	-
Total income tax expense	603	-
Reconciliation of effective tax rate		
Profit before tax	17,150	14,359
Income tax using the Company's domestic tax rate of 28%	4,801	4,020
Permanent differences	(3,762)	(2,282)
Imputation credits received on dividends	(436)	(1,557)
Recognition of tax losses	-	(181)
Income tax expense	603	-
Deferred tax		
Employee benefits	2	-
Lease liability	4	-
Right of use assets	(4)	-
Net deferred tax asset	2	-

The current tax liability of \$599,000 (2020: \$nil) represents the amount of income taxes payable in respect of current and prior periods.

Income tax policy

Tax expense comprises current and deferred tax and is calculated using rates enacted or substantively enacted at balance date. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is recognised as an adjustment against the item to which it relates.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of goodwill. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements (continued)

7 Cash and cash equivalents

	2021 \$000	2020 \$000
Current assets		
Bank accounts	635	1,668
Total cash and cash equivalents in the statement of cash flows	<u>635</u>	<u>1,668</u>

Reconciliation of cash flows from operating activities

	2021 \$000	2020 \$000
Cash flows from operating activities		
Profit for the year	16,547	14,359
Adjustments for:		
Loss on sale of investment property	89	-
Share of associate surplus	(11,031)	(6,156)
Gain on changes in FV of derivative financial instruments	(195)	(244)
Deferred tax expense	(2)	-
Gain on FV of investment property	(3,760)	(1,874)
	<u>1,648</u>	<u>6,086</u>
Change in trade and other receivables	1,902	67
Change in trade and other payables	377	15
Net cash from operating activities	<u>3,927</u>	<u>6,168</u>

8 Trade and other receivables

	2021 \$000	2020 \$000
Debtors	104	122
Sundry debtors	-	1,883
	<u>104</u>	<u>2,005</u>

Bad debt expenses of \$5,000 (2020: \$15,000) have been recorded within operating expenses in the statement of comprehensive income.

Trade and other receivables policy

Trade and other receivables are initially recognised at fair value, being their cost, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Impairment is calculated based on an expected credit loss (ECL) model under NZ IFRS 9.

No provision is recognised as at 30 June 2021 (2020: nil).

Notes to the financial statements (continued)

9 Investment properties

	2021 \$000	2020 \$000
Opening balance	47,482	45,490
Change in fair value	3,760	1,874
Acquisitions	-	118
<i>Disposals</i>		
Sale of Showgrounds (part 1)	(6,533)	-
Transfer of Showgrounds to property held for sale	(1,064)	-
Closing balance	<u>43,645</u>	<u>47,482</u>

Amounts recognised in profit or loss for investment properties

	2021 \$000	2020 \$000
Rental income from operating leases	2,945	2,688
Direct operating expenses from property that generated rental income	(638)	(560)
Direct operating expenses from property that did not generate rental income	(143)	(114)
Fair value gain recognised in other income	3,760	1,874
	<u>5,924</u>	<u>3,888</u>

Sale of Showground

	2021 \$000	2020 \$000
Sale of investment property	6,444	-
Opening carrying value of Showgrounds	(6,533)	-
Losses recognised in Other comprehensive income	<u>(89)</u>	<u>-</u>

Measuring investment property at fair value

Investment properties held by the company were independently valued as at 30 June 2021 by Ian Fairbrother VP (Urban) FNZIV, FPINZI, a registered valuer and Tom Patterson B.Com (VPM), MIPINZ, a registered valuer who are both with Telfer Young (Canterbury) Limited. The valuation is based on fair value. In determining fair value, Mr Fairbrother has used the rental capitalisation approach. This method uses unobservable inputs (level 3 as defined by NZ IFRS 13). This method is based upon assumptions including future rental income and appropriate discount rates. The valuations have been completed in accordance with international valuation standards by an experienced valuer with extensive market knowledge in the types of investment property owned by the company.

Where property is leased as land and buildings generally on short term lease terms, the property has been valued at freehold land value. Where land is subject to a ground lease, the property has been valued at the lessor's interest in the land.

There are no investment properties where title is restricted. There are no current contractual obligations to purchase, construct or develop investment property.

Investment property policy

Land and buildings held to earn rental income or for capital appreciation or both are deemed port related investment property. This includes land held for a currently undetermined use that is not owner-occupied property or for short term sale.

Investment property is valued at the end of each financial year. Valuation is at fair value as determined by a qualified independent valuer. They are recorded at valuation and are not subject to annual depreciation. Variation in value is recorded in the profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements (continued)

10 Property held for sale

Property Held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction within the next financial year. Property Held for sale are valued at the lower of carrying amount and fair value to sell less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the profit or loss. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Property Held for sale are not depreciated or amortised while they are classified as held for sale.

Timaru District Holdings Limited has the following commitments as at 30 June 2021. During the 2021 financial year the first settlement was received for the contract of the sale of lot 1 of the Showgrounds Property. A contract has been signed for the remaining lots 5, 8 and 9 with expected settlement dates between October 2022 and October 2023. The remaining value of the property is reflected on the balance sheet as property held for sale. (2020: A contract has been signed for sale of the Showgrounds property. The sale is conditional upon the purchaser completing a satisfactory due diligence.).

Notes to the financial statements (continued)

11 Investments in associate companies

The interest in the associate companies has been reflected in the financial statements on an equity accounting basis, which shows the share of surplus/deficits in the statement of comprehensive income and the share of post-acquisition increases/decreases in net assets in the statement of financial position.

An impairment assessment has been completed for the Company's investment in associate entities (Alpine Energy Limited and PrimePort Timaru Limited) as at 30 June 2021. No impairment loss is required to be recognised.

PrimePort Timaru Ltd

Principal activity: Port operator

Ownership: 50.0% (2020: 50.0%)

Balance date: 30 June

Results of Associate

	2021	2020
	\$000	\$000
Share of Operating Surpluses before tax	4,860	4,000
Taxation	(1,614)	(1,188)
Share of Operating Surplus	3,246	2,812
Share of Other Comprehensive Income	329	(271)
Share of Total Recognised Revenues and Expenses	3,575	2,541

Interest in Associate

	2021	2020
	\$000	\$000
Balance at Beginning of Year	30,290	28,599
Recognised Revenues and Expenses	3,575	2,541
Dividends	(850)	(850)
Balance at End of Year	33,014	30,290
Share of Recognised Revenues and Expenses	3,575	2,541
Dividends Paid	(850)	(850)
Share of Retained Surpluses	2,725	1,691

Summarised financial information of PrimePort Timaru Limited presented on a gross basis

	2021	2020
	\$000	\$000
Current Assets	4,070	5,028
Non Current Assets	104,439	86,900
Current Liabilities	5,533	3,862
Non Current Liabilities	36,190	26,729
Revenues	26,291	24,189
Profit or loss from continuing operations	6,492	5,623
Other Comprehensive Income	657	(542)
Total Comprehensive Income	7,149	5,081

Notes to the financial statements (continued)

11 Investments in associate companies (continued)

Alpine Energy Ltd

Principal activity: Electricity Distribution

Ownership: 47.50% (2020: 47.50%)

Balance date: 31 March

Results of Associate

	2021	2020
	\$000	\$000
Share of Operating Surpluses before tax	11,028	13,819
Taxation	(2,594)	(3,542)
Share of Operating Surplus	8,435	10,278
Share of Other Comprehensive Income	579	(1,102)
Share of Total Recognised Revenues and Expenses	9,013	9,176

Interest in Associate

	2021	2020
	\$000	\$000
Balance at Beginning of Year	75,115	70,650
Recognised Revenues and Expenses	9,013	9,176
Dividends	(707)	(4,711)
Balance at End of Year	83,421	75,115
Movements in Reserves		
Share of Recognised Revenues and Expenses	9,013	9,176
Dividends Paid	(707)	(4,711)
Share of Retained Surpluses	8,306	4,465

Summarised financial information of Alpine Energy Limited presented on a gross basis

	2021	2020
	\$000	\$000
Current Assets	18,215	24,584
Non Current Assets	300,618	299,027
Current Liabilities	19,337	27,214
Non Current Liabilities	131,061	144,456
Revenues	81,235	91,308
Profit or loss from continuing operations	17,757	21,637
Other Comprehensive Income	1,218	(2,319)
Total Comprehensive Income	18,975	19,318

Timaru District Holdings Limited
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Notes to the financial statements (continued)

12 Leases

As a lessee

Right-of-use asset

	Motor vehicle 2021 \$000	Motor vehicle 2020 \$000
Balance at 1 July 2020	-	-
Additions	17	-
Depreciation charge for the year	(3)	-
Balance at 30 June 2021	14	-

Lease liabilities

	Motor vehicle 2021 \$000	Motor vehicle 2020 \$000
Current	9	-
Non-current	5	-
Total lease liabilities	14	-

The interest rate applied to lease liabilities is 7.60% and the lease matures in January 2023.

Amounts recognised in the statement of cash flows

Cash outflows for leases totalled \$4,000 (2020: \$-) during the year.

Leases policy

Recognition and measurement

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the contract. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Impairment

The right-of-use asset is regularly assessed for impairment (see further detail in note 2).

Notes to the financial statements (continued)

12 Leases (continued)

As a lessor

The Company leases out its investment properties. The Company classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Assets held under operating leases are included within Investment property in note 9.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2021	2020
	\$000	\$000
Less than one year	2,130	2,228
One to two years	1,582	1,902
Two to five years	2,508	4,749
More than five years	15,576	30,274
	<u>21,796</u>	<u>39,153</u>

13 Trade and other payables

	2021	2020
	\$000	\$000
Trade creditors and accruals	194	201
Interest payable	660	753
Sundry payables	6	134
	<u>860</u>	<u>1,088</u>

Trade and other payables policy

Trade and other payables are measured at cost, being their fair value. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Timaru District Holdings Limited
Annual report for the year ended 30 June 2021

Notes to the financial statements (continued)

14 Employee benefits

	2021 \$000	2020 \$000
Current		
Annual leave accrual	6	-
	<u>6</u>	<u>-</u>

Employee benefits policy

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid for outstanding annual leave balances if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

15 Interest bearing loans and borrowings

	2021 \$000	2020 \$000
Current		
Loans from Timaru District Council	-	22,181
	<u>-</u>	<u>22,181</u>
Non-current		
Bank loans	3,500	11,400
Loans from Timaru District Council	22,181	-
	<u>25,681</u>	<u>11,400</u>

The interest rates for the loans from Timaru District Council range from 1.61% to 1.70% (2020: 2.06% to 2.99%). These loans have no fixed repayment terms and are repayable within 366 days (2020: 90 days) after notice by the Council seeking repayment of the outstanding amount. The interest rate applied is linked to the bank bill rate for the period plus basis points agreed with the Council.

The interest rates for the bank loan facilities range from 0.69% to 1.67% (2020: 1.29% to 2.44%). The \$3.5m borrowing is on a fixed interest rate of 1.67% until 11 October 2021. The interest rate applied to the wholesale money market borrowing is received every 3 months by reference to the bank bill bid rate for that period. The average rate on the wholesale money market borrowing during the year is 1.42%.

Maturity dates of the interest rate instruments within the long term facility are:

	2021 \$000	2020 \$000
Less than one year	-	8500
One to two years	3,500	-

Security

Timaru District Holdings Limited commercial bills are secured by a first ranking general security agreement over all property of the company. Loan from Timaru District Council to the Company is secured by Debenture over the company's assets.

Interest bearing loans and liabilities policy

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the profit and loss over the period of the borrowing using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Notes to the financial statements (continued)

16 Financial instruments classification

Financial instruments are recognised in the Statement of Financial Position when the Company becomes party to a financial contract. They include cash and cash equivalents, short term investments, trade and other receivables, trade and other payables, interest bearing loans and borrowings, lease liabilities, shares in associate companies, related party receivables, and related party payables.

Financial assets (except for trade receivables without a significant financing component) and liabilities are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets and liabilities are classified into the following categories:

Financial assets held at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amounts outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit and loss.

Financial assets held at amortised cost comprise: cash and cash equivalents, short term investments, trade and other receivables, and related party receivables.

Financial assets held at fair value through profit and loss

All financial assets not classified as measured at amortised cost of FVOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit and loss.

Financial assets at FVTPL comprise derivative financial instruments.

Financial assets held at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income (FVOCI) if it meets both the following conditions, and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amounts outstanding.

Financial liabilities held at amortised cost

Financial liabilities not designated as at FVTPL on initial recognition are classified as at amortised cost. Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit and loss.

Financial liabilities held at amortised cost comprise: trade and other payables, interest bearing loans and borrowings, related party payables, and lease liabilities.

Impairment - financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Notes to the financial statements (continued)

16 Financial instruments classification (continued)

The carrying value of financial assets and liabilities are as follows:

	2021 \$000	2020 \$000
Financial assets as per balance sheet		
<i>Measured at amortised cost:</i>		
Cash and cash equivalents	635	1,668
Other financial assets – short term deposits	2,503	1,000
Receivables	104	2,005
	<u>3,242</u>	<u>4,673</u>
Total financial assets	<u>3,242</u>	<u>4,673</u>

GST receivable and prepayments do not meet the definition of a financial asset and have been excluded from the above table.

	2021 \$000	2020 \$000
Financial liabilities as per balance sheet		
<i>Measured at amortised cost:</i>		
Payables and accruals	860	1,088
Current portion of term loans	-	22,181
Term loans	25,681	11,400
	<u>26,541</u>	<u>34,669</u>
<i>Measured at FVPL:</i>		
Derivatives	-	195
	<u>26,541</u>	<u>34,864</u>
Total financial liabilities	<u>26,541</u>	<u>34,864</u>

GST payable, fringe benefit taxes and employee entitlements do not meet the definition of a financial liability and have been excluded from the above table.

Notes to the financial statements (continued)

17 Derivative financial instruments

	2021 \$000	2020 \$000
Current liabilities		
Interest rate swaps	-	195
	<u>-</u>	<u>195</u>

The Company has variable rate long term borrowings to fund ongoing activities. Swaps were entered into manage interest rate fluctuation risks. The interest rate swap provides a fixed interest rate to the Company of 4.825% for \$8,500,000 of the total ANZ loan during 2021 in exchange for a floating rate. This interest rate swap matured on 21 December 2020.

Derivative financial instrument policy

Derivative financial instruments are recognised in the Statement of Financial Position when the Company becomes party to a financial contract. The Company holds derivative financial instruments to hedge its exposure to fluctuations in interest rates as the Company holds a floating-rate interest-bearing loan. They include interest rate swaps.

The company has a series of policies providing risk management for interest rates and the concentration of credit. The Company is risk averse and seeks to minimise exposure from its treasury activities. Its policies do not allow any transactions that are speculative in nature to be entered into. Information used to measure and manage risk includes staff experience, market commentary, strategic planning, financial planning and forecasting, financial reporting, operating and management systems, and risk management audits.

Derivative financial instruments held at fair value through profit and loss

Derivative financial instruments are classified as at fair value through profit and loss when the instrument is not designated as a hedging instrument in a qualifying hedge accounting relationship.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value using mark to market based on market observable interest or foreign exchange rates at valuation date. Any changes therein are recognised in the statement of comprehensive income.

Derivative financial instruments held at fair value through profit and loss comprise of interest rate swaps.

18 Related parties

Key management personnel

Key management personnel comprise the Directors and the General manager.

Key management personnel compensation comprised

	2021 \$000	2020 \$000
Short term employee benefits	289	79
	<u>289</u>	<u>79</u>

Dividends paid

During the year a dividend of \$2,000,000 (2020: \$2,850,000) was paid.

Transactions involving related entities

The entities, the nature of the relationship and the types of transactions which the Company entered into during the period are detailed below:

Related entity	Nature of relationship	Types of transactions
Timaru District Council	Parent	Sales, Purchases, Loan payable, Balance payable
Alpine Energy Limited	Partially owned	Sales, Balance receivable
PrimePort Timaru Limited	Partially owned	Sales, Balance receivable

Notes to the financial statements (continued)

18 Related parties (continued)

The following transactions between related parties occurred during the year:

Related party	2021				
	Sale of goods and services	Purchase of goods and services	Balances receivable	Balances payable	Loan payable
	\$000	\$000	\$000	\$000	\$000
Timaru District Council	13	883	-	645	22,181
Alpine Energy Limited	2	-	-	-	-
PrimePort Timaru Limited	80	1	-	-	-
	<u>95</u>	<u>884</u>	<u>-</u>	<u>645</u>	<u>22,181</u>

Related party	2020				
	Sale of goods and services	Purchase of goods and services	Balances receivable	Balances payable	Loan receivable / payable
	\$000	\$000	\$000	\$000	\$000
Timaru District Council	2	1,137	-	868	22,181
Alpine Energy Limited	1	-	1,885	-	-
PrimePort Timaru Limited	64	-	5	-	-
	<u>67</u>	<u>1,137</u>	<u>1,890</u>	<u>868</u>	<u>22,181</u>

Related party receivable and payable balances are interest free, unsecured, and are repayable on demand. No related party debts have been written off or forgiven during the year. Refer to note 15 for Timaru District Council loan policy.

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Notes to the financial statements (continued)

19 Share capital and reserves

	Number of shares		2021	2020
	2021	2020	\$000	\$000
Shares				
Balance 1 July	49,550,000	49,550,000	31,000	31,000
Balance at 30 June	<u>49,550,000</u>	<u>49,550,000</u>	<u>31,000</u>	<u>31,000</u>

At 30 June 2021, share capital comprised 49,550,000 shares (2020: 49,550,000). 18,550,000 shares (2020: 18,550,000) issued at a price of \$1.35 each have been paid to \$185.50 (2020: \$185.50). This uncalled capital is security for the Letter of Credit facility of \$19M with ANZ Bank for the credit facilities. All issued shares rank equally.

Share capital policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

20 Capital management

The Company's capital is its equity, which comprises issued shares, retained earnings and revaluation reserves. Equity is represented by net assets. Section 5 of the Port Companies Act 1988 states that the principal objective of every port company shall be to operate as a successful business. PrimePort Timaru's principal objective is to operate as a successful business, exploiting opportunities and managing risk thereby ensuring the maintenance and growth in equity. Alpine Energy's objective when managing capital is to safeguard the ability to continue as a going concern in order to provide returns to shareholders, consumers and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

21 Contingencies

No contingent assets or contingent liabilities exist at balance date for Timaru District Holdings Limited (2020: nil).

No contingent assets or contingent liabilities exist at balance date for PrimePort Timaru Limited (2020: \$250,000 contingent liabilities).

Alpine Energy Limited group has contingent liabilities of \$7.11M as at 30 June 2021 in the form of performance and import guarantees to cover ongoing project work (2020: \$11.55M).

22 Subsequent events

There have been no events subsequent to balance date which would materially affect the financial statements (2020: nil).

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Statutory Information

Directors

Timaru District Holdings Limited

Ian R. Fitzgerald (Chairperson)
Rebecca L. Keoghan (Deputy Chairperson, 26 November 2020 to present)
Richard L. Lyon (Deputy Chairperson, 1 July 2020 to 26 November 2020)
Mark Rogers
Peter J. Burt
Nigel W. Bowen (ceased 26 November 2020)

Entries made in the interests register

The following entries were recorded in the interests registers of the Company:

Ian R Fitzgerald (Chairman)

Burleigh Evatt - Director
Ngai Apa kit e Ra To Investments Committee - Member
Public Trust - Chairman
Ministry of Foreign Affairs and Trade Audit and Risk Committee - Member
World of Wearable Art Limited - Director
Marlborough Hospice Trust - Trustee
Matavai Niue Limited - Chairman
Niue Development Bank - Chairman
Tertiary Education Commission RoVE Programme Board (Member)
Telecom Niue - Director

Richard L Lyon

Timaru District Council - Councillor
Nelly's Group Limited - Shareholder and Director

Nigel W Bowen

Timaru District Council - Mayor
South Canterbury Ale House Limited - Director

Rebecca L Keoghan (Deputy Chairman)

Tai Poutini Polytechnic Limited - Chair
Keoghan Farm Limited - Director
Gravity Dance Studio - Director
Fire and Emergency NZ - Director & Deputy Chair
Judicial Control Authority - Board Member
Glen Elgin Family Trust - Trustee

Mark Rogers

South Canterbury District Health Board - Ministerial Appointment
South Canterbury Eye Clinic Limited - Chairman and Director
Venture Timaru Limited - Chairman and Director
Waitaki District Health Services Limited - Chairman and Director
Waitaki District Health Services Trust - Trustee
Adventure Development Limited - Chairman and Director
Men at Work Limited - Independent Chairman
Institute of Directors Canterbury Branch - Committee Member
Kingsdown - Salisbury Hall Society Incorporated - Treasurer
MVHB Professional Services Limited - Shareholder and Director
OurGroupIT Limited - Director
The Rogers Family Trust - Trustee
Te Runanga o Arowhenua Limited - Director

Peter J Burt

Timaru District Council - Councillor
Environment Canterbury - Zone Manager South Canterbury

Timaru District Holdings Limited
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Statutory Information (continued)

Interest in transactions

- All transactions with Directors were entered into during the normal course of business and at normal terms and condition.

Use of company information

- During the year there were no notices from Directors of the Company requesting to use Company information received in their capacity as Directors, which would otherwise have been available to them.

Shareholding by directors

There are no shareholdings held by directors.

Remuneration and other benefits to directors

Timaru District Council independently chose to undertake a review of Directors fees in August 2020. The fees were last set in 2014.

	Timaru District Holdings Limited	2021	2020
Director FY2021	Ian Robert Fitzgerald (Chairman)	\$47,200	\$31,400
Director FY2021	Rebecca L. Keogh (Deputy Chairperson, 26 November 2020 to present)	\$26,700	\$-
Director FY2021	Mark F. Rogers	\$20,800	\$-
Director FY2021	Richard Lyon (Deputy Chairperson 1 July 2020 to 26 November 2020)	\$26,800	\$18,000
Director FY2021	Peter Burt	\$20,800	\$-
Ceased 26 November 2020	Nigel Bowen	\$7,200	\$11,500
	Damon J Odey	\$-	\$6,200
	Richie J Smith	\$-	\$6,000
	Kerry M. Stevens	\$-	\$6,200
	Total	\$149,500	\$79,300

Indemnity and Insurance: Directors and Employees

Timaru District Holdings Limited

- The Company has entered into an agreement to indemnify all Directors, Company Secretary, and Executive Officer, against loss resulting from the actions which arise out of the performance of their normal duties as director or advisor.

Dividends

Net dividends of 0.06 cents per fully paid share were paid during the year.

Short term employee benefits

The company paid short term employee benefits to key management personnel of between \$130,001 and \$140,000 during the year.

Donations

During the year Timaru District Holdings Limited made no donations. (2020: \$Nil).

Auditors' Remuneration

During the year the following amounts were payable to the auditors of the company:

<u>Company</u>	<u>Audit Work</u>	<u>Other Services</u>
Timaru District Holdings Limited	\$25,925	\$0

Independent Auditor's Report

To the readers of Timaru District Holdings Limited's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of Timaru District Holdings Limited (the Company). The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Company on his behalf.

Opinion

We have audited:

- the financial statements of the Company on pages 8 to 29, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Company on pages 5 to 7.

In our opinion:

- the financial statements of the Company on pages 8 to 29:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2021; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards with reduced disclosure requirements; and
- the performance information of the Company on pages 5 to 7 presents fairly, in all material respects, the Company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Company's objectives for the year ended 30 June 2021.

Our audit was completed on 29 November 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the performance information for the Company.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures,

and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the performance information, our procedures were limited to checking that the information agreed to the Company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the Company's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 4 and 30 to 31, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Company.



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

9.8 Presentation of Venture Timaru Limited Quarterly Report from 1 January 2022 to 31 March 2022

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

That the Venture Timaru Quarterly Report for the period 1 January - 31 March 2022 be received and noted.

Purpose of Report

- 1 To present the Venture Timaru Quarterly Report for the period 1 January - to 31 March 2022.

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 progress of Venture Timaru against its Statement of Intent which is considered by Council annually.

Discussion

- 3 Venture Timaru's Quarterly Report for the period ending 31 March 2022 is attached. This is provided by Venture Timaru to Timaru District Council (as shareholder) pursuant to its Statement of Intent.
- 4 Key highlights include: Scott Base redevelopment; refreshed economic development strategy and new destination management plan; logistics and freight disruptions; enhanced engagement with local industry; and tourism and visitor updates.
- 5 For further information click here <https://www.vtdevelopment.co.nz/about-us/what-we-do>
- 6 The Chief Executive of Venture Timaru will be in attendance to speak to the report.

Attachments

1. **Venture Timaru Operational Update for the three months to 31 March 2022**  



MEMORANDUM

FROM: Nigel Davenport
TO: Timaru District Mayor and Councillors
SUBJECT: Venture Timaru Operational Update for the three months to 31 March 2022
DATE: 26th May 2022

Background

Please find attached an update relating to our Economic Development and Visitor Promotion operations for the quarter to 31st Mar 2022.

General Commentary

Having coped better than most during the initial period of COVID (evidenced by our Districts annual GDP growth figures detailed later in this report) and associated lockdowns through 2020/21, our local economy is feeling the effects like most of NZ – across cost of living, supply chain and workforce pressures.

This is best summarised by the following comments from Infometrics Chief Economist Brad Olsen:

“It’s harder and more expensive to find growth in 2022, with intense difficulties finding staff and materials across New Zealand. We’re struggling to resource further growth in the near-term. In effect, the New Zealand economy is red-lining and continues to operate above capacity, with higher prices overshadowing any real growth.”

“Fractured supply chains, accelerating inflation, higher interest rates, and high levels of absenteeism from Omicron combined to throttle back the economic engine. Higher inflation is forcing the Reserve Bank to lift interest rates higher, faster, which will help take some of the wind out of an overheating economy, but the risk of a hard landing becomes higher with each passing day.”

Locally our employers advise the staff absenteeism from Omicron was not at the expected high levels however the long tail of ongoing absenteeism is challenging to manage with obvious impacts on productivity.

Suffice to say the coming winter months present challenges on many fronts for us all.

PRIORITY – Housing – we continue to position the critical need for diversity in the District housing stock and are working with council to help inform the GMS refresh on this matter. In recent years district housing sales have generally fallen into two categories >\$500K and <\$900K/\$1m – both the traditional house and land packages.

We have voiced the concerns of local industry that a lack of diversity (and availability) in our local housing stock is an impediment to attracting and retaining the workforce they need – which is the biggest challenge facing our local economy pre-covid and continues today. Noting our unemployment rate which has traditionally been on of the lowest in NZ is now back to near pre-covid levels of 3.3% as at March 2022 – which is below the 3.5% which is widely recognised as “full employment”.



It is pleasing to see the recent appointment of TDC's Earthquake Prone Building Liaison Officer a role which we see as pivotal in not only collaboratively addressing EPB matters with local CBD property owners, but also potentially identifying and informing all CBD and near CBD property owners on the opportunities for inner city living – apartments, townhouses etc....

We also welcome the recent announcements of:

- Kainga Ora's purchase of the property adjacent to Ara on which they plan to build up to 40 homes
<https://www.stuff.co.nz/timaru-herald/news/128749859/largest-public-housing-project-in-50-years-confirmed-in-south-canterbury>

<https://www.stuff.co.nz/timaru-herald/news/300597234/major-building-developments-a-great-start-for-timarus-housing-stock>
- Plan to develop a 150-lot residential subdivision on Conoor Road – importantly proposing lots sizes 350-500m2 and 600-700m2 which provide opportunity for product diversity i.e. apartments, townhouses etc....
<https://www.stuff.co.nz/timaru-herald/news/128755753/significant-timaru-subdivision-granted-resource-consent>

We continue to engage with local professionals, agents, and developers to help inform and progress opportunities.

PRIORITY - Logistics and freight disruptions – whilst global logistics delays had been forecast to improve through Q2 and Q3 this year, the Shanghai lockdowns, ongoing slump in the Chinese economy and the effects of the Ukrainian war have impacted significantly, thus the supply delays being experienced by NZ and our local businesses will continue for the foreseeable future.

On a positive note, we have been engaging with Ministry of Transport and Waka Kotahi, since the latter part of last year via facilitated workshops, to help inform the development of an NZ Freight and Supply Chain Strategy. The aim of this is to develop a fully integrated and aligned road/rail and sea strategy.

The basis of our involvement has been focused on the significant opportunities associated with coastal shipping – especially for Timaru and the wider central south island catchment serviced by Primeport. Waka Kotahi have recently opened wider consultation and we are working closely with TDC as they prepare their submission to ensure consistency of messaging.

In addition, having set aside \$30m in Sept 2021 to improve domestic shipping services, reduce emissions, improve efficiency, and upgrade maritime infrastructure, the Government recently announced the selection of 4 preferred suppliers for new and enhanced coastal shipping services. Refer:

<https://www.beehive.govt.nz/release/government-investment-boosts-coastal-shipping-aotearoa>

In the article you will note:

- Each of these four selected suppliers will bring at least one additional coastal shipping vessel into service, and together this will improve the resilience of the overall freight supply chain.



- The four preferred suppliers will invest over \$60 million through their proposals, resulting in combined investment in the sector of over \$90 million.
- When the new services are fully operational, it is estimated they will remove around 35 million kilometres of truck travel from New Zealand's roading network every year, reducing wear and tear and improving safety for road users, while at the same time creating new employment opportunities for mariners and supporting regional development. This will also support our commitment in the recently released Emissions Reduction Plan to reduce emissions from freight transport by 35 per cent by 2035.

We remain very hopeful that one of the confirmed preferred suppliers (whom we have been engaging with alongside Port of Tauranga) will include Timaru in a new coastal shipping service – providing much needed certainty of service to our local importers and exporters.

PRIORITY – Workforce. The attraction retention and ongoing development of our workforce will remain the most critical priority for local business and therefore VT across this year and for the foreseeable future.

These recent comments by Infometrics Chief Economist Brad Olsen are very telling:

- *“Professional services and construction jobs growth have boosted regional fortunes at the start of 2022, but finding talent remains a key limit on further growth”.*
- *“Workforce pressures across New Zealand are sky-high, illuminated by high levels of poaching, a net outflow of people migrating from New Zealand, and more restrained jobs growth recently”.*

We continue to utilise the full array of workforce attraction resources at our disposal which we are continually updating to assist our local businesses with workforce attraction, but the challenge cannot be overstated.

Further, the confirmed major construction projects in front of us e.g., Theatre Royal/Civic Centre, Aorangi Stadium extension, Scott Base Redevelopment Rebuild, completion of the Showgrounds retail development and other scheduled industry expansion, will all provide additional challenge when it comes to workforce attraction and resourcing. To this end we will work closely with all parties to ensure we as a district get early visibility on project timelines to both map and then collaboratively manage resource including attraction, joint tender and staff sharing opportunities – the aim being to ensure the efficient and successful completion of these known and future planned projects.

PRIORITY – Scott Base Redevelopment – we continue to work closely with Antarctica NZ to progress a variety of project aligned activities and promotions:

- A **Pōwhiri** welcoming both Antarctica NZ and Leighs Construction to our community will take place at the Arowhenua Marae Thursday 4th August.
- **Story Boards** highlighting NZ history in Antarctica, Scott Base Redevelopment build and fun facts on Antarctica are in the final stage of development, and we aim for these to be located throughout our district in the next 4-5 weeks.
- The **Colour My Place – Scott Base** campaign was launched mid-May, as Antarctica NZ seek feedback from NZ on what colour the new base should be. Refer [HERE](#) and cast your vote



green (kākāriki)

blue (kikorangi)

orange (karaka)

- Antarctica NZ have recently released an updated Education Activity Booklet called [Discover our Place Scott Base](#) for our tamaraki and we have assisted in distributing this to all local schools.
- Antarctica NZ and Leighs Construction recently presented to the NZ Institute of Building in CHCH on the redevelopment build and we are looking to schedule a similar event here, ideally within the next 2-3 months.

We are also progressing how local businesses and service providers can best position themselves (potentially as preferred suppliers) to be involved in the rebuild, with this aligned to getting visibility on planned project timelines and sub-contractor and supplier tender processes.

Enhanced engagement with local industry:

- We are partnering with the **NZ Hemp Assn** to bring two workshops to Timaru mid-July to explore the local opportunities associated with this burgeoning industry.
- We are engaging with both NZTE and MPI/SFFF (Substantiable Food and Fibre Futures) on next step support for our **Sustainable is Attainable initiative**. Likely to involve an initial “Systems Thinking” process whereby the larger sustainable energy and waste value extraction opportunities are prioritised to provide targeted focus to then proceed into commercialisation. The collaborative foundation of our 20+ food processors and manufacturers is unprecedented in NZ and advantageously positions our district to make real progress in this space.
- As a member of the [Canterbury Regional Skills Leadership Group](#) (RSLG) we have, as mandated by MBIE, completed the Regional Workforce Plan for Canterbury with this to be released in coming weeks. We **attach** a copy of our latest March insights report FYI.
- Aligned to the above - especially the supply of future workforce – our RSLG has endorsed the positioning paper compiled by Careers Advisors, and their national associations CATE & CEDANZ, to the Minister of Education to address the inconsistencies in the **career’s resources within our secondary schools**. This is the key foundation to ensuring our next generation workforce are as fully prepared and informed as possible for their important next move from secondary school. There is full alignment to our MyNextMove youth transition initiative which assists with the retention or return of locally educated students into our local workforce.



- New and enhanced electrical and painting & decorating courses have been confirmed to take place at Ara throughout this year. This is a direct result of partnering with local industry representatives to position the need for more **local training provision** with Ara and their fellow training providers. We continue this engagement with two of the newly formed Workforce Development Councils (formerly ITO's) namely Waihanga Ara Rau (Construction and Infrastructure) and Hanga-Aro-Rau (Manufacturing, Engineering and Logistics) given the importance of the industries they present to our local economy. The objective is to accelerate enhanced learning and development opportunities locally for our industries thereby assisting with the attraction, development, and retention of their workforce.
- We are progressing a variety of **new business opportunities** across a variety of industry sectors including tourism and visitor attractions, food processing and manufacturing, energy & waste, and education sectors. The progression of these opportunities have been impacted/slowed to varying degrees by the COVID environment, however it is noticeable in the last few weeks, re-engagement with the different parties has increased.

Tourism and Visitor – Unfortunately the early part 2022 was impacted via COVID traffic light settings with the Caroline Bay Carnival cancelled as was the Hospice Rock'N'Hop in March – two of our largest iconic summer events. The new Seaside Festival did however take place in February however on a much-reduced scale o/a Covid settings. The Kite day and Sand Sculptures of the Seaside festival were a huge success and provide a great base to build on for 2023.

The subsequent school holiday period, coupled with the Easter and Anzac holiday weekends made for a busy time around the region for visitors. The arrival of Australian visitors has been welcomed by the visitor sector, and expectations are positive for a good spin-off from the international visitors during the winter season.

We are joining our Canterbury RTO neighbours in a collaborative campaign organized by ChristchurchNZ to highlight activities and destinations outside of Christchurch but within the wider Canterbury area. This is underway now and will continue with digital and print content over the next few months. The final stage will be targeted focus into the Australian market, which will be a new experience for VT.

We are also pleased to have received acknowledgement by the office of Minister Nash (Tourism, Economic Development and Small Business) as being one of a very small handful of EDA/RTO's to have completed our Destination Management Plan and Economic Development Strategy.

Central Government Funded activities:

- **Timaru Trails** – New trails this month are Vintage Shopping, and the first bike trail will be a Geraldine ride.
- **ROAM.NZ App** – ROAM website is now live highlighting the South Canterbury and North Otago lakes driving loop. Check it out [HERE](#)
- **SC Car Club** – Continuing to work with SC Car Club, on developing a marketing plan and improved digital presence. The club received MESF grant for the June Rally of NZ and plans underway for a Timaru CBD event featuring the 80+ drivers including Hayden Paddon. VT is working to assist SCCC with this event.
- **Destination Management Plan** – Work plan under development for top priorities for the new 6 – 12 months. All RTOs are taking part in specialist training residential in May and September to assist with DMP implementation and delivery of projects. VT has a team of two attending.
- **Temuka, Pleasant Point and Geraldine funding** – Discussions continuing. Key focus likely to be bike trails.



- **Hero videos 2022:** Final edit due late April for ‘Point of View’ video. VT has funded the development of an extensive video library with footage taken from a variety of our hero videos. VT has full copyright on this content so can share as required. It is already proving a valuable asset. A special DOC concession for filming at Peel Forest DOC estate is also underway, which will give VT and contractors extensive rights to film in the area over the next 10 years.
- **C-Play** – Has been the recipient of TSRR funding to support and upskill this passionate group in their fundraising efforts. The support has been hugely appreciated and feedback is that it has made a significant difference. The group are on track to secure the last funding required for the playground, with work due to start on the first stage in July.
- **ExploreCHC collaborative campaign** – Always On. Content is now being shared. Our focus is Outdoor adventures, Foodie and Active Relaxers.
- **Trail Towns** – Partnering with Mackenzie and Waitaki for an episode of this Australian biking enthusiasts programme, aimed at future international market. Trail Towns Season 1 has recently aired on the SBS and SBS on Demand in Australia, alongside the Tour De France. The 2nd season is going to be exclusive to New Zealand, showcasing exciting road trips over 6 x 24-minute episodes. Trail Towns champion the locals and aim to inspire their audience to replicate the trips, and with current limited global travel there has been a huge amount of interest in the show and active tourism in general. Filming took place in April and is currently being edited ready for screening.

Events

Major Events Fund – Update on the first round of funding was provided in our Dec 21 quarterly report. A number of those events granted funding in Round 1 were affected by COVID settings through summer months with, as per established criteria, this funding returned and either tagged for their 2023 event or available for reallocation.

The second-round of 2022 funding approved the following grants:

Event Name	Approved Grant
South Island Masters Games	\$50,000
Timaru Festival of Roses	\$30,000
Christmas on the Bay	\$10,000
South Island NZ Motorhome & Caravan Assn Golf	<u>\$5,000</u>
Total	\$95,000

Planning is underway for **SCOFF 3 2022** taking place 16-30 Sept 2022 and the new Brews on the Bay on 1st Oct.

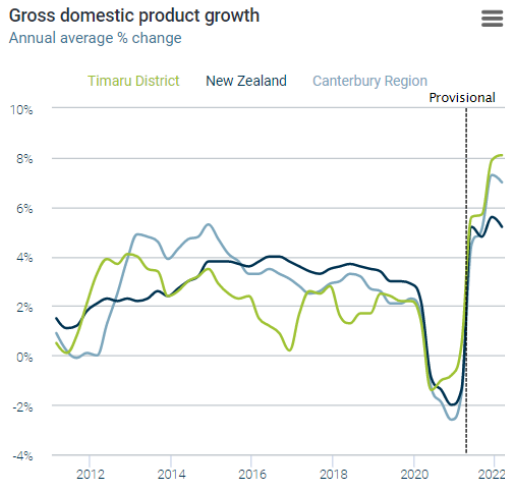
Brews on the Bay is a celebration of NZ Beer & Cider, washed down with NZ music. At date more than 20 beverage vendors, 7 food vendors and 4 bands are confirmed for this exciting new event.

Tourism & Visitor General

- Temuka signs – Work is continuing and installation due very soon. Temuka Domain signs will be next to follow and a single sign at Winchester.
- Timaru wayfinding and ROAM signs – also close to completion The ROAM signs will be placed outside the Timaru Information Centre.

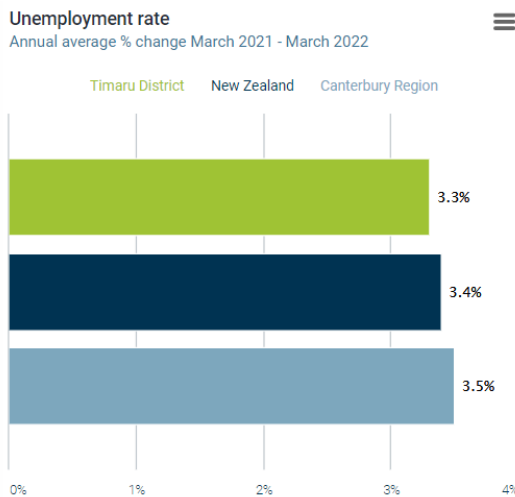
Monitoring Indicators (non-financials) as per 2021/22 Statement of Intent

1. Gross Domestic Product – source Infometrics



As at Mar 22 - GDP growth in the Timaru District at 8.1% outperforming both rest of NZ 5.2% and Canterbury Region 7.0%

2. Unemployment Rate – source Infometrics



Timaru District at 3.3% again tracking better than NZ 3.4% and Canterbury regions 3.5%. Notably well down on 4.1% recorded March 2021 and is representative of “full employment” in the district.

3. **Housing Affordability** – source *interest.co.nz*

	Population	House price	Income	Median multiple				
				Apr-22	Mar-22	Feb-22	Apr-21	Apr-20
New Zealand	5,165,000	875,000	\$97,084	9.01	9.19	9.15	8.49	7.22
Christchurch	394,700	710,000	\$95,225	7.46	7.47	7.70	6.35	4.91
Timaru	48,400	495,000	\$88,966	5.56	5.41	5.73	5.06	3.88
Dunedin	134,100	640,000	\$84,822	7.55	7.67	8.11	7.61	6.02

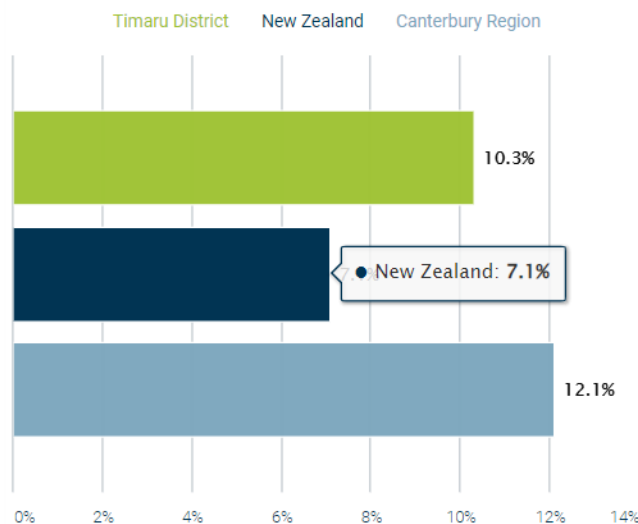


Based on median household incomes to median house prices, Timaru District remains one of the most affordable places in the country to purchase a house – with our median house price \$495k costing 5.56x our median household income \$89k. However as detailed earlier in this report the pressing issue remains the quality and availability of housing stock at or near this price and critical need for diversity of product.

4. **Visitor Spend** - source *Infometrics & Marketview*

Tourism expenditure

Annual average % change March 2021 - March 2022



A big tick in this indicator with the District’s Tourism/Visitor spend increasing by 10.3% in the year to Mar 2022 which compares to increases of 12.1% in Canterbury and 7.1% in NZ.

Total tourism expenditure was approximately \$160 million in Timaru District during the year to March 2022, which was up from \$145 million a year ago.



Financials

**Venture Timaru
Profit & Loss Statement**

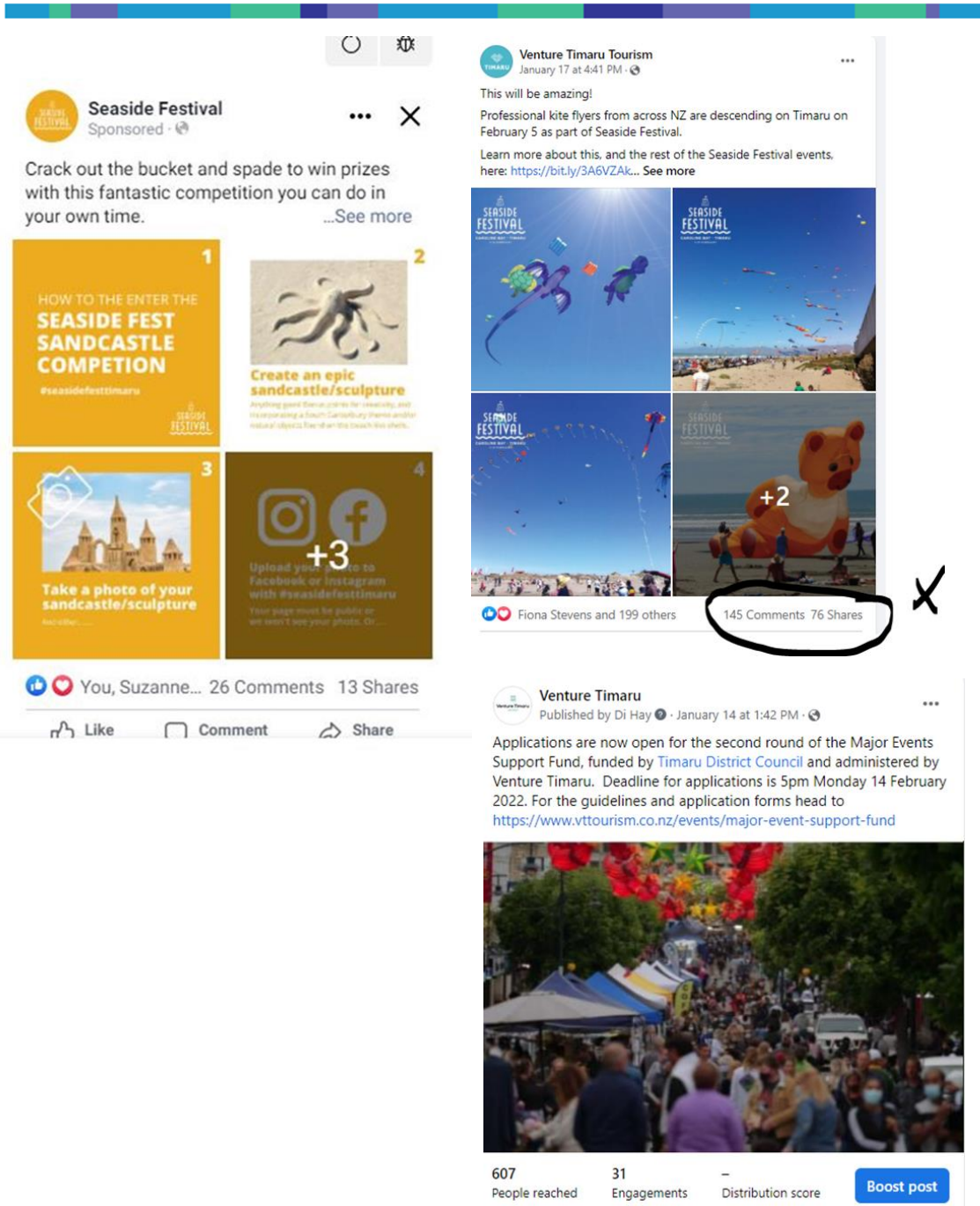
1 July 2021 - 31 March 2022

	YTD ACTUAL	FULL YEAR BUDGET finalised June 21	TDC SOI BUDGET submitted 1 Mar 21
INCOME			
Economic Development Grant - TDC	\$ 480,000	\$ 640,000	\$ 640,000
Tourism Grant - TDC	\$ 262,500	\$ 350,000	\$ 350,000
MyNextMove Contract - ex MSD	\$ 72,498	\$ 154,592	\$ 145,000
Transport & Logistics Funding - ex Kanoa (Provincial Development Unit)	\$ 133,000	\$ 133,000	\$ 150,000
Capability Funding for Special Proj Role - ex Kanoa (Provincial Development Unit)	\$ 14,581	\$ 14,580	\$ 25,000
Reg Apprenticeship Initiative - ex Kanoa (Provincial Development Unit)	\$ 770,385	\$ 1,510,227	\$ 1,250,000
Major Events Funding - Tourism ex TDC	\$ 123,734	\$ 230,000	\$ 230,000
STAPP Funding - Tourism ex Central Government	\$ 88,456	\$ 113,102	
TSRR Funding - Tourism ex Central Government	\$ 134,437	\$ 700,000	
Regional Events Funding - Tourism ex Central Government	\$ 75,000	\$ 120,260	
Other Income	\$ 27,932	\$ 35,750	
TOTAL INCOME	\$ 2,182,523	\$ 4,001,511	\$ 2,790,000
EXPENDITURE			
Economic Development	\$ 203,001	\$ 317,970	\$ 321,349
Human Resources	\$ 228,605	\$ 314,803	\$ 343,101
Tourism	\$ 265,511	\$ 379,000	\$ 350,000
MyNextMove	\$ 103,258	\$ 154,571	\$ 145,000
Transport & Logistics Panel	\$ 89,461	\$ 133,000	\$ 150,000
Reg Apprenticeship Initiative	\$ 770,385	\$ 1,510,227	\$ 1,250,000
Major Events Funding	\$ 123,734	\$ 230,000	\$ 230,000
STAPP	\$ 82,753	\$ 113,102	
TSRR	\$ 134,437	\$ 700,000	
Regional Events Funding	\$ 75,000	\$ 120,260	
Special Project ex Reserves	\$ 21,170	\$ 57,000	
TOTAL EXPENSES	\$ 2,097,315	\$ 4,029,933	\$ 2,789,450
OPERATING SURPLUS/(DEFICIT)	\$ 85,208	-\$ 28,422	\$ 550

Notes to financials

Important to note:

1. our draft budget for the 2021/22 year was submitted as part of our SOI to Council 1 March 2021. Not unexpectantly since that time a variety of our activities and the income and expenses associated with them have firmed up more for the 2021/22 year. Key variances being in the areas of:
 - o Regional Apprenticeship Initiative
 - o STAPP, Regional Events Funding and MyNextMove (unspent funding from 2020/21 years approved to carry forward to current year)
 - o New Central Govt TSRR Funding \$700,000 approved post 1st July 2021
2. Central government funding is received in advance and expensed over subsequent months with this largely accounting for YTD surplus at \$85,208, although a variety of scheduled activity to be expensed in Q4.



The screenshot shows two Facebook posts from Venture Timaru. The top post is from 'Venture Timaru Tourism' dated January 17 at 4:41 PM. It features a sponsored post for 'Seaside Festival' with four numbered steps: 1. 'HOW TO THE ENTER THE SEASIDE FEST SANDCASTLE COMPETITION', 2. 'Create an epic sandcastle/sculpture', 3. 'Take a photo of your sandcastle/sculpture', and 4. 'Upload your photo to Facebook or Instagram with #seasidefesttimaru'. The post includes a grid of four images showing colorful kites and a large teddy bear sculpture. Engagement statistics show 145 comments and 76 shares, with a circled '+2' next to the share count. The bottom post is from 'Venture Timaru' dated January 14 at 1:42 PM, announcing applications for the second round of the Major Events Support Fund. It includes a photo of a busy festival street with many people and colorful balloons. Engagement statistics for this post are 607 people reached, 31 engagements, and a distribution score.



Venture Timaru Tourism
February 18 at 7:59 AM · 🌐

Let's make a difference to our outstanding eateries by getting behind this fantastic initiative.

From now until March 6 with every purchase you make, big 🍷🍷🍷 or small ☕, take a photo and upload it here:
<https://hosporedrelief.co.nz/>

One eatery will win \$10k! And every purchase is truly helping - dine in, take away, buy a voucher. Do what you can.

It's time to support these business people that we know and love, and that make this district such an outstanding place to live and visit.

#hosporedrelief



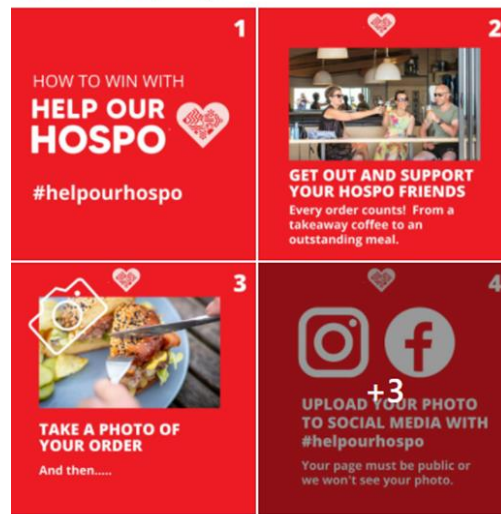
Venture Timaru Tourism
February 24 at 8:57 AM · 🌐

It's really tough in the hospitality sector right now, and we all need to play our part to keep these businesses going.

We're putting our money where our mouth is, literally, and we're giving away loads of eatery vouchers on our social media channels - starting today!

To learn more about this and other national campaigns, head here:
<https://bit.ly/3gThVGK>

#welovetimaru #helpourhospo



👍❤️ Sue Wills and 104 others 5 Comments 18 Shares



Venture Timaru Tourism
February 7 at 7:20 PM · 🌐

What a way to close out **Seaside Festival 2022!** 🎉

Seaside Festival
February 7 at 7:04 PM · 🌐

Seaside Festival 2022! 🎉

Did you make it down to see the kites today?

Thanks to everyone that got involved in Timaru's inaugural Seaside Festival! ... [See more](#)

👍❤️ Nigel Gilkison and 76 others 2 Comments 3 Shares

👍 Like 💬 Comment ➦ Share

Most relevant ▾

Write a comment...

Kathlyn Williams
Thankyou for a wonderful event just when we needed it.
❤️❤️❤️

Like Reply 3w 👍 2

Jocelyn Phiskie
Awsme ideas, keep it going!!!

Venture Timaru Tourism
February 6 at 9:17 AM · 🌐

Today's (Sunday) Seaside Festy activities.

And tomorrow (Monday)....the event we're all talking about....the kite flying fiesta!

The Bay Hill eateries will be the places to settle in for good food and kite views. We recommend booking - [Bay Hill Brewery Bar & Restaurant](#), [Cactus Fire](#) and [Little India](#).... [See more](#)

Seaside Festival
February 6 at 8:40 AM · 🌐

SUNDAY FUNDAY

Today is the day you can:

🌿 Watch the sand sculptors finish their creation at Caroline Bay... [See more](#)

THE URBAN EXPLORER

THE BMX BANDIT

THE JUNIOR MECHANIC

THE ANIMAL LOVER

We've taken the guesswork out of family holidays.

Family holiday planning can be a little daunting. So we've put together a list of suggested itineraries to suit everyone from the urban explorers to the BMX bandits, and from paid activities to totally free.

Check out the itineraries at vttourism.co.nz, or scan



ROAM

RIVER, OCEAN, ASTRO & MOUNTAIN LOOP

TIMARU | MACKENZIE | WAITAKI | WAIMATE

The Central South Island is an area of stunning landscapes from the Pacific Ocean to the mountainous high country.

If you're looking to hit the road and explore the best of the region take the ROAM (river, ocean, astro, mountain) driving loop around the hydro lakes. The drive takes approximately four hours to complete from Timaru, however, you'll want to allow a bit more time to explore.

Visit fabulous locations like Aoraki/Mt Cook, Caroline Bay and the Oamaru Clay Cliffs. Wine, dine and coastal walk in little seaside city Timaru. Check out the fascinating geology and wineries of the Waitaki Valley. Explore superb tracks, and spectacular silo art in Waimate.



Download the free ROAM app
Scan the code to download the app to from the App Store or Google Play





While you're here...
Download the free Timaru Trails App and explore our heritage, street art and scenic walking tracks. Use it to find

Download the Timaru Trails app and start exploring today!



TEMUKA

Our town through time

Travel back in time and learn the history of where you stand right now.

A joint project by the Temuka & Districts Project Trust and the Temuka & Districts Historical Society

Scan the code to follow this heritage trail and uncover more signs and places of interest

This junction is where some of the earliest commercial buildings in the town of Wallingford (now Temuka) were built after the township first began to be established in the early 1860s. This intersection between King St (formerly Great North Road) and Domain Avenue (formerly called High St) was the junction between town and country, linking the rural settlements of Epworth and Waitohi to the west and Milford to the east.

1 Crown Hotel

The Crown Hotel (on the northeast corner of this junction) was built for Mr I.M. Hayhurst in 1886 and designed by Timaru architect Daniel West. It replaced an earlier hotel on the same site, originally called 'The Nugget', which was the first Public House built in Temuka (1866).

The first Crown Hotel (generally called 'The Nugget'), which was demolished in 1908 to make way for the current hotel.

Daniel West (left) stands in front of the Temuka-made photographs in the Main Street in Sept 1886, outside Wares & Ryan's stores.

Directly north of the Crown Hotel sat two early wooden buildings built around 1866, which housed W.H. Wilson's store (a saddlery) and D. Rayner's chemist & druggist. These buildings were demolished in 1908 and replaced by the building which now houses the current library and council service centre.

3 Post Office Corner

Temuka's first dedicated post office was built on the opposite corner in 1868. It was a wooden building which included modest accommodation for the postmaster. By the end of the 19th century the decision was made that a replacement post office was required. It was decided to rebuild on the same corner, resulting in the grand two-storeyed building opposite, designed by the government architect John Campbell.

Early photo looking north showing the original Post Office in the corner and the first Crown Hotel (right side).

It was opened by the acting premier, Sir Joseph Ward, in June 1902. It continued to serve as the post office until 1980 and the manual telephone exchange continued to operate upstairs until 1984.

On the footpath in front of the post office sits the William Rolleston memorial lamp, which was erected in 1904 to commemorate William Rolleston (1839-1903), an early Canterbury pioneer and statesman.

2 Butcher's Corner

On the corner diagonally opposite, Duncan Taylor and business partner Mr Reid built the town's first blacksmith's shop in 1864. Various other blacksmiths also traded from this site, including Daniel Ryane who built his first velocipede (bicycle) here in September 1866.

In 1877 William Ackroyd converted part of the building to a butcher shop and it traded as 'The Bull's Head Butchery' under several different owners until 1921.

In April 1924 a new block of five shops and offices were erected for Nicholas & Co., who operated a butchery on the corner. In February 1990 the last butchery closed its doors, and the corner shop has been since used as a saddlery, grocer, art studio and fish & chip shop.

William Ackroyd's Butchery (see #2) served a long tradition of butchers occupying this corner site.

Venture Timaru
Published by Di Hay · March 22 at 8:33 AM ·

Thanks [Multicultural Aoraki](#) ... we're really happy to give a little help when you're doing such an amazing job supporting so many in our community 😊



Multicultural Aoraki
March 21 at 5:14 PM ·

Just wanted to give a big shout out to the awesome team from [Venture Timaru Tourism](#) . They've been helping us deliver food and medication to people who are having to isolate due to COVID, every day for the last few weeks.
Thanks team, you're making a big difference 🙏

TOP REGIONAL INSIGHTS



The first iteration of the Canterbury Regional Skills Leadership Group's (RSLG) Regional Workforce Plan (RWP) focuses on three key sectors (Technology, Manufacturing, and Healthcare & Social Assistance) and one demographic group (Rangatahi). These groups will be analysed with consideration to the impact that they have on the whole of the region's labour market. Engagement and testing have also occurred with a number of stakeholders from the focus areas. The finalised plan will be available from 1 July 2022.

Rangatahi are primarily reaching out to their peers for careers advice and guidance, as opposed to relying on traditional school careers advisors or their parents. At a recent RSLG hui with rangatahi from around Christchurch, rangatahi shared their experiences and journeys navigating from school to further education or training. They spoke of the ease of access and trust they had with their peers when looking at options and making decisions. Canterbury RSLG will be looking at careers support for young people through their Regional Workforce Plan.

The Canterbury manufacturing sector is experiencing labour shortages and rising business costs which are being exacerbated by ongoing supply chain difficulties. These have increased export and import costs and significantly disrupted business scheduling and reliability of logistics planning. During the RSLG's recent sector engagement, there were widespread stories of businesses unable to complete or take on large scale orders as materials and skilled labour became more and more scarce. Minimising situations like this will clearly only provide positive effects for the region's economy.

Businesses are struggling to operate as staff and whānau illness, as well as isolations, increase. In some cases temporary closures have been necessary as a result of the current COVID-19 wave. In larger businesses, reduced staffing numbers have been planned for through business continuity plans, however, many smaller businesses don't have that flexibility and are needing to react as staffing situations present themselves.

TRENDS AT A GLANCE



As at the December 2021 quarter, the Canterbury region had a lower rate of young people Not In Education Employment or Training (NEET) compared to the national average (9.4% vs 11.3% total NZ). However, this still equates to approximately 8,200 young people who could be in the workforce or training.



The health care and social assistance sector has a much higher share of female workers than the Canterbury labour market as a whole. In 2021, female workers accounted for 81% of the workforce compared to 46.5% in the total Canterbury labour market.



Canterbury has one of the largest tech environments in the country with its tech sector contributing \$2.4 billion worth of GDP and over 15,000 jobs.

Source: Infometrics online portal

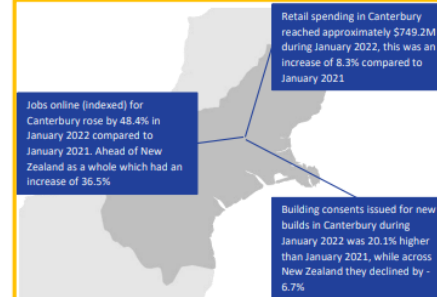
TOP LABOUR MARKET OPPORTUNITIES

1. The new \$344 million Antarctica research base will be built in Timaru and is expected to create hundreds of jobs over the next six years. Construction is expected to begin once the design and planning is complete in 2022, and it's estimated there will be 170 jobs involved during peak construction, with more than 700 jobs created overall. It is expected this project will bring millions of dollars of investment into the Timaru district, benefiting everyone from trades and subcontractors, to accommodation and hospitality providers.
2. University of Canterbury are currently establishing a new online platform (UC Online) which will be a fully online academic unit. The phased design approach will see this platform grow in content and partners. The intent is to also engage industry leaders to help design content that will support future qualification and skill needs. This will be the only NZ education entity specifically targeted at students who choose to study online.
3. A cluster of Canterbury tech companies are looking to form an alliance to co-design a new approach to skills attraction. The Canterbury Tech Sector Skills Pilot will look at how to attract, embrace and support those with dyslexia into the sector. The co-design model will include a reference group made up of experts in the field of dyslexia and those struggling with the challenges of dyslexia.
4. A collaboration opportunity has been identified to align RSLG's RWP actions with a new Christchurch NZ initiative. The focus will be on aligning objectives to support industry to attract, recruit and retain more women into their workplaces. This has emerged as a priority through RSLG engagement with sector focus groups such as manufacturing and technology.

TOP LABOUR MARKET CHALLENGES

1. Attracting, retaining and developing an appropriately skilled and experienced tech workforce is a significant issue, both within Canterbury, but also nationally and globally. It has become clear that there is a need to develop both a stronger domestic talent pipeline as well as enable immigration settings that allow specialised overseas talent to support the current and future needs of this sector. The Canterbury RWP will focus on actions that will assist the sector to address some of these challenges.
2. The wellbeing of employees and employers in Canterbury's rural sector is being further affected as staff absences increase. Increased COVID-19 cases are adding to an already challenging business environment where employers are struggling to get necessary farming tasks completed. These absences are coming on top of the sector having experienced negative weather events including floods, and excess rain at harvest time. They are also not easily able to move stock off the land due to meat processing plants working at reduced hours due to staff absences. All these negative effects are increasing outgoings and reducing incomes, which are expected to have a long-term effect on the health of the sector's workforce and long-term business viability.
3. Staff from tech firms in Canterbury are being headhunted to work in Australia and the UK. COVID-19 has increased employers need to recruit from offshore and amplified their understanding that the only barrier to talent working offshore is time zones. One of the country's largest tech exporters, who is based in Christchurch, suggests New Zealand could reverse that trend. If they were able to seize the opportunity for "New Zealand Inc" to play on the global stage, there is a large employee market overseas and New Zealand has a global brand that the tech workforce here can take advantage of.

THE CANTERBURY REGION



Source: Christchurch NZ

OUR FOCUS FOR THE NEXT TWO MONTHS:

- Continue to engage with key focus sectors/groups and partners to help shape the first iteration of the Regional Workforce Plan
- Finalise draft content of the Regional Workforce Plan to share with key stakeholders and partners
- Explore and test potential actions with external parties to contribute to the final draft of the RWP

Prepared by the regionally led Canterbury Regional Skills Leadership Group

For further information, please contact: CanterburyRSLG@mbie.govt.nz

9.9 Presentation of Venture Timaru Limited Statement of Intent for 2022/23

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

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

Purpose of Report

1 To receive and note the Statement of Intent (Sol) for Venture Timaru Limited (VT) for 2022/23.

Assessment of Significance

2 This matter is of low significance in terms of Council's Significance and Engagement Policy. Council has previously discussed the Sol with board of VT and provided feedback. The Statement of Intent for 2022/23 does not include any significant or material shift in the agreed objectives and priorities in the work VT undertakes as a Council Controlled Organisation (CCO).

Discussion

3 As a CCO VT is required to prepare an Sol annually and deliver it to the shareholder before the commencement of the financial year to which it relates. Council has previously the discussed objectives and priorities VT has planned for 2022/23.

4 A draft Statement of Intent was discussed with Council on 10 May 2022. No material changes were suggested.

5 The final Statement of Intent includes:

- (i) Objectives and associated areas for action.
- (ii) Strategic Priorities
- (iii) Key Monitoring, Performance and Success Indicators.
- (iv) Financial and governance information.
- (v) Funding Request and Budget

6 Part of the Sol include the Venture Timaru Economic Development Strategy and Venture Timaru Destination Management Plan, which are an integral part of VT's work (and are available via an embedded link in the Sol).

7 The Sol is reviewed and updated on an annual basis.

8 VT provides quarterly reports on progress against the Sol to Council (via the Commercial & Strategy Committee) throughout the year.

Attachments

1. **Venture Timaru Statement of Intent - 2022/23**  



STATEMENT OF INTENT

2022/23 2023/24 2024/25

2 Sefton Street East | PO Box 560 | Timaru 7940 | New Zealand
p: 64 3 687 2682 | e: enquiry@venturetimaru.nz

1



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

“Attract, grow, and retain people and businesses that contribute to a thriving Timaru District economy”

We submit our 2022/23 Statement of Intent which is aligned to the updated and refreshed Economic Development Strategy and a new Destination Management Plan, both of which were developed and finalised over 2021.

These two documents can be accessed via the below links

[Venture Timaru Economic Development Strategy](#)

[Venture Timaru Destination Management Plan](#)

This 2022/23 Statement of Intent includes:

- Objectives and associated areas for action
- Strategic Priorities
- Key Monitoring, Performance and Success Indicators
- Financial and governance information
- Funding Request and Budget.

Vision	Attract, grow, and retain people and businesses that contribute to a thriving Timaru District economy					
Objectives of the CCO	Assist business to Attract, Maintain & Develop a skilled workforce	Encourage new opportunities and facilitate business growth	Attract & assist new businesses to the District.	Promote & Facilitate investment in key infrastructure that support a thriving district economy	Facilitate destination management and event development	Adopt a collaborative partnership approach to delivery and impact
<p>Nature & Scope of Activities</p>	<ul style="list-style-type: none"> - Support talent attraction through delivery of an extensive and ongoing targeted workforce attraction campaigns - Support youth transitions and employment through delivery of My Next Move - Engage with the Interim Regional Skills Leadership Group to ensure needs to Timaru District’s learners and businesses are considered. - Support education and employment outcomes through the delivery of the Regional Apprenticeship Initiative - Finalise and implement a District Aged Friendly Workforce strategy aligned to the Districts Aged Friendly Strategy project in partnership with Council, SCDHB. 	<ul style="list-style-type: none"> - Identify and promote new opportunities for sustainable and inclusive economic development within Timaru District. - Facilitate industry and sector engagement through facilitating Business Connection Groups - Connect businesses to new opportunities and help businesses navigate their way through council and government processes - Engage with Central Govt’s Industry Transformation Agenda ensuring business are aware of and are responding to opportunities 	<ul style="list-style-type: none"> - Promote Timaru District as a central location for key industries and sectors. - Facilitate the provision of industrial land and promote Timaru as a logistics and distribution hub for the South Island. - Encourage a business friendly and responsive Council. - Act as the voice of industry to Council and Central Government 	<ul style="list-style-type: none"> - Identify the need for growth enabling infrastructure and ensure the economic benefits for planned infrastructure investment are delivered. - Encourage a master planned approach to the development of new & existing infrastructure, including a strategic approach to the future development of Caroline Bay and neighbouring CBD areas. - Explore opportunities for new waste management and sustainable energy infrastructure including opportunities for the development of a circular economy for the Timaru District 	<ul style="list-style-type: none"> - Implement the new district destination management plan with due consideration of environmental impacts and sustainability. - Promote an authentic and integrated destination identity for Timaru District. - Grow and attract events to the district and promote the case for investment in new destination infrastructure e.g., 4 star hotel. - Collaborate with surrounding districts to define the wider, and more cohesive South Canterbury offer and sustainably grow visitor numbers and spending across the district. 	<ul style="list-style-type: none"> - Partner with TDC and TDHL to support a thriving District economy. - Assist TDC to deliver the economic and lifestyle benefits of the City Hub development - Support TDC Long Term Plan and Growth Management Strategy objectives. - Encourage and support TDC and community aspirations for adaptation, resilience, and sustainability - Maintain and leverage strategic partnerships with iwi, government, and private sector to support above outcomes
<p>Strategic Priorities</p>	<p>Enable and promote Timaru as a Central South Island distribution and logistics hub including the progression of coastal shipping opportunities</p>			<p>Actively promote & facilitate public & private investment in enabling developments e.g., CBD redevelopment, large scale residential and industrial land development</p>		



Non-Financial Performance Targets and other measures

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

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

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



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

New Zealand Government Economic Plan for a productive, sustainable, and inclusive economy.

New Zealanders value a strong economy that provides decent jobs, higher incomes, and opportunities for current and future generations. Equally, we understand that the health and wellbeing of our people, the protection and enhancement of our environment, and the strength of our communities allow us to achieve our potential.

To deliver on these national values, our economy must be productive, sustainable, and inclusive. It requires us to tackle the long-term challenges the New Zealand economy is facing.

The Government's Economic Plan identifies eight key shifts and policy action the economy needs to transition to more productive, sustainable, and inclusive growth. It is an integral part of delivering wellbeing for all New Zealanders.

The shifts we are tackling will not take place overnight, and the Government cannot do this on its own. It is essential the Government partner with business, workers, communities, and iwi to ensure people and businesses can adapt to new working environments and respond confidently.

New Zealand has a unique opportunity to build on our strengths and use these to lead the world on standing up to the economic challenges of the next 30 years, turning issues like climate change and the technological revolution into economic opportunities.

Boards approach to Governance

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

1. PERFORMANCE AND OTHER MEASUREMENTS

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

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

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

2. GOVERNANCE STATEMENT:

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

Structure, Function and Obligations of the Board

a. The Role of the Board:

- Ensuring VT meets its objectives as defined in this Statement of Intent.
- Ensuring VT complies with all its lawful obligations.
- Ensuring the Council is kept well informed on all relevant issues and that there are no "surprises" on matters likely to cause community or political concern.
- Making any decisions as to policy that is not the preserve of the Chief Executive and day-to-day administration.
- Employing the Chief Executive (including entering into a performance management agreement, reviewing performance, and setting remuneration).

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- Ensuring sound financial management of VT.
- b. Composition of the Board:
- The Council, after consultation with the Board, will be responsible for appointing Directors to the Board.

Guidance and Resources Provided to Board Members

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

Significant Policies in Place for Accountability

- a. The Board shall ensure VT complies with the reporting requirements outlined in Section 3 and 7 of this document.
- b. Risk Management Policies:
- The Board shall ensure that appropriate insurance is maintained on all insurable risks of VT, and in particular public liability insurance.
 - The Board shall ensure that VT has systems in place to achieve compliance with the Health and Safety at Work Act 2015 and subsequent amendments.
- c. Remuneration:
- The Council will set total remuneration for the Board.
- d. Reserves Policy (SOI)
- The Reserves Policy ensures the board has funds set aside for risk mitigation.
 - The Primary Objectives underlying the Reserves Policies for are:
 - To ensure that VT is operated in a prudent manner
 - To recognise that many streams of work and expenditure items are committed to and incurred for longer periods than the annual funding approved by the Timaru District Council (TDC) with multiyear projects.
 - To ensure that money is available, as required, to meet the needs of VT and its key stakeholders.
 - To recognise that VT generates income over and above the funding from the TDC and also spends the majority of that income on related economic development activities for the benefit of the district with a breakeven or close to breakeven annual budget
 - Reserves to be held are set at 3-4 months' trading / cash flow to be on hand
- e. Ratio of Accumulated Funds to Total Assets
- This ratio shows the proportion of total assets financed by equity
 - The Board will ensure that the ratio of Equity to Total Assets remains above 60%
 - For the purpose of this ratio, equity is as per the financial statements of VT
 - Total assets are defined as the total of current and non-current assets

3. ACCOUNTING POLICIES

Summary of Significant Accounting Policies

- a. Reporting Entity
- Venture Timaru Limited ("VT") is a company incorporated and domiciled in New Zealand



- VT is a CCO (as defined under section 6 of the Local Government Act 2002) based in Timaru and is a subsidiary 100% owned by the Timaru District Council.
 - The financial statements of VT are for the year end 30 June. The financial statements are authorised for issue by the directors.
- b. Statement of Compliance
- The financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).
 - The financial statements are prepared in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) – PBE SF-A(PS).
 - All transactions are reported using the accrual basis of accounting.
 - The financial statements are presented in New Zealand dollars (\$) and all values are rounded to the nearest dollar. The functional currency of VT is New Zealand dollars.
- c. Revenue
- Revenue is measured at the fair value of the consideration received.
 - Contributions received from the Timaru District Council and various Central Government Agencies are VT's primary source of funding.
 - Contributions are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the contribution are not met. No such obligation is attached to the council contributions received.
- d. Interest revenue is recognised in the Statement of Financial Performance as it accrues, using the effective interest method.
- e. Income tax is accounted for using the taxes payable method. The income tax expense charged to the Statement of Financial Performance is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years.
- f. Goods and Services Tax (GST): The financial statements have been prepared with income and expenditure items exclusive of GST. In the Statement of Financial Position, Accounts Receivable and Accounts Payable are both inclusive of GST. All other assets are shown exclusive of GST.
- g. Cash and Cash Equivalents includes cash on hand, deposits held at call with banks, other short – term highly liquid investment with original maturities of three months or less, and bank overdrafts
- h. Accounts Receivable are valued at their estimated net realisable value. Bad debts are written off during the period in which they are identified.
- i. Creditors and other payables are measured at the fair value of the consideration paid.
- j. Fixed Assets are recorded at cost less accumulated depreciation. VT has three classes of Fixed Assets, Computer Equipment, Furniture and Fittings & Office Equipment.
- k. Depreciation is calculated to allocate the cost or valuation of assets over their estimated useful lives, at the following rates:
- | | | |
|-----------------------------|----|--------|
| Computer Equipment | DV | 50% |
| Fittings & Office Equipment | DV | 20-67% |
| Furniture and Fittings | DV | 10-25% |
- l. Leases: VT leases certain office equipment, office space and a motor vehicle.
- 4. DIVIDEND POLICY**
VT is a non-profit organisation that does not generate income or dividend for the Timaru District Council.
- 5. INFORMATION TO BE PROVIDED**
The following information will be made available to the Council by VT:
- a. By **1 March**, each year a DRAFT BUDGET for the following financial year together with a request for any changes requested to the Council's financial contribution to VT's activities.
- b. By **1 March**, each year a draft STATEMENT OF INTENT, then consider any Council comments on it and deliver a final Statement of Intent by **30 June**.
- c. QUARTERLY REPORTS (September, December, March & June) covering an abbreviated Statement of Financial Performance and Statement of Financial Position, performance indicators, commentary on activities, and other such information as the Directors consider necessary to enable an informed assessment of VT's performance during the period in question. Due dates as prescribed by section 66 of the Local Government Act 2002



- d. Within three months after the end of the financial year (i.e., **by 30 September**), VT shall deliver to the Council an ANNUAL REPORT which fulfils the requirements of Section 67 of the Local Government Act 2002, and audited financial statements in respect of the financial year, containing the following information as a minimum:
 - A Directors' Report including a summary of the financial results and a comparison of performance in relation to the objectives.
 - A Statement of Financial Performance disclosing revenue and expenditure and comparative figures from previous annual reports.
 - A Statement of Financial Position at the end of the year.
 - An Auditor's Report on the above statements and the measure of performance in relation to objectives.
 - The Chairman's Annual Report shall be made available for inspection at Council offices.
 - Any other matters that the Council and VT agree shall be disclosed as appropriate.

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

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

7. COMPENSATION FROM LOCAL AUTHORITIES

VT is seeking a 5% increase in funding for the Development and Visitor Operational Grants for the 2022/23 year. Noting that Operational Grants and proposed Event Support Grant for 2022/23 and beyond are subject to annual application.

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


2021/22 Approved		2022/23	2023/24	2024/25
\$ 640,000	DEVELOPMENT OPERATIONAL GRANT	\$ 672,000	\$ 672,000	\$ 672,000
\$ 350,000	VISITOR OPERATIONAL GRANT	\$ 367,500	\$ 367,500	\$ 367,500
\$ 230,000	EVENTS SUPPORT GRANT	\$ 230,000	\$ 235,000	\$ 240,000
\$ 1,220,000	TOTAL FUNDS	\$ 1,269,500	\$ 1,274,500	\$ 1,279,500

8. BOARD'S ESTIMATE VT VALUE

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

Approved by VT on

Approved by the Council on



 for Venture Timaru Ltd – Tony Howey Chairman

.....
 for Timaru District Council



BUDGET 2021/22		DRAFT BUDGET 2022/23
	INCOME STATEMENT	
\$ 640,000	Regional Development Grant - TDC	\$ 672,000
\$ 350,000	Regional Visitor Grant - TDC	\$ 367,500
\$ -	Stimulus Fund - TDC	\$ -
\$ 230,000	Regional Events Support Grant - TDC	\$ 230,000
\$ 145,000	MyNextMove Youth Initiative - MSD	\$ 145,000
\$ 150,000	SC Transport & Logistics Panel - Kanoa	\$ 165,333
\$ 1,250,000	Regional Apprenticeship Initiative - Kanoa	\$ 1,500,000
\$ -	Capability & Capacity - Kanoa	\$ -
\$ 120,000	Regional Events Fund - MBIE	\$ 65,000
\$ 133,102	STAPP #1 - MBIE	\$ 15,000
\$ 450,000	TSRR #2 - MBIE	\$ 400,000
\$ 50,330	Other income	\$ 35,000
\$ 3,518,432	Total Income	\$ 3,594,833
\$ 323,935	Human Resources	\$ 329,276
\$ 317,970	Expenses	\$ 342,000
\$ 48,000	Special Projects	\$ 35,000
\$ 350,000	Regional Visitor Expense	\$ 367,500
\$ -	Stimulus Fund - TDC	\$ -
\$ 230,000	Regional Events Support Grant - TDC	\$ 230,000
\$ 145,000	MyNextMove Youth Initiative - MSD	\$ 145,000
\$ 150,000	SC Transport & Logistics Panel - Kanoa	\$ 165,333
\$ 1,250,000	Regional Apprenticeship Initiative - Kanoa	\$ 1,500,000
\$ 120,000	Regional Events Fund - MBIE	\$ 65,000
\$ 133,102	STAPP #1 - MBIE	\$ 15,000
\$ 450,000	TSRR #2 - MBIE	\$ 400,000
\$ 3,518,007	Total Expenses	\$ 3,594,109
\$ 425	Operating Profit (Loss)	\$ 724

9.10 Aorangi Stadium Trust Statement of Intent for 2022/23 - Timeframes

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

That Council approves to extend the deadline for delivery of the Aorangi Stadium Trust Statement of Intent for 2022/23 from 30 June 2022 to 26 July 2022.

Purpose of Report

- 1 To seek Council agreement to extend the deadline for the receipt of the Aorangi Stadium Trust (Trust) Statement of Intent 2022/23 by one calendar month.

Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement policy. The Statement of Intent will be presented at the 26 July 2022 Council meeting. A request for a one calendar month extension is provided for in the Local Government Act 2002, Schedule 8 Part 1(4).

Discussion

- 3 As a Council Controlled Organisation the Trust is required to prepare a Statement of Intent on an annual basis.
- 4 The Local Government Act 2002, Schedule 8 Part 1 (3) requires the completed Statement of Intent to be delivered to shareholders before the commencement of the year to which it relates. For the 2022/23 Statement of Intent, this is 30 June 2022.
- 5 However the Local Government Act 2002, Schedule 8 Part 1(4) makes provision for the shareholding local authority to extend the deadline, by written notice, for a period not exceeding one calendar month.
- 6 While Council is not required to adopt or approve the Statement of Intent for a Council Controlled Organisation, Council is a key stakeholder in the Trust.
- 7 The objectives and priorities of the Trust has planned for 2022/23 will be discussed with Council when the Statement of Intent is presented at the 26 July 2022 Council meeting.
- 8 The Trust has requested that Council, as its key stakeholder, grant a one calendar month extension.

Attachments

Nil

9.11 Presentation of Aorangi Stadium Trust Annual Report 2020/21

Author: Ann Fitzgerald, Corporate Planner
Jason Rivett, Acting Group Manager Commercial & Strategy

Authoriser: Bede Carran, Chief Executive

Recommendation

That Council receives and notes the audited Aorangi Stadium Trust Annual Report for 2020/21.

Purpose of Report

- 1 To receive and note the audited Aorangi Stadium Trust's audited annual report for the financial year 1 July 2020 – 30 June 2021 (FY 2020/21).

Assessment of Significance

- 2 This matter is of low significance in terms of Council's Significance and Engagement policy. The statement of service performance, and financial and non-financial performance of the company are in line with the agreed Statement of Intent for 2021/22.

Discussion

- 3 As a Council Controlled Organisation Aorangi Stadium Trust is required to present an audited annual report including its financial statements to Council.
- 4 The Annual Reporting and Audit Time Frames Extensions Legislation Act 2021 that extended reporting timeframes to 31 December for Councils also applies to Council Controlled Organisations for the 2020/21 financial year.
- 5 Aorangi Stadium Trust received an unmodified audit report, and the audited annual report was authorised by the Chairperson and a fellow trustee on 16 December 2021. The audited annual report and accompanying financial statements were presented at the Aorangi Stadium Trust's annual meeting held on 20 December 2021.
- 6 The year end results are in line with the Statement of Intent.

Attachments

1. **Aorangi Stadium Trust Annual Report for the year ending 30 June 2021**  

Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

AORANGI STADIUM TRUST

Annual Report for the year ended 30 June 2021

[Aorangi Stadium Trust Annual Report for the year ended 30 June 2021](#)

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Auditors' Report	

Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

Entity information: Who we are

Aorangi Stadium Trust (“the Trust”) was incorporated on 14 August 2001 under the Charitable Trusts Act 1957. The Trust is controlled by Timaru District Council as a council controlled organisation as defined in section 6 of the Local Government Act 2002.

The registration number for the Trust on the Charities Register is CC22027.

Contact details

Physical address:	70 Morgans Road, Timaru 7910
Postal address:	P.O. Box 522, Timaru 7940
Phone:	(03) 687 7200
Email:	John.liddiard@timdc.govt.nz

The Trust has a Board of four Trustees who oversee governance of the Trust and Timaru District Council manage the facility and administer the Trust.

The Trustees during the year to 30 June 2021 were:

Peter Burt (Chairman)
Allan Booth
Sally Parker
Stu Piddington

The main source of resources for the Trust is grants and support from the Timaru District Council and currently the Trust is not an active fundraiser and does not rely on volunteers.

Statement of Service Performance: Trustees’ Report and what we do

The purpose of the Trust is to continue development, maintenance and operation of the Aorangi Stadium and adjoining areas on Aorangi Park in Timaru.

The Stadium is leased to Timaru District Council which is responsible for day to day maintenance with the Trust being responsible for the landlord elements of the property.



[Aorangi Stadium Trust Annual Report for the year ended 30 June 2021](#)

The Trust works with Timaru District Council to manage the Stadium in the interests of the people of Timaru and South Canterbury and the Council provides expertise to assist in this process.

There are also specifically agreed objectives for the Trust as a Council Controlled Organisation to ensure that it is being managed effectively:

Description and outcomes of agreed targets for the Trust:	Actual 2021	Budget 2021	Actual 2020
Ratio of equity to total assets remains above 90%	Not met 52.8%	90.00%	Met 99.4%
Regular liaison occurs with the tenant (Timaru District Council) on at least a six monthly basis.	Met		Met
Audited annual report completed within 3 months of financial year end.	Not met		Not met
Promote ongoing development and maintenance of Aorangi Stadium on Morgans Road Recreation Reserve.	Met		Met

As part of the need to ensure that the Stadium is properly maintained a Building Survey and Long Term Maintenance Plan report has been produced during the year with the Council to advise on long term maintenance requirements. The report extrapolates requirements for 10 years however a plan has been prepared to ensure that the maintenance requirements are met over the next 3 years with an investment in the future of the Stadium of around \$416,000. It is anticipated that during this period that there will be substantive reviews of additional work required on the stadium and of future funding and ownership of the stadium. Due to the provision in the accounts for this work the initial costs relating to this have been recognised immediately in 2021 however the projected income from all sources will not be accounted for until it is received. This results in the ratio of equity to total assets falling below the target and the budget for the year.

Due to the Covid-19 pandemic the initiation of the audit was delayed resulting in a delay also to the finalisation of the accounts for the year and consequently the target of completing audited accounts within 3 months of the financial year-end of 30 June 2021 was not met.



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

Statement of Financial Performance

for the year ended 30 June 2021

		Actual 2021 \$	Budget 2021 \$	Actual 2020 \$
Revenue				
<u>Donations, funding and similar revenue</u>				
General funding from Timaru District Council		52,000	52,000	52,000
Insurance reimbursements from Timaru District Council		39,190	40,000	38,117
<u>Interest, dividends and other investment income</u>				
Interest		773	4,000	2,292
Total Revenue		91,963	96,000	92,409
Expenses				
<u>Costs relating to providing goods and services</u>				
Administration and overhead costs	2	(5,855)	(5,000)	(5,535)
Insurance		(39,190)	(40,000)	(38,117)
Repairs and maintenance	3	(421,500)	(2,000)	(1,116)
<u>Other expenses</u>				
Depreciation		(172,396)	(174,000)	(172,839)
Total expenses		(638,941)	(221,000)	(217,607)
Net surplus/(deficit) for the year		(546,978)	(125,000)	(125,198)



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

Statement of Financial Position

as at 30 June 2021

	Notes	Actual 2021 \$	Budget 2021 \$	Actual 2020 \$
Assets				
Current Assets				
Bank current account and short-term deposits		312,373	339,544	307,275
Debtors and prepayments	4	91,190	27,765	53,074
Total Current Assets		403,563	367,309	360,349
Non-Current Assets				
Property, plant and equipment	5	494,385	533,851	666,783
Total Non-Current Assets		494,385	533,851	666,783
Total Assets		897,948	901,160	1,027,132
Liabilities				
Current Liabilities				
Creditors and accrued expenses	4	(8,054)	(5,000)	(5,972)
Provision for maintenance within 12 months	4	(256,962)	0	0
Total Current Liabilities		(265,016)	(5,000)	(5,972)
Non-Current Liabilities				
Provision for maintenance greater than 12 months	6	(158,750)	0	0
Total non-current liabilities		(158,750)		
Total Liabilities		(423,766)	(5,000)	(5,972)
Net Assets (Total Assets less Total Liabilities)		474,182	896,160	1,021,160



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

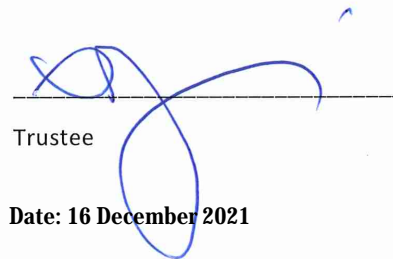
Accumulated Funds

Capital contributed by owners or members	7	3,050,631	3,050,631	3,050,631
Accumulated surpluses/(deficits)	7	(2,576,449)	(2,376,954)	(2,225,754)
Reserves	7	0	222,483	196,283
Total Accumulated Funds		474,182	896,160	1,021,160



 Trustee

Date: 16 December 2021



 Trustee

Date: 16 December 2021



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

Statement of Cash Flows

for the year ended 30 June 2021

	Actual 2021 \$	Budget 2021 \$	Actual 2020 \$
<u>Cash Flows (to)/from Operating Activities</u>			
<u>Cash was received from:</u>			
Donations, fundraising and other similar receipts	59,800	75,269	72,526
Interest, dividend and other investment receipts	849	4,000	2,282
Net GST	(1,032)	0	(7,870)
<u>Cash was applied to:</u>			
Payments to suppliers and employees	(54,519)	(47,000)	(43,641)
Net Cash Flows from Operating Activities	5,098	32,269	23,303
<u>Cash Flows (to)/from Investing and Financing Activities</u>			
<u>Cash was applied to:</u>			
Payments to acquire property, plant and equipment	0	0	0
Net Cash Flow from Investing and Financing Activities	0	0	0
Net increase/(decrease) in cash	5,098	32,269	23,303
Opening Cash	307,275	307,275	283,972
Closing Cash	312,373	339,544	307,275
<u>This is represented by:</u>			
Bank current account and short-term deposits	312,373	339,544	307,275



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021**Notes to the Financial Statements**

for the year ended 30 June 2021

1. Statement of Accounting PoliciesBasis of preparation

The Aorangi Stadium Trust financial statements are prepared using the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) or PBE SFR-A (PS) with effect from 1 July 2020 for the year ended 30 June 2021 as the Trust is deemed to be a public entity subject to public sector standards and has total annual expenses of equal to or less than \$2,000,000. Prior to this the financial statements were prepared using the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), or PBE SFR-A (NFP). There have been no changes to the surplus or deficit, the valuation of assets or liabilities, or the equity of the Trust due to this change. All transactions are reported using the accrual basis of accounting. The Annual Report is prepared under the assumption that the Trust will continue to operate in the foreseeable future.

Grant income

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for debtors and creditors which are stated inclusive of GST.

Income Tax

Aorangi Stadium Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions as it is deemed a charitable trust for taxation purposes.

Bank accounts and cash

Bank accounts and cash in the Statement of Cash Flows comprise cash and bank balances (including short term deposits) with maturities of 90 days or less.

Provisions

Provisions are made for costs which are obligations from which future costs have arisen but for which there is uncertainty as to the actual costs. Provisions are reviewed annually to determine their appropriateness, including the value of the provision.



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment if applicable. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Financial Performance during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using a straight line basis so as to expense the cost of the assets over their useful lives. The depreciation rates are:

- Buildings 4% (25 years)

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

2. Administration and overhead costs

Administration and overhead costs include:

	2021	2020
	\$	\$
Audit fees for financial statement audit	(3,850)	(4,450)
Administration and accounting charge from Timaru District Council	(2,000)	(1,000)
Other net administration and overhead costs	(5)	(85)
Total administration and overhead costs	(5,855)	(5,535)



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

3. Maintenance costs

Following the receipt of a report assessing maintenance requirements for the stadium, costs for which the Trust is responsible have been assessed and provided for.

	2021 \$	2020 \$
Maintenance costs incurred	(5,788)	(1,116)
Increase in provision for maintenance costs	(415,712)	0
Total maintenance costs	(421,500)	(1,116)

4. Analysis of Current Assets and Current Liabilities

	2021 \$	2020 \$
<u>Current Assets</u>		
<u>Bank and Cash</u>		
Current account	8,311	9,210
Short term investments	304,062	298,065
Total bank and cash	312,373	307,275
<u>Debtors and prepayments</u>		
GST receivable	0	70
Other receivables	91,190	52,004
Prepayments	0	1,000
Total debtors and prepayments	91,190	53,074
<u>Current Liabilities</u>		
<u>Creditors and accrued expenses</u>		
Accrued expenses	(8,314)	(5,437)
Provision for maintenance likely to occur within 12 months	(256,962)	0
GST Payable	0	0
Trade and other payables	260	(535)
Total creditors and accrued expenses	(265,016)	(5,972)



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

5. Property, Plant and Equipment

Asset Class	Opening Carrying Value \$	Purchases \$	Disposals \$	Depreciation/ Impairment \$	Closing Carrying Value \$
2021					
Buildings	666,783	0	0	(172,398)	494,385
Total	666,783	0	0	(172,396)	494,385
2020					
Buildings	839,622	0	0	(172,839)	666,783
Total	839,622	0	0	(172,839)	666,783

6. Non-Current Liabilities

Following the receipt of a report assessing maintenance requirements for the stadium, costs for which the Trust is responsible have been assessed and provided for (Note 3). The provision has been assessed to identify those elements which are current (likely to occur within 12 months) (Note 4) and non-current (likely to occur after 12 months).

	2021 \$	2020 \$
Provision for maintenance likely to occur after 12 months	(158,750)	0
Total non-current liabilities	(158,750)	0



Aorangi Stadium Trust Annual Report for the year ended 30 June 2021

7. Accumulated Funds

2021				
Description	Capital contributed by owners or members	Accumulated surpluses/ (deficits)	Capital contributions reserves	Total accumulated funds
Opening balance	3,050,631	(2,225,754)	196,283	1,021,160
Surplus/(deficit)		(546,978)		(546,978)
Transfer to reserves		0	0	0
Transfer from reserves		196,283	(196,283)	0
Closing balance	3,050,631	(2,576,449)	0	474,182

2020				
Description	Capital contributed by owners or members	Accumulated surpluses/ (deficits)	Capital contributions reserves	Total accumulated funds
Opening balance	3,050,631	(2,047,392)	143,119	1,146,358
Surplus/(deficit)		(125,198)		(125,198)
Transfer to reserves		(54,280)	54,280	0
Transfer from reserves		1,116	(1,116)	0
Closing balance	3,050,631	(2,225,754)	196,283	1,021,160

8. Commitments

There are no capital commitments or financial guarantees at balance date (2020: Nil).

9. Contingencies

During the year a report was received regarding maintenance requirements for the stadium. The projected costs until 2024 have been provided for (Notes 4 and 6) however potential additional costs, currently estimated to be \$1,054,650, may be required beyond the current provision but which are subject to ongoing review of requirements and the funding and ownership of the stadium (2020: Nil).

There are no contingent assets at balance date (2020: Nil)



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10. Related Party Transactions

Description of related party relationship	Transaction description (cash or in-kind)	Value of transactions		Amount outstanding	
		2021 \$	2020 \$	2021 \$	2020 \$
Services received from Timaru District Council	Cash	2,000	1,000	0	0
Capital contribution grant received from Timaru District Council	Cash	52,000	52,000	52,000	52,000
Grant for the reimbursement of insurance expenses by Timaru District Council	Cash	39,190	38,117	39,190	0
Site lease fee	Cash	-87	87		87

11. Events after Balance Date

A report has been received after balance date indicating that it may be necessary to complete significant earthquake strengthening of the stadium, however what work may be required and the cost of that is being assessed.

Following increasing cases of Covid-19 in the community a nationwide Level 4 lockdown was imposed on 17 August 2021 which resulted in the stadium being closed for that period however there was no financial impact as a result of that on the Trust.

12. COVID-19

The World Health Organisation declared a global pandemic on 11 March 2020 due to the outbreak and subsequent spread of COVID-19. During the year ended 30 June 2021 there has been no significant impact on the operations of the stadium except for recommended precautions and there has been no financial impact on the Trust during the year.

13. Going concern

The Trust is considered to be a going concern as it has sufficient resources to support current planned expenditure and liabilities and Trustees believe that anticipated future income flows will be adequate for future requirements based on the information available as at the time of the preparation of this report.



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INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF AORANGI STADIUM TRUST'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2021**

The Auditor-General is the auditor of Aorangi Stadium Trust (the Trust). The Auditor-General has appointed me, Nathan Breckell, using the staff and resources of Nexia Audit Christchurch, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

Opinion

We have audited:

- The financial statements of the Trust on pages 3 to 14, that comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on page 3.

In our opinion:

- The financial statements of the Trust on pages 3 to 14:
 - Present fairly, in all material respects:
 - its financial position as at 30 June 2021; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) framework; and
- the performance information of the Trust on page 3 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2021.

Our audit was completed on 16 December 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements and the performance information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Nexia Audit Christchurch Partnership is affiliated with, but independent from Nexia (NZ) Limited. Nexia (NZ) Limited is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.co.nz/legal. Neither Nexia International nor Nexia (NZ) Limited provide services to clients.

**Responsibilities of the Board of Trustees for the financial statements and the performance information**

The Board of Trustees is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is also responsible for preparing the performance information for the Trust.

The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Trustees is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Trustees intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees's responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.



- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.

A handwritten signature in black ink, appearing to read "Nathan Breckell".

Nathan Breckell
Nexia Audit Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand

10 Consideration of Urgent Business Items

11 Consideration of Minor Nature Matters

12 Public Forum Items Requiring Consideration

13 Exclusion of Public

13.1 Public Excluded Minutes of the Council Meeting held on 10 May 2022

<p>Recommendation</p> <p>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:</p>		
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 10 May 2022</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p>	<p>To protect a person’s privacy</p>