

KAIKŌURA DISTRICT COUNCIL MEETING

Date:	Wednesday 26 April 2023
Time	9.00am
Location	Totara, Council Chambers

AGENDA

1. Open with a Karakia

Kia wātea te Wairua, Kia wātea te tinana, Kia wātea te hinengaro, Kia wātea ai te mauri, Tuturu ōwhiti whakamaua kia tina, TINA!, Haumi e, Hui e, TAIKI E!

2. Apologies

3. Declarations of Interest

4. Public Forum

Public forums provide opportunity for members of the public to bring matters, not necessarily on the meeting's agenda, to the attention of the Council.

5. Formal Deputations

The purpose of a deputation is to enable a person, group or organisation to make a presentation to a meeting on a matter or matters covered by that meeting's Agenda.

6. Adjourn to Works & Services Committee meeting (9.30am)

Reconvene to Council Meeting

7. Confirmation of Minutes:

7.1 Council meeting minutes dated 29 March 2023 page 3

8. Review of Action List

page 13

9. Matters of Importance to be raised as Urgent Business

10. Report from the Chair of the Finance, Audit & Risk Committee

10.1 Finance Report to 31 March 2023 page 14

10.2 Quarterly Reports to 31 March 2023 page 29

10.3 Risk Management Report page 50

10.3.1 Risk Register page 52

10.4 Annual Plan Update Report page 60

11. Matters for Decision:

11.1 Multi-Courts Report page 62

11.2 Discretionary Grants Fund (see separate pack for applications) page 92

12. Matters for Information:

12.1 Mayoral Verbal Update

12.2 CEO Monthly Report page 97

- 12.3 Community Services Update Report
- 12.4 Planning Update Report
- 12.5 Building and Regulatory Update Report

page 100
page 108
page 117

13. Public Excluded Session

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely

- a) Harbour Financial Issues – verbal update
- b) Ratepayers in Default – verbal update

The general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1), 6 and 7 of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each to be considered	Reason for excluding the public	Grounds of the Act under which this resolution is made
Harbour Financial Issues – verbal update	Verbal update on subject previously brought to Council around ongoing negotiations which is commercially sensitive	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Ratepayers in Default – verbal update	Verbal update on subject previously brought to Council around ratepayers who are in default, and is private to those ratepayers	Section 7(2)(a) to protect the privacy of natural persons

14. Close meeting with a Karakia

AUDIO RECORDINGS:

"Audio recordings will be made of this meeting for the purpose of assisting the minute taker to create accurate minutes. Audio recordings should not be taken of any confidential, public excluded or otherwise sensitive matters. The Chair of the meeting is responsible for indicating if/when recording should be stopped and restarted. While held, the audio recordings are subject to LGOIMA, they may be released in line with Councils LGOIMA processes and/or at the discretion of the meeting Chair. A copy of the guidelines and principals for the use of recordings is available on request"

**MINUTES OF THE KAIKŌURA DISTRICT COUNCIL MEETING HELD ON
WEDNESDAY 29 MARCH 2023, 9.00AM, AT TOTARA, COUNCIL CHAMBERS,
96 WEST END, KAIKŌURA**

PRESENT: Mayor C Mackle (Chair), Deputy Mayor J Howden, Councillor V Gulleford, Councillor T Blunt (present for part of the meeting), Councillor R Roche, Councillor K Heays, Councillor J Diver, Councillor L Bond

IN ATTENDANCE: W Doughty (Chief Executive), B Makin (Executive Officer)

1. KARAKIA

2. APOLOGIES Nil

3. DECLARATIONS OF INTEREST Nil

4. PUBLIC FORUM

9.02am – M McCabe as Chair of the Older Person’s Working Group (the “Group”)

The public forum speaker advised that the Group are circulating a survey to find out what services are needed for the elderly in Kaikōura. There is currently no domestic care for the elderly. The Group aim is to ensure Kaikōura has good services in place to keep future generations of elderly in Kaikōura, one initiative they are looking into is AbbeyField type housing arrangement - who provide independent flatting.

9.06am – R Hogan

The public forum speaker advised that some suggested changes discussed at the open Council Workshop on 15 March 2023 had been omitted from the Standing Orders included in the Agenda. R Hogan handed out a copy of his comments and suggested changes (**a copy of this document is attached to these minutes*). He asked that Council consider these changes as part of their discussion.

5. FORMAL DEPUTATIONS Nil

6. ADJOURN TO WORKS & SERVICES COMMITTEE MEETING

The meeting adjourned to the Works & Services Committee meeting at 9.09am

The meeting reconvened at 9.47am. Clarence Valley Access update would be included in the Council Public Excluded Section.

7. MINUTES TO BE CONFIRMED

7.1 Council meeting minutes dated 22 February 2023

RESOLUTION

THAT the Council:

- *Confirms as a true and correct record, the circulated minutes of a Council meeting held on 22 February 2023.*

Moved: Councillor R Roche

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

8. REVIEW OF ACTION LIST

The Action List was reviewed and noted by the Council:

- IWK Statement of Intent – noted that feedback is due by to IWK by 1st May. The Finance Manager will be arranging a meeting for the Kaikōura Enhancement Trust in April.

9. MATTERS OF IMPORTANCE TO BE RAISED AS URGENT BUSINESS Nil

10. MATTERS FOR DECISION

10.1 Adoption of Code of Conduct

The Code of Conduct provides a process for resolving any breaches of the code through a two-step process (as set out in the report). It was noted that there had been good robust discussion at the open workshop regarding the process for dealing with complaints.

RESOLUTION

THAT the Council:

- adopt the new Members Commitment and supporting appendices to take effect from the date of adoption.*
- disestablish its Code of Conduct Review Committee, noting that it is no longer required under the new Code of Conduct.*
- instruct the Chief Executive Officer to put in place the appropriate management processes for dealing with potential breaches of the Code of Conduct*
- agree that recommendations from an investigator are binding.*

Moved: Deputy Mayor J Howden

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

10.2 Adoption of Standing Orders

RESOLUTION

THAT the Council:

- adopt the Draft Standing Orders 2022-2025 with Te Reo/English Headings, with the following amendments:*
- That the standing orders enable members to join hui by audio visual link (SO.13.7)*
- That the chairperson does not have a casting vote except where the Law requires it (SO.19.3)*
- That Option C be adopted as the default option for speaking and moving motions (SO. 22.4)*
- That Deputations and Petitions give officials two days in which to prepare the advice (SO.16 & SO.17)*
- Other amendments and updates as outlined in section 4 f).*

Moved: Councillor L Bond

Seconded: Councillor K Heays

MOST LOST

A discussion was held on the public forum speaker's suggested changes to the Standing Orders. The Council agreed to accept the non-material amendments.

AMENDED RESOLUTION

THAT the Council:

- adopt the Draft Standing Orders 2022-2025 with Te Reo/English Headings, with the following amendments:*
- That the standing orders enable members to join hui by audio visual link (SO.13.7)*
- That the chairperson does not have a casting vote except where the Law requires it (SO.19.3)*
- That Option C be adopted as the default option for speaking and moving motions (SO. 22.4)*

- e) *That Deputations and Petitions give officials two days in which to prepare the advice (SO.16 & SO.17)*
- f) *Other amendments and updates as outlined in section 4 f)*
- g) *Amendments tabled by R Hogan in the Public Forum*

Moved: Councillor T Blunt
Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

The Council acknowledged B Makin for her mahi and thanked Ralph Hogan for his contributions. Councillor J Diver left the room at 10.03am and re-joined at 10.05am.

10.3 Report to Adopt the Annual Report

Since the Agenda was published, Audit NZ have provided further non-material amendments required to the Annual Report (**a copy of the document was tabled and is attached to these minutes*).

The auditors are now comfortable with the asset values for this financial year. However, there is an ongoing qualification on service performance reporting, and this will also be the same for the 2023 financial year.

A letter of representation was handed to the Mayor for signing that needed to be returned to Audit NZ for the Audit Opinion to be provided.

The meeting adjourned at 10.22am and reconvened at 10.40am.

The Audit Opinion was handed to the Mayor for signing. S Poulsen noted that the Audit Report included wording that the Audit was completed on 29th March 2023 and later than required due to auditor shortage. The Council noted that Audit NZ had started their audit after the statutory deadline.

RESOLUTION

THAT the Council:

- a) *Receives this report*
- b) *Adopts the Annual Report for the financial year ended 30 June 2022*

Moved: Councillor T Blunt
Seconded: Councillor L Bond

MOTION LOST

Councillor T Blunt left the meeting at 10.19am.

An amended resolution was put forward to include the amendments required to the Annual Report.

AMENDED RESOLUTION

THAT the Council:

- c) *Receives this report*
- d) *Adopts the Annual Report for the financial year ended 30 June 2022, with minor amendments*

Moved: Mayor C Mackle
Seconded: Councillor R Roche

CARRIED UNANIMOUSLY

The Council acknowledged S Poulsen, C Kaa and the wider KDC team for their mahi.

Councillor K Heays advised that Jan Crooks is retiring from Environment Canterbury today after serving 29 years with them.

10.4 Plan Change 4 – Decision on how to consider the Plan Change request received from Kaikōura Business Park 2021 Ltd

Council staff have made it clear to the applicant that KDC will put a submission in if issues around the water supply have not been resolved by the time of the hearing. The recommended approach will mean that the plan change process can still progress, while the applicant resolves the issues.

As a result of the plan change, it is likely that the location of the entry to Inland Road would need to be moved further South. This is because the turn off is too close to the bridge and is unsafe. Waka Kotahi have suggested some alternative locations, these are on the applicant's property and any required roading changes would be paid for by the applicant (not KDC).

RESOLUTION

THAT in respect of PC4 to the Kaikōura District Plan lodged by Kaikōura Business Park Limited 2021 Ltd, Council resolves to:

- a) *To accept the request for notification pursuant to Clause 25 (2)(b) of the RMA.*

Moved: Deputy Mayor J Howden

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

The meeting moved to Matters of Information 11.5 Planning Update Report.

11.5 Planning Update Report

The Spatial Plan dates are to be confirmed with Te Rūnanga o Kaikōura in April. The submissions for Vicarage Views have closed, the Officer's Report will be released by 31st March 2023 and hearings are set for 27th April 2023.

RESOLUTION

THAT the Council receives this report for information.

Moved: Mayor C Mackle

Seconded: Councillor R Roche

CARRIED UNANIMOUSLY

11. MATTERS FOR INFORMATION

11.1 Mayoral Verbal Update

The Mayor commented that his updates have been covered in Officer's reports and the Mayoral Column.

RESOLUTION

THAT the Council accept the Mayor's verbal update.

Moved: Councillor R Roche

Seconded: Councillor L Bond

CARRIED UNANIMOUSLY

11.2 CEO Monthly Report

The Chief Executive highlighted that recruitment in building and planning remains a challenge. Any model of a shared service would require Council approval and take time to implement.

The Council acknowledged the Library team on the satisfaction survey results for the Library.

RESOLUTION

THAT the Council receives this report for information.

Moved: Mayor C Mackle
Seconded: Councillor V Gulleford

CARRIED UNANIMOUSLY

11.3 Community Services Update Report

S Madden provided an update on the MTFJ, of note; there are 61 placements to date (30 in permanent roles), hospitality cadetships with the Sudima Hotel are underway, the Trades Academy are looking at building sleep outs and training is going ahead with first aid. S Haberstock advised that the Community Networkers meetings continue to work well with 107 agencies signed up.

S Madden will be leaving the role. The Council acknowledged Sean for his mahi. The success of the MTFJ programme has been largely due to his commitment and hard work. The constant uncertainties of ongoing funding for the programme from central government have caused frustrations on an annual basis. Despite being at the end of March we still do not have certainty of the nature of the funding for next financial year.

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor L Bond
Seconded: Councillor K Heays

CARRIED UNANIMOUSLY

11.4 Kaikōura Youth Council Report

The fundraising event scheduled for 29th March has been moved to next week due to the weather. The Rangatahi Symposium has been cancelled by Te Tai o Marokura (three members were signed up). The Youth Council have put in a funding application to host fun events on Pink Shirt Day. The Youth Council are keen to progress the conversation with regard to graffiti removal and Matariki murals for the Lyell creek bridge.

RESOLUTION

THAT the Council receives this report for information.

Moved: Deputy Mayor J Howden
Seconded: Councillor R Roche

CARRIED UNANIMOUSLY

11.6 Building and Regulatory Update Report

Jo York has been appointed as the Regulatory Team Leader and starts on 11th April 2023. Two additional Freedom Camping Officers have been appointed and have started this week. A query was raised if infringements are collected by rental companies when returned.

It was agreed for future reports not to include the breakdown of the inspectors/their names (**ACTION**).

RESOLUTION

THAT the Council receives this report for information.

Moved: Councillor L Bond
 Seconded: Deputy Mayor J Howden

CARRIED UNANIMOUSLY

12. RESOLUTION TO MOVE INTO COUNCIL PUBLIC EXCLUDED SESSION

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely

- a) Public Excluded Council Meeting minutes dated 22 February 2023
- b) Ratepayers in Default
- c) Marlborough Regional Forestry Land Acquisition
- d) Clarence Valley Access discussion

The general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) and 7 of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each to be considered	Reason for excluding the public	Grounds of the Act under which this resolution is made
Public Excluded Council Meeting minutes dated 22 February 2023	The subjects considered contained: Commercially sensitive information regarding Harbour Financial Issues Overview and is subject to ongoing negotiations	Section 7(2)(b) protect information where the making available of the information (i) would disclose a trade secret; or (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information Section 7(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial) Section 7(2)(a) to protect the privacy of natural persons
Ratepayers in Default	The report contains information on ratepayers who are in default and is private to those ratepayers.	Section 7(2)(a) to protect the privacy of natural persons
Marlborough Regional Forestry Land Acquisition	Contains commercial information regarding the Marlborough Regional Forestry investment activities	Section (7)(b)(ii) would be likely unreasonable to prejudice the commercial position of the person who supplied or who is subject of the information Section (7)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section (7)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
Clarence Valley Access update	Verbal update around commercial negotiations	Section 7(2)(b) protect information where the making available of the information (i) would disclose a trade secret; or (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information Section 7(2)(g) maintain legal professional privilege Section 7(2)(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities Section 7(2)(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial)

Moved: Mayor C Mackle
 Seconded: Councillor K Heays

CARRIED UNANIMOUSLY

The meeting moved into the Public Excluded Session at 11.48am
 The meeting moved out of the Public Excluded Session at 1.06pm

13. CLOSED OF MEETING

There being no further business, the meeting was declared closed at 1.06pm

CONFIRMED

_____ Chairperson
Date

UNCONFIRMED MINUTE

*** 10.2 Adoption of Standing Orders - Document handed out by public forum speaker – R Hogan**

Ralph Hogan 29 March 2023 Suggested further deletions and additions to Standing Orders.

Amended June 2020 and Amended October 2021

19.6 Recording of votes.

The minutes must record all member's names who have voted against and abstained from the decision.

28.2 Matters recorded in minutes

The chief executive must keep the minutes of meetings. The minutes must record:

...(l)

(m) A record of each member's vote that voted for, against or abstained; unless the vote was unanimous in which case carried unanimously is to be recorded;

(n)...

Recommended by staff March 2023 (my suggested ~~deletions~~ and additions.)

19.6 Recording of votes/Te tono kia tuhi i ngā pōti

The minutes must record ~~the~~ each member's' votes or abstentions, unless the vote was unanimous in which case carried unanimously is to be recorded. Recording any other matters, such as a member's' reason for their vote or abstention, is not permitted.

28.2 Matters recorded in minutes/Ngā take ka tuhi ki ngā meneti

The chief executive must keep the minutes of meetings. The minutes must record:

...(o)

(p) All members' votes or abstentions as prescribed in section 19.6;

(q)...

~~**19.7 Members may abstain**~~

19.87 Members may abstain/Ka āhei ngā mema ki te noho puku

Any member may abstain from voting.

(Also fix in Table of Contents)

***10.3 Adoption of Annual Report for the Year End 30 June 2022 – Document tabled by S Poulsen**

Amendments Required		
<i>Page</i>	<i>Note</i>	<i>Change</i>
35	<i>Stmt of Financial Position</i>	<i>Deferred tax liability note reference is 30 not 25</i>
92	<i>Note 4 Grant and subsidies</i>	<i>Total of grant revenue is \$4.5 million not \$5.5 million as per the explanatory paragraph.</i>
99	<i>Note 18 Forestry</i>	<i>Last line – South Bay valuer is Forme Consulting Group no Merrill & Ring in 2022 (2021: Merrill & Ring)</i>
108	<i>Note 27 Public equity</i>	<i>2021 Group – Net surplus/(deficit) is \$7,136 not \$7,173</i>
123	<i>Balanced budget benchmark</i>	<i>Last line – FV losses per note 7 is \$260k not \$302k</i>
126	<i>Debt control benchmark</i>	<i>The explanation for the debt control benchmark notes 3-waters stimulus funding of \$940k however our audited balance for GL 15 10 10 1058 is \$564k.</i>
117	<i>Note 35 Insurance on Assets</i>	<i>(First Paragraph) Building and building contents - total depreciated value should be \$45,460,748 (2021: \$36,454,131)</i>
117	<i>Note 35 Insurance on Assets</i>	<i>(Fourth Paragraph) Water, sewerage and stormwater assets – Pipe networks and underground assets total depreciated value should be \$33,950,370 (2021: \$26,726,103).</i>
104	<i>Note 20 Core Infrastructure Assets</i>	<i>2022 Value of sewerage: other assets closing book value on 30 June should change to \$18,919.</i>
111	<i>Note 28 Council Employees</i>	<i>Reduced total employees from 35 to 34</i>
117	<i>Rates Affordability Benchmark</i>	<i>Changed wording in disclosure note to correct current year and LTP not 3 year plan</i>
121	<i>Balanced Benchmark</i>	<i>Updated from 88% to 95%</i>
76	<i>Cashflow Statement</i>	<i>Updated investing activities - removed \$330K PPE transferred to current asset</i>
75	<i>Current Tax Liability – Note 22</i>	<i>\$38K GST to be included in payables (Group only)</i>
	<i>Note 12 Disclosure</i>	<i>Explanation for 2021 – rewrite in past tense</i>
	<i>Note 20 – PPE Buildings</i>	<i>Correct revaluation reserve</i>
	<i>Depreciation Policy</i>	<i>Amended buildings – internal fitout and library books</i>

	<i>Note 24 – Borrowings</i>	<i>Updated Weighted average effective interest rate</i>
	<i>Note 11 – ECAN share of MRF</i>	<i>Updated reference from 13 to 12</i>
<i>Pg 21</i>	<i>Water Services Note</i>	<i>Changed wording from There ownsto The Council owns.....</i>
	<i>Group Accounts</i>	<i>Updated to reflect all changes undertaken to Council which impacted on group consolidation</i>

UNCONFIRMED MINUTE

**ACTIONS FROM COUNCIL MEETINGS
AS AT 19 APRIL 2023**

	ACTION ITEMS	ASSIGNED TO	DUE	STATUS
1	<i>Carried Forward from previous Council:</i> Progress Reports: Te Ha, Kaikōura Wildlife Centre Trust, KORl, Kaikōura Cycling Club, Kaikōura Dark Sky Trust, Mayfair, Kaikōura Red Cross Branch, Takahanga Bowling Club, Kaikōura Croquet Club, Kaikōura Bowling Club Incorporated		May 2023 July 2023	
2	Three hard copies of the rehoused District Plan were requested for elected members.	B Makin / K Andrews	-	On hold – waiting on outcome of appeal, then will provide printed copies as requested.
3	IWK Draft Statement of Intent – feedback to be provided to the Executive Officer to collate	Elected Members / B Makin	1 May 2023 – due to IWK	KET to meet in April – preferably before 11/04/23 as Chair on leave.

CLOSED ACTION

	ACTION ITEMS	ASSIGNED TO	DUE	STATUS
	Wakatu Quay sea wall site visit / contractor update – arrange with project manager	W Doughty	TBC with project manager	Closed – site visit in February
	Remove breakdown of inspectors/ names from Building & Regulatory Report	D Clibbery	26 April 2023	Removed from reports

Report to:	Finance, Audit & Risk Committee
Date:	20 April 2023
Subject:	Finance Report to 31 March 2023
Prepared by:	C Kaa - Management Accountant
Input sought from:	
Authorised by:	S Poulsen - Finance Manager W Doughty – Chief Executive Officer

1. SUMMARY

The purpose of this report is to provide an update on the financial position of the Council as at 31 March 2023.

The year-to-date net surplus of \$1.16M is up \$2.41M on the year-to-date budgeted deficit of \$1.25M largely due to \$1.66M of unbudgeted grants and subsidies received.

There are no significant issues to raise relating to the nine-month year to date results, however depreciation has not been calculated on the 30 June 2022 revaluation amounts – this will have an impact on the actual depreciation amounts (but not a physical cash impact).

2. RECOMMENDATION

THAT the Committee receives this report.

3. YEAR TO DATE FINANCIAL RESULTS - SUMMARY

Statement of Comprehensive Revenue and Expense (Profit and Loss)

For the nine months to the end of March 2023, there was a net surplus of \$1.16M, which is \$2.41M higher than the budgeted net deficit.

Revenue to date is \$13.2M compared to budgeted revenue of \$12.1M resulting in an overall favorable variance of \$1.1M, relating to grants and subsidies received. All other areas within revenue are tracking close to budget.

Year to date expenses are \$1.31M lower than budget with the main variances in project expenses, professional and consultancy fees, grants paid and personnel – these are explained in the Other Expenses summary below.

Month results for December 2022

Specifically, for the month of March revenue was \$196K above budget, with the main variances being in grants and subsidies.

Expenses were \$69K above budget for the month spread across all areas – this is explained in more detail below in Other Expenses.

As at March 2023, grants and subsidies made up 39% of revenue, with rates being 50% as highlighted in the Revenue YTD by Category graph.

YEAR TO DATE

Revenue

Rates Revenue

Year to date rates revenue is \$6.67M, this is on track with the year-to-date budget. This includes three rates instalment for the year including all rates rebates, remissions and penalties applied.

Water meter charges

Water meter charges are showing year to date revenue of \$71K after the first billing cycle in January, this also includes adjustments due to leaks being found and repaired. The next water billing cycle is due in July 2023 for the six month January – June 23.

User fees & charges

User fees and charges are up on budget at \$1.221M for the year to date – this includes higher than budgeted service approval fees and resource consent fee – subdivision.

Grants & subsidies

Grants and subsidies are up \$928K for the nine months year to date. This variance relates to unbudgeted opex grants received being higher than budgeted and lower capex grants and subsidies than budget – This is explained in more detail in the BAU Report.

Interest & other revenue

Other revenue includes petrol tax, waste minimisation levy and infringement fees and reserve land sales. Other Revenue is up \$55K year to date due to an unbudgeted land sale.

Expenses

Personnel expenses

Employee costs are below budget at \$2.44M down \$341K on budget of \$2.78M, this is affected by staff vacancies across the organisation.

Financing expenses

Loan interest costs are \$115K compared to \$176K budgeted, interest has not been accrued for this period. The lower borrowing has impacted the finance costs.

Other expenses – Top 4 Variances

Project Expenses - \$1.3M under budget mainly relating to Wakatu Quay progressing slower than expected.

Grants Paid - \$474K above budget due to paying out unbudgeted grants received.

Personnel - \$341K lower than budget due to staff vacancies (this is offset by higher contractor expenses).

Professional and Consultancy Fees - \$286K below budget due to lower than budgeted consultancy fees largely relating to District Plan review.

4. BUSINESS AS USUAL REPORT

This report has all unbudgeted revenues and expenditure removed to show a more accurate reflection of business as usual (BAU) with a net operating deficit of \$10K.

Actual year to date revenue is lower than budgeted due to the CAPEX grants not received for the Waiiau Toa Bridge as expected. Opex grants and subsidies are higher than budgeted due to the timing of the NZTA subsidy, with work being completed earlier.

With the large unbudgeted expenditure for grants paid removed this is now reflecting BAU which is on track. There is still a large variance apparent in project expenses relating to Wakatu Quay progressing slower than anticipated.

STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE - BAU

FOR THE PERIOD ENDED 31 MARCH 2023

	BUDGET 2023 \$	ACTUAL YTD 31/03/2023 \$	BUDGET YTD 31/03/2023 \$	VARIANCE 31/03/2023 \$
REVENUE				
Rates revenue	8,803,231	6,670,709	6,602,424	68,285
Water meter charges	140,000	71,441	80,000	(8,559)
User fees & charges	1,526,453	1,220,718	1,177,703	43,015
Grants & subsidies – Opex	2,770,968	2,796,596	2,513,368	283,228
Grants & subsidies – Capex	5,163,298	640,092	1,652,990	(1,012,898)
Development contributions	43,942	22,719	32,957	(10,238)
Interest revenue	3,494	24,408	2,621	21,787
Other revenue ¹	88,400	71,500	66,600	4,900
Total revenue	18,539,786	11,518,183	12,128,663	(610,480)
EXPENSES				
Personnel	3,696,985	2,443,701	2,784,298	340,597
Depreciation	4,353,680	3,016,854	3,265,257	248,403
Financing expenses	234,554	115,332	175,925	60,593
Other Expenses:				
Personnel Related Expenses	332,224	227,244	247,765	20,521
EQ Expenses	2,048	798	1,536	739
Electricity, Insurance, Cleaning & Rent	986,352	897,418	856,103	(41,315)
Grants Paid	487,084	401,897	422,883	20,986
Network Management	347,679	268,674	263,255	(5,419)
Project Expenses	2,274,791	414,771	1,745,802	1,331,031
Professional & Consultancy Fees	932,237	411,276	697,483	286,207
Repairs & Maintenance - General	518,118	249,177	388,589	139,412
Repairs & Maintenance - Roading	735,696	782,915	564,372	(218,543)
Repairs & Maintenance - Reticulation	193,437	153,259	145,083	(8,176)
Repairs & Maintenance - Facilities	458,499	460,669	343,875	(116,794)
Share of MRF Expenses	153,679	146,740	115,260	(31,480)
Office Expenses	567,105	430,075	447,172	17,097
Other Expenses ²	1,192,967	1,107,859	913,833	(194,026)
Total expenses	17,467,135	11,528,659	13,378,491	1,849,832
Operating surplus/(deficit)	1,072,651	(10,476)	(1,249,828)	1,239,352

This report has the following revenue removed:

<i>Category</i>	<i>Description</i>	<i>Amount</i>
Grants & Subsidies – Capex	3W Stimulus	\$376,000
Grants & Subsidies – Capex	Multi-use Courts	\$141,700
Grants & Subsidies – Capex	IAF Project	\$226,661
Grants & Subsidies – Opex	3W Transition	\$87,500
Grants & Subsidies – Opex	Better Off Funding	\$155,000
Grants & Subsidies – Opex	Freedom Camping	\$124,500
Grants & Subsidies – Opex	Mayors Taskforce for Jobs	\$455,000
Grants & Subsidies – Opex	Violence Free	\$32,000
Grants & Subsidies – Opex	Older Person Community Support	\$39,400
Grants & Subsidies – Opex	Waitangi Day Events	\$20,000
Other Revenue	Beach Rd Lot 6	\$50,000
TOTAL		\$1,707,761

The following unbudgeted expenditure has been removed which directly relates to the unbudgeted revenue received.

<i>Category</i>	<i>Description</i>	<i>Amount</i>
Grants Paid	Majors Taskforce for Jobs	\$445,000
Grants Paid	BOF - Dark Skys	\$25,000
Grants Paid	BOF – Kekerengu Hall	\$25,000
Project Expenses	Violence Free	\$31,000
Other Expenses	Waitangi Day Events	\$2,500
Other Expenses	Freedom Camping	\$9,000
TOTAL		\$537,500

5. VARIANCE REPORT

INCOME MARCH 2023 YEAR TO DATE	Actual	Budget	% Variance	\$ Mar Variance
Roading	\$1,975,992	\$2,771,618	-28.71%	(\$795,626)
Water Services	\$1,362,118	\$894,678	52.25%	\$467,440
Sewerage	\$516,090	\$543,700	-5.08%	(\$27,610)
Stormwater	\$47,097	\$44,853	5.00%	\$2,244
Refuse & Recycling	\$246,609	\$302,148	-18.38%	(\$55,539)
Community Facilities	\$1,763,612	\$1,557,865	13.21%	\$205,747
Commercial Activities	\$1,948,960	\$1,873,365	4.04%	\$75,595
Leadership & Governance	\$58,887	\$43,675	34.83%	\$15,212
Building and Regulatory	\$816,160	\$636,393	28.25%	\$179,767
Community Services	\$687,735	\$115,192	497.03%	\$572,543
District Development	\$433,788	\$430,626	0.00%	\$3,162
Interest	\$23,291	\$2,621	0.00%	\$20,670
General Rates	\$2,962,932	\$2,911,929	0.00%	\$51,003
Other & Civic shares	\$10	\$0	0.00%	\$10
	\$12,843,281	\$12,128,663	5.89%	\$714,618
Earthquake Event	\$382,663	\$0	0.00%	\$382,663
	\$13,225,944	\$12,128,663		\$1,097,281
EXPENDITURE - YEAR TO DATE				
	Actual	Budget	% Variance	\$ Mar Variance
Roading	\$2,703,015	\$2,596,847	4.09%	(\$139,447)
Water Services	\$1,392,733	\$1,378,735	1.02%	\$14,339
Sewerage	\$943,825	\$932,602	1.20%	(\$1,143)
Stormwater	\$135,033	\$129,879	3.97%	\$3,729
Refuse & Recycling	\$586,208	\$559,290	4.81%	(\$25,340)
Community Facilities	\$1,950,029	\$2,174,603	-10.33%	\$191,917
Commercial Activities	\$527,227	\$1,793,833	-70.61%	\$1,148,693
Leadership & Governance	\$926,105	\$1,081,383	-14.36%	\$118,953
Building and Regulatory	\$1,122,492	\$1,185,173	-5.29%	\$53,191
Community Services	\$1,270,045	\$874,390	45.25%	(\$163,431)
District Development	\$507,779	\$671,756	-24.41%	\$181,079
Bad Debt Collection fee & Losses	\$1,667	\$0	0.00%	(\$1,667)
	\$12,066,159	\$13,378,491	-9.81%	\$1,380,873
Earthquake Event	\$0	\$1	-100.00%	\$1
	\$12,066,159	\$13,378,492	(\$1)	\$1,380,874

- Rooding – Revenue is \$795K under budget due to lower Capex revenue received for Waiiau Toa Bridge. Expenditure is up on budget due to sealed pavement, routine drainage and maintenance being higher than budgeted.
- Water Services – Revenue is \$467K higher than budget due to 3W Stimulus funding received \$376K (was expected to be received in 2022) and 3W Transition funding \$87.5K received – both

were unbudgeted in 2023. Expenditure is \$14K above budget, however per scheme Ocean Ridge, Fernleigh and Kincaid expenditure is tracking above budget and Kaikōura Urban is below budget.

- Sewerage – Revenue is \$28K down on budget and expenditure is \$11K above budget.
- Stormwater – Revenue and expenditure is on track with the budget.
- Refuse & Recycling – Revenue is \$55K below budget due to no refuse charge being received as transfer station is not completed. Expenditure is \$27K above budget with depreciation on landfill being \$50K above budget and waste minimisation being below budget in refuse and recycling.
- Community Facilities – Revenue is up \$206K due to unbudgeted revenue received for multi-use courts (\$142K) and a reserve land sale. Expenditure is \$225K below budget due to lower than budgeted maintenance.
- Commercial Activities – Revenue is \$76K above budget, expenditure is \$1.27M down on budget due to the expenditure on Wakatu Quay being lower than budgeted.
- Leadership and Governance – Revenue is on track and expenditure is tracking \$155K below budget due to IT and vehicles overheads.
- Building and Regulatory – Revenue is up \$180K due to an unbudgeted grant received for freedom camping and expenditure is down \$63K due to other regulatory and freedom camping personnel expenditure being lower than budget due to staff vacancies – a number of regulatory and freedom camping vacancies have now been filled.
- Community Services – Revenue is up \$573K on budget due to unbudgeted grants received for Mayors Taskforce for Jobs, TPW (Water Park) and NZLPP. Expenditure is also up on budget \$400K due to the MTFJ grant being paid out, Youth Council grant paid earlier than budgeted.
- District Development – Revenue is on track. Expenditure is \$163K below budget this is across district development due to consultancy (District plan review) being lower than budget.
- Earthquake Event – Revenue is up \$382K on budget due to the subsidy received from NZTA for Waiau Toa/Clarence Bridge.

6. WORKING CAPITAL & LIQUIDITY

Working capital (current assets over current liabilities) is positive, with \$4.048M in current assets and \$1.601M in current liabilities. The Working Capital Graph indicates how this fluctuates largely between months.

The Liquidity Ratio is 2.53:1, meaning there is \$2.53 in cash for every \$1 due to be paid.

7. STATEMENT OF CASH FLOWS

The cash position for the period is \$3.21M as at 31 March 2023, cashflow from operations is positive. Our capital activity show grants received of \$772K for capital work and \$2.62M paid out. There has been no change in our level of borrowing which is sitting at \$5.3M.

8. STATEMENT OF FINANCIAL POSITION

Total Assets are \$295M with \$4.05M being current assets and \$291M non-current assets. Trade and Other Receivables are \$391K.

Total liabilities are made up of \$1.60M current and \$7.16M non-current. Trade Payables are \$1.35M.

9. CAPEX REPORT

Overall CAPEX expenditure for the nine months was \$2.62M compared to \$5.42M forecasted per the budget, the variance largely relates to the timing of Wakatu Quay. All capital projects are outlined in the CAPEX report attached, the additional carry forward and not progressing columns have been added in to give a clear indication of projects that won't be completed by June 2023.

10. FINANCIAL IMPLICATIONS AND RISKS

Monthly monitoring and reporting on the Council financials are required as there is a risk that the Council's financial position could deteriorate with an increase in debt levels; lowered credit rating; or that revenue flows are lower than budgeted, and expenditure is higher than projected.

11. COMMUNITY OUTCOMES SUPPORTED

The work is in support of all community outcomes.



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

12. SIGNIFICANCE OF DECISION

This report is for information only; however, it may form the basis upon which other decisions are made (those which have a financial impact).

13. RELEVANT LEGISLATION

The Local Government Act 2002 states that a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.

KEY INDICATORS

AS AT 31 MARCH 2023

FINANCIAL STATEMENT MEASURES	
<p>OPERATING RESULT <i>operating surplus/(deficit)</i></p> <p>\$1.16m</p> <p>\$2,410k favourable v/s year to date budget of -\$1,250k</p>	<p>OPERATING COSTS <i>costs to deliver existing levels of service</i></p> <p>\$12.07m</p> <p>\$1,312k favourable v/s year to date budget of \$13.38m</p>
<p>TOTAL EXTERNAL BORROWING <i>total borrowings from bank</i></p> <p>\$5.30m</p> <p>\$2,000k favourable v/s full year budget of \$7.3m</p>	<p>INTEREST ON DEBT <i>cost to service debt</i></p> <p>\$115k</p> <p>\$61k favourable v/s year to date budget of \$176k</p>
<p>CAPITAL EXPENDITURE <i>cost of new &/or replacement of assets</i></p> <p>\$2.66m</p> <p>\$2755.4K favourable v/s year to date budget of \$5417.7K</p>	<p>DEVELOPMENT CONTRIBUTIONS <i>received for district growth</i></p> <p>\$22.7k</p> <p>\$10.2k unfavourable v/s year to date budget of \$33k</p>
LONG TERM PLAN MEASURES	
<p>DEBT AFFORDABILITY BENCHMARK <i>financing expenses as a % of rates</i></p> <p>1.7%</p> <p>8.3% favourable v/s council approved limit of 10.0%</p>	<p>EBID <i>earnings before interest and depreciation</i></p> <p>\$4.29m</p> <p>\$2,101K favourable v/s year to date budget of \$2.19m</p>
<p>BALANCED BUDGET BENCHMARK <i>revenue equal or greater than expenses</i></p> <p>110%</p> <p>10% favourable v/s council benchmark of 100%</p>	<p>BORROWINGS TO EQUITY <i>Term loans as a % of equity</i></p> <p>1.85%</p> <p>1.43% favourable v/s full year budget of 3.28%</p>

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	BUDGET to year end \$	ACTUAL 31/03/2023 \$	ACTUAL 31/03/2022 \$
ASSETS			
<i>Current assets</i>			
Cash & cash equivalents	3,978,312	3,124,584	4,236,012
Trade & other receivables	1,269,609	391,059	309,801
Prepayments & inventory	185,000	182,009	142,322
Current financial Assets	20,000	20,000	20,000
Other Current Assets	-	330,000	-
Total current assets	5,452,921	4,047,652	4,708,135
<i>Non-current assets</i>			
Intangible assets	-	97,539	105,515
Forestry assets	2,350,000	2,154,943	2,410,270
Investment property	4,800,295	3,130,000	2,365,000
Financial Assets	287,500	181,500	204,853
Property, plant & equipment	220,940,550	285,814,096	211,410,117
Total non-current assets	228,378,345	291,378,078	216,495,754
TOTAL ASSETS	233,831,266	295,425,730	221,203,890
LIABILITIES			
<i>Current liabilities</i>			
Trade & other payables	1,587,810	1,346,789	1,895,525
Employee liabilities	263,000	255,666	259,283
Borrowings – current	-	-	3,000,000
Landfill Provision - current	-	-	-
Total current liabilities	1,850,810	1,602,455	5,154,808
<i>Non-current liabilities</i>			
Provisions	1,547,875	1,444,830	1,547,875
Borrowings – non current	7,300,000	5,300,000	2,000,000
Other term debt	468,000	415,874	408,436
Total non-current liabilities	9,315,875	7,160,704	3,956,311
EQUITY			
Public equity	117,714,129	115,129,317	112,812,197
Asset revaluation reserve	100,676,858	166,333,312	92,129,916
Special funds & reserves	4,273,594	5,199,942	7,150,658
Total equity	222,664,581	286,662,571	212,092,771
TOTAL LIABILITIES & EQUITY	233,831,266	295,425,730	221,203,890

STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

FOR THE PERIOD ENDED 31 MARCH 2023

	BUDGET 2023 \$	ACTUAL YTD 31/03/2023 \$	BUDGET YTD 31/03/2023 \$	VARIANCE 31/03/2023 \$
REVENUE				
Rates revenue	8,803,231	6,670,709	6,602,424	68,285
Water meter charges	140,000	71,441	80,000	(8,559)
User fees & charges	1,526,453	1,220,718	1,177,703	43,015
Grants & subsidies	7,934,266	5,094,449	4,166,358	928,091
Development contributions	43,942	22,719	32,957	(10,238)
Interest revenue	3,494	24,408	2,621	21,787
Gain	-	-	-	-
Other revenue ¹	88,400	121,500	66,600	54,900
Total revenue	18,539,786	13,225,944	12,128,663	1,097,281
EXPENSES				
Personnel	3,696,985	2,443,701	2,784,298	340,597
Depreciation	4,353,680	3,016,854	3,265,257	248,403
Financing expenses	234,554	115,332	175,925	60,593
Other Expenses:				
Personnel Related Expenses	332,224	227,244	247,765	20,521
EQ Expenses	2,048	798	1,536	739
Electricity, Insurance, Cleaning & Rent	986,352	897,418	856,103	(41,315)
Grants Paid	487,084	896,897	422,883	(474,014)
Network Management	347,679	268,674	263,255	(5,419)
Project Expenses	2,274,791	445,771	1,745,802	1,300,031
Professional & Consultancy Fees	932,237	411,276	697,483	286,207
Repairs & Maintenance - General	518,118	249,177	388,589	139,412
Repairs & Maintenance - Roading	735,696	782,915	564,372	(218,543)
Repairs & Maintenance - Reticulation	193,437	153,259	145,083	(8,176)
Repairs & Maintenance - Facilities	458,499	460,669	343,875	(116,794)
Share of MRF Expenses	153,679	146,740	115,260	(31,480)
Office Expenses	567,105	430,075	447,172	17,097
Other Expenses ²	1,192,967	1,119,359	913,833	(205,526)
Total expenses	17,467,135	12,066,159	13,378,491	1,312,332
Operating surplus/(deficit)	1,072,651	1,159,785	(1,249,828)	2,409,613
TOTAL COMPREHENSIVE REVENUE & EXPENSE	1,072,651	1,159,785	(1,249,828)	2,409,613

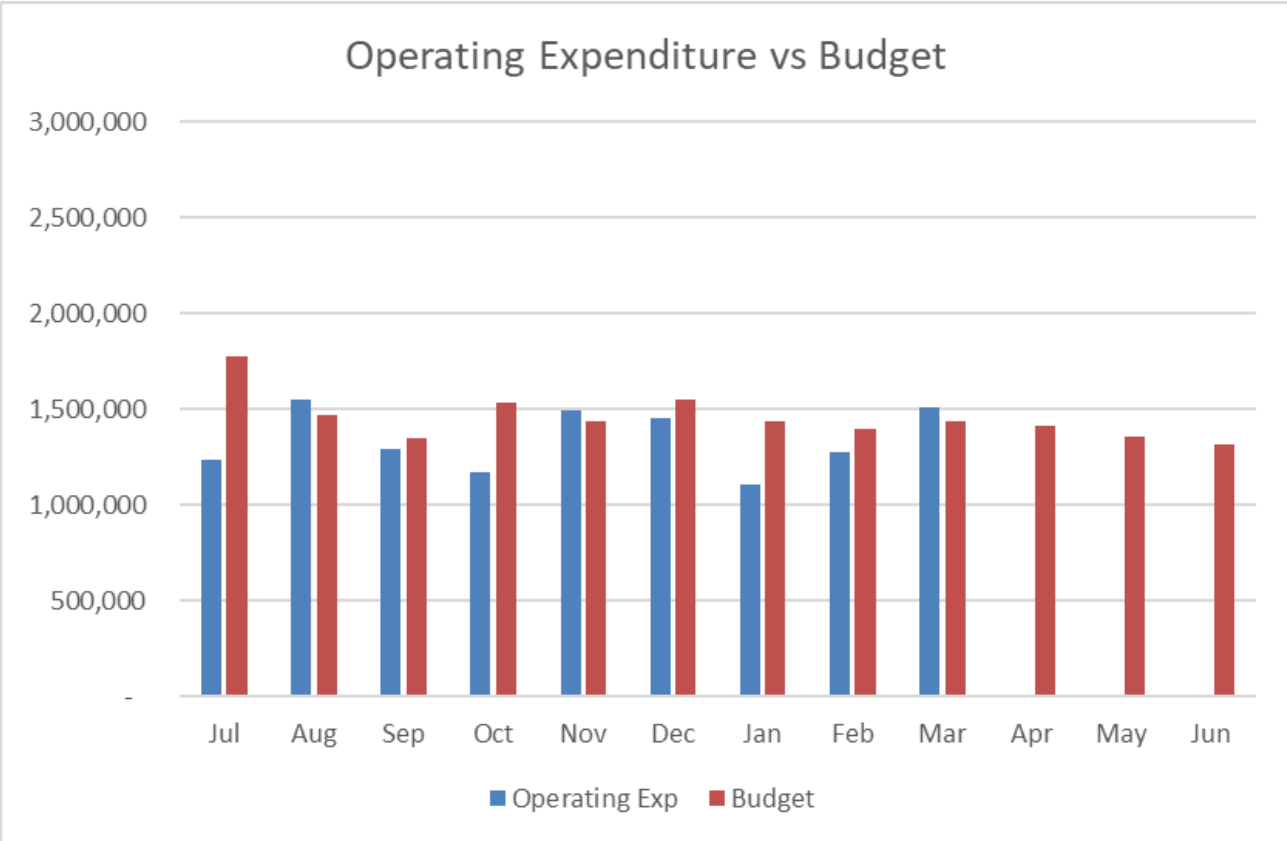
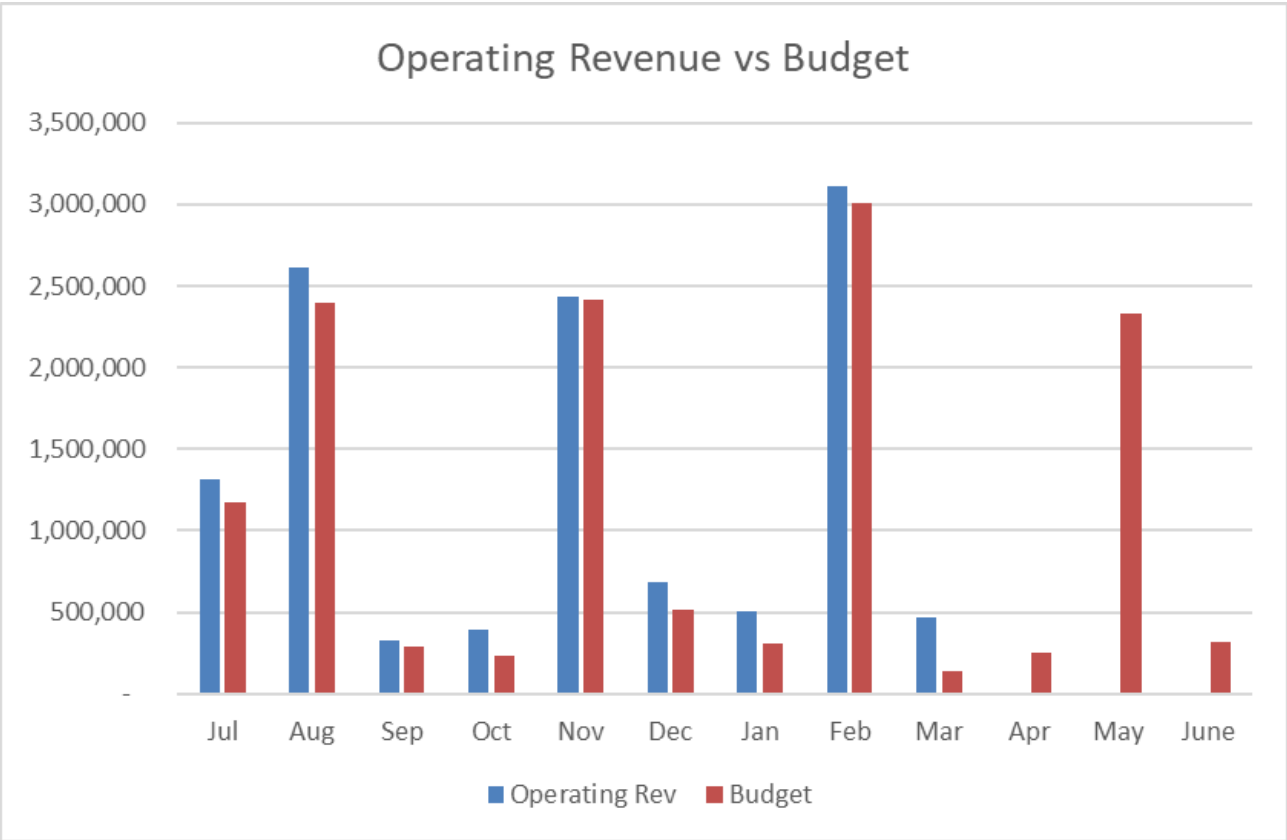
¹ Other revenue includes Marlborough Regional Forestry joint venture revenue, land sales, and petrol tax.

² Other Expenses includes eighty types of costs.

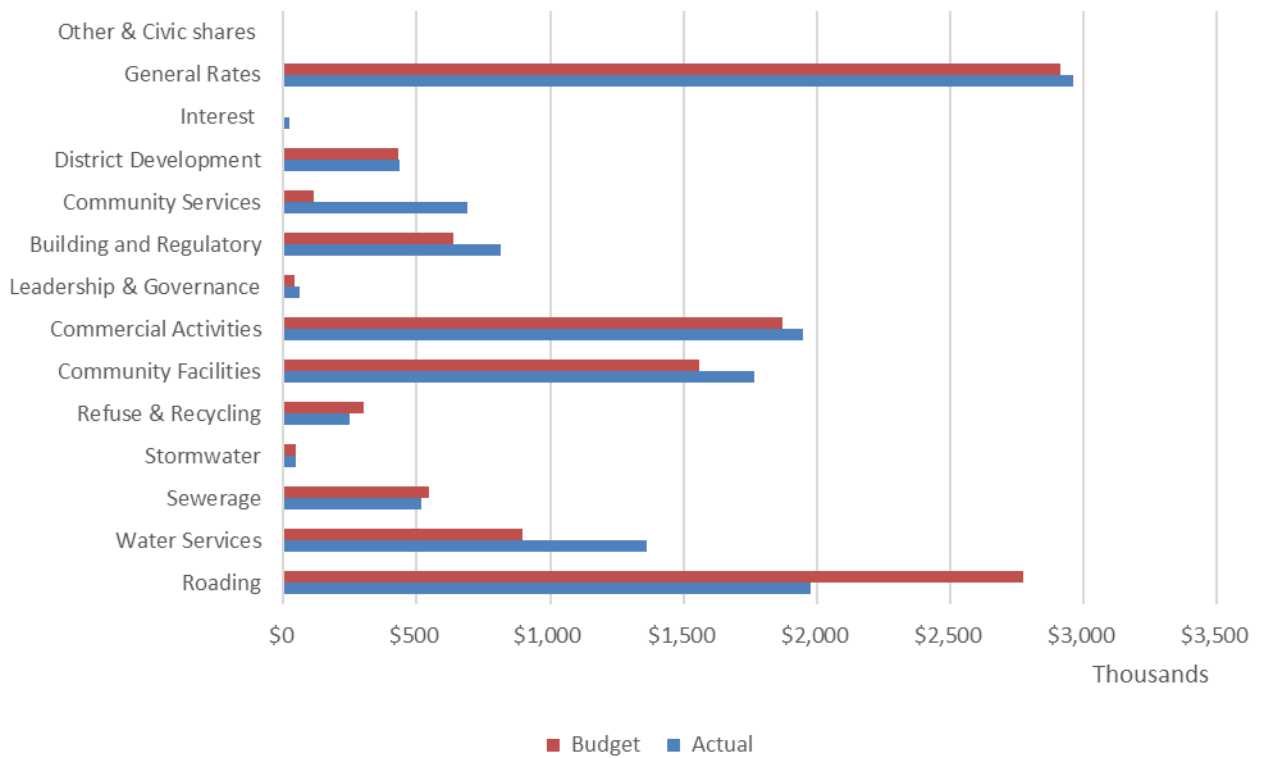
STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2023

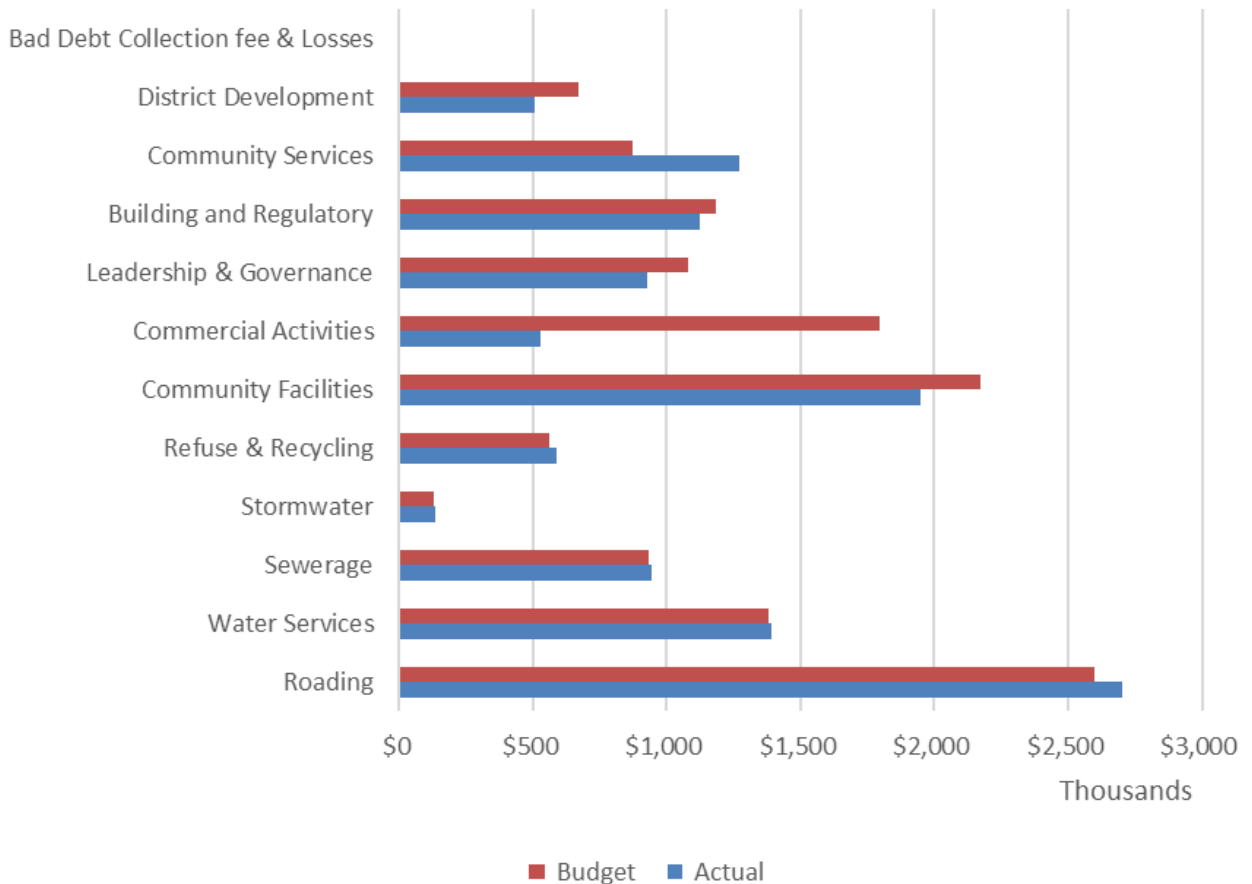
	BUDGET to year end \$	ACTUAL 31/03/2023 \$	ACTUAL 31/03/2022 \$
OPERATING ACTIVITIES			
Receipts from rates	8,803,234	6,670,709	6,112,665
Interest received	3,494	24,408	6,993
Receipts from other revenue	9,482,216	6,303,841	6,570,814
Payments to employees & suppliers	(12,743,092)	(10,548,935)	(11,277,235)
Interest paid	(189,418)	(115,332)	(56,426)
Goods & services tax (net)	-	(164,526)	(170,876)
Net Cash from Operating Activities	5,356,434	2,170,165	1,185,935
INVESTING ACTIVITIES			
Grants received for capital work	-	771,994	1,354,025
Purchase of investment property	(2,435,295)	-	-
Sale of property, plant & equipment	325,000	-	-
Purchase of property, plant & equipment	(5,448,998)	(2,622,261)	(3,717,288)
Purchase of forestry assets	-	-	-
Purchase of intangible assets	-	-	-
Purchase of non-financial assets	-	-	(22,853)
Sale of non-financial assets	-	15,000	-
Purchase of current-financial asset	-	-	-
Payment into term deposits	-	-	-
Net Cash from Investing Activities	(7,559,293)	(1,850,267)	(2,386,115)
FINANCING ACTIVITIES			
Movement in borrowings	2,000,000	-	-
Net Cash from Finance Activities	2,000,000	-	-
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(202,859)	334,897	(1,200,181)
OPENING CASH	4,181,171	2,789,686	5,436,193
CLOSING CASH BALANCE	3,978,312	3,214,584	4,236,012



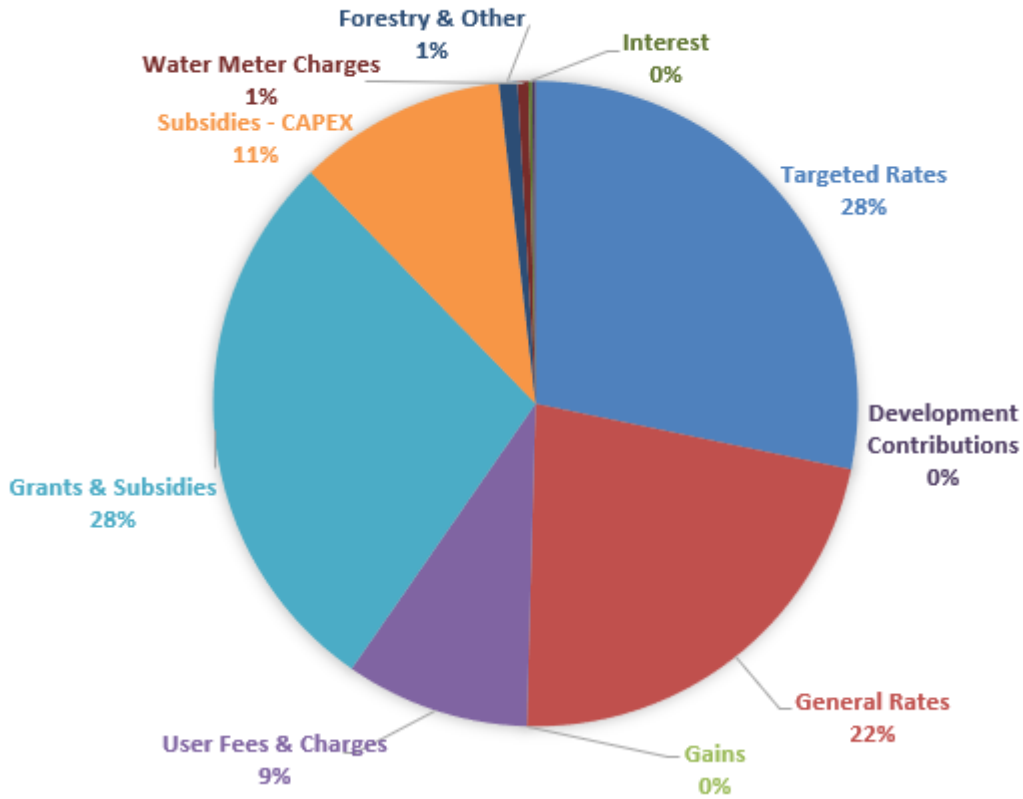
YTD - Revenue by Activity (excl EQ)



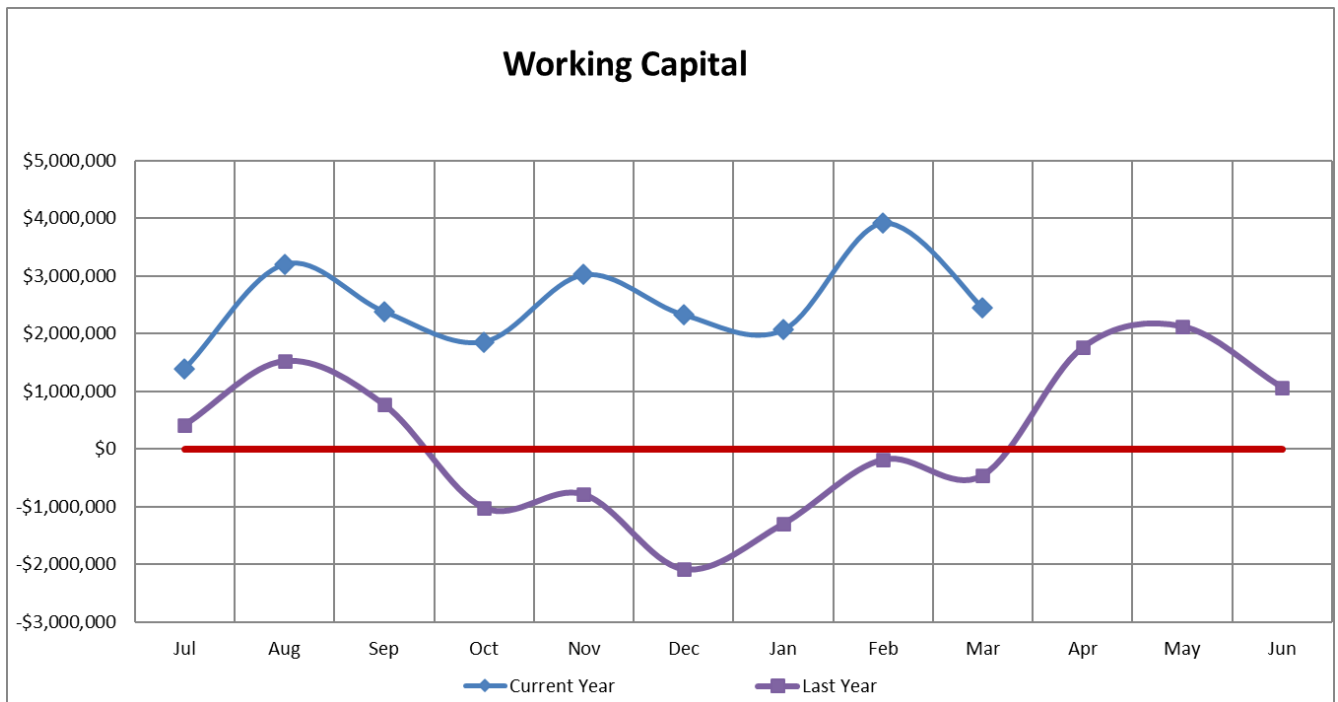
YTD - Expenditure by Activity (excl EQ)



2023 REVENUE ANALYSIS



Working capital is calculated by subtracting current liabilities from current assets and is an indicator of our ability to pay our commitments to suppliers when payments fall due. Please refer to the Finance Report narrative for more information.



KDC - CAPITAL PROJECTS 2023
Summary March 2023

			Budget 2023	Actual Cost for Month	Previous Costs	Actual YTD Costs	Actual/Budget	Cost to Complete	Previous Forecast Cost	Revised Forecast Cost	Remaining Budget	Variance from Budget	FFC Movement for Month	April	May	June	Carried Forward	Not Progressing	TOTAL
Mgr	Job No	Description	a			b		(d-b)	a	d	(a-b)	(a-d)	(c-d)	2023	2023	2023	2021/2022	2021	
DC	J00008	Vehicle/Plant and Equipment	40,000	14,503	16,112	30,614	77%	3,498	34,112	34,112	9,386	5,888	0	-	3,498				3,498
DC	J00093	Transfer Station Construction	150,000	42,092	265,790	307,882	205%	129,000	400,790	436,882	(157,882)	(286,882)	(36,092)	30,000	69,000	30,000			129,000
OJ	J04351	Waiiau Toa/Clarence Valley Bridge	1,500,000	113,895	460,709	574,604	38%	925,396	1,500,000	1,500,000	925,396	0	0	150,000	350,000	425,396			925,396
MR	J00003	Harbour	101,942	0	6,101	6,101	6%	25,899	32,000	32,000	95,841	69,942	0	0	10,899	15,000			25,899
MR	J00443	Airport 157 works	34,000	0	4,348	4,348	13%	29,652	34,000	34,000	29,652	0	0	-	12,652	-	17,000		29,652
MR	J00446	Link Pathway	1,100,000	9,051	72,534	81,585	7%	1,018,415	1,100,000	1,100,000	1,018,415	0	0	50,000	80,000	248,918	639,497		1,018,415
MR	J04421	CF Amphitheatre & Bridge	75,000	0	0	0	0%	75,000	75,000	75,000	75,000	0	0	-	-	-	75,000		75,000
MR	J04431	CF Pensioner Flats	35,000	795	32,439	33,234	95%	1,766	35,000	35,000	1,766	0	0	-	1,766				1,766
MR	J04423	Public Toilet Upgrade	38,500	0	0	0	0%	38,500	38,500	38,500	38,500	0	0	0	0	-	38,500		38,500
MR	J04415	Civic Centre	7,500	0	2,092	2,092	28%	5,408	7,500	7,500	5,408	0	0	-	5,408	-			5,408
MR	J00069	Dog Pound	0	0	10,472	10,472	0%	0	10,472	10,472	(10,472)	(10,472)	0						0
MR	J00096	MBIE Tourism Fund - Recycling Stations	0	0	4,020	4,020	0%	1,381	5,401	5,401	(4,020)	(5,401)	0	0	1,381				1,381
MR	J00097	Helipad - Churchill Park	0	0	11,845	11,845	0%	(0)	11,845	11,845	(11,845)	(11,845)	0						0
MR	J04416	Memorial Hall	0	0	5,600	5,600	0%	0	5,600	5,600	(5,600)	(5,600)	0						0
SH	J00010	Book Purchases	32,000	1,648	25,856	27,504	86%	4,496	32,000	32,000	4,496	0	0	2,000	1,952	544			4,496
SH	J00011	Non-Books (DVD's)	0	0	0	0	0%	0	0	0	0	0	0						0
DC	J00022	Stormwater Renewals	50,000	0	0	0	0%	50,000	50,000	50,000	50,000	0	0	-	-	50,000			50,000
DC	J00027	Urban Water - Reticulation	81,629	0	0	0	0%	81,629	81,629	81,629	81,629	0	0	0	40,000	41,629			81,629
DC	J00032	East Coast Facilities	6,000	0	0	0	0%	6,000	6,000	6,000	6,000	0	0	-	3,000	3,000			6,000
DC	J00036	Fernleigh Water - Facilities	6,000	0	0	0	0%	4,500	4,500	4,500	6,000	1,500	0	-	3,000	1,500			4,500
DC	J00038	Peketa Water - Facilities	9,000	0	0	0	0%	9,000	9,000	9,000	9,000	0	0	-	4,500	4,500			9,000
DC	J00030	Ocean Ridge Water - Facilities	25,000	0	0	0	0%	30,000	30,000	30,000	25,000	(5,000)	0	-	-	30,000			30,000
DC	J00042	Sewerage - Facilities	77,000	0	1,645	1,645	2%	50,355	52,000	52,000	75,355	25,000	0	0	28,355	22,000			50,355
DC	J00041	Sewerage - Reticulation	0	10,536	1,800	12,336	0%	12,664	25,000	25,000	(12,336)	(25,000)	0	0	12,664	-			12,664
DC	J00082	Urban Water - Facilites	107,000	0	0	0	0%	32,000	32,000	32,000	107,000	75,000	0		5,000	27,000			32,000
MR	J00088	Landfill Site - Capping	0	0	19,295	19,295	0%	89,705	109,000	109,000	(19,295)	(109,000)	0	25,000	-	0	64,705		89,705
DC	J00101	3W Stimulus - Water Project	0	0	54,603	54,603	0%	0	54,603	54,603	(54,603)	(54,603)	0						0
DC	J00102	3W Stimulus - Wastewater Project	0	0	5,175	5,175	0%	0	5,175	5,175	(5,175)	(5,175)	0						0
OJ	J00211	Unsealed Pavement Renewals 211	180,000	0	7,860	7,860	4%	95,000	102,860	102,860	172,140	77,140	0	25,000	40,000	30,000			95,000
OJ	J00212	Sealed Pavement Renewals 212	410,000	587,786	0	587,786	143%	(0)	587,786	587,786	(177,786)	(177,786)	0	-	-	-			0
OJ	J00213	Kerb & Channel Renewals 213	65,000	0	25,841	25,841	40%	39,159	65,000	65,000	39,159	0	0	20,357	18,802	-			39,159
OJ	J00214	Pavement Rehabilitation 214	330,000	0	0	0	0%	330,000	330,000	330,000	330,000	0	0	200,000	130,000	-			330,000
OJ	J00222	Traffic Service Renewals 222	60,000	3,318	23,458	26,776	45%	(0)	23,458	26,776	33,224	33,224	(3,318)	-	-	-			0
OJ	J00341	Minor Improvements 341	150,000	0	0	0	0%	150,000	150,000	150,000	150,000	0	0	50,000	50,000	50,000			150,000
OJ	J00345	NCTIR Haul Routes	617,427	0	0	0	0%	617,427	617,427	617,427	617,427	0	0	500,000	117,427				617,427
OJ	J00324	Inland Road	0	0	3,902	3,902	0%	0	3,902	3,902	(3,902)	(3,902)	0						0
OJ	J00005	Footpaths	100,000	0	0	0	0%	100,000	100,000	100,000	100,000	0	0	25,000	75,000	-			100,000
SP	J00004	Office Furniture & Equipment	15,000	0	1,934	1,934	13%	13,066	15,000	15,000	13,066	0	0	-	-	6,566		6,500	13,066
SP	J00006	Computers & Software	46,000	2,856	41,156	44,012	96%	1,988	46,000	46,000	1,988	0	0	-	-	1,988			1,988
WD	J00089	Wakatu Quay PGF Development	2,435,295	180,578	223,658	404,236	17%	632,373	1,118,152	1,036,609	2,031,059	1,398,686	81,543	204,851	204,851	222,671			632,373
OJ	J00447	IAF Project - Transport	-	28,689	284,127	312,816	0%	90,000	876,659	402,816	(312,816)	(402,816)	473,843	30,000	30,000	30,000			90,000
OJ	J00448	IAF Projec - Kowhai Stopbank	-	9,302	4,841	14,143	0%	(0)	4,841	14,143	0	(14,143)	(9,302)						0
		TOTAL BAU Programme	7,884,293	1,005,048	1,617,214	2,622,261	33%	4,693,277	7,822,212	7,315,538	5,281,775	568,755	506,674	1,312,208	1,299,155	1,240,712	834,702	6,500	4,693,277

Report to:	Finance, Audit & Risk Committee
Date:	20 April 2023
Subject:	Quarterly Reports to 31 March 2023
Prepared by:	Cherie Kaa, Management Accountant
Input sought from:	
Authorised by:	Sheryl Poulsen, Finance Manager

1. PURPOSE

The purpose of this report is to provide the Council with a detailed update on agreed Quarterly Financial Performance measures.

As previously discussed with the Committee, as workload allows, we will be reviewing these Quarterly Report formats and recommending any suggested changes to the Committee, which will include non-financial performance measures.

2. RECOMMENDATION

THAT the cover report and the listed attachments be received.

3. SUMMARY

Included with this cover report are the following reports for discussion:

3.1 Liability Management Policy Compliance Report

Kaikōura District Council is compliant with all the liability policies, except in relation to the interest rate risk management (credit exposure) where we have no short-term borrowing.

3.2 Investment Quarterly Report

The value of Council investments decreased from \$10.374M last year to \$10.304M at 31 March 2023 with the largest increase related to the revaluation of the Wakatu Quay and the airport. Bank deposits have decreased as we spend the grant revenue received.

3.3 Depreciation Vs Capex Report

The graphs are very distorted due to the Earthquake rebuild works undertaken over the past four years. The key message from the report is that all critical assets – roads and bridges, water supplies and wastewater assets have been substantially renewed with capital spend in recent years far exceeding annual depreciation.

3.4 Airport Report

Airport landings are up for the nine months to date in comparison to last year and are nearly back to pre-pandemic levels, currently the airport is operating with a \$17K surplus.

3.5 Harbour Report

Slipway fees and boat parking revenue are down on budget, expenditure is down on budget for the nine months, resulting in no shortfall for this activity as outlined in the revenue type graphs.

3.6 Sundry Rates and Debtors Report

Total rates owing is \$318K at 31 March 2023, of which \$54K relates to Māori land and is likely to be written off. Further detail has been provided this month, as to the number of properties and the amount of their rates outstanding for one-year, two-year, and three-years overdue, and the actions taken to date.

Total sundry debtors due are relatively consistent at \$1.183M, which remains distorted by one large sundry debtor in the 3+ month overdue category.

4. FINANCIAL IMPLICATIONS AND RISKS

Regular monitoring and reporting on the Council financials is required as there is a risk that the Council's financial position could deteriorate with an increase in debt levels; lowered credit rating; revenue flows are lower than budgeted, and expenditure is higher than projected.

5. COMMUNITY OUTCOMES SUPPORTED:

The work is in support of all community outcomes.



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

6. SIGNIFICANCE OF DECISION

This decision is not considered significant in terms of Council's Significance and Engagement Policy.

7. RELEVANT LEGISLATION

The Local Government Act 2002 states that a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.

8. COMMUNITY VIEWS

No community views were sought in relation to this report

LIABILITY MANAGEMENT POLICY COMPLIANCE REPORT TO 31 MARCH 2023

Objective

All council current and term liabilities are managed prudently and effectively.

Interest Rate Risk Management (Credit Exposure)

The interest rate risk management table below is the council's guideline for interest rate exposure. This table does not incorporate the liabilities associated with the Marlborough Regional Forestry joint venture, as they are managed separately by that joint venture.

Fixed Rate Hedging Bands				
	Minimum Fixed Rate	Maximum Fixed Rate	Actual Proportion	Compliant
0 to 2 years	40%	100%	0%	☒
2 to 4 years	20%	80%	57%	☑
4 to 10 years	0%	60%	43%	☑

Our exposure profile policy was reviewed and amended in December 2020 to provide sufficient flexibility whilst still providing limits to Council's interest rate management implementation. In April 2020 we joined LGFA, repaying all our loans with the BNZ, currently we have \$5.3M of LGFA borrowing with \$2M floating and the balance of \$3.3M fixed. In December 2022 we let our \$2M CARL (Customised Average Rate Loan) facility lapse at the BNZ; this facility hasn't been used in the past 3 years and was initially set up to ensure we met LGFA's liquidity covenants. Analysis shows we will meet those covenants until at least 2024.

Our weighted average interest rate is 3.54%, with rates ranging from 3.29% to 5.79%.

Management of Credit Risks

Policy	Compliant
All bank borrowing and interest rate hedging transactions must be undertaken with a New Zealand Registered Bank with a minimum Standard and Poor's Long Term credit rating of at least A+ (or the Moody's or Fitch Ratings equivalents).	☑

Council will satisfy itself in all its borrowing transactions that counterparties are financially adequate, have an appropriate industry standing, and have an appropriate track record to give Council reasonable certainty that obligations under concluded contracts will be performed.

Liquidity

The liquidity ratio is the total current assets that can quickly be converted to cash (cash, debtors, and bank facilities) divided by the current liabilities that need to be paid. The council's policy is to maintain a liquidity ratio of a minimum of 1.1:1 at all times, (which means \$1.10 is available for every \$1.00 payable), currently we are well above our policy's minimum level.

Policy levels	Liquidity Rate	Compliant
Minimum 1.1:1	2.19:1	<input checked="" type="checkbox"/>

Internal Borrowing

The Council used its reserves and external borrowing to internally fund both capital expenditure and working capital. The primary objective in funding internally is to use funds efficiently, by eliminating the margin that would be paid through the Council separately investing and borrowing externally.

Internal borrowing arrangements will not be subject to the Interest Rate exposure clause of this policy.

Debt Repayment

Policy	Compliant
Reserve funds are set aside to repay the loan on maturity, or when conditions are favourable to do so (whichever is the earliest).	<input checked="" type="checkbox"/>

Borrowing Limits

	Policy Levels	Actual Levels	Compliant
Total term debt	will not exceed \$15 million	\$ 5,300,000	<input checked="" type="checkbox"/>
Gross interest expense of all external term borrowings as a percentage of total revenues	will not exceed 10%	0.9%	<input checked="" type="checkbox"/>

The Council is well within each of its borrowing limits as at 31 March 2023.

Security

The Council will grant a Debenture Trust Deed which includes a charge over Council's rates and rates revenue in favour of a trustee. Council creditors can be conferred the benefit of that charge through the issuance of security stock under the Deed.

Any borrowing from LGFA will have the benefit of security stock (and therefore the charge over rates and rates revenue).

Policy	Compliant
Council will not pledge assets as security, with the exception of the pensioner housing suspensory loans	<input checked="" type="checkbox"/>

INVESTMENT QUARTERLY REPORT To 31 MARCH 2023

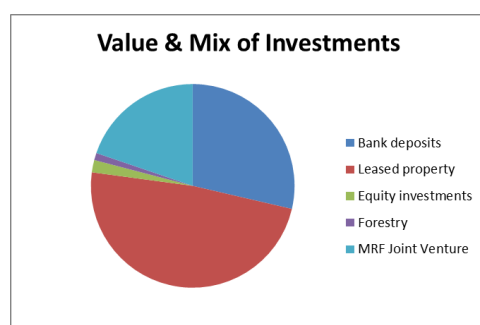
REPORT ON COMPLIANCE WITH THE POLICY AND ANY CHANGES SINCE THE LAST REPORT

Value and Mix of Council's Investments

	Qtr Ending 31 Mar 23		Qtr Ending 31 Mar 22	
Bank deposits	2,950,616	29%	4,153,332	40%
Leased property	4,997,000	48%	3,623,378	35%
Equity investments	201,500	2%	187,000	2%
Forestry	117,646	1%	190,912	2%
MRF Joint Venture	2,037,297	20%	2,219,358	21%
	10,304,059	100%	10,373,980	100%

Results for quarter three shows the value of leased property has increased from the same quarter last year. Revaluations have been completed for June 2022 and are reflected in these figures. Wakatu Quay valuation has increased to \$3,130,000 and the Airport terminal and hangars is \$1,867,000 which include some new additions along with revaluation changes.

Equity Investments are the borrowing notes attached to borrowings from LGFA and the loan to our subsidiary. Forestry and MRF investments include the new valuation as at June 2022. Bank deposits are lower than March 2022, reflecting works completed from the grants received. Overall the value of investments are consistent with the same quarter last year, however the splits between bank deposits and leased property are quite different.



Treasury Investments

	Balance	Rate	Term	Interest
On call account	2,946,926	2.1%	On call	23,263
Special funds on call account	3,079	2.1%	On call	27
Cyclone Relief - Donations	611	2.1%	On call	1
	2,950,615	0.79%		23,291

Forestry Investments

We have not received any distribution payments from the Marlborough Regional Forestry (MRF) for the third quarter as we are in a period of replanting requiring contributions to the MRF. During the first nine months we have paid \$146,740. The South Bay Forest does not generate any revenue, but has incurred expenses of \$7,703 for rates, valuations and insurance.

Net Rental Yields of Property Investments

Wakatu Quay buildings have been demolished to make way for the new PGF funded development. Revaluations of the land were completed in June 2022 with the value changing from \$2,365,000 to \$3,130,000. No income is derived from the land. The Airport terminal and hangars have been included again as all works have been completed and the valuation has increased from \$1,358,050 to \$1,867,000.

	Asset value	EBIT	Interest	Net	Yield
Wakatu Quay	3,130,000	0	0	0	0
Airport terminal & hangars	1,867,000	(15,168)	(6,694)	(21,863)	(1.17%)
	4,997,000	(15,168)	(6,694)	(21,863)	(1.17%)

Note EBIT refers to Earnings before Interest and Tax.

Equity investments

The council purchased 10,000 shares in Civic Assurance in 2012, with a value of \$9,000.

Return on Investments

	Value	Return	Yield
Bank deposits	2,950,615	23,291	0.79%
Leased property	4,997,000	(21,863)	(0.44%)
Non-Financial Assets	201,500	1,117	1.86%
South Bay Forestry	117,646	(7,703)	(6.55%)
Marlborough Forestry	2,037,297	(150,885)	(7.41%)

The table above suggests bank deposits have achieved a ROI of 0.79%. This has been calculated as at March 2023. We have removed the targets from this report as the financial strategy in the 2021-2031 long term plan now recognises that none of our current investments are currently making a return on investment with the only investment to make a return in the future being the Marlborough Regional Forestry (anticipated from 2027 onwards).

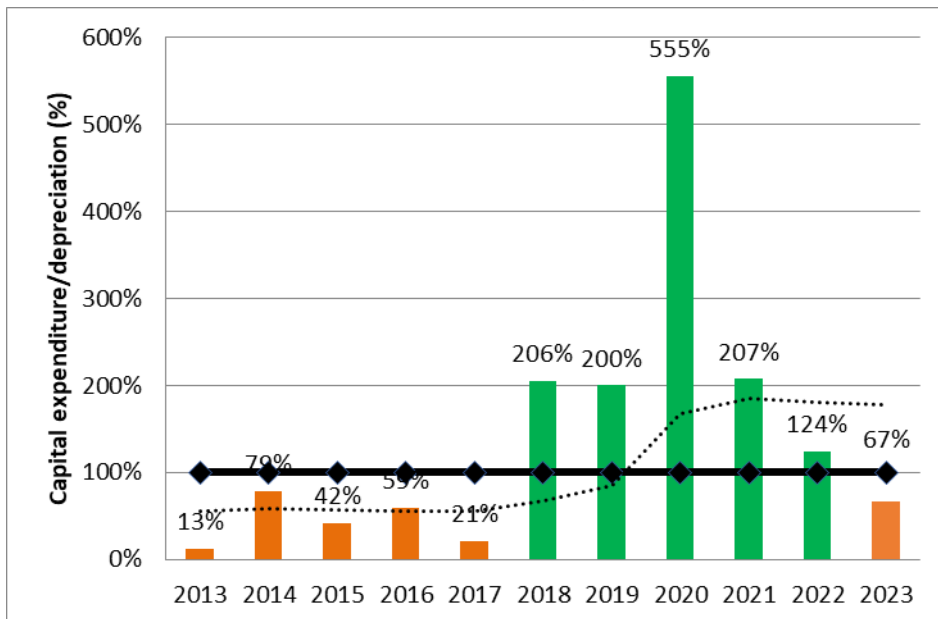
DEPRECIATION VS. CAPITAL EXPENDITURE To 31 MARCH 2023

Ideally, assets should be renewed or replaced at roughly the same rate as depreciation so as not to run down the condition of assets. The mandatory financial prudence benchmarks introduced in 2014 suggest that capital expenditure should be at least 100% of depreciation each year (and requires annual and Long-Term Plan reporting of this comparison for “network services” – i.e. 3 Waters and Rooding assets). A related issue is the legislative requirements for a “balanced budget”, and the effect on that of KDC’s policy of not rating for depreciation.

The aim of this report is to highlight the variance between depreciation and capital expenditure (renewals and new assets). In reality, the timing of major capital projects means that there can be significant projects in certain years – such as has occurred with water and sewerage – which are then followed by several years of low (or no) expenditure because the assets are in excellent condition. This effectively means that an assessment of depreciation vs. capital expenditure has little meaning when shown on an annual basis and should ideally be considered over the life of the asset.

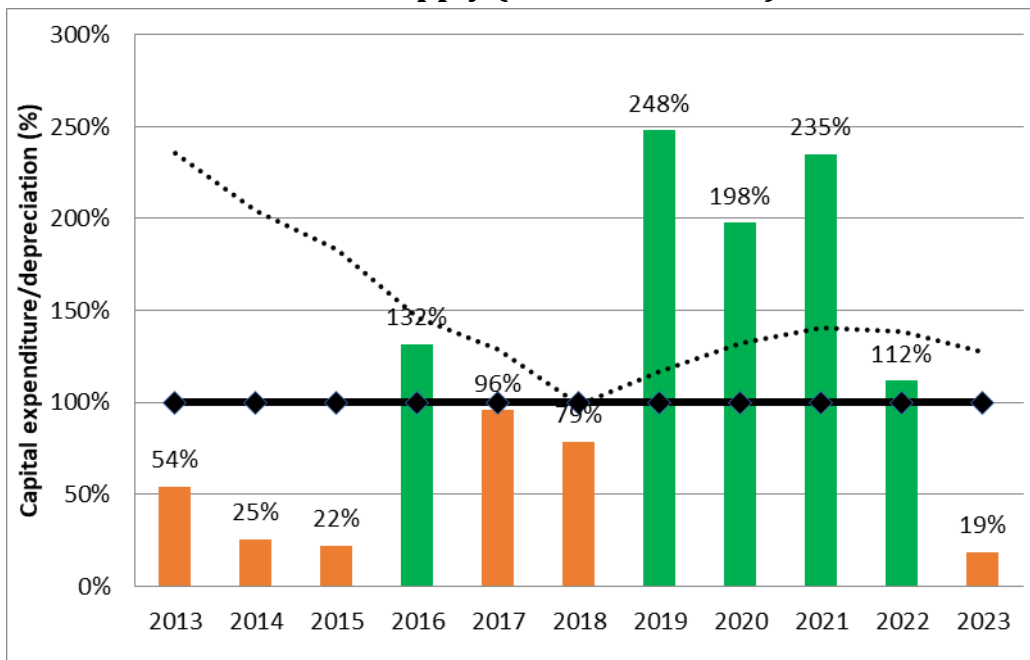
In all graphs in this report, we show a solid 100% “target” line and a dotted “10-year average” line.

Roads and Bridges



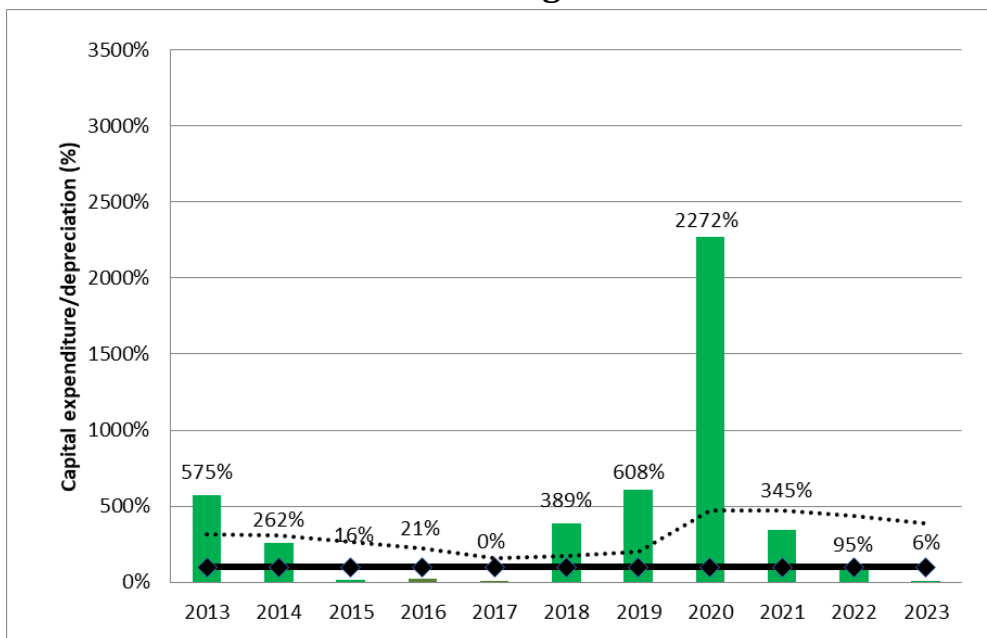
Significant spending on roads and bridges in the past five years was largely due to the earthquake repairs and has started to reverse the historical underspend in this area lifting the 10-year average to 177%. The increased spending has continued with \$6.8m spent for the 2020 year and \$3.038M for 2021 year and \$2.267 for 2022. Total spend for the third quarter was \$921K – this spending will start to slow down now as the Earthquake rebuild works is completed, however there is the NCTIR Haul Routes to be completed and the Waiiau Toa Bridge. We are also looking at clearing the roading backlog over the next 5 years.

Water Supply (Kaikōura Urban)



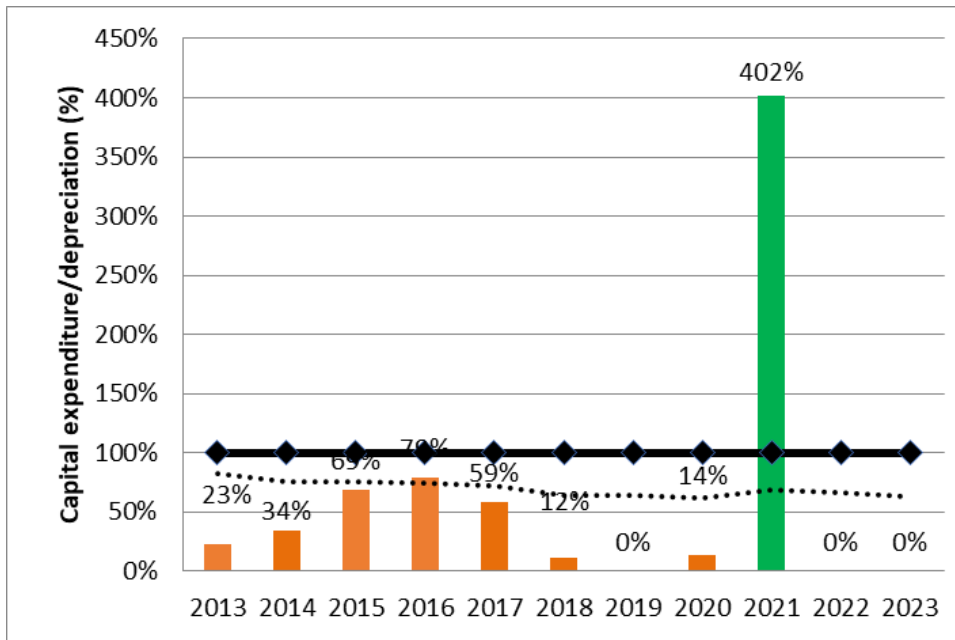
The average benchmark of capex to depreciation is currently 128%. The spend over the past 3 years is \$2.618M which shows the significant work relating to Reservoir renewals and the Kaikōura Urban Water Mains, we also have \$1.88M for the 3W Stimulus package which has increased the capital expenditure over the past two years, currently we have spent \$73K to date.

Sewerage



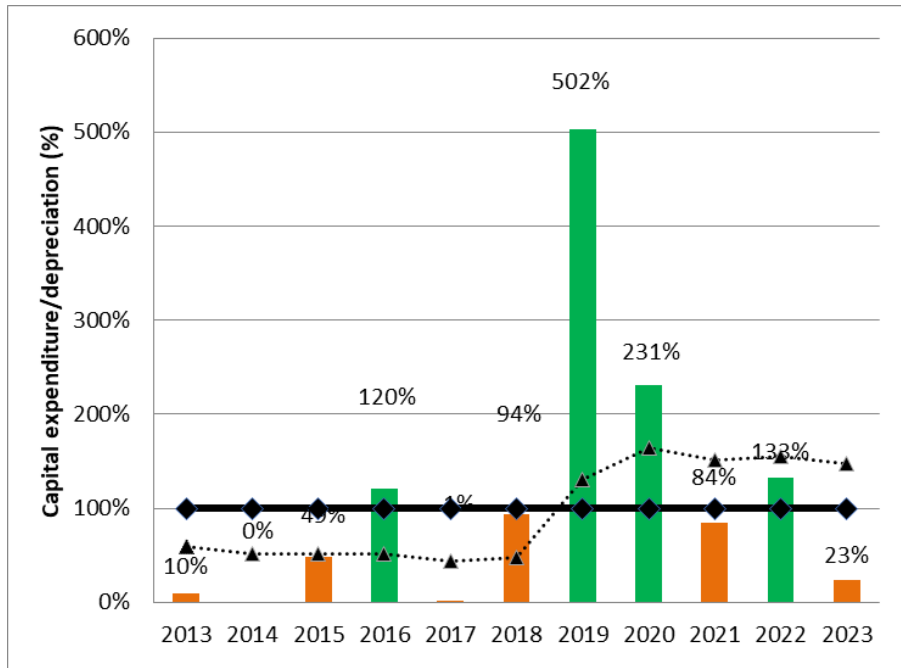
Capex averages 385% of depreciation over the ten years to March 2023; well in excess of the 100% benchmark. Significant spending in the past three years includes the Lyell Creek sewer main and pressure pump systems, and additional work at the wastewater treatment plant and pump stations. Total capital expenditure for the last nine months is \$19K, the 3W Stimulus also impacted the renewals expenditure.

Stormwater



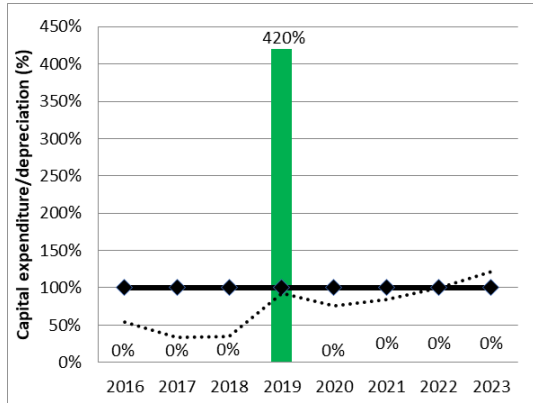
There has been minimal spend on stormwater through the earthquake rebuild programme, total spend for 2021 was \$222K, which has been the only year where we have had significant expenditure in this area. There has been no capital expenditure for the nine months, but some outlet extensions will be completed along the Esplanade as enabling work for the Link Pathway.

Properties

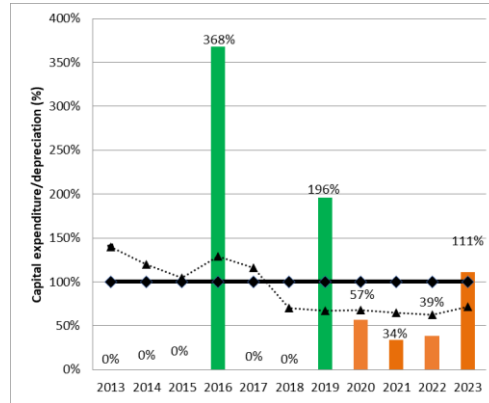


Properties are one area where our buildings are not attended to regularly, but tend to be refurbished as large, infrequent, projects. Because there are several properties contained within the graph on this page, the following graphs give a little more detail on the main properties involved. The Scout Hall refurbishment makes up the bulk of the capital expenditure for properties in 2022 at \$393K.

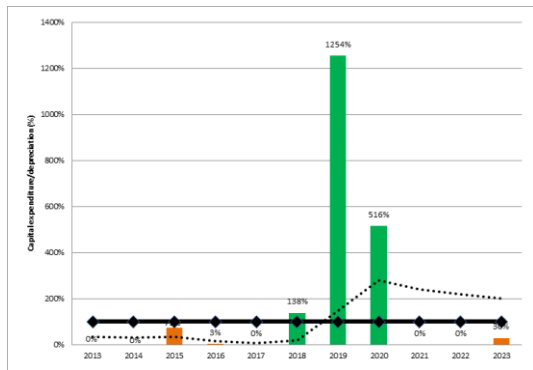
Public toilets



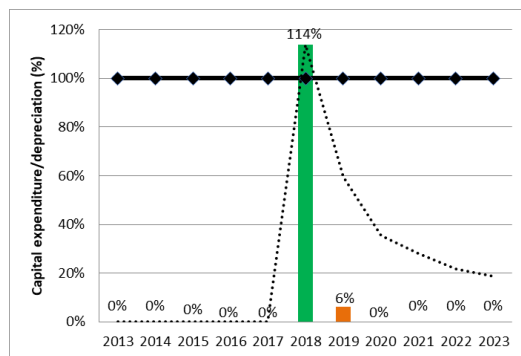
Pensioner flats



Memorial Hall



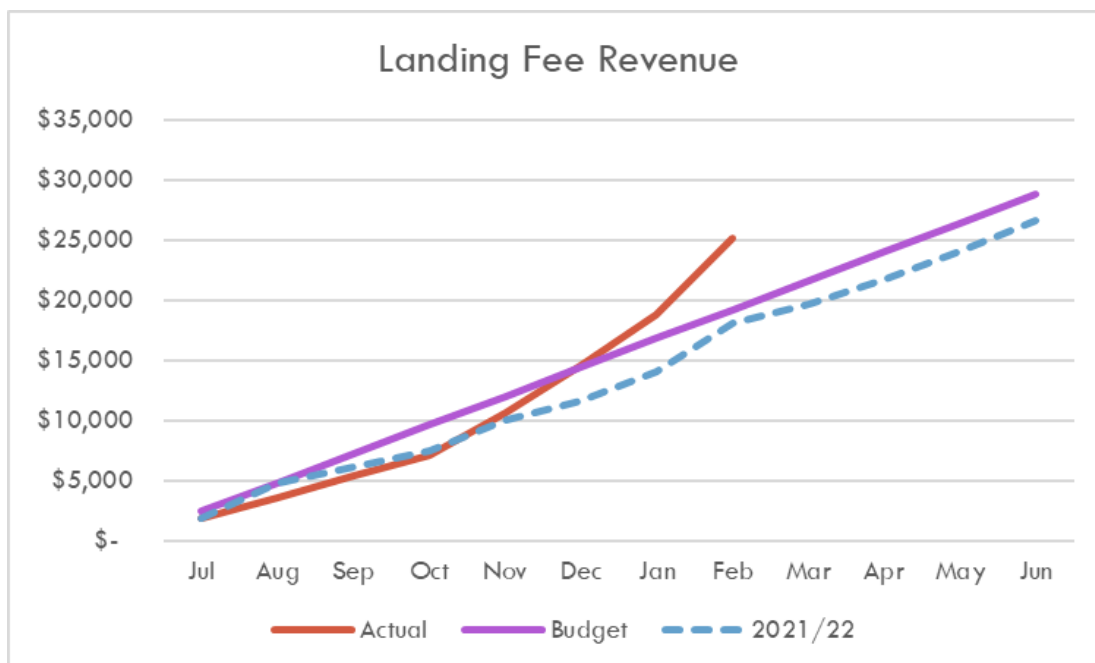
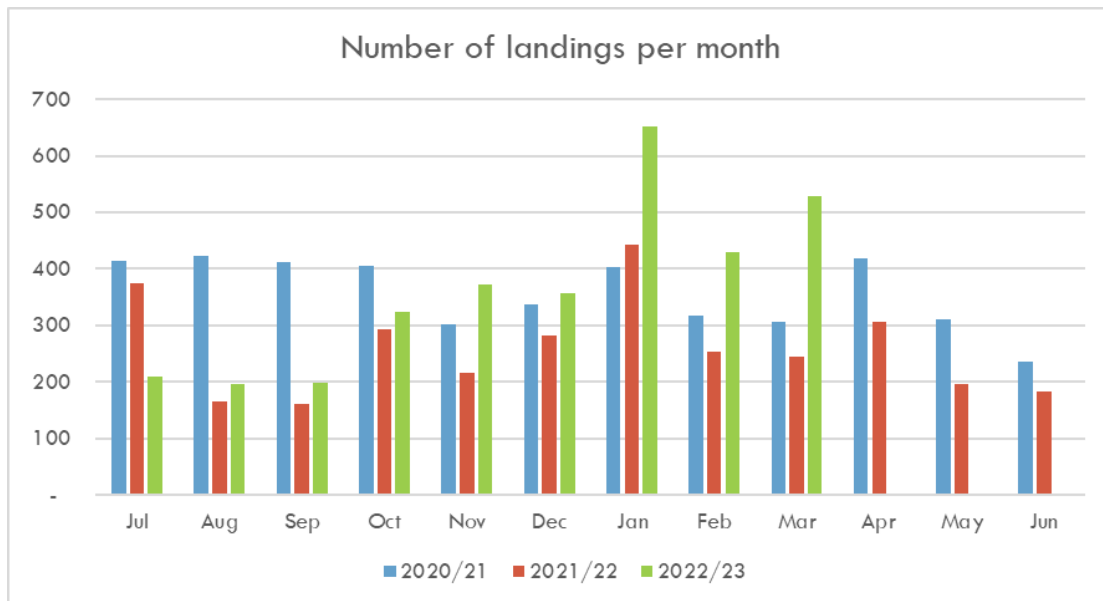
Civic Centre



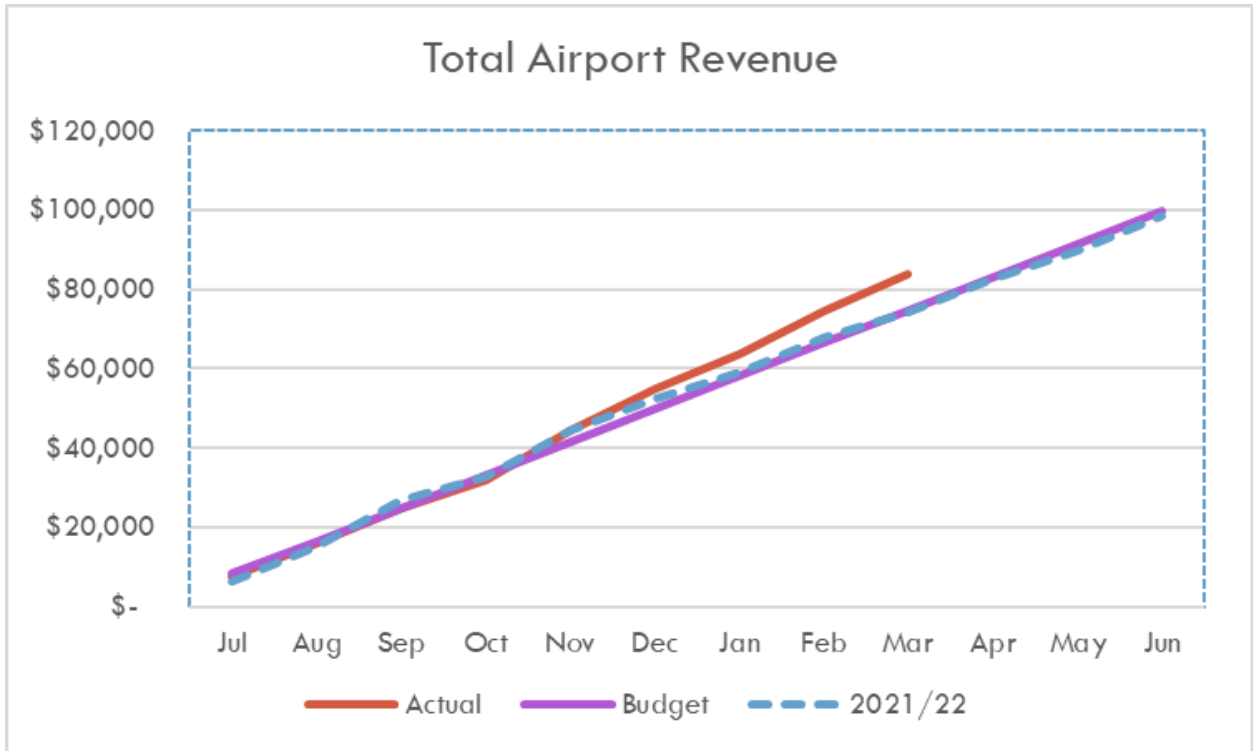
In the nine months to March 2023 there has been minor works undertaken at the Pensioner Flats. The Memorial Hall has had significant works completed over the last 2 years including earthquake repairs and strengthening. The Civic Centre is a relatively new building, and no capital expenditure expected this year.

AIRPORT QUARTERLY REPORT To 31 MARCH 2023

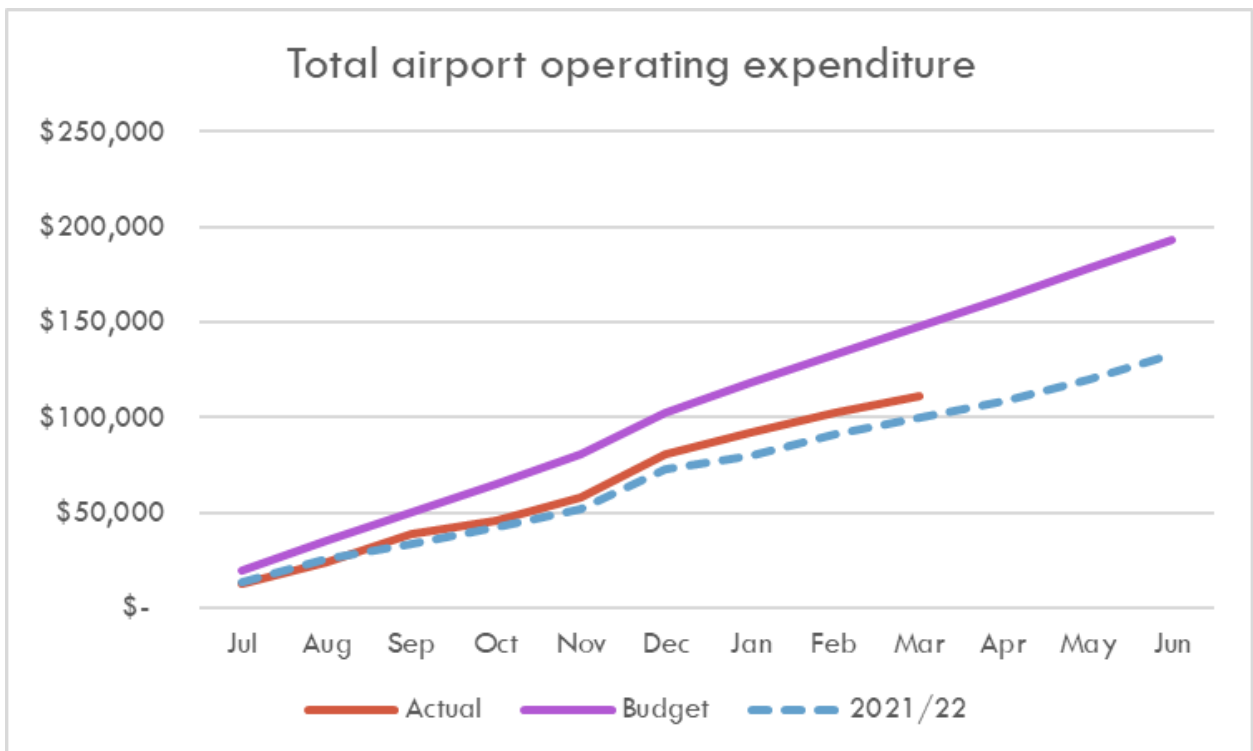
The number of landings at the airport for the nine months to March 2023 was 3,267 this is up on the number of landings for the same period last year of 2,433, covid restrictions has had an impact on the number of landings. However, since August the landings have increased from last year and are nearly at the pre pandemic levels which is promising.



With the number of landings increasing, there is also an increase in landing revenue – from November 2022 this has been above budget and an increase on the same nine-month period last year.

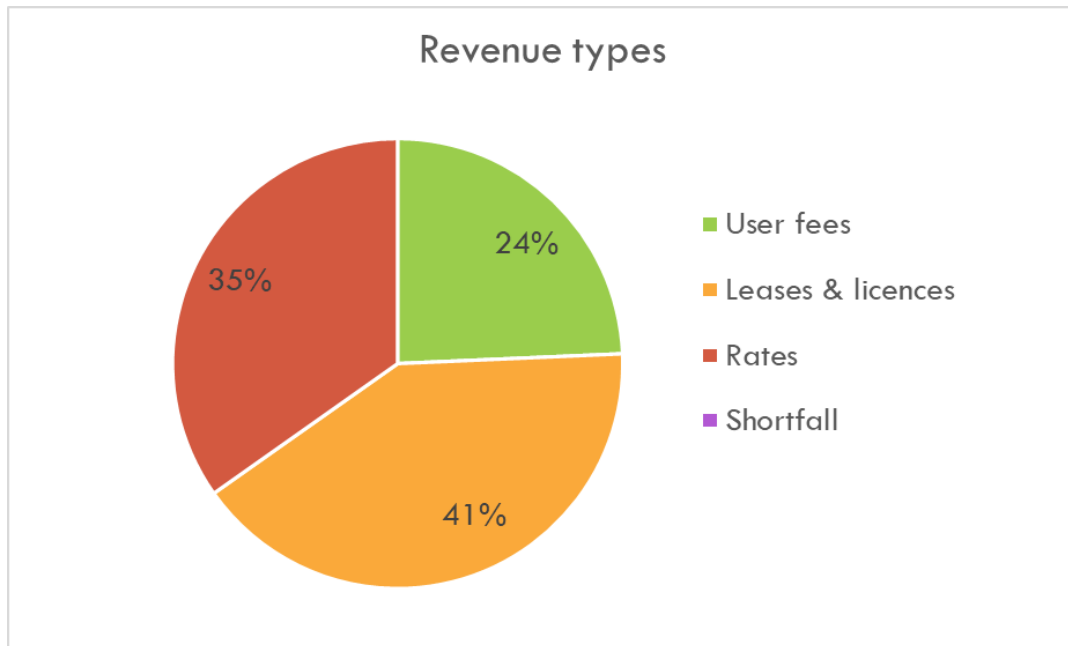


Total airport revenue is above budget for the nine months totalling \$83,753 compared to budget of \$74,852.



Operating expenditure is \$111,354 for the nine months which is below the budget expenditure of \$147,940.

The graph below shows that the airport is funded through user fees 24%, leases and licences 41% and 35% being rate funded, currently the airport is operating with a surplus of \$17K.

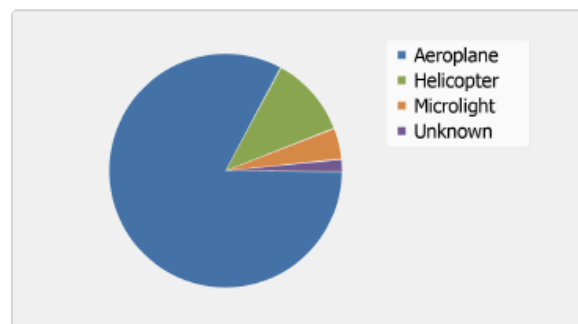


An Airport Information Movement Monitoring (AIMM) system was installed in November 2017, which records all radio calls from aircraft at the Kaikōura Airport, including the aircraft registration number (it is a CAA requirement for pilots to advise their aircraft registration number on landing and take-off, over the radio).

The following are extracts from the monthly reports we are now receiving from the AIMM system; these examples are from the March 2023 monthly report.

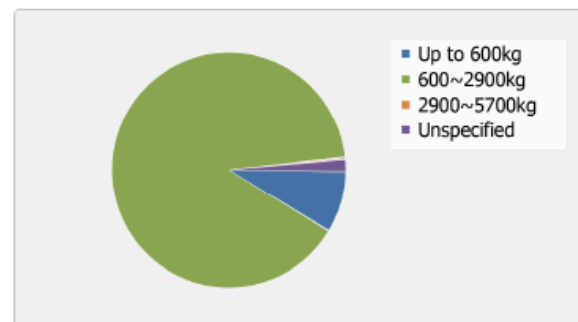
Aircraft Type Summary

Type	Movements
Aeroplane	891
Helicopter	121
Microlight	46
Unknown	18



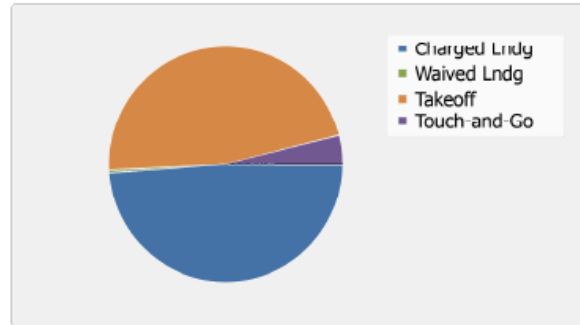
Aircraft Weight Summary

Weight	Movements
Up to 600kg	93
600~2900kg	963
2900~5700kg	2
Unspecified	18



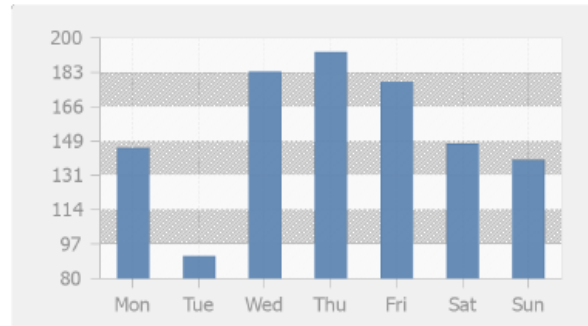
Charge Summary

Status	Movements
Charged Lndg	526
Waived Lndg	3
Takeoffs	503
Touch-and-Go	44



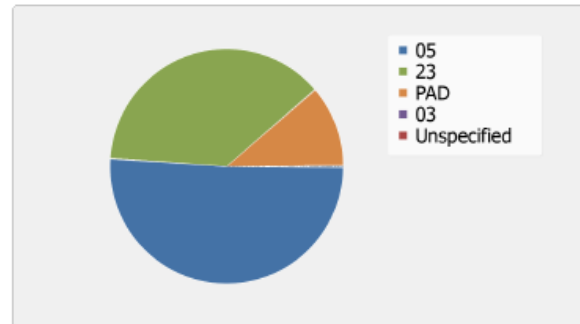
Movements: Days of Week

Weekday	Movements
Mon	145
Tue	91
Wed	183
Thu	193
Fri	178
Sat	147
Sun	139



Runway Usage Summary

Runway	Movements
05	549
23	404
PAD	121
03	1
Unspecified	1



ACTIVITY LEVEL: During March 2023, the airport had 1,076 movements**, an increase of 89% from 570 for the same month last year.

For the last 12 months, there were 8,699 movements, a decrease of 6% from 8,199 for the same period in the previous year.

** The movement counts on some reports may correctly be different from each other... Touch-and-Go movements may be counted as either one movement or two (a landing followed by an immediate take off), depending on the Aviation Authority and Safety rules that apply, and the Airports Certificated/non-Certificated status.

COMPLIANCE REPORTING

Noise Footprint: The Acoustic LDN counts at NZKI during March 2023 were:

1,075 during the 'Day', which is set to start at 0700.

1 during the 'Night', set to start at 2200.

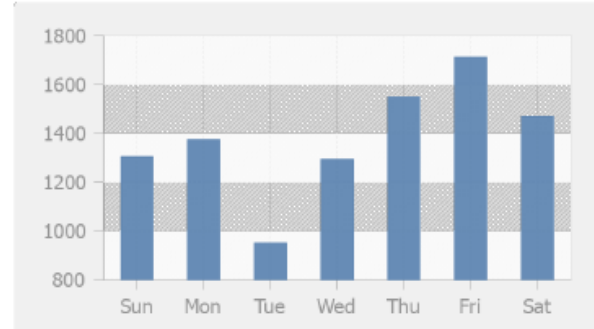
Civil Aviation: CAA Rule 139.505 requires Non-Certificated Aerodromes such as Kaikōura (NZKI) to report Movement Data each year.

**LOCAL AIRSPACE Analysis for March
(Aircraft using airspace, not necessarily landing.)**

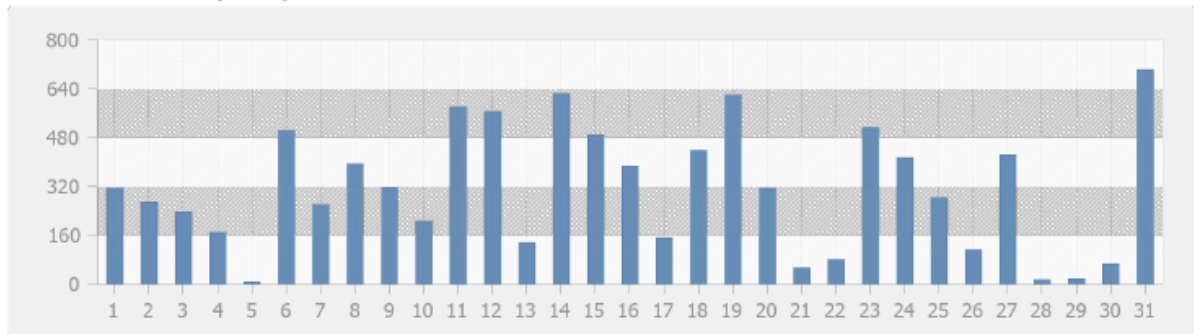
Summary

9659 radio calls received for the month.
 6 calls, on the quietest day, 5-Mar
 704 calls, on the busiest day, 31-Mar
 311 calls, daily average for March
 Friday is the busiest day of the week.

Days of Week

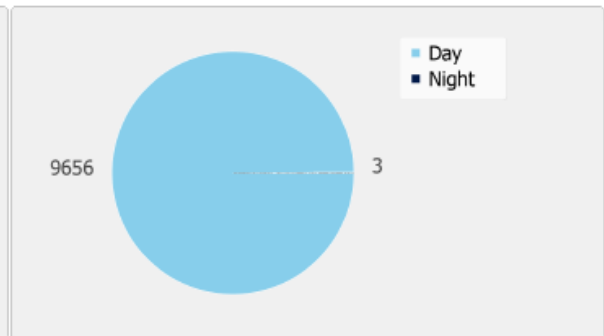
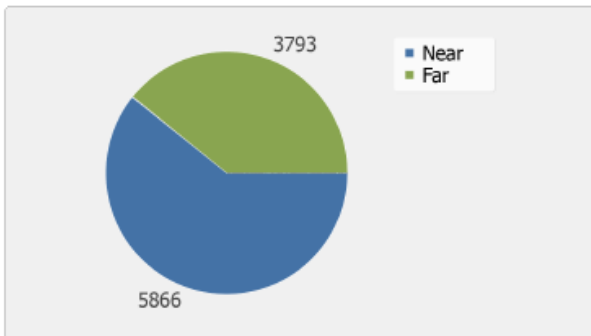


AIRSPACE activity, Days of Month



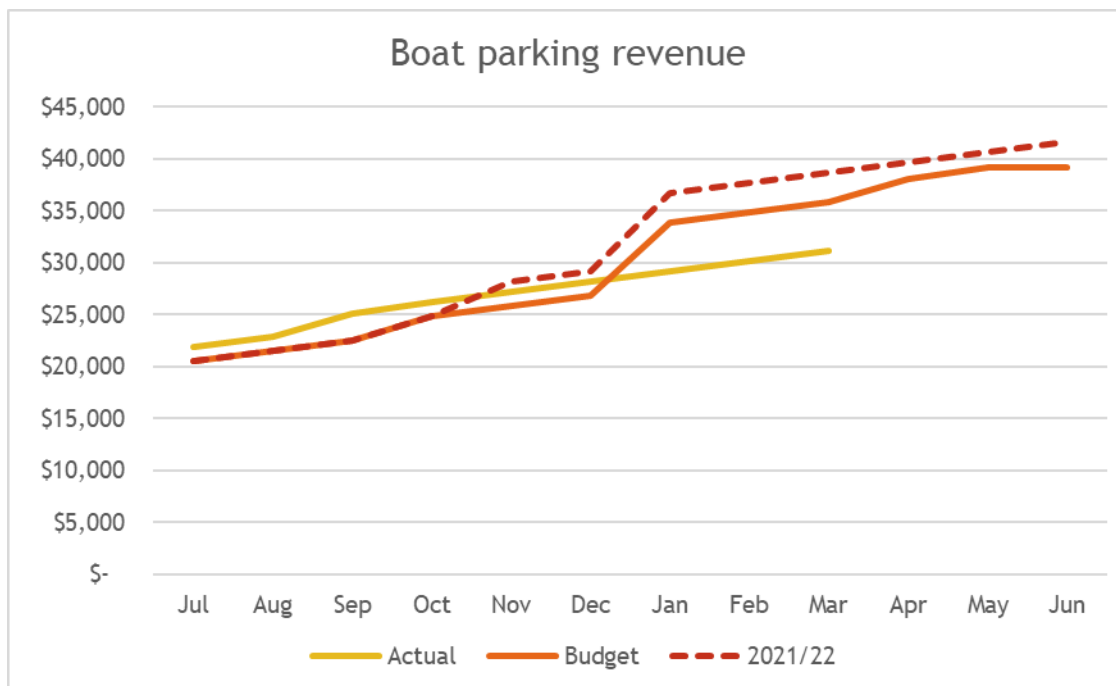
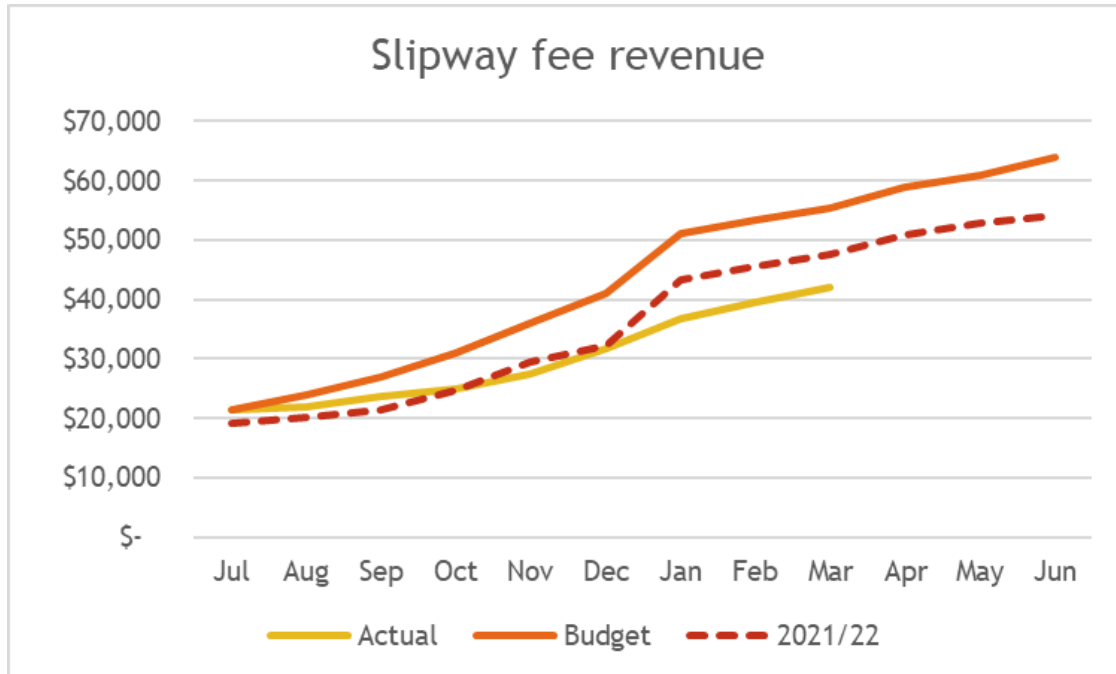
Classification of Local Airspace activity

During March 2023 there was 193% more airspace activity compared to the same month last year.
 'Near' are aircraft close enough to the airport that their radio calls are relevant to the airport operations.
 'Far' are those on the same radio frequency but far enough away to be not relevant.
 'Day' / 'Night' refer to Morning / Evening Civil Twilight calculated each day at the Lat/Long of the airport.



Harbour Quarterly Report To 31 MARCH 2023

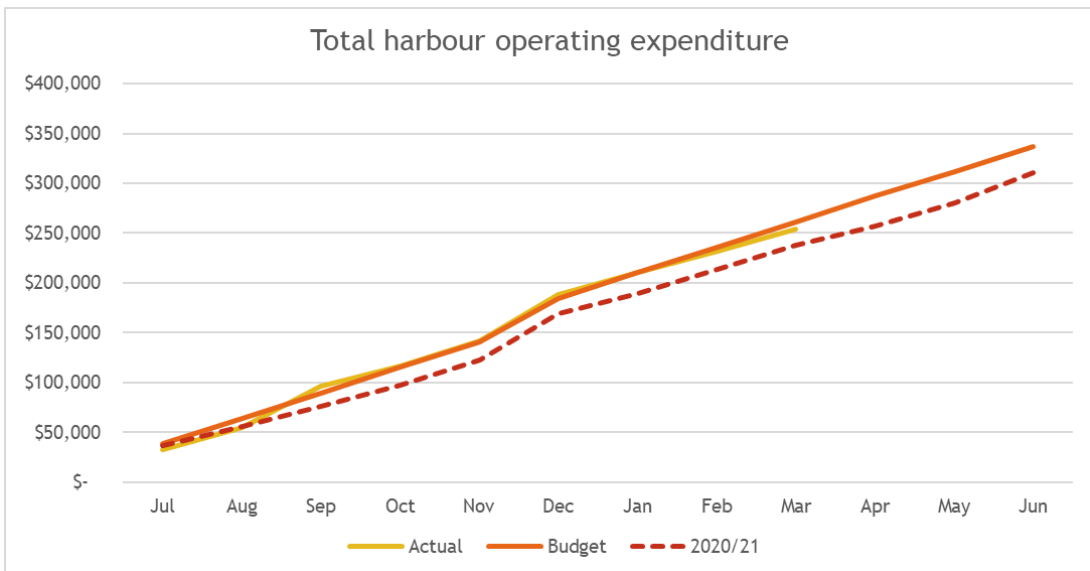
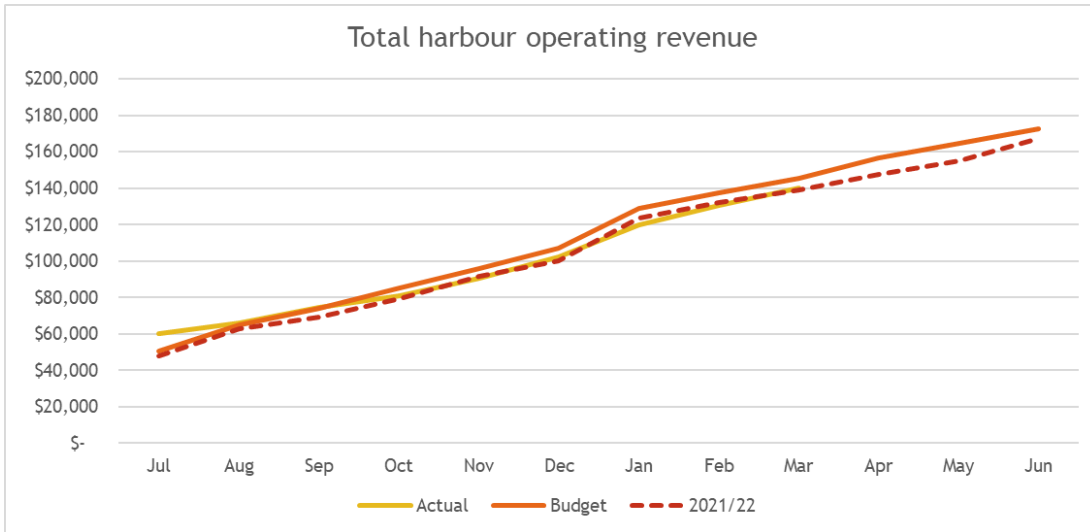
This report serves to highlight harbour operations over the past nine months ending 31 March 2023.



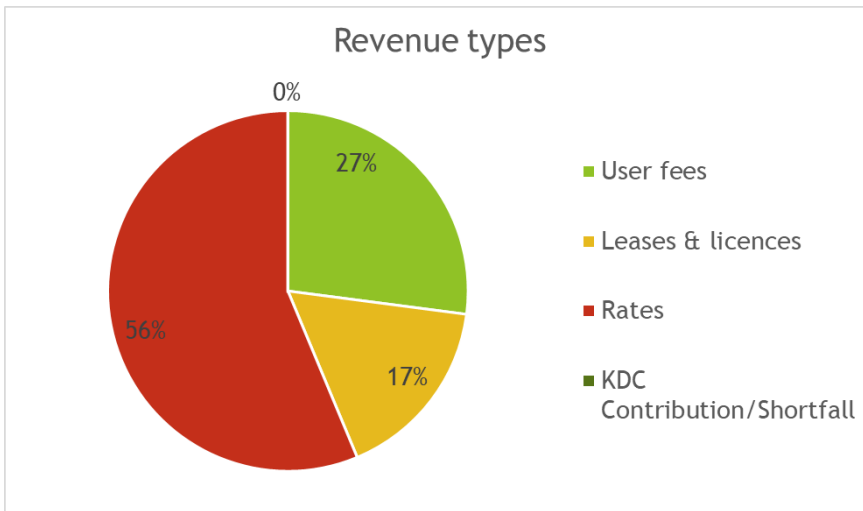
Actual slipway fees received are down on budget at \$41,988 (budget \$55,500) and down on the same period last year. Boat parking revenue is down on last year actuals for the nine-month period at \$31,174 (budget \$35,830).

Total harbour operating revenue is \$140,037 for the nine months compared to budget of \$145,562.

Operating Expenditure is \$254,323 which is down on budget of \$260,812 for the nine months.



The following graph shows that harbour revenues (user fees and leases and licences) covered about 44% of the actual cost of harbour operations for the year, with the targeted rates (\$160K) covering 56% - currently the harbour is operating with a surplus.



DEBTORS QUARTERLY REPORT

To 31 MARCH 2023

1 SUMMARY:

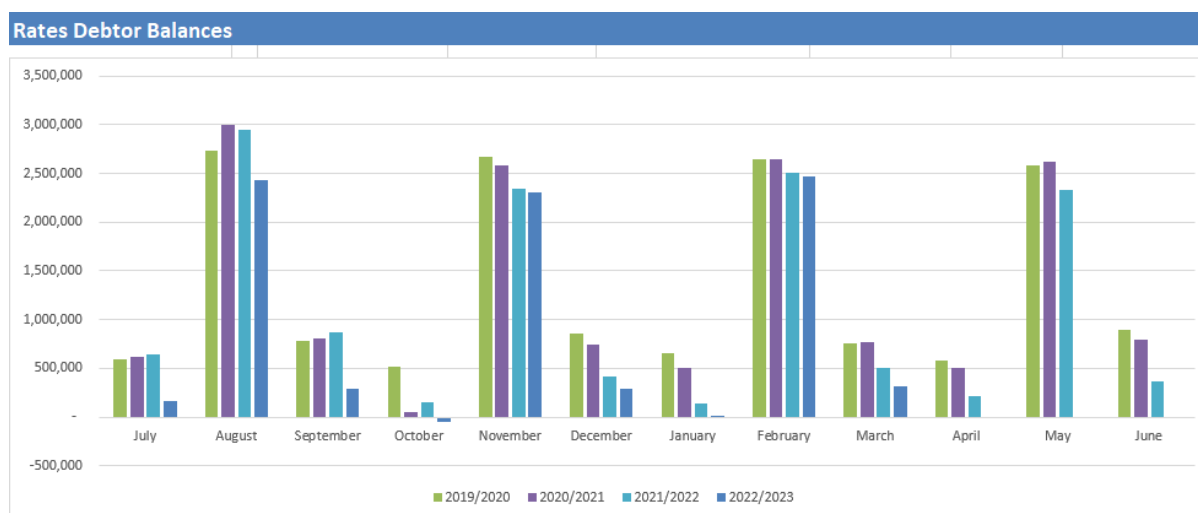
The purpose of this report is to provide an overview of the status of rates and sundry debtor receivables for the quarter ended 31 March 2023.

2 DISCUSSION:

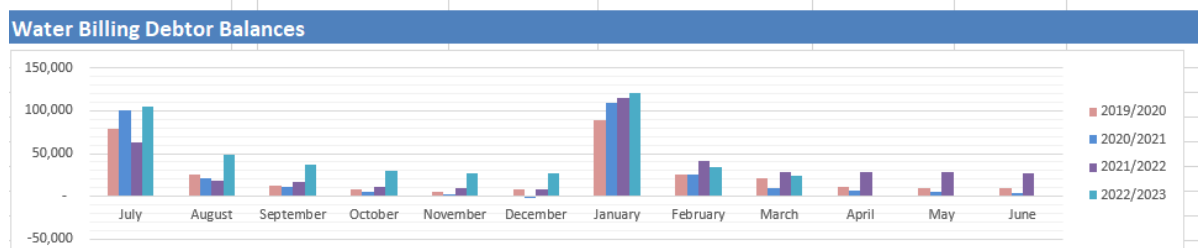
2.1 Analysis of Rates Debtors

At the end of March there was \$318K owing to the Council from rates. As you can see from the below graph the amount outstanding has been dropping for the past year as rates on Māori Freehold land is written off. The rates team have also actively pursued overdue rates debt.

For water billing, 94 debtors have not paid their water meter bill, the first instalment of water meter charges went out in January 23 for the six-month period July 22 – December 22. Most values are low (most are only \$25 for the half-yearly fee), but they are being actively followed up. Two debtors are disputing their water bill and reminders have been sent to all overdue with a few currently being referred to debt collection.



Number of Debtors	Rates revenue by type (year to date)					
Rates Debtors 389	Rates revenue by type (year to date)	Penalties applied	Write offs & adjustments	Remissions	Water billing	Total
	\$ 6,673,226	\$ 93,991	(\$ 61,305)	(\$ 35,203)	71,441	\$6,742,150
Water billing 94	99.0%	1.4%	-0.9%	-0.5%	1.1%	100.0%



2.2 Rates debtors overdue

The following table shows the extent of rates outstanding as at 31 March 2023. A total of \$318K in rates is outstanding, but with many properties with rates in credit (paid in advance) there is \$532K worth of rates to follow up this is \$57K lower than the previous quarter. Of that \$532K, \$136K relates to prior years. Whilst we are actively following up with current year rates outstanding, this report focusses on those prior year balances.

The five properties in the 3-years overdue column are responsible for \$73K of the total prior year balances (1-year overdue +), of this amount \$54K is now likely to be treated as Māori land and will be written off in due course. A further \$9K is rates on abandoned land and is unlikely to be recovered.

One commercial landowner (two properties) is responsible for \$33K of overdue rates (down \$10K from the previous quarter), and another commercial landowner has \$29K of overdue rates, one residential landowner has \$11K in overdue rates all have been sent to debt collection.

	3 years overdue	2 years overdue	1 year overdue	Current year	Total
Rates debtors					
Value	37,081	22,429	76,481	395,864	531,856
Property count	5	8	28	419	460
Paid in advance					
Value				(214,307)	(214,307)
Property count				526	526
Total					
Value	37,081	22,429	76,481	181,557	317,548
Property count	5	8	28	945	986

Significant work has been done within the rates database to ensure that penalty suppressions are being consistently applied according to Council policy and the reasons for the suppression are valid. In some circumstances this has meant penalties have been applied to certain rates for the first time in several years despite the rates being overdue. A good outcome of this process is that it has served to clearly alert both our Rates Officer and the landowners of lagging payments, and so more ratepayers are signing up for direct debits to avoid future penalties.

2.3 Analysis of Sundry Debtors

Sundry debtors total is \$1.18M as at 31 March 2023. We have seen a slight decrease in the overall debtors amount from last quarter, the number of debtors has decreased however the average debtor days has increased slightly which is now sitting at 85 days. This amount is also distorted by a large general debtor which is still outstanding.

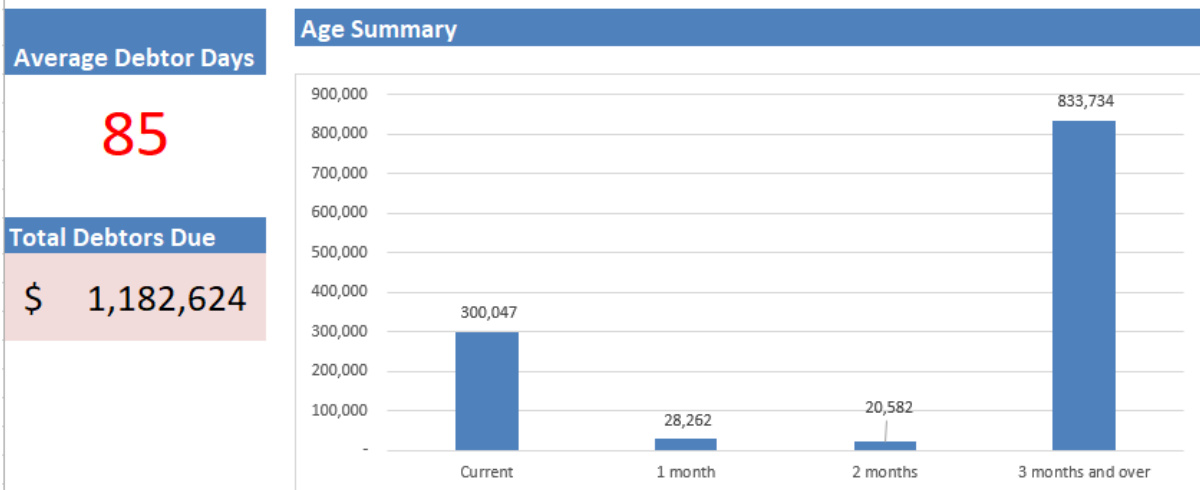
Of the \$286K in current general debtors, \$260K is an invoice relating to the IAF Project which has since been paid.

The following is an analysis of the range of debtors:

Trade debtors	Number of debtors	Current	1 month	2 months	3 months and over	Total
Building consents	66	(1,483)	(95)	(402)	(12,020)	(14,000)
Compliance Schedules	7	660	-	-	(100)	560
Cemetery	2	1,150	-	-	-	1,150
LIMs	1	290	-	-	-	290
Liquor licensing	9	316	316	316	891	1,840
Premises licencing	12	(300)	5,082	(308)	727	5,201
Property leases	18	7,985	-	-	3,987	11,972
Resource consents	15	5,107	17,333	9,830	(3,535)	28,734
General debtors	113	286,322	5,626	11,145	843,784	1,146,877
		300,047	28,262	20,582	833,734	1,182,624

Analysis of Sundry Debtors

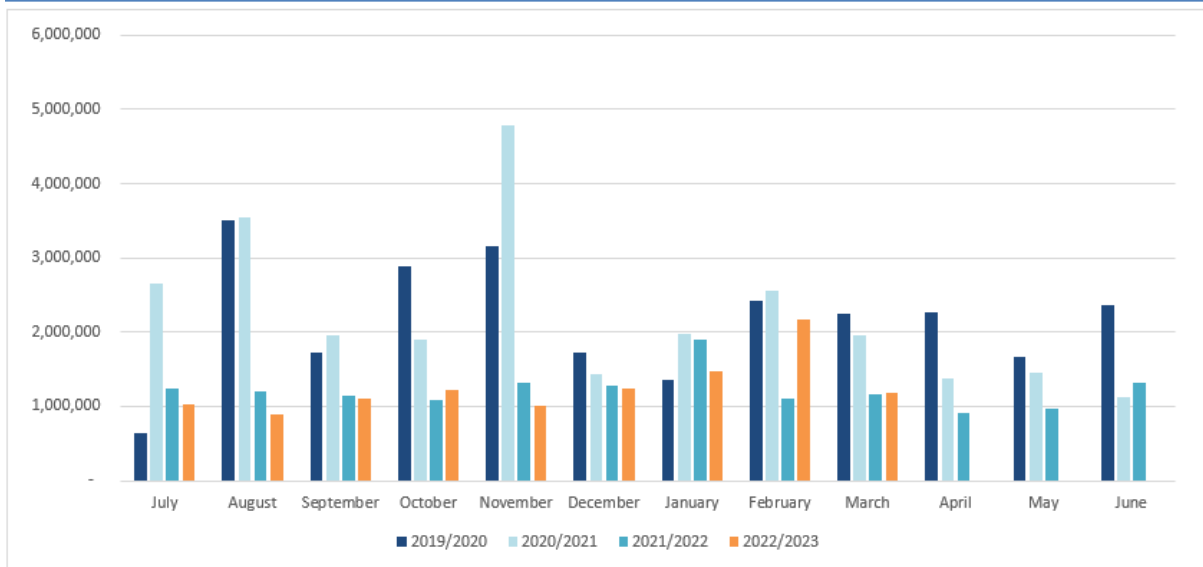
At 31 March 2023



Trade Debtors by Category



Debtor Balances



Bad Debts written off

\$ -

Number of Debtors by Category

Building consents	Compliance Schedule	Cemetery	Licenses Food/Liquor	Property Leases	Resource consents	Sundry Debtors
66	7	2	21	18	15	113

Report to:	Finance Audit & Risk Committee	
Date:	20 April 2023	
Subject:	Risk Management Report	
Prepared by:	W Doughty – Chief Executive	
Input sought from:	S Poulsen - Finance Manager Full Management Team	
Authorised by:	W Doughty – Chief Executive	

1. BACKGROUND

This report presents the updated Risk Management Report as at April 2023.

Attachments:

1. Risk Register as at April 2023 – see A3 version at end of pack.

2. RECOMMENDATION

It is recommended that the Council:

- a) Receives this report
- b) Notes the contents of the Risk Management Report (including Risk Register)
- c) Provides any feedback for staff consideration.

3. SUMMARY

Attached to this report is an updated Risk Register. This has been reviewed and updated by the Management Team.

Updates are clearly identified for the Committee in the attached. Additions are included in bold, italics and underlined, and deletions struck out. Risk level changes are highlighted in yellow.

Of note:

- Two risks scores have increased:
 - Risk ID #2: Building control BCA accreditation – We currently have a contracted BCA Manager in place. Due to not having a BCA Manager/BCO's employed directly by KDC, IANZ have indicated that they will be reviewing the BCA function in May.
 - Risk ID #25: Upper Waiau Toa Bridge land access – the project is currently at the resource consent stage with Environment Canterbury. We have increased the risk in the event of Runanga opposition to the project.
- One risk score has reduced:
 - Risk ID #29: Capital delivery Covid related – we have reduced the score as this is now less likely to effect capital delivery.
- Please note that we have moved some of the commentary previously in the control plan column to the controls in place column to reflect they have now either occurred or are in place.

4. FINANCIAL IMPLICATIONS AND RISKS

Most risks have financial implications and risks – these are taken into account in the compilation of the report.

5. COMMUNITY OUTCOMES

The work is in support of all community outcomes.



Community

We communicate, engage and inform our community



Environment

We value and protect our environment



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Future

We work with our community and our partners to create a better place for future generations

Risk Id	Risk quadrant	Department	Activity	Risk	Risk owner	Control owner	Risk category	Likelihood	Impact	Inherent Risk	Controls in place	Likelihood	Impact	Residual Risk	Control plan
Unique code for easy identification	Select either Council Risk or District Risk	Department	Council activity (e.g. water supplies)	Clear, unambiguous, brief description of the risk event and what the impact to Council would be (i.e. what the loss or gain will be if the event occurs)	Person accountable for ensuring the risk is monitored and controlled, and, where necessary, escalated	Person accountable for ensuring the control plan for the risk is implemented	Select either: (1) Health & Safety (2) Operational, (3) Political (4) Reputational, (5) Financial, (6) Environmental, or (7) Personnel	Based on Appendix B section 10.1 of the Risk Management Policy	Based on Appendix B section 10.2 of the Risk Management Policy	Total level of unmitigated risk	Description of existing controls	Based on Appendix B section 10.1 of the Risk Management Policy	Based on Appendix B section 10.2 of the Risk Management Policy	Level of risk that remains after taking the existing controls into account	Description of further controls (if required) from the detailed control plan developed by the risk owner
30	Council and District Risk	All	All	Substantial changes to the role of Councils arising from 3 waters and RMA planning reforms, purpose of local government review threaten the viability of KDC as a stand-alone entity and with its local democracy. Associated shorter term risks in respect of maintaining staff morale and retaining capability	Chief Executive	Chief Executive	Operational, Political	4	5	20	Proposed Three Waters, RMA and Local Government Reforms and changes largely outside of control of KDC. Involvement in submission processes and C4LD where ever opportunity arises RE: Staff morale, retention and recruitment - a number of actions being taken (refer risks 3, 4, 10, 32). Risk increases as we get closer to 1 July 2024 (Three Waters Reform date)	4	5	20	Develop plan for retention of local government influence in Kaikoura post reform, and for progressive structural change towards that provides some reassurance to staff Opportunistic actions RE: staff retention and recruitment when opportunities arise
3	Council Risk	Whole of KDC	HR	Depth of staffing - one tier deep - loss of key people, loss of institutional knowledge, difficult to recruit, lack of backup support, very limited opportunity for succession planning.	Chief Executive	Management team	Operational	5	4	20	Fair remuneration and staff benefits e.g. medical insurance. Regular team building exercises and training opportunities. Staff culture improved. Use of shared BA resource to help document process and procedures. Develop standard operating procedures: documented and agreed policies, and complete workflows, implementation of records management project. Team leader training. Develop a whole of team approach and encourage cross-department support. Keep job descriptions up to date. Outsourcing of work to external when necessary. Re-assess approach if vacancy etc continues beyond short term. ≥ 1 current vacancy vacancies in key management position. <u>Increased use of external contractor resource. Contracted Building Control Manager appointed.</u>	5	4	20	Consideration of shared BCA arrangements for longer term. <u>As one option for consideration: closer collaboration with neighbouring Councils</u> Increased use of external contractor resource
2	Council Risk	Building & Regulatory	Building control	Loss of BCA accreditation	SMO: Senior Manager Operations	Building Control Manager	Operational	5	4	20	Ongoing investment in staff, resources and training, monitoring BCA audit outcomes Accreditation achieved March/April. 2 Year low risk	5	4	20	Loss of Building Control Manager. Recruitment underway and interim arrangements in place. Longer term arrangements are being considered <u>IANZ review in May.</u>
25	Council Risk	Works and Services	Upper Waiiau Toa Bridge - land access	Rūnanga remain opposed to new bridge, with potential associated difficult / delay in resource consenting that may create regulatory or financial barriers if NZTA does not support fully. Failure to deliver project poses risks of legal action from landowners.	SMO: Senior Manager Operations	Chief Executive	Operational	5	4	20	Council Resolution 29/09/2021 supportive of progressing preferred option but incorporating more reactive response to erosion control to address concerns expressed by Runanga. Requests made to NZTA to extend financial support. Engagement continuing with Runanga to explore best way of managing different views. Ongoing discussion with Runanga for them to provide sufficient comfort to Waka Kotahi (NZTA) to enable project to continue. <u>Procurement process for bridge to incorporate sufficient flexibility to accommodate possible budgetary challenges.</u> <u>Resource consent to be submitted in August, however continued delays in consent processing. Waka Kotahi board decision to extend funding to 30th June 2025 and increased budget to \$13.7m.</u>	5	4	20	Procurement process for bridge to incorporate sufficient flexibility to accommodate possible budgetary challenges. Resource consent to be submitted in August, however continued delays in consent processing. Waka Kotahi board decision to extend funding to 30th June 2025 and increased budget to \$13.7m. <u>Resource consent issues and Runanga opposition jeopardise project</u>

32	Council Risk	Whole of KDC	HR	Team wellbeing and impacts of workloads, Covid-19, reforms uncertainty and staff shortages	Chief Executive	Management team	Operational	5	4	20	Workplace Support is in place for staff. Included in PDW process and focus from Management. <u>Wellbeing action plan in place and introduction of Wellness by Design hauora coaching for staff.</u> <u>Flexible Working Policy implemented.</u> <u>Report being prepared on financial implications of 3Waters Reforms for the organisation.</u>	4	4	16	Development of a wellbeing action plan underway. Implementation of a Flexible Working Policy in 2023. Management Team to provide support to their teams. Regular communication around reform agenda. Report being prepared on financial implications of 3Waters Reforms for the organisation.
31	Council Risk	Whole of KDC	All	Rapid cost escalation (e.g. oil/Ukraine) and inflation effects on capital delivery and BAU costs and possible rates increases	Chief Executive	Executive team	Financial, Operational	5	4	20	Internal monthly reporting of capital projects and operational results within Management meetings Some inflationary effects factored into 2022/2023 Annual Plan. Watching brief with Bancorp RE: effect on future borrowings	4	4	16	Cost escalation on materials experienced Ongoing effects monitored to assess effects on 2023/2024 Annual Plan and current LTP forecasts Review of capital programme procurement and delivery
7	Council Risk	Works & Services	Three-waters	Three-water reform, loss of critical mass and financial consequences, diminished ability to retain suitably qualified and experienced personnel	SMO: Senior Manager Operations	Chief Executive	Operational	4	5	20	With government making reforms mandatory now little prospect of significantly influencing outcome. Continued involvement in both the C4LD campaign and also DIA and LGNZ process. Restructure of current roles following the departure of the Works & Services Manager and to future proof for the Three Waters Reform.	4	4	16	Need to envisage possible post-water reform structure of KDC to reduce potential capability loss <u>Concerns now also apply to IWK as our CCO</u> Further controls required when July 2024 Three Waters Entity transfer arrangements are clearer, especially for Council financial consequences and staffing issues in Council and IWK <u>Reform reset Agenda expected in April</u>
28	Council Risk	Leadership	Wakatu Quay Development	Project does not deliver desired outcomes including positive financial result - financial implications to Council and community	Chief Executive	Chief Executive	Financial	4	4	16	Regular attendance by Elected Members and CEO at Governance Group with regular reporting to Council CE has close interface with Governance Group, Elected Members and Runanga. Development of alternative actions. Development of non-negotiables	4	4	16	Coopers have pulled out as developer/investor - Plan B is being drafted for March 2023 <u>The KMDP team are re-marketing the Wakatu Quay opportunity from March 2023 to the investment market and will confirm to Kanoa its next steps in June 2023. Alternative approach is for KDC becoming the investment partner, this would require a minimum investment of \$800k by KDC to unlock the remaining PGF funding. Both options were presented at an Open Council Workshop on 15 March. Any Council commitment would need to be confirmed as part of the LTP to be adopted in July 2024, this also requires approval by Kanoa.</u>
16	Council Risk	Leadership	Leadership	Lack of progress following both senior management and operational interactions with Runanga result in delays in projects and BAU	Chief Executive	Executive team	Operational	4	4	16	Regular meetings with Te Runanga and Mana to Mana Hui held, and some issues discussed In addition specific project meetings held for key capital projects in particular. <u>Continued Governance hui's to discuss key issues. These to include further highlighting of difficulties for Council projects and operations.</u> <u>MOU and SLA to be developed. Cultural awareness activities to be undertaken.</u> <u>Controls being worked on but little progress to date in terms of physical agreements</u>	4	4	16	Development a formal partnership agreement to establish framework for relationship. Continued Governance hui's to discuss key issues. These to include further highlighting of difficulties for Council projects and operations. MOU and SLA to be developed. Cultural awareness activities to be undertaken. Controls being worked on but little progress to date in terms of physical agreements
24	Council Risk	Whole of KDC	Contractor performance risk	Sub-optimal or poor contractor performance (including health & safety) and/or additional costs	SMO: Senior Manager Operations	Management team	Operational	4	4	16	Experienced and full compliment of current works and services team, exercising better oversight of activities under improved contract documents that more clearly specify required outcomes. Increasing focus on health & safety documentation. Priorities for major contractor works being clarified in LTP. Contractor reports are received monthly from the Rooding Contractor, contains H&S reporting.	4	3	12	Ensuring the contractor understands the contract obligations. Continually improving procurement processes and contracts for quality outcomes and to include better health & safety requirements Focus on KPI reporting with 3 Waters contractor <u>Included in SOI for IWK</u>

14	Council	Whole of KDC	All	Covid-19 related loss of business continuity	Chief Executive	Chief Executive	Operational	4	4	16	<p>Business continuity plans in place.</p> <p>Consideration of trigger levels that look to rotation of staff working from home vs in the office to reduce spread throughout the workforce at once. Identification of critical workers for essential services.</p> <p>Ongoing management of staff and close contact cases and impact on service delivery.</p> <p><u>The staff vaccination policy has been removed in line with national policy. Impacts continue to be monitored and business continuity measures implemented as required.</u></p>	4	3	12	<p>The staff vaccination policy has been removed in line with national policy. Impacts continue to be monitored and business continuity measures implemented as required.</p> <p><u>Increase in community cases but manageable at present.</u></p>
21	Council Risk	Community Services	Information & Records Management	Records and documents can't be accessed reasonably or found, due to lack of information management processes across the organisation	SMC: Senior Manager Corporate Services	Community Services Manager	Operational and reputational	5	3	15	<p>Laserfiche procured and operational.</p> <p>Many Staff now using Laserfiche but uptake across organisation is slow. Evidence of IT audit January 2023 shows high number of files being kept on desktops. Project Manager in place shared with Hurunui District Council.</p> <p>Local Information Management Officer in place. Dedicated time factored into weekly schedule. Files scanned and inputted in Laserfiche as created or requested internally or externally.</p> <p>Retention and disposal plan under development. R:Drive locked, readable only and being transferred into Laserfiche</p>	4	3	12	<p>Continued monitoring and training to ensure 100% uptake of staff using Laserfiche.</p> <p>Further assessment of ability / resources to make greater progress as full electronic records for property files.</p> <p>Likely to require significant time and cost.</p> <p><u>Review of H:Drives and Desktops</u></p>
10	Council Risk	Building & Regulatory	Building control and other regulatory	Statutory non-compliance (e.g. failure to conduct BWOFs, enforcement activities)	Team Leader Community Facilities & Regulation	Senior Manager Operations	Operational	4	3	12	<p>Ongoing investment in staff, resources and training. Some re-focussing of duties within operations team to enhance efficiency of monitoring and enforcement.</p> <p><u>Restructure of regulatory team following departure of regulatory officers; introduction of new Regulatory Services Team Leader and casual parking/freedom camping officers. These roles were filled & commenced employment early April.</u></p>	4	3	12	<p>External resources to assist with TA functions</p>
4	Council Risk	Strategy & policy	District planning	National legislative changes are too rapid, too complex, and/or too constant - challenging capacity within staff to keep up	SMC: Senior Manager Corporate Services	Strategy, Policy & Planning Manager	Operational	4	3	12	<p>Active member of Regional Planning Network, access work from other Councils, use consultants if required</p> <p>Canterbury region sharing resource to enable combined assessments and submissions</p> <p>Stay abreast of changes, support sector submissions (KDC has a very low level of influence), created roadmap for district plan and legislative changes.</p> <p>Early indications are that National Policy Statement re Biodiversity may be known in August and that very challenging timeframes and costs for KDC may still be included. KDC submission is unlikely to have influenced outcomes or timeframes. Awaiting confirmation of NPS.</p> <p>Impacts of RMA reforms not fully determined.</p> <p><u>KDC submissions were lodged on the Spatial Planning Bill (SPA) and Natural and Built Environment Bill (NBA). Regional submission with CMF.</u></p>	4	3	12	<p>Initial acts to be released for consultation by the end of January 2023. Full implications as yet unknown. Working on a regional submission with CMF.</p> <p><u>We are currently understanding other Council's positions and waiting on the outcome of the NBA & SPA</u></p>

29	Council Risk	Leadership	Capital Delivery	Covid-19 related and worldwide supply delays to major projects impacts on ability to deliver capital programme. Covid-19 risk on delay of materials	Chief Executive	Executive team	Operational	4	4	16	Monthly reporting of all projects. Early identification of issues and contingency plans provided from Management meetings Some delay in sourcing supplies emerging / no major impact to date but risk remains.	3	3	9	Watching brief for further materials delays Clearly signal capital carry forwards Procurement plans for key projects.
26	Council Risk	Whole of KDC	RMA consent compliance monitoring and enforcement	Continuation of KDC historic practice of reactive rather than proactive monitoring and enforcement of consent conditions will result in material breaches	Senior Manager Operations & Senior Manager Corporate Services	Chief Executive	Political or Reputational	4	3	12	Historic approach and resource levels restrict the ability to proactively monitor compliance Resource Management Officer on 0.2 full-time equivalent through secondment from Environment Canterbury. In addition part of a Regulatory Officer has been allocated, where available to monitoring. A draft plan has been created for priorities bearing in mind the small FTE	3	3	9	Further proactive monitoring compliance will require additional resource.
15	Council Risk	Strategy & policy	District planning	Statutory non-compliance (planning decision subject to challenge)	SMC: Senior Manager Corporate Services	Strategy, Policy & Planning Manager	Operational	4	3	12	Staff are adequately trained, adherence to current district plan, use of qualified consultants as required. With longstanding staff vacancy affecting resource consent outsourcing increased internal management oversight of decision making processes by externals. Additional pressures are being placed on Stat timeframes with outsourcing but still manageable at this time. Aware of national shortage of planners with many councils and central government departments recruiting. In addition some external contractors are declining work due to workload. With Covid-19 lockdowns having reduced opportunity, careful planning of staff annual leave is needed (balancing annual leave vs statutory requirements). Consent timeframes excluded due to "special circumstances" where necessary	3	3	9	<u>Commencing recruitment following resignation of Policy Planner. In the interim external consultants may be required.</u> <u>Weekly consent timeframes are being prepared to assist with tracking consents.</u>
13	Council Risk	Leadership	Council	Not robust decision-making from elected members	Chief Executive	Executive team	Political or Reputational	3	4	12	Reports to Council are well-researched and presented, staff give competent advice, elected members receive induction training. Independent committee member appointed for FARC. Difficult or contentious issues are workshopped to enable full understanding prior to a decision being required at a Council meeting. No surprises <u>New council induction held and training programme in place. Emergency Management overview held with Elected Members.</u> <u>Governance Training completed</u>	3	3	9	Elected members receive ongoing training, including on legislative matters, <u>Chairs Training and a mid-term review in 2024.</u> Ensure key decisions required are scheduled before Election period. New council induction held and training programme in place. Emergency Management overview to be held with Elected Members.

9	District Risk	Strategy & policy	District planning	District Plan is sub-optimal, there is both permissive and restrictive land use, that may have undesirable effects. In addition RMA reforms suggest regional plans going forward which would include Kaikoura's sub-optimal plan	SMC: Senior Manager Corporate Services	Strategy, Policy & Planning Manager	Environmental	4	3	12	Roadmap for revised District Plan produced. Presented to council. Included in LTP Delivery plan developed. External advisors in place with Year 1 project plan in place November 2021 External resources contracted for 2021/2022 work. Natural Hazards Chapter nearly complete. National planning standards re-housing nearly complete. Looking to advance Year 2 planning including Runanga involvement and spacial planning	3	3	9	Spatial plan contract amended <u>awarded</u> prior to Christmas - New Year start - <u>Work underway for April/May 2023 community workshop.</u> <u>Boffa have offered to provide additional assistance whilst the Policy Planner role is being filled.</u>
27	Council Risk	Communications	Council website software not supported	Potential failure of the Council website may not able to be rectified and potential for full website to be inoperative	Senior Manager Corporate Services	Chief Executive	Operational	3	3	9	Procurement completed for new website supplier. Timeline for programme developed. New Communications Officer in place and engaged. Communications Officer allocated additional time to focus on new website content and migration plan. <u>Customer Services Officer has been allocated time to assist with the new website migration.</u>	3	3	9	Staff resource will be stretched to implement. To be addressed by staged implementation with supplier and IT. New website development is on track. Priority content has been migrated. <u>New website scheduled to go live for May 2023.</u>
12	District Risk	Works & Services	Water supplies	Drinking water transgression, people get sick or die	SMO: Senior Manager Operations	Works & Services Manager	Health & safety	3	5	15	Water treatment facilities are in place, are well maintained, and water testing regimes are followed. Water Safety Plans are in place, and two boil water notices remain. Upgrades to water treatment facilities, secure water sources, work to remove boil water notices. DIA reform money addressing the risk <u>Boiled water notice lifted for Fernleigh.</u> <u>Water safety plans in place.</u>	2	4	8	Boiled water notice lifted for Fernleigh. Regular interface with regulator Water safety plans in place. <u>Boiled water notice still in place for East Coast</u>
18	Council Risk	Whole of KDC	IT services	Data privacy breach - Individual information or contact database is accessed without authorisation	SMC: Senior Manager Corporate Services	Finance Manager	Political or Reputational	3	4	12	Firewalls are in place, laptops and devices are password protected. Increased focus on cyber security. <u>Mimecast security training has been rolled out for staff by IT.</u> Free Privacy Act training modules available for staff to gain an understanding. Personal devices owned by staff and elected members don't have the same protection protocols in place. Would require IT to enforce 6-digit pin numbers and other protection measures. Staff Privacy Act training. Data regularly exported (e.g. to Quotable Value and Environment Canterbury) could be encrypted - IT to advise.	2	4	8	
33	Council Risk	Whole of KDC	Financial management, HR	District Licensing Committee hearings impacts on resourcing and budget	Chief Executive	Chief Executive	Financial, Operational	4	3	12		4	2	8	Consideration of fees and charges in the Annual Plan and resourcing in the Regulatory Team. Consider further educational awareness initiatives. <u>Regulatory Team Leader on board</u>

19	Council Risk	Leadership	Leadership	Qualified annual report for 2021-2022	Chief Executive	Management team	Political or Reputational	5	2	10	<p>Suitably qualified and experienced staff complete the annual report. Currently inadequate systems in place for service performance reporting.</p> <p>Improved capture of performance reporting in place - year end review will assess whether qualification can be avoided.</p> <p><u>Annual Report 2020/2021 has been approved.</u></p> <p><u>Annual Report 2021-2022 has been approved (29 March 2023)</u></p>	4	2	8	<p>Delays to audit until Q1-2023 for Annual Report 2021-2022. Audit has commenced and the team are currently working through audit queries.</p>
6	Council Risk	Works & Services	Roading	Poor network resilience and a backlog of work resulting in poor roads and financial burden, and community impact	SMO: Senior Manager Operations	Works & Services Manager	Operational	3	4	12	<p>Adoption of the LTP with the investments included will enable reseal backlog to be dealt with over the programmed six years.</p> <p>Final Waka Kotahi funding has increased and is being applied to additional capital works in order to accelerate the programme to eliminate the backlog.</p> <p>RAMM (Road Asset Maintenance Management) validation completed and improvement plan being developed. NCTIR Haul Roads scheduled to be completed within budget. Year 1 delivery successful (although Ludstone Road delayed to Year 2 to align with IAF projects).</p> <p><u>Reseal works completed in Q1 2023.</u></p>	2	3	6	<p>This year's activities will focus on delivery of the budgeted programme and preparation for years 2 and 3.</p> <p>Reseal programme allocated for delivery in Q1-2023.</p> <p><u>Area wide treatments underway.</u></p>
20	Council Risk	Whole of KDC	Financial management	Fraud - whether misappropriation of cash, theft of assets or cash, or some other fraud/corruption	Executive team	Management team	Financial	3	3	9	<p>Segregation of duties within finance team, daily checking of banking and cash handling, regular financial reporting, financial delegations enforced.</p> <p>Cash Handling Policy has been updated and endorsed by the Finance, Audit & Risk Committee in August 2021. Monthly internal reconciliation process.</p>	3	2	6	<p>Increased internal auditing and deep dives</p>
11	Council Risk	Whole of KDC	Financial management	Unplanned costs, overspends, loss of revenue streams	Chief Executive	Management team	Financial	3	3	9	<p>Financial delegation limits, budget supervision, monthly reporting of variances</p> <p>Robust LTP and Annual Plan processes</p> <p>Budget variances closely monitored.</p> <p>Monthly Management meetings reviewing capital and operational expenditure.</p> <p>Deployed greater accountability for budget overruns, financial reporting brought to management teams, whole of team approach to budgets</p> <p>Risks remain for any contracts or commitments that exceed budget provisions - the financial reporting only brings these to attention after the commitment has been made. Mitigated by involvement of Senior Managers and CEO and regular management meetings regarding operational and capital expenditure</p>	2	3	6	<p><u>No surprises reporting to elected members.</u></p>

17	Council Risk	Whole of KDC	IT services	IT hardware failure	SMC: Senior Manager Corporate Services	Finance Manager	Operational	2	4	8	<p>Backups are undertaken 3 times daily, stored offsite. Backups kept for daily, monthly and yearly iterations.</p> <p>Document management system now up and running, the document management system does not have cloud-based storage (its on one of our new onsite servers). This risk is mitigated by the backups described as above.</p> <p>New server has now arrived and operational (this is the last of the older servers).</p> <p>Core servers - all now replaced, new laptops arrived or ordered to replace PC's (Covid delivery delays)</p> <p>Secure elected members devices issued</p> <p><u>Ongoing awareness of potential threats through Mimecast security awareness training arranged by IT. Monthly updates.</u></p>	2	3	6	<p>Hardware replacement policies required.</p> <p>Ongoing awareness of potential threats</p> <p><u>Review of security software and implications for July 2023 - IT Audit</u></p>
22	Council Risk	Community Services	Emergency Management	Other priorities resulting in failure to adequately train for emergency event	SMC: Senior Manager Corporate Services	Community Services Manager	Operational	2	3	6	<p>Regular meetings and significant EOC specific training</p> <p>Enhanced relationships and training with other local first responders. Excellent relationship with Canterbury Group EM</p> <p>EMO contract extended for a further year. <u>EMO now on permanent part-time contract</u></p> <p>Clear understanding of who does what in the event of a disaster. New staff trained as they arrive</p> <p><u>Controller refresher training held for 2023</u></p>	2	3	6	<p>Developing clearer operating procedures for all function managers.</p> <p>Will always need external resource for significant local event.</p> <p>Controller refresher training to be scheduled in 2023</p> <p><u>Training of EMO second in command scheduled later this year.</u></p>
23	Council Risk	Whole of KDC	Leadership	Natural disaster - effect on community: earthquake, tsunami, major flood event	Chief Executive	Executive team	Operational	1	5	5	<p>Emergency Management Officer and Function Managers are up to date with CIMS training, whole of KDC participation in regional exercises, liaison with regional civil defence agencies, regular catchups with local responders (police, fire, hospital, Red Cross etc)</p> <p>EMO <u>now on a permanent contract due to CDEM restructure delay</u> contract extended for a further year.</p> <p>Develop clear operating procedures for all function managers with a clear understanding of who does what in the event of a disaster. Ensure CEO support to EMO for implementing controls.</p>	1	5	5	<p>Will always need external resource for significant local event</p>
5	Council Risk	Works & Services	Asset management	Lack of knowledge about KDC assets, especially critical infrastructure	SMO: Senior Manager Operations	Works & Services Manager	Operational	3	4	12	<p>Significant progress made on improving asset knowledge and preparing Infrastructure Strategy and AMP's to support LTP.</p> <p>ADAPT asset management system in place and being used for waters assets.</p> <p>Proposed 3 waters reforms would remove some longer term risks to Council</p> <p>Continuing focus for Works & Services Team.</p>	2	2	4	<p><u>Further work required with Adapt.</u></p>

1	Council Risk	Whole of KDC	Financial management	Long-term financial position: Major unforeseen projects or disaster events raise our debt levels too high	Chief Executive	Executive team	Financial	2	4	8	Financial delegation limits, budget supervision, monthly reporting of variances, asset management planning, and inputs to Long Term Plan. LTP approved. Headroom remains Current debt levels leave headroom.	1	3	3	Would require very major event as <u><i>borrowing</i></u> headroom significant
8	Council Risk	Whole of KDC	HR	Major disaster - business continuity	Executive team	Team leaders	Operational	1	5	5	Regular EOC function manager training, documented processes, EOC cupboards stocked, participate in Exercise Pandora, IT backups and disaster recovery plans in place Policy and procedures review and update commenced. BCP plans in place for Covid.	1	3	3	Develop clear operating procedures for all function managers with a clear understanding of who does what in the event of a disaster

Report to:	Council and Finance Audit & Risk Committee	File #
Date:	20 April 2023 / 26 April 2023	
Subject:	Annual Plan Update	
Prepared by:	S Poulsen - Finance Manager	
Input sought from:		
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

Progress on the Annual Plan 2023/2024 is on track. A workshop has been held with the Council on 12th April, and the workshop has confirmed there are no significant or material differences from Year Three of the Long-Term Plan 2021-2021 (the LTP). The theme for the Annual Plan is that we are “sticking to the plan”, and there are no new issues requiring consultation beyond that which was already done for the LTP.

The statutory deadline for the Council to adopt the Annual Plan remains 30 June 2023.

2. RECOMMENDATION

It is recommended that the Council/Committee receives this report for information.

3. BACKGROUND

The budgets for the 2023/2024 financial year are expected to be similar to the LTP year 3, except for the timing of some capital projects, and minor movements within activities. Grants such as the Better Off Funding, and their associated projects, have been incorporated in the draft budgets with little-to-no impact on rates and borrowing.

Inflation has impacted budgets, most notably for roading, however the increased costs are largely absorbed by raising loans (as signalled in the LTP to deal with an identified roading backlog) and using some accumulated roading reserves. Building control budgets have been the biggest challenge, with full personnel budgets including vacancies assumed, but also providing for ongoing consultancy to retain our BCA accreditation.

Work yet to do on the Plan budgets include:

- Explore any further opportunities for use of special reserves and funds
- Check revenue, including increases to user fees and charges
- Check timing of capital work and carry-forwards
- Update opening balances
- Analyse the effect of the district valuation on benchmark properties

Proposed remaining timetable as follows (with updates to also come to the May Council meeting):

Wednesday 10 May	Open Council workshop	
Wednesday 17 May	Open Council workshop	
Tuesday 23 May	Open Council workshop with Philip Jones	Rates review & annual plan
Wednesday 28 June	Council meeting	Adopt Annual Plan

4. FINANCIAL IMPLICATIONS AND RISKS

The Annual Plan is an important statutory document that sets the budgets for the 2023/2024 financial year, and in turn sets the rates for that year.

If the Annual Plan is not adopted before the first rates instalment is invoiced, then rates must be set at the same level as the current (2022/2023) financial year, and any changes in rates would then apply for the remaining instalments. This carries the risk of an administrative burden to apply different rates within a financial year, and the implication for ratepayers is that any differences in rates – particularly increases – are then absorbed within a shorter timeframe.

5. RELEVANT LEGISLATION

Section 85 of the Local Government Act 2002, on the use of the special consultative procedure in relation to an Annual Plan has been repealed. Section 95 (2A) provides that a local authority does not need to consult if the proposed annual plan does not include significant or material differences from the Long-Term Plan for the same financial year.

6. COMMUNITY OUTCOMES SUPPORTED



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Report to:	Council	File #
Date:	26 April 2023	
Subject:	Kaikōura Community Courts – Re-Development	
Prepared by:	S Haberstock – Community Services Manager	
Input sought from:	M Russel – Works Manager, S Wright – Community Development Officer, J Diver - Treasurer of the Kaikōura Community Charitable Trust	
Authorised by:	W Doughty - CEO	

1. SUMMARY

KDC staff consulted with the Rūnanga and sports clubs around the re-development of the tennis courts – how they would like to see the tennis courts turned into a multi-purpose community court. There was no consensus and Sport Tasman was asked to support with the development of a fit-for-purpose multi-purpose court that would meet everyone’s needs.

In October 2022 Tony Thomas, General Manager Spaces and Places, Sport Tasman, commissioned Richard Lindsay to talk to representatives from the Rūnanga and rugby, tennis, and netball clubs. The idea was to support Kaikōura to form a guide to help with the assessment of various options for the earthquake damaged tennis courts.

An assumption was made that Tennis would require the courts for 7 months and Netball would use them for the remaining 5 months. This did not allow for any cross over or Tennis having access to one tennis court all year round as requested. In addition, Sport Tasman assumed all sports clubs were on board, and they were here to continue with the groups, rather than consult with the community.

In the meantime, a long-standing DIA Lottery Earthquake Relief Grant was successful (\$143,000) and we were also successful with a Better Off Grant (\$25,000). That means KDC currently has \$168,000 (excl GST) to start on the court repair. However, this funding is time sensitive, and we have been advised to start with the repairs sooner rather than later (before the end of this financial year).

We further consulted with the clubs separately, but do not have consensus on usage or design; therefore, we are requesting the Council to make the final decision.

KDC officers would like Council to agree that the entity responsible for the project is a collaboration between KDC staff and the Kaikōura Community Charitable Trust (KCCT) and we request the need for a formal agreement between Council and KCCT outlining responsibilities.

We further would like Council to request a Letter of Understanding between the clubs before any repairs are conducted.

Since there is no consensus and the existing tennis courts are a Council asset, we also request Council to decide on the design option - one or two levels. This option will need to include levels of service Council is prepared to invest in the project and will become part of the management plan once the Councillors have agreed on design. The approximate cost for the two different level options is:

- a) Extending the top level, but retaining the bottom court as a dedicated Tennis Court: Approx \$200,000 (see Appendix 1)
- b) Bringing the courts up to one continuous level: Approx \$420,000 (see Appendix 1)
- c) Retain the status quo and simply fix the existing tennis courts.

Attachments:

1. Attachment 1 - Kaikōura Community Courts Re-Development – Options Assessment.

2. RECOMMENDATION

THAT:

- a) The Council receives this report.
- b) The Council agrees that Council staff manage the project in collaboration with the KCCT and a formal agreement is entered into.
- c) The Council requests a Letter of Understanding between the Clubs and Council
- d) The Council approves to progress with either Option (a) Recommended; or (b) or (c) as follows:

Option A (Recommended): Build two-level multiuse courts.

Option B: Build one-level multiuse courts.

Option C: Refurbish existing tennis courts only.

3. OPTIONS

3.1 Option A (recommended): Build two-level multiuse courts

This multi-level court would provide adequate playing surfaces for all while minimising costs. It would create a multiuse community court with a dedicated tennis court with the current aesthetics of a low retaining wall facing the Esplanade. The reason we recommend this option is we could start straight away and have enough funds to complete it within short timeframes.

3.2 Option B (not recommended): Build one-level multiuse courts

A one-level multiuse court may better future proof the multiuse court area, but there is no guaranteed funding for the shortfall. We would run the risk of losing the current DIA funding while applying for extra funding. In addition, we would need one third cash in the bank upfront for any further funding application to the DIA Facilities fund. This option would also include a dedicated all-year round tennis court. The aesthetics will need to be considered as the retaining wall facing the Esplanade would be much higher.

3.3 Option C (not recommended): Refurbish existing tennis courts only

While simply repairing the existing courts is a good short-term option, retaining current aesthetics and would provide a great playing surface for tennis, this option would preclude any other sport group from using this area, negating the idea of a multiuse court as part of the new Rugby Club. Netball would have to continue to run solely at the Kaikōura High School netball courts as they are currently.

Further detail on the options is provided in Attachment 1: Kaikōura Community Courts Re-Development – Options Assessment.

4. FINANCIAL IMPLICATIONS AND RISKS

Council will have to manage this project in-house, or meagre grant funds will need to be spent on project management, leaving even less funds for the re-development.

Without the Memorandum of Understanding between Council and the clubs, KDC staff run the risk of needing to intervene when more than one clubs wants to use the court, which they do not have the capacity to do.

The collaboration between Council staff and KCCT will ensure we have overview of the project, as well as a governing body for the day to running of the sports clubs and will also ensure any further fundraising can be done by LCCT.

5. RELEVANT LEGISLATION

The purpose of local government is –

- To enable democratic local decision-making and action by, and on behalf of, communities
- To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. (Local Government Act 2002, section 10 (1)).

6. COMMUNITY OUTCOMES SUPPORTED



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations



Kaikoura Community Courts Re-Development

Options Assessment

October 2022

Document Info & Acknowledgements

Document version: Final

Date: October 2022

Author: Richard Lindsay, Aidan Perry (Lincoln University Student Intern)

1.1 Acknowledgements

Project Group

A Project Group of representatives from local rununga, Kaikōura Netball Centre, local tennis players, and Kaikōura District Council staff was formed to guide the assessment of various options.

With Thanks To

Tony Thomas, General Manager, Spaces and Places, Sport Tasman.

Disclaimer

Information, data and general assumptions used in the compilation of this report have been obtained from sources believed to be reliable. RSL Consultancy has used this information in good faith and makes no warranties or representations, express or implied, concerning the accuracy or completeness of this information. RSL Consultancy is acting as an independent consultant. In doing so, the recommendations provided do not necessarily reflect the intentions of the client. Interested parties should perform their own investigations, analysis and projections on all issues prior to acting in any way in regard to this project.

Executive Summary

The community courts in Kaikōura were damaged in the 2016 Kaikōura – Waiiau earthquakes. The community has requested support from Sport Tasman to restore these courts. Sport Tasman has facilitated discussions with the local community, including various user groups, to identify the current and potential future needs of these courts to establish what is most likely to present itself as the preferred option.

This report provides a high-level assessment of the identified needs, future options and provides a recommendation on a preferred option.

Community discussions have confirmed that the current courts should be repaired. Tennis users indicate a need for these courts and the Kaikōura Netball Centre has indicated a desire to move from the high school site due to a mix of access issues and health and safety concerns.

The community courts are located at the Takahanga Domain. The courts site has several constraints:

1. This is a highly sensitive site with cultural significance for the local rununga. Care needs to be exhibited to ensure the land is not further disturbed during any re-development.
2. Current split level – The courts are configured as two tennis courts on a top tier and two tennis courts on a bottom tier. This drop-down area inhibits the ability to utilise the entire footprint as one surface.
3. Inability to expand – the courts are surrounded by roads on two sides and an existing Croquet Club on another. Any expansion of the footprint can only really occur to the West (toward the squash club building).

Any opportunity exists with the proposed development of a new community and sport pavilion on the domain, currently being led by the Kaikōura Rugby Club. This pavilion will be located adjacent to the courts and should be pursued as a shared facility for the court users.

The three options investigated for the site were:

Option one: Retaining the current two levels of community courts, on the existing footprint.

Option two: All the courts on one level, but no expansion to the footprint

Option three: Expanding the existing footprint but retaining the two levels of courts.

Option four: Expanding the existing footprint and levelling the courts to one level.

On balance, the preferred option is to re-develop all the courts on one level, with no expansion to the footprint. A preliminary cost for this option shows that this option would require a minimum of \$420,000. There would also be ongoing operating costs that would need to be accounted for.

It is recommended that the project group:

- Agrees to pursue the option of a one-level community court site
- Continues to engage with KDC and local rununga on the project
- Develops a funding strategy to determine how best the revenue can be raised.
- Engages a suitably qualified professional to project manage the design, tendering and construction of this project
- Establishes a system to gather revenue through court hire, to offset repairs, maintenance and the cost of lighting.

It is also recommended that:

- Tennis and KNC enter into a formal agreement about preferred access rights, while also being cognisant that the courts also serve a wider community need.
- Management of the re-developed courts is undertaken by the entity that will ultimately be responsible for the community sports pavilion adjacent to the courts.

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1. Introduction

1.2 Purpose of report

The purpose of report is to explore the options for repairing and utilising the Kaikōura public courts at the Takahanga Domain. The current courts at the Takahanga Domain were damaged in the November 2016 earthquake event. The Takahanga sports domain was first developed in 1859 and the tennis courts were laid sometime after that. There are four tennis courts but only 2 are currently available due to earthquake damage. Previously the courts were used for both recreational and competitive tennis. This report looks at a series of options that are available to the Kaikōura community.

Image one: Existing damaged courts (lower tier)



1.3 Methodology and Scope

1.3.1 Methodology

The methodology for the options assessment included the following steps:

- A review of relevant existing documentation
- Face to face and online meetings with a community working group to discuss the project and test options
- A community workshop to receive feedback from a range of potential users (over 30 people attended this meeting)
- Discussions with local contractors regarding repair and development costs
- Development of various options to utilise the courts
- Confirming a preferred option and an associated preliminary cost estimate

1.3.2 Scope

This report has focussed on the re-development of the community courts at the Takahanga Domain. No other potential sites have been assessed at this stage. This is mainly due to the fact that this project is focussing on the re-development of existing infrastructure.

Project costs do not consider any potential savings that may be able to be gained through potential offers of volunteer labour or materials.

The focus of user groups is on tennis, netball and basketball. While recognising that a wider range of uses could occur on the courts it is considered that these three activities are the most likely regular users of the space and therefore this report primarily focuses on these.

1.3.3 Out of scope

The following areas were discussed at the commencement of the project and deliberately excluded:

- An assessment of other possible sites for courts
- Any re-confirmation from local rununga that the Takahanga Domain is still seen as an appropriate place for the community courts (noting local rununga has been represented at some project meetings and wider community workshop).
- Funding strategy to implement the findings
- The exploration of wider infrastructure changes to accommodate the courts (such as roading network changes or parking amendments)
- An assessment of wider infrastructure needs that may be a by-product of the court redevelopment (such as roading and car parking requirements)

1.4 Background Information

The current tennis court location at the Takahanga Domain has space for four tennis courts. Two of these courts are usable while two cannot be used due to earthquake damage. Tennis players have been using the current Takahanga Domain for many years and are wanting to continue using the site. An opportunity exists to re-form a tennis club.

The Kaikōura Netball Centre (KNC) currently operates at Kaikoura High School (KHS). There is court space at the high school marked up as follows:

- Netball courts / 3 tennis courts (artificial turf surface)
- Netball courts / 3 tennis courts (asphalt surface)

The KNC state that these courts have become dangerous to play on and are risking players' health and safety. Netball at the High School is now facing added pressure about accessing the courts when required. The community netball pavilion has also been redeployed as a classroom, even though it was a building paid for and developed by the local community. There is limited, casual use of the courts for tennis.

1.4.1 Opportunities

The tennis courts which are damaged and in need of repair are situated at the Takahanga Domain. It is proposed that the resurfacing of the courts into multiuse courts can create a potential sports hub in Kaikoura with other sports also operating out of the Domain such as squash, bowls, croquet and rugby.

Given the state of both the community courts and high school courts, there is an opportunity to further consolidate Takahanga Domain as the central hub for community sport. The following list identifies some of the key opportunities that could be harnessed:

- Rugby is rebuilding their clubrooms and aiming to construct a community sports pavilion at the Takahanga Domain. The pavilion is planned to include storage for netball/ tennis equipment and the use of the wider facilities.
- Operational requirements are still to be agreed, but in principle, this shared use is logical and will create efficiencies. Further efficiencies could be gained if the courts project was managed by an existing not-for-profit entity.
- The ability to further embed the concept of Takahanga Domain as a sports hub. This will lead to less travelling for parents, sport generally occurring in one place, making it an ideal opportunity for commercial sponsorship to support the activities domiciled there.
- The courts, if developed correctly, can be used by a range of groups and encourage the development of youth in Kaikoura in sports such as 3-on-3 basketball.
- The development of an improved seaside walkway on The Esplanade is being planned and is likely to attract increased foot traffic past the site and increase awareness of the courts' availability.

- It is a culturally significant site, so an opportunity to incorporate the cultural narrative into the wider Domain.

1.4.2 Challenges

The community has identified some potential challenges with the proposed court re-development, as outlined below:





- Parking congestion at peak times (Saturdays).
- The importance of secure storage for equipment.
- The capture of the courts by one sport, meaning access by others is difficult.
- Security of the site (ensuring the courts and equipment are not damaged).
- The ability to access enough funding to re-develop the courts.

2 Community and Participation Profile

Kaikoura is a relatively isolated community. It is approximately 90 minutes drive by car to the nearest sizeable centre. This means Kaikoura needs to be self-supporting with regard to the provision of community sporting infrastructure. It is unrealistic to expect those residing in Kaikoura to travel over long distances to the North or South to participate in regular, community-level sport, if the facilities can be provided locally.

The following section investigates the demographic profile and the relevant community sport participation in Kaikoura.

2.1 Demographic Analysis - Summary

	Demographic Highlight	Impact on Sport and Recreation
	<p>The population of the Kaikoura District is expected to moderately increase (by 10%) in the 30 years to 2048 at which time the population is expected to be 4,470.</p>	<p>A modest increase in the total number of people wishing to participate in court sports.</p>
	<p>The population of those aged 39 years and under is expected to only increase very slightly (by 4%) to 1,820 people in the 30 years to 2048 and is expected to continue to comprise just over 40% of the population of the Kaikoura District.</p>	<p>The population of those most likely to play many sports is expected to remain about the same.</p>
	<p>The population of those aged 65 years and over is expected to increase by 80% to 1,530 people. This age group is expected to make up 34% of the population of Kaikoura District in 2048.</p>	<p>More demand for indoor recreation and social spaces, along with the types of activities they wish to participate in. A requirement for facilities that are warm, accessible and with good acoustics.</p>
	<p>The population of the Kaikoura District is expected to become more ethnically diverse between 2018 and 2043.</p>	<p>The participation preferences of various ethnic groups can vary. An example is the increasing proportion of people identifying as Māori may increase the demand for court sports such as Tapu Ae.</p>

Source: NZ Stat Medium Projections

See Appendices for more demographic information.

Participation Summary

It is recognised that many activities could utilise re-developed community courts in Kaikōura. However, the primary user groups are likely to be tennis, netball and basketball. This was confirmed by attendees of the community workshop. Therefore, the following participation profile only focuses on these three activities.

2.1.1 Tennis

There is no official tennis club in Kaikoura. However, it is reported that a number of people participate in tennis (predominantly in the summer months). It is reported that in the past there have been up to 30 junior participants attending tennis coaching sessions.

Sport New Zealand insight data offers a view that approximately 1.9% of people residing in Kaikoura would participate in tennis. This equates to approximately 80-90 people in Kaikoura.

2.1.2 Netball

Netball is coordinated by the Kaikōura Netball Centre (KNC). There are approximately 20 teams that participate in weekly competitions (in winter months) This includes junior and senior teams. All competitions are played on two courts at Kaikoura High School (KHS). There are also a number (up to 70) of Year 1 to 4 children who participate in netball-based skills, drills and games. Summer Netball is limited at present due to the KNC's inability to access more court time at KHS.

Sport New Zealand insight data offers a view that approximately 2.4% of people residing in Kaikoura would participate in netball. This equates to approximately 100-110 people in Kaikoura.

2.1.3 Basketball

Basketball is coordinated by the Kaikōura Basketball Association. This includes junior and senior games, and 3-on-3 in summer months. All games are played at Kaikoura High School in the school gym. Basketball reports suppressed demand as it cannot gain enough court time to grow the game and has expressed interest in the outdoor community courts being made available for use.

Sport New Zealand insight data offers a view that approximately 1.8% of people residing in Kaikoura would participate in basketball. This equates to approximately 80-90 people in Kaikoura.

3 Community Needs

3.1 Tennis

Re-developing the community courts will allow more people to play tennis in Kaikoura, given only two of the four courts are currently usable. Feedback via the community workshop was that more courts would potentially re-activate players back into the game of tennis. Those in attendance at the workshop also indicated a desire to re-form a tennis club¹ to support competition, tournaments and the growth of the game.

Tennis would like a space at the adjacently planned community sports pavilion to store equipment and access other areas of the pavilion on an as needs basis. Tennis sees the opportunity to host tournaments and make the courts available for those visiting Kaikōura. Floodlights would twilight tennis and winter games to be played.

The tennis community discussed in the community meeting that it would like four tennis courts but ideally have one of those courts specifically designed for tennis. A volley board (a wall where a player or players can hit a tennis ball against a wall) would also be of use to help players practice individually.

3.2 Netball

Netball in Kaikōura is currently played at the netball courts at the Kaikoura high school. The Kaikōura Netball Centre has approximately 15-19 teams playing on a weekly basis. The club reports 140 players and 70 juniors within its programmes.

Netball would like a minimum of 3 netball courts at the Takahanga site. New netball courts will cater for more netball players to play the game, as well as being able to host events and tournaments. The KNC requires storage and has had discussions with the Kaikoura Rugby Club about storing equipment in the planned community sports pavilion. The KNC would also like to use the pavilion for meetings, events and after-game activities.

Netball would require floodlights to be able to train in winter evenings. The floodlights that are used at Kaikōura High School are owned by the Kaikōura Netball Centre and may be able to be transferred, although this has not been confirmed.

3.3 Basketball

Basketball is currently being carried out at the Kaikōura High School, utilising the school gymnasium. While indoor basketball would remain at the high school, there is an opportunity to expand basketball through the integration of a 3-on-3 court at the community courts. This could be utilised for 3v3 tournaments or casual play.

3.4 Volleyball

In the community meetings, volleyball was mentioned as another sport that could use this multicourt venue. There could be an opportunity to include volleyball lines and poles for public and private use, however the surface of the community courts will be a hard, unforgiving surface, which is not suitable for most forms of volleyball. An alternative option could be the development of a grass court (or sand court) adjacent to the community sports pavilion that can be used by players. This would enhance the Takahanga Domain as the community sports hub.

¹ Prior to the earthquakes the Kaikōura Tennis club had 17 adult members and up to 30 junior members [Game set, match for Kaikoura's Takahanga Tennis Club? | Stuff.co.nz](#)

3.5 Other feedback

A range of other views were also provided during the community workshop that are captured below. Some relate to specific sports while others could be useful for all primary user groups.

- Having an area for all codes was an overarching theme of the community. A place where all sports could play is important as it can help reduce stress on parents and it can bring the community together. Courtside space for spectators is also important to enhance community engagement.
- Traditional Māori games (such as Tapu Ae) could be played on the re-developed courts.
- Important to learn from the partnership challenges that have eventuated at the school (this was in reference to the community investment in facilities on school grounds that are now difficult for the community to access).
- Lighting the courts was seen as an important factor and the potential exists for revenue to be generated through hiring the courts (and lights) for casual participation. There are proven booking systems that can be installed to allow this use.
- It would be desirable to have shelter from the wind (products are available to install on fencing for this purpose).
- Use different court colours to easily differentiate the courts.
- Important to highlight the history of the site. Work with local runanga to ensure the cultural narrative of the site is recognised and made available to increase visitors understanding of the significance of the area.
- The main issue that tennis and netball have is usage and determining when each sporting code is going to use the courts. It was raised that netball generally could use the courts for 5 months of the year (winter months) and tennis would be able to use the courts for the other 7 months, for competition play. A usage agreement could be formalised and supported by Sport Tasman. This should acknowledge that there needs to be flexibility to allow use outside of the prescribed time, by agreement.
- Concerns around parking were raised due to many sporting codes using the same area. Should this re-development go ahead KDC may choose to realign parking on Killarney St to allow angle parking, or to install other traffic-easing methods to reduce its use by motor vehicles.

3.6 Shared Use

Kaikōura needs to take a pragmatic approach to the re-development and use of the community courts. Given the size of the community and its relative participation numbers, the community courts need to cater for more than one activity. A shared use model ensures efficient use of resources and the reduction in duplication of funds for similar assets.

This model of shared use is not uncommon, and systems can be implemented to manage this approach. Shared use requires communication and compromise to ensure the range of users that wish to access the courts. The courts will not be available for one user type all of the time but sharing use will allow cross-pollination of participants and volunteers and increase the overall use of the site, which is a far more attractive proposition to funders (and the planned community sports pavilion).



Image 2: Multi use court style

4 Options to meet needs

The previous section has reinforced that any re-development of the courts should accommodate the needs of tennis, netball, basketball and other user groups. The following section provides some options to re-develop the Kaikoura tennis courts. These options are based on feedback provided from sport and community users in Kaikoura. Each option was assessed on whether 3 netball courts and 4 tennis courts could fit within the footprint. The two main areas of difference between the options are:

1. Whether the courts remain at two different height levels (approximately a one metre height distance); and/or
2. Whether the overall footprint needs to be expanded

A key factor to consider when deciding which option to go with is the length and width of netball and tennis courts, and suitable run-offs to accommodate community-level participation. The following table outlines the recommended measurement specifications for the primary sporting codes for community-level sport.

Table 4.1 Court and Run-Off Dimensions for Primary Sports

	Court Dimensions (LxW)	End Run-offs (L)	Side-runoffs (W)	One Court Dimensions (incl. run-off) (LxW)	Two Courts dimension (side by side), incl. run-off
Tennis	23.77m x 10.97m	5.5m	3.7m	34.77m x 18.37m	34.77x 32.98m
Netball	30.5m x 15.25m	3.05m	3.05	36.6m x 21.35	36.6m x 40.6m
3-on-3 Basketball	15m x 11m	2.0m	2.0m	19m x 15m	19m x 36m

Note: adjacent netball courts are recommended to have 4m between courts.

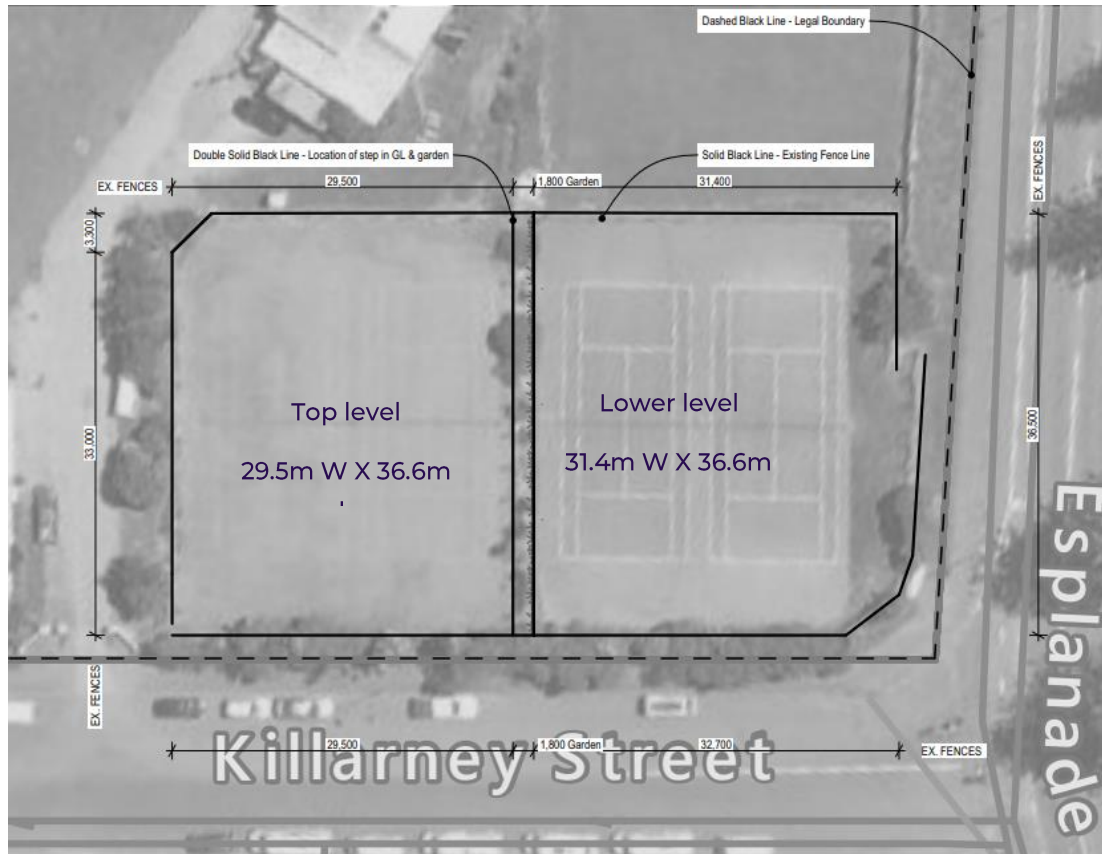
The existing community court surface length (L) and width (W) measurements are:

Top level: L 36.6m x W 29.5m

Lower level: L 36.6m x W 31.4

These measurements indicate that if Netball wishes to accommodate more than two courts in the existing area, without levelling the site, the run-offs between the court edge and fences would need to be reduced. Figure 4.1 below shows the current court site and associated dimensions, noting the “garden” in between the two levels is approximately 1.8m wide.

Figure 4.1 Existing Site



4.1 Options

There are four options that have been considered. They are:

Option one: Retaining the current two levels of community courts, on the existing footprint.

Option two: Levelling the courts to one level

Option three: Expanding the existing footprint but retaining the two levels of courts.

Option four: Expanding the existing footprint and levelling the courts to one level.

Each option is explored further below.

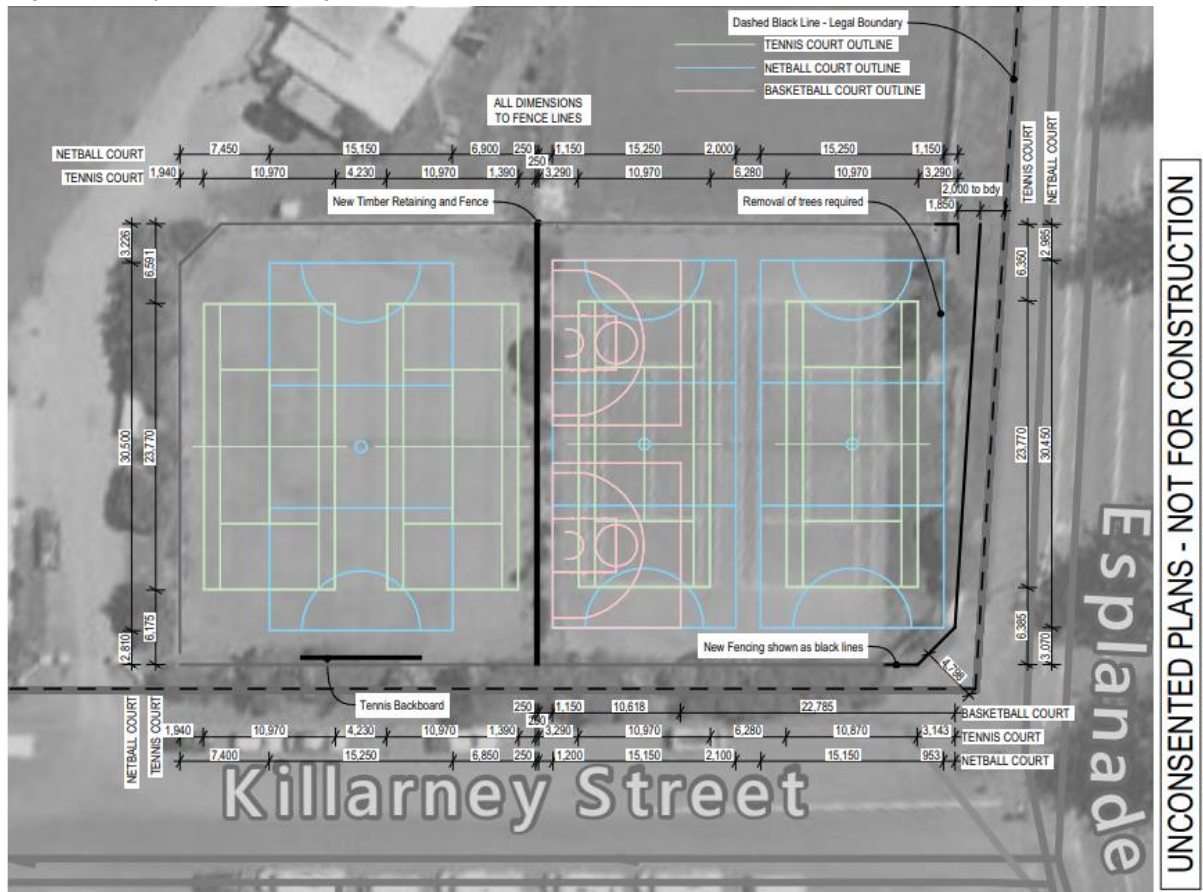
4.1.1 Option One: Existing footprint / two levels

This option uses the current two levels of courts with no expansion or levelling of the site. A retaining wall would be created where the existing “garden” is between the two levels of courts. This would provide approximately an additional 1.5 metres of width for the courts. Two different configurations of courts have been shown for this option to understand what available run-off can be achieved ((see Figure 4.2 and Figure 4.3)

Figure 4.2 Option 1 - Configuration 1



Figure 4.3 Option 1 - Configuration 2



Both of these configurations shown above result in run-offs that are considerably less than the Netball NZ guidelines of 3.05 metres. A particular “pinch point” is the South-Eastern corner due to the requirement for angled fencing at the intersection of The Esplanade and Killarney Street. These configurations would also need to accommodate stairs from one level to the other, further encroaching on the court space available.

4.1.2 Option Two: Existing footprint / one level

This option would raise the bottom level to be level with the top court area. As shown in Figure 4.4 the eastern run-off for Netball is too small. However, this can be alleviated by reducing the space between courts.

This option will provide enough space to provide netball with three courts, side by side and enough run-off space to meet suggested guidelines.

Figure 4.4: Option Two: Existing footprint/one level



4.1.3 Option Three: Extended footprint / two levels

This option uses the current 2 levels but with expansion as shown in Figure 4.5. The expansion is towards the Squash club.

Figure 4.5: Option Three: Extended footprint/two levels.



4.1.4 Option Four – Extended Footprint, One Level.

A fourth option could be to create one level while also expanding the overall footprint. However, there is no identified need from the primary user groups for the additional footprint as 3 netball courts and 4 tennis courts can fit on the existing footprint, provided it is on one level (ie Option 2).

Table 4.2 Summary of Viable Options Considered

Factors for consideration	Option One: Existing footprint / two levels	Option Two: Existing footprint / one level	Option Three: Extended footprint / two levels
The site can accommodate space for 4 tennis courts / 3 netball courts, plus appropriate run-off space	Has historically had 4 tennis courts. 3 Netball courts would see very tight run-offs for two courts on the lower level	Could deliver 4 tennis courts and three netball courts within the existing footprint.	Could deliver 4 tennis courts and three netball courts with an expanded footprint across two levels.
Preliminary cost estimate	\$297k	\$419k	\$443k
Comments	Access between two levels (e.g. stairs) will further encroach on court space.	Provides one level for larger activities to occur. Fits three netball courts and required run-offs	Requires additional space that may encroach on vehicle access to the planned community sports pavilion.

Other considerations

There may be additional options to deliver the requested needs of the sporting codes, should the project group choose, including:

- Approaching the primary school on the other side of Killarney Street to see if an existing school court could be resurfaced to serve as a school/community court. This would be used as “overflow” when the community courts were full.
- If the shared school/community court is not seen as a viable option then the Kaikōura Netball Centre could choose to agree on terms with the High School to use an existing court for “overflow” activity.
- The KNC could choose to invest in upgrading the KHS courts instead.
- It is not ideal for the volley board to be sharing space with the other courts. The project group may decide to investigate an alternative site adjacent to the courts.

4.2 Preferred Option

The project group has indicated that Option Two: providing all courts on one level but within the existing footprint, would be the preferred option.

The price differential for this option over the two-level option is approximately an additional \$120k. The one-level option will guarantee three netball courts on the court surface, whereas the two-level options will mean that to fit three netball courts in there will need to be significant compromises in run-off measurements. These reduced run-offs (in some areas of the court) may lead to health and safety issues.

4.3 Preliminary Cost Estimate

Local contractors² have had site visits and provided initial cost estimates for the options to help the community make an informed decision about which option to pursue³. Table 4.3 below outlines the preliminary estimate received.

Table 4.3: Preliminary Cost estimate of the three options⁴

	Option One: Existing footprint / two levels	Option two: Existing footprint / one level	Option three: Extended footprint / two levels
Court repair and restoration	\$130k*	\$241k	\$147k
Lighting	\$63 - \$70k	\$63 - \$70k	\$63 - \$70k
Fencing (provisional sum)	\$70k	\$70k	\$75k
Contingency @ 10%	\$26k - \$27k	\$37k - \$38k	\$29k-\$30k
Preliminary Estimate	\$289k - \$297k	\$411k - \$419k	\$314k - \$322k

* price for full repair of lower level and re-surfacing of upper level courts.

Does not replace top court surface – repair only.

Exclusions:

- Archaeological / cultural requirements / trenching to site.
- Sports equipment / rebound wall / sound system.
- Removal and dumping of old material.
- Consents.
- Project Management.

The community has discussed possible in-kind contributions to reduce the cost of the re-development. These are not factored into this cost estimate.

The project group could choose to stage the re-development. This could occur by delaying the installation of lights. Should this happen then the group must ensure the correct infrastructure is installed for future installation.

² Contractors have not been named to for commercial sensitivities. Quotes have been provided to Sport Tasman but have not been itemised further in this report.

³ Quotes provided did not account for option three (expand footprint but retain two levels). Rather, a quote was provided for the expansion of the existing court size and making it one level. However, the marginal difference in court repair and restoration costs of \$17k and \$5k for additional fencing can be used as an estimate to understand the cost for the option there that has been discussed to date.

⁴ All costs are estimates only as at September 2022 and subject to change.

4.4 Operational Costs

There will be ongoing operational costs that need to be accounted for. Some of these costs will need to be passed on to use groups (such as the use of flood lights). An additional margin could be applied to floodlight hire to offset other costs. Repairs and maintenance (re-marking lines) could be covered through a small access charge to each code, each year. This fee could be collected by the entity responsible for the courts and retained with the specific purpose of keeping the courts in good order. Grants could also be sourced to offset some repairs and maintenance costs, however, it would be prudent for the user groups to demonstrate an element of user pays, so any grants are seen as a “hand up”, rather than a “hand out”.

5 Conclusions and Recommendations

5.1 Conclusions

The repair and re-development of the community courts is a well-supported concept in Kaikōura, with over 30 people attending a public workshop to provide feedback on the concept. The primary user groups have demonstrated a need for the re-development of the courts. Demographic projections of the Kaikōura area reinforce that there will still be a significant cohort of people living in the area. It will be up to the sports codes themselves to ensure these people are provided with the opportunity to play sport.

The current access arrangements for the courts at KHS are challenging for KNC and community sport has seen a reduction in its ability to utilise the facilities.

Several options of court configuration, either on one level or two; and within the existing footprint, or expanded, have been considered. The preferred option of levelling the site is estimated to cost approximately \$420,000.

The opportunity to re-develop the community courts at the Takahanga Domain at a time where there is a planned community sports pavilion provides the opportunity to re-invigorate this area. It would be sensible for the management of the community courts to be absorbed within the community sports pavilion management to maximise efficiencies.

5.2 Recommendations

The following recommendations outline what needs to occur to for this project to proceed. It is recommended that the project group:

- Agrees to pursue the option of a one-level community court site
- Continues to engage with KDC and local rununga on the project
- Develops a funding strategy to determine how best the revenue can be raised.
- Engages a suitably qualified professional to project manage the design, tendering and construction of this project
- Establishes a system to gather revenue through court hire, to offset repairs, maintenance and the cost of lighting.

It is also recommended that:

- Tennis and KNC enter into a formal agreement about preferred access rights, while also being cognisant that the courts also serve a wider community need.
- Management of the re-developed courts is undertaken by the entity that will ultimately be responsible for the community sports pavilion adjacent to the courts.

Appendices

Demographic Information – Kaikoura

The population of the Kaikoura District in 2018 was 4060. Its population is expected to moderately increase (by 10%) in the 30 years to 2048 at which time the population is expected to be 4,470.

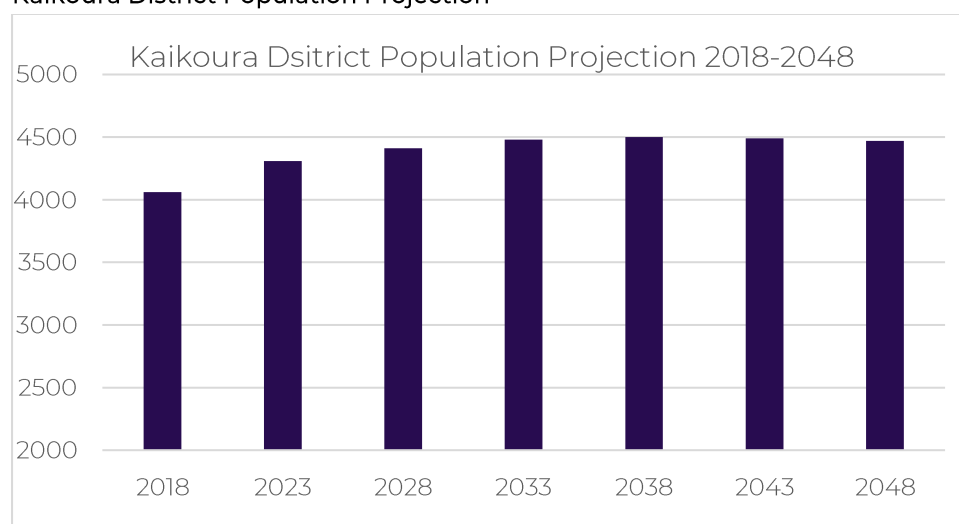
Kaikoura District Population Projections

	2018	2023	2028	2033	2038	2043	2048	Change 2018- 2048	% Change 2018- 2048
Total people	4060	4310	4410	4480	4500	4490	4470	410	10%
0-14 years	650	740	740	720	680	670	680	30	5%
15-39 years	1100	1070	1060	1040	1060	1100	1140	40	4%
40-64 years	1450	1380	1280	1270	1230	1180	1120	-330	-23%
65 years and over	850	1110	1330	1440	1530	1540	1530	680	80%

Source: NZ Stat Medium Projection

The figure below shows the population of the Kaikoura District is expected to grow moderately until 2038 when it is expected to peak at 4,500 people after which it is expected to decline slightly.

Kaikoura District Population Projection

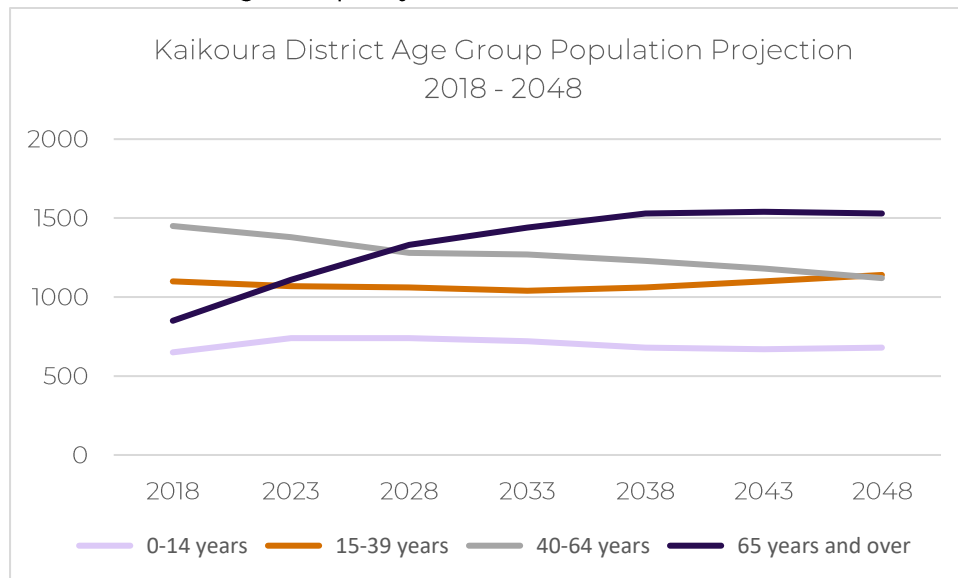


Source: NZ Stat medium projection

The population of those aged 39 years and under is expected to only increase very slightly (by 4%) to 1,820 people in the 30 years to 2048 and is expected to continue to comprise just over 40% of the population of the Kaikoura District.

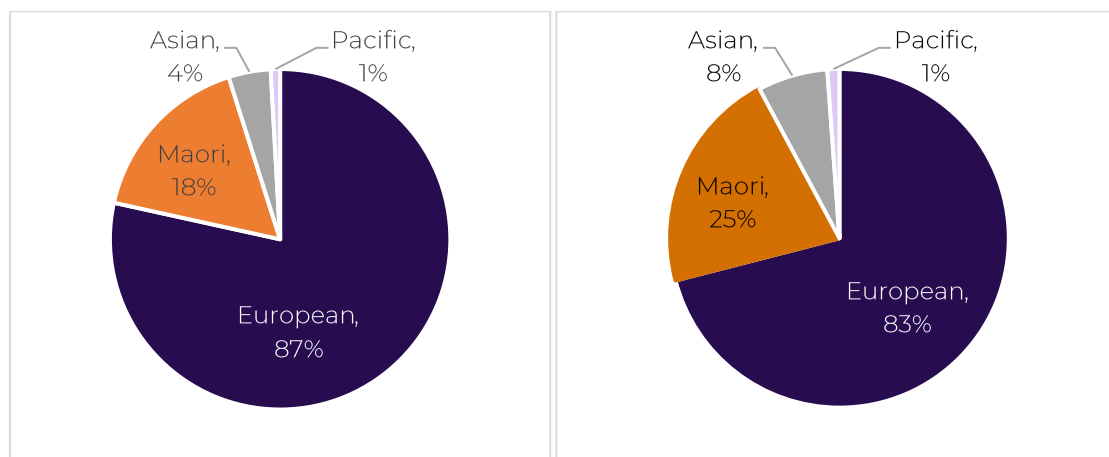
The population of those aged 40 to 64 years of age is expected to decline significantly (by 23%) or 330 people. By 2048 this group is expected to number 1,120 people and make up 25% of the population (down from 36% in 2018). At the same time those aged 65 years and over is expected to increase by 80% to 1,530 people. This age group is expected to make up 34% of the population of Kaikoura District in 2048.

Kaikoura District Age Group Projection



Source: NZ Stat medium projection

The Kaikoura District is expected to become more ethnically diverse. By 2048 it is expected that the proportion of the population identifying as Māori will be 25% and Asian 8%⁵.

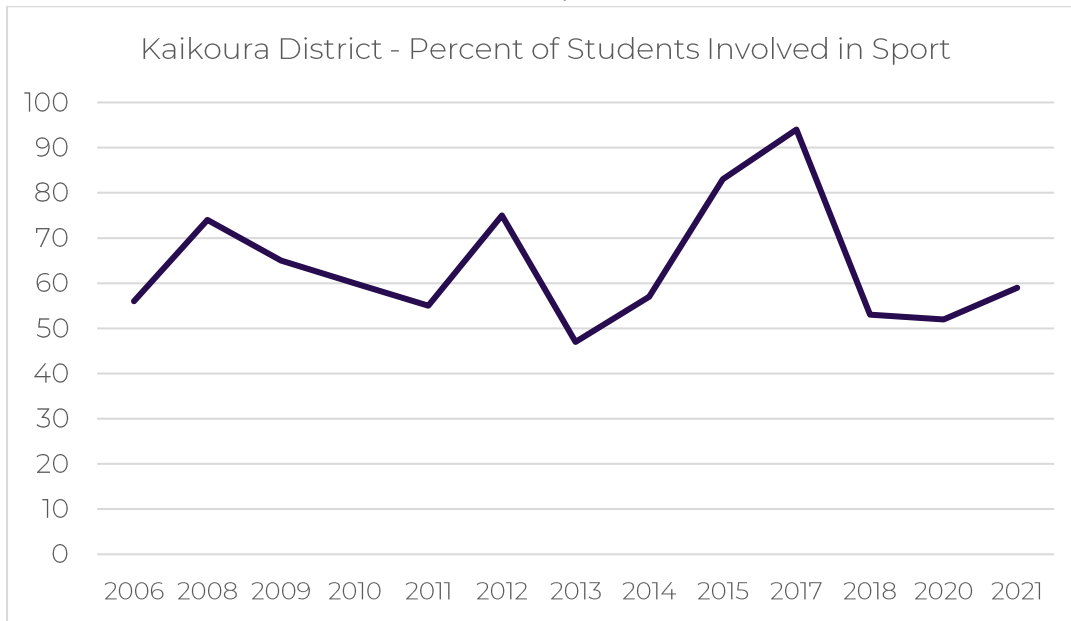


Source: NZ Stat medium projection

⁵ Population proportions total more than 100% as individuals can identify as more than one ethnicity.

Additional Participation Information

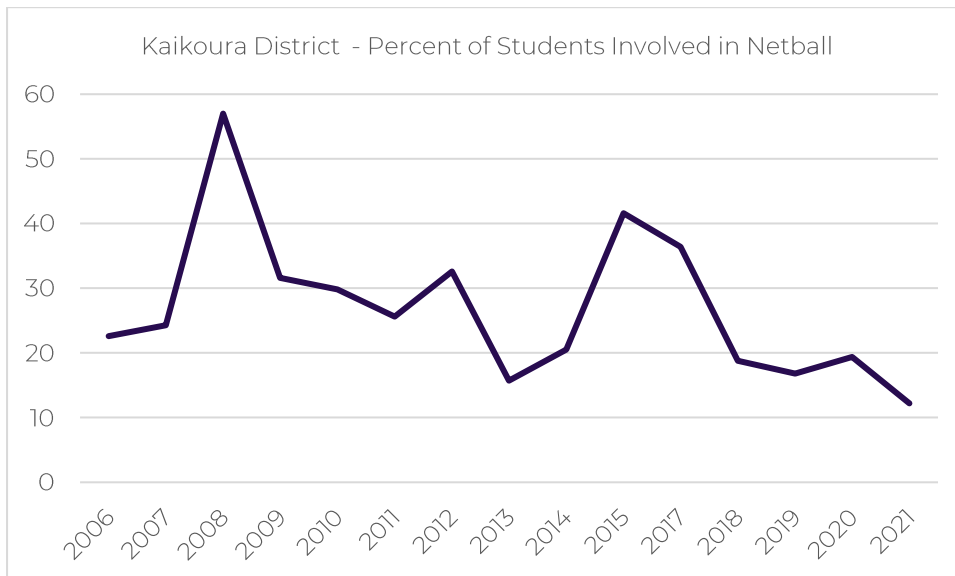
Kaikoura District - % of Students involved in Sport



Source: SNZ Insights Tool

The percent of students involved in netball in Kaikoura has declined over the 15 years from 2006 (22.6%) to 2021 (12.2%).

Percent of Kaikoura Students⁶ involved in Netball

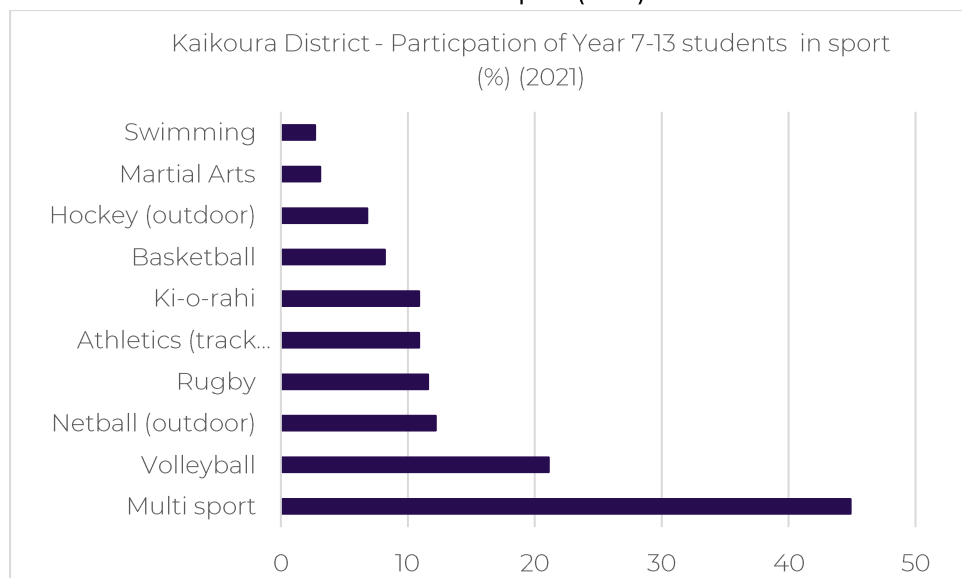


Source: SNZ Insights Tool

A snapshot of participation taken in 2021 shows the top 10 sports secondary school students in Kaikoura were involved in. Netball was the 3rd most popular sport (12.2%). Basketball was also in the top 10 indicating that there may well be demand for an outdoor (3 on 3) basketball facility.

⁶ Secondary Students (Year 7-15)

Kaikoura Year 7-13 Students⁷ involved in Sport (2021)



Source: SNZ Insights Tool

⁷ Secondary Students (Year 7-15)

Document version: Final
Date: October 2022
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Report to:	Council	File #
Date:	26 April 2023	
Subject:	Council Discretionary Grants	
Prepared by:	W Doughty - Chief Executive Officer	
Input sought from:	B Makin - Executive Officer	
Authorised by:	W Doughty - Chief Executive Officer	

1. SUMMARY

This is the second year of the discretionary grants process being run. The application period for funding from the 2023/2024 financial year ran from 1st March to 31st March 2023, with decisions being made at the April Council meeting. Successful applicants will receive funding after 1 July 2023.

A total of 22 applications were received. The sum of these applications requested a total of \$289,109.38 (noting above that an overall total of \$100,000 is available for the fund). A summary of the applications and the application documents is included in attachment 2 and attachment 3.

2. RECOMMENDATION

It is hereby recommended that the Council

- a) receives this report; and
- b) reviews all applications received and agrees eligible grants for Financial Year 2023/24 up to an overall funding total of \$100,000

3. BACKGROUND

The discretionary grants process was approved by the Council at a meeting on 29th June 2022. The first year was for the financial year 2022/2023 and received 16 applications requesting a total of \$180,828.28. The overall total available for that financial year was \$47,000. Existing grants totalling \$53,000, to Kaikōura Information & Tourism Inc, Kaikōura Historical Society (museum), Sport Tasman (coordinator) and Youth Council, were automatically granted in year one (the 2022/2023 financial year). Going forward those organisations would need to apply for funding via the discretionary grants process.

The Council resolved at a meeting on 28th September 2022 to support 10 of the applications, 7 of which were part funded and 3 fully funded. As an action from that meeting the Chief Executive Officer had updated the application form to include a criteria checklist and a section on any other council funds received by the organisation. Several minor amendments had also been put through the criteria. The Council had discussed at the time not to include a cap on the amount that could be requested in an application.

The fund criteria were designed to be as unrestrictive as possible, to enable unforeseen groups to apply. There is an expectation, however, that the application provides a benefit to the Kaikōura district and promotes the four well-beings from the Local Government Act 2002 (social, economic, environmental and/or cultural well-being). The criteria for the discretionary grants applications is included in Attachment 1.

The approved grants process gives Council absolute discretion over who is eligible, who is funded, how much they receive, and any conditions they wish to place on the application (such as requiring grant payments be made either by lump sum or by instalment). No detailed review has therefore been undertaken by staff and no recommendations made.

However, the summary sheet in attachment 2 does include commentary on whether other funding sources may be available to the applicant. The summary sheet also includes blank columns for elected members to undertake their review. This includes a column for elected members to highlight if they have any conflict of interest with any of the applications.

The application forms are included in attachment 3. Detailed supporting information such as quotes, financial information has been omitted at this stage, but could be made available upon request.

Elected members will need to review and assess each application on its merit against the agreed criteria in attachment 1 (noting that only a total of \$100,000 of funding is available to allocate).

4. FINANCIAL IMPLICATIONS AND RISKS

It is the intention of the Council Discretionary Fund to reduce the risk associated with approving funding applications during the Annual Plan consultation process. That type of decision-making can be problematic in that funding is approved to community organisations with little cost-benefit analysis and after the Council's own internal budgets have potentially been cut or every possible saving made to keep within a rate increase limit. This new fund sets aside a pre-determined budget available to be allocated per the Council's discretion and therefore does not result in a last-minute increase in rates. Provision for the fund has been made in the Annual Plan 23/24.

5. RELEVANT LEGISLATION & DELEGATED AUTHORITY

There is no legislation that would affect this decision.

The Council has total discretion over the allocation of these funds.

6. COMMUNITY OUTCOMES SUPPORTED



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Attachments:

- 1) Kaikōura District Council Discretionary Grants Criteria
- 2) Summary of applications
- 3) Application forms – see separate pack

Attachment 1 - Kaikōura District Council Discretionary Grants Criteria

Purpose

The Council acknowledges the contribution of not-for-profit organisations in providing essential services which assist in developing the community at large. The Council's role is to respond to community needs by providing funding assistance where no other funding support is available.

How much is available?

The fund has an overall budget of \$100,000, to be allocated by the Council at the Council's absolute discretion, which may include the timing of payments.

The full budget amount does not need to be fully allocated. Unallocated funds shall not be carried over to subsequent years.

Sectors eligible for funding

The Council will consider requests for funding from community organisations providing services in the following categories (in no order of priority):

- Arts & Culture
- Community Facilities
- Community Welfare and Social Services
- Environment
- Heritage
- Sport and Recreation
- Other at the discretion of the Council

Each application is considered on its merits using the criteria set out below. The decisions made will be in the best interests of the local community and must provide Kaikōura specific benefits, including promoting the social, economic, environmental and/or cultural well-being of Kaikōura communities.

Who can apply?

Organisations wanting to apply for funding assistance must meet the following criteria:

- Be a not-for-profit organisation
- Provide services to the wider community or specific sectors in the Kaikōura community (any National or Regional organisation applying must refer specifically to Kaikōura costings and benefit)
- Be able to supply verified Annual Accounts
- Provide verification of charitable status (if applicable)
- Account for expenditure of funds specifically for grant received (this will affect eligibility for any future grants)
- There must be a contribution from the applicant towards the cost of the activity applied for. This can be from the applicant's own funds, grants from other sources, volunteer time or donated materials.

Application Process and Allocation of Funds

The Council Discretionary Grants scheme will open 1 March annually, and close in time for funding decisions to be made at a full Council meeting no later than 30 April annually, for payments to successful applicants after 1 July (the next financial year).

As a transitional arrangement for the first inaugural year of the Council Discretionary Grants scheme, applications will open 1 July 2022, decisions will be made at a full Council meeting in September 2022.

Existing grants totalling \$53,000, to Kaikōura Information & Tourism Inc, Kaikōura Historical Society (museum), Sport Tasman (coordinator) and Youth Council, shall be automatically granted in year one (the 2022/2023 financial year).

The Council's decision on all allocation of funds will be final.

What can't be funded?



- Conventions, conferences, and reunions
- School based curriculum programmes
- Retrospective funding
- All travel or costs associated with events outside of Kaikōura including overseas travel
- Projects that have already received Council funding including through contracts and partnership agreements for the same activity within the same financial year.
- Food and catering
- Fundraising events
- Projects which better fit the criteria of other Council related funds available (such as the George Low Fund, Creative Communities, Sport NZ rural travel, Significant Natural Areas fund, Kaikōura Initiatives Fund, and others).

What can be funded?



- One application per organisation per year can be considered for funding
- Projects must be of direct benefit to people of the Kaikōura district
- Activity that can be considered for funding include (but are not limited to):
 - Operating costs
 - Funding for unforeseen circumstances
 - Equipment
 - Seeding funding for new projects/programmes
 - Volunteer expenses
 - Repairs and maintenance for community facilities
 - Training/workshops with a community development focus that are open to the public
 - Non-school-based educational programmes
 - Consultancy fees towards activities such as feasibility studies or engineers reports for community projects
- Community facilities including Council-owned and non-Council owned facilities.

Attachment 2 - Summary of Applications

#	Individual or Group	Full Name	Contact Name	Activities seeking funding	Amount Requested from Discretionary Fund	Supplementary info provided (Y/N)	Staff Comment on other funding opportunities	Eligible (Y/N)	Support (Y/N)	Amount supported (\$)	Other comments	Conflict of Interest
1	Group/ Organisation	Mayfair Arts & Culture Centre Te Whare Toi o Kaikoura	John Wyatt	Arts, entertainment and education programme	\$ 22,500.00	Y						
2	Group/ Organisation	Lions Club of Kaikoura	Alan Gulleford	Commemorative seating along the coast	\$ 2,766.00	Y	Possible env initiative?					
3	Group/ Organisation	Lions Club of Kaikoura	Alan Gulleford	Purchase of a log splitter	\$ 4,670.00	Y						
4	Group/ Organisation	Takahanga Bowling Club Inc	Thora Lawson	General club costs - insurance	\$ 4,889.26	Y						
5	Group/ Organisation	The Kaikoura Education Trust, Te Ha o Matauranga	Vicki Gulleford	Rent and operating costs	\$ 20,000.00	Y					Vicki prepared application	VG
6	Group/ Organisation	Te Whare Putea	Barbara Timms	Migrant Services space - wages	\$ 10,000.00	Y						
7	Group/ Organisation	Kaikoura Miniature Rifle Club Inc	Biddy Getz	Repairs to Suburban Hall	\$ 27,013.46	Y						
8	Group/ Organisation	Kaikoura Aero Club	Murray Hamilton	Replace roof over club rooms	\$ 13,396.67	Y						
9	Group/ Organisation	Tasman Regional Sports Trust	Ed Shuttleworth	Full time Sports Tasman Kaikoura facilitator	\$ 20,000.00	Y						
10	Group/ Organisation	Kaikoura Squash Club	Lisa Branton	Sports equipment	\$ 1,000.00	Y	Has an extension to apply to George Low until 4pm 18/04/23.					
11	Group/ Organisation	Kaikoura Squash Club	Lisa Branton	Remodel club rooms/ upgrade to kitchen	\$ 19,800.00	Y	Has an extension to apply to George Low until 4pm 18/04/23.					
12	Group/ Organisation	Kaikoura Bowling Club	Bev Hurst	General club costs - insurance	\$ 2,930.10	Y						
13	Group/ Organisation	Kaikoura A&P Association	Laura Koopmans	Operational costs - expenses, advertising & admin	\$ 20,000.00	Y						
14	Group/ Organisation	Kaikoura Historical Society Inc (Kaikoura Museum)	Stephanie Lange	Operational costs - rent, insurance & staffing	\$ 20,000.00	Y						
15	Group/ Organisation	Kaikoura Dark Sky Trust	Colette Doughty or Nicky McArthur	Operational costs - Project Coordinator/Kahu Environmental & Lighting specialist	\$ 15,000.00	Y	Lotteries funding declined					
16	Group/ Organisation	Kaikoura High School Ball Committee	Jo Fissenden	Senior Ball - Venue, photographer, catering	\$ 1,500.00	Y						
17	Group/ Organisation	Te Korowai o Te Tai o Marokura	Gina Solomon	Marine management, communication & advocacy, education & research	\$ 20,000.00	Y	Possible enviro funding					
18	Group/ Organisation	Car Seat Technician's Kaikoura	Kylie Raine	Purchase of car seats, locking clips	\$ 10,237.89	Y						
19	Group/ Organisation	KORI	Kapri Martin - KORI Trustee	Internship positions for Education & Volunteer Coordination, furniture & equipment	\$ 36,400.00	Y	Possible enviro funding					
20	Group/ Organisation	Kaikoura Youth Council	Petra Jellyman	Operational, delivery, event, consultation & youth development opportunity costs	\$ 5,000.00	Y						
21	Group/ Organisation	Barnardo's Early Learning Centre Kaikoura	Amanda Kidman	Replacement of outdoor play equipment	\$ 9,790.00	Y	Opshop have agreed to fund				Lisa has approached the Opshop and they have agreed to fund this.	
22	Group/ Organisation	Kaikoura Branch of NZ Red Cross	Mariene Ingram	Crafty Place - office rental	\$ 2,216.00	Y						

\$ 289,109.38

Report to:	Council
Date:	26 April 2023
Subject:	CEO Update Report
Prepared by:	W Doughty - Chief Executive Officer
Input sought from:	
Authorised by:	W Doughty - Chief Executive Officer

1. PURPOSE

To provide the Council with an update on major work streams and other activities.

2. RECOMMENDATION

It is recommended that the Council receives this report for information.

3. COUNCIL ACTIVITY – KEY FOCUS AREAS

Overview

A shorter working month this month given the Easter and Anzac statutory holidays when people generally take leave. We have still seen progress on a good number of things despite annual leave and also another wave of Covid 19 and some bugs doing the rounds. It is timely to note coming into winter that Covid isn't the only nasty that we need to think about, and we will be encouraging our team and the community to make use of flu jabs should they so wish.

In the operations space, we are progressing with the remaining capital works on the sealed roads with the area wide treatment commencing on Ludstone rd. We have also let several contracts for resealing the pensioner unit carpark and the lookout carpark as part of the Better Off Tranche 1 Funding. Our footpath year one programme of work is out for tender, with a view that these can be undertaken in May and June. It is still anticipated that the transfer station will be largely operational by the end of May, although several key pieces of work are weather dependent. The Wakatu Quay project is currently seeking external investors with an expression of interest closing at the end of April. The project will need to consider options for the next steps in June. If Council was to consider investing in the project this would need to be included in the draft LTP for 2024-2034 (to be adopted by 30th June 2024) with an opportunity for the community to have an input and say through a full consultation process. Several consenting queries with regard to the Waiiau Toa/ Clarence valley access project are being worked through with Environment Canterbury.

Now that the audit for the Annual Report 2021/22 is completed, the finance team is focusing on the annual plan and also the rating review work as well as BAU activity. The rating review work has now entered stage 2, which is looking at who pays and how much for each activity. The rating review work needs to be completed by December 2023 to feed into the long-term plan process. We will be seeking community input and feedback on the draft review outputs in August/September 2023.

A separate paper is included on the agenda to provide an update on the annual plan process. As communicated early in the year, there are no material changes to the scope of the activities from the LTP and no new major projects have been added (other than those receiving external funding). We are focusing on continuing to deliver the priorities identified in the last LTP. All of the budgets are being updated to consider inflation and cost escalation. The first open workshop was held in April. At this stage in the process, it is anticipated that overall rates rise for the year will be kept down between 5-6% which is well below the current level of inflation. KDC would be in the bottom quarter of rate rises around the country at our current projection. The Annual Plan will be adopted by 30th June 2023. The community will have a chance to attend further workshops and will be kept informed as the plan develops. Full financial papers from the Finance Audit and Risk Committee are included on the agenda this month.

The community services team have had another busy month. The library continues to provide outstanding services to our community. KDC is helping support the Rebel Business School which is taking place again in July with a focus on rangatahi. We are also helping sponsor Kaikōura businesses to be able to enter the North Canterbury Enterprise Business Awards this year, with an information evening scheduled for the 17th May. We are hoping this will be a great opportunity for Kaikōura businesses to showcase their products and services. It is good to see that there are 22 applications for consideration for the discretionary grants fund.

In the strategy and planning space it is good to see that the spatial plan work will be starting in earnest in May with a view to having in completed by the end of the calendar year at the latest. There will be opportunities for project partners, stakeholders and the wider community to have inputs into the process at various stages. The first of these will be a community workshop on 11th May. The hearing for the Vicarage Views resource Consent is scheduled for the 27th April.

Reforms update

The main update with regard to the reform agendas this month is the government reset of the three waters reform to be renamed as Affordable Waters. This reset essentially increased the number of regional entities across the country from four to ten and delayed implementation until latest Jul 2026. Kaikōura District Council would be located in the Canterbury and West Coast Entity. The reset has also indicated that the Tranche 2 Better Off funding (KDC would have been eligible to consider \$4.55m) has been removed. Tranche one funding remains committed.

It will take more time to fully understand the implications of the reset operationally. It does mean that we now need to prepare our LTP for 2024-2034 to include the first two years of continued three water service provision. We also need to understand the implications of the new timelines for the National Transition Unit (NTU) priorities. In terms of the Tranche 2 Better Off funding, although this was never a certainty that KDC was going to commit to taking the funding, that decision is now no longer ours to make. Several Tranche 1 funding feasibility studies are being undertaken with the view that any capital works required as an outcome from that work could be considered for funding via Tranche 2. This will now need to be reconsidered, as it is unlikely that KDC could afford to fund the next steps entirely ourselves.

The Future for Local Government Report is scheduled to be completed by the panel and presented to cabinet in June. It is unclear whether any meaningful progress in terms of next steps would be made prior to the election in October.

We are continuing to make the latest reforms information available on our website.

Other Items

The DLC decision to cease the on license and managers license for Donegal House came into effect at 11.59pm on the 14th April. Our understanding from ARLA is that the DLC decision stands unless either a 'stay' on the decision is granted by ARLA (pending consideration of an appeal), or an appeal is successful. We understand an appeal has been lodged by the applicant to ARLA, but at the time of writing we have not been advised of any 'stay' on the decision or the outcome of the appeal. The premises are therefore unable to serve alcohol.

The current Notice for Direction in terms of the Food Act remains in place until all the corrective actions have been appropriately addressed. The owner continues to take steps towards addressing these. However, at the time of writing, further work is still required before the Notice of Direction can be lifted and food can be served.

Council Team

Jo York has hit the ground running as the new regulatory team leader and we are looking forward to Pete Kearney starting on the 1st May as the Senior Manager Corporate Services. We have also had some good candidates for both the customer services role and the policy planning role and so hope to have preferred candidates in place soon. Two new freedom camping ambassadors have also joined the team, Priska and Rolph, utilising the MBIE funding provided for that purpose.

Unfortunately, Dean Eades is moving on from the role of Emergency Management Officer. Dean has been providing two days a week to the role travelling from Cheviot. He is now moving to Rangiora and feels that is too far away to be able to service the functions of the role, especially in times of an emergency. Dean has done amazing work internally and with the first responders group in terms of training and relationship building. We will look to replace the role, ideally with somebody based locally, and Sarah Wright will continue to provide 2ic support.

The current vacancies we are seeking to fill include the following:

- Building Control Manager
- Building Control Officer
- Emergency Management Officer (0.4FTE)

In March we started implementing several further initiatives of our wellbeing action plan to ensure continued support to the team.

Focus areas for the next three months

- Outstanding debtors and resolution of historic harbour issues.
- Programme delivery of key projects.
- Annual plan.

4. COMMUNITY OUTCOMES SUPPORTED



Community

We communicate, engage and inform our community



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We promote and support the development of our economy



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations

Report to:	Council	File #
Date:	26 April 2023	
Subject:	Community Services Team Update	
Prepared by:	S Haberstock – Community Services Manager	
Input sought from:	Community Services Team and partners	
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

The purpose of this report is to keep the Mayor and Councillors informed of the activities delivered by the Community Services Team and collaborations with the Kaikōura community.

The report this month includes the following activity updates for March/April:

1. Community Development
 - a. Community Development and Community Groups
 - b. Events
 - c. Mayor’s Taskforce for Jobs
2. Library Dashboard
3. Kaikōura Emergency Management

2. RECOMMENDATION

THAT the Council receives this report.

3. ACTIVITY UPDATES

a. Community Development and Community Groups

Pensioner Housing

The waiting list has grown to 11 with three new applicants over the last month. Inspections have been completed at all units and the maintenance team is working on a list of minor maintenance issues in order of priority. All tenants are happy.

Te Whare Putea – Community Temporary Accommodation

There are 10 registered on the waiting list, down from 12 from last month, and one has moved into Pensioners Housing, the other has moved up north for employment.

MSD – Social Housing Register

The number of people on the Kaikōura Social Housing Register is the same as last month and is sitting at 12. Indications show that two thirds registered are single people and one third are those over the age of 55 years.

The Ready to Rent course continues to progress, planning for 26 & 27 April at 9.30am – 2pm for both days. Programme includes Tenants Rights and Responsibilities, how to apply and what to say, Online portal guide, suggestions.

Kainga Ora

The Infrastructure Acceleration Fund (IAF) has been fully notified with 75 submissions. The Kainga Ora Infrastructure team are meeting with KDC next month. Locally, Kainga Ora plans to purchase housing with the intent to start renovations on ‘old’ housing stock (there are 24 Kainga Ora owned homes in Kaikōura).

Youth Council

S Wright attended a recent Youth Council meeting and caught up with their plans for the next few months. They would like to paint mural type art under the Lyell Creek Bridge that has been badly

tagged. The Works Manager will keep this in mind when redeveloping the West End toilets and the Village Green area.

Civil Defence

Civil Defence Community Event for Inland Road residents was held at the Collie Club last week. Good turnout of agencies but low numbers of residents.

Violence Free

S Wright is updating strategy with valuable input from the Network. Sarah also had some insightful meetings with MVIP (Marlborough Violence Intervention Project) as the coordinator for the Kaikōura Violence Free Network. She also met with Women's Refuge and clarified what services are provided to and in Kaikōura. She is now completing a directory and rebuilding network attendance with all relevant agencies.

Collaboration between Te Ha o te Ora – Kaikōura Health and KDC

KDC was successful with a funding application to Lotteries to support the work of the Older Person's Support Worker. This role is based at Kaikōura Health and the grant is for \$80,000 over two years. We are grateful to our Lotteries Adviser who has been very helpful with these applications that have been submitted regularly for many years. She is aware that there is very little support for activities for older people in our district and without this funding there would be very little for older people to do.

b. Events

Memorial Hall

We are continuing to see a steady use of the Memorial Hall for a range of events. We have been working on improving processes and ensuring we have groups paying what they should, as well as taking bonds for each booking. We have designated staff overseeing this. They are also working on an improved instruction guide for the sound and audio-visual equipment that is more user friendly, as well as updating general standard operating procedures of all they do, ready for the new staff member who starts in early May.

Business Events Workshop

S Wright attended a workshop delivered by Tourism Marketing Solutions and subsidised by Destination Kaikōura. They were pleased to see Council representation and it was valuable to meet those who offer tourist attractions and build knowledge of what is available when enquiries come through Council.

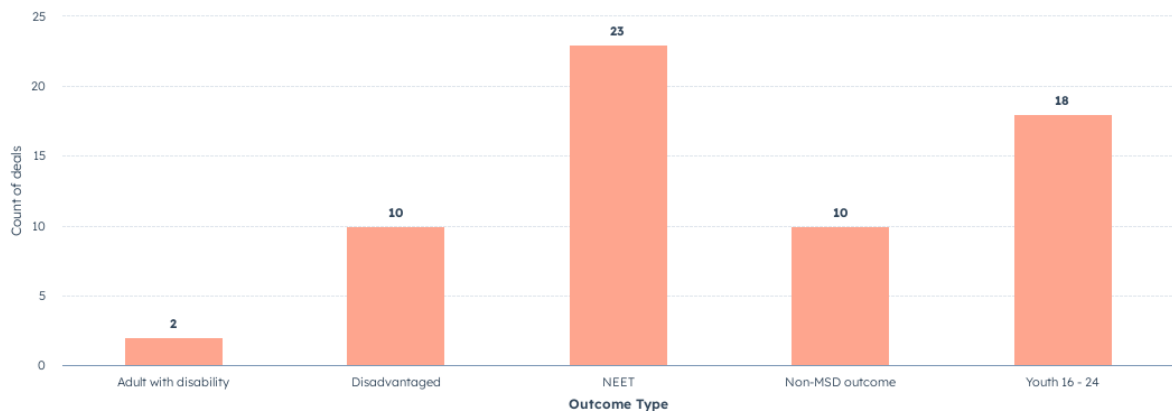
d. Mayor's Taskforce for Jobs (MTFJ) - report for March 2023

The Employment Coordinator has supplied answers to the following questions:

How have you worked in partnership with MSD during the last month?

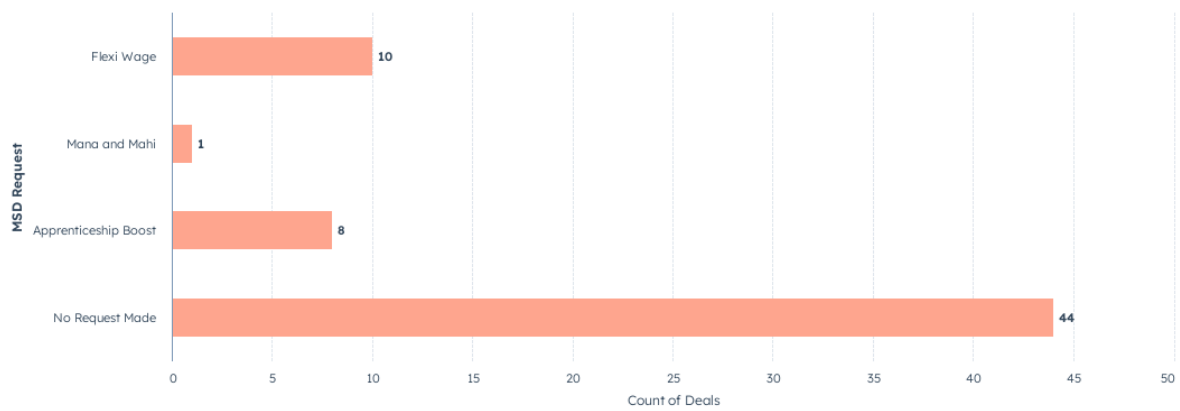
Of the 8 MSD clients put forward for working in the vineyards, only 1 started. This person has since gone into full time work. We also had one MSD client whom we supported into Westport fishing school. This person has completed the course and has found work on a fishing boat. Several other clients have accessed the \$5k to move for fulltime work. The Work Broker has been away this month and I continue to check in with the local MSD workers.

Outcome by Type Kaikoura



What request for MSD support for a placement was made?

Date range: All time



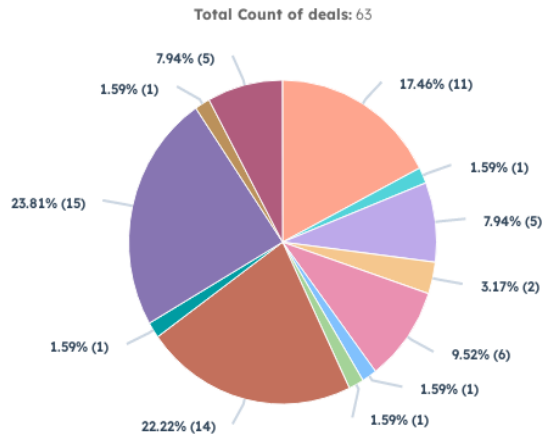
Programme developments, engagements and emerging opportunities

We had a few more successes this month with finding placements for youth. I have been connecting more with our apprentices and assisting with homework, in addition to supporting several new people with getting IRD number, bank accounts and birth certificates. We have also converted some placements into training and apprenticeships.

At The MTFJ Conference in Wellington, Renee and I attended the first conference for all MTFJ coordinators. It was great to be surrounded by likeminded people with the same goals and aspirations in their workspaces with varying levels of experience.

No. of all job placements by industry in Kaikoura

● Agriculture / Forestry
 ● Agriculture and Primary Industries, forestry, farming, fishing, food production
 ● Arts and Recreation
 ● Conservation
 ● Construction



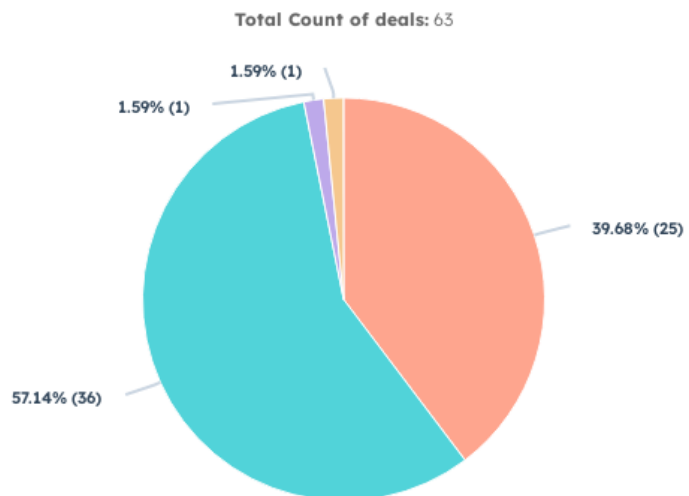
In the Trades Academy space, we have made it through the first term and planning for 2nd and 3rd terms is underway. How and when we can incorporate these youth into the council projects is part of the discussion. We start next term on assisting the local church with building 6 sleep outs. We've received our first submission for homework.

NMIT Horticulture Level 2 has an open day on Thursday 6th April from 10am -12pm this will be a free course starting Thursday 27th April very week for the remainder of the year.

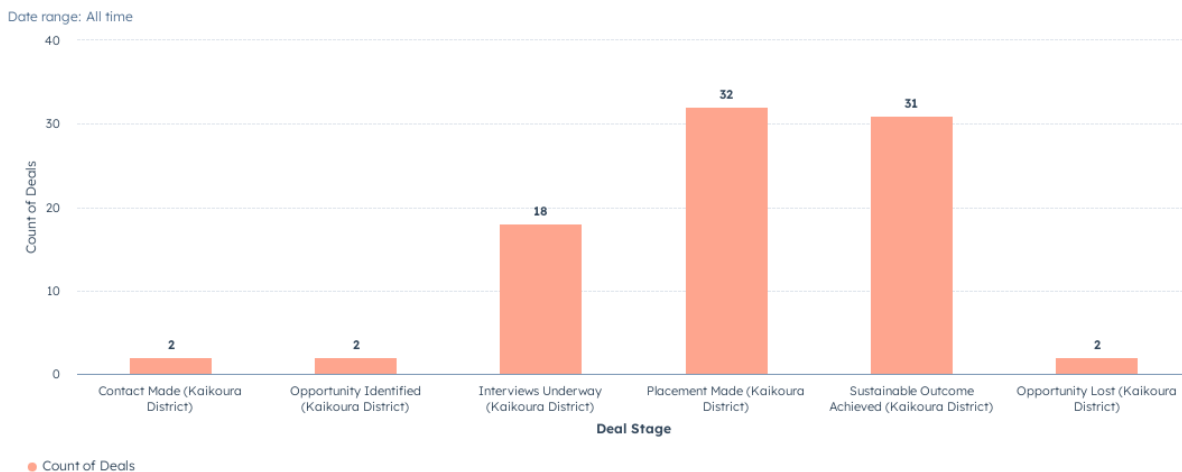
This month we provided training for local businesses for LCQ, First Aid. We are also meeting with Sudima to discuss pathways for students whilst still at school for cadetship, taster days, level NCEA 3/ Gateway opportunities. I have been included in the Marlborough S+C Labour & Skills Steering Group run by Ang Wilson at Connected and we are looking at what good looks like in youth employment.

Ethnicity of all Jobseekers Placements in Kaikoura

● Maori
 ● New Zealand European
 ● Other European
 ● Pasifika



Deal totals by stage in Kaikoura



Driving: Booking a practical driving test in Blenheim was easy for most of this month. There are currently 2 testing officers in Blenheim and the earliest you can book a test is about 4 weeks out. Unfortunately, one of them has resigned and bookings are now backing up through April and May. The earliest booking is now in the 2nd week of May. Blenheim VTNZ also postponed 3 tests that were booked for the end of February and early March. They were all able to re-sit by the end of March.

We currently have 18 referrals from MSD. 8 clients are working towards their full licence. 10 clients are working towards their restricted licence. 2 of these clients passed their practical tests in March.

On the 3rd March, Te Hā o Mātauranga hosted a forklift course, which was delivered by Mainland Driving School from Christchurch. The course aimed to provide participants with the knowledge and skills needed to operate a forklift safely and effectively, covering a range of topics, including forklift operation, load handling, and workplace safety. The 6 participants who attended were provided with both theoretical and practical training, which helped them to develop a better understanding of the machinery and its operation. Overall, the participants were satisfied with the course and found it to be informative and engaging. They appreciated the hands-on training provided, which allowed them to put their learning into practice.

The MTFJ Hui Ready, Set, Connect was held in Wellington on the 20th-21st March. It was wonderful to connect with likeminded people doing similar mahi. This role is very independent/self-managing, so I found it valuable to fill my toolbox with ideas from other districts. I also enjoyed and valued Amy Scott's Dots workshop. I learnt a lot about myself and colleagues and know I will continue to think about how I and others communicate.

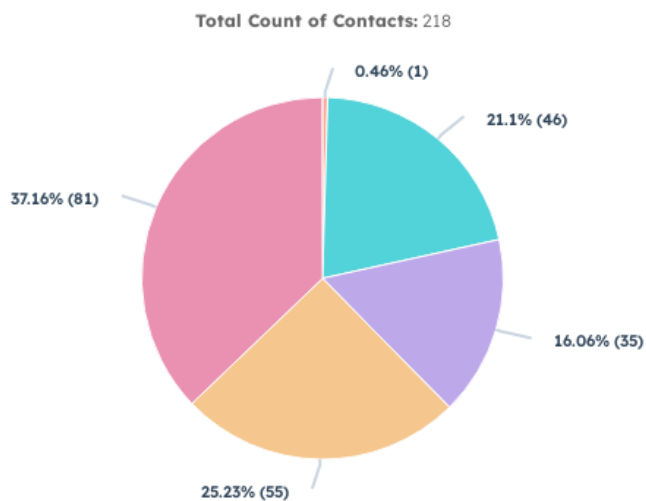
March Summary	
Passed Learners	4
Passed Restricted	5
Passed Full	4
Mentoring Sessions	14
Driving Lessons	31
Forklift Course	6

Totals	2022						2023			Totals
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
Passed Learners	2	-	8	2	1	4	0	2	4	23
Passed Restricted	5	4	4	4	5	4	6	1	5	39
Passed Full	-	2	2	2	1	2	2	-	4	15
Mentoring Sessions	12	10	31	11	13	7	10	4	14	96
Driving Lessons	35	22	15	15	25	22	13	26	31	220
Learner licence course attendees	3	-	-	-	-	-	-	-	-	3
Passed Class 2 Learner	-	-	-	1	-	-	-	1	-	2
Passed Class 2 full-	-	-	-	1	-	-	-	-	-	1
Defensive Driving Course	-	-	-	-	12	-	12	-	-	12
Passed Class 5 Learner	-	-	-	-	-	-	-	1	-	1
Forklift Course	-	-	-	-	-	-	-	-	6	6

Drivers License Status of all registered Jobseekers in Kaikoura

Date range: All time

● (No value)
 ● None
 ● Learners
 ● Restricted
 ● Full



Other learning opportunities and youth support at Te Ha o Mātauranga:

Upcoming Courses

- Two music workshops - one with Th'Orchard and one with YCD. The YCD workshop had 7 of our boys attend who rarely engage in youth development events, they produced a rap, their own words and all 7 of them participated. The YCD team were impressed by the way the boys stayed engaged and waited for each other. The rap sounds amazing.
- Trip to Chch to see the SHIFT exhibition and live performance by Th'Orchard was amazing. We had a great time and the rangatahi got a lot out of it.
- Adult learning courses are continuing with a First Aid and Forklift course in March.
- Community Shed groups are running again. B Rickerby's Thursday group has a lot of plans for the shed including installing air-borne dust extraction and opening extra skylights to allow natural light. One shed member designed a landing and stairs from the back door onto the deck and a group of them worked together to build this. They've done a great job.

Youth Development

- Sean's Trades Training group at KK High is going well and the first term seems to have been a great success, with engaged students.
- Youth and Cultural Development are also coming up for the KEA hui to support - and to gather feedback from the community as to what youth events they want - it's great to continue building this relationship and hopefully this will be a good opportunity for them to gather feedback.

Youth Council

Elbie has taken on the role of KYC Coordinator this year, with Petra covering administrative roles. They have heaps of mahi on the go - a sausage sizzle to raise money for flood relief in Hawkes Bay, a camp in the holidays up the Puhi, Youth Week plans, beginning to get their head around Youth Awards, and a trip to Festival of the Future lined up. Elbie has managed to bring in a fresh bunch of younger ones which is great.

Lateral Youth

Lateral Youth has had a great term and is now attracting 30+ young people each Friday night. This has brought some challenges and we are now needing 3 staff on board. Elbie has put together a leadership team of young people and is planning training for them in the school holidays. The leadership team will consist of youth volunteers who are passionate about Lateral Youth and are keen to gain some leadership experience.

Alternative learning

We have 5 Te Kura students attending daily, plus one alternative education placement from Kaikōura High School. There are 2 other Te Kura students who attend between 2-3 days a week and another 6 who are enrolled, and we are working to engage more often - they come in and out. As well as this we have another two expected to start next term - another year 10 and a 16 yr old. We have had a conversation with John Tait that we have reached capacity on how many we can manage.

2. Library Dashboard

Please find March library statistics below:

KAIKOURA DISTRICT LIBRARY

Dashboard March 2023



DATA WORKSHOP

Two members of our library team travelled to Christchurch to attend a national data workshop. The information focused on providing data that provides a solid foundation for meeting future needs and challenges.



3,377 people visited the Library this month

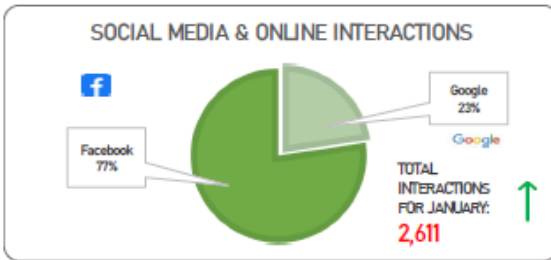
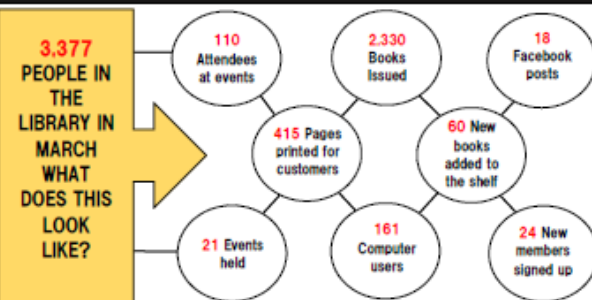
Book Stats March	20/21	21/22	22/23	
Issues	2,430	1,724	2,330	↑
Renewals	396	154	296	↑
Returns	2,446	1,898	2,392	↑
BorrowBox Issues	5	11	270	↑

We continue to have huge increases in our membership to BorrowBox. Our audio & eBooks already make up 10% of our monthly issues!

21 New BorrowBox Members

Mar/2023

AUDIO & EBOOK STATISTICS



3. Kaikōura Emergency Management

Dean Eades, our Emergency Management Officer has resigned. We thank him for his work at KDC and his dedicated support for his national emergency management involvement. He leaves the Kaikōura Emergency management space in good shape for the next person to hit the floor running.

4. FINANCIAL IMPLICATIONS AND RISKS

None – expenditure remains within budgets.

5. COMMUNITY OUTCOMES SUPPORTED



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We work with our community and our partners to create a better place for future generations

Report to:	Council	
Date:	26 April 2023	
Subject:	Planning Update	
Prepared by:	M Hoggard - Strategy Policy and District Plan Manager	
Input sought from:	P Egan - LIMs & Administration Officer	
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

This report provides a general update of what is occurring in the Planning Department.

Key aspects to note are:

- LIMs numbers improve
- Some resource consents are still being processed by external consultants
- Natural Hazards – Appeal resolution progressing- Court noted no appeal received
- District Plan Review
 - Spatial Plan – Boffa Miskel to drive Spatial Plan – Community workshop 11th May 2023
 - Kaikōura Business Park Limited notified submission close 26th May
- National Policy Statement – Indigenous Biodiversity - Exposure Draft – No changes
- Vicarage Views hearing set for 27th April

Attachments:

- i. Resource consents in progress

2. RECOMMENDATION

It is recommended that the Council receives this report for information.

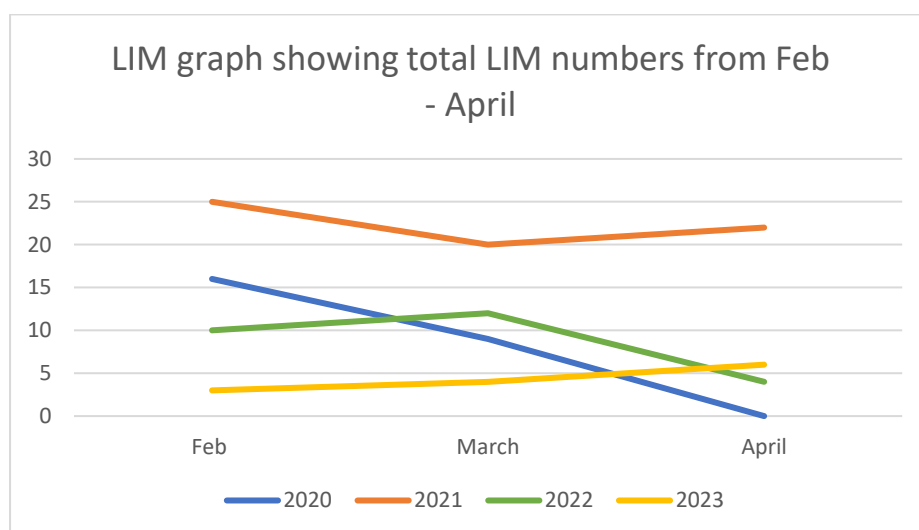
3. BACKGROUND

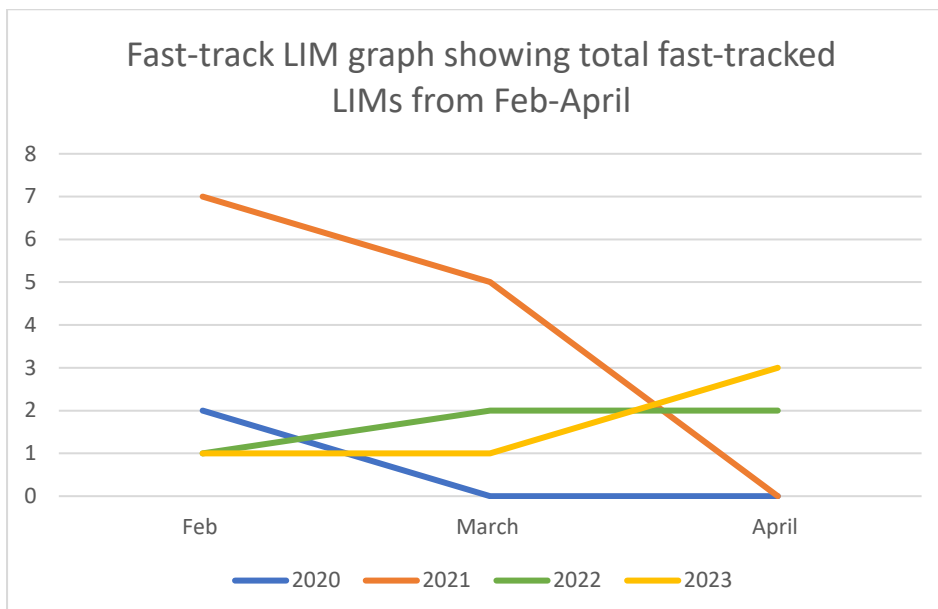
3.1 Resource Consents Status:

Attachment 1 includes a list of resource consents that are currently in progress, or which have been issued since the March 2023 Council report.

3.2 Land Information Memorandums (LIMs)

LIM numbers show signs of improvement, both fast track and standard are up on numbers this time last year.





3.3 District Plan Review – Natural Hazards Chapter Update

In an unusual turn of events although the appeal was lodged with Kaikōura District Council and the appellant had advised it has been lodged with the Environment Court, the Court has no record of the documents. We have asked the appellants if they wish to seek an extension of time and (re)file the documents with the Court.

3.4 District Plan Review

3.4.1 Spatial Plan

Progress is starting to be made with the spatial plan workshops Boffa staff will be in Kaikōura on 10th & 11th May. Community workshops are planned for the 11th May. A detailed invite-only workshop is planned during the day with an evening workshop open for any member of the public.

3.4.2 Te Rūnanga o Kaikōura District Plan Involvement

The 23rd March 2023 was cancelled by the rūnanga, the next meeting is still to be scheduled.

3.4.3 Plan Change 4 - Kaikōura Business Park Limited

Public notification has occurred an ad was placed in the Kaikōura Star on 20th April, submission will close on 26th May 2023. Environment Canterbury has confirmed the rezoning process requires confirmation that the rezoned land can be serviced (Canterbury Regional Policy Statement - Policy 5.3.5). It is likely that both the District and Regional Councils will make submissions on this aspect.

3.5 Landscape Overlay Review

No change from last month's meeting.

3.6 National Policy Statement – Indigenous Biodiversity - Exposure Draft

Again, no change from March 2023 Council Meeting the Ministry for Environment website is unchanged and states:

“The targeted consultation on the exposure draft closed on 21 July. Officials will now analyse submissions and feedback. Policy change recommendations will be provided to Minister Shaw for decisions before the final policy goes to Cabinet to consider for gazettal.”

The final content of the policy and its implications for Kaikōura is still unknown. An email has been sent to indigenusbiodiversity@mfe.govt.nz seeking an update on timeframes, Council will be kept informed.

3.7 National direction for plantation and exotic carbon afforestation

No change from March Council meeting, submissions closed 18th November 2022 and Council staff are awaiting an update on the submission by the Canterbury Mayoral Forum which sought greater control over the exotic carbon forestry, and reinforced the right tree right location approach.

3.8 Resource Management Reform

No change from March Council meeting, As discussed in the February Council meeting a submission has been made, which is similar to the Canterbury Mayoral Forum submission. No new information has been received since this submission has been made.

3.9 Signs Bylaw

Options are still being explored for this project.

3.10 The next three months

Planning is looking to progress the follow over the next three months:

District Plan:

1. Natural hazards plan change resolve the outstanding appeal, this may have resolved itself.
2. Continued Review Resource Management Act reform documents
3. Set workshop dates for spatial plan have been set for 10th and 11th May
4. Ensure that district plan maps can be viewed in an interactive viewer, as opposed to pdf.
5. Move district wide landscape assessment forward
6. Notification and submission on Plan Change 4

Policies and bylaws

7. Community engagement on options for signage. Resource identification for the project.

Staff

8. Find a replacement Policy Planner

Resource Consents

9. Further process mapping to improve current planning processes
10. Closing out resource consent which have been on hold for prolonged periods

4. FINANCIAL IMPLICATIONS AND RISKS

In addition to the risks expressed in the February Council meeting the loss of 25% of the current planning staff is a significant change for the department. Planning staff are difficult to find and delays in replacing staff will result in increased use of consultants which will have an impact on budgets.

5. RELEVANT LEGISLATION

Resource Management Act 1991

6. COMMUNITY OUTCOMES SUPPORTED



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ATTACHMENT 1

1. Active and deferred Resource Consent applications to 15th February 2023

“Deferred” applications are applications which have been placed on hold either on a request by the applicant or by Council requesting further information to better understand the effects of the proposed activity. Where applications are deferred the statutory processing clock (working days) is placed on hold.

No	RC ID	Applicant Name	RC Description	RC Location	Status / Notes
1	1632	D & R NZ Ltd	Land Use (Mixed use building development)	26-36 West End	No change from June 2021 Council meeting. Deferred (s 92). Waiting for further information Neighbour’s approval was requested in September 2019 further information was requested in October 2019. A reminder was sent to applicant on the 20/07/2020. A follow up email has been sent in July 2021. Interim invoice has been sent.
2	1660	Leanne Taylor	(Land Use) Visitor Accommodation	5 Kotuku Road	No change from June 2021 Council meeting. Deferred(s92). Further information (Neighbours approval) was requested on 8 th Sept 2020. Further communication has occurred on 2 nd October 2020. A follow up email has been sent in July 2021.
3	1675	Eysen Juan	Land Use Dwelling in Flood Zone	238C Mt Fyffe Rd	No change from June 2021 Council meeting. Deferred (s92) Further information) Further information was requested on the 15 th April 2020 seeking plans and elevations of what is proposed. Further communication occurred 15 th October. A follow up email has been sent in July 2022.
4	1777	John Drew	Relocation of building platform, boundary setbacks breached.	1481 D State Highway 1	The matter has been passed on to our enforcement team as no responses have been received from the September 2021 request for future information. The applicant has been given until the end of April to have technical reports submitted to KDC.

5	1797	Elisha Dunlea	Two lot subdivision	190 Mt Fyffe Road	Applicant had originally withdrawn application but have now asked to have the application put back on hold under s 92(1) as the consent was ready to be issued. Processed by RMG. Council staff need to speak with the applicants about this consent.
6	1843 & 1844	Kaikōura Trustee Company Ltd	Two allotment subdivision within rural zone and land use for dwelling within landscape area and on undersized allotment.	1516 SH1	On hold by the applicant – Public notification has occurred submissions closed on 16 th January 2023. Applicant has requested time to consider submission and determine how they intend to proceed. Being processed inhouse
7	1848	Kaikōura District Council	Wakatu Quay redevelopment, non-compliance with Noise and Parking	Wakatu Quay	On hold by the applicant – Additional information has been received and a review of the notification report is occurring based on the additional information. Being processed by RMG
8	1850	Estate of McIntyre	Rock protection structure at the rear of the property and on the adjacent Department of Conservation land	200 & 266 Torquay Street	Deferred – Confirmation of access for maintenance, DoC approval/concession for structure across DoC land. Being processed by RMG
9	1866	Jason Ruawai	Two lot rural subdivision below controlled allotment size	95 Green Lane	On hold by the applicant - Applicants currently working to resolve neighbours concerns Being proceed in house
10	1870	Mark Baxter	Outdoor Dinning Area – Temporary Activity	21 West End	On hold by the applicant - Limited notification has closed, a submission has been received from the neighbour, plans are to be amended and neighbour has said they will give approval Processed in house

11	1874 & 1875	Vicarage Views Limited	Subdivision to create 67 vacant residential allotments and land use to increase density	Mt Fyffe Road	Active Notification period has closed, 75 submissions received, Hearing set for 27 th April Processed in house
12	1877	Liam Brown	Two lot subdivision Lot 1 – 1.61ha with existing dwelling Lot 2 – 1.7ha currently undeveloped	29 Skevingtons Road	Granted Processed in house
13	1878 & 1891	Fissenden and McKee	Two lot subdivision and land use to replace a lapsed consent	37-39 West End	Granted Processed in house
14	1879	Ben Foster	Other - Flood Hazard Certificate	127 Mill Road	Granted Processed in house
15	1880	Min for Primary Industries	Use of residential shed for the storage of boat, vehicles and transport equipment	14 Moa Road	Granted Processed in house
16	1884	Ferniehurst Station	Land use – complete alterations to two existing winery buildings for residential use	140 State Highway 1	Active Being processed in house
17	1887 & 1888	John Leeder	Subdivision and land use creation of 8 lots ranging in size from 418m ² to 1089m ² from 3 existing lots	154A to 162 Beach Road	Active Being processed in house
18	1889	Kaikōura District Council	Earthworks in flood hazard area for Clarence/Waiatoa Bridge	Road reserve	Deferred Being processed by Resource Management Group

19	1890	Forest Partners Limited	Establishment of plantation forestry and associated vegetation clearance	123 Blunts Road	Active Being processed by Resource Management Group
20	1892	Anthony Lund	Build a three bedroom dwelling with attached garage that intrudes the recession planes on north, East and West boundary of the property	148 South Bay Parade	Active Being processed by LMC
21	1893	Woofbrook Residential Ltd	Subdivision of proposed townhouses	17 Yarmouth Street (Corner Yarmouth and Torquay Streets)	Active Being processed by Resource Management Group
22	1894	South Pacific Helicopter Ltd	Signs Permit	617-627 State Highway 1	Active Being processed in house
23	1895	Viatcheslav Meyn	To create 13 fee simple allotments including one access allotment and one balance allotment	427-671 Inland Road Kaikōura	Active Being processed in house

2. Notified consents

Currently four notified or limited notified consents are in progress:

1. No change from March meeting - Kaikōura Trustee Company Ltd is proposing to undertake a two allotments subdivision within a significant landscape area the controlled allotment size is 40,000m² the proposed allotments are 1,947m² and 2440m². The applicant has required limited notification as they have been unable to obtain neighbours approval. As the adjoining property is Māori Land it has not been possible to identify all property owners, this has been discussed with the applicants surveyors and full notification is considered to be the best method to progress the consent. Notification has resulted in submissions and the applicant has asked to place the application on hold while deciding what action should be undertaken.

- II. No change from March meeting - Jason Ruawai is planning to subdivide two create two allotments with a 1 ha average net lot size along Green Lane, limited notification has occurred and an affected party has offered conditional approval the application is being amended to reflect the conditional approval. This has been placed on hold by the applicant as they resolve the conditional approval. A hearing is not anticipated.
- III. Mark Baxter is proposed an Outdoor Dinning Area which will result in a gate being placed over an existing ROW, the Mr Baxter has been unable to obtain approval from the holder of the ROW and limited notification has occurred, a submission has been received from the neighbour. Neighbours have agreed to withdraw the submission and give written approval provided the application is amended to separate the dining area from the ROW. Application has been placed on hold at applicants request
- IV. Vicarage Views Limited – This subdivision seeks to create 67 vacant residential allotments and land use to increase density. Submissions have closed and a hearing has been set for 27th April. A total of 75 submissions have been received. The council 42A report has been provided, and applicants have also provided evidence, submitters evidence is to be provided by 19th April.

3. Plan Changes

Plan Change 4 has been notified with submission closing on 26th May 2023.

4. Monitoring

In addition to day to day complaints and questions council staff are developing a consent monitoring strategy and working with Jo York (Regulator Team Leader) regarding visitors accommodation.

5. Road Stopping

Active road stoppings:

Fookes – Hapuku Road –Surveyor has responded to Land Information New Zealand (LINZ) and the site has been repegged, application is currently with LINZ.

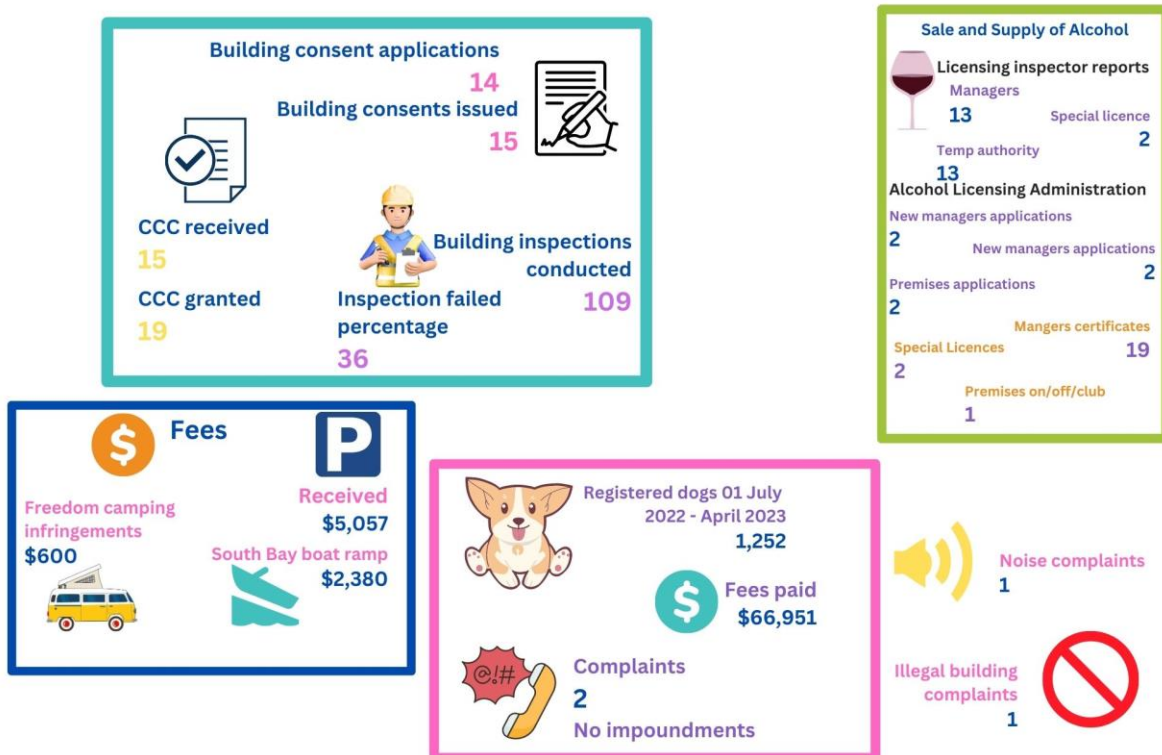
6. General

- Project Information memorandum processing is ongoing
- Land Information Memorandum processing is ongoing

Report to:	Council	File #
Date:	26 April 2023	
Subject:	Building and Regulatory Update	
Prepared by:	D Clibbery – Senior Manager Operations	
Input sought from:	J York – Regulatory Team Leader R Harding – Senior Building & Regulatory Administration Officer F Buchanan – Regulatory Administration Officer	
Authorised by:	W Doughty – Chief Executive Officer	

1. SUMMARY

BUILDING AND REGULATORY STATS APRIL 2023



2. RECOMMENDATION

THAT the Council receives this report.

3. PARTICULAR MATTERS

Alcohol Premise monitoring

Conducted 24th March 2023

5 premises monitored all found compliant

Visit to unlicensed premise – issue resolved

Food Act 2014

There were 5 unacceptable verification outcomes in the last month which appear due to a lack of knowledge by the businesses concerned and it is proposed that a Food Safety workshop is presented in Kaikōura to help address this.

MPI has announced that it will be charging users of its national database Titiro. The amount per user is yet to be announced, however we have been advised by MPI it will probably be just under \$2000. The verifiers undertaking verifications in Kaikōura are maintaining their MPI Continuing Professional Development programme/

New Registrations – 0

Completed Verifications - 6

Water Safety

- Routine three-waters monitoring for compliance with Taumata Arowai DWQARs (Drinking Water Quality Assurance Rules).
- Routine drinking-water data oversight and laboratory correspondence.
- Liaison with Water Outlook for updates to field and sample sites
- Sediment sample analysis on the East Coast Rural network
- New scheduling system installed to ensure compliance with DWQARs

Health Act 1956

Health Act Inspections due to start end of November 2023.

Building Warrants of Fitness

6 BWoFs were processed during the month.

Regulatory Staffing

Jo York started work as Team Leader Regulatory Services on 11 April, and two additional Freedom Camping and Parking Officers have been temporarily employed, funded through the financial support from MBIE.

With a regulatory administrator now also employed Council has the resources in place to address regulatory issues which have previously not received sufficient attention.

Focus Areas for the Next Month

- Freedom Camping
- Parking monitoring in West End and township, will begin as of 18th April
- BWOF internal organizing and external letters and inspections
- Dog registrations, communication plan to engage community and raise awareness of upcoming Dog Registrations due 31st July, this also coincides with the launch of the new Website which has a new and improved online form and payment option.

4. COMMUNITY OUTCOMES SUPPORTED

The work is in support of all/the following community outcomes.



Community

We communicate, engage and inform our community



Development

We promote and support the development of our economy



Environment

We value and protect our environment



Future

We work with our community and our partners to create a better place for future generations



Services

Our services and infrastructure are cost effective, efficient and fit-for-purpose