



**WHANGANUI  
DISTRICT COUNCIL**  
Te Kaunihera a Rohe o Whanganui

# **AGENDA**

## **Strategy and Finance Committee Meeting 17 November 2020**

NOTICE IS HEREBY GIVEN that a Meeting of Strategy and Finance Committee will be convened on:

**Date: Tuesday, 17 November 2020**

**Time: 1.00pm**

**Location: Council Chamber  
101 Guyton Street  
Whanganui**

**Kym Fell  
Chief Executive**

**Strategy and Finance Committee****Membership**

Cr Kate Joblin (Chair), Cr Josh Chandulal-Mackay (Deputy Chair),  
Mayor Hamish McDouall, Crs Charlie Anderson, Philippa Baker-Hogan,  
James Barron, Helen Craig, Brent Crossan, Jenny Duncan,  
Hadleigh Reid, Alan Taylor, Rob Vinsen, Graeme Young.  
Whanganui Rural Community Board Appointee: David Wells

**Terms of Reference**

The Strategy and Finance Committee has been delegated the following responsibilities by the Council:

- To develop and recommend strategies, plans and policies to the Council that advance the Council's vision and goals, and comply with the purpose of the Local Government Act, with the exception of policies concerning areas of responsibility held by other committees of Council.
- Develop and recommend bylaws to Council.
- To approve draft strategies, draft plans, draft policies and draft bylaws for consultation.
- Develop and approve submissions to government, local authorities and other organisations
- To monitor the Council's financial and non-financial performance against the Long-term Plan and Annual Plan
- To write off outstanding accounts no greater than \$10,000
- To monitor social and community related matters
- Oversight of the Safer Whanganui programme

**Items of business not on the agenda which cannot be delayed**

Items not on the agenda may be brought before the meeting through a report from either the chief executive or the Chairperson. The meeting must resolve to deal with the item and the Chairperson must explain at the meeting, when it is open to the public, the reason why the item is on the agenda and the reason why the discussion of the item cannot be delayed until a subsequent meeting. Refer to Standing Order 9.11

Note: nothing in this standing order removes the requirement to meet the provisions of Part 6, LGA with regard to consultation and decision-making.

**Discussion of minor matters not on the agenda**

A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However, the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion. Refer to Standing Order 9.12

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**1 OPENING PRAYER / KARAKIA****2 APOLOGIES****3 DECLARATIONS OF INTEREST**

Elected Members will be provided with the opportunity to declare any disclosable pecuniary or other non-pecuniary interest in any matter to be considered at this meeting, or declare any new conflicts that have arisen since last completing the Elected Members' Interests Register.

## 4 CONFIRMATION OF MINUTES

### 4.1 MINUTES OF THE STRATEGY AND FINANCE COMMITTEE MEETING HELD ON 6 OCTOBER 2020

**Author:** Karyn Turner - Senior Governance Services Officer

**Authoriser:** Kate Barnes - Senior Democracy Advisor

**References:** 1. [Minutes of the Strategy and Finance Committee Meeting held on 6 October 2020](#) ↓ 

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the recommended decision is not significant.

#### Recommendation

That the minutes of the Strategy and Finance Committee Meeting held on 6 October 2020 are confirmed as a true and correct record.

The Council, at its meeting held 27 October 2020, approved the Committee's recommendation for Item 5.2: District Plan – National Planning Standards Alignment.

The agenda for this meeting can be viewed at:

<https://www.whanganui.govt.nz/files/assets/public/agendas-amp-minutes/strategy-finance-committee-6-october-2020-public-agenda.pdf>

The agenda reference for Item 5.1 – Community Views Survey Results 2020 can be viewed at:

<https://www.whanganui.govt.nz/files/assets/public/agendas-amp-minutes/agenda-reference-item-5.1.pdf>



**WHANGANUI  
DISTRICT COUNCIL**  
Te Kaunihera a Rohe o Whanganui

**MINUTES**

**Strategy and Finance Committee Meeting  
6 October 2020**

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**MINUTES OF THE STRATEGY AND FINANCE COMMITTEE MEETING  
HELD IN THE COUNCIL CHAMBER, 101 GUYTON STREET, WHANGANUI  
ON 6 OCTOBER 2020 AT 1.00PM**

**PRESENT:** Cr Josh Chandulal-Mackay (Chair), Cr Charlie Anderson, Cr Philippa Baker-Hogan, Cr James Barron, Cr Brent Crossan, Deputy Mayor Jenny Duncan, Mayor Hamish McDouall, Cr Hadleigh Reid, Cr Alan Taylor, Cr Rob Vinsen, Cr Graeme Young, Whanganui Rural Community Board Member David Wells.

**APOLOGIES:** Cr Helen Craig.  
Cr Kate Joblin (Leave of absence 15 September to 15 December 2020)

**IN ATTENDANCE:** Kym Fell (Chief Executive), Stephanie Macdonald-Rose (Group Manager – Corporate), Mike Fermor (Chief Financial Officer), Anna Palamountain (Democracy Advisor), Karyn Turner (Senior Governance Services Officer), Justin Walters (Senior Policy Analyst), Will Johnston (Policy Advisor), Sandy Lee (Policy Advisor), Hamish Lampp (Group Manager - Regulatory & Planning), Leayne Huirua (Planning Administrator), Simon Nitz (GIS Lead), Darryl Couper (GIS Officer), Lauren Tamehana (Community Wellbeing Manager), Sarah Pomeroy (Communications & Marketing Manager), Peter Oskam (Whanganui Rural Community Board Member).

## **1 OPENING KARAKIA AND WAIATA**

Cr James Barron read a karakia.

*Cr Baker-Hogan joined the meeting at 1.02pm.*

Ngāwai Matthews (Operations Support Officer) led the Committee with waiata *E rere re Awa Tupua*.

## **2 APOLOGIES**

### **Apology**

#### **Committee Resolution SFC/2020/51**

Moved: Cr Alan Taylor

Seconded: Deputy Mayor Jenny Duncan

That the Strategy and Finance Committee accepts the apology of Cr Helen Craig and grants leave of absence for this meeting.

**CARRIED**

Cr Kate Joblin's approved leave of absence was noted.

**3 DECLARATIONS OF INTEREST**

Cr Alan Taylor – Item 8.2: Financial Commitments – Confidential

*Mayor McDouall joined the meeting at 1.04pm.*

*Cr Vinsen left the meeting at 1.04pm.*

**4 CONFIRMATION OF MINUTES****4.1 MINUTES OF THE STRATEGY AND FINANCE COMMITTEE MEETING HELD ON 25 AUGUST 2020**

**Author:** Karyn Turner - Senior Governance Services Officer

**Authoriser:** Kate Barnes - Senior Democracy Advisor

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the decision is not significant.

**Committee Resolution SFC/2020/52**

Moved: Cr Josh Chandulal-Mackay

Seconded: Cr James Barron

That the minutes of the Strategy and Finance Committee Meeting held on 25 August 2020 are confirmed as a true and correct record.

**CARRIED**

*Cr Vinsen rejoined the meeting at 1.05pm.*

**5 REPORTS TO COMMITTEE****5.1 COMMUNITY VIEWS SURVEY RESULTS 2020**

**Author:** Will Johnston - Policy Advisor

**Authoriser:** Stephanie Macdonald-Rose - Group Manager - Corporate

Jasmine Hessel - Team Leader Policy

*Cr Brent Crossan joined the meeting at 1.06pm.*

**Discussion**

Emma Pottinger and Natalie Richards (Versus Research) presented the results of the 2020 Community Views Survey via Zoom. The presentation included a summary of the survey mixed method of telephone and online interviewing of 500 residents with a sample overview of gender, age and suburbs. Key results for Services and Facilities and Community and Council Measures were provided. The graphs included trends from 2010 to 2020. The survey had been conducted either side of the COVID-19 lockdown and it was considered that this may have had some impact on the results. The margin of error was estimated at +/- 4.38%.

Comments on Services and Facilities included:

- Participation in recreational activities had increased with the exception of visiting a beach, using a playground, visiting Cooks Gardens, or activities on the Whanganui River.
- Results from cultural activities were mixed however, visiting a historic site, the Regional Museum, libraries and being involved in a community organisation had increased.
- Satisfaction with the Regional Museum and standard of toilet facilities had increased.
- There was a decrease in user satisfaction with the District's libraries, the Royal Whanganui Opera House and the District's sportsgrounds.

Comments on Community and Council Measures included:

- Apart from the survival kit measure, emergency response ratings had all increased.
- Perceptions of safety remain similar year-on-year.
- Living in Whanganui measures had seen slight increases.
- Community wellbeing and pride in neighbourhood measures had increased.
- Council performance and community involvement ratings had declined.

The presenters from Versus Research and Justin Walters (Senior Policy Analyst) and Will Johnston (Policy Advisor) responded to questions.

While there was general agreement that the survey results be used to inform the Long Term Plan, Cr Reid said some of the numbers were strange and believed COVID-19 had had an impact on these. He believed the Council needed to be mindful of this when it used them to guide the Long Term Plan. Cr Taylor said while it was clear some figures had been distorted by COVID-19, what was important was the trend lines and he considered this is what Council officers should be looking at.

Mayor McDouall considered the survey had brought some really good results. He did however believe there was a need to be mindful of the perception of Mayor and Councillors. For the third time in a decade a score under 50% should be of concern to all Elected Members. He said while COVID-19 may have had an impact, he queried whether there were other reasons, and asked all Elected Members to think about why the perception of their performance had gone down. He was disappointed in the decline in ratings for community involvement in decision making but this was a challenge not unique to this Council.

Cr Chandulal-Mackay referred to the Policy and Communications Teams' Long Term Plan pre-engagement programme and said over the next four to six weeks every councillor would have an opportunity to be out in the community. He considered if visibility was the issue, this would be the chance for all councillors to be seen in various parts of the community.

Cr Barron strongly recommended continuing the availability of Zoom and said it was important, particularly for Long Term Plan and Annual Plan, to provide people with the ability to Zoom in from wherever they are to speak. All meetings were held in the Municipal Building and Cr Barron believed the Council could do better at this level. He hoped that people would approach the Council to bring meetings out into their communities.

Cr Vinsen said results from two core areas of Council business had deteriorated in the survey. The target for 'satisfaction that toilet facilities met user needs' was 70% and had managed 50%. While the Council was actively trying to improve this, there was a long way to go. The other was 'satisfaction with availability of on-street parking', with a target of 80% but sat at 52%. He said

Central Business District parking was no longer up to standard and believed this needed investigation at the upcoming Long Term Plan.

David Wells, Whanganui Rural Community Board member, said the survey did not reflect well on the Community Board. While the Board had made significant progress on a number of issues and had received national awards with its security camera initiative and rural broadband, the community was unaware of the Community Board. Its visibility in the community needed to be improved and the Board was currently engaging with Council officers to work on this.

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the decision is not significant.

#### **Committee Resolution SFC/2020/53**

Moved: Mayor Hamish McDouall

Seconded: Cr Charlie Anderson

That Council Officers use the results of the Community Views Survey to inform the Long Term Plan.

**CARRIED**

#### **5.2 DISTRICT PLAN - NATIONAL PLANNING STANDARDS ALIGNMENT**

**Author:** Leayne Huirua - Planning Administrator

**Authoriser:** Hamish Lampp - Group Manager - Regulatory & Planning

##### **Discussion**

Hamish Lampp (Group Manager – Regulatory and Planning) said district plans throughout the country all looked different in overall format and navigation. The Government had sought to address this through releasing a set of national planning standards (NPS). One main change was the requirement to have an ePlan, electronic and interactive via council websites.

The District Plan currently on the Council's website was in a static PDF format. The District Plan maps however were in an electronic interactive format so therefore partially NPS compliant. Group Manager - Regulatory and Planning acknowledged the Council's two Geographic Information System (GIS) officers for their work in this area.

The Group Manager - Regulatory and Planning said no changes to policies, rules or content would be made, i.e. policy neutral. The change was focussed on the District Plan's navigation and how it was used. He believed Whanganui would be one of the first in New Zealand to take its adopted plan and translate it into the NPS format. Public notice would be given once the NPS compliant District Plan was complete.

In response to questions, the Group Manager - Regulatory and Planning said funding was already approved in the Annual Plan. While not totally in favour of District Plan rolling reviews, there were advantages of doing so. Having both the current and proposed District Plans together on the website when undertaking a proposed plan change was one real advantage of the ePlan process. One NPS rule was that the District Plan must be accessible from a council's website home-page. Improvements could always be made in promoting other types of planning information such as

asset maps and aerial photography. Opportunity could be taken when adopting the District Plan to include a reference to this type of information.

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the decision is not significant.

**Committee Resolution SFC/2020/54**

Moved: Cr Josh Chandulal-Mackay

Seconded: Cr Alan Taylor

That the Strategy and Finance Committee recommends:

That the Council:

- a) Adopts the amended Whanganui District Plan, consistent with the National Planning Standards and including any consequential amendments
- b) Produces the Whanganui District Plan in electronic form (ePlan)
- c) Publicly notifies the Whanganui District Plan (ePlan) within five (5) working days of approval.

**CARRIED**

**5.3 REVIEW OF GAMBLING VENUES POLICY**

**Author:** Will Johnston - Policy Advisor

Justin Walters - Senior Policy Analyst

**Authoriser:** Jasmine Hessel - Team Leader Policy

Stephanie Macdonald-Rose - Group Manager - Corporate

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the decision is not significant.

**Discussion**

Will Johnston (Policy Advisor) and Justin Walters (Senior Policy Analyst) responded to questions.

Concern was expressed that in 2019 only 28% (\$1.26M) had been donated back to community organisations within Whanganui District. Under the Gambling Act 2003, at least 40% of Class 4 gaming intake was required to be contributed to community causes. In 2019, player losses on Class 4 machines in Whanganui District totalled \$11.3M; 40% of that was \$4.52M. In response, the Policy Advisor said the 40% return was based on organisations rather than specific venues. A percentage was taken by organisations such as the New Zealand Community Trust and funding taken from a local community did not necessarily go back to that local community. Responding to a query whether lobbying New Zealand Community Trust and Pub Charities may provide some insight into this inequity, the Senior Policy Analyst said reasons why different types of organisations received funding was currently being discussed. There were gaps in this information and one reason could be an ability to fill in funding applications.

Mayor McDouall said the report advised the 'sinking lid' policy was largely effective but gaming proceeds continued to rise and he queried whether the policy was in fact 'fit for purpose'. In response, the Senior Policy Analyst said within legislation the policy was as stringent as it could be.

Cr Baker-Hogan said that while there had been a reduction in gaming machines under the sinking lid policy, she was concerned that gaming proceeds had continued to rise. She also queried whether there had been an increase in online gambling. In response the Policy Advisor said the increase in Class 4 gambling was not entirely clear. The number of gambling venues had more impact than the number of machines and it could be the same people gambling more money. Statistics from the Department of Internal Affairs showed gaming revenue down this year compared to 2019. That could be relevant to COVID-19. Data was not collected for online gambling with the majority of this outside of New Zealand.

Cr Taylor queried whether there was any indication from Problem Gambling Foundation or the New Zealand Gaming Commission that sinking lid policies were causing a transfer to online gambling. In response, the Policy Advisor said the Gaming Machine Association of New Zealand had concerns about online gambling. It was more convenient, less regulated, more money was spent and the methods used more enticing. This however was outside the boundaries of what the Council could do, although from a report received it would appear the vast move to online gambling did not seem to be happening.

Cr Taylor said a former Gaming Commissioner had said sinking lid policies were causing a shift to online gambling and he queried whether the Council was wasting its time with a Gambling Venues Policy if the eventual outcome made no difference to the amount of money gambled. The Senior Policy Analyst said the purpose of the Gambling Act and the Council's policy was to effectively try and reduce problem gambling. The sinking lid policy did not have the ability to combat online gambling.

Cr Barron referred to the allocation of gaming proceeds and considered this was more to sports organisations rather than to those who gambled. He queried whether the Council should widely publicise these figures. In response the Senior Policy Analyst said there were opportunities for these figures to be made available such as when the social impact assessment was being discussed, or while consulting on the policy. He further noted that the Problem Gambling Foundation, Salvation Army and Safer Whanganui were all involved in bringing forward issues. Supporting them in what they were doing was far more effective than what the Council could specifically do.

In response to the Chair's question, Lauren Tamehana (Community Wellbeing Manager) said Safer Whanganui had reviewed the revised Gambling Venues Policy with comment provided back to the Policy Advisor. Safer Whanganui was supportive of any opportunity to tighten up the current policy.

Speaking to the motion, Cr Baker-Hogan said the Council needed to do what it could to control problem gambling and this was an opportunity to hear from all sides of the argument including organisations involved in Class 4 gaming. This was also an opportunity to consider the white paper produced by the PGF Group, Hāpai Te Hauora and the Salvation Army that may well provide other ways to have some influence.

Cr Vinsen and Duncan also spoke to the motion. While supporting the Sinking Lid Policy, Cr Vinsen said this policy was of concern to a number of sporting organisations who relied on NZCT funding. He was however concerned at the small amount that was returned to Whanganui. Cr Duncan believed the system was 'broken'. Problem gamblers were usually addicted to gambling and

compulsive, gambling hard earned money beyond their control. On the other side, sports clubs were reliant on an abhorrent addiction to gambling. Cr Duncan believed the small amount of funding coming back into the community was a Central Government issue, not one for the Council. Its mandate was to reduce the number of gambling machines.

Cr Taylor said he intended to abstain from voting on this issue believing that this should reflect the portion of Whanganui that believed there was sufficient social engineering occurring without this policy.

**Committee Resolution SFC/2020/55**

Moved: Cr Josh Chandulal-Mackay

Seconded: Deputy Mayor Jenny Duncan

That the Strategy and Finance Committee:

- (a) Adopt the amended Gambling Venues Policy and statement of proposal for public consultation.

**CARRIED**

Cr Alan Taylor abstained from voting.

**5.4 LEADING EDGE STRATEGY UPDATE - OCTOBER 2020**

Author: Stephanie Macdonald-Rose - Group Manager - Corporate

Authoriser: Bryan Nicholson - Chief Operating Officer

**Committee Resolution SFC/2020/56**

Moved: Cr Josh Chandulal-Mackay

Seconded: Cr James Barron

That the Strategy and Finance Committee receive the report – Leading Edge Strategy Update - October 2020.

**CARRIED**

**5.5 STRATEGY AND FINANCE COMMITTEE WORK PROGRAMME - OCTOBER 2020**

Author: Stephanie Macdonald-Rose - Group Manager - Corporate

Authoriser: Bryan Nicholson - Chief Operating Officer

**Discussion**

In reply to a question, Stephanie Macdonald-Rose (Group Manager - Corporate) said the Waste Minimisation Strategy was not part of the Strategy and Finance Committee's work programme. She agreed this strategy was a big task and resourcing issues were to be considered.

**Committee Resolution SFC/2020/57**

Moved: Cr Charlie Anderson

Seconded: Deputy Mayor Jenny Duncan

That the Strategy and Finance Committee receive the report – Strategy and Finance Committee Work Programme - October 2020.

**CARRIED**

#### 5.6 QUARTERLY POLICY WORK PROGRAMME UPDATE - OCTOBER 2020

**Author:** Stephanie Macdonald-Rose - Group Manager - Corporate

**Authoriser:** Bryan Nicholson - Chief Operating Officer

##### **Discussion**

Responding to a comment on 'no capacity' for the Youth Strategic Plan, Stephanie Macdonald-Rose (Group Manager – Corporate) said the Youth Strategic Plan was more than just the Youth Committee which had its own strategic plan. The Youth Committee Review Working Party determined that the Youth Committee was just one avenue for Council to contribute to youth support and engagement. The Youth Strategic Plan would take a broader view of youth within the District. Considerable support was needed in terms of delivering this and while it was recognised as important the reality was it was not something that currently could be resourced. Preparation was in place to do so in 2021.

The Group Manager – Corporate further noted that the Youth Hub work currently being undertaken would provide a good opportunity to further conversations about the way in which the Council could support some of the work for young people. It would not just look across Council but a variety of areas and the way in which people worked with other agencies.

##### **Committee Resolution SFC/2020/58**

Moved: Mayor Hamish McDouall

Seconded: Cr Rob Vinsen

That the Strategy and Finance Committee receive the report – Quarterly Policy Work Programme Update - October 2020.

**CARRIED**

#### 5.7 FINANCE ACTIVITY REPORT - OCTOBER 2020

**Author:** Mike Fermor - Chief Financial Officer

**Authoriser:** Kym Fell - Chief Executive

##### **Discussion**

In reply to questions, Mike Fermor (Chief Financial Officer) said the income abatement threshold of \$26,150 was per household. The rates rebate worked on a sliding scale with a maximum allowable rates rebate of \$655.00. Rates rebate information was included with rates notices. Revenue Officers tracked those who used the rebate scheme, contacting them and also visited rest homes to ensure the best uptake possible of the rate rebate scheme.



**Committee Resolution SFC/2020/59**

Moved: Cr Charlie Anderson

Seconded: Deputy Mayor Jenny Duncan

That the Strategy and Finance Committee receive the report – Finance Activity Report - October 2020.

**CARRIED****5.8 FINANCIAL COMMITMENTS - AUGUST 2020 TO SEPTEMBER 2020**

Author: Lana Treen - Senior Procurement Officer

Authoriser: Mike Fermor - Chief Financial Officer

**Committee Resolution SFC/2020/60**

Moved: Deputy Mayor Jenny Duncan

Seconded: Cr Josh Chandulal-Mackay

That the Strategy and Finance Committee receive the report – Financial Commitments - August 2020 to September 2020.

**CARRIED****5.9 ACTIONS ARISING**

Author: Karyn Turner - Senior Governance Services Officer

Authoriser: Kate Barnes - Senior Democracy Advisor

**Committee Resolution SFC/2020/61**

Moved: Deputy Mayor Jenny Duncan

Seconded: Mayor Hamish McDouall

That the Strategy and Finance Committee receive the report – Actions Arising.

**CARRIED**

**6 MOTION TO EXCLUDE PUBLIC****RESOLUTION TO EXCLUDE THE PUBLIC**

*Section 48, Local Government Official Information and Meetings Act 1987.*

**Committee Resolution SFC/2020/62**

Moved: Cr Josh Chandulal-Mackay

Seconded: Cr Charlie Anderson

That the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7. Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

**CARRIED**

**Note**

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

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

## Strategy and Finance Committee Meeting Minutes

6 October 2020

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON UNDER THE ACT	PLAIN ENGLISH REASON	WHEN REPORTS CAN BE RELEASED
7.1	Public Excluded Minutes of the Strategy and Finance Committee Meeting held on 25 August 2020			Refer to the public excluded reasons in the agenda for 25 August 2020 meeting.	
8.1	Debtors Report - October 2020	s7(2)(a)	Privacy	Protect the identity of named individuals and entities	
8.2	Financial Commitments – Confidential - August to September 2020	s7(2)(b)(ii), s7(2)(h), s7(2)(i), s7(2)(j)	Commercial Position, Commercial Activities, Negotiations, Improper Gain or Improper Advantage	Commercially and financially confidential contract information.	
8.3	Actions Arising - Confidential			Refer to the previous public excluded reasons in the agenda for this meeting	

**Committee Resolution SFC/2020/63**

Moved: Cr Josh Chandulal-Mackay

Seconded: Cr Charlie Anderson

That Peter Oskam be permitted to remain at this meeting, after the public has been excluded, because of his knowledge of rural community. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because Peter Oskam is a member of the Whanganui Rural Community Board.

**CARRIED**

Strategy and Finance Committee Meeting Minutes

6 October 2020

**The meeting reopened to the public at 3.18pm.**

*Cr James Barron recited a karakia.*

**The meeting closed at 3:20pm**

**The minutes of this meeting were confirmed at the Strategy and Finance Committee Meeting held on 17 November 2020.**

\*\*\*\*\*  
**CHAIRPERSON**

## 5 REPORTS TO COMMITTEE

### 5.1 DRAFT CLIMATE CHANGE STRATEGY - APPROVAL FOR PUBLIC CONSULTATION

**Author:** Charlotte Almond - Contractor

**Authoriser:** Stephanie Macdonald-Rose - Group Manager - Corporate

**References:**

1. Draft Climate Change Strategy
2. Draft plan of possible actions

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the recommended decision is significant.

#### Recommendation

That the Strategy and Finance Committee approve the Draft Climate Change Strategy for public consultation.

#### Executive summary

The purpose of this report is to present the draft Climate Change Strategy for approval for public consultation.

Work on climate change began back in 2017, with focussed development of the strategy document occurring during 2020 in a joint forum with Iwi representatives and other stakeholders.

Interim targets have been proposed that can be further defined as additional information becomes available.

Key sectors of focus include transportation; building energy and urban form; and agriculture as the biggest greenhouse gas emitting sectors in the District.

A designed version of the strategy will be produced for public consultation.

#### Background

- 2017, Mayor McDouall signed the Local Government Leaders, Climate Change Declaration to acknowledge the need for urgent action and to support central government to develop an ambitious plan toward a low carbon and resilient New Zealand.
- August 2018, Whanganui District Council decided that a climate change outcomes strategy be developed and costed which identifies actions that Council could take to demonstrate its commitment to addressing climate change – a lead by example approach.
- September/October 2019, Council released a Discussion Document to facilitate community engagement.
- February 2020, Council declared a climate change emergency.
- In 2020 work started on drafting the Climate Change Strategy. A collaborative approach with local Iwi was adopted to ensure the strategy recognises both the Maori (Te Ao Maori) and European worldviews.

- Draft values were developed to provide common ground to move forward from and these were explained through the use of Whakataukī/Whakatauākī.
- Draft principles were developed to provide rules to govern our actions and are represented using the Rākau model.
- Ministry for the Environment data has been used to inform the likely impacts of climate change on the District.
- A baseline District Carbon Footprint has been produced which informs the strategy. This was commissioned by Horizons Regional Council and provided by AECOM. This reports on the greenhouse gas emissions produced in, or resulting from activity or consumption, within the geographic boundaries of Whanganui Territorial Authority for the 2018/19 financial reporting year.
- Five strategy development workshops involving Council, Iwi representatives from Te Runanga o Tupoho, Te Runanga o Tamaupoko, Ngā Rauru kiitahi, Ngā Tangata Tiaki; Horizons Regional Council and Youth Committee representatives, have been held. The value of these workshops has been in developing a shared understanding of the issues and required action moving forward. A separate workshop was held with the Rural Community Board and agricultural sector representatives.
- The Regional Risk Assessment is to be completed in 2021. This will provide an understanding of where our communities are vulnerable to climate change by overlaying hazards (e.g. flooding extents), sensitivity measures (e.g. community age profiles) and the adaptive capacity of communities (e.g. New Zealand Index of Multiple Deprivation).

The purpose of the Climate Change Strategy is to plot a course for action to both mitigate, and adapt to, climate change and to provide a framework for collaboration across the Whanganui District and beyond amongst neighbouring councils, Tangata Whenua, Iwi, central government, non-government organisations, private industry, education, our communities and people.

This strategy is about human activity and changing the way we think and live to reduce our impact on the planet. As such, this strategy traverses the environmental, cultural, social and economic realms.

### Key issues

#### Targets:

Interim District mitigation targets are proposed to provide consistency with national and regional targets. There are separate targets for fossil fuel CO<sup>2</sup> and biogenic methane. It is suggested that these be modified as information and our knowledge improves. It is intended that a district carbon model be developed so we may better understand the impact of potential mitigation actions and to inform the setting of targets.

Both the adaptation targets and the Council mitigation targets will be determined upon the completion of base research.

#### Council priorities:

Adaptation requirements are actions that Council can influence and is therefore a key focus area. Council has already begun work into infrastructure planning in this regard and further work is planned.

The other area of focus is on Council itself, to lead by example, role modelling good practice in terms of reducing its own carbon footprint. It is Council's intention to first measure its own carbon

footprint and then develop a low carbon roadmap to manage climate change action. It will also be important for Council to build internal staff capability and capacity.

Council also has a role to play in encouraging everyone in the community to play their part in addressing climate change. The MFE website contains ideas on what everyone can do about climate change <https://www.mfe.govt.nz/climate-change/we-all-have-role-play/what-you-can-do-about-climate-change>

### **Goals and community focus areas:**

The goals of the strategy are outlined below and these goals are supported by objectives within the strategy. An important concept inherent in each of these goals, is the concept of mauri, or the life force of all living things, that we seek to maintain or enhance using kaitiaki<sup>1</sup> practices and mātauranga<sup>2</sup> Māori.

Goal 1: The Whanganui District becomes more resilient to the impacts of climate change - *Ka manawanui te rohe o Whanganui ki ngā pēhitanga o te hurihuringa āhuarangi.*

Goal 2: The Council leads by example, role modelling good practice and reducing its own carbon footprint - *Ka whakatauiratia e te Kaunihera ngā mahi tika ki te whakaiti i tōna ake tapuwae waro.*

Goal 3: Everyone plays their part in addressing climate change - *Mā tātau katoa e whai tikanga i ngā hurihuringa āhuarangi.*

Goal 4: Council demonstrates leadership and works collaboratively with partners to reduce our district's carbon footprint - *Ka mahi tahi te Kaunihera me ētehi atu ki te whakaiti i te tapuwae waro o tō tātau rohe.*

Four strategic priority areas for our community have been identified to guide the first stage of the journey to support central government's efforts toward a low carbon and resilient New Zealand. The first three are based on evidence from the District Carbon Footprint indicating that these are the biggest greenhouse gas emitting sectors.

1. Transportation – *Eke waka*
2. Building energy and urban form – *Te hiko / hanaga whare*
3. Agriculture – *Ahu whenua*
4. Leadership and collaboration – *Mahi tahi*

### **Options**

1. Approve for public consultation (preferred option)

Council has decided that the time for action is now. Notifying the strategy now, does not mean Council is unable to amend it. As new information becomes available and our knowledge in the field grows, it can be updated. It has been 14 months since Council released the Climate Change Discussion Document and sought community feedback. Since then, Council has worked in partnership with Iwi and other stakeholders to develop the strategy, and to ensure the whole community can engage with the strategy. As stated in goal 3, it is going to take collective action to address climate change.

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<sup>1</sup> Guardianship, practice of looking after the environment.

<sup>2</sup> Traditional knowledge.

The further work identified as being required - (Regional Climate Change Risk Assessment, Council Carbon Footprint, District Carbon Model) – can continue to inform the strategy as it becomes available so that it becomes a living document. The appointment of a climate change officer will help drive action and future iterations of the strategy.

2. Do further work to set district emissions targets then publicly notify

As mentioned in the report under key issues above, the targets proposed are interim, on the basis that further work is required to fully understand what is able to be done and by when. The District Carbon Model will assist with doing this.

An option is to delay public notification until the additional work can be completed. While this is ideal from a completeness perspective, it will further delay public engagement and action. This further information is not considered critical to enable the public to engage in the strategy and for work to begin.

3. Not approve for public consultation

If the Council does not support the direction outlined in this strategy, the Council has the option not to approve the strategy for public consultation.

**Summary of Considerations**

**Fit with purpose of local government**

This strategy fits with the purpose of local government, is integrated into various council activities and within the Resource Management Act. The strategy promotes the environmental, cultural, social and economic well-being of the community.

[Section 10 of the Local Government Act 2002](#)

**Fit with strategic framework**

Select checkboxes to indicate whether the decision / report contributes, detracts or has no impact

	Contributes	Detracts	No impact
Leading Edge Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Long-Term Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Policies or Plans -	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Leading Edge Strategy contains two relevant strategic objectives – Increase our resilience to climate change; and Lead community responses to the risks and opportunities of climate change as per our Infrastructure Strategy and other key documents.

The Long Term Plan considers the potential impacts of climate change and plans for that.

The Infrastructure Strategy includes Natural Events and Climate Change as a key issue.

The Economic Development Strategy acknowledges climate change as a threat and the need to respond to climate change.

[Leading Edge Strategy](#)

**Risks**



The recommended decision has a very minor degree of risk. While there is likely to be community interest, it is considered that the impact on the outcome can be handled within normal operations.

Adapting to and mitigating climate change carries potential major financial costs but these costs are able to be managed through the Council long-term planning process.

To not take steps to address climate change could result in reputational risks, particularly when Council has declared a climate emergency; and would mean Council is not meeting its legal obligations.

Climate change action has the risk of maladaptation or unintended environmental consequences.

Infrastructure is at risk from more extreme weather events so climate change planning is important but could have major financial costs.

The following risks have been considered and identified:

- Financial** risks related to the financial management of Council and the ability to fund Council activities and operations, now and into the future
- Service delivery** risks related to the meeting of levels of service to the community
- Reputation / image** risks that affect the way the Council and staff are perceived by the community - nationwide, internationally, by stakeholders, and the media
- Legal compliance (regulatory)** risks related to the ability of management to effectively manage the Council, comply with legal obligations and avoid being exposed to liability
- Environmental** risks related to the environmental impacts of activities undertaken by the Council. Includes potential or negative environmental and / or ecological impacts, regardless of whether these are reversible or irreversible
- Health, safety and wellbeing** risks related to the health, safety and wellbeing of Council staff, contractors and the general public when using Council's facilities and services
- Information technology and management** risks related to the integrity of the Council's IT network, including security, access and data management
- Infrastructure / assets** risks related to the inability of assets to provide the required level of service in the most cost effective manner
- Project completion** risk of failure to complete on time, on budget and to plan

[Risk Management Policy](#)

#### ***Policy implications***

The draft Climate Change Strategy is consistent with Council's policy direction and the Council resolved in 2018 to develop this strategy. Changes to other policies and practices will be required to reflect this new policy direction and to enable implementation. The Long Term Plan will need to reflect this policy and potential costs. There are potential impacts on the running of Council property and facilities and these have been signalled to the Property Department. There are also potential costs to other activities which will depend on the actions initiated.

#### ***Financial considerations***

The cost of the appointment of a climate change officer was budgeted in the 2019/20 Annual Plan. Full cost implications will need to be determined once an action plan is agreed.

Nil

Approved in LTP / AP

Unbudgeted \$

**Legislative considerations**

N/A

**Significance**

The recommended decision is considered significant as per Council's Significance and Engagement Policy. The reason for this being considered significant is the potential for a high level of public interest or potential controversy. However, going out for public consultation mitigates this risk by enabling people to have their say before the strategy is finalised. All Local Government Act requirements in this respect will be complied with.

[Significance and Engagement Policy 2018](#)

<https://hubble.whanganui.govt.nz/site/strat/ layouts/15/WopiFrame.aspx?sourcedoc=/site/strat/Strategic%20Planning/Guidelines%20on%20determining%20significance%20for%20reporting%20toolkit.pdf&action=default>

**Engagement**

A Climate Change Consultation Document was released in September/October 2019 for public feedback. There was extensive engagement through the Council website, media releases, public notices, Community Link, suggestion boxes, Viewpoint Whanganui, social media posts, hui with Iwi, engagement with youth, Strike for Climate march, River Traders Market stall, attendance at meetings with community groups, and public meetings.

Five joint Council – Iwi workshops have been held over 2020. Other key stakeholders have included Youth Committee representatives, Rural sector representatives, and Horizons Regional Council.

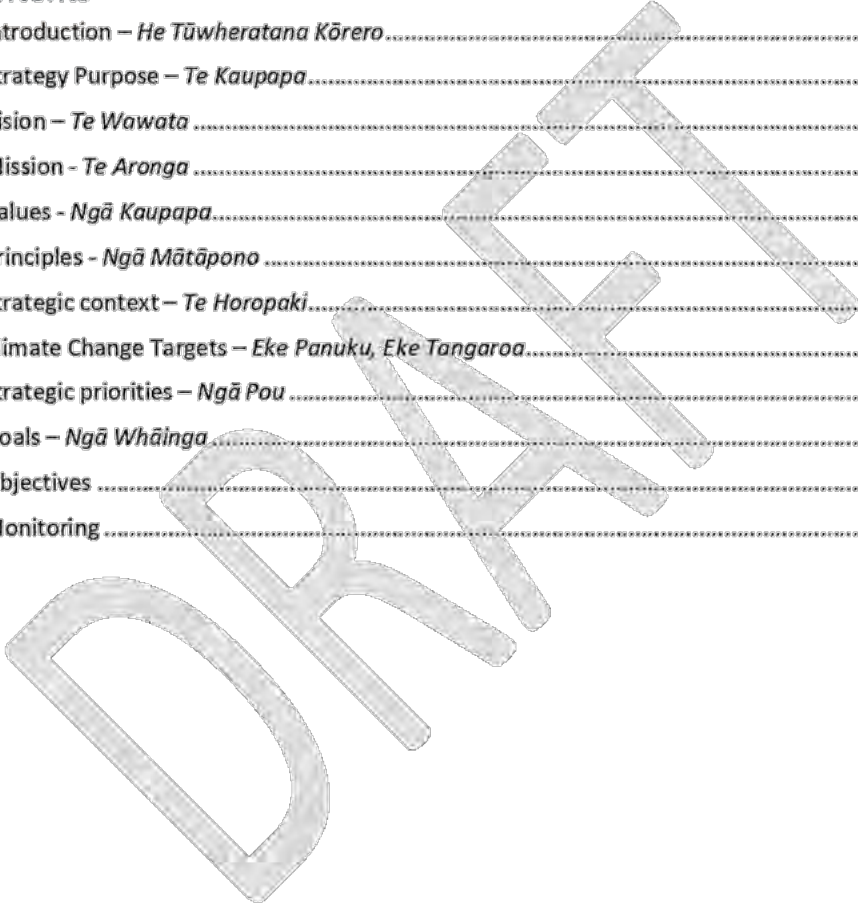
Additional context material for the draft strategy was received from Te Runanga o Tupoho representatives after the final workshop but there was insufficient time to have those changes considered by the working party for inclusion. There remains the opportunity to hear further from Te Runanga o Tupoho through the formal stages of the discussion.

[Significance and Engagement Policy 2018](#)

# Climate Change Strategy – *Te Rautaki Huringa Āhuarangi*

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## Introduction – *He Tūwheratana Kōrero*

This strategy tells a story of the New Zealand European and Māori (Te Ao Māori) world views coming together to address climate change in a uniquely Whanganui way. This strategy is about human activity and changing the way we think and live to reduce our impact on the planet. As such, this strategy traverses the environmental, cultural, social and economic realms.

From a Whanganui Iwi perspective, interconnectivity with our environs is evident within our traditional narratives and innate values, recognised in law through Te Awa Tupua Settlement Act 2017. Those innate values – Tupua Te Kawa – guide the way in which decisions are made to protect and enhance the health and well-being of environment, Te Awa Tupua and our people. Tupua Te Kawa establishes four kawa or values that underpin an indigenous natural law and value system, binding people to place. In the context of climate change, these kawa might be expressed or understood as follows:

- *Ko te Awa te mātāpuna o te ora*: Our Awa and environs sustains us with life and natural resources, and these must be protected from the impacts of climate change so that current and future generations may be nourished.
- *Erere kau mai te Awa nui, mai i te Kāhui Maunga ki Tangaroa*: Our Awa and environs, including physical and spiritual elements, are indivisible, and climate change responses must be cognisant of the holistic impact on all realms of well-being.
- *Ko au te Awa, ko te Awa ko au*: There is an inalienable connection between people, the Awa and environment, and we have a responsibility to change the way we live to reinforce and strengthen this connection.
- *Ngā manga iti, ngā manga nui, e honohono kau ana, ka tupu hei Awa Tupua*: Coordinated effort on climate change is required across all communities and authorities, given that our Awa and environs are integral to our worldview and lives.

## Strategy Purpose – *Te Kaupapa*

The purpose of this strategy is to plot a course for action to both **mitigate**, and **adapt** to, climate change and to provide a framework for collaboration across the Whanganui District and beyond amongst neighbouring councils, Tangata Whenua, Iwi, central government, non-government organisations, private industry, education, our communities and people.

This strategy is about human activity and changing the way we think and live to reduce our impact on the planet. As such, this strategy traverses the environmental, cultural, social, and economic realms.



**Mitigation** is about reducing the amount of change to our climate that we will experience in the future, through minimising or preventing the emission of greenhouse gases. Although a certain level of climate change is “locked in” due to greenhouse gases that have already been emitted, we can reduce emissions now so that future impacts from climate change are reduced. The Government has set national targets for reducing greenhouse gas emissions. See page x for information about the targets.

**Adaptation** is modifying the way we live and do things as a result of the changes we will experience, to reduce the impacts of climate change. While there is uncertainty about exactly how the effects of climate change will play out, it is certain that things will change and that change has already begun. How we are able to plan, respond, adapt and change will affect the level to which climate change poses a risk or an opportunity for our communities.

What is climate change?

The Sun’s shortwave energy received by the Earth is converted and returned to the atmosphere as longwave (heat) radiation where it is absorbed by ‘greenhouse gases’ (carbon dioxide, methane, nitrous oxide, water vapour). This process heats the atmosphere. Human activities are continually producing these greenhouse gases, adding them to the atmosphere, which results in it warming beyond its ability to lose this extra heat to space. This is anthropogenic, or **human induced**, warming. Climate has always changed but it is the continuing rapid acceleration in anthropogenic warming that threatens us.

### Vision – Te Wawata

We live in harmony with the environment to ensure quality of life for all living things.

*Ko au te taiao, ko te taiao ko au*



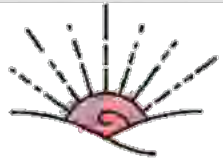
### Mission - Te Aronga


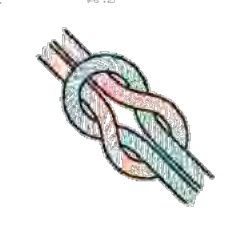

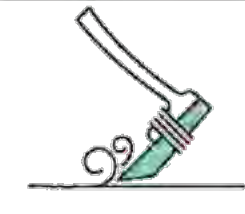
We will take appropriate action to adapt activity to withstand the impacts of our changing climate and play our part in reaching greenhouse gas emission reduction targets.

*Ka wānanga, ka whakarite, ā, ka huri ngā mahi, i runga i te manawanui ki te taiao*

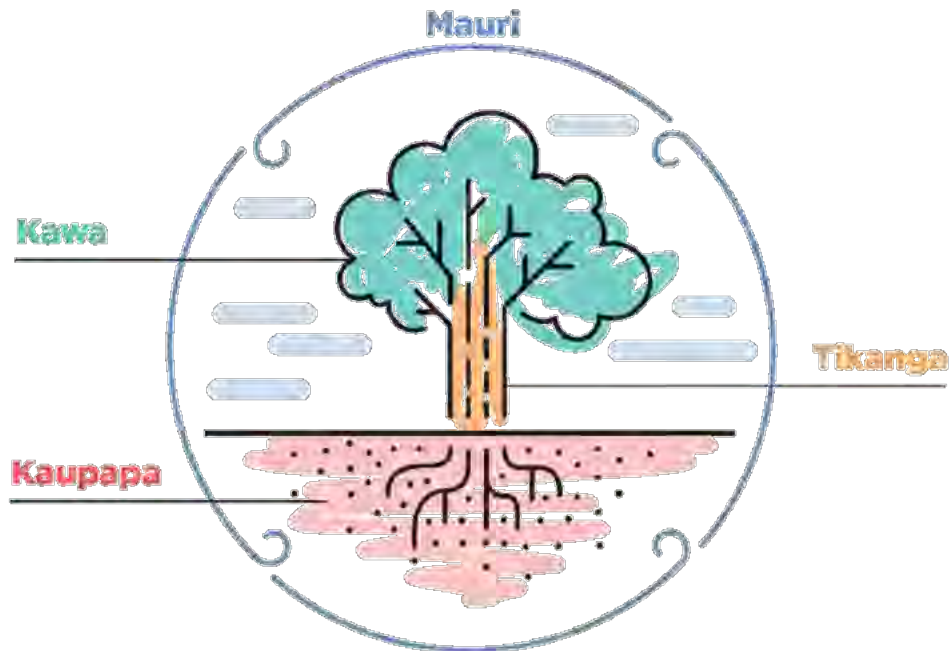
### Values - Ngā Kaupapa

All whakatauki/whakatauākī are underpinned by features of Whanganui nature and our environment.

Value	Whakatauki/Whakatauākī	
<b>Working together – <i>Kia mahiahi</i>:</b> we will work collectively on climate change solutions	Pūpūngia te kākaho kia mangungu, e kore e whati  <i>One kākaho reed is easily snapped, but bound tightly many kākaho reeds will possess unyielding strength</i>	
<b>Leadership – <i>Kia toi te mana</i>:</b> We will enable leadership at all levels on climate change and will lead by example	Kia whakapurua ki te remu o te huia (nā Te Māreikura Hori Enoka)  <i>Hold fast to the tail feather of the huia, the symbol of a leader</i>	
<b>Responsibility - <i>Kia titiro whānui</i>:</b> We will have the environment and future generations at heart in our decision-making	He ao āpōpō, he ao tea (nā Dr Whakaari Rangitākūkū Metekingi)  <i>Tomorrow holds a bright future</i>	

<p><b>Education - <i>Kia mātau</i>:</b> We are committed to learning and sharing our knowledge with others</p>	<p>Ko te manu e kai ana i te miro, nōna te ngahere; ko te manu e kai ana i te mātauranga, nōna te ao (nā Te Kere Ngātaierua)</p> <p><i>The bird who eats from the miro tree owns the forest; the bird who eats of the tree of knowledge owns the world</i></p>	
<p><b>Positive connection - <i>Kia torokaha</i>:</b> We will build positive connections throughout our community and look for opportunities</p>	<p>Whiria te taunoka (nā Hōri Kīngi Te Anaua)</p> <p><i>Tie peace to this shrub</i></p>	
<p><b>Resilience - <i>Kia manawa nui</i>:</b> We will be agile and build capacity to recover from difficulties</p>	<p>Kei te hunga ririki kei te huti te toko o ēnei rangi (nā Te Ope Whanarere)</p> <p><i>The young are to pull and push the bargepole of today's vessel</i></p>	
<p><b>Effective and affordable - <i>Kia whai hua</i>:</b> We will live within our means and make the most of every opportunity</p>	<p>Tēnei au te morikau nei</p> <p><i>I am still fashioning this log</i></p>	

Principles - Ngā Mātāpono



Principles	Rākau model
1. The environment is at the centre of all decision-making and action.	<p><b>Mauri</b>  <i>An environment with an intact mauri will sustain healthy ecosystems, support kai harvesting, provide resource use and be a source of pride and identity to the people.</i></p>
2. Council and Iwi will work in partnership with other agencies, organisations and groups to refine and implement the Climate Change Strategy and Action Plan.	<p><b>Kaupapa</b>  <i>As the roots of the tree provide support, strong partnerships provide the foundation for action.</i></p>
3. Council will lead by example, role modelling good practice in terms of reducing its carbon footprint as much as practicable, apply a climate change lens to all Council decision-making and others will be encouraged to do the same.	<p><b>Tikanga</b>  <i>As the trunk of the tree extends towards the sky, we acknowledge the importance of leading by example and as the branches weave together, we acknowledge the interconnectedness of relationships to deliver this strategy.</i></p>
4. Costs and benefits of climate change action will be fairly distributed across generations to ensure future generations are not burdened with costs of past and current generations.	<p><b>Kawa</b>  <i>As the canopy of the tree provides shelter, we acknowledge the need to provide enduring protection to all, including future generations.</i></p>



**Mauri** – Life principle, life force, vital essence, special nature, a material symbol of life

**Kaupapa** – principles, our behaviours towards nature

**Tikanga** – customary practice, law and learnings

**Kawa** – sacred order of creation or ethnosphere (the sum total of all thoughts and dreams, narratives, ideas, inspirations, intuitions brought into being by the human imagination since the dawn of consciousness)

### Strategic context – *Te Horopaki*

There are three main international policies that guide our climate change adaptation and mitigation work.

#### The International Context

1. The **United Nations Framework Convention and Climate Change (UNFCCC)**: and international environmental treaty with the objective to:
 

“Stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic<sup>1</sup> interference with the climate system”.

The UNFCCC was adopted by over 185 countries, including New Zealand, at the Rio Earth Summit in 1992.
2. The **Kyoto Protocol**: an international treaty in 1997 that extends to 1992 UNFCCC and commits state parties to reduce greenhouse gas emissions based on the scientific consensus that:
  - Global warming is occurring
  - It's extremely likely that human emitted CO<sub>2</sub> emissions have predominantly caused it.
3. The **Paris Agreement**: an agreement within the UNFCCC signed in Paris in 2016. The aim of the Paris agreement is:
  - Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels;
  - Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production; and
  - Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

#### The National Context

The Climate Change Response (Zero Carbon) Amendment Act 2019 has set a domestic greenhouse gas emission reduction target for New Zealand to:

<sup>1</sup> Anthropogenic = resulting from or produced by human activities, as defined by the Intergovernmental Panel on Climate Change (IPCC)

- Reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050.
- Reduce emissions of biogenic methane to 24-47 per cent below 2017 levels by 2050, including to 10 per cent below 2017 levels by 2030.

It has also:

- Established a system of emission budgets to act as stepping stones towards the long-term target.
- Required the government to develop and implement policies for climate change adaptation and mitigation.
- Establish a new, independent Climate Change Commission to provide expert advice and monitoring to help keep successive governments on track to meeting long-term goals.

The Climate Change Response (Zero Carbon) Amendment Act 2019 required preparation of a National Climate Change Response Assessment (NCCRA) no later than one year after the start of the Act (November 2019). This was produced in August 2020. The NCCRA has a critical role to play in providing the best available evidence and assessment to decision-makers, to support a planned approach to climate change risks and opportunities. The Act requires the Minister for Climate Change to prepare a National Adaptation Plan (NAP) in response to the NCCRA. This will be published before mid-2022. The NAP will define both the Government’s objectives for adapting to climate change and how the Government will meet those objectives.

The Resource Management Act 1991 (RMA) is another piece of key legislation. Under the RMA, local government is required to consider the effects of a changing climate on communities, and to incorporate climate change into existing frameworks, plans, projects and standard decision-making procedures.

Local Government’s roles and responsibilities are affected by climate change. A climate change perspective is now integrated into activities such as flood management, water resources, planning, building regulations and transport.

Local Context



Greenhouse Gas Emissions



DISTRICTS CARBON FOOTPRINT

GROSS (excluding forestry)  
906,613 tCO<sub>2</sub>e

NET (including forestry) 779,736  
tCO<sub>2</sub>e

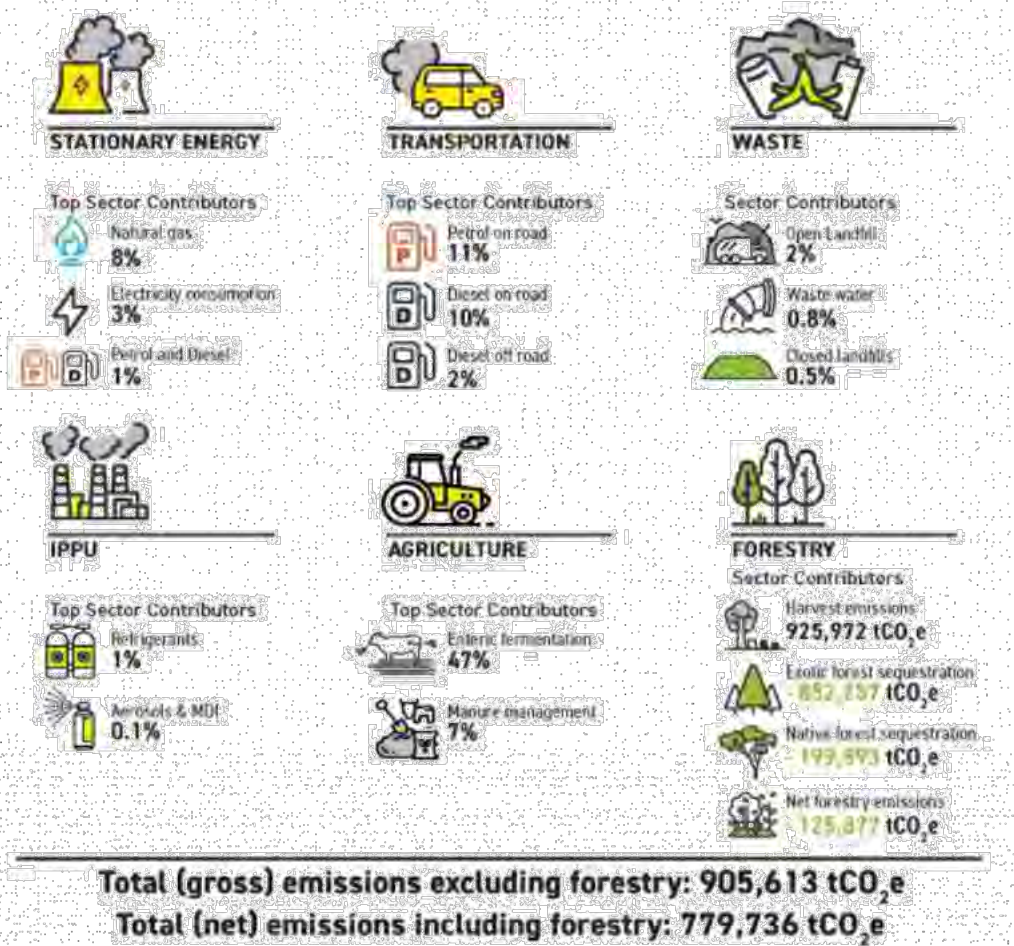
DISTRICTS CARBON FOOTPRINT

GROSS Emissions per capita 19.3  
tCO<sub>2</sub>e

GROSS Emissions per hectare  
3.8 tCO<sub>2</sub>e

During 2019, Whanganui emitted **gross 906,613 tCO<sub>2</sub>e** and **net 779,736 tCO<sub>2</sub>e** emissions. The population in 2019 was approximately **47,000** people, resulting in per capita gross emissions of **19.3 tCO<sub>2</sub>e/person**.

# Greenhouse Gas Emissions Whanganui District



The model on which the infographic above is based, has been developed by credible, independent information but may contain distortions. Any model is based on assumptions, so the information is valid but may differ from other models. The information becomes more accurate when you look at a much bigger area than just Whanganui District. However, it provides a useful benchmark for measuring change and progress over time.

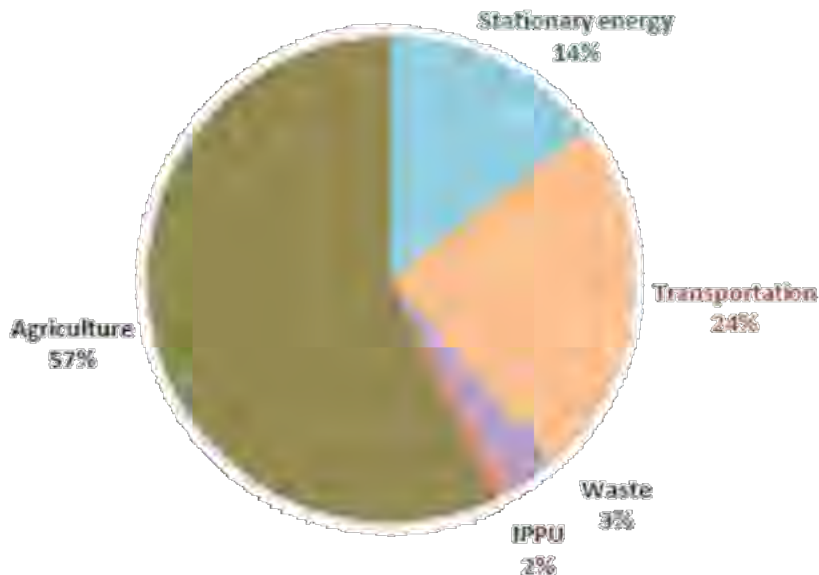
Agricultural emissions are the largest contributor to Whanganui’s greenhouse gas emissions (57%), with 99% of agricultural emissions coming from livestock. Sheep are farmed in the largest numbers across the area, accounting for 86% of farmed livestock and 54% of agricultural emissions. Cattle make up 13% of farmed livestock and 44% of agricultural emissions. Enteric fermentation (animal’s digestive processes) from cattle and sheep produced 82% of Whanganui’s agricultural emissions and 47% of the districts gross emissions.

Sequestration in agriculture is still largely unknown at this stage, but a large amount of the native vegetation sequestration could be attributed to the agriculture sector, as opposed to Forestry. Further work is required to measure this accurately

This is followed by Transport, with 99% attributed to petrol and diesel used for road transport.

Stationery Energy was the third largest emitting sector (electricity consumption was the cause of 26% of stationary energy emissions, natural gas (61%), petrol and diesel consumption (8%). Residential accounts for 15% stationary energy emissions, Commercial 17%, Industrial 60% and the remaining 8% for other e.g. generators and motors.

**Figure 1 Whanganui’s GHG emissions gross emissions split by sector (tCO<sub>2</sub>e)**



2

<sup>2</sup> The Industrial Processes and Product Use (IPPU) sector includes emissions associated with the consumption of GHGs for refrigerants, foam blowing, fire extinguishers, aerosols, metered dose inhalers and Sulphur Hexafluoride for electrical insulation and equipment production.

### Likely impacts of climate change for Whanganui

#### Temperature



To rise by 0.8°C by 2031-2050  
To rise by 1.8°C by 2081-2100



More hot days >25°C  
Greatest warming in summer/autumn

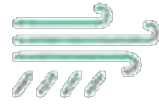


Earlier spring melt  
Fewer frost days

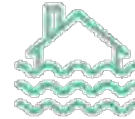
#### Rainfall



Wetter conditions with annual precipitation up 1% and winter rainfall up 6% by 2031-2050  
Winter rainfall up 11% by 2081-2100



The frequency and magnitude of storm related events will increase



Increased high country erosion  
Increased flooding risks and river sedimentation

#### Planning for sea level rise

Increased coastal erosion and flooding



Up by 0.3-1.0m by 2100

0.2-0.5m by 2060

*Climate Change Targets – Eke Panuku, Eke Tangaroa*

These interim District mitigation targets have been set to be consistent with national and regional targets. These will be modified as information and our knowledge improves. It is intended that a district carbon model is developed so we may better understand the impact of potential mitigation actions and to inform the setting of targets.

Both the adaptation targets and the Council mitigation targets will be determined upon the completion of base research.

Minimum interim District mitigation target	Reduce net carbon emissions for the District to zero (excluding biogenic CO <sub>2</sub> ) by 2050
	Reduce net carbon (excluding biogenic CO <sub>2</sub> ) by 30% by 2030
	Reduce emissions of biogenic methane to 24-27% below 2017 levels by 2050
	Reduce emissions of biogenic methane to 10% below 2017 levels by 2030
District adaptation target	Target for development of District Adaptation Plans is to be determined upon completion of the Regional Climate Change Risk Assessment
Council mitigation target	Targets to be set once the organisational carbon footprint has been calculated and a low carbon roadmap developed

*Strategic priorities – Nga Honi*

The key priorities for Council are both in adaptation and to lead by example, role modelling good practice in terms of reducing its own carbon footprint.

In terms of adaptation and becoming more resilient to the impacts of climate change, the priority is to complete the Regional Climate Change Risk Assessment, which will inform where our vulnerabilities lie and the development of district adaptation plans.

Council also has a role to play in encouraging everyone in the community to play their part in addressing climate change.

Four focus areas for our community have been identified to guide the first stage of the journey to support central government’s efforts toward a low carbon and resilient New Zealand:

1. Transportation – *Eke waka*
2. Building energy and urban form – *Te hiko / hanaga whare*
3. Agriculture – *Ahu whenua*
4. Leadership and collaboration – *Mahi tahi*

While Agriculture is the biggest emitting sector, the sector has significantly improved productivity over the past 30 years with reductions in numbers of sheep and beef cattle but increases in dairy cattle since 1990. There is also significant work happening nationally, and within the agricultural sectors, to reduce on-farm agricultural greenhouse gas emissions and adapt to climate change. Under the *He Waka Eke Noa* Primary Sector Climate Action Partnership<sup>3</sup>, by 2025 all farmers and growers are including climate change mitigation and adaptation in their farm business and environment plans, and calculating their net greenhouse gas emissions. It is also important to consider the importance of farming to economic activity and social cohesion outcomes, and to be cognisant of the Paris Agreement which highlights the need to work towards low greenhouse gas emissions development in a manner that does not threaten food production.

*Goals – Ngā Whāinga*

The goals are numbered for referencing purposes only and this does not indicate any particular priority, all goals are considered important.

Inherent in each of these goals is the concept of mauri, or the life force of all living things that we seek to maintain or enhance using kaitiaki<sup>4</sup> practices and mātauranga<sup>5</sup> Māori.

Goals	Whāinga
1. The Whanganui District becomes more resilient to the impacts of climate change.	<i>Ka manawanui te rohe o Whanganui ki ngā pēhitanga o te hurihuringa āhuarangi</i>
2. The Council leads by example, role modelling good practice and reducing its own carbon footprint.	<i>Ka whakatauiratia e te Kaunihera ngā mahi tika ki te whakaiti i tōna ake tapuwae waro</i>
3. Everyone plays their part in addressing climate change.	<i>Mā tātau katoa e whai tikanga i ngā hurihuringa āhuarangi</i>
4. Council demonstrates leadership and works collaboratively with partners to reduce our districts carbon footprint.	<i>Ka mahi tahi te Kaunihera me ētehi atu ki te whakaiti i te tapuwae waro o tō tātau rohe</i>

<sup>3</sup> Apiculture NZ, Beef + Lamb NZ, Dairy NZ, DCANZ, Deer Industry NZ, MFE, FOMA, FAR, Federated Farmers, Horticulture NZ, Irrigation NZ, MIA, MPI.

<sup>4</sup> Guardianship, practice of looking after the environment.

<sup>5</sup> Traditional knowledge.

### Objectives - Ngā Whāinga

#### **GOAL 1: The Whanganui District becomes more resilient to the impacts of climate change**

*Ka manawanui te rohe o Whanganui ki ngā pēhitanga o te hurihuringa āhuarangi*

##### **Objectives:**

- 1.1 Manage District adaptation requirements to address risks to vulnerable communities and at-risk infrastructure

#### **GOAL 2: The Council leads by example, role modelling good practice and reducing its own carbon footprint**

*Ka whakatauiratia e te Kaunihera ngā mahi tika ki te whakaiti i tōna ake tapuwae waro*

##### **Objectives:**

- 2.1 Develop a low carbon roadmap for Council
- 2.2 Build the capacity and capability of Council to manage climate change action
- 2.3 Encourage sustainable practices from Council suppliers through Council activity and processes

#### **GOAL 3: Everyone plays their part in addressing climate change**

*Mā tātau katoa e whai tikanga i ngā hurihuringa āhuarangi*

##### **Objectives:**

- 3.1 Encourage everyone to take action and do their part to reduce the impacts of climate change

#### **GOAL 4: Council demonstrates leadership and works collaboratively with partners to reduce our districts carbon footprint.**

*Ka mahi tahi te Kaunihera me ētehi atu ki te whakaiti i te tapuwae waro o tō tātau rohe*

A key role for Council is to provide leadership including education, promotion and advocacy activities and working collaboratively with partners and key sectors.

##### **Objectives:**

##### **4.1 Transportation – Eke Waka**

- 4.1.1 Encourage the transition to lower emissions sustainable fuel alternatives
- 4.1.2 Promote travel efficiency and behaviour change
- 4.1.3 Enable and encourage active transport options
- 4.1.4 Work in partnership with the regional council to improve public transport services to make it a more attractive travel option



**4.2 Building Energy and Urban Form - *Te hiko / hanaga whare***

- 4.2.1 Encourage energy efficiency and low carbon energy options for homes and other buildings
- 4.2.2 Reduce the carbon footprint of buildings which includes greenhouse gas emissions generated from construction materials, construction processes, construction waste disposal and disposal of the building when it has reached its end of life
- 4.2.3 Plan for growth in a way that promotes lower carbon, high amenity and more compact urban form including the encouragement of collective housing models
- 4.2.4 Identify, understand and reduce climate change risk to existing buildings and infrastructure

**4.3 Agriculture – *Ahu whenua***

- 4.3.1 Sustainable food production - food growing, processing, transporting, distributing, consuming and disposal is done sustainably
- 4.3.2 Look for opportunities to expand food growing markets by taking advantage of climatic changes
- 4.3.3 Work together to share knowledge, educate and support change in the agricultural sector including kaitiaki practices and mātauranga Maori
- 4.3.4 Encourage sustainable farming practices that support productive and profitable farm outcomes

**4.4 Leadership and collaboration – *Mahi tahi***

- 4.4.1 Develop a district carbon model to assist with setting emissions targets
- 4.4.2 Investigate barriers, provide information and educational resources to promote behavioural change and grow community knowledge and collective action
- 4.4.3 Utilise local government channels to advocate for change
- 4.4.4 Work collaboratively with local government, Tangata Whenua, Iwi, government agencies, sector groups and other stakeholders

**Monitoring - *Aroturukunga***

A set of indicators and measures will be developed to monitor progress toward the achievement of the goals and targets within this strategy.

## Draft plan of possible actions

The tables below contain ideas of possible actions to implement the Climate Change Strategy. Further work is required to refine, cost and finalise the Action Plan.

Strategic Priority	Focus area	Initiatives
Transportation	Rooding	<ul style="list-style-type: none"> <li>Investigate alternative fuel options e.g. hydrogen</li> <li>Promote travel efficiency/ behaviour change</li> <li>Enable and encourage active transport</li> <li>Work with the regional council to improve public transport services</li> <li>Ensure sufficient EV charging infrastructure is available</li> <li>Encourage increase in rail transport</li> </ul>
		<ul style="list-style-type: none"> <li>Manage climate change risks to existing transport infrastructure</li> </ul>
Buildings	Energy efficiency	<ul style="list-style-type: none"> <li>Promote energy efficiency and low carbon energy options for homes and other buildings</li> <li>Encourage use of energy efficient lighting, appliances and heating.</li> <li>Encourage uptake of solar energy.</li> </ul>
	Location and density of development	<ul style="list-style-type: none"> <li>Develop a Plan for Growth that promotes lower carbon, high amenity and more compact urban form and reduced travel requirements</li> <li>Enable CBD living</li> <li>Support alternative, more collective housing models e.g. Papakaianga, The Delhi Village etc.</li> </ul>
		<ul style="list-style-type: none"> <li>Plant more trees – develop green corridors/network – ensure the right tree is planted, in the right place, for right purpose</li> <li>Review treatment of passive open spaces and alternatives to grass</li> </ul>
		<ul style="list-style-type: none"> <li>Identify, understand and reduce climate change risk to existing building and infrastructure e.g. the Riverfront</li> <li>Avoid building or raise floor levels in areas prone or likely to be at risk of inundation</li> </ul>

	Waste	<ul style="list-style-type: none"> <li>• Encourage circular<sup>1</sup> economies – production, use, re-use and recycling</li> <li>• Promote and invest in waste reduction and reuse across the community and key sectors e.g. the building and construction sector</li> </ul>
Agriculture	Food production	<ul style="list-style-type: none"> <li>• Develop a sustainable district food plan<sup>2</sup></li> <li>• Look for opportunities to expand food growing markets to take advantage of climatic changes</li> </ul>
	Education, collaboration, research and planning	<ul style="list-style-type: none"> <li>• Work together to share knowledge and provide support for change</li> <li>• Acknowledge the kaitiaki practices and mataurangi Māori of Māori landowners for farm management</li> <li>• Encourage farmers to understand their farms carbon footprint and develop farm plans that consider mitigation, sequestration, adaptation and adverse events</li> <li>• Undertake research to identify sustainable water sources to support land use change</li> <li>• Develop plans to drive sustainable, productive and profitable farm outcomes</li> <li>• Recognise the efforts of the agriculture sector and educate the wider population</li> </ul>
Leadership and collaboration	Information, Education and Promotion	<ul style="list-style-type: none"> <li>• Provide information and educational resources to grow community knowledge and collective action</li> <li>• Investigate barriers to, and support sustainable building design and construction</li> <li>• Promote warm dry homes – Home Energy Save programmes; Warmer Kiwi Homes Scheme</li> <li>• Sign up to Auckland Council’s Future Fit programme (footprint tool, dashboard, communications, marketing and educational material)</li> <li>• Become a member of the Sustainable Living Trust which provides practical opportunities for people to learn</li> <li>• Promote behavioural and cultural change to create resilience e.g. benefits</li> </ul>

<sup>1</sup> Circular economies design out waste and pollution, keep products and materials in use, regenerate natural systems

<sup>2</sup> This covers all stages of keeping people fed including growing, processing, transporting, distributing, consuming and disposing of food.

		of collective living, use of active and public transport
	Decision-making and capability	<ul style="list-style-type: none"> <li>Align the organisational culture, key documents and decisions with climate change principles</li> <li>Engage and educate staff to ensure climate change considerations are included in operational and Council decision-making</li> <li>Use the Mauri model <sup>3</sup>for environmental decision-making</li> </ul>
	Advocacy	<ul style="list-style-type: none"> <li>Advocate to promote change e.g.                             <ul style="list-style-type: none"> <li>Transportation</li> <li>Building standards</li> <li>Waste reduction e.g. food packaging to use higher grade plastics that are recyclable in NZ</li> <li>Impact of overseas investors planting trees to gain carbon credits</li> <li>Tourism levies</li> </ul> </li> </ul>
	Collaboration	<ul style="list-style-type: none"> <li>Establish a community climate change forum to drive and coordinate action</li> <li>Nominate community Climate Advisors to support and advise sector groups</li> <li>Work collaboratively with local government, Tangata Whenua, Iwi, government agencies and other stakeholders</li> </ul>
	Incentives	<ul style="list-style-type: none"> <li>Investigate reducing development contributions for developments that meet Green Building Standard</li> <li>Investigate incentive programmes e.g. targeted rates schemes to support energy efficiency upgrades</li> </ul>

Strategic Priority	Focus area	Initiatives
Whanganui District Council	Carbon Footprint	<ul style="list-style-type: none"> <li>Undertake a baseline emissions inventory for Council</li> <li>Implement appropriate opportunities to increase carbon sinks in the Whanganui District</li> <li>Set emissions targets and develop a low carbon roadmap</li> </ul>
	Waste	<ul style="list-style-type: none"> <li>Reduce waste</li> </ul>
	Energy efficiency	<ul style="list-style-type: none"> <li>Consider Green Star Building certification for new building projects</li> </ul>

<sup>3</sup> See Appendix 1

		<ul style="list-style-type: none"> <li>Investigate conversion to solar energy for Council buildings</li> <li>Recognise energy efficiency ratings of houses and buildings on LIMs</li> <li>Consider the development of a pathway for eliminating use of fossil fuels for heating public buildings and facilities</li> </ul>
	Vehicle fleet	<ul style="list-style-type: none"> <li>Convert fleet cars to hybrid or electric vehicles</li> </ul>
	Travel	<ul style="list-style-type: none"> <li>Enable working remotely and use video conferencing instead of travelling to a meeting</li> </ul>
	Procurement	<ul style="list-style-type: none"> <li>Leverage purchasing power to promote circular economies</li> <li>Consider carbon emissions when awarding contracts</li> </ul>
	Infrastructure	<ul style="list-style-type: none"> <li>Consider using ISCA<sup>4</sup> rating scheme for evaluating Infrastructure sustainability across planning, design, construction and operational phases of infrastructure programs, projects, networks and assets</li> </ul>
	Staff	<ul style="list-style-type: none"> <li>Appoint a Climate Change Officer to be a champion for climate change action, provide advisory, education, advocacy, research and monitoring services.</li> <li>Provide appropriate training for regulatory staff to support change</li> </ul>

Strategic Priority	Focus area	Initiatives
Whanganui District Council	Resilience	<ul style="list-style-type: none"> <li>Develop District Adaptation Plans</li> </ul>

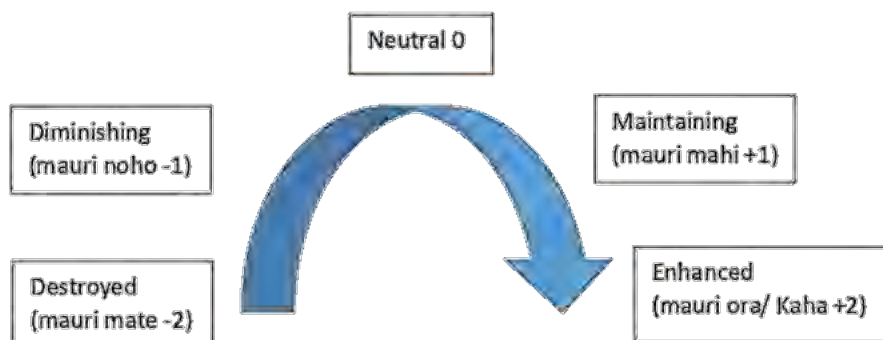
What you can do about climate change	Actions
<p><b>Reduce your electricity use</b> – greenhouse gas emissions are produced when we use electricity and gas. New Zealand has a high level of renewable electricity production, but this is still supplemented by burning fossil fuels.</p>	<ul style="list-style-type: none"> <li>Switch off lights when not in use.</li> <li>Use LED lightbulbs.</li> <li>Unplug electronics from the wall socket when they're not in use.</li> </ul>

<sup>4</sup> ISCA – Infrastructure Sustainability Council of Australia

	<ul style="list-style-type: none"> <li>• Run the dishwasher and the washing machine only when full.</li> <li>• Wash clothes in cold water and dry them outdoors when possible.</li> <li>• Try having shorter showers or shower before going to bed (there is less fossil fuelled electricity generation after 9 pm).</li> </ul>
<p><b>Shop at your local fruit and vegetable market or grow you own</b> – help reduce greenhouse gas emissions from transport by using local ingredients. When you buy local food or products you are also helping your local economy.</p>	<ul style="list-style-type: none"> <li>• Plant your own vegetables and fruit trees. Containers are great if you are short of space.</li> <li>• Buy local and in-season foods that haven't travelled long distances to reach you.</li> </ul>
<p><b>Reduce, reuse and recycle</b> – all products and materials to be built, packaged, transported and sold. Reducing how much you buy is good for the environment and your wallet.</p>	<p>Reduce:</p> <ul style="list-style-type: none"> <li>• Buy only the food you need, and compost your kitchen scraps and garden waste.</li> <li>• Buy products without any packaging whenever possible and always take your reusable bags to the supermarket.</li> <li>• Make the most of what you already have. Repairing products such as clothes means they don't have to be replaced so often.</li> </ul> <p>Reuse:</p> <ul style="list-style-type: none"> <li>• Swap your bottles and lunch containers for reusable ones.</li> <li>• Donate unwanted goods such as books, clothes and furniture to a charity shop.</li> </ul> <p>Recycle:</p> <ul style="list-style-type: none"> <li>• Use recycling services and recycle bins.</li> </ul>
<p><b>Plant trees</b> – In New Zealand, forests offset 30 per cent of our greenhouse gas emissions. A regenerating native forest can remove more than 8 tonnes of carbon dioxide per hectare per year from the atmosphere over its first 50 years.</p> <p>Coastal vegetation can reduce erosion. It can also reduce the impact of waves and floods. Trees provide shade which has a cooling effect in towns and cities. When placed around buildings they can cut electricity used for cooling in summer.</p>	<ul style="list-style-type: none"> <li>• Plant native trees on your property</li> <li>• Get involved in a community forest restoration, dune care or coastal revegetation programme in your area.</li> </ul>

<p><b>Conserve water</b> – climate change is likely to have an impact on our water resources. Water supply may be altered due to changes in temperature and rainfall patterns, and water demand is likely to increase during the summer months as temperatures increase.</p>	<ul style="list-style-type: none"> <li>• Replace lawns with native plants.</li> <li>• Collect rainwater and use it to water the garden and for other household tasks that don't require drinking water.</li> <li>• When buying new household devices, consider how water-efficient they are.</li> </ul>
<p><b>Be aware of your emissions – drive and fly less</b></p>	<ul style="list-style-type: none"> <li>• Know where your greenhouse gas emissions are coming from – measure your own emissions footprint.</li> <li>• Walk or cycle</li> <li>• Use public transport</li> <li>• Carpool with family or friends</li> <li>• Work remotely and use video conferencing instead of travelling to a meeting.</li> <li>• Reduce the number of flights you take.</li> <li>• If you fly, pay to offset your emissions.</li> </ul>
<p><b>Building and cars</b></p>	<ul style="list-style-type: none"> <li>• If you are building a house include balconies, shading and efficient cooling systems such as natural ventilation.</li> <li>• Use passive solar design and insulation.</li> <li>• If you replace your car, consider an electric vehicle.</li> </ul>

Appendix 1: The Mauri Model











The Mauri model was developed as a framework, assessment method, and decision-making tool to integrate economic, social, cultural dimensions – regarded as subsets of the environment. It is based on the concept of mauri. As such, the tool demonstrates methods for understanding the interrelatedness or interconnectedness of all living things, and for measuring sustainability and human well-being. The model's aim is to assist decision-making by helping understand how different activities impact on the intrinsic values of ecosystems. The resulting effect of activities and practices on the mauri will be seen as -2 destroyed; -1 diminishing; neutral; +1 maintaining; +2 enhanced.

## 5.2 REVIEW OF DOG CONTROL POLICY AND BYLAW

**Author:** Justin Walters - Senior Policy Analyst

**Authoriser:** Jasmine Hessel - Team Leader Policy

Stephanie Macdonald-Rose - Group Manager - Corporate

- References:**
1. [Statement of Proposal for Dog Control Policy and Bylaw](#)  
  2. [Proposed Dog Control Policy 2021](#)  
  3. [Proposed Dog Control Bylaw 2021](#)  
  4. [Dog Control Survey Summary and Additional Info](#)  

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the recommended decision is not significant.

### Recommendation

That the Strategy and Finance Committee:

- (a) adopts the Dog Control Policy and Bylaw 2021 for consultation with the following preferred options:
  - i. That dog owners are required to pass a written test of dog ownership knowledge in order to qualify as a responsible dog owner;
  - ii. Increase dog access on Castlecliff Beach and Mowhanau Beach by allowing:
    - Under control off a leash access - from the southern bluff of Mowhanau Beach to north of the northern end of Castlecliff Beach carpark at all times; and
    - Under control on a leash access – South of the northern end of Castlecliff Beach carpark at all times;
  - iii. Require dogs to be under control on a leash on walkways, cycleways and shared paths; and
  - iv. Formalise Council's existing policy on rehoming dogs.
- (b) confirms that:
  - i. a policy and bylaw is the most appropriate way of addressing the issues relating dogs;
  - ii. the Dog Control Bylaw 2021 is the most appropriate form of a bylaw; and
  - iii. the Dog Control Bylaw 2021 is not inconsistent with the New Zealand Bill of Rights Act 1990.

### Executive summary

Council is required to adopt a policy on dogs and must make a bylaw to give effect to the policy.

In making or amending a policy on dogs Council must have regard to the matters within s10(4)(a) of the Dog Control Act 1996 which can be summarised as the need to provide for public safety and comfort and the needs of dog owners.



Council is required to review a policy and bylaw no later than five years after the date on which it was made and must follow the s155 tests of the Local Government Act 2002 when making or amending the bylaw.

In reviewing the dog control policy and bylaw, officers have chosen to adopt a wellbeing approach to positively managing dogs within the district. The focus of the wellbeing approach is to prioritise safe interactions between people and dogs and increase Owners' capability to foster the positive aspects of dog ownership and reduce nuisance.

It is recommended that the following changes be made to the dog control policy and bylaw:

- That dog owners are required to pass a written test of dog ownership knowledge in order to qualify as a responsible dog owner;
- Increase dog access on Castlecliff Beach and Mowhanau Beach by allowing:
  - Under control off a leash access - from the southern bluff of Mowhanau Beach to north of the northern end of Castlecliff Beach carpark at all times; and
  - Under control on a leash access – South of the northern end of Castlecliff Beach carpark at all times;
- Require dogs to be under control on a leash on all walkways, cycleways and shared paths (excluding places dogs are prohibited such as premier parks and lakes);
- Formalise Council's existing policy on rehoming dogs; and
- Other minor amendments including:
  - Redrafting of the policy to improve clarity and ease of use;
  - Redrafting the bylaw to follow the Parliamentary Counsel Office Drafting Manual and remove inconsistencies with the policy;
  - Increase the probationary period for probationary owners from 12 months to up to 24 months; and
  - Formalise the existing access rules on Peat Park and Williams Domain to allow under control on a leash access.

Following the review of the policy and bylaw, Council must consult using the special consultative procedure and decide to either retain, amend or revoke the bylaw. A copy of the statement of proposal (Ref 1) and amended policy (Ref 2) and bylaw (Ref 3) is attached.

## Background

Council is required to adopt a policy on dogs and must make a bylaw to give effect to the policy.

The Dog Control Policy 2015 and the Dog Control Bylaw 2015 commenced on 8 June 2015. Under s10AA of the Dog Control Act (DCA) and s158 of the Local Government Act 2002 (LGA) Council must review the policy and bylaw no later than five years after the date on which the bylaw was made. If a bylaw is not reviewed within a five year timeframe the bylaw will lapse seven years after it was made.

In making or amending a policy on dogs Council must have regard to (s10(4)(a) of DCA):

- the need to minimise danger, distress, and nuisance to the community generally;
- the need to avoid the inherent danger in allowing dogs to have uncontrolled access to public places that are frequented by children, whether or not the children are accompanied by adults;
- the importance of enabling, to the extent that is practicable, the public (including families) to use streets and public amenities without fear of attack or intimidation by dogs; and
- the exercise and recreational needs of dogs and their owners.

In reviewing the bylaw Council must determine (s160(2) and s155 of LGA) whether or not a bylaw is:

- the most appropriate method of addressing the perceived problem;
- the most appropriate form of a bylaw; and
- not inconsistent with the New Zealand Bill of Rights Act 1990.

Following the review of the policy and bylaw Council must consult using the special consultative procedure and decide to either retain, amend or revoke the policy and bylaw.

#### Appropriateness of Policy and Bylaw

In reviewing the dog control policy and bylaw, officers recommend that a wellbeing approach to positively managing dogs within the district be adopted. The focus of the wellbeing approach is to prioritise safe interactions between dogs and people and increase Owners' capability to foster the positive aspects of dog ownership and reduce nuisance.

The dog control policy, enforced through the dog control bylaw, is considered to be the most efficient and effective method of managing the issues related to dogs.

The appropriateness of each of the recommended changes is addressed below.

#### Form of the bylaw

The 'form of the bylaw' refers to the structure of the bylaw and the drafting of the individual clauses. As delegated legislation, officers have adopted the Parliamentary Counsel Office Drafting Manual as a best practice guide for drafting legislation.

Officers have reviewed the Dog Control Bylaw 2015 and recommend that the clarity of the drafting should be improved including:

- Redrafting the bylaw to follow the Parliamentary Counsel Office Drafting Manual; and
- Removing inconsistencies with the policy.

The Dog Control Bylaw 2021, including modification to give effect to the recommended options below, is attached for consideration by the committee (Ref 3).

#### Consistency with the New Zealand Bill of Rights Act 1990

The New Zealand Bill of Rights Act 1990 guarantees a number of rights and freedoms including freedom from unreasonable search and seizure and discrimination; and freedom of expression, association, peaceful assembly and movement.

The existing bylaw is considered to be not inconsistent with the New Zealand Bill of Rights Act 1990. The amendments discussed below in the options are also considered not to be inconsistent with the New Zealand Bill of Rights Act 1990.

## Options

In reviewing the policy and bylaw feedback was sought from the general public through attendance at two community events and two online surveys (over 646 responses – Ref 4)<sup>3</sup>; and officers responsible for managing issues related to animals.

The following issues have been identified for consideration by the Committee. As this is a review of the existing policy and bylaw, where the Committee decides to retain the status quo that issue will not be expressly consulted on.

### Responsible Dog Owner

Owner capability and culture are key to taking a wellbeing approach to dog ownership. Tools for Council to encourage owner capability are training and incentive for compliance. Council has an existing 'Responsible Dog Owner' scheme whereby owners can gain a 20% discount on their dog registration free if they can demonstrate that they meet the criteria.

#### **Option A1 – Retain the existing 'Responsible Dog Owner' criteria (Status Quo).**

Under this option Council would retain the existing 'Responsible Dog Owner' criteria.

##### Advantages

- No additional time commitment or potential education required by owners to undertake the written test;
- Dog owners understand existing 'Responsible Dog Owner' criteria to qualify for the reduction in fees.

##### Disadvantages

- Dog owner education is a key contributor to good dog ownership and can prevent or reduce nuisance related to dogs along with the associated enforcement resource.

#### **Option A2 – Amend the 'Responsible Dog Owner' criteria to include a requirement pass a written test on dog ownership knowledge (Recommended).**

Under this option Council would require an owner to pass a written test on dog ownership in order to qualify as a 'Responsible Dog Owner'.

##### Advantages

- Dog owner education is a key contributor to good dog ownership and can prevent or reduce nuisance related to dogs along with the associated enforcement resource.

##### Disadvantages

- Additional time commitment and potential education required by owners to undertake the written test.

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<sup>3</sup> Animal Management Survey (349 responses) and Dog Control Survey (646 responses)

### Dog Access

Dogs can form an integral part of family life and offer companionship to their owners, particularly to the elderly. The activity of exercising a dog also provides an important means of exercise for many owners and therefore contributes to health and wellbeing generally. However, dogs need to be socialised into public places in a way that minimises nuisance and allows the community (including vulnerable persons) to use our public spaces. In considering vulnerable persons, it is also important to note that a number of people actively avoid places where they are likely to encounter dogs.

This policy identifies the following types of dog access rules:

- **Prohibited area** – a place where dogs are not permitted to be, and other users have absolute priority
- **On-leash area** – a place shared with other users, where dogs must be on a leash and under control at all times
- **Off-leash area** – a place shared with other users, where dogs (excluding Dangerous Dogs) may be off a leash but must still be under control at all times
- **Designated dog exercise area** – a place where Owners are the priority user. Owners may take their dogs off a leash (including Dangerous Dogs) but they must be under control at all times
- **Time and season areas** – a place shared with other users, where the dog access rules will be different depending on the time of day during the summer season. This is to minimise the conflict between dogs and other users of the space during peak hours.

In designating dog rules, Council is recommended to consider dog access rules in a comprehensive manner with an emphasis on consistent and easy to understand rules that comply with the following objectives:

- Promote safe interaction between dogs and people using public places and private ways to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any person, in particular, children and vulnerable adults;
- Integrate, where practicable, owners and their dogs with other users of public places;
- Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat;
- Recognise owners as legitimate users of public places and dog access as desirable for dog welfare;
- Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.

**Beach Access**

The dog access rules for beaches are as follows:

	<b>Option B1 - Status Quo</b>	<b>Option B2 – Amended (Recommended)</b>
<u>Mowhanau Beach</u> – North of Kai Iwi Stream	Under control <b>off</b> a leash	Under control <b>off</b> a leash
<u>Mowhanau Beach</u> - North of Kai Iwi Stream to bluff at southern end of Mowhanau Beach	Under control <b>on</b> a leash	Under control <b>on</b> a leash
Between Mowhanau Beach and Castlecliff Beach	Under control <b>on</b> a leash – Exact extents are indeterminate	Under control <b>off</b> a leash
<u>Castlecliff Beach</u> – North of northern end of Castlecliff Beach car park	<b>Time and Season</b> <u>1 November to 1 April</u> - Under control <b>on</b> a leash <u>Other Times</u> - Under control <b>off</b> a leash	Under control <b>off</b> a leash
<u>Castlecliff Beach</u> – In front of car park	<b>Prohibited</b>	Under control <b>on</b> a leash
<u>Castlecliff Beach</u> – South of southern end of Castlecliff Beach car park park to moles	<b>Time and Season</b> <u>1 November to 1 April</u> - Under control <b>on</b> a leash <u>Other Times</u> - Under control <b>off</b> a leash	Under control <b>on</b> a leash
<u>South Beach</u>	Under control <b>off</b> a leash	Under control <b>off</b> a leash

Assessment of options

	<b>Option B1 - Maintain the Existing Dog Access Rules - Status Quo</b>	<b>Option B2 – Amended (Recommended)</b>
Promote safe interaction between dogs and people using public places and private ways to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any person, in particular, children and vulnerable adults.	√√	√ Taken in combination with premier parks and lakes where dog access is prohibited
Integrate, where practicable, Owners and their dogs with other users of public places.	X	√√
Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat.	√ In combination with the temporary dog access rules.	√ In combination with the temporary dog access rules.
Recognise Owners as legitimate users of public places and dog access as desirable for dog welfare.	√	√√
Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.	XX	√√

## Key:

√	Contributes to criterion
-	Neutral, neither contributes to nor detracts from
X	Detracts from criterion

Additional symbols indicates greater level of support or opposition for a criterion.

### Public walkways, Cycleways and Shared Paths

The existing dog access rules on public walkways, cycleways and shared paths are variable with most being under control on a leash<sup>4</sup> while parts are under control off a leash (including Somme Parade between Dublin Street Bridge and PS Waimarie Jetty and Mountains to Sea Ngā Ara Tūhono Cycleway).

As part of the Dog Access Survey respondents were asked what the dog access rules should be for walkways and shared pathways. The majority of respondents (70% dog owners, 82% non-dog owners) considered that dogs should be under control on a leash.

	Option C1 – Maintain the Existing Dog Access Rules - Status Quo	Option C2 – Under control on a leash on all walkways (Recommended)
Promote safe interaction between dogs and people using public places and private ways to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any person, in particular, children and vulnerable adults.	X	√√
Integrate, where practicable, Owners and their dogs with other users of public places.	√	√
Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat.	–	–
Recognise Owners as legitimate users of public places and dog access as desirable for dog welfare.	√	√
Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.	X	√√

#### Key:

√	Contributes to criterion
–	Neutral, neither contributes to nor detracts from
X	Detracts from criterion

Additional symbols indicates greater level of support or opposition for a criterion.

<sup>4</sup> Based on the default access rule – All other places not otherwise identified.

### Formalising Councils existing policy on rehoming dogs

The current Dog Control Policy is silent on the re-homing of dogs that come into the care of the Council. In the absence of a formal Council policy, officers utilise organisational best practice and professional judgement to determine whether or not a dog is suitable for re-homing and that the environment that a dog will be placed is not likely contribute to the likelihood of nuisance. The way that Council approaches the re-homing of dogs can be an emotive issue for the community as the result of being unable to re-home a dog means that the dog will need to be euthanised.

#### **Option D1 – No formal Council policy on the re-homing of dogs (Status Quo).**

Under this option Council would continue to have no formal policy on dog re-homing and would rely on organisational best practice and professional judgement to determine whether or not a dog is suitable for re-homing on a case by case basis.

#### Advantages

- Organisational best practice and professional officer judgment are effective methods of managing the re-homing of dogs; and
- Ability for greater flexibility on a case-by-case basis for the re-homing of individual dogs.

#### Disadvantages

- Does not provide certainty about Council's approach to re-homing of dogs, which can be an emotive issue.

#### **Option D2 – Formalise Council's existing policy on the re-homing of dogs (Recommended).**

Under this option, Council would formalise Council's existing policy on the re-homing of dogs.

#### Advantages

- The proposed policy incorporates current organisational best practice and professional officer judgment; and
- Provides certainty about Council's approach to re-homing of a dog which can be an emotive issue.

#### Disadvantages

- Less flexibility on a case-by-case basis for the re-homing of individual dogs.

### Other minor changes

In addition to the substantive issues above, the following additional changes are recommended:

- Redrafting of the policy to improve clarity and ease of use;
- Redrafting the bylaw to follow the Parliamentary Counsel Office Drafting Manual and remove inconsistencies with the policy; and
- Increase the probationary period for probationary owners from 12 months to up to 24 months.
- Formalise the existing access rules on Peat Park and Williams Domain to allow under control on a leash access.



Next steps

If the Committee chooses to adopt the amended policy and bylaw for consultation, formal consultation will be undertaken from 2 December 2020 to 26 February 2021.

**Summary of Considerations*****Fit with purpose of local government***

The review of the bylaw is legally compliant with s10 of the LGA 2002 in that it allows for local decision making and seeks to prevent potential nuisance from the keeping of domestic animals. Consultation on the options for consideration will meet the principles of consultation outlined in s82 of the LGA 2002.

***Fit with strategic framework***

Select checkboxes to indicate whether the decision / report contributes, detracts or has no impact

	Contributes	Detracts	No impact
Leading Edge Strategy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Long-Term Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Infrastructure Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economic Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The appropriate management of dogs is considered to contribute to the Community and Connectivity strands of the Leading Edge Strategy and identifies how Council will undertake the dog control portion of the animal management activity within the Long-Term Plan.

***Risks***

The recommended decision has a very minor degree of risk.

The following risks have been considered and identified:

- Financial** risks related to the financial management of Council and the ability to fund Council activities and operations, now and into the future
- Service delivery** risks related to the meeting of levels of service to the community
- Reputation / image** risks that affect the way the Council and staff are perceived by the community - nationwide, internationally, by stakeholders, and the media
- Legal compliance (regulatory)** risks related to the ability of management to effectively manage the Council, comply with legal obligations and avoid being exposed to liability
- Environmental** risks related to the environmental impacts of activities undertaken by the Council. Includes potential or negative environmental and / or ecological impacts, regardless of whether these are reversible or irreversible
- Health, safety and wellbeing** risks related to the health, safety and wellbeing of Council staff, contractors and the general public when using Council's facilities and services
- Information technology and management** risks related to the integrity of the Council's IT network, including security, access and data management
- Infrastructure / assets** risks related to the inability of assets to provide the required level of service in the most cost effective manner
- Project completion** risk of failure to complete on time, on budget and to plan

**Policy implications**

The recommended option does not have any policy implications beyond those discussed above.

**Financial considerations**

The recommended option to consult on the proposed Dog Control Policy and Bylaw will be resourced as a part of Council's business as usual activities.

However, it is noted that changes that might result from any amendments to the policy will affect the setting of fees and may require changes to signage which are being actively considered within the animal management activity within the 2021-2031 LTP.

Nil

Approved in LTP / AP

Unbudgeted \$

**Legislative considerations**

Under section 10 of the Dog Control Act 1996 Council is required to adopt a policy in respect of dogs in the Whanganui District and must make a bylaw to give effect to the policy.

Under s10AA of the Dog Control Act and s158 of the LGA 2002 Council must review the policy and bylaw no later than five years after the date on which the bylaw was made. If a bylaw is not reviewed within five year timeframe the bylaw will lapse seven years after it was made.

In making or amending a policy on dogs Council must have regard to s10(4)(a) of the Dog Control Act and must follow the s155 tests of the Local Government Act 2002.

**Significance**

The recommended decision to consult on the proposed changes to Dog Control Policy and Bylaw is not considered to be significant. However, the final decision to amend the policy and bylaw is considered to meet Council's Significance and Engagement Policy. The statutory requirement to use the special consultative process in making or amending a bylaw will meet Council's consultation requirements.

**Engagement**

PRE-ENGAGEMENT Community groups / stakeholders	Date / Status	Techniques to engage
General Public	Completed	Online survey
General Public	Completed	Stall at Festival of Cultures
General Public	Completed	Stall at River Traders Market
Rural Community Board	Completed	Workshop
Youth Committee	Completed	Workshop
Internal discussions		
Animal management, Parks and Legal Services		

CONSULTATION Community group / stakeholder	Level of engagement on spectrum	Techniques to engage
General Public	Consult	Community Link, Council's Facebook, Libraries and Council website.

**Dog Control Policy and Bylaw 2021**



**Statement of Proposal**  
for  
**Dog Control Policy and Bylaw 2021**

**Dog Control Policy and Bylaw 2021****1. SUMMARY OF INFORMATION**

Whanganui District Council (“the Council”) is seeking feedback on:

Dog Control Policy and Bylaw with possible changes to:

- Require dog owners to pass a written test of dog ownership knowledge in order to qualify as a responsible dog owner;
- Increase dog access on Castlecliff Beach and Mowhanau Beach by allowing:
  - Under control off a leash access - from the southern bluff of Mowhanau Beach to north of the northern end of Castlecliff Beach carpark at all times; and
  - Under control on a leash access – South of the northern end of Castlecliff Beach carpark at all times.

Require dogs to be under control on a leash on all walkways, cycleways and shared paths (excluding places dogs are prohibited such as premier parks and lakes); and

- Formalising Councils existing policy on rehoming dogs.

Council has considered that the proposed policy and bylaw is the most appropriate way to address the issues related to dog control within the Whanganui District; and the bylaw is the most appropriate form of bylaw and does not give rise to implications under the New Zealand Bill of Rights Act 1990.

**2. BACKGROUND AND REASONS FOR PROPOSAL**

Council is required to adopt a policy on dog and must make a bylaw to give effect to the policy.

In making or amending a policy on dogs Council must have regard to the matters within s10(4)(a) of Dog Control Act 1996 which can be summarised as the need to provide for public safety and comfort and the needs of dog owners.

To give effect to these matters Council has adopted a wellbeing approach to positively managing dogs within the district. The focus of the wellbeing approach is to prioritise safe interactions between dogs and people and increase Owners’ capability to foster the positive aspects of dog ownership and reduce nuisance.

In reviewing the policy and bylaw feedback was sought from the general public through attendance at two community events and two online surveys (over 646 responses); and officers responsible for managing issues related to animals.

**Dog Control Policy and Bylaw 2021**

Council is proposing the following changes be made to the dog control policy and bylaw:

- That dog owners are required to pass a written test of dog ownership knowledge in order to qualify as a responsible dog owner;
- Increase dog access on Castlecliff Beach and Mowhanau Beach by allowing:
  - Under control off a leash access - from the southern bluff of Mowhanau Beach to north of the northern end of Castlecliff Beach carpark at all times; and
  - Under control on a leash access – South of the northern end of Castlecliff Beach carpark at all times;
- Require dogs to be under control on a leash on all walkways, cycleways and shared paths (excluding places dogs are prohibited such as premier parks and lakes);
- Formalising Councils existing policy on rehoming dogs; and
- Other minor amendments including:
  - Redrafting of the policy to improve clarity and ease of use;
  - Redrafting the bylaw to follow the Parliamentary Counsel Office Drafting Manual and remove inconsistencies with the policy;
  - Increase the probationary period for probationary owners from 12 months to up to 24 months; and
  - Formalise the existing access rules on Peat Park and Williams Domain to allow under control on a leash access.

**3. OPTIONS FOR CONSIDERATION**Responsible Dog Owner

Owner capability and culture are key to taking a wellbeing's approaches to dog ownership. Tools for Council to encourage owner capability is training and incentive for compliance. Council has an existing 'Responsible Dog Owner' scheme whereby owners can gain a 20% discount on their dog registration free if they can demonstrate that they meet the criteria.

**Option A1 – Retain the existing 'Responsible Dog Owner' criteria (Status Quo).**

Under this option Council would retain the existing 'Responsible Dog Owner' criteria.

Advantages

- No additional time commitment required by owners to undertake test and associated education to undertake the written test; and
- Dog owners understand existing 'Responsible Dog Owner' criteria to qualify for the reduction in fees.

Disadvantages

- Dog owner education is a key contributor to good dog ownership and can prevent or reduces nuisance related to dogs along with the associated enforcement resource.

**Dog Control Policy and Bylaw 2021****Option A2 – Amend the ‘Responsible Dog Owner’ criteria to include a requirement pass a written test on dog ownership knowledge (Preferred).**

Under this option Council would require an owner to pass a written test on dog ownership in order to qualify as a ‘Responsible Dog Owner’.

Advantages

- Dog owner education is a key contributor to good dog ownership and can prevent or reduce nuisance related to dog along with the associated enforcement resource.

Disadvantages

- Additional time commitment required by owners to undertake test and associated education to undertake the written test.

Dog Access

Dogs can form an integral part of family life and offer companionship to their owners, particularly to the elderly. The activity of exercising a dog also provides an important means of exercise for many owners and therefore contributes to health and wellbeing generally. However, dogs need to be socialised into public places in a way that minimises nuisance and allows the community (including vulnerable persons) to use our public spaces. In considering vulnerable persons, it is also important to note that a number of people actively avoid places where they are likely to encounter dogs.

This policy identifies the following types of dog access rules:

- **Prohibited area** – a place where dogs are not permitted to be, and other users have absolute priority
- **On-leash area** – a place shared with other users, where dogs must be on a leash and under control at all times
- **Off-leash area** – a place shared with other users, where dogs (excluding Dangerous Dogs) may be off a leash but must still be under control at all times
- **Designated dog exercise area** – a place where Owners are the priority user. Owners may take their dogs off a leash (including Dangerous Dogs) but they must be under control at all times
- **Time and season areas** – a place shared with other users, where the dog access rules will be different depending on the time of day during the summer season. This is to minimise the conflict between dogs and other users of the space during peak hours.

## Dog Control Policy and Bylaw 2021

In designating dog rules, Council is proposing to consider dog access rules in a comprehensive manner with an emphasis on consistent and easy to understand rules that comply with the following objectives:

- Promote safe interaction between dogs and people using public places and private ways to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any person, in particular, children and vulnerable adults;
- Integrate, where practicable, owners and their dogs with other users of public places;
- Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat;
- Recognise owners as legitimate users of public places and dog access as desirable for dog welfare;
- Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.

**Beach Access**

The dog access rules for beaches are as follows:

	Option B1 - Status Quo	Option B2 – Amended (Preferred)
<u>Mowhanau Beach</u> – North of Kai Iwi Stream	Under control <b>off</b> a leash	Under control <b>off</b> a leash
<u>Mowhanau Beach</u> - North of Kai Iwi Stream to bluff at southern end of Mowhanau Beach	Under control <b>on</b> a leash	Under control <b>on</b> a leash
Between Mowhanau Beach and Castlecliff Beach	Under control <b>on</b> a leash – Exact extents are indeterminate	Under control <b>off</b> a leash
<u>Castlecliff Beach</u> – North of northern end of Castlecliff Beach car park	<b>Time and Season</b> <u>1 November to 1 April</u> - Under control <b>on</b> a leash <u>Other Times</u> - Under control <b>off</b> a leash	Under control <b>off</b> a leash
<u>Castlecliff Beach</u> – In front of car park	<b>Prohibited</b>	Under control <b>on</b> a leash
<u>Castlecliff Beach</u> – South of southern end of Castlecliff Beach car park to moles	<b>Time and Season</b> <u>1 November to 1 April</u> - Under control <b>on</b> a leash <u>Other Times</u> - Under control <b>off</b> a leash	Under control <b>on</b> a leash
<u>South Beach</u>	Under control <b>off</b> a leash	Under control <b>off</b> a leash

## Dog Control Policy and Bylaw 2021

Assessment of options

	Option B1 - Maintain the Existing Dog Access Rules - Status Quo	Option B2 – Amended (Preferred)
Promote safe interaction between dogs and people using public places and private ways to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any person, in particular, children and vulnerable adults.	∩∩	∩ Taken in combination with premier parks and lakes where dog access is prohibited
Integrate, where practicable, Owners and their dogs with other users of public places.	X	∩∩
Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat.	∩ In combination with the temporary dog access rules.	∩ In combination with the temporary dog access rules.
Recognise Owners as legitimate users of public places and dog access as desirable for dog welfare.	∩	∩∩
Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.	XX	∩∩

## Key:

∩	Contributes to criterion
∩	Neutral, neither contributes to nor detracts from
X	Detracts from criterion

Additional symbols indicates greater level of support or opposition for a criterion.



## Dog Control Policy and Bylaw 2021

**Public walkways, Cycleways and Shared Paths**

The existing dog access rules on public walkways, cycleways and shared paths are variable with most being under control on a leash<sup>1</sup> while parts are under control off a leash (including Somme Parade between Dublin Street Bridge and PS Waimarie Jetty and Mountains to Sea Ngā Ara Tūhono Cycleway).

As part of the Dog Access Survey respondents were asked what the dog access rules should be for walkways and shared pathways. The majority of respondents (70% dog owners, 82% non-dog owners) considered that dogs should be under control on a leash.

	Option C1 – Maintain the Existing Dog Access Rules - Status Quo	Option C2 – Under control on a leash on all walkways (Preferred)
Promote safe interaction between dogs and people using public places and private ways to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any person, in particular, children and vulnerable adults.	X	W
Integrate, where practicable, Owners and their dogs with other users of public places.	√	√
Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat.	–	–
Recognise Owners as legitimate users of public places and dog access as desirable for dog welfare.	√	√
Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.	X	W

Key:

√	Contributes to criterion
–	Neutral, neither contributes to nor detracts from
X	Detracts from criterion

Additional symbols indicates greater level of support or opposition for a criterion.

<sup>1</sup> Based on the default access rule – All other places not otherwise identified.

**Dog Control Policy and Bylaw 2021**Formalising Councils existing policy on rehoming dogs

The current Dog Control Policy is silent on the re-homing of dogs that come into the care of the Council. In the absence of a formal Council policy, officers utilise organisational best practice and professional judgement to determine whether or not a dog is suitable for re-homing and that the environment that a dog will be placed is not likely contribute to the likelihood of nuisance. The way that Council approaches the re-homing of dogs can be an emotive issue for the community as the result of being unable to re-home a dog means that the dog will need to be euthanised.

**Option D1 – No formal Council policy on the re-homing of dogs (Status Quo).**

Under this option Council would continue to have no formal policy on dog re-homing and would rely on organisational best practice and professional judgement to determine whether or not a dog is suitable for re-homing on a case by case basis.

Advantages

- Organisational best practice and professional officer judgment are effective methods of managing the re-homing of dogs; and
- Ability for greater flexibility on a case-by-case basis for the re-homing of individual dogs.

Disadvantages

- Does not provide certainty about Council's approach to re-homing of dog, which can be an emotive issue.

**Option D2 – Formalise Council's existing policy on the re-homing of dogs (Preferred).**

Under this option, Council would formalise Council's existing policy on the re-homing of dogs.

Advantages

- The proposed policy incorporates current organisational best practice and professional officer judgment; and
- Provides certainty about Council's approach to re-homing of a dog which can be an emotive issue.

Disadvantages

- Less flexibility on a case-by-case basis for the re-homing of individual dogs.

**Dog Control Policy and Bylaw 2021**Other minor changes

In addition to the substantive issues above, the following additional changes are proposed to:

- Redrafting of the policy to improve clarity and ease of use;
- Redrafting the bylaw to follow the Parliamentary Counsel Office Drafting Manual and remove inconsistencies with the policy; and
- Increase the probationary period for probationary owners from 12 months to up to 24 months.
- Formalise the existing access rules on Peat Park and Williams Domain to allow under control on a leash access.

**4. DETERMINATION OF APPROPRIATENESS**

In reviewing the dog control policy and bylaw, Council has chosen to adopt a wellbeing approach to positively managing dogs within the district. The focus of the wellbeing approach is to prioritise safe interactions between dogs and people and increase Owners' capability to foster the positive aspects of dog ownership and reduce nuisance.

The dog control policy, enforced through the dog control bylaw, is considered to be the most efficient and effective method of managing the issues related to dogs.

**5. FORM OF BYLAW**

The proposed Dog Control Bylaw 2021 is considered the most appropriate form of bylaw to address the issues and for the purpose of public consultation.

**6. NEW ZEALAND BILL OF RIGHTS ACT 1990**

The Local Government Act requires the Council to determine whether there are any implications for the proposed bylaw under the New Zealand Bill of Rights Act 1990 i.e. no bylaw may be made that is inconsistent with that Act. In Council's opinion the proposed bylaw does not contain any provision that is in conflict with the New Zealand Bill of Rights Act 1990.

Following the prescribed special consultative procedure set out in section 83 of the Act the Council will consider the final draft of the proposed bylaw and its New Zealand Bill of Rights Act 1990 implications, if any.

**7. CONSULTATION AND SUBMISSION**

In making, amending, or revoking the policy and bylaw, Council must use the Special Consultative Procedure set out in section 83 of the LGA 2002. Council has prepared

**Dog Control Policy and Bylaw 2021**

and adopted the proposed policy and bylaw for public consultation. Any person can make a submission on the proposed bylaw.

A copy of the Statement of Proposal, including the proposed bylaw and information about making a submission can be obtained from the Council website [www.whanganui.govt.nz](http://www.whanganui.govt.nz)

You can make a submission online at [www.whanganui.govt.nz/have-your-say](http://www.whanganui.govt.nz/have-your-say) or alternatively submission forms are available from the Whanganui District Council Customer Service counter at the main municipal building located at 101 Guyton Street, the Davis Central City Library and Gonville Library. Please indicate whether you would like to speak to your submission and include contact details. People who wish to be heard by Council will be given the opportunity to do so. The hearing of submissions is scheduled for April 2021 at the main municipal building located at 101 Guyton Street.

For any queries please contact Justin Walters, Senior Policy Analyst on (06) 349 0001.

The period for making submissions is from 2 December 2020 to 26 February 2021.

**8. Attachments**

**Attachment 1 – Proposed Dog Control Policy 2021**

**Attachment 2 – Proposed Dog Control Bylaw 2021**



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# Dog Control Policy

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Whanganui District Council  
As at 17/11/2020 (Resolution 2020/##)

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### 1.0 Strategic Context and Background

- 1.1. This Policy is adopted under section 10 of the Dog Control Act 1996 (the Act), which requires the Council to adopt a policy in respect of dogs in the Whanganui District.
- 1.2. The Act requires this Policy to be made having regard to:
  - a) The need to minimise danger, distress, or Nuisance to the community;
  - b) The need to avoid the inherent danger in allowing dogs to have uncontrolled access to **Public Places** that are frequented by children, whether or not the children are accompanied by adults;
  - c) The importance of enabling, as far as practicable, the public (including families) to use streets and public amenities without fear of attack or intimidation by dogs; and
  - d) The exercise and recreational needs of dogs and Owners.
- 1.3. In order to achieve this, Council has chosen to adopt a wellbeing approach to positively managing dogs within the district. The focus of the wellbeing approach is to prioritise safe interactions between dogs and people and increase Owners' capability to foster the positive aspects of dog ownership and reduce nuisance.
- 1.4. Following the adoption of the Policy, Council is required to adopt a **Bylaw** to give effect to it.

### 2.0 Purpose of the Policy

- 2.1. The purpose of this Policy is to outline how Council will administer the requirements of the Act, and to facilitate good dog behaviour and good dog ownership, including annual registration.
- 2.2. The Policy objectives are to:
  - a) fulfil the requirements of the Act;
  - b) adopt measures to minimise the problems caused by dogs;
  - c) provide a safe environment for the community through active enforcement and the education of Owners on appropriate dog ownership and care; and
  - d) acknowledge and encourage good dog ownership and care.

### 3.0 Application and Scope

- 3.1. This Policy is made under s10 of the Dog Control Act 1996; and
- 3.2. Applies to the Whanganui District.



#### 4.0 How the Policy will be Implemented

##### 4.1. Council will implement this Policy through:

- a) the **Bylaw**;
- b) enforcement of the **Bylaw** and Act; and
- c) non-regulatory methods including education and a fee schedule to **Responsible Dog Owners**, Owners of **Neutered Dogs**, Owners of **Working Dogs** and Owners that hold a gold card.

#### 5.0 Interpretation

In this policy, unless the context otherwise requires, -

**Act** means the Dog Control Act 1996.

**Animal Welfare Code (Dogs)** means the Animal Welfare (Dogs) Code of Welfare 2018 or successor code issued under the Animal Welfare Act 1999 or successor legislation.

**Approval** means a licence, permit or other form of written approval granted under the **Bylaw**, and includes all conditions to which the approval is subject.

**Bylaw** means the Dog Control Bylaw 2021.

**Beach** means and includes the following:

- (a) the foreshore as defined by section 2 of the Resource Management Act 1991 or successor legislation;
- (b) the inter-tidal zone above the mean low water spring tide;
- (c) any adjacent area that can reasonably be considered part of the beach environment including areas of sand, pebbles, shingle, dunes or coastal vegetation.

**Council** means the Whanganui District Council or any Authorised Officer.

**Control** in relation to a dog, that the owner is able to obtain an immediate and desired response from the dog by use of a leash, voice commands, hand signals, whistles or other effective means so as to prevent a dog being a nuisance.

**Dangerous Dog** means a dog which has been classified as a dangerous dog under section 31 of the Dog Control Act 1996.

**Disability Assist Dog** means a dog certified by either

- (a) Hearing Dogs for Deaf People New Zealand;
- (b) Mobility Assistance Dogs Trust;
- (c) New Zealand Epilepsy Assist Dogs Trust;
- (d) Royal New Zealand Foundation of the Blind; or
- (e) Top Dog Companion Trust as being a dog trained to assist (or as being a dog in training to assist) a **Person** with a disability

**District Plan** means the Operative Whanganui District Plan or a Proposed Whanganui District Plan or part, which is deemed to be operative for the purposes of the Resource Management Act 1991.

**Owner** has the meaning given by section 2 of the Dog Control Act 1996.

**Menacing Dog** means a dog that has been classified as a menacing dog under section 33A of the Dog Control Act 1996.

**Neutered Dog** has the meaning given by section 2 of the Dog Control Act 1996.

*“means a dog that has been spayed or castrated; and does not include a dog that has been vasectomised”*

**Park/Reserve** means –

- (a) any land vested in or administered by the **Council** under the provisions of the Reserves Act 1977; or
- (b) any park, domain or recreational area under the control or ownership of the **Council**.

**Person** includes a corporation sole, a body corporate, and an unincorporated body.

**Dog Control Policy** means the Dog Control Policy 2021.

**Playground** means an outdoor area that contains children’s play equipment or objects and includes the entire playground surface or fenced area when present.

**Premises** means all land and buildings within a single rating unit.

**Private Way** has the meaning given by section 315 of the Local Government Act 1974.

**Public place** has the meaning given by section 2 of the Dog Control Act 1996.

*“public place—*

- (a) *means a place that, at any material time, is open to or is being used by the public, whether free or on payment of a charge, and whether any owner or occupier of the place is lawfully entitled to exclude or eject any person from that place; and*
- (b) *includes any aircraft, hovercraft, ship or ferry or other vessel, train, or vehicle carrying or available to carry passengers for reward”*

**Responsible Dog Owner** means an **Owner** given that classification under section 7 of this Policy.

**Road** has the meaning given by section 315 of the Local Government Act 1974

**Sports surface** includes any area developed or marked out, for example those used for soccer, rugby, or rugby league, artificial turf, sports range, sports Park or velodrome. A sports field is in use when the area is being used for sport events or training for sports events by one or more persons.

**Urban Area** means any area of the District zoned, residential, commercial or manufacturing in the Whanganui **District Plan**.

**Working Dog** has the meaning given by section 2 of the Dog Control Act 1996.

***Note:** Working dogs include disability assist dogs, dogs kept by state departments such as police dogs and customs dogs, pest control dogs and dogs kept solely or principally as stock or herding dogs. A full list can be found in section 2 of the Dog Control Act 1996.*

## 6.0 Fees

- 6.1. In prescribing fees the **Council** shall have regard to the relative cost of the registration and control of dogs in the various categories described in section 37 of the **Act**.
- 6.2. The **Council** sees the neutering of dogs as the cornerstone of controlling the number of unwanted dogs in the District and therefore will set lower fees for **Neutered Dogs** than for unneutered dogs.
- 6.3. A reduced registration fee applies to **Owners** of Working Dogs. **Council** may require an inspection to confirm Working Dog status.
- 6.4. A reduced registration fee applies to **Owners** with the 'Responsible Dog Owner' classification.
- 6.5. All money received from registration fees or other charges (including infringement fines) under the **Act** is to be applied for dog control purposes in the District. Good care and management of dogs in the District provides a public benefit. However, the **Council** also seeks to achieve a high level of cost recovery from infringement offences so that the cost to ratepayers in dealing with dogs which are irresponsibly cared for is minimised. In addition the **Council** will manage the pound as far as possible on a user pays basis.

## 7.0 Responsible Dog Owner Classification

- 7.1. A dog **Owner** may apply to **Council** to become a **Responsible Dog Owner** upon demonstration compliance with the **Responsible Dog Owner** criteria.
- 7.2. **Responsible Dog Owner** classification may be renewed each registration year provided compliance with the criteria is maintained.
- 7.3. **Responsible Dog Owner** criteria:
  - a) Evidence of having achieved a passing grade for an approved written test demonstrating **Responsible Dog Owner** knowledge and behaviours;
  - b) No substantiated complaint, abatement, seizure, impoundment or infringement under the **Act** in the previous 12 months;
  - c) Signs erected on or near the front entrance of the property alerting to the presence of the dog;
  - d) Demonstrates good **Control** over the dog when the **Council** inspects the property; and
  - e) Registration fee has been fully paid for all dogs under their care by 31 July of each registration year.

### 8.0 Dog Faeces

- 8.1. Dog faeces can harbour bacterial disease and parasitic infection, which can cause illness particularly in young children who play on the ground in our Parks and playgrounds or even around home.
- 8.2. It is an **Owner's** responsibility to remove dog faeces from a **Public Place** immediately. A bag, slid over the hand is an effective method of collecting the faeces, which can then be disposed of in a waste bin.
- 8.3. Private land **Owners** are also encouraged to collect and dispose of dog waste daily so that nuisance conditions such as odour and breeding of flies do not develop.
- 8.4. Where possible (having regard to, among other things, budgetary constraints) the **Council** will provide bag dispensers and disposal containers in high use sites for dog faeces. The main focus will however continue to be the **Owner's** personal responsibility to pick up after their dog by taking an appropriate bag with them.

### 9.0 Barking

- 9.1. Barking, or vocalisation, is a natural behaviour of every dog. It is not unlawful for an **Owner** to allow his or her dog to bark. A dog barks for a variety of reasons such as:
  - a) If there is an intruder in its territory;
  - b) When it is distressed; and
  - c) As a reaction to environmental sounds.
- 9.2. A dog is permitted to display natural patterns of behaviour, including barking as a vocal expression and its **Owner** is obliged to ensure that such needs are met.
- 9.3. However, when the barking or howling becomes a Nuisance, **Council** may intervene under section 55 of the Dog Control Act.
- 9.4. There are three elements to section 55 of the **Act**:
  - a) A complaint has been made;
  - b) A Nuisance is being created; and
  - c) The barking or howling is **persistent and loud**.
- 9.5. **Council** is likely have reasonable grounds for believing that a Nuisance is being created by the persistent and loud barking or howling of the dog; both of those elements must be present before the **Council** will take action.
  - a) **Persistent** means:
    - i. Refusing to give up or let go;
    - ii. Insistently repetitive, continuous, constantly repeated;
    - iii. Existing or remaining in the same state for an indefinitely long time;  
and/or
    - iv. Enduring.

b) **Loud** means:

- i. Strongly audible;
- ii. Striking forcibly on the sense of hearing.

9.6. In the event that the **Owner** does not take all reasonable steps to prevent the dog from causing a Nuisance by barking, enforcement action pursuant to sections 55 and 56 of the **Act** may be taken.

### 10.0 Number of Dogs

10.1. Within and **Urban Area**, having multiple dogs on premise increases the likelihood of creating nuisance to surrounding properties.

10.2. In order to limit the likelihood of nuisance no more than three (3) dogs over the age of 3 months , and not more than one (1) unspayed bitch, will be allowed to be kept on a premises within the **Urban Area** at any one time.

10.3. **Council** may give **Approval** for a **Person** to keep four (4) or more dogs on a premises within the **Urban Area** where it is satisfied that any potential impacts on surrounding neighbours and activities can suitably be managed.

### 11.0 Wandering Dogs

11.1. Wandering dogs can cause annoyance and danger to the community. They are a threat to wildlife and can be threatening to people and other dogs. They can also be a **Road** safety hazard.

11.2. The **Council** will respond to any complaints about wandering dogs and, if appropriate, will take further action. **Council** will also carry out patrols of urban areas to identify wandering dogs.

11.3. At first instance, wandering dogs will generally be returned to their **Owners** if they are known and an infringement notice may be issued.

11.4. Dogs will otherwise be impounded and **Owners** will be liable for impounding and daily sustenance fees. These fees will be in addition to the fine required by any infringement notice(s).

## 12.0 Re-homing

12.1. The **Council** is committed to rehoming of suitable dogs. For **Council** to consider a dog suitable it must:

- a) Be a **Neutered Dog**;
- b) Pass a behavioural test to the satisfaction of **Council**;
- c) Not be classified or eligible to be classified as dangerous; and
- d) Not be classified or eligible to be classified as menacing.

12.2. A **Person** wishing to adopt a dog from **Council** must:

- a) Be over 16 years old;
- b) Have an adequately fenced property to securely contain the dog;
- c) Ability to comply with the **Animal Welfare Code (Dogs)**; and
- d) Pay any adoption costs.

12.3. Dogs which have become the property of **Council** and are assessed as being not suitable for re-homing or unable to be rehomed will be euthanised following best practice.

## 13.0 Education Relating to Dogs

13.1. **Council** will promote and encourage dog **Control** training programmes throughout the District. In particular:

- a) The media will be used to promote dog **Control** awareness;
- b) Every **Owner** registering a dog will be notified of where the **Bylaw** and policies are available to view;
- c) Education programmes in schools and kindergartens; and
- d) Dog registrations will be actively sought through media advertising and other targeted campaigns.

13.2. Dog access rules will be publicised through:

- a) Material provided with registration;
- b) Appropriate signage on the street or Park concerned; and
- c) The **Council** Office, libraries, information centre and any other appropriate avenue.

## 14.0 Disqualified and Probationary Owners

14.1. **Council** must classify a **Person** as a disqualified dog **Owner** where that the **Person**:

- a) commits 3 or more infringement offences (not relating to a single incident or occasion) within a continuous period of 24 months; or
- b) is convicted of an offence (not being an infringement offence) against the **Act**; or
- c) is convicted of an offence against Part 1 or Part 2 of the Animal Welfare Act 1999, section 26ZZP of the Conservation Act 1987, or section 56I of the National Parks Act 1980.

14.2. The period of disqualification shall be five (5) years however this may be reduced where **Council** is satisfied that the following circumstances have been met:

- a) First disqualification:
  - i) Served a minimum of two (2) years disqualification;
  - ii) Completion of **Council** approved training;
  - iii) Have an adequately fenced property to securely contain a dog; and
  - iv) Ability to comply with the **Animal Welfare Code (Dogs)**.
- b) Second disqualification:
  - i) Served a minimum of four (4) years disqualification;
  - ii) Completion of **Council** approved training;
  - iii) Have an adequately fenced property to securely contain a dog; and
  - iv) Ability to comply with the **Animal Welfare Code (Dogs)**.

14.3. However, where **Council** is satisfied that the circumstances of the offence or offences are such that disqualification is not warranted, **Council** will classify the **Person** as a probationary **Owner**.

14.4. The period of probationary ownership classification shall be two (2) years from the last qualifying offence<sup>1</sup> however this may be reduced where **Council** is satisfied that the following circumstances have been met:

- a) Completion of **Council** approved training;
- b) Have a **Responsible Dog Owner** classification;
- c) Completion of **Council** approved training; and
- d) Comply with the **Animal Welfare Code (Dogs)**.

14.5. **Council** may require a probationary **Owner** to undertake, at his or her own expense, a dog **Owner** education programme or a dog obedience course (or both) approved by **Council**. Where **Council** requires the **Person** to undertake a dog **Owner** education programme or dog obedience course the probationary **Owner** will be notified in writing of the obligation to attend the programme or course.

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<sup>1</sup> Where any additional offences are committed meeting the criteria for a probationary ownership classification, **Council** may impose a new probationary period.

### 15.0 Neutering of Dogs

- 15.1. It is compulsory for a dog which is classified as dangerous in accordance with the **Act** to be Neutered.
- 15.2. **Council** will require all dogs classified as a **Menacing Dog** under section 33A of the Dog Control Act to be Neutered under section 33E(1)(b) of the **Act**. **Council** will also require a dog classified by any other territorial authority as a **Menacing Dog** under section 33A of the Dog Control Act to be Neutered under section 33EB(2) if the dog is registered with **Council**.
- 15.3. **Council** will only exempt a dog classified as menacing from neutering if the **Owner** of the dog produces a certificate issued by a veterinarian certifying that the dog will not be in a fit condition to be Neutered before a date specified in the notice of classification.
- 15.4. If a certificate under clause 15.3 of this Policy (section 33E(1)(b)(ii) of the **Act**) is produced to **Council**, the **Owner** must, within one month after the date specified in that certificate, produce a further certificate from a veterinarian certifying that the dog has been Neutered under clause 15.2 of this Policy (section 33E(1)(c) of the **Act**).

### 16.0 Dog Access

- 16.1. Dogs can form an integral part of family life and offer companionship to their **Owners**, particularly to the elderly. The activity of exercising a dog also provides an important means of exercise for many **Owners** and therefore contributes to health and wellbeing generally.
- 16.2. **Council** seeks to support the integration of properly socialised dogs into **Public Places** in a way that minimises nuisance and allows the community (including vulnerable **Persons**) to use our public spaces.
- 16.3. This policy identifies the following types of dog access rules:
- a) **Prohibited area** – a place where dogs are not permitted to be, and other users have absolute priority
  - b) **On-leash area** – a place shared with other users, where dogs must be on a leash and under **Control** at all times
  - c) **Off-leash area** – a place shared with other users, where dogs (excluding **Dangerous Dogs**) may be off a leash but must still be under **Control** at all times
  - d) **Designated dog exercise area** – a place where **Owners** are the priority user. **Owners** may take their dogs off a leash (including **Dangerous Dogs**) but they must be under **Control** at all times
  - e) **Time and season areas** – a place shared with other users, where the dog access rules will be different depending on the time of day during the summer season. This is to minimise the conflict between dogs and other users of the space during peak hours.



16.4. **Owners** must carry a Leash at all times in any **Public Place** as required by the **Act**. **Owners** must also carry a dog waste bag at all times in any **Public Place** to collect and properly dispose of dog faeces.

16.5. In designating dog rules, **Council** will consider dog access rules in a comprehensive manner with an emphasis on consistent and easy to understand rules that comply with the following objectives:

- a) Promote safe interaction between dogs and people using **Public Places** and **Private Ways** to ensure that dogs do not injure, endanger, intimidate or otherwise cause distress to any **Person**, in particular, children and vulnerable adults;
- b) Integrate, where practicable, **Owners** and their dogs with other users of **Public Places**;
- c) Manage the conflict between dogs and protected wildlife, stock, poultry, domestic animals, property and natural habitat;
- d) Recognise **Owners** as legitimate users of **Public Places** and dog access as desirable for dog welfare;
- e) Ensure that areas with different dog access rules have clearly visible boundaries, which may be achieved through transition zones, vegetation, topography and fencing.

#### 17.0 Temporary changes to dog access rules

17.1. From time to time, the **Council** may make temporary changes to dog access rules in Schedule 1 and 2 in relation to:

- a) leisure and cultural events (including dog friendly events);
- b) dog training;
- c) protection wildlife vulnerable to dogs;
- d) Protection flora vulnerable to dogs;
- e) pest control in any park and/or **Beach**;
- f) other circumstances of a comparative nature.

#### 18.0 Classification of Areas under other Legislation

18.1. Access for dogs may be controlled by other legislation. For example, the Conservation Act 1987 can declare parts of land managed and administered by the Department of Conservation as “controlled dog areas” and “open dog areas.”

*Explanatory Note: Owners should check with the Department of Conservation to see if any access restrictions apply prior to allowing a dog to enter land that is managed and administered by the Department of Conservation.*

### Schedule 1 - General dog access rules

Dog access rules within Schedule 1 take precedence over access rule within Schedule 2 unless otherwise specified. For example, if a **Park** (that contains a playground) allows dogs to be under control on-leash, dogs are prohibited from the playground.

#### 1.0 Playgrounds under the control of the council

- 1.1. Dogs are **Prohibited** on any playground at all times and must be under **Control** on a leash within 10 metres of any playground when in use.

#### 2.0 Sports surfaces under the control of the council

- 2.1. Dogs are **Prohibited** on any **Sports surface** at all times and must be kept under **Control** on a leash within 10 metres of any **Sports surface** when in use, unless the area is specified in Schedule 2.

#### 3.0 Council cemeteries

- 3.1. Dogs are **Prohibited** from all other **Council-Controlled** cemeteries unless stated in Schedule 2, unless:
  - a) permission is obtained from **Council**, or
  - b) signage indicates dogs are allowed, provided that the **Person** who is accompanying the dog complies with any reasonable conditions imposed by the **Council** in relation to the dog.

#### 4.0 Roads, Private ways, Walkways, Shared Pathways and Car Parks

- 4.1. Dogs must be **under control on a leash** on all **Roads, Private Ways**, walkways, cycle ways, shared pathways and **Council** car parking areas unless otherwise stated in Schedule 2 including:
  - a) Mountains to Sea Ngā Ara Tūhono Cycleway; and
  - b) Bridges walkway (Including Dublin Street and City Bridges, River walkway between the bridges along Taupo Quay, Somme Parade, Anzac Parade and within Kowhai Park).

#### 5.0 Wanganui Airport

- 5.1. Dogs are **Prohibited** from the airport unless confined for carriage by air from the airport, or a certified **Disability Assist Dog**.

## 6.0 Default dog access rules

- 6.1. Unless otherwise stated in Schedule 2 the following default rules apply:
- a) Dogs must be **under control on a leash** in all **Council-controlled Public Places** where there are no physical restrictions to access (such as fences or other indoor facilities)
  - b) Dogs are **prohibited** in all **Council-controlled Public Places** with restricted access (such as fenced sports stadiums, **Council** buildings) unless:
    - i. permission is obtained from Council, or
    - ii. there is official **Council** signage which indicates dogs are permitted.
  - c) Dogs are **prohibited** from all other **Public Places** not under control of **Council** (such as cafes, shopping malls, school grounds, non-council cemeteries and urupā) unless:
    - i. permission is obtained from the **Person** in charge of the place, or
    - ii. there is signage indicating that dogs are permitted.
- 6.2. Where dog access is permitted under clause 6.1 **Owners** must comply with any reasonable conditions imposed in relation to the dog.

## Schedule 2 - Dog Access Rules for Specific Places

### 1.0 Beaches

#### Mowhanau Beach

- 1.1. Dogs are allowed **under control off a leash** north of the southern bank of Kai Iwi Stream.
- 1.2. Dogs must be **under control on a leash** between the southern bank of Kai Iwi Stream and the bluff at the southern end of Mowhanau Beach (107A Peat Avenue, Kai Iwi).

#### Castlecliff Beach

- 1.3. Dogs are allowed **under control off a leash** between the bluff at the southern end of Mowhanau Beach (107A Peat Avenue, Kai Iwi) and northern end of Castlecliff Beach car park.
- 1.4. Dogs must be **under control on a leash** between northern end of Castlecliff Beach car park and the northern bank of the Whanganui River.

#### South Beach

- 1.5. Dogs are allowed **under control off a leash** south of the southern bank of the Whanganui River.

### 2.0 Town Centre

- 2.1. Dogs are **Prohibited** from the town centre, which includes:
  - a) Victoria Avenue (between Taupo Quay and Ingestre Street); and
  - b) The area contained within the following:
    - i. St Hill Street,
    - ii. Taupo Quay;
    - iii. Drews Avenue;
    - iv. Watt Street;
    - v. Wicksteed Street; and
    - vi. Ingestre Street.

### 3.0 Lakes and Premier Parks

- 3.1. Dogs are **Prohibited** from the following areas:
  - a) Cooks Gardens;
  - b) Bason Botanic Gardens;
  - c) Rotokawau/Virginia Lake Reserve;
  - d) Westmere Lake;
  - e) Lake Wiritoa – Beach and boat ramp area; and
  - f) Kowhai Park Playground – Area bounded by the north entrance adjacent to Marshall Avenue, the northern end of the flying fox, east of the car park and west of Anzac Parade.
- 3.2. Dogs are allowed **under control on a leash** in the following places
  - a) Pukenamu Queen's Park.

**4.0 Dogs are Prohibited from the following areas:**

- 4.1. Tawhero Golf Course;
- 4.2. Deer Park Reserve;
- 4.3. Spurdle Street Reserve;
- 4.4. Matipo Park; and
- 4.5. Laird Park.

**5.0 Dogs are allowed under control on a leash in the following areas:**

- 5.1. Aramaho Motor Camp Park;
- 5.2. Hutton Park;
- 5.3. Lorenzdale Park;
- 5.4. Peat Park – Except when in use (Schedule 1 – Clause 2.1);
- 5.5. Williams Domain – Except when in use (Schedule 1 – Clause 2.1); and
- 5.6. Any areas not otherwise defined.

**6.0 Dogs are allowed under control off a leash in the following areas:**Aramoho

- 6.1. Seddon Street (Road Reserve) – Kaikokopu Road to Barrack Street; and
- 6.2. Somme Parade Riverbank Reserve (Opposite Cemetery).

Whanganui East

- 6.3. Burton Avenue – Road Reserve Islands;
- 6.4. Eastown Road – Grass reserve adjacent to railway line;
- 6.5. Kowhai Park – North of Whanganui Multisport Club (opposite 142 Anzac Parade) to the Railway Line;
- 6.6. Kowhai Park – East of the stop bank and bridges walkway between Nile Street and Ikitara Road; and
- 6.7. Wembley Park – Except when in use (Schedule 1 – Clause 2.1).

Castlecliff

- 6.8. Bamber Street Road Reserve; and
- 6.9. Seafront Road Grass Reserve.

Gonville

- 6.10. Riverbank Reserve (249 Taupo Quay) – Between 2 Mason Terrace and 274 Taupo Quay;
- 6.11. Gonville Domain;
- 6.12. Tawa Street Reserve; and
- 6.13. Handley Street Reserve.

Springvale

- 6.14. Springvale Park – Except when in use (Schedule 1 – Clause 2.1); and
- 6.15. Parsons Street Road Reserve – Next to Bridge Club (16 Parsons Street to 1 Kent Road).

St Johns Hill

- 6.16. Babbage Place Reserve; and
- 6.17. Victoria Park – Except when in use (Schedule 1 – Clause 2.1).

**7.0 Dogs are allowed under control off a leash in the following designated dog exercise areas:**

- 7.1. Otamatea Reserve.

**8.0 Time and Season Areas:**

- 8.1. There are currently no time and season rules that apply within the Whanganui District.

Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021



## Proposed Dog Control Bylaw 2021

As at 17/11/2020 (Resolution by #####)

Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021

- 1 Title**  
(1) This bylaw is the Dog Control Bylaw 2021
- 2 Commencement**  
(1) This bylaw comes into force on 1 July 2021
- 3 Application**  
(1) This bylaw applies to the Whanganui District.

**Part 1  
Preliminary provisions**

- 4 Purpose**  
(1) The purpose of this Bylaw is to give effect to the **Dog Control Policy** by:
- (a) regulating dogs to prevent nuisance;
  - (b) prohibiting dogs, whether under control or not, from specified **Public Places**;
  - (c) requiring dogs to be controlled on-leash in any specified **Public Place**;
  - (d) regulating and controlling dogs in any other **Public Place**;
  - (e) ensuring the number of dogs kept on a premise are suitable; and
  - (f) requiring the owner of any dog that defecates in a **Public Place** or on land or premises other than that occupied by the owner to immediately remove the faeces.

**5 Interpretation**

In this bylaw, unless the context otherwise requires, -

**Act** means the Dog Control Act 1996.

**Approval** means a licence, permit or other form of written approval granted under this bylaw, and includes all conditions to which the approval is subject.

**Bylaw** means the Dog Control Bylaw 2021.

**Council** means the Whanganui District Council or any Authorised Officer.

**Control** in relation to a dog, that the owner is able to obtain an immediate and desired response from the dog by use of a leash, voice commands, hand signals, whistles or other effective means so as to prevent a dog being a nuisance.

**Dangerous Dog** means a dog which has been classified as a dangerous dog under section 31 of the Dog Control Act 1996.

**District Plan** means the Operative Whanganui District Plan or a Proposed Whanganui District Plan or part, which is deemed to be operative for the purposes of the Resource Management Act 1991.

**Owner** has the meaning given by section 2 the Dog Control Act 1996.

**Person** includes a corporation sole, a body corporate, and an unincorporated body.



Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021

**Premises** means all land and buildings within a single rating unit.

**Private Way** has the meaning given by section 315 of the Local Government Act 1974.

**Dog Control Policy** means the Dog Control Policy 2021.

**Public place** has the meaning given by section 2 the Dog Control Act 1996.

*“public place—*

- (a) means a place that, at any material time, is open to or is being used by the public, whether free or on payment of a charge, and whether any owner or occupier of the place is lawfully entitled to exclude or eject any person from that place; and*
- (b) includes any aircraft, hovercraft, ship or ferry or other vessel, train, or vehicle carrying or available to carry passengers for reward”*

**Road** has the meaning given by section 315 of the Local Government Act 1974

**Urban Area** means any area of the District zoned, residential, commercial or manufacturing in the Whanganui District Plan.

**Working Dog** has the meaning given by section 2 of the Dog Control Act 1996.

*Note: Working dogs include disability assist dogs, dogs kept by state departments such as police dogs and customs dogs, pest control dogs and dogs kept solely or principally as stock or herding dogs. A full list can be found in section 2 of the Dog Control Act 1996.*

**Vehicle** has the meaning given by s 2(1) of the Land Transport Act 1998

*“vehicle—*

- (a) means a contrivance equipped with wheels, tracks, or revolving runners on which it moves or is moved; and*
- (b) includes a hovercraft, a skateboard, in-line skates, and roller skates; but*
- (c) does not include—*
  - (i) a perambulator or pushchair;*
  - (ii) a shopping or sporting trundler not propelled by mechanical power;*
  - (iii) a wheelbarrow or hand-trolley;*
  - (iv) [Repealed]*
  - (v) a pedestrian-controlled lawnmower;*
  - (vi) a pedestrian-controlled agricultural machine not propelled by mechanical power;*
  - (vii) an article of furniture;*
  - (viii) a wheelchair not propelled by mechanical power;*
  - (ix) any other contrivance specified by the rules not to be a vehicle for the purposes of this definition;*
  - (x) any rail vehicle”*

- (1) Any undefined words, phrases or expressions used in this **Bylaw** have the same meaning as in the Act unless the context plainly requires a different meaning.

Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021

- (2) Explanatory notes and additional information attached at the end of this **Bylaw** are for information purposes only, do not form part of this **Bylaw**, and may be made, amended, revoked or replaced by the Council at any time.
- (3) The Interpretation Act 1999 applies to this **Bylaw** as if it were an enactment.

## **Part 2 Regulation and control of dogs**

### **6 Nuisance**

- (1) The owner of every dog shall ensure that the dog does not create a nuisance including, without limitation, by:
  - (a) obstructing the lawful passage of any **Person** in a **Public Place** or on private property.
  - (b) rushing at, chasing, frightening, intimidating or causing any **Person** in a **Public Place** or lawfully on private property to suffer injury or distress.
  - (c) destroying, tearing or otherwise interfering with any refuse container, whether the container is on private property or in a **Public Place**.
  - (d) interfering with any **Person's** property, whether on private property (other than the owners) or in a **Public Place**.
  - (e) rushing at, chasing, frightening, obstructing or causing injury or distress to any stock, poultry, domestic animal or protected wildlife, whether on private property (other than the owners) or in a **Public Place**.
  - (f) barking, howling and/or whining in a persistent and loud manner.
  - (g) rushing at any **Vehicle**.

### **7 Prohibition of dogs in public places**

- (1) The owner of any dog must ensure that their dog (including when confined in a **Vehicle** or cage) does not enter or remain in any **Public Place** specified as prohibited in Schedule 1 or 2 of the **Dog Control Policy**.
- (2) Clause 7(1) does not apply in the following cases:
  - (a) any **Working Dog** accompanying and assisting a **Person** or accompanying a **Person** engaged in the dog's training; or
  - (b) where the only pedestrian access to either the owners residence or a veterinary surgery is through a prohibited **Public Place** provided that:
    - (i) the owner takes the most direct route through the prohibited **Public Place**; and
    - (ii) the dog is under **Control** on a leash.

Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021

**8 Dogs on a leash in public places and private ways**

- (1) The owner of any dog must ensure that the dog is under **Control** on a leash in any **Public Place** and **Private Way** specified as such in Schedule 2 of the **Dog Control Policy**.
- (2) Clause 8(1) does not apply to–
  - (a) any dog confined in a **Vehicle** or cage; or
  - (b) any **Working Dog** accompanying and assisting a **Person** or accompanying a **Person** engaged in the dog's training.

**9 Dogs off a leash in public places**

- (1) The owner of any dog (other than a **Dangerous Dog**) may take that dog off a leash in **Public Place** specified as such in Schedule 2 of the **Dog Control Policy**, provided that dog is kept under **Control**.

**10 Dogs in designated dog exercise area**

- (1) The owner of any dog (including a **Dangerous Dog** that is muzzled) may take that dog off leash in a designated dog exercise area specified as such in Schedule 2 of the **Dog Control Policy** provided that dog is kept under **Control**.
- (2) In any other **Public Place** not specified as designated dog exercise areas in Schedule 2, dogs classified as Dangerous Dogs must be muzzled at all times.

**11 Temporary changes to dog access rules**

- (1) The Council may make temporary changes to Schedule 1 or 2 of the **Dog Control Policy** in relation to–
  - (a) leisure and cultural events (including dog friendly events);
  - (b) dog training;
  - (c) protected wildlife that are vulnerable to dogs;
  - (d) flora that are vulnerable to dogs;
  - (e) pest control in any park and/or beach; and
  - (f) other circumstances of a comparative nature to clause 11(1)(a) to (e) inclusive.
- (2) In making or removing a temporary change to Schedule 1 or 2 of the **Dog Control Policy** in clause 11(1), the Council must–
  - (a) have regard the Dog Access provisions within the **Dog Control Policy**;
  - (b) specify in writing the reasons, location and timeframe the temporary change is to apply;
  - (c) give public notice of the temporary change in a manner that the Council considers appropriate in the circumstances; and
  - (d) clearly indicate the area subject to the temporary change by 1 or more clearly legible notices affixed in 1 or more conspicuous places on, or adjacent to, the place to which the notice relates, unless it is impracticable or unreasonable to do so.

Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021

## 12 Dog faeces

- (1) When in a **Public Place** dog owners must ensure the immediate removal and disposal of their dog's faeces. This must be done in a way that does not cause a nuisance.
- (2) Clause 12(1) does not apply to any dog herding or driving stock on a **Road** where the dog is kept solely or principally for the purposes of herding or driving stock.

## 13 Keeping more than three dogs

- (1) Except with the **approval** of Council, no **Person** shall allow or cause to remain or keep more than three (3) dogs over the age of 3 months, and not more than one (1) unspayed bitch, on any **Premises** within the **Urban Area**.

### Part 3

#### Administration and Enforcement

## 14 Approvals

- (1) The Council may grant, (with or without conditions) or refuse any application for **Approval**, at its discretion.
- (2) In deciding to grant or decline an application for four (4) or more dogs on a **Premises** within the **Urban Area**, Council will consider the following matters:
  - (a) size and nature of the **Premises**;
  - (b) any justified complaints with regard to the owner or dogs subject to the **Approval**;
  - (c) whether or not the consent of any potentially affected neighbours has been given;
  - (d) conditions that may be imposed on an **Approval** if granted;
  - (e) duration of any **Approval** if granted;
  - (f) inspection to ensure compliance with any **Approval** and any conditions;
  - (g) any objection to the council in relation to a decision to suspend or cancel an **Approval**, including the period of objection; and
  - (h) any other matters Council considers necessary.
- (3) Unless otherwise stated in the conditions of the **Approval** granted under clause 14(1), the **Approval** will remain valid as long as the circumstances described on the **Approval** remain unchanged.
- (4) An **Approval** granted under clause 14(1) cannot be transferred to another **Person** or another premise.

Last updated  
17/11/2020 – v01\_00

Dog Control Bylaw 2021

## 15 Review of an approval

- (1) The Council may cancel, amend or initiate a review of an **Approval** issued under this **Bylaw** if:
- (a) change of circumstances relating to the:
    - (i) **Premises**; or
    - (ii) Owner or occupier of the **Premises**; or
    - (iii) Dogs kept or remaining on the **Premises**; or
    - (iv) Neighbouring approval.
  - or
  - (b) if urgent action is required to protect the public from unsafe or hazardous conditions; or
  - (c) two (2) or more justified complaints, not related to the same instance, are received within a 12 month period; or
  - (d) a **Person** has failed to meet the conditions of their **Approval** or any other requirements of any relevant criteria, policy or guidelines approved by the Council; or
  - (e) a **Person** that holds an **Approval** fails to meet any written instructions within the specified timeframes.
- (2) A review of an approval, may result in:
- (a) Amendment of the approval; or
  - (b) Suspension of the approval; or
  - (c) Withdrawal of the approval; or
  - (d) No further action.

## 16 Non-compliance with this Bylaw

- (1) The Council may use its powers under the **Act** and the Local Government Act 2002 to enforce this **Bylaw**.
- (2) A **Person** who fails to comply with any control, restriction, limitation or prohibitions contained within or made pursuant to this **Bylaw** commits an offence under the **Act** and the Local Government Act 2002 and is liable to the penalties under the **Act** or Local Government Act 2002.

## 17 Savings

- (1) Any approval or control in force at the commencement of this **Bylaw** remains in force until revoked or replaced by an equivalent resolution, approval or decision made by the Council under this **Bylaw**.

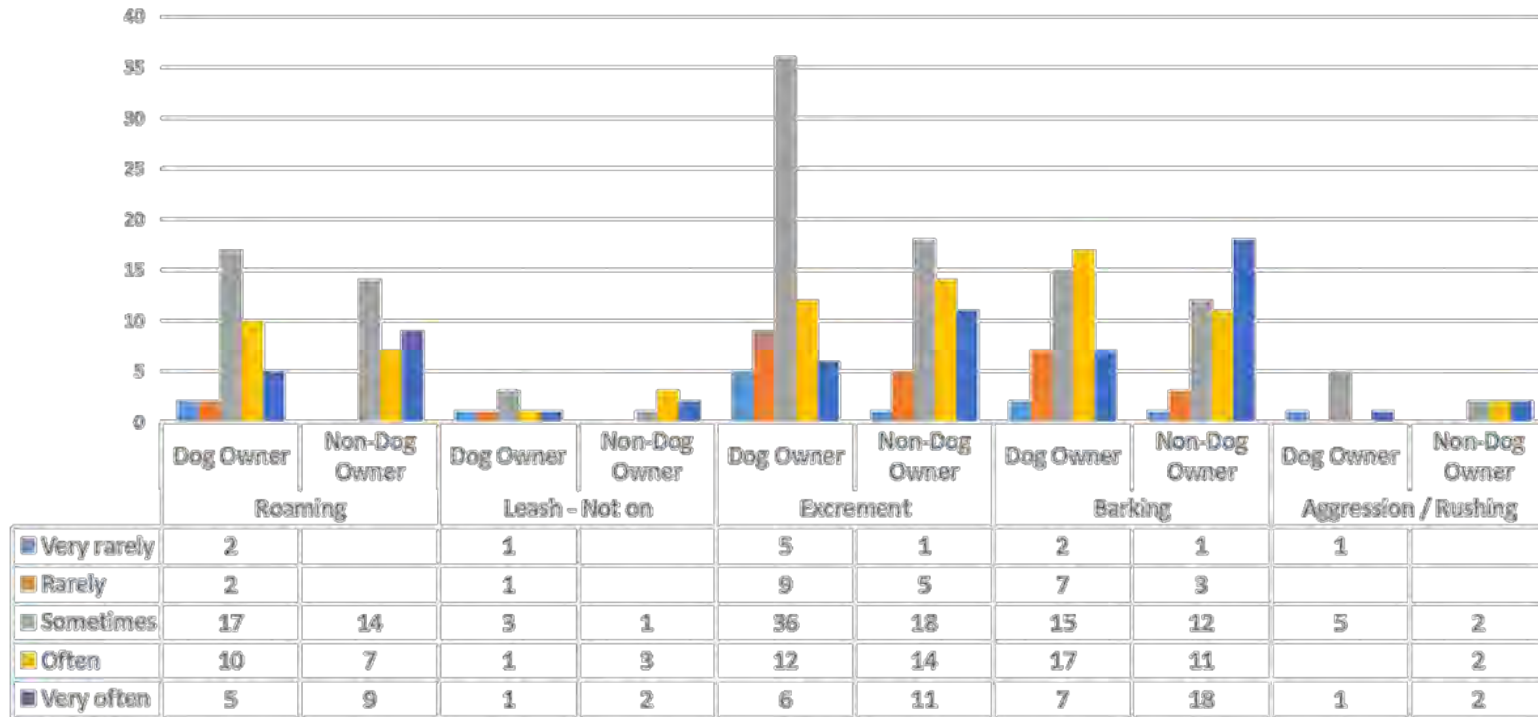
# Dog Control Policy and Bylaw

## Survey Results and Additional Info

# Dog

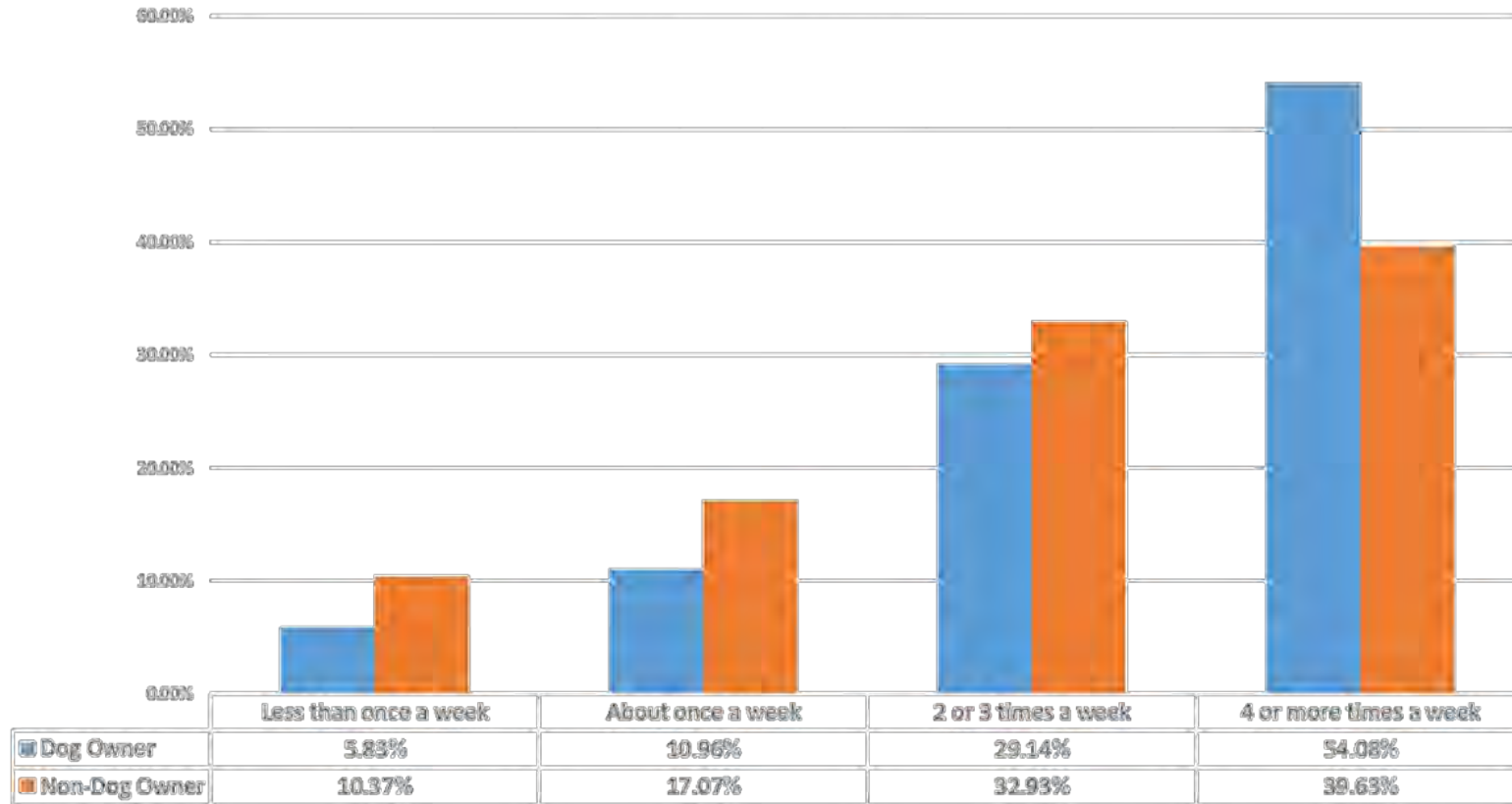
- Households with Dogs - 29% (5500 Registered Dog Owners; 8492 Dogs)
- Dog Control Survey – 646 Respondents (465 (72%) Dog Owners; 181 (18%) Non-Dog Owners)
- Animal Management – 350 Respondents (196 (56%) Dog Owners; 153 (44%) Non-Dog Owners)

In the past 12 months have you experienced any nuisance (disturbances relating to adverse noise, smell, odour, excrement on your property or other impacts on your quality of life) from a dog? – Dog Control Survey

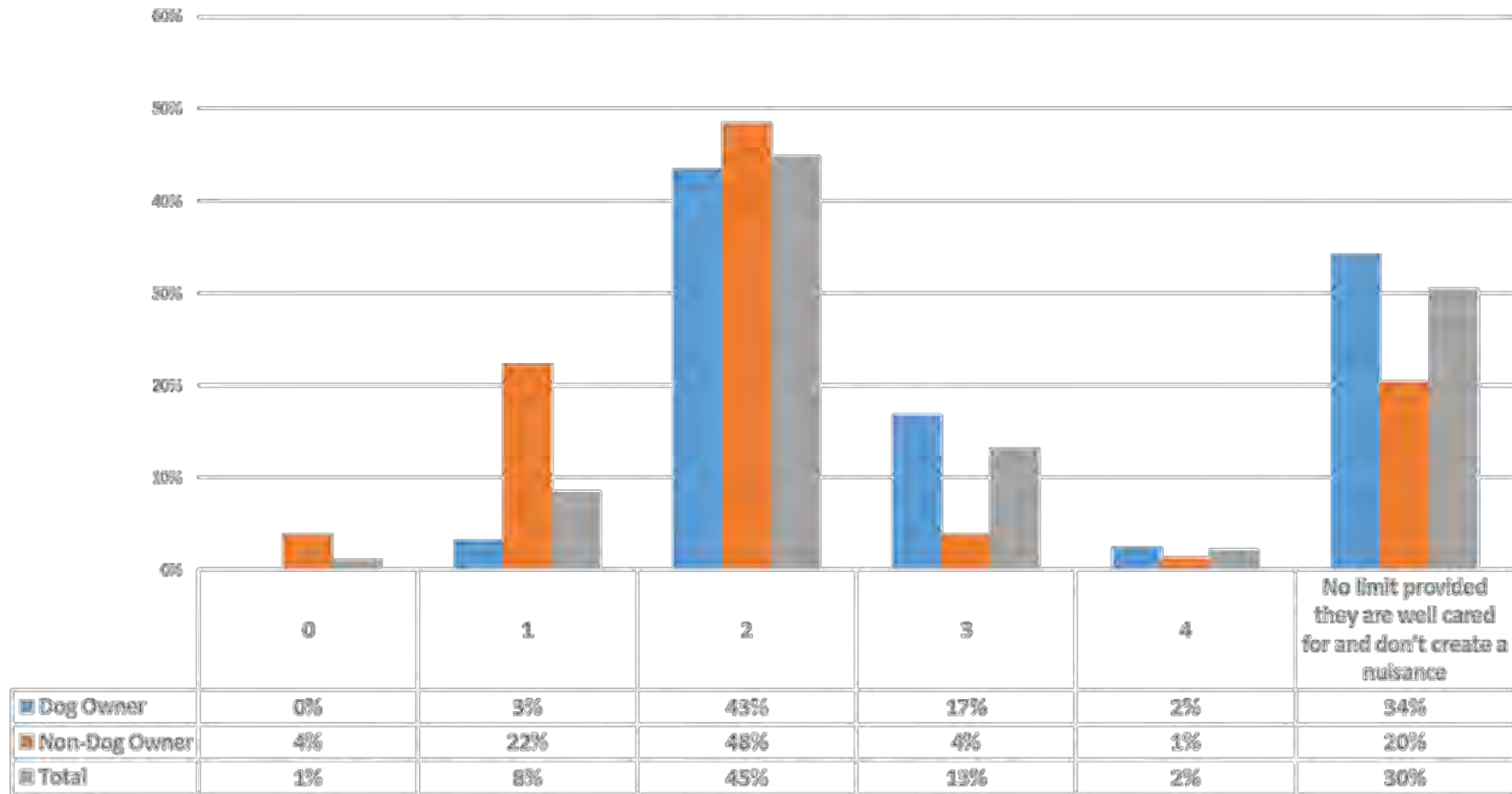




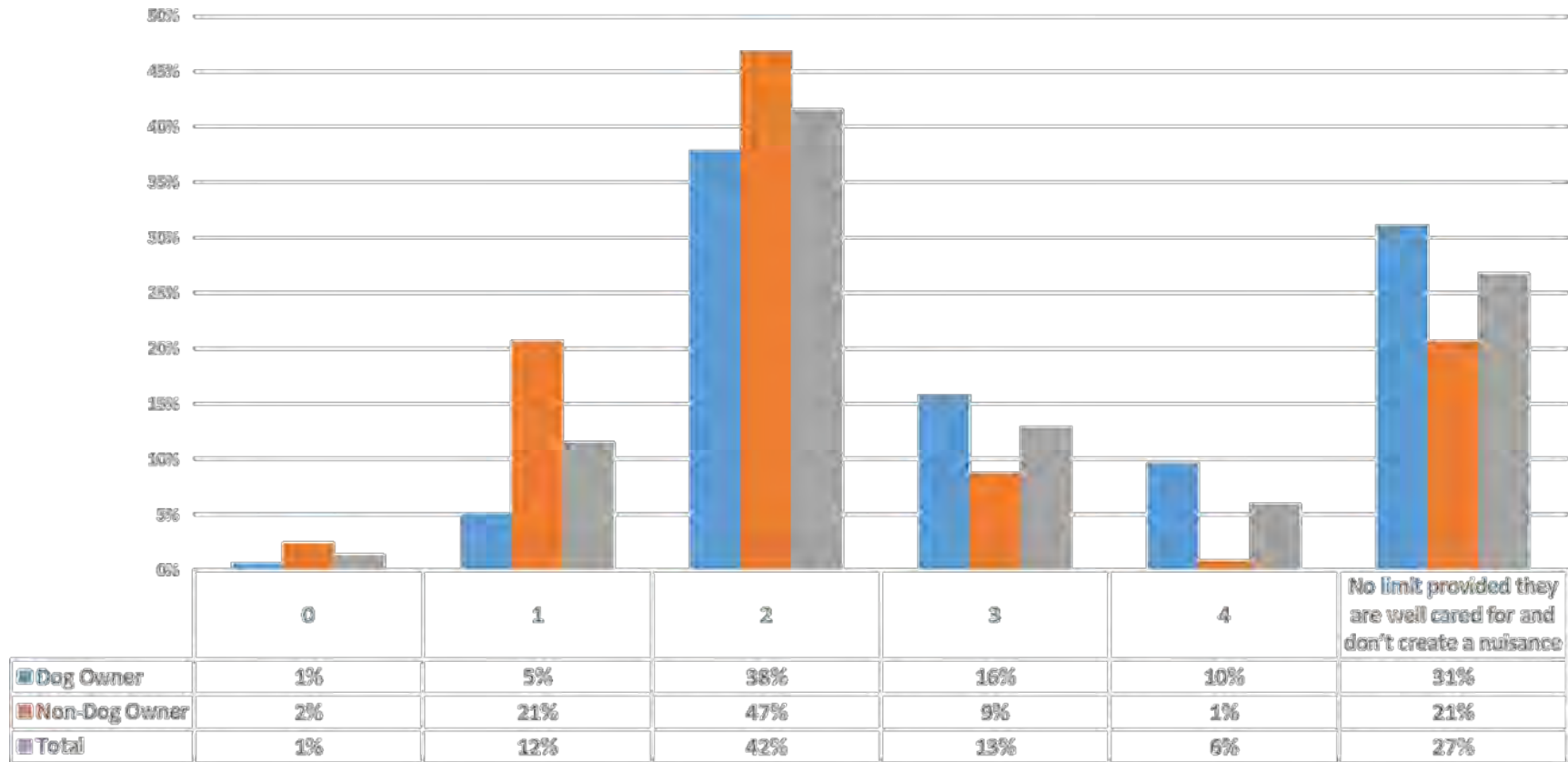
In a typical week, how often do you walk, jog or run?  
Dog Control Survey



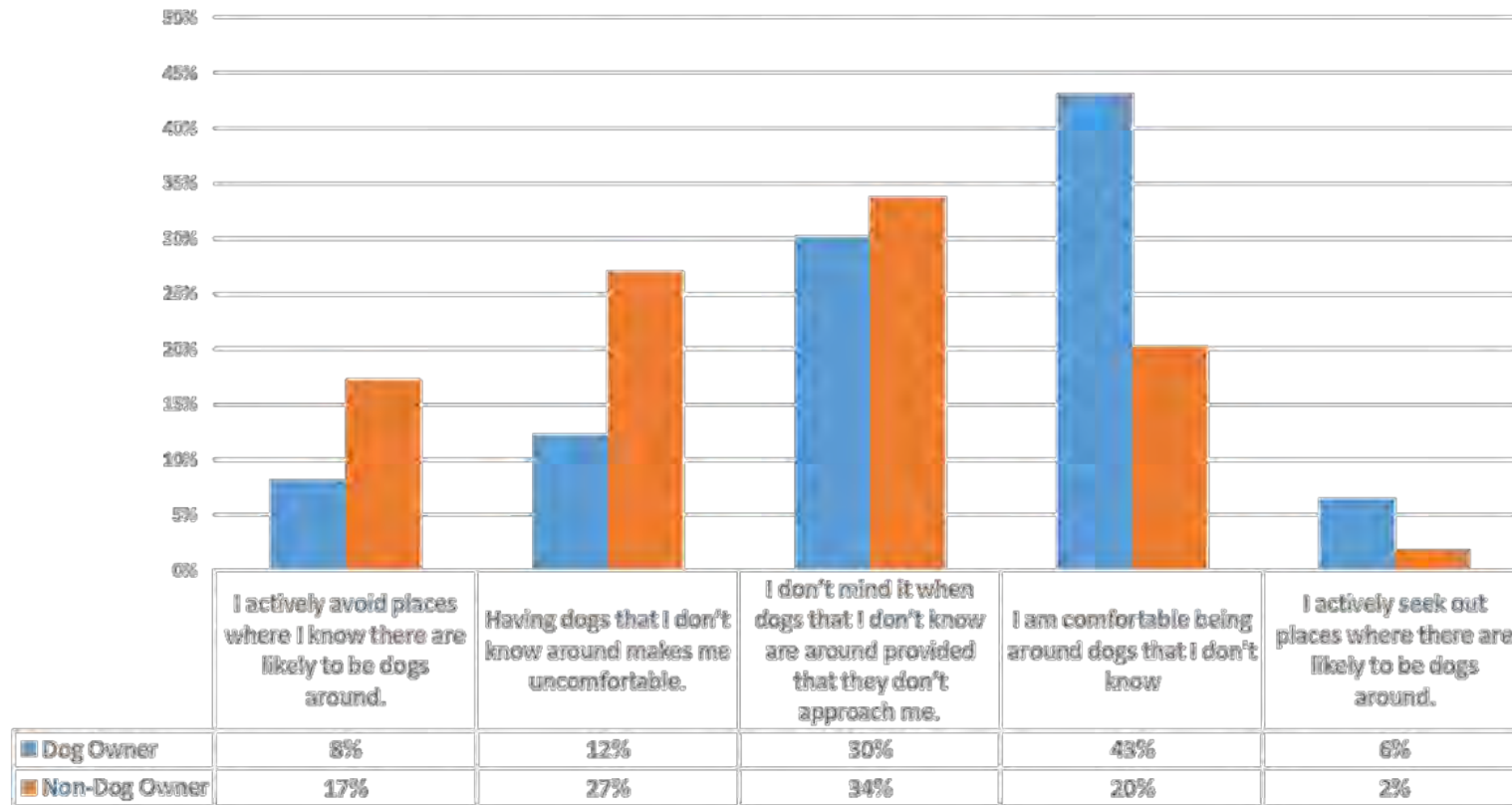
Limit on No. of Dogs – Dog Control Survey



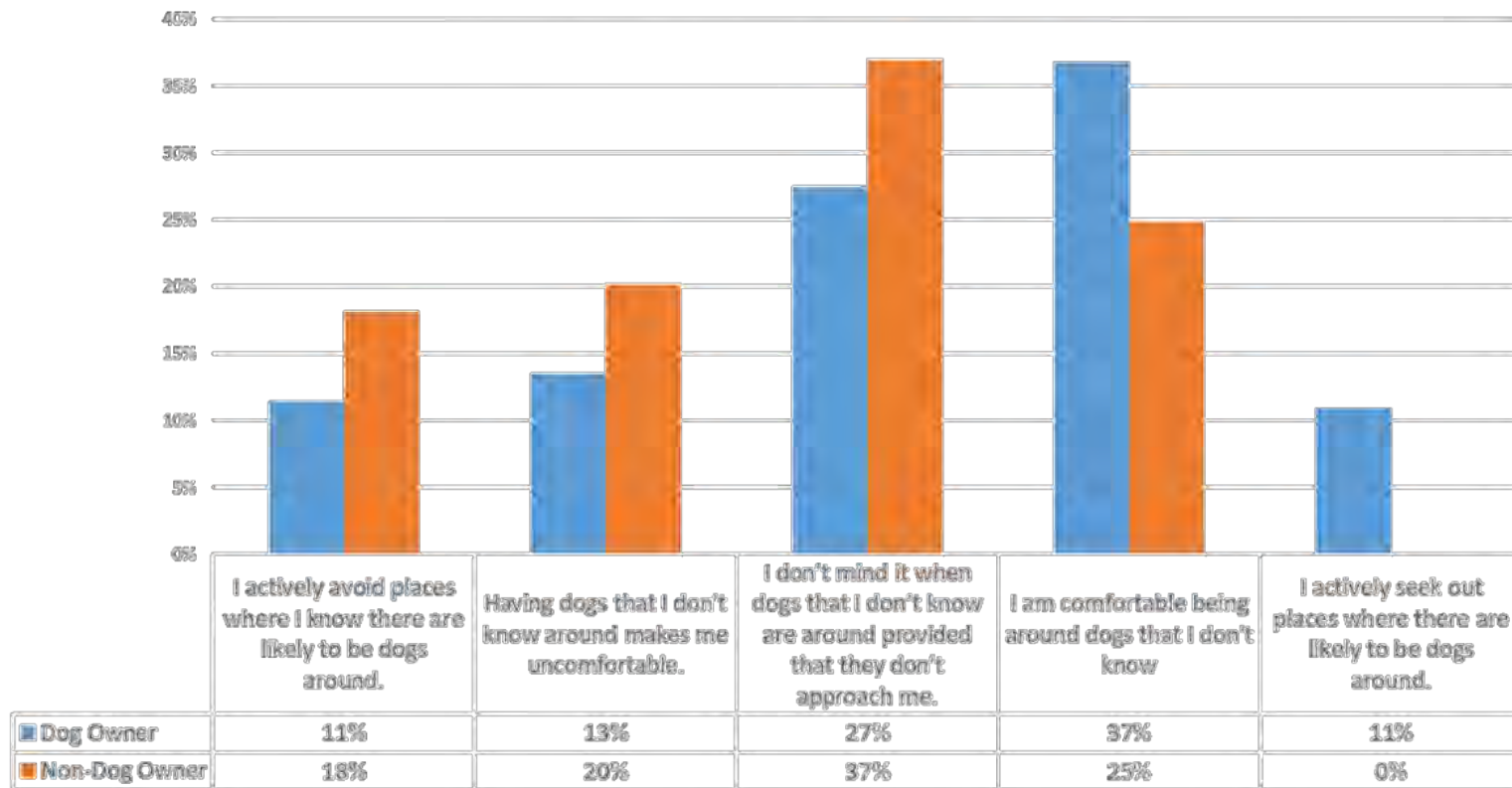
Limit on No. of Dogs – Animal Control Survey



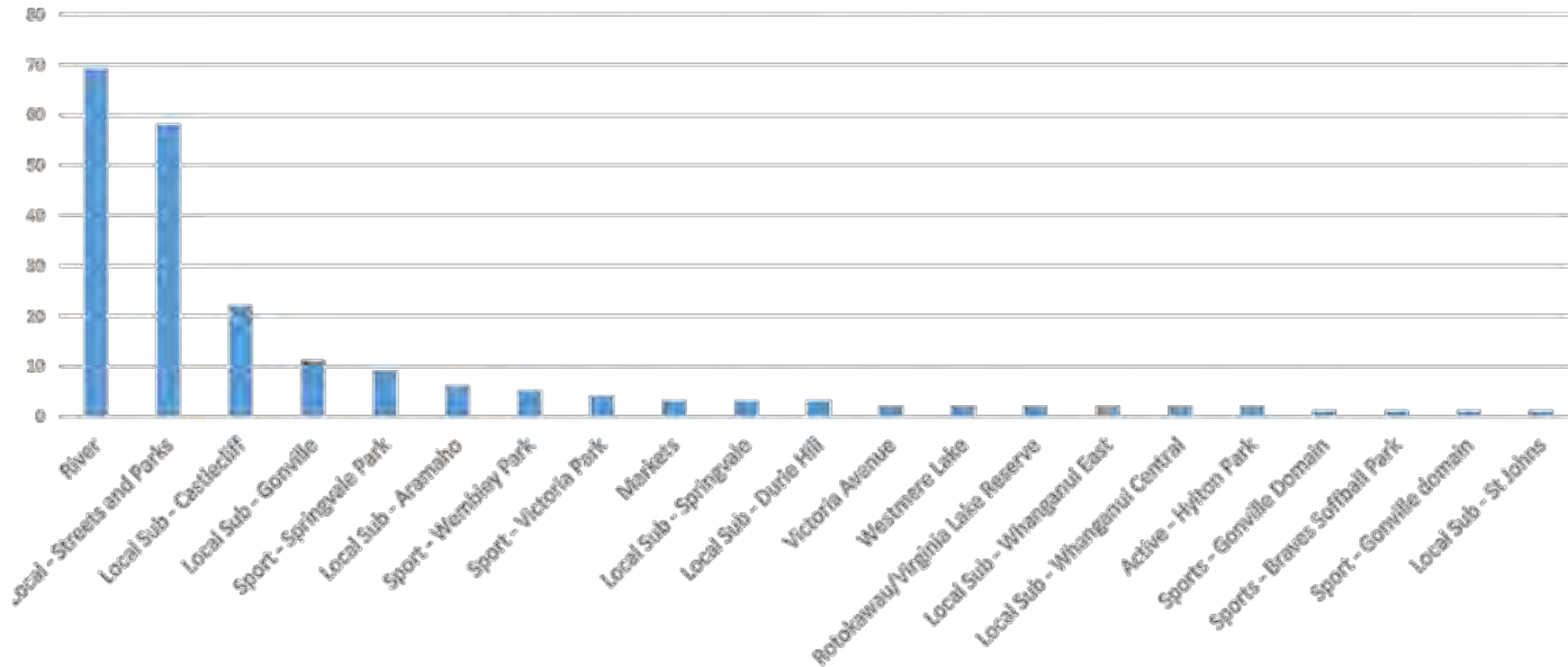
### Which statement best describes your feelings towards other people's dogs in public spaces? – Dog Control Survey



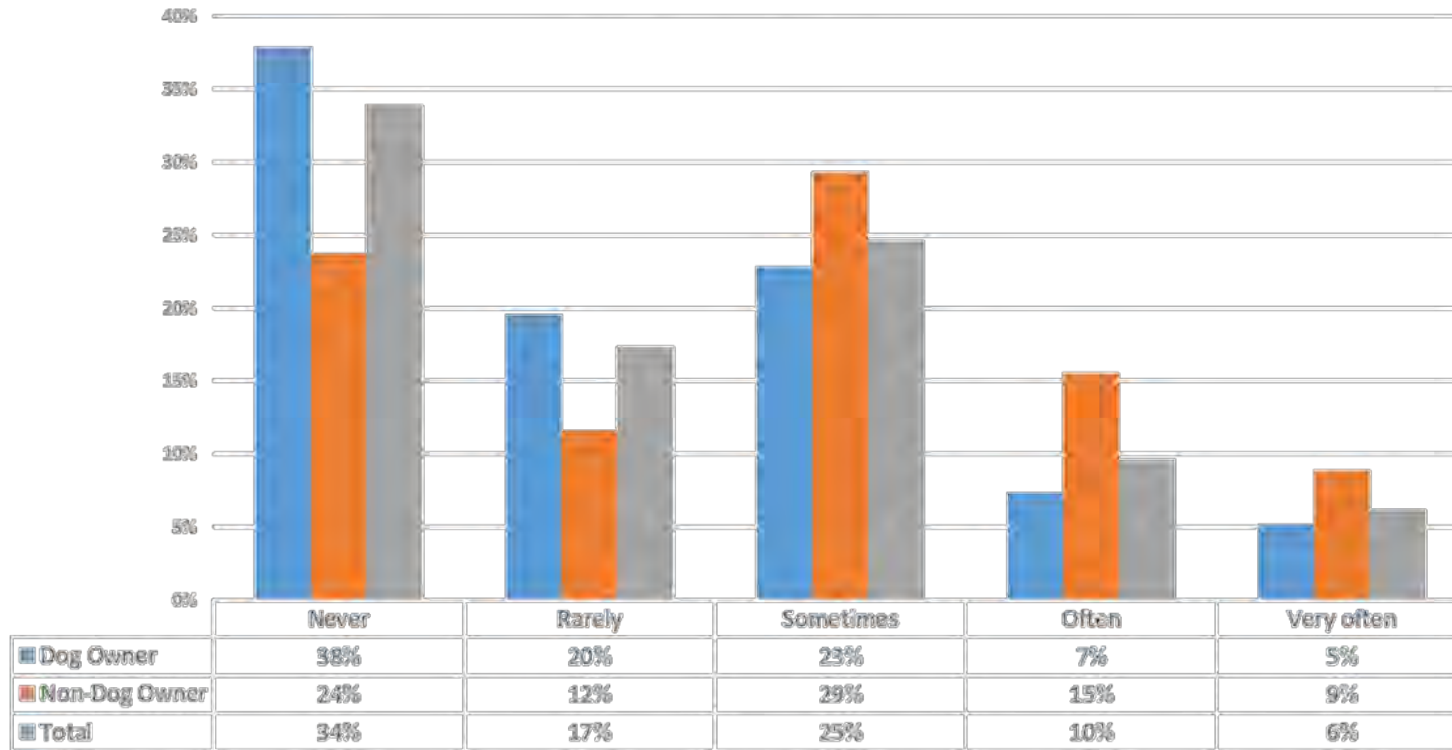
Which statement best describes your feelings towards other people's dogs in public spaces? – Animal Control Survey



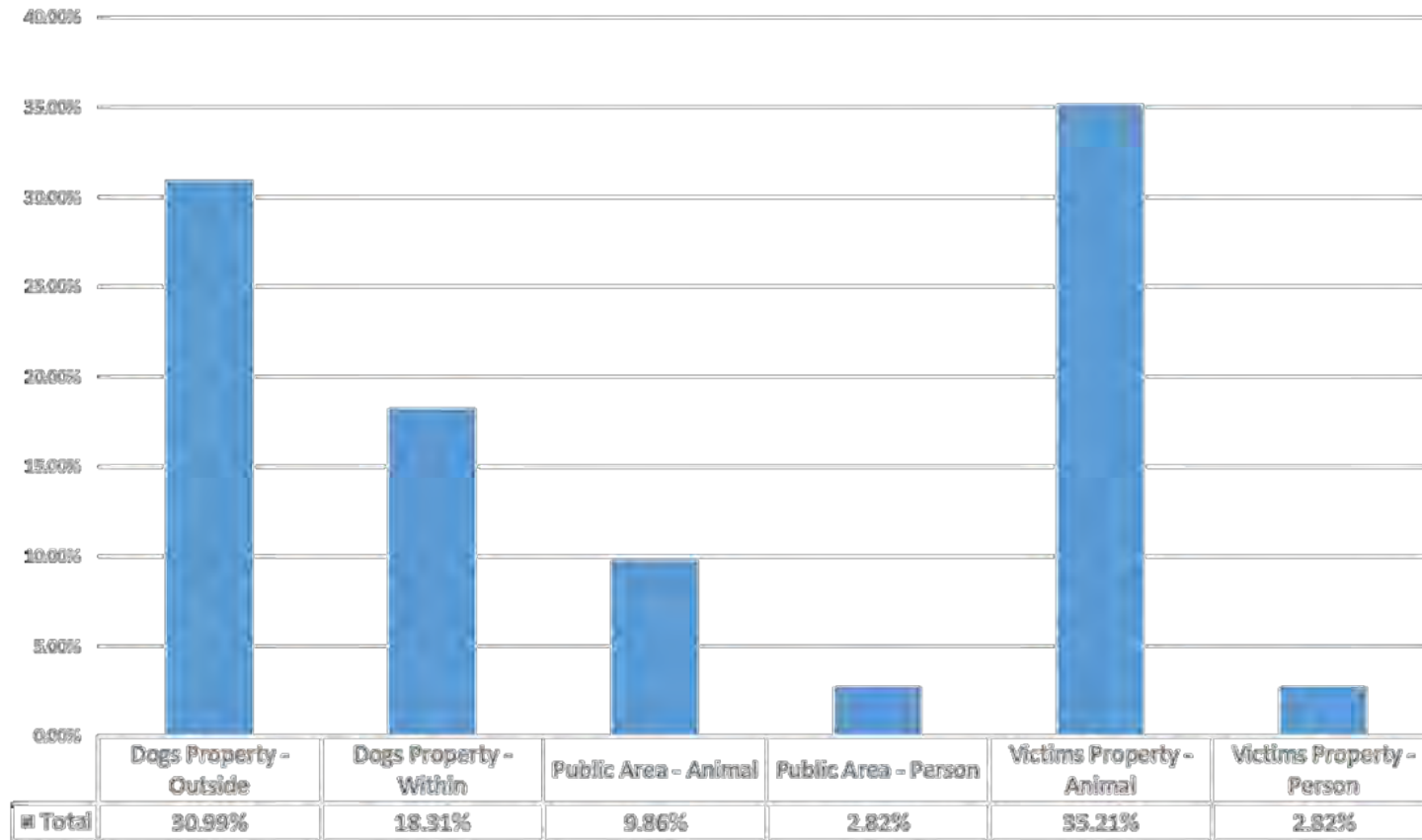
Over the last 12 months, have dogs ever caused you to avoid or be fearful of walking, jogging or running in your place? - Location  
Dog Control Survey



Over the last 12 months, have dogs ever caused you to avoid or be fearful of walking, jogging or running in your favourite place?  
Dog Control Survey

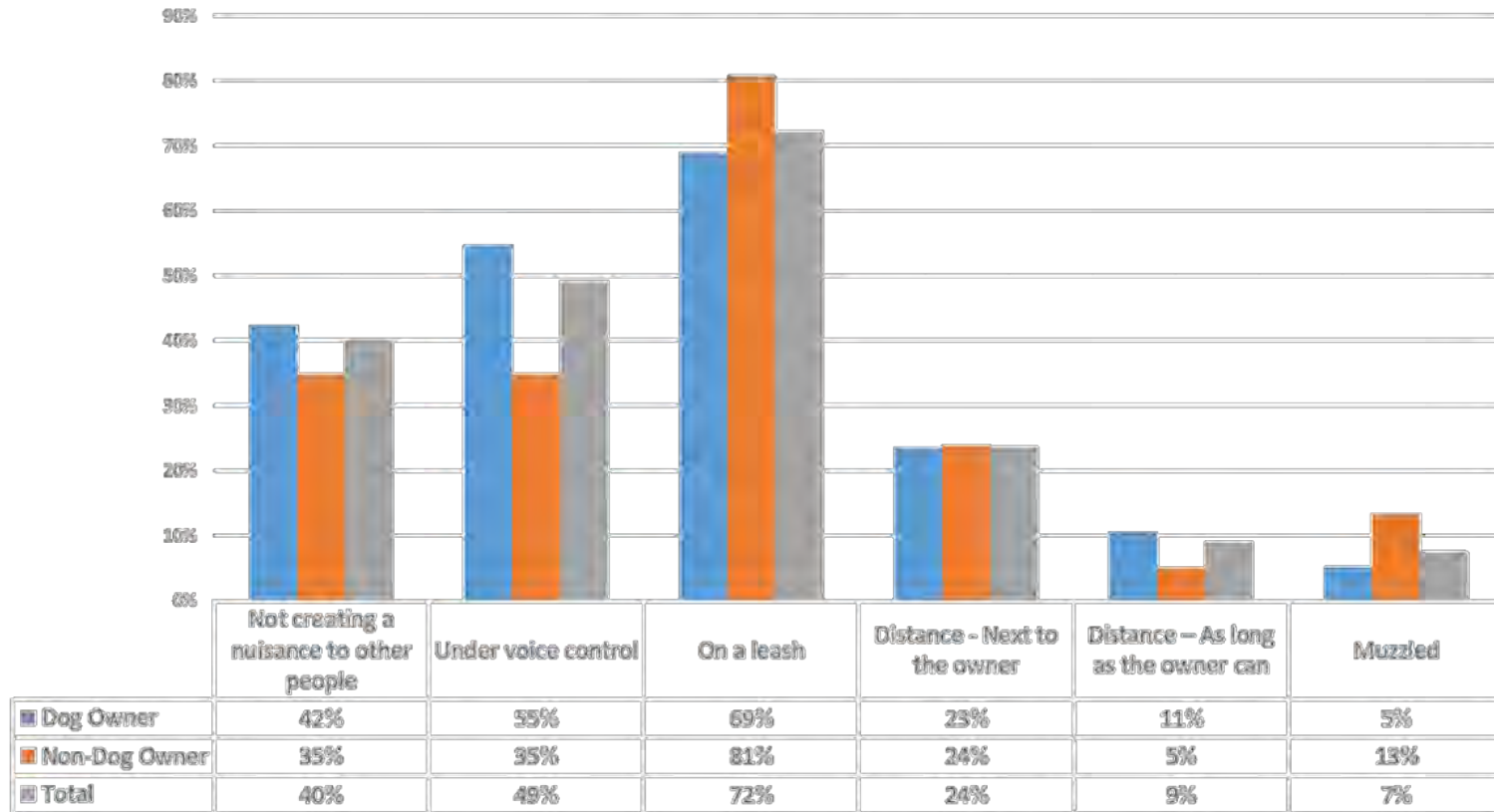


Location of Dog Attacks or Rushing - 2019 (n = 71)

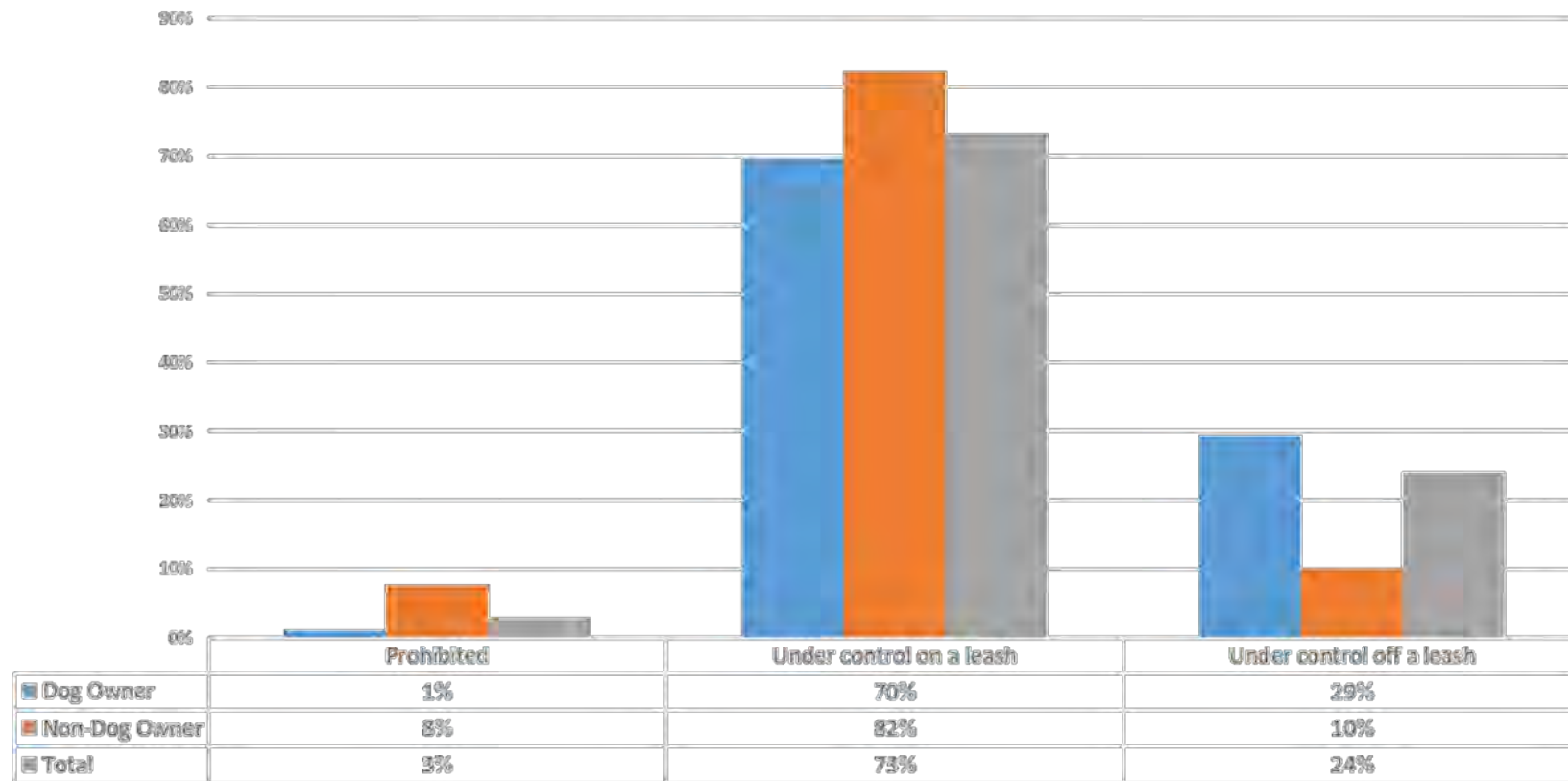




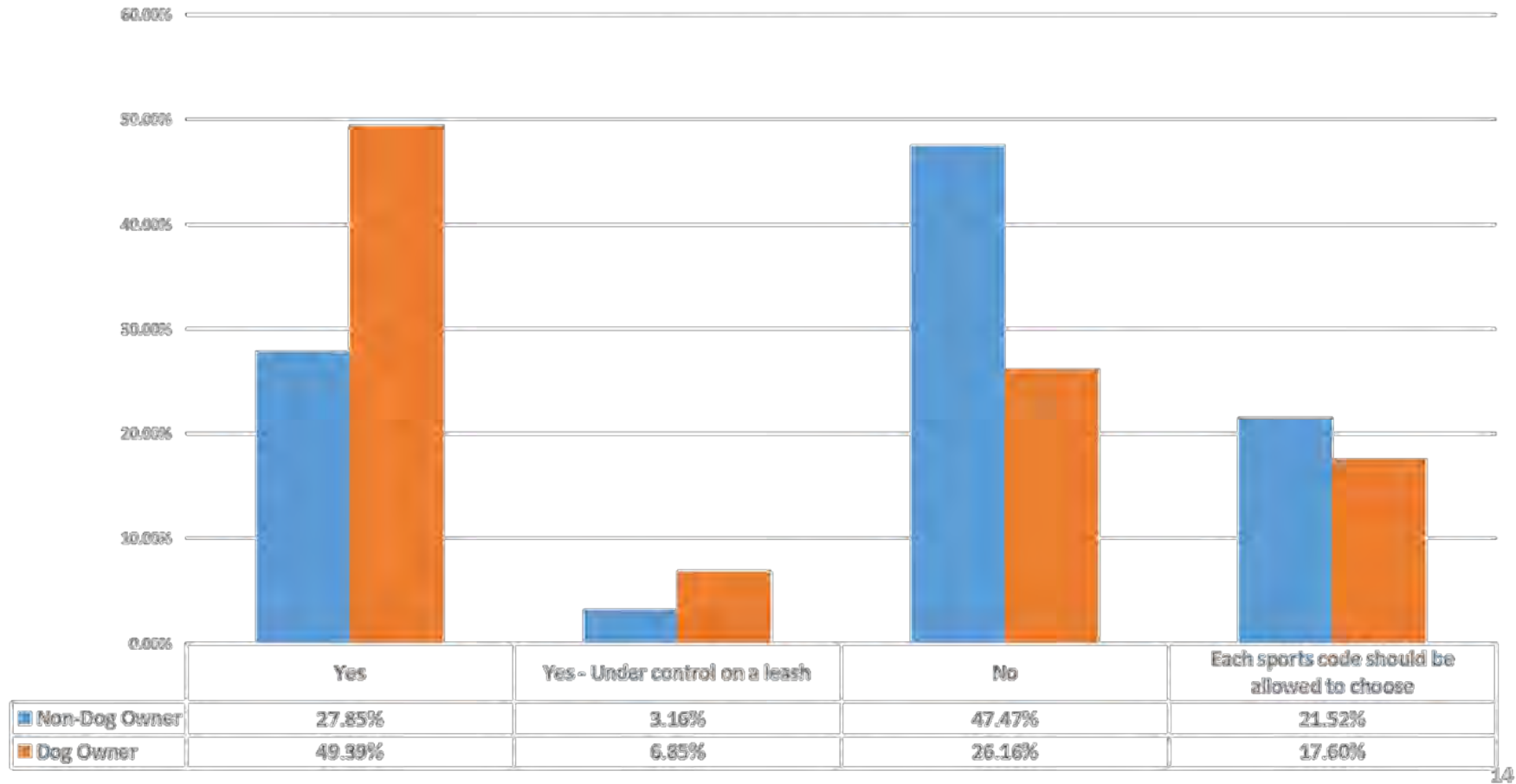
### What do you consider it means for a dog to be "under control"? Dog Control Survey

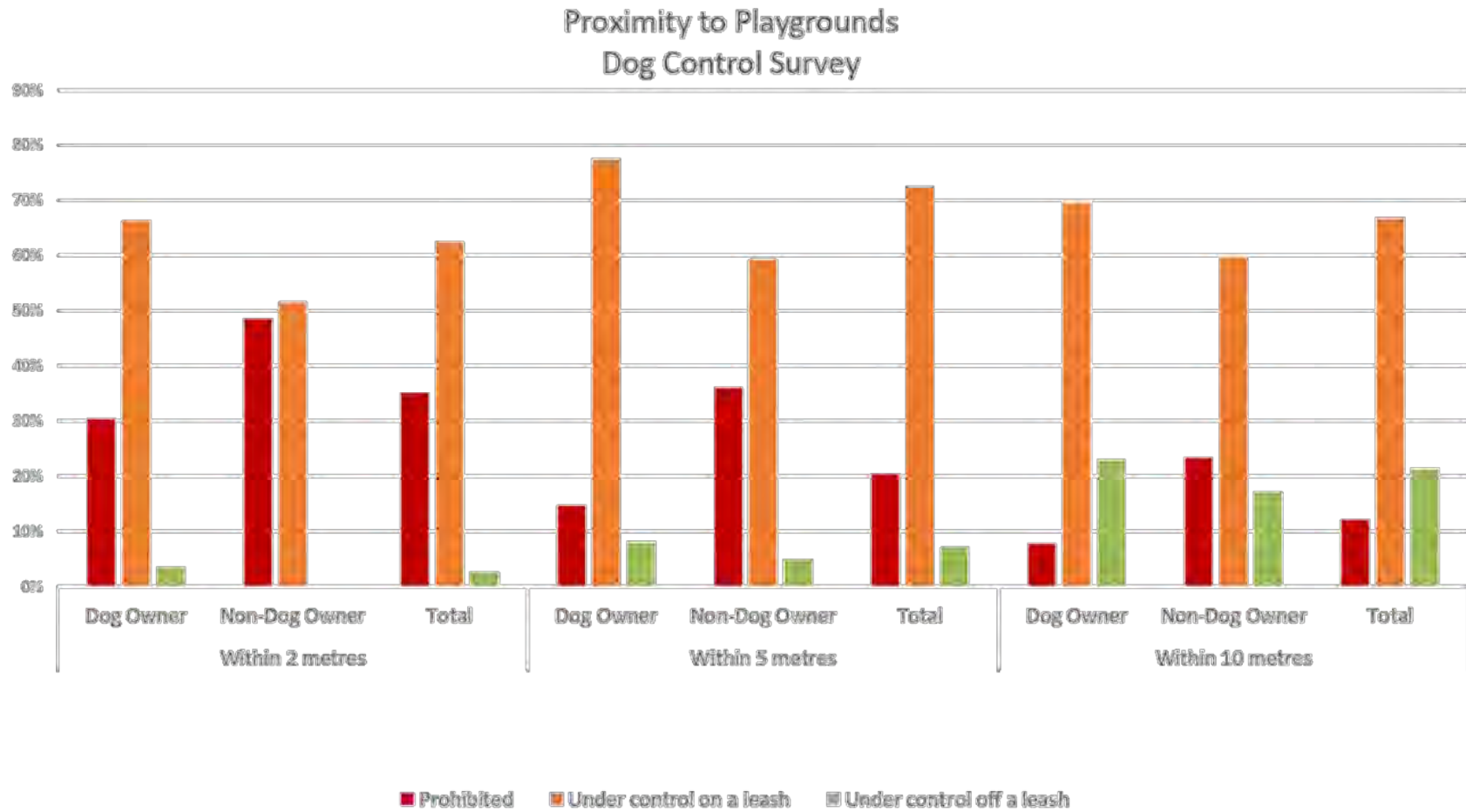


What should the access rule for dogs (other than guide dogs or service animals) be on walkways and shared paths? – Dog Control Survey



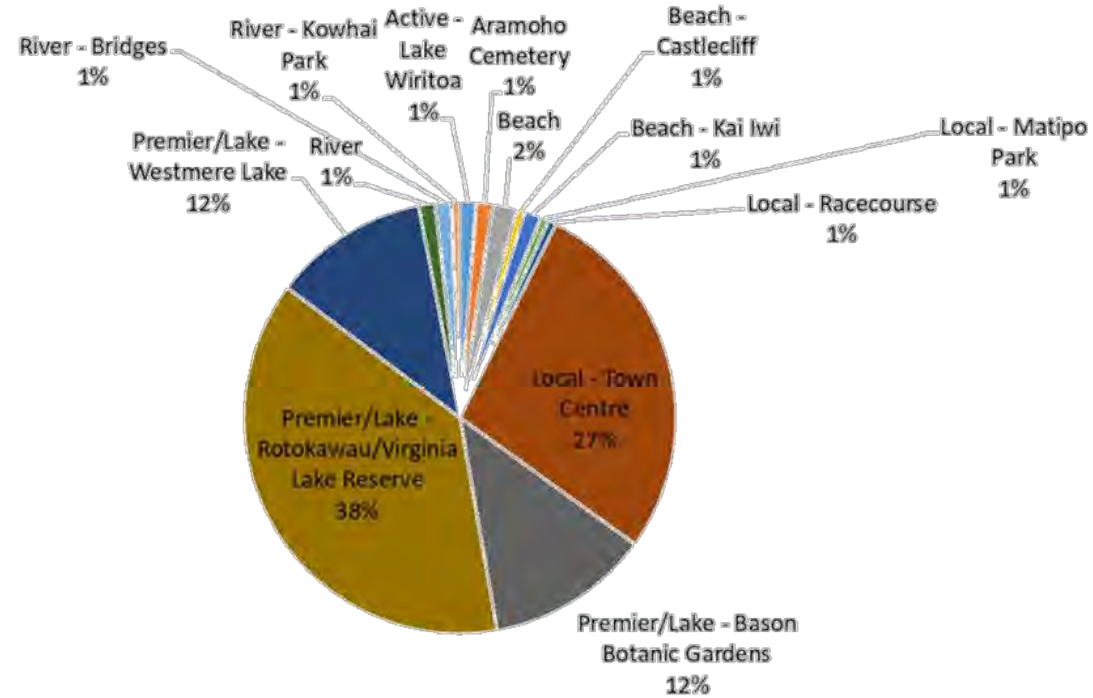
### Should dogs be allowed to be brought to a sports fields on Saturday? Dog Control Survey



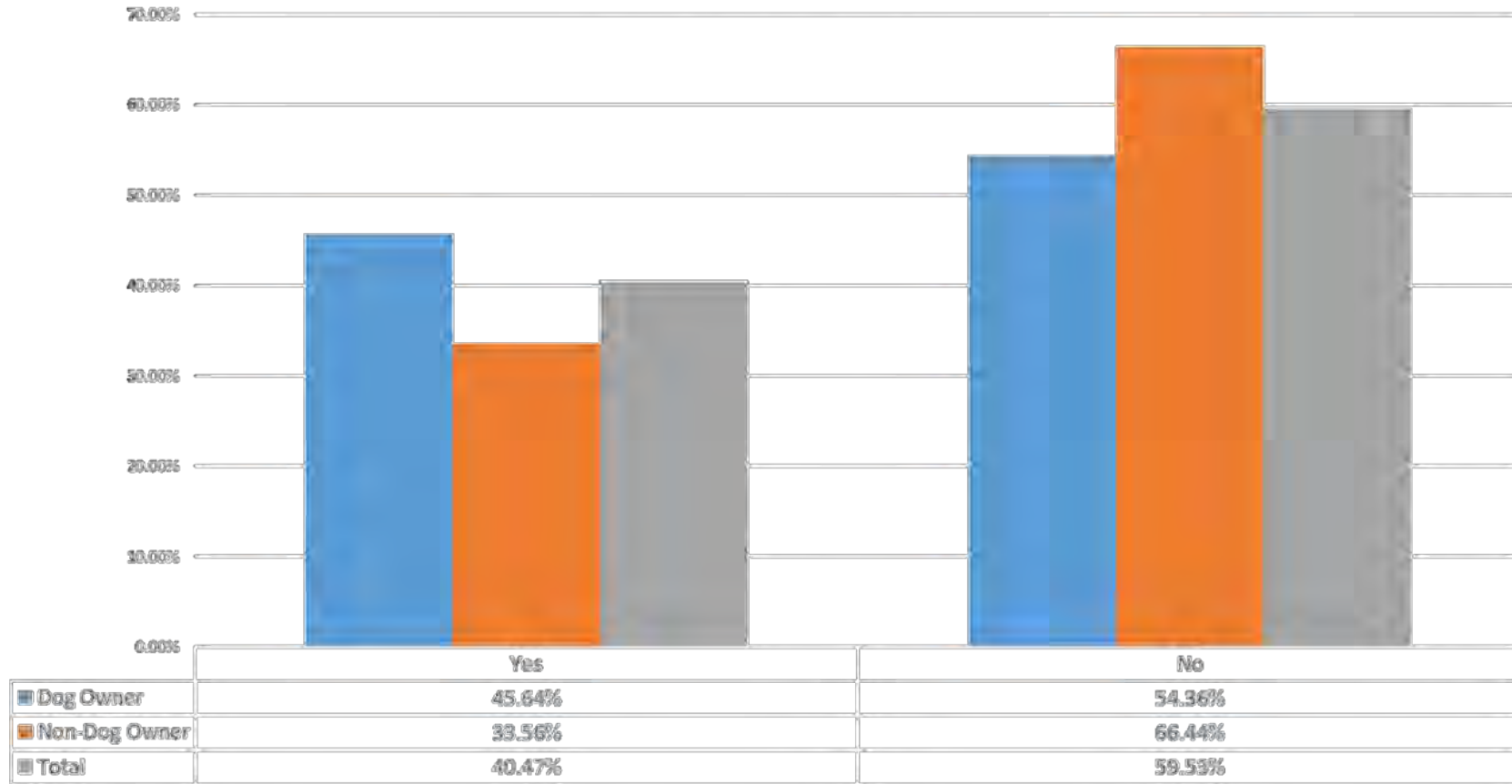


Are there any locations would like to be able to walk your dog but are not able to because of the current dog access rules?

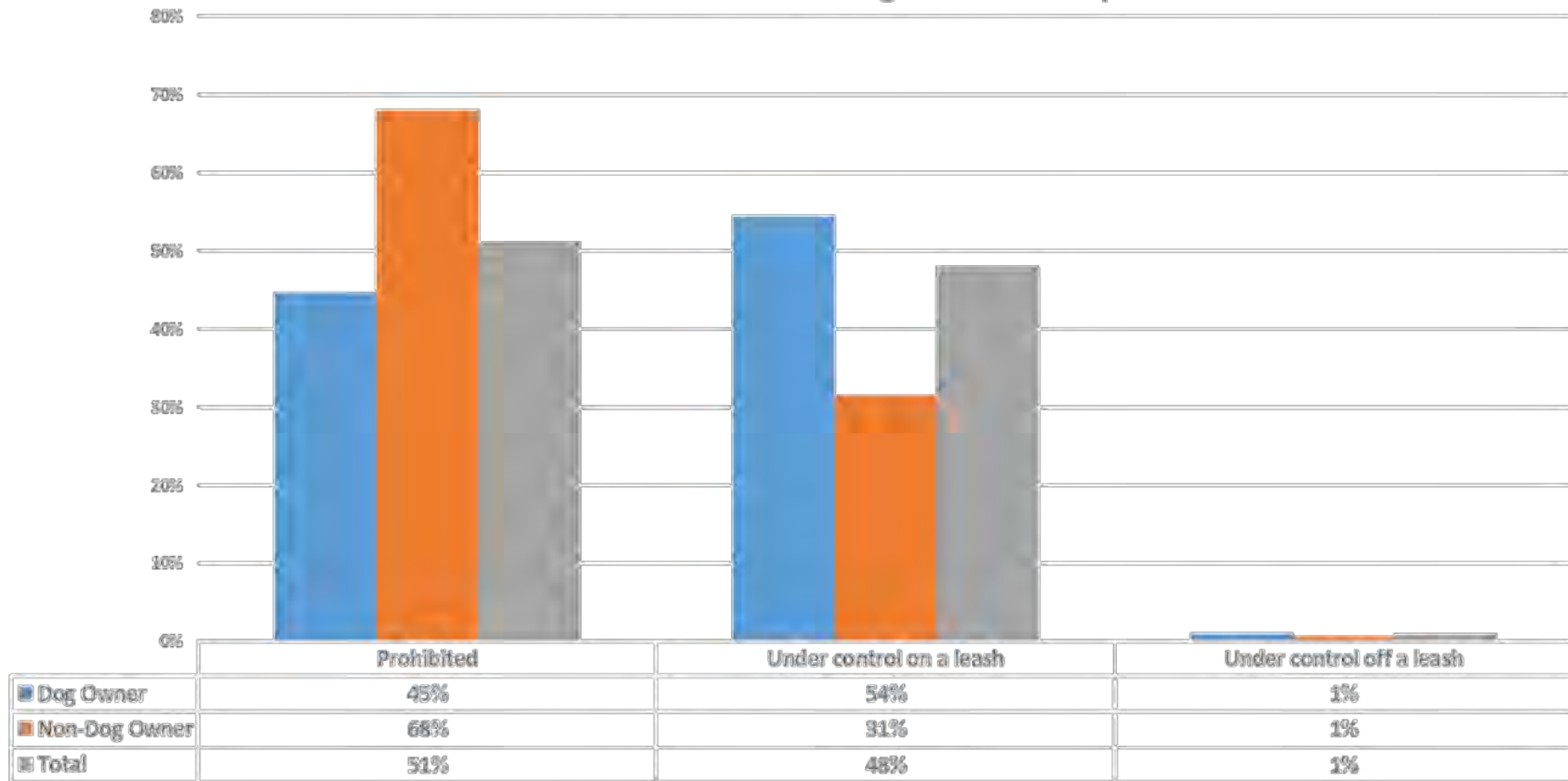
Dog Control Survey



### Should dogs allowed within Victoria Avenue? Animal Control Survey



What should the access rule for dogs (other than guide dogs and service animals) be within the town centre? – Dog Control Survey



### 5.3 INCREASING COMMUNITY ENGAGEMENT OPPORTUNITIES FOR COUNCIL

**Author:** Kate Barnes - Senior Democracy Advisor  
Sarah Pomeroy - Communications & Marketing Manager  
Sandy Lee - Policy Advisor

**Authoriser:** Stephanie Macdonald-Rose - Group Manager - Corporate

**References:** Nil

#### Recommendation

That the Strategy and Finance Committee receive the report – Increasing community engagement opportunities for Council.

#### Executive Summary

The 2020 Community Views Survey, conducted for Whanganui District Council by Versus Research, showed that there is a need for improved engagement between elected members, officers and the Whanganui community. Survey responses indicated a desire from the community to hear and see more of their representatives and to have greater involvement in decision-making. Council officers have prepared this paper to outline various opportunities and options for increasing elected member and Council staff visibility and exchange of ideas with constituents.

#### Key information

While the Council meets its legal obligations to consult and engage with Whanganui residents, there is scope to do more and reach more people. An increasing range of communication channels means that there are many ways to connect with our community, but we are aware that this brings its own challenges. The rise of social media, for example, has resulted in heightened expectations regarding provision of information, member visibility and engagement. At the same time we cannot rely solely on these channels. Being present in person at community events and engaging with people directly is also important, to the extent that this is possible – acknowledging that COVID-19 has severely curtailed these kinds of interactions in recent times.

#### Strategic links

Council's Significance and Engagement Policy provides direction as to how Council will engage and consult the community. The significance of any proposal determines the level of engagement required. To support the policy, in 2018 Council adopted an Engagement and Consultation Standard (in addition to a Significance and Engagement Policy), to outline best practice for elected members and staff. The engagement spectrum spans from, at a minimum, informing the public through to the delegation of full decision-making power. Council also aims to provide everyone appropriate timeframes and support to understand proposals and provide feedback. The standard notes elected members' participation is encouraged and could take the form of public meetings, market stalls, video messages, as well as participation in the more traditional Council activities of hearings and meetings. The Engagement and Consultation Standard exists in recognition of the value Council places of the views and knowledge provided by the community.



### ***Trends***

Satisfaction ratings of the Mayor and Councillors was at its highest in 2007 (at 76%) with a downward trend in the (average) ratings since then. Rather than a consistent decline in ratings each year, however, there has been an observable four-year pattern over the last decade. Ratings tend to peak at around 60% and then gradually decline for three years to between 45-50%, followed by a relatively sharp increase in a one-year period. The rating for 2020, which sits at 47%, is slightly lower than would be expected but is consistent with the three-year pattern of decline.

The trend for the Mayor and Councillors contrasts that for Council staff, which has seen a general improvement in overall satisfaction ratings over a similar period. Public ratings of Council staff performance began in 2010, with satisfaction sitting at 58% for those who had contact with a Council staff member. There also appears to be a three-yearly pattern where ratings peak, then decline over a year, before improving again to reach another peak. There has been a 16% increase in peak satisfaction ratings between 2012 (at 61%) and 2018 (at 77%). This year's satisfaction rating of 68% is lower than would be expected if Council staff performance ratings were to follow the three-year pattern observed over the past 10 years.

This year's (lower) result for both Elected Members and Council staff may be due to the nation-wide COVID-19 (level 3 and 4) lockdown as half of the survey interviews were conducted after this period and Council as a whole was less visible to the public during this time.

A general downward trend in the public's perception of their involvement in decision-making was also highlighted in the Community Views Survey. Three measures were used to gauge this. In terms of the ease of accessing Council information, just under half of residents felt satisfied (49%), 45% were satisfied with the responsiveness of Council to community needs and issues, and only 41% were satisfied with the amount of information supplied by Council. All three results were lower than those from the previous two years, with a downward trend in average ratings for the latter two measures since 2010. These results indicate there is scope for improving the avenues for public engagement.

Local authorities vary significantly in their approaches to public opinion monitoring, which makes it difficult to know how satisfaction ratings in Whanganui compare with those in other territorial authorities. Other local councils in New Zealand use different questions to gauge how satisfied the public is with the performance of council. This includes, for example, questions directed at the performance of Council overall (e.g. Auckland City Council, which was 35% for 2019-2020), how much involvement/influence the public feel they have in decision-making (e.g. Wellington City Council at 47% in 2018/19 and Hamilton City Council at 30% in 2018), and how satisfied the public are with the opportunities to contact their councillors (e.g. Waikato District Council, which was at 80% in 2018/19). Though the questions may be related, they are not directly comparable to those used in the Community Views Survey.

Results from public perceptions surveys by Local Government New Zealand (LGNZ) give some context for the particular results in the Community Views Survey. In the inaugural three-yearly survey by LGNZ in 2014<sup>i</sup> the reputation of local councils in the New Zealand public and businesses was relatively low at 29% (28% in 2017). Reputation ratings are influenced by three factors: performance, leadership, and communication and interaction.

The performance of local council, in terms of service provision, received an average score of 27% in 2014 (28% in 2017). The leadership of mayors, regional council chairs and councillors maintained an average score of 26% in both years. Average scores for communication and interaction, which includes measures such as keeping people informed, providing sufficient opportunities for people to have their say, and making it easy for people to interact and engage with them, were also

relatively low at 32% (2014) and 30% (2017). Ratings in Whanganui are therefore higher than that for the local government sector as a whole, though there is a tendency for the public to view the local council in their area more positively.

The exact reasons for the satisfaction ratings in the 2020 Community Views Survey, or why public ratings have been higher in the past in regards to the performance of Elected Members and perceptions of involvement in decision-making, are difficult to ascertain given the nature of the survey. The annual Community Views Survey is designed to capture trends by identifying what residents' perceptions are on a wide range of issues, rather than inquiring into the reasons for them. However, a number of factors may be considered as possible contributors. This includes the general increased expectations on the visibility of elected members and their engagement with the public due to the rise of social media, as noted earlier.

In the absence of direct engagement with Elected Members, mass media also becomes the primary channel for information about the actions of Council leadership. Research by LGNZ indicates a relatively varied awareness and understanding of the range of services, amenities and functions of local government by the general public. This means that the interpretation and communication of performance by different media outlets, which are themselves experiencing pressure to maintain readership, play an even more significant part in shaping public perceptions and evaluations of Council and Elected Members.

While there may be a variety of extraneous factors influencing public satisfaction ratings that are beyond the control of Council, there are numerous ways that Council as a whole and Elected Members can increase visibility and direct engagement with constituents.

### ***Council in the community***

Council meetings are governed by legislation and not primarily designed to be engaging for a public audience. Anecdotal feedback indicates that community members are not as interested in viewing meetings of elected members as much as they are in directly engaging with their representatives.

In the past, Whanganui District Council has hosted 'community meetings' where elected representatives, supported by staff, met within a particular suburban area and discussed neighbourhood issues with local residents and shared updates on Council initiatives and projects. These meetings provided an avenue for identifying community needs and building relationships. Agreed actions would be responded to by Council officers within three months of the meeting. Councillors may wish to consider reviving this initiative. While staff would carry out a supporting role, regular proactive engagement events would need commitment and participation from a majority of councillors to have an impact.

A more informal option is to host community drop in events, which could be held in accessible public spaces for 'world café' type engagement.

The Council is working towards the purchase of a vehicle specifically for the purposes of community engagement. This would be used by a number of teams across the council and would enable us to connect with the people of our district in more targeted, democratic and effective way.

### ***1 on 1 engagement***

Councillors are encouraged to initiate their own opportunities to meet with their constituents. While this may often happen organically, members are able to request Council support to arrange their own engagement events, such as street corner meetings or drop in sessions in the suburbs or in the Municipal Building

Social media is an accessible and effective way for members to individually engage with the community. Elected members' professional development options can include training in effective use of social media as well as broader communication skills. Members are encouraged to identify their needs and request Council funding for training.

The previously mentioned engagement vehicle could also be used to support elected members' outreach, such as 'coffee with a councillor' sessions.

### ***Website tools***

Research indicates that the use of information communication technology can enhance public satisfaction with government performance<sup>ii</sup>. Our OpenCities website is designed on a platform specifically developed for local government to improve the ease with which the public can engage with the Council. It enables key information to be organised in an easily accessible manner for the public. It also includes an online engagement module which is now being used in the pre-engagement stages of our 2021-2031 Long-Term Plan consultation. Utilising the capabilities of OpenCities in this way will contribute to addressing the declining public satisfaction in their involvement in decision-making and accessing information in the Council.

There is potential for the OpenCities module to be used for two-way communication with the public. This could be done via integrated online discussions and comment threads where the public can discuss issues, ask questions, and provide comment/feedback, provided Council has the human resources available to manage these.

Though it may not be practical for the engagement functions of OpenCities to be fully utilised for/by Elected Members, they could be used to support public visibility and engagement. Easily accessible pages for Elected Members are already integrated into the Council website and these could be expanded with short biographies and links to social media profiles. Links to their own blog pages (if they existed) could also be incorporated into the page.

### ***Communication channels***

The Community Views Survey gives us satisfaction ratings, but not the detail and insights we need to inform strategic change. The Council communications team is looking to undertake audience research to help us understand the information and communication needs of our community and identify the most effective channels to use for engagement purposes in the Whanganui district.

### ***Next steps***

There are a number of initiatives identified in this report, with scope to build on and expand these offerings. Officers have plans underway to enhance these efforts but it is hoped that elected members will also actively participate in this engagement journey. Democracy, policy and communications staff will support these initiatives where possible, with discussion on this report marking a starting point. There will be further opportunity to consider and report on our engagement progress in the new year.

## 5.4 AGE FRIENDLY COMMUNITIES PLAN PROGRESS REPORT

**Author:** Lauren Tamehana - Community Wellbeing Manager

**Authoriser:** Stephanie Macdonald-Rose - Group Manager - Corporate

**References:** 1. [Age Friendly Communities Action Plan Progress Report](#)  

### Recommendation

That the Strategy and Finance Committee receive the report – Age Friendly Communities Plan Progress Report.

### Executive Summary

This paper is to provide the committee with an update on progress against the Age Friendly Communities Plan. Covid-19 has impacted on some of the actions, however, there has still been significant progress in most areas.

### Key information

The Age-Friendly Plan is a collaborative plan that has been developed by the community and signed off by Council in 2019. When we developed the plan we talked with all sectors of the community, young and old, and took their feedback into account.

Achieving the outcomes requires a collaborative effort and the development of new partnerships. There are some great things happening in our community and this plan aims to build on this.

Whanganui's older people are already well serviced by our community but this plan will continue with the great work, enhance it where it needs it and look for new initiatives to fill the gaps.

There are 49 key actions that have been chosen based on the eight essential criteria of an age-friendly community.

1. Outdoor Spaces & Buildings
2. Transport & Mobility
3. Housing
4. Social Participation
5. Respect & Social Inclusion
6. Civic Participation & Employment
7. Communication & Information
8. Community & Health Services

The draft progress report was presented at the September 2020 Positive Ageing Forum.

The role of the forum is to monitor progress of the plan. Six monthly updates will be provided to both the forum and Strategy & Finance Committee (Ref 1).

### AGE FRIENDLY COMMUNITIES ACTION PLAN

#### 1. Outdoor spaces and buildings

##### 1.1 Feedback from our community:

The community said our walkways, scenery and parks are great. We have some beautiful old buildings with a balanced approach to heritage buildings and their restoration. They said access to footpaths for pushchairs, wheel chairs and mobility scooters was improving but trees and their roots cause problems on a number of our footpaths. They would like to see more seating, public toilets and water fountains around the community and some exercise equipment along the river walkway to enable people to increase their fitness and mobility. There is still some work to be done getting business and buildings that have limited access to people with disabilities up to an acceptable standard.

##### 1.2 Priorities for Action:

<i>Action</i>	<i>Continue/ Enhance/ New</i>	<i>Responsible Agency</i>	<i>Success indicators and time frame</i>	<i>Action update</i>
Maintain and enhance a pedestrian network that is comprehensive and accessible with all modes of mobility aids	Enhance	Council Mobility User Group	Annual audit of pavements and crossings completed	<p>We have prioritised funding on shared pathways and footpath renewals as a mandate for supporting multi modal alternative transport modes that support climate change emissions targets.</p> <p>The majority of the trees that are currently obstructing footpaths are protected and I am unable to remove them or undertake any works that may damage them. This is why we build dedicated shared pathway links through areas unencumbered by tree roots and heavily endorse those routes to be used by mobility impaired people for as much of their journey as possible.</p> <p>Roading carries out a Condition Rating on all Whanganui footpaths every five years.</p>

<p>Increase the availability of seating, toilets and water fountains in public spaces</p>	<p>Enhance</p>	<p>Council</p>	<p>Number of new seats, toilets and fountains installed annually by December 2022</p>	<p>Council have put in four new seats in the last 12 months - three at the cemetery, and one at Bason Botanic Gardens.</p> <p>There are some seats waiting to be installed – three at the riverfront, one at Virginia Lake and one at Glen Logie Rose garden. There is another one planned for along the riverfront by Pitzac.</p> <p>Two new drinking fountains installed last year at Lorenzdale park, and Durie Hill. There will be two more this financial year.</p> <p>There has been a new toilet installed in the Avenue, new toilets on Taupo Quay and another set of toilets at Kowhai Park North and Wharf street.</p>
<p>Initiate discussions to develop exercise stations along the river front and other key areas.</p>	<p>New</p>	<p>Sport Whanganui Rotary</p>	<p>Exercise equipment installed by December 2022</p>	<p>Currently the Sport and Recreation Committee are discussing location, providers, and funding options for an exercise area somewhere along the river. This is an agenda item for Monday 21<sup>st</sup> September's Sport and Recreation Committee meeting. A further update can be provided after this meeting.</p>
<p>Targeted consultation ensures older people have an opportunity to participate in the design and redesign of public places</p>	<p>New</p>	<p>Council</p>	<p>Number of consultations held with older people on Council plans per year</p>	<p>Climate change consultation</p> <p>LTP survey link and pop up dates shared with Positive Ageing Forum September 2020</p>
<p>Increase the accessibility of the built environment for older people</p>	<p>Enhance</p>	<p>Council Business Organisations</p>	<p>All essential service providers in the built environment are accessible for the disabled and elderly by 2022.</p>	<p>No progress at this point</p>

Town Centre regeneration project will follow the dementia design principles	Continue	Council	Incorporated by December 2022	Majestic Square development is not going ahead. Dementia principles are being reviewed.
Promote a voluntary Dementia friendly accreditation programme for business	New	Alzhemiers Age Concern	Number of businesses who sign up to accreditation programme annually	<p>Alzhemiers NZ has developed two programmes focussed on building a Dementia Friendly New Zealand. The Dementia Friendly Recognition Programme provides a framework to work with businesses and organisations in creating a more dementia friendly society.</p> <p>There is also the Dementia Friends programme which is an online 20 minute programme where people get a better understanding of dementia (at the end of this you get a badge and bracelet saying you are a dementia friend)</p> <p>To take part businesses need to contact Alzhemiers NZ or Alzhemiers Whanganui and they will get the process started. Alzhemiers Whanganui are looking to employ a part time person to undertake this in the rural community with a view to having the first Dementia Friendly rural town in NZ.</p> <p>Age Concern promote where able including in their newsletter</p>

2. Transportation and mobility

2.1 Feedback from our community:

The community said there are some things we do well, our new walkways are great for walking and mobility scooters but they wanted to see more promotion of alternative transportation like mobility scooters, e-bike and e-trikes and then more charging stations in town for this type of transport. A huge amount of feedback was received on the bus service, lack of seating and shelter at bus stops, availability of bus timetables

in suburbs and the absence of bus timetables including bus routes and timing. The other area our community want to see some improvements in was parking, all day free parking for residents over 70 years in age and more mobility parking at key identified areas in Whanganui.

## 2.2 Priorities for Action

<i>Action</i>	<i>Continue/ Enhance/ New</i>	<i>Responsible Agency</i>	<i>Success indicators and time frame</i>	<i>Action update</i>
Work with Horizons Regional Council to upgrade bus stops with shelter	Continue	Council Horizons RC PAF	Increase in the number of bus shelters per annum	Horizons RC have a current work programme with the WDC regarding bus stops and shelters, which is updated regularly on a needs/priority basis
Work with Horizons Regional Council to review the bus routes and timetable with input from older people	Enhance	Council Horizons RC PAF	Horizons hold an annual review of routes and timetables with PAF	Positive Ageing Forum to raise as an agenda item annually and feedback findings to Horizons RC
Provision of Senior Driving Programmes and education for older people	continue	Age Concern	Number of driving programmes run annually	This has been renewed for a further 12 months. Keys to Safe Driving has changed to Staying Safe – content is very similar. Sessions booked for Oct, Nov and Dec this year
Increase the availability of accessible parking at key locations	Enhance	Council Business owners WDHB	Number of accessible parking spots increases annually	Parking for visitors has increased at the WDHB through significant increase of WDHB staff parking on the street which is actively being encouraged.
Investigate mobility scooter charging stations	New	Council	Charging station in place by December 2021	This is not a priority currently however costs are being investigated.
Continue to provide training sessions for mobility scooter users on safe usage	Continue	Mobility Users Group Horizons RC	1-2 training sessions per year	Mobility scooter group has not met but monthly newsletters continue
Promote cycling (e-bikes and e-trikes) as a mode of transport	Enhance	Lets Go Sport Whanganui	Annual cycling / have a go day held for older people	Sport Whanganui has not been consulted with regarding this action. Let's Go is an NZTA funded and Council led program designed to address active transport in Whanganui. Sport Whanganui



				is not currently working in this space and it is not one of our strategic focus areas. We are however committed to supporting community initiatives if Let's Go requires additional resource/support.
Increase free parking in the CBD for the older person	Enhance	Council	Free parking is extended for older people by 2021	Parking study for the CBD is in the initial planning stages.
Work with Intercity to improve the current bus station to be age friendly.	Enhance	Council Age Concern Intercity	Bus depot is improved by December 2021.	Complete: Bus depot moved down to Taupo Quay by the I-site

### 3. Housing

#### 3.1 Feedback from our community:

As we move into the future with an already increased ageing population the community think we need to look at housing differently to ensure that we have enough. This needs to be a mix of private housing like additional retirement facilities and gated communities and community funded accommodation. They would like to see some changes to the quality and quantity of our pensioner housing and improvements in the standard of rental accommodation available in the community.

#### 3.2 Priorities for Action:

Action	Continue/ Enhance/ New	Responsible Agency	Success Indicators and time frame	Action Update
Review Whanganui District Council Housing Policy	Continue	Council	Updated policy in place by June 2020	Review delayed due to Covid-19
Improve the quantity, quality and accessibility of pensioner housing in Whanganui	Enhance	Council Housing providers	Number of units available annually	Pensioner Housing Policy currently being reviewed
Support the development of a 'Whanganui Housing Standard' building on the roll out of the voluntary Rental Warrant of Fitness	New	Council	Whanganui Housing Standard developed by 2025	Strategic Housing Investment Group have had an initial meeting and are working through the Housing strategy.

				A Housing & Community Advisor is being appointed to lead the work
Promote the development of innovative housing models across the district	Enhance	Council	Innovative housing models promoted as part of Housing Strategy	Strategic Housing Investment Group have had an initial meeting and are working through the Housing Strategy.  A Housing & Community Advisor is being appointed to lead the work
Run workshops on home energy efficiency	Continue	WRHN	Run 1-2 workshops annually	WRHN will be running another home energy workshop before the end of the year, At the moment the 90% government insulation funding still continues, however the heating subsidy has been put on hold for now dependant on what happens with the elections. WRHN are offering renters individualised healthy homes assessments and at times this will include advocacy and referral onto other community agencies.
Investigate technology solutions to make independent living easier and safer for elderly living alone.	New	Age Concern DHB Council of Elders	Options explored by 2021 and business case produced	Whanganui based GPSOS Health and Monitoring Service was launched in July 2019 and also the Wandersearch pendant system to help locate older people if they go missing supported by Alzheimer's Whanganui and Police

4. Social participation

4.1 Feedback from our community:

Our community told us that we have some great services that offer great programmes and social activities in our community but that we don't always promote these well or in places that are readily available so not everyone knows about them. We have a fantastic library that offers so many services like our home visiting services and our new library hubs are a great community resource, we need more of these in the suburbs to improve access and create more opportunities to create social cohesion and belonging.

4.2 Priorities for Action

<i>Action</i>	<i>Continue/ Enhance/ New</i>	<i>Responsible Agency</i>	<i>Success indicators and time frame</i>	<i>Action Update</i>
Continue the Kaumatua /older people games	Continue	Te Oranganui Trust Sport Whanganui Rest Home Villages	Number of games held events held annually	In a recent zoom meeting with key stakeholders in this space it was noted that Kaumatua are still very concerned about COVID and are not going out into the community. A plan to reduce their isolation is being established. This includes creating activity packs to deliver to homes and ensuring they have the technology and understand how to use it to connect with others through zoom. Smaller community clusters events investigated and Taipahake was held during October 2020, usually this is a one day event but was redeveloped to be held over five days this year.
Continue to investigate social connection opportunities such as library hubs	Continue	Council	Number of social connection opportunities held at Library hubs annually	Investigation of an additional hub has begun
Introduce an older persons landing page on Manageme	New	WDHB	Older persons page added to Manageme by 2021	Confirm there is an older persons page with a local context which has the opportunity to be expanded
Promote older people’s activities on local notice boards and libraries	Enhance	Council Age Concern Community House	Annual survey shows increased awareness	Community House: All information received is shared on the Community House Whanganui Facebook page, in our Com.Chat newsletter, and on our community noticeboard. Information is shared in various media forms. Noticeboards have yet to be erected at Pensioner Housing.
Extend awareness and reporting of Elder Abuse Project	Continue	Age Concern Office of Seniors	Number of reported cases of elder abuse annually	All police staff briefed on Age Concern. Services and complaint investigation practices.

Enhance		New Zealand Police		Ongoing Police visits to Aged Care Facilities to promote messaging.  Promotion in media – when Age Concern present in any forum we talk about elder abuse
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5. Respect and social inclusion

5.1 Feedback from our community:

Our community have told us that there are some great connections between early childhood centres and schools with retirement villages but this is not available everywhere and is often only at specific times of the year like Christmas. They would like to see this more structured and deliberate across the community. Our older people have so much time and expertise to give – we need to remember this and encourage the relationships and learn about their lives.

5.2 Priorities for Action

Action	Continue/ Enhance/ New	Responsible Agency	Success indicators and time frame	Action Update
Investigate programmes to connect kindergartens/pre-schools / schools with older people groups	New	Age Concern	Programmes in place in 2021	Currently working in partnership with Whanganui High School with students providing tech sessions with older people. This was on hold due to level 2 restrictions. In discussions with Whanganui Collegiate School with a student volunteering group to assist the older person. Presentation at the school to occur, dependant on Covid-19, 6 <sup>th</sup> December
Community engagement and consultation strategies actively target the ageing population	New	Council	Number of times the Positive Ageing Forum are consulted annually.	Four forums per year.
Valuing conversations and creating more opportunities for story telling	Enhance	Libraries Kaumatua	Stories written up and archived by June 2021	No progress to date.

such as walking tours and oral history events		Age Concern		
Increase social inclusion for older people through better internet access, especially banking	Enhance	Age Concern Senior Net	1-2 workshops annually	DORA bus was in Whanganui in 2019 promoting online banking.  SeniorNet are running programmes in 2020 / 2021
Increase in the number of community education classes targeted at elderly	Enhance	Community Education UA3	Number of classes specifically for elderly annually	Community Education Whanganui (CEW) offers approximately 25 courses and workshops each term (four terms per year). The largest demographic is the over 50's age group, with women having a stronger representation than men, although this is changing.  CEW tutor-base is made up of 80% over-50s, with 60% of those tutors over the age of 60

6. Civic participation and employment

6.1 Feedback from our community:

We have a well-established and comprehensive volunteer service in Whanganui and a Positive Ageing Forum that meets four times a year. This forum provides key information to individuals and groups working with the elderly however there is always more that can be done to collectively improve outcomes for elderly. Many of our elderly are skilled and have so much to offer our community regardless of their age. We need to encourage groups and organisations to ensure an older persons lens is cast over their planning to ensure that their viewpoint is considered in any design development.

## 6.2 Priorities for Action

Action	Continue/ Enhance/ New	Responsible Agency	Success indicators and time frame	Action Update
Continue to hold Positive Ageing Forum quarterly	Continue	Council	4 Forums held per year	Forums cancelled in March and June due to Covid-19
Encourage more people to become volunteers	Enhance	Age Concern Whanganui Volunteer Centre	Annual increase in volunteer numbers	Notable increase in number of volunteers during Covid. Promotion on a regular basis and working in collaboration with the Volunteer Centre
Support older people to continue to be in the workforce	Continue	WINZ Public Sector Employers Private Sector Employees	Annual data shows number of over 65s are employed in Whanganui.	Working with MSD on supplying updated data.
Analyse voting turnout in for the 2019 local body elections in Whanganui and take steps to increase the numbers in 2022	New	Council	Voting turnout of older people increases in 2022	Comment – follow up with Kate
Continue to acknowledge International days	Enhance	Age Concern WDHB Public Health Centre	Increase in annual awareness and events	Ongoing – Covid has had an impact on some events being held or organised this year; <ul style="list-style-type: none"> <li>• Promote White Ribbon national and local campaign</li> <li>▪ Promote the Shaken Baby Prevention Program In WDHB and Community</li> <li>▪ Facilitation of Fetal Alcohol Spectrum Disorder (FASD) Network Group and community activities.</li> <li>▪ Mental Health - 5 ways to wellbeing</li> <li>▪ Child Wellbeing - Latch On and Te Mokopuna day;</li> <li>▪ Taipahake Kaumatua Games</li> </ul>

				<ul style="list-style-type: none"> <li>▪ Mens Health – Social Media</li> </ul> <p>Annual SAYGO group event scheduled for 1<sup>st</sup> October at Race Course – again dependant on Covid restrictions</p>
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7. Communication and information

7.1 Feedback from our community:

As an ever changing community we need to ensure that we keep the community up to date with all of the changes. Our community told us that we have lots of services available but we need to improve our communication so people know what is available. Technology changes are fast paced and we need to ensure that we take the community along with these changes.

7.2 Priorities for Action

Action	Continue/ Enhance/ New	Responsible Agency	Success indicators and time frame	Action Update
Hold an annual older persons expo to showcase services and technology available	New	Age Concern WDHB	Annual expo held	Not progressed due to Covid-19  Age Concern are working in partnership with Volunteer Whanganui and local banks holding internet training sessions starting Monday 21 <sup>st</sup> September
Information technology training offered for older people	Continue	Senior Net UA3 NTOTA	Number of programmes available in the district annually	SeniorNet are increasing the number of programmes offered in 2020/ 2021
Offer financial literacy education and support prior to retirement	Continue	MSD	Number of financial literacy education sessions held annually	Working with MSD on supplying updated data.
Run at least one annual workshop focusing on mobile services and		Council	One workshop annually	No progress todate.

technology offered at city libraries.(e-book and audiobook collections)				
Undertake a scoping exercise of ways to ensure a coordinated approach to the safety of vulnerable older people in an emergency	New	Civil Defence Council WDHB	Completed by December 2021 with a plan to ensure older people are safe  A programme to raise the emergency safety awareness of older people is developed by December 2021	On work plan for 2021 due to Covid-19

8. Community and health services

8.1 Feedback from our community:

Our community told us we have a great hospital with a range of services that are provided either locally or within our region and although we have a health shuttle it is not always easy to access out of town services. We have good support systems to keep older people in their own homes. Maintaining fitness and flexibility is important as we age and we have strength and balance classes are that legendary, there are many options and they are very accessible. The community has said access to health services are important and we need to get some better systems and understanding of what is available.

8.2 Priorities for Action

Action	Continue/ Enhance/ New	Responsible Agency	Success indicators and time frame	Action Update
Improve health literacy to ensure the health system is responsive to community needs	Continue	WDHB	Annual Patient experience surveys show that people understand what the health system offers and are able to access the support they need.	The inpatient experience audit is conducted by HQSC and results due out end of September/October  "Health matters" is a health promotion newsletter that has been used to communicate a clear understanding of health matters to inform



			<p>individuals and their whanau of how to access services an example being during Covid-19. The information from Health Matters is distributed across the district in a number of ways to ensure all pockets of our community have access i.e. newspapers, extensive email database (includes; all education settings, social services, health providers/services, workplaces, community groups, iwi, pharmacies etc), social media, Manageme website and hard copies – posters, flyers and mailbox drops (when required) e.g. alert level flyers, essential services flyer, traffic light flyers to kaumatua and pensioner flats during covid. Once received this information can then also be disseminated by the recipient out through their networks in various ways.</p> <p>Community consulted on barriers to health care during review of WAM and acute demand work-stream. This will result in a community co-design of how services are accessed and delivered</p> <p>Adoption of national learnings on health literacy for the management of Gout Arthritis. A local co-design approach has occurred to enable improved health literacy for gout arthritis sufferers and their whanau around the cause of gout arthritis and the benefits of long term medication and adherence. This approach will also support the improved knowledge and skills within primary care to improve treatment and management of gout arthritis and look at</p>
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				<p>strategies to improve timely access to health services.</p> <p>Eldernets 'where from here' has a WDHB page 'looking after yourself and others' which was updated this year</p>
Ensure the availability of nutrition and education classes across the district	Continue	WDHB	Number of classes available annual	2 workshops are held annually
Continue to raise awareness of personal safety issues (abuse and neglect and phone & e-mail scams)	Enhance	Police CertNZ Age Concern	1-2 workshops annually	Regular scanning for issues at a local, district and national level. Awareness messaging via media Age Concern first session is scheduled in October in partnership with Senior Net.
Offer education / information for people to navigate their way through health and social services	Enhance	WDHB WRHN Age Concern	1-2 workshops annually	WRHN to provide update  Age Concern Workshop was due to held in April – this is scheduled for November, again dependant on Covid
Ensure people have support to meet transport needs for local and out of town services.	Enhance	WDHB	Annual Patient experience surveys show that transport is not a barrier to accessing care	Survey info not expected until October 2020
Continue to raise awareness of the value in having Enduring Power of Attorney in place. Provide information on options for affordable legal services.	Continue	Community Law Centre Age Concern WDHB	Community Law Centre statistics show increasing number of EPAs completed each year	<p>Local Welfare Guardianship working group has been meeting regularly since February 2020.</p> <p>The group is made up of representatives from:                      CLAW                      Age Concern                      Alzheimers NZ                      Mental Health and Wellbeing Support                      WDHB – CART and Social Work                      Te Oranganui                      AccessAbility</p>

				<p>The group has been chaired in recent months by Marion Sanson from CLAW, who was previously involved in setting up the Wellington Welfare Guardian Trust a few years ago. You will be aware that CLAW already have some involvement, as the service that provides free legal advice/support to WG applicants.</p> <p>There is now got a finalised date (previously postponed due to Covid 19) of 14<sup>th</sup> October for our Community Presentation (see attached) to gauge community interest and hopefully recruit some interested parties to start up a WG Trust here in Whanganui.</p> <p>The target group of people who might require this service in the future is those individuals who have been determined as “not competent” and who do not have an EPOA in place, nor do they have anyone willing/able to take the role of Welfare Guardian on their behalf. Finding appropriate people to take on these roles has been managed in an “ad hoc” manner to date, and all agencies involved agree that it would be beneficial to have a more organised and formal approach to this issue, going forward.</p>
Provide practical and emotional support through the bereavement process.	Enhance	Whanganui Anglicans	Plan to be developed in 2020.	Grief training- 10 Volunteers have been trained and will be starting a pilot in October / November 2020. This will be open to the community in 2021

## 5.5 HOUSING STRATEGY UPDATE

**Author:** Lauren Tamehana - Community Wellbeing Manager

**Authoriser:** Stephanie Macdonald-Rose - Group Manager - Corporate

**References:** Nil

### Recommendation

That the Strategy and Finance Committee receive the report – Housing Strategy Update.

### Executive Summary

This report is to provide a progress update to the committee on the Housing Strategy.

### Key information

#### Housing Strategy Actions:

##### 1. Whanganui's Housing systems and infrastructure function well

What are we doing to develop housing			
Social Housing	Affordable housing	Market housing	Progress to date
<b>Planning for sustainable growth</b>			
1.1	Develop a residential growth strategy to ensure Whanganui's growth needs can be sustainably met.		First meeting planned for December 2020.
1.2	Increase housing land supply by completing the Springvale Structure Plan rezoning process.		Springvale subdivision consents are progressing well.
1.3	Increase housing land supply by rezoning land around the Castlecliff Golf Club.		Technical reports being prepared. Anticipate hearing in late 2021.
1.4	Investigate the suitability of northwest Springvale for residential growth.		Anticipated by December 2022.
1.5	Promote urban consolidation and infill housing.		Being driven by market demand and local real estate agents who are quick to identify subdivision /infill potential
1.6	Investigate the feasibility of infrastructure upgrades in conjunction with Horizons Regional Council to allow for residential expansion and intensification in Whanganui East.		Waiting on Horizons to investigate and model the Matarawa diversion and confirm exactly what they propose to do for flood management of the Matarawa Stream.
<b>Supporting Social Housing Options</b>			
1.7	Establish a working group to investigate the development of a Strategic Housing Investment Plan.		First meeting held in September 2020. Outline of a Strategic Housing Investment Plan underway.

<b>Freeing up suitable land for development</b>		
1.8	Investigate under-utilised land for housing development.	Land is currently being investigated by Council, however these often require change of status.
1.9	Continue to work with central government to facilitate intensification of under-utilised social housing land.	Will be ongoing.
<b>Making things easier</b>		
1.10	Investigate rates remission options - including for first-home builders and for residential conversion of town centre buildings.	Investigated by Finance and not a viable option.
1.11	Streamline the Council’s consenting process for key development sites.	Part of ongoing continuous improvement.
1.12	Advocate to central government for legislative changes that will make building and development easier (for example, changes to earthquake legislation and reform of the Resource Management Act and building regulations).	Will be ongoing work of the Strategic Housing Investment working group. Includes the review of the RMA.
1.13	Continue with initiatives to make applying for consent easier and more efficient - and encourage more people to take advantage of these options.	Online building consent and resource consent applications implemented.

**2. Whanganui’s homes are good quality and future-proofed**

<b>What are we doing to make sure we have the right housing stock</b>			
Social Housing	Affordable housing	Market housing	Progress to date
<b>Encouraging consistent quality standards</b>			
2.1	Support the development of a ‘Whanganui Housing Standard’ - a voluntary scheme for in-home assessment of the health and safety aspects of a property (building on the roll-out of the voluntary Rental Warrant of Fitness).		This has been superseded by a national standard that is being phased in from December 2020 to have all rental homes compliant by July 2024.
2.2	Promote and monitor universal design and sustainability principles.		Will be ongoing.
<b>Finding workable safety solutions</b>			
2.3	Respond effectively and innovatively to earthquake-prone building issues - including looking for new conversion opportunities.		Meeting actively with owners and potential owners interested in conversion opportunities to help them through the process – and where appropriate, linking in with real estate agents. Active engagement is drawing in outside

		<p>investment from buyers who know they will be supported.</p> <p>Successfully lodged an application to Heritage EQUIP on behalf of multiple owners. Eight buildings received \$154,033 in funding for seismic design which will ultimately support their upstairs apartment conversions.</p> <p>Between October 2019 and October 2020, three different buildings have received grants from this funding source in their own right so that they can undergo full seismic upgrade and accommodation conversion.</p>
2.4	Develop an earthquake-prone buildings support guide to help building owners navigate the regulations and ensure compliance.	Heritage Advisor has ascertained there is interest in a similar document from neighbouring Local Territorial Authorities. Currently looking at how a cross-regional document might be funded and who would compile it.
<b>Preparing for the future</b>		
2.5	Ensure that the potential impacts of climate change inform our planning (e.g. in line with the Infrastructure Strategy and Climate Change Strategy).	Climate Change Strategy currently being drafted.
2.6	Enable growth of our housing stock through infrastructure investment and proactive planning (e.g. through the Infrastructure Strategy, Asset Management Plans and Long Term Plan).	To be completed as part of planning and infrastructure reviews.
<b>Keeping out homes warm and dry</b>		
2.7	Encourage new, and publicise the availability of existing, energy efficiency and insulation programmes.	Working with Whanganui Regional Health Network who will be running a home energy workshop before the end of the year. Currently the 90% government insulation subsidy still continues, however, the heating subsidy that was in place has been put on hold. Renters are being offered individualised health homes assessments.
2.8	Promote low cost, practical solutions to warming homes.	Low cost practical solutions are promoted as part of the Safer Whanganui Safe as Houses project.

### 3. Whanganui's homes meet the needs of our people

<b>What are we doing to provide a variety of housing opportunities</b>			
Social Housing	Affordable housing	Market housing	Progress to date
<b>Proactively looking for partnerships</b>			
3.1	Seek partnerships with government departments and other agencies at both a national and local level to address housing issues in our district.		Part of the Strategic Housing Investment Plan (SHIP). Terms of reference are being finalised and SHIP planning underway.
3.2	Work with iwi on housing opportunities.		Discussions are happening at an Iwi / Tupoho level as part of the Land Settlement Working Group
3.3	Appoint an elected member 'Housing Strategy champion' to support achievement of the action plan.		Completed. Appointment made December 2019.
3.4	Work with a wide array of groups on housing opportunities – including the private sector, NGOs and other social and community agencies		Discussions are currently being held at a strategic level with working group members and at the reference group level with providers.
<b>Devising creative solutions</b>			
3.5	Liaise with housing stakeholders on innovative approaches to housing supply and development.		Part of the Strategic Housing Investment Plan (SHIP). Terms of reference are being finalised and SHIP planning underway. Liaison with stakeholders will be ongoing once Housing and Community Advisor is on board.
3.6	Work collaboratively with developers to facilitate quality infill housing solutions that meet the needs of the community.		Ongoing.
3.7	Work with the Ministry for Culture and Heritage on establishing a coordinator role to broker upgrade outcomes for town centre building owners.		Completed. Heritage Advisor commenced.
3.8	Work with others, including developers, to facilitate residential conversion of under-utilised town centre buildings.		Business as usual – ongoing.
<b>Putting more homes within reach of more people</b>			
3.9	Encourage our partners to investigate the provision of more accessible housing models (e.g. pre-fabricated homes).		A small number of Whanganui businesses are looking at developing more accessible housing models. W&P has met with them and provided support where appropriate.
3.10	Advocate for the exploration and development of a range of new ownership options for modest income households, such as assisted home ownership.		Part of the Strategic Housing Investment Plan (SHIP). Terms of reference are being finalised and SHIP planning underway.

3.11	Work with, and advocate to, central government and community agencies to deliver an increased supply of social and affordable housing	Part of the Strategic Housing Investment Plan (SHIP). Terms of reference are being finalised and SHIP planning underway.
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#### 4. Whanganui's Housing Network Supports United, Thriving and Connected Communities

What we're doing to encourage safe, vibrant and resilient communities		
Social Housing	Affordable housing	Market housing
Progress to date		
Responding to an ageing population		
4.1	Establish Whanganui as an age friendly district - with the right social and physical infrastructure in place.	Plan approved. Actions in the plan to be completed by December 2022.
Supporting better outcomes for vulnerable people		
4.2	Support investigations into, and solutions for, homelessness and transience.	Safer Whanganui Housing Reference Group are leading this work. Social / Emergency bed numbers are reviewed at each meeting and there are discussion on options available for complex cases.
4.3	Support the capacity and capability of community housing providers to more easily undertake housing developments or initiatives, especially for vulnerable groups (including people with disabilities).	Part of the Strategic Housing Investment Plan (SHIP). Terms of reference are being finalised and SHIP planning underway.
Focusing on wellbeing		
4.4	Proceed with the development of a Youth Plan to ensure that the needs of young people are considered in our planning.	Programmed for 2021.
4.5	Encourage and, where appropriate, deliver programmes that aim to increase wellbeing and resilience through empowerment, connectedness and cohesion	Safer Whanganui have committed to increasing the Safe as Houses programme. This was delayed due to Covid-19. One completed in conjunction with Harrison St Church and another planned for Keith St on the 18 November.
4.6	Continue with suburban revitalisation initiatives through the Leading Edge Strategy.	Offer of Employment has been made for the Housing and Community Advisor role – suburban revitalisation will be part of that ongoing focus
Facilitating better urban design		
4.7	Formalise adherence to the principles of Crime Prevention through Environmental Design (CPTED) in Council's planning.	CPTED in District Plan. Draft policy underway. Two staff trained.
4.8	Commit to the creation of quality urban design as a signatory to the urban design protocol.	Business as usual – ongoing.
4.9	Continue with Town Centre Regeneration initiatives.	Business as usual – ongoing.



4.10	Develop an Urban Design Strategy to enhance our streetscapes and urban reserves. <span style="float: right; background-color: #ff0000; color: white; padding: 2px;">Anticipated by December 2022.</span>

**Detailed progress on actions to date**

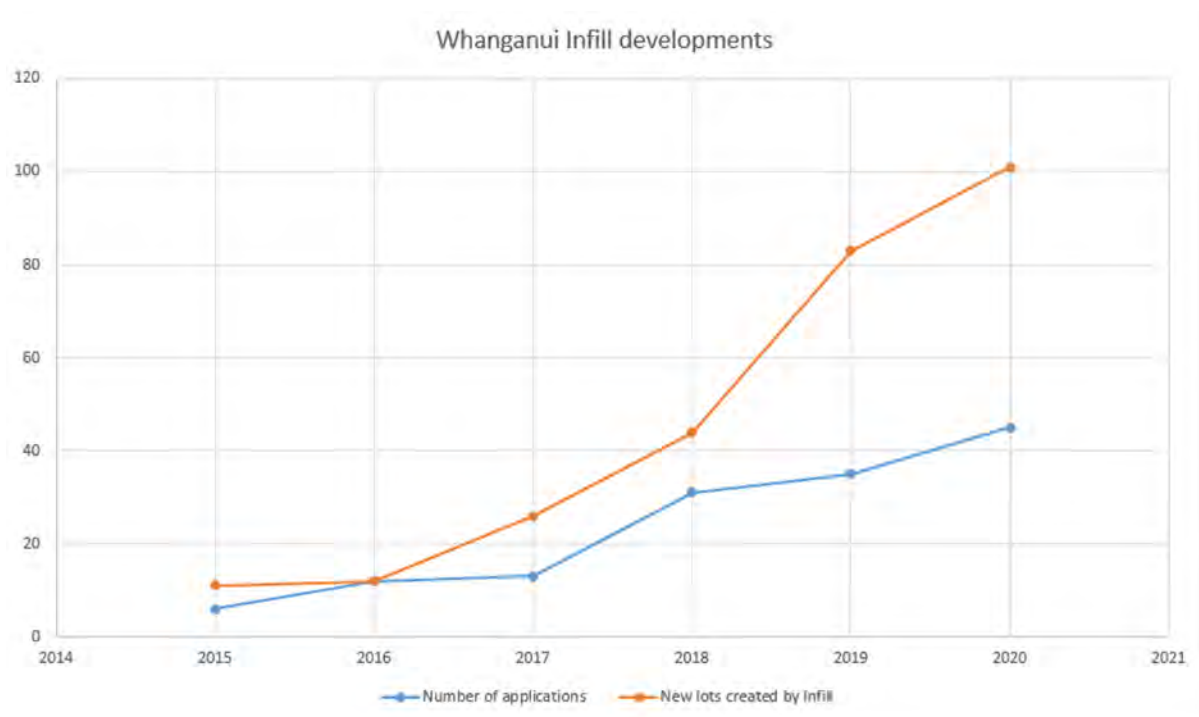
1.5 Promote urban consolidation and infill housing as at 2 November 2020

Subdivisions

Year	Number of applications	Original number of lots	Number of lots created	Increase in lot numbers	Average number of lots created per subdivision	Notes
2020	82	85	237	152	1.853658537	Figures are for Calendar year
2019	90	95	295	200	2.222222222	Figures are for Calendar year
2018	91	96	230	134	1.472527473	Figures are for Calendar year
2017	61	68	188	120	1.967213115	Figures are for Calendar year
2016	54	55	124	69	1.277777778	Figures are for Calendar year
2015	39	37	84	47	1.205128205	Figures are for Calendar year

Infill subdivision applications:

Infill information (By Calendar year)	2015	2016	2017	2018	2019	2020
Applications for infill	6	12	13	31	35	45
Number of new Lots	11	12	26	44	83	101
Lots New+Old	17	25	40	78	119	148



1.7 Establish a working group to investigate the development of a Strategic Housing Investment Plan (SHIP)

The working group have held their first meeting and are finalising the terms of reference. The intent of the working group is high level and aspirational, they will hold the work streams and Council accountable.

There has been discussion on the opportunity for advocacy at a local government level, with a social housing remit that would require developers to include social or affordable housing within new developments.

3.4 Work with a wide array of groups on housing opportunities – including the private sector, NGOs and other social and community agencies

Compass update:

Compass are on track for moving people into the complex by the end of November – this will take people off the current housing register.

Wai Ora Trust: Te Kakano Kainga Ora:

The trust received PGF funding to start their training and production of structural insulated panels (SIPs). These are a high performance building system for residential and light commercial construction. The panels consist of an insulating foam core sandwiched between two structural facings, typically oriented strand board. They have identified some land where homes can be built once production is underway. They are also on the lookout for more land.

The trust are also investigating other housing models and have recently been to Auckland to look at the VisionWest model – shared housing. They are looking at options for young people who are struggling to gain rental housing in Whanganui.

Housing Reference Group:

As at 29 October there were 200 names on the social housing register, these people are either in emergency housing, motels or surviving in unsustainable accommodation. For the first time in months two emergency houses are unavailable due to methamphetamine contamination, both were very high levels of contamination. Both MSD and Whanganui People's Centre are reporting that they have on average four or five walk-ins a day requesting help with accommodation. Some of these people are at the end of their tether and have tried everything to find accommodation. The hardest accommodation to find currently is one bedroom and this is where the greatest need is.

Properties for Rent as at 10 November on Trademe

Bedrooms	\$100 - \$200	\$200 - \$300	\$300 - \$400	\$400+
1 bed		2	2	
2 bed			10	1
3 bed		1	10	9
4 bed			2	2
4 + bed				1

The Housing Reference group are inviting the local MPs to the next meeting to discuss some of the issues in our community specific to housing.

## 5.6 FIRST QUARTER CONSOLIDATED FINANCIAL AND NON-FINANCIAL PERFORMANCE REPORTING FOR THE PERIOD ENDING 30 SEPTEMBER 2020

- Author:** Justin Walters - Senior Policy Analyst  
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- References:** 1. [Non-Financial KPIs – Q1 - 30 September 2020](#)  

**Significance of decision** – In terms of the Significance and Engagement Policy 2018, the recommended decision is not significant.

### Recommendation

That the Strategy and Finance Committee receive the report – First quarter consolidated Financial and Non-Financial Performance Reporting for the period ending 30 September 2020.

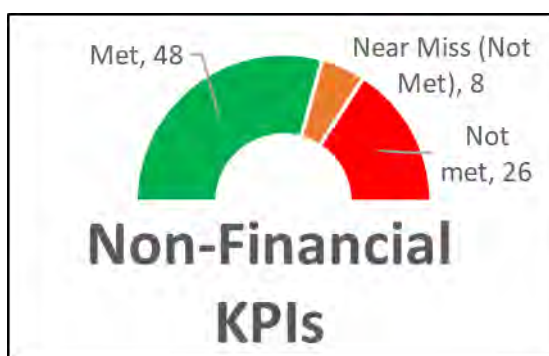
### Executive summary

The purpose of this report is to update the Committee on the financial and non-financial results for the 3 months ending 30 September 2020. The report contains summary results and explanations for major variances.

This is a management report with a specific focus on actual results against planned budgets/targets and non-financial key performance indicators (KPI) within the long term plan.

### Summary Results

*Purpose is to show results at a glance. For more detail on a specific result, see the relevant section. A full statement of financial performance and non-financial KPI results (Ref 1) are attached.*



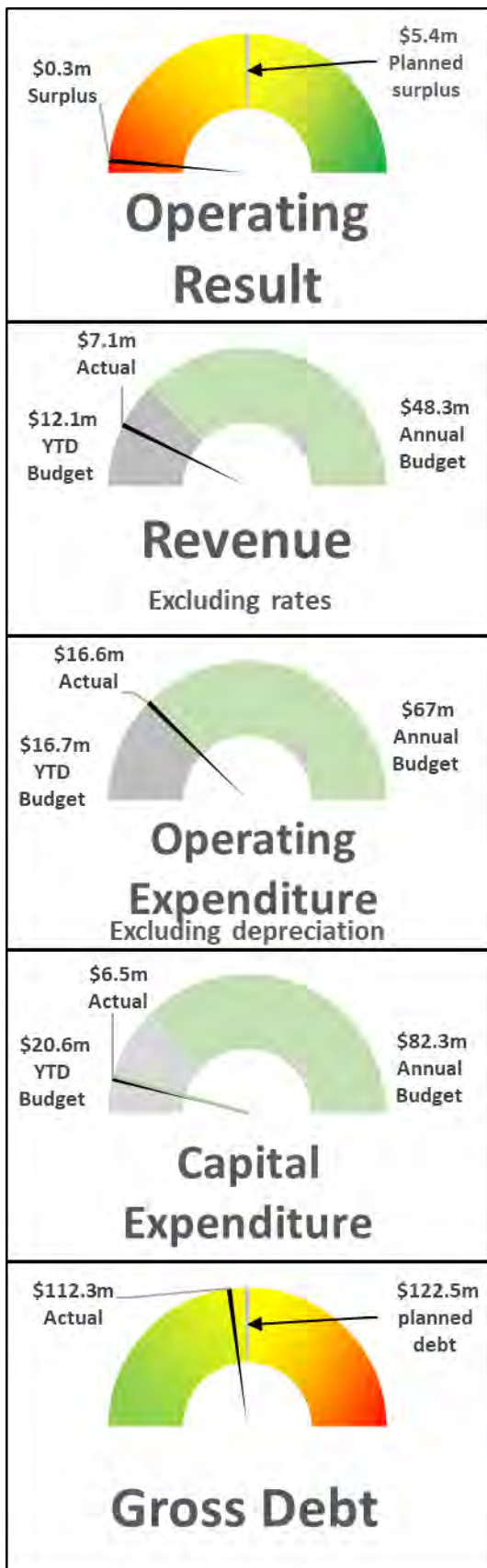
**Key performance indicators** show that the majority of KPIs that are reported on quarterly have been met (48) and shows that Council is broadly meeting its non-financial targets.

Of those that are not met, five related to infrastructure<sup>5</sup> and are partly attributable to changes in the Customer Request Management (CRM) system and more accurate reporting. The performance of a further 13 KPIs continue to be affected by the ongoing impacts of

COVID-19 closures including Council venues and events, libraries and regulatory services.

During the period nine KPIs were 'deemed not to be met' due to information not being available and work is being undertaken to remedy this

<sup>5</sup> Water, wastewater and roading



**Operating Result** has a smaller surplus than planned due to timing of subsidy revenue for the Sarjeant Gallery.

A surplus is planned to fund capital renewals and loan repayments from capital acquisitions and growth. See Funding Impact Statement in Annual Plan for details on sources- and application of funding.

**Revenue** is lower due to timing of Subsidies & Grants for Sarjeant Gallery redevelopment and NZTA funding for Roothing. Both are expected later in year.

See **Operating Results** section of the report for further details on subsidies.

**Operating Expenditure** is slightly lower than planned, driven by savings in Personnel and Finance Costs. This is partially offset by higher Operating costs.

Further details are included in the **Operating Results** section of this report.

**Capital Expenditure** is significantly lower than planned, with planning still underway for work scheduled over 2<sup>nd</sup> and 3<sup>rd</sup> quarter.

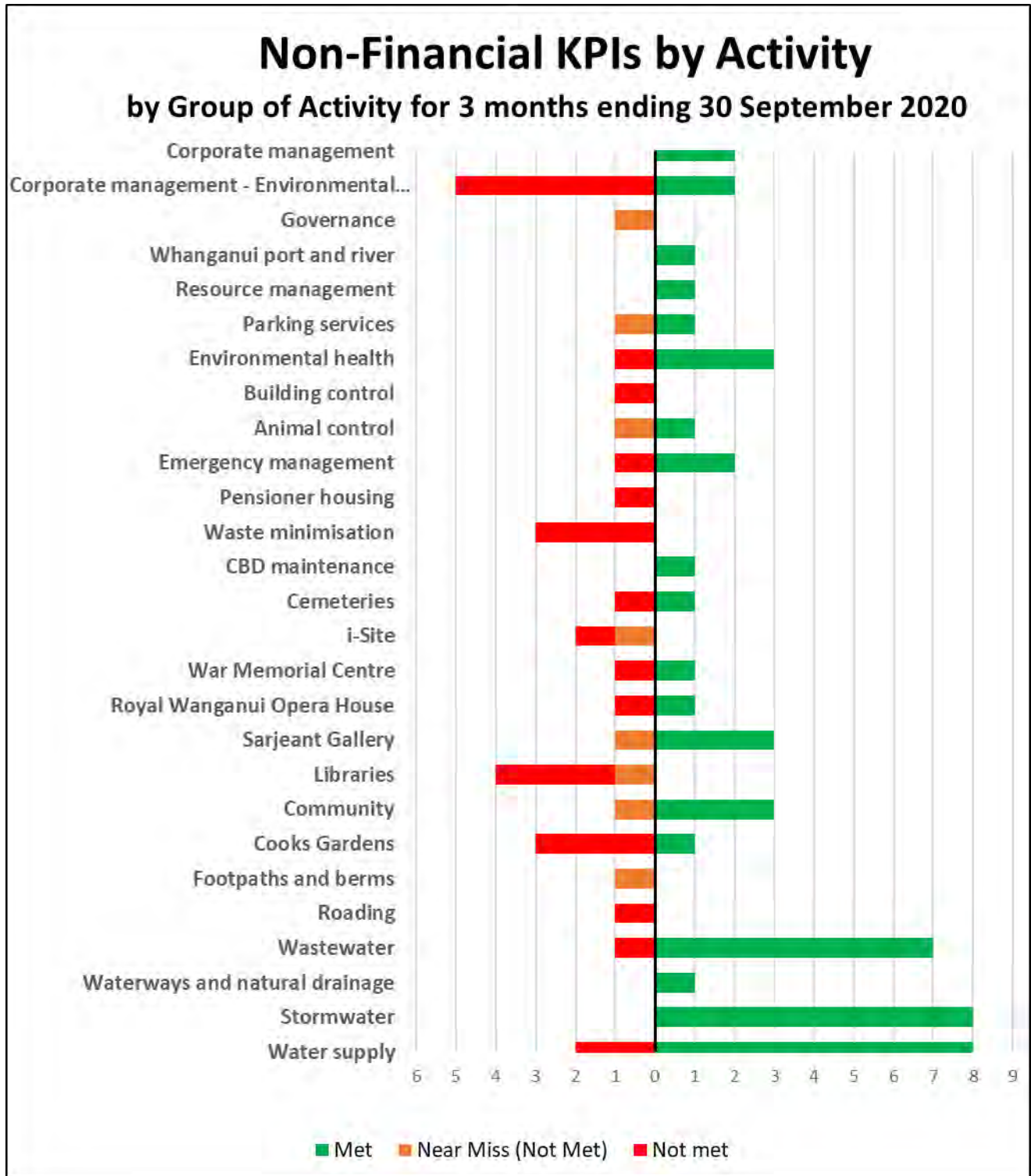
Further details are included in the **Capital Expenditure** section of this report.

**Gross Debt** level lower than planned due to lower loan-funded capital expenditure to date, consistent with prior years. A significant portion of this debt is pre-funding at favourable terms in preparation for Capital works later in the year.

See **Debt** section for more details.

**Non-Financial results**

The following graph shows the results for the long term plan non-financial KPIs that are reported quarterly.



**Environmental Monitoring, Pensioner Housing and Waste minimisation** – These three activities have been affected by a number of the KPIs being ‘deemed not to be met’ due to a lack of available data. Once data is available, these results are expected to significantly improve.

**Libraries, Cooks Gardens, War Memorial Centre, Royal Wanganui Opera House, i-Site, Community, Emergency management and Building** – These activities continue to be affected by COVID-19 restrictions or knock on effects from restrictions during increased COVID-19 lockdown levels.

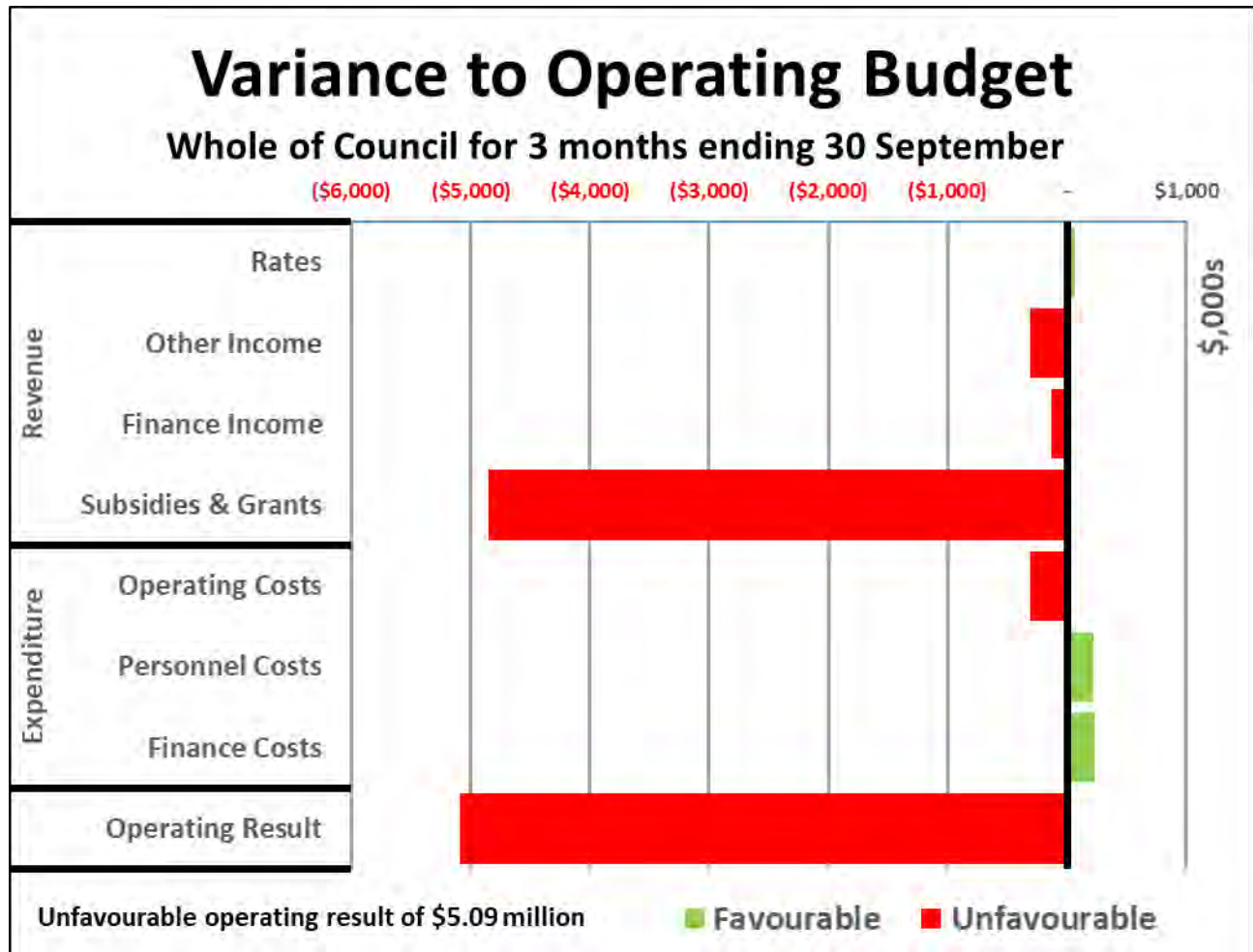
**Water supply, Stormwater, Roothing, Footpath and berms** – These activities have had number of KPIs that were 'Not met' due to increases in recorded resolution times. These increases are largely due to improvements to the CRM system and more accurate reporting. It is also noted that overall resolution times have been improving since the changes to the CRM system.

**Animal Control** – While dog registrations are below target for the first quarter, registrations are on track to meet the KPI target by the end of the year.

Operating Results

Detailed report on the operating results (revenue and expenditure), compared to budget. Focus is on major variances.

This graph shows the operating variances for the whole of Council. Note it excludes Depreciation.



The bottom line is an unfavourable operating result of \$5.09 million. Below is a high-level variance analysis, greater detail can be found in activity section below.

There has been **favourable** variances in the following:

- Saving in personnel costs (\$222k) as vacant roles are filled.
- Saving in finance expense (\$229k) as debt is lower than planned and favourable interest rates.

There has been **unfavourable** variances in the following items:

- Subsidies & grants are \$4.8M lower than planned, driven by 3 main items:
  - Sarjeant Gallery redevelopment grants are \$4.3M lower than planned due to timing. Nineteen million dollars of grant funding has been budgeted for 2020/21, however only \$400k has been received to date.
  - NZTA subsidies are on a reimbursement basis, so a delay in capital works have a delay in subsidy (\$795k).

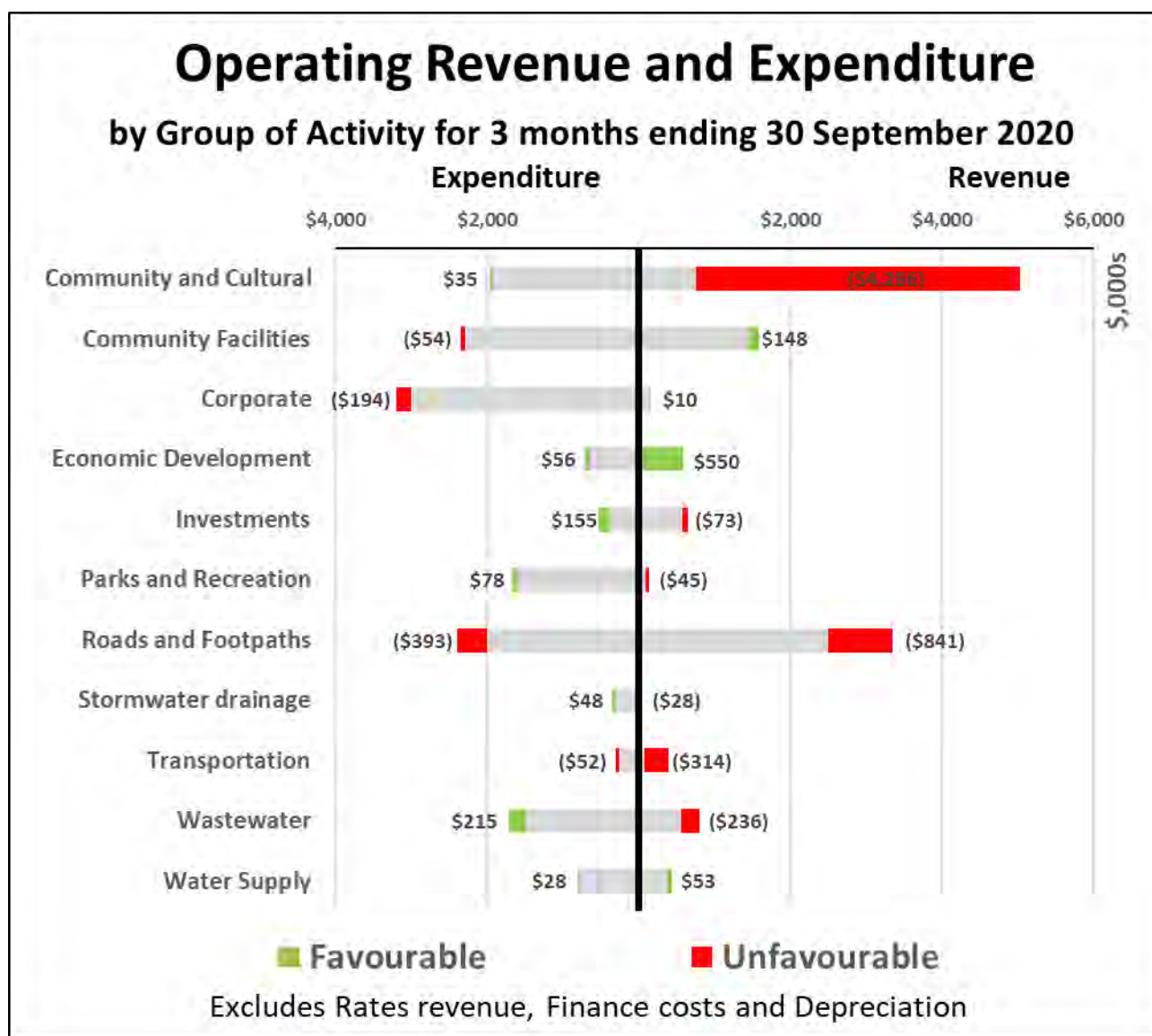
- Timing of grant funding for Airport taxiway upgrade (\$256k). This is expected later in the year.

These items are partially offset by an unplanned grant of \$541k secured by Whanganui & Partners for Strategic Tourism Asset Protection Project.

- Other income is \$313k lower than planned. Main items are:
  - Lower user charges in Airport (\$60k) and timing of trade waste revenues (\$78k) due in November.
  - Lower operating expense recoveries (\$48k) driven by outstanding recovery for COVID-19 response costs. Council does not expect to recover the whole claim.
  - Lower development contributions (\$47k) and consultancy revenue (\$54k) to date in Infrastructure group.
- Finance income is \$135k lower than planned, driven by \$250k of dividends on investments that have not been received to date. Note that interest revenue is \$112k higher than planned as Council holds more cash on term deposit - this cash is sourced from pre-funded loans.

The following graph shows the planned expenditure (left of centre line) and planned revenue (right of centre line) for each Group of Activity. Note it excludes Rates revenue, Finance Costs and Depreciation.





**Explanations below are for significant activity variances:**

**Community and Cultural** – Sarjeant Gallery redevelopment subsidy to date is \$4.3m lower due to timing, partially offset by slightly higher revenue in Community Development and Opera House (\$22k).

**Community Facilities** – Higher revenue from building consents (\$86k) and rental income in pensioner housing (\$78k), partially offset by lower cemetery revenue (\$14k).

**Corporate** – Higher than planned expenditure in admin buildings (\$116k) as refurbishment work is completed in first 2 quarters, and timing of IT license fees paid in full at start of the year (\$148k). This is partially offset by lower consultancy and timing of audit fees due at end of the year (\$72k).

**Economic Development** – Favourable revenue from an unplanned grant of \$541k for STAPP project.

**Investment** – Lower operating expenditure in Harbour Endowment as focus is on capital programme to develop port, and timing of bulk funding due in December.

**Roading & Footpaths** – Subsidy revenue is lower than planned (\$795k) as NZTA subsidy is paid on a reimbursement basis and delays to major capital projects has led to delays of the associated subsidy. There is also slightly lower consultancy and sundry revenue. Operating expenses is higher from

more maintenance on sealed pavement (\$120k), drainage (\$159k) and environmental maintenance (\$166k). This is partially offset by lower traffic services maintenance (\$45k).

**Transportation** – Airport revenue lower than planned due to lower ongoing demand (\$60k) and timing of grant funding for the taxiway upgrade.

**Wastewater** – Revenue lower than plan as no dividend received to date (\$150k) and timing of trade waste revenue (\$78k) due in November. Expenditure is lower than planned due to savings in maintenance on the reticulation network (\$112k), lower operating costs at the treatment plant (\$65k) and timing of insurance premiums due in November (\$40k).

**Water supplies** – Revenue slightly higher due to higher water consumption, with expenditure lower due to timing of insurance premiums due in November. Note emergency procurement is underway for maintenance on a water main, with costs estimated at \$80k. More information will be provided in the 6 month report.

**Capital Expenditure**

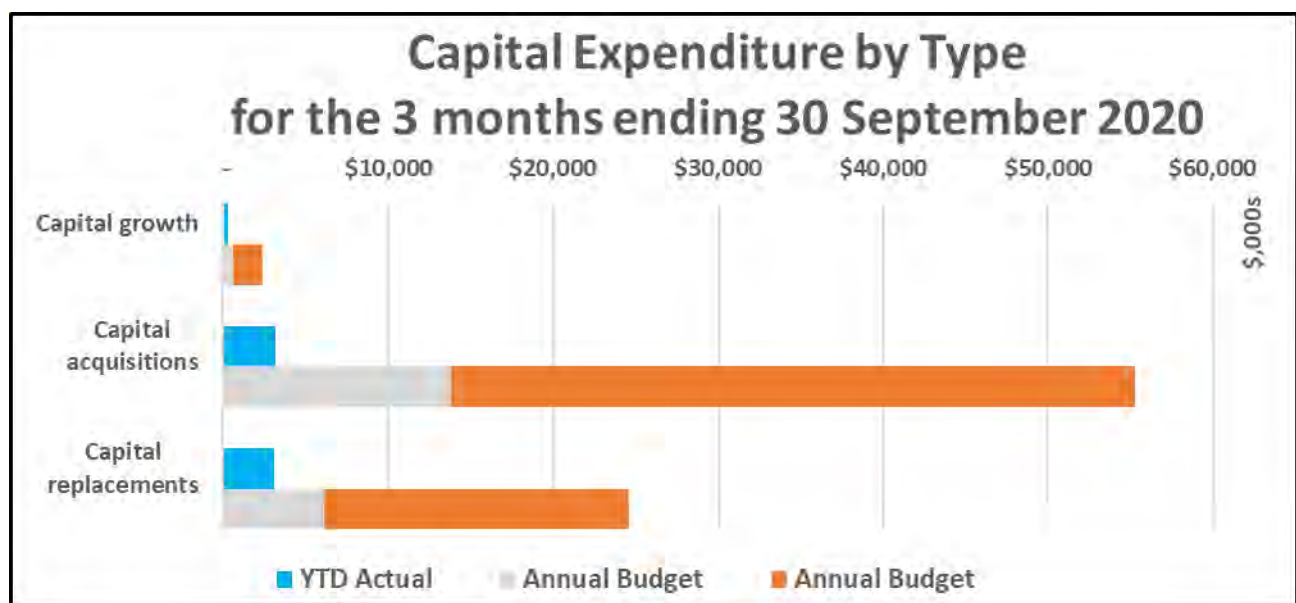
*Overview of Capital Expenditure, project progress, forecast and implications of forecast.*

Total capital expenditure for the first quarter is \$6.5 million against a planned \$20.6 million (including carry forwards). This variance of \$14 million is driven by 4 main items:

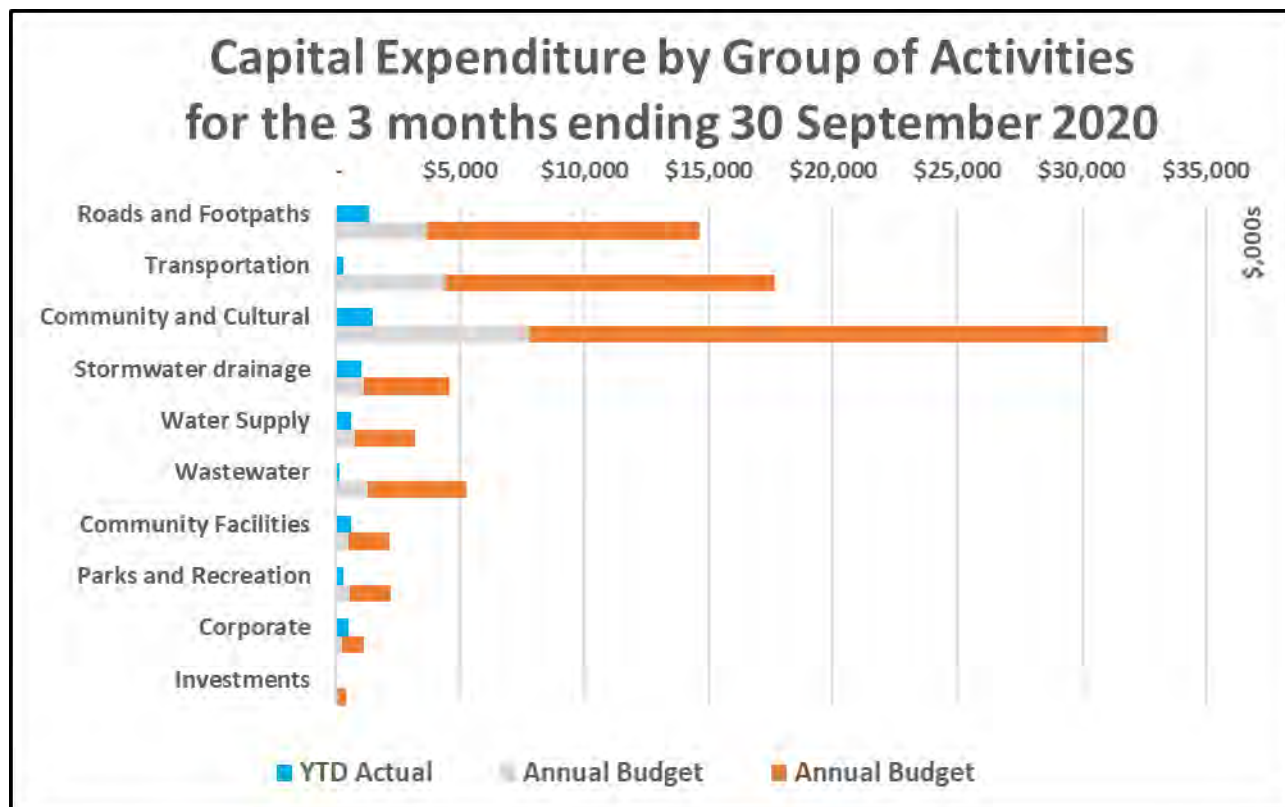
- Sarjeant Gallery redevelopment underway (\$6 million lower than planned to date)
- Port redevelopment underway (\$3.5 million lower than planned to date)
- Various Roding projects totalling \$2.4m. This includes significant growth and acquisition projects such as Heads Rd.
- Various wastewater projects totalling \$1.2 million, eg screen replacement, standby generator, Beach road pump station upgrades, etc. These projects have been on hold while commissioning and optimising the treatment plant.

Due to the lower than planned capital expenditure, debt levels are favourable as Council retains more cash.

The graph below shows spend is equally split between acquisitions (delivering new services to the community) and replacements (renewing old, worn out assets to ensure continued service delivery). Some growth projects have made progress in Stormwater area.



The graph below shows the split by Group of Activity.



**Roading & Footpaths** – Planning underway for construction season over 2<sup>nd</sup> and 3<sup>rd</sup> quarter. Cyclical maintenance programme tracking to schedule, however a few large growth and acquisition projects continue working through required consents and agreements with other parties.

**Transportation** – Port redevelopment underway, expected to continue through 2020/21 and 2021/22.

**Community and Cultural** – The Sarjeant Gallery redevelopment is underway, expected to continue through 2020/21 and 2021/22.

**Stormwater** – Progress made on growth projects, with planning underway for physical works over summer construction period.

**Water supplies** – Significant progress made on Westmere reservoir renewal. Various minor projects remain in planning and procurement phase.

**Wastewater** – Planning and procurement underway for outstanding projects, with some projects having dependencies that cause delays. Main outstanding projects are at Beach Rd Pump station, including screen replacement, electrical systems upgrade, standby generator, etc.

**Community Facilities** – Significant progress on dog pound made to date, with planning underway for the parking meter upgrade.

**Parks and Recreation** – Planned work in Parks & Reserves and swimming pools tracking to plan. Seed funding for the Velodrome roof has been carried over from 2019/20, with no spend to date.

**Corporate** – Significant progress on planned Information Management upgrades and replacements to date.

**Debt**

*Current debt and cash position.*



Debt levels remain lower than planned due to lower capital expenditure.

Council has significant headroom to take on additional borrowing, as all debt covenants measures are well below limits.

<b>Financial Performance</b>					
<b>for the 3 months ending 30 September 2020</b>					
		<b>Actual year to date</b>	<b>Budget year to date</b>	<b>Variance \$</b>	<b>Variance %</b>
		<b>\$000s</b>	<b>\$000s</b>	<b>\$000s</b>	
<b>Operating Income</b>					
	Rates	15,314	15,243	71	0%
	Other Income	3,574	3,887	(313)	(8%)
	Finance Income	166	301	(135)	(45%)
	Subsidies & Grants	3,485	8,338	(4,853)	(58%)
		22,539	27,769	(5,230)	(19%)
<b>Operating Expenditure</b>					
	Staff related costs	10,862	10,556	(306)	(3%)
	Finance costs	4,541	4,763	222	5%
	Information costs	1,197	1,426	229	16%
	Depreciation	5,634	5,634	-	
		22,234	22,379	145	1%
	<b>Operating surplus/(deficit)</b>	303	5,389	(5,086)	(94%)
	<b>Operating surplus/(deficit)</b> (excluding depreciation)	5,937	11,023	(5,086)	(46%)
<b>Capital expenditure</b>					
	Growth	290	606	316	52%
	Acquisitions	3,165	13,821	10,656	77%
	Replacements	3,057	6,147	3,090	50%
		6,512	20,574	14,062	68%



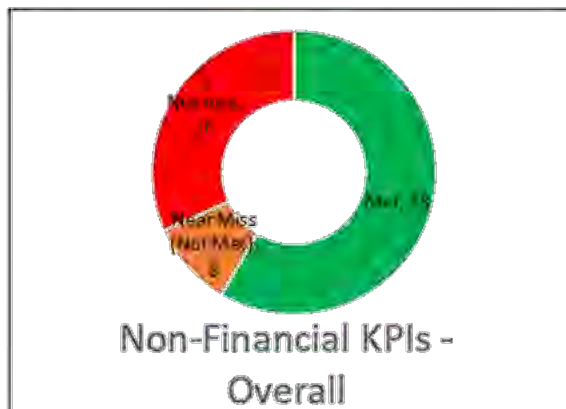
# Whanganui KPI Report

Whanganui District Council



*Print Date: 02-Nov-2020*

**Overall**



**Activity Group KPIs**

Water supply





Date From  
01-Jul-2020

Date To  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Median response time for attending non-urgent call outs (water supply)	#	24.00	18.45		16.28
<b>Comment:</b> Target was met. The median response time for attending non-urgent call outs was 18hrs 27min.					
Median response time for attending urgent call outs (water supply)	#	1.00	0.68		0.20
<b>Comment:</b> Target was met. The median response time for attending urgent call outs was 41min.					
Median response time for resolution of non-urgent call-outs (water supply)	Days	4.00	8.60		2.00
<b>Comment:</b> Target was not met. The median response time for resolution of non-urgent call-outs was 8days 14hrs24min. This result includes reinstatement and is partly attributable to changes in CRM process and better recording actual times taken.					
Median response time for resolution of urgent call outs (water supply)	#	22.00	19.50		2.00
<b>Comment:</b> Target was met. The median response time for resolution of urgent call-outs was 19hrs30min.					
The average amount of water consumed per resident per day	L	350.00	343.00		300.00
<b>Comment:</b> Target was met. Water usage has remained stable.					
The extent to which the water supply will comply with part 4 of the New Zealand drinking water standards (bacteria compliance criteria)	%	100.00	100.00		100.00



Whanganui District Council KPI Report



<b>Comment:</b> Target was met.					
The extent to which the water supply will comply with part 5 of the New Zealand drinking-water standards (protozoal compliance criteria)	%	100.00	100.00		100.00
<b>Comment:</b> Target was met.					
The percentage of real water loss from the network reticulation system	%	40.00	35.00		35.00
<b>Comment:</b> Target was met.					
The percentage of time Horizons Regional Council consent conditions are complied with (or mitigation undertaken if issues occur)	%	100.00	100.00		100.00
<b>Comment:</b> Target was met. All relevant regional consent conditions were complied with.					
The total number of complaints received about the water (per 1000 connections to the networked reticulation system) Complaints may include: drinking water clarity; drinking water taste; drinking water odour; drinking water pressure or flow; continuity of supply; or Council's response to any of these issues.	#	10.00	14.60		15.72
<b>Comment:</b> Target was not met. The result is partly attributable to the fact that toby repairs are classed as complaints due to the loss of continuity of supply.					

**Stormwater****Date From**

01-Jul-2020

**Date To**


30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Compliance with all resource consents for discharge from the stormwater system, measured by the number of a) abatement notices received by Council in relation to those resource consents	#	0.00	0.00		0.00
<b>Comment:</b> Target was met. No abatement notices were received.					
Compliance with all resource consents for discharge from the stormwater system, measured by the number of b) infringement notices received by Council in relation to those resource consents	#	0.00	0.00		0.00
<b>Comment:</b> Target was met. No infringement notices were received.					
Compliance with all resource consents for discharge from the stormwater system, measured by the number of c) enforcement orders received by Council in relation to those resource consents	#	0.00	0.00		0.00
<b>Comment:</b> Target was met. No enforcement orders were received.					
Compliance with all resource consents for discharge from the stormwater system, measured by the number of d) convictions received by Council in relation to those resource consents	#	0.00	0.00		0.00
<b>Comment:</b> Target was met. There were no convictions received.					
For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the stormwater system)	#	0.13	0.00		0.00
<b>Comment:</b> Target was met. There were no flooding events during the period.					
Number of flooding events	#	1.25	0.00		0.00
<b>Comment:</b> Target was met. There were no flooding events during the period.					
The median response time to attend a flooding event (measured from the time notification is received to the time the service personnel reach the site)	#	4.00	0.00		0.00
<b>Comment:</b> Target was met. There were no flooding events during the period.					
The number of complaints received about the performance of the stormwater system (expressed per 1000 properties connected to the stormwater system)	#	0.06	0.02		1.50
<b>Comment:</b> Target was met.					

**Waterways and natural drainage**

**Date From**  
01-Jul-2020


**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Compliance with the Whanganui River Flood Action Plan	%	100.00	100.00		100.00
<b>Comment:</b> Target was met. There were no flooding events.					

**Roading**

**Date From**  
01-Jul-2020


**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of customer service requests that are actioned within five working days	%	90.00	73.41		100.00
<b>Comment:</b> Target was not met. There was a total of 173 customer service requests of which 73.41% were actioned within five working days. This result is similar to quarter period and is partly attributable to the "stop clock" facility processing from Downer to Council. Work is being undertaken to correct this issue.					

**Footpaths and berms**

**Date From**  
01-Jul-2020

**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of footpath requests actioned within five working days of notification	%	90.00	85.71		100.00
<b>Comment:</b> Target was not met. There was a total of 28 customer service requests of which 85.71% were actioned within five working days. While the target was not met this is a significantly improved result from the last quarter (56.70%) and the results for the last two calendar months was 100%.					

## Whanganui District Council




## KPI Report

**Cooks Gardens****Date From**

01-Jul-2020

**Date To**

30-Sep-2020





KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of days each year that Cooks Gardens hosts events	#	15.50	25.00		32.00
<b>Comment:</b> Target was met. While COVID19 has continued to restrict the number and scale of events held at Cook Gardens a number of smaller events have been held including Four Region Trust AGM, Mitre 10 Staff Awards, Whanganui & Partners Destination Management and Hurricanes Road Show.					
The number of days each year that Cooks Gardens track and grounds are hired	#	7.75	5.00		29.00
<b>Comment:</b> Target was not met. While COVID19 has continued to restrict the number and scale of events held at Venues and Events Facilities, this result is an improvement from the last quarter.					
The number of locally produced, community events at Cooks Gardens	#	10.00	8.00		7.00
<b>Comment:</b> Target was not met. While COVID19 has continued to restrict the number and scale of events held at Venues and Events Facilities, this result is a significant improvement from the last quarter.					

**Community****Date From**

01-Jul-2020

**Date To**

30-Sep-2020





KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Number of hours booked by working glass artists per annum.	#	331.50	301.00		384.00
<b>Comment:</b> Target was not met. Hours booked were slightly lower than expected with local hirers booking less than expected. The number of hours booked is an increase on the third (270) and fourth (141) quarters from last financial year that were affected by COVID-19.					
The number of visitors to NZ Glassworks	#	5,680.50	7,851.00		7,023.00
<b>Comment:</b> Target was met. Visitor numbers exceeded the target and was an increase on the same period last financial year. The results are in line with pre-COVID-19 trends but are likely to have been reinforced by international travel restrictions.					
The percentage of Glassworks customers satisfied or very satisfied with their experience	%	85.00	90.00		90.00
<b>Comment:</b> Target was met. There has been an increased number of visitors to the gallery and gallery sales are up 72% from the same period last financial year.					
The percentage of resource consent applications received by Council are provided to mana whenua within seven working days	%	100.00	100.00		100.00
<b>Comment:</b> Target was met.					

**Libraries****Date From**





01-Jul-2020

**Date To**

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of items issued per annum	#	146,250.00	140,572.00	 AMBER	147,489.00
<b>Comment:</b> Target was not met. Library patronage has continued to be adversely affected through most of the quarter due to COVID-19. This is likely due to the community exercising caution about using public spaces and greater contact tracing requirements. During the move up to Alert-Level 2, between 12 August to 23 September, the Library remained open to the public with an enhanced contact tracing regime.					
The number of people visiting our libraries measured by physical visits	#	100,500.00	72,312.00	 RED	94,644.00
<b>Comment:</b> Target was not met. All areas of Library business have be adversely affected by COVID-19, as demonstrated by pre-COVID-19 trends. This is likely due to the community exercising caution about using public spaces and greater contact tracing requirements.					
The number of public internet sessions	#	26,500.00	16,467.00	 RED	25,794.00
<b>Comment:</b> Target was not met. All areas of Library business have be adversely affected by COVID-19, as demonstrated by pre-COVID-19 trends. This is likely due to the community exercising caution about using public spaces and greater contact tracing requirements.					
The rate of collection 'turn over' each year	#	6.00	4.50	 RED	5.20
<b>Comment:</b> Target was not met. All areas of Library business have be adversely affected by COVID-19, as demonstrated by pre-COVID-19 trends. This is likely due to the community exercising caution about using public spaces and greater contact tracing requirements.					

**Sarjeant Gallery**Date From  
01-Jul-2020Date To  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of users of the Gallery	#	15,000.00	13,615.00	 AMBER	13,381.00
<b>Comment:</b> Target was not met. This is partly attributable to the closure of the Quay gallery above iSite during COVID-19 Level 2 lockdown due to contact tracing restrictions. It is also noted that these first quarter results are an improvement on the previous first quarter results.					
The percentage of visitors satisfied or very satisfied with the Gallery's exhibitions	%	90.00	94.00	 GREEN	91.43
<b>Comment:</b> Target was met.					
The percentage of visitors satisfied or very satisfied with their Gallery experience	%	90.00	100.00	 GREEN	97.14
<b>Comment:</b> Target was met.					
The total number of items in the collection catalogued to best practice international standards	#	3,500.00	3,608.00	 GREEN	3,141.00
<b>Comment:</b> Target was met. Significant progress has been made in cataloguing the photography collection that has meant that the target for the year has already been met.					

**Royal Wanganui Opera House****Date From**

01-Jul-2020

**Date To**

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of days each year that the Royal Wanganui Opera House hosts events	#	20.76	2.00		27.00
<b>Comment:</b> Target was not met. COVID19 has continued to restrict the number and scale of events held at Venues and Events Facilities.					
The number of locally produced, community events at the Royal Wanganui Opera House	#	6.25	7.00		12.00
<b>Comment:</b> Target was met. While COVID19 has continued to restrict the number and scale of events held at Royal Wanganui Opera House, innovative approaches such as holding smaller but multiple events on the same day has allowed the opera house to stay within the 100 person venue limits during COVID19 restrictions. Events have included Cat in the Hat, Kitchen Chaos, Sharyn Underwood School of Dance and Dance NZ Made.					

**War Memorial Centre****Date From**

01-Jul-2020

**Date To**

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of days each year that the Whanganui War Memorial Centre hosts events	#	37.50	19.00		36.00
<b>Comment:</b> Target was not met. While COVID-19 has continued to restrict the number and scale of events held at Venues and Events Facilities, this result is a significant improvement from the last quarter. Events have included Arise Church, Ministry of Education Conference, New Conservative Party Meeting, Whanganui & Partners Board Meeting, NZ Masters Games Launch, Act NZ Public Meeting, Town Centre Regeneration Workshop and Whanganui Community Foundation AGM.					
The number of locally produced, community events at the Whanganui War Memorial Centre	#	18.75	19.00		18.00
<b>Comment:</b> Target was met. While COVID19 has continued to restrict the number and scale of events held at Venues and Events Facilities, this result is a significant improvement from the last quarter.					

## Whanganui District Council

## KPI Report

i-Site

Date From

01-Jul-2020

Date To

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Customer satisfaction with service received at the i-SITE	#	4.50	4.40		4.50
<b>Comment:</b> Target was not met. While it is noted that the target was not met, there were no negative comments for the period.					
The number of visitors served by the i-SITE	#	6,890.00	4,326.00		4,175.00
<b>Comment:</b> Target was not met. This result was partly affected by the combined effects of COVID-19 and seasonal variation. It is noted that notwithstanding the results of COVID-19 that the current results are an increase (+151) on the last first quarter results.					

Cemeteries

Date From

01-Jul-2020

Date To

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of official cemetery records available on the Council website	#	65,000.00	45,166.00		30,467.00
<b>Comment:</b> Target was not met. There are a total of 45166 records (7372 sexton and 37794 archive) which is a 14,283 increase over the previous quarter. The archive records include all of the burial records for Aramoho Cemetery and most of the cemetery records. Work has now started on putting together the records for the Heads Road Cemetery, after which the rural cemetery records will also be digitised. During the period there were 10906 web site views.					
The number of unsold plots available for burial or cremation	#	700.00	2,165.00		2,443.00
<b>Comment:</b> Target was met. There are 579 burial plots and 1586 ash interment plots available across all areas of Aramoho cemetery. The newest burial area, Public lawn C, is filling up quickly, and it is anticipated that a second area will be required during 2021 and this area is being prepared for use in the second quarter.					

CBD maintenance

Date From

01-Jul-2020

Date To

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of complaints about the cleanliness or hygiene of public toilets reported to Council	#	3.00	0.00		1.00
<b>Comment:</b> Target was met. There were seven calls received regarding public toilets during the period. All calls were related to maintenance requirements or vandalism.					






**Waste minimisation****Date From**

01-Jul-2020

**Date To**

30-Sep-2020


KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Iconic events held in public parks and reserves will have an appropriate waste minimisation plan	%	100.00	0.00		100.00
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					
The amount of product recycled through the centre each year	#	1,032.00	0.00		944.00
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					
The number of educational visits to schools on waste minimisation	#	1.25	0.00		3.00
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					

**Pensioner housing****Date From**

01-Jul-2020

**Date To**

30-Sep-2020




KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of pensioner housing units that are occupied	%	90.00	0.00		98.50
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					

**Emergency management****Date From**

01-Jul-2020

**Date To**

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Any fault identified through monthly testing of the tsunami sirens is rectified within 10 working days	%	100.00	70.00		100.00
<b>Comment:</b> Target was not met. There were multiple failures due to environmental damage during COVID-19 Level 3 and 4 lockdown. During COVID-19 Level 2, testing was stopped on direction from NEMA. One siren suffered catastrophic failure during a recent windstorm and required complete replacement with repair being delayed due to availability of repair technicians. During this period an alternative mobile warning system was activated and a system upgrade being enacted.					
The percentage of emergency management calls responded to within 15 minutes	%	100.00	100.00		100.00
<b>Comment:</b> Target was met. This included one urgent HazMat related callout.					
The percentage of Emergency Operations Centre activations managed with appropriate staffing, systems and processes in place within two hours	%	100.00	100.00		100.00

**Comment:** Target was met. There were no EOC activations in this reporting period. During the period there were two training exercises, including the alternative EOC.

**Animal control**

**Date From**  
01-Jul-2020

**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of known dogs that are registered	%	95.00	91.32		91.60
<b>Comment:</b> Target was not met. Registrations in this quarter are similar to previous quarter and is on track to be met for the year end result.					
The percentage of Priority 1 (Urgent) call outs that are responded to within 1 hours	%	97.00	99.00		91.14
<b>Comment:</b> Target was met. This result is a 6% increase on the previous first quarter results.					

**Building control**

**Date From**  
01-Jul-2020

**Date To**  
30-Sep-2020





KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of building consents processed within 20 working days (the statutory timeframe)	%	100.00	93.90		100.00
<b>Comment:</b> Target was not met. This result is largely attributable to knock-on effects from the COVID-19 lockdowns. Once staff had access to all online services, processing was able to continue as normal.					

Whanganui District Council KPI Report

**Environmental health**

**Date From**  
01-Jul-2020



**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of Alcohol Licensing applications processed within 20 working days	%	100.00	97.00		90.00
<b>Comment:</b> Target was not met. A total of 80 of the 82 applications were processed within 20 working days.					
The percentage of excessive noise complaints investigated within 30 minutes	%	93.00	93.27		94.17
<b>Comment:</b> Target was met. There were a total of 342 noise complaints of which 319 (97%) were attended within 30mins.					
The percentage of food and other premises to be verified within required statutory timeframes	%	100.00	100.00		100.00
<b>Comment:</b> Target was met. The timeframes for food business verification has been extended by Ministry for Primary industries because of Covid-19 and thus the food business verification timeframe complies with this.					
Where premises do not meet minimum standards, a corrective plan is put in place to help them within 10 working days	%	100.00	100.00		100.00
<b>Comment:</b> Target was met. All premises that required corrective action had corrective action plans in place within 10 working days.					

**Parking services**

**Date From**  
01-Jul-2020

**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Percentage of registration and warrant of fitness infringements waived due to compliance being achieved	%	24.00	100.00		23.70
<b>Comment:</b> Target is deemed to have been met as no infringements were able to be issued during this period due to COVID-19 government regulations. Ticketing of overdue registrations and warrants will resume on 12/10/2020.					
The percentage of time that parking officers are present Monday to Saturday (excluding public holidays)	%	98.00	93.50		95.00
<b>Comment:</b> Target was not met. There was a total of five absent days during the period due to a combination of training or staff sickness.					


**Resource management**

**Date From**  
01-Jul-2020

**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
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**Whanganui District Council** **KPI Report**

The percentage of resource consents (non-notified) issued within statutory timeframes	%	100.00	100.00		100.00
<b>Comment:</b> Target was met. A total of 56 consents were processed within the first quarter.					

**Whanganui port and river**

**Date From**  
01-Jul-2020


**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of workplace accidents (port)	#	13.75	0.00		0.00

**Governance**

**Date From**  
01-Jul-2020



**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The percentage of Council and committee agendas made available to the public two working days before the meeting	%	100.00	97.00		100.00
<b>Comment:</b> Target was not met. The target was missed on one occasion - Youth Committee 10 August 2020.					

**Corporate management**

**Date From**  
01-Jul-2020

**Date To**  
30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
The number of workplace accidents for Council employees	#	13.75	2.00		4.00
<b>Comment:</b> Target was met. There were two accidents based on the Section 25 definition of 'accident' under the Accident Compensation Act 2001.					
The percentage of archives requests responded to within 24 hours	%	100.00	100.00		100.00
<b>Comment:</b> Target was met.					








**Corporate management - Environmental monitoring**

Date From

Date To

01-Jul-2020

30-Sep-2020

KPI	UNIT	TARGET	ACTUAL	PERFORMANCE	PRIOR YEAR
Council's diesel consumption (litres)	L	7,836.12	0.00		9,428.23
<b>Comment:</b> Target is deemed not to have been met as data is unavailable. Council is working with its fuel card provider to access fuel consumption info.					
Council's electricity usage (kWh)	#	4,719,388.25	0.00		4,477,960.00
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					
Council's gas usage (kWh)	#	3,961,157.00	0.00		2,950,811.00
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					
Council's petrol consumption (litres)	L	4,859.75	0.00		6,934.77
<b>Comment:</b> Target is deemed not to have been met as data is unavailable. Council is working with its fuel card provider to access fuel consumption info.					
The amount of A3 paper Council use	#	14.75	14.00		20.00
<b>Comment:</b> Target was met. Over time there has been a gradual reduction in paper use with Council utilising more digital technology.					
The amount of A4 paper Council use	#	422.50	400.00		630.00
<b>Comment:</b> Target was met. Over time there has been a gradual reduction in paper use with Council utilising more digital technology.					
Waste recycled by Council	L	20,112.50	0.00		23,000.00
<b>Comment:</b> The result is deemed not to have been met as no data is currently available.					

## 5.7 FINANCE ACTIVITY REPORT - NOVEMBER 2020

**Author:** Mike Fermor - Chief Financial Officer

**Authoriser:** Kym Fell - Chief Executive

**References:**

1. [Notice of LGFA Annual Meeting](#)  
2. [LGFA Foundation Policies Proposed Tracked Changes](#)  
3. [LGFA Shareholder Council Recommendations for AGM](#)  
4. [Draft Liability Management Policy](#)  
5. [Draft Investment Policy](#)  

### Recommendation

That the Strategy and Finance Committee receive the report – Finance Activity Report - November 2020.

### Executive Summary

The purpose of this report is to provide an update on activities within Finance.

### Key information

This report provides an update on the following:

- Rates instalments and rebates
- New Zealand Local Government Funding Agency Limited
- Draft Liability Management and Investment Policies
- Borrowings and Investment activity
- Debt position to year end forecast

### Rates

The due date for 2020/21 instalment 2 is Wednesday, 25 November 2020. Rates invoices were sent out on Monday, 2 November 2020 for this instalment period.

### Rates rebate scheme

The Government Rates Rebate Scheme has been reviewed for the 2020/21 financial year, coming into effect from 1 July 2020. The household income abatement threshold is \$26,150 and the maximum allowable rates rebate is \$655.00.

For the 2020/20 financial year as at 28 October 2020, Council has granted 1,975 rebates for the amount of \$1,193,182. This time last year Council had granted 2,069 rebates for the amount of \$1,232,339.

The following table highlights the level of rebate available comparable to household income for the 2020/21 rating year.

Household Income	Level of Rates												Rates Rebate
	\$1,200	\$1,400	\$1,600	\$1,800	\$2,000	\$2,200	\$2,400	\$2,600	\$2,800	\$3,000	\$3,200	\$3,500	
\$24,000	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$25,000	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$26,000	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$27,000	\$587.33	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$28,000	\$462.33	\$595.67	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$29,000	\$337.33	\$470.67	\$604.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$30,000	\$212.33	\$345.67	\$479.00	\$612.33	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$31,000	–	\$220.67	\$354.00	\$487.33	\$620.67	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$32,000	–	–	\$229.00	\$362.33	\$495.67	\$629.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$33,000	–	–	–	\$237.33	\$370.67	\$504.00	\$637.33	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$34,000	–	–	–	–	\$245.67	\$379.00	\$512.33	\$645.67	\$655.00	\$655.00	\$655.00	\$655.00	\$655.00
\$35,000	–	–	–	–	–	\$254.00	\$387.33	\$520.67	\$654.00	\$655.00	\$655.00	\$655.00	\$655.00
\$36,000	–	–	–	–	–	–	\$262.33	\$395.67	\$529.00	\$655.00	\$655.00	\$655.00	\$655.00
\$37,000	–	–	–	–	–	–	–	\$270.67	\$404.00	\$537.33	\$655.00	\$655.00	\$655.00
\$38,000	–	–	–	–	–	–	–	–	\$279.00	\$412.33	\$545.67	\$655.00	\$655.00
\$39,000	–	–	–	–	–	–	–	–	–	\$287.33	\$420.67	\$620.67	\$620.67
\$40,000	–	–	–	–	–	–	–	–	–	–	\$295.67	\$495.67	\$495.67
\$41,000	–	–	–	–	–	–	–	–	–	–	–	–	\$370.67
\$42,000	–	–	–	–	–	–	–	–	–	–	–	–	\$245.67
\$43,000	–	–	–	–	–	–	–	–	–	–	–	–	\$120.67
\$44,000	–	–	–	–	–	–	–	–	–	–	–	–	\$0.00
\$45,000	–	–	–	–	–	–	–	–	–	–	–	–	\$0.00

### COVID-19

Since 24 March 2020, Council has received 53 rates postponement/relief requests for properties financially affected by COVID-19. Of these, 16 are commercial properties and are predominately in the CBD area. Thirty-seven requestors have since met their payment obligation for the instalment 4 period for 2019/20. Five rates postponement/relief applications have been received for residential properties. The applicants are seeking postponement for both instalment 4 of the 2019/20 year and postponement for the 2020/21 year, however further information is required before applications can be processed for consideration. As at 28 October 2020, three of the five applications (same owner – superannuation income) do not meet the criteria, a 4<sup>th</sup> applicant will clear outstanding balances when funds become due from another source, the 5<sup>th</sup> applicant was sent a letter on 9 October 2020 requesting a further update (applicant owns 2 properties, but is only seeking remission on one property)

Letters and applications were also sent to 11 property owners on 23 August 2020, who had informed Council during Alert Levels 4 & 3 of their circumstances. To date, no further applications have been received.

**New Zealand Local Government Funding Agency Limited (LGFA)**

The LGFA is an important source of borrowings by local Councils. Through the LGFA Councils have been able to source funds at both lower borrowing costs and longer tenures. As at 30 June 2020 the LGFA had loans outstanding to sixty-seven participating councils of \$11.66 billion across nine maturities from 2021 to 2033, in addition to \$316M of short-term loans (Whanganui District Council total borrowings from LGFA total \$111.5M).

The LGFA is the largest issuer of NZD securities after the New Zealand Government and its bonds are amongst the largest and most liquid New Zealand dollar debt instruments available for investors. The business model for the LGFA was built by stakeholders who had experienced the severe funding challenges of the Global Financial Crisis. That model has enabled the LGFA to perform well during the funding challenges resulting from COVID-19.

*Annual Report*

The 2020 Annual Report of the LGFA is available on their website at the following address:

[https://www.lgfa.co.nz/files/documents/LGFA\\_AnnualReport\\_2020\\_web%20version.pdf](https://www.lgfa.co.nz/files/documents/LGFA_AnnualReport_2020_web%20version.pdf)

Achievements by the LGFA for the year include:

- Interest income \$370.2M (2.5% increase to 2018/19)
- Net operating profit \$10.6M (although this was a 5.2% decrease to 2018/19, the operating profit did exceed the Statement of Intent forecast of \$10M)
- Estimated market share of 85% of sector borrowing for the year.
- A strong financial position has ensured a dividend payment of 4.6% for shareholders (Whanganui dividend \$4,620).
- Maintaining a credit rating of AA+ by both Standard & Poor's and Fitch (same as New Zealand Government's)

*Annual Meeting*

The LGFA Annual General Meeting is on 19<sup>th</sup> November 2020. The LGFA are seeking shareholder resolutions on the election of directors and nominating local authorities as well as changes to its foundation policies (**attached**). The main change to its policies relate to:

1. An increase in the size of the liquid assets held on the LGFA balance sheet, requiring greater Treasury Policy limits; and
2. Removing a limit on a council's loans maturing in a rolling 12-month period.

The above changes to its policies are discussed in-depth in the attached 'Notice of Annual Meeting'.

To provide guidance for shareholders the LGFA Shareholders Council has provided their recommendations, and reasons for the recommendations, to these resolutions (**attached**). Due to a conflict of interest the LGFA Shareholders Council has not provided a recommendation for the election of nominating local authorities.

Council officers have followed these recommendations for election of directors and changes to the foundation policies. For nominating councils, officers have recommended continuing with the incumbents. This is to provide continuity in the current environment of financial market uncertainty and volatility.



**Draft Liability Management and Investment Policies**

As part of the Long Term Plan process Council reviews a number of its funding and financial policies. The attached draft Liability Management and Investment Policies have been reviewed by Council's treasury advisors PwC. The track changes to the Policies were made to:

- Align with recent changes to the NZ Local Government Funding Agency Ltd;
- Align with credit rating methodology of Standard & Poors;
- Interest rate risk management framework to provide greater flexibility.

The draft Policies will be presented to the Audit & Risk Committee on 3<sup>rd</sup> December, with PwC presenting to that Committee.

**Borrowings and investments management Report**

As at 28 October 2020

<b>Investments</b>	<b>Maturity</b>	<b>Interest rate</b>	<b>Amount \$</b>
Short term call investments			8,923,000
Term Deposits			19,649,792
			<b>28,572,792</b>

**Borrowings**

Tax deductible Council debt			11,258,240
Non tax deductible Council debt			100,991,760
			<b>112,250,000</b>

**Net borrowings****83,677,208**

Current wholesale weighted average cost of borrowings	3.55%
Average borrower margin	0.51%
Total cost of borrowings	4.06%

**Fixed / floating borrowings**

Fixed rate borrowings	19,000,000
Floating rate borrowings	93,250,000
Active Swaps in place	64,000,000
Floating rate debt not covered by swaps	29,250,000
Percentage of debt on a fixed rate (including debt fixed by swaps)	73.94%

<b>Borrowing activity</b> (since last report)	<b>Interest rate</b>	<b>Maturity</b>	<b>Status</b>	<b>Principal</b>
Nil				

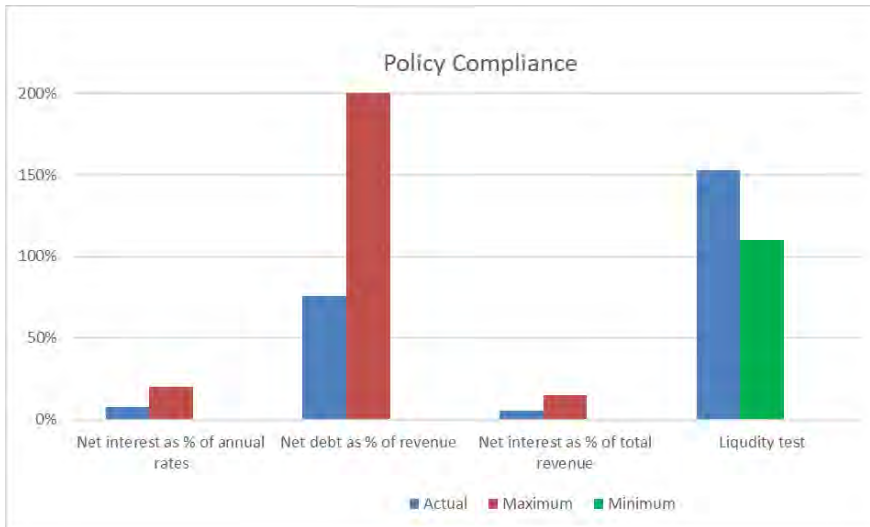
**New Swaps** (since last report)

Nil

**Per Liability management policy limits**

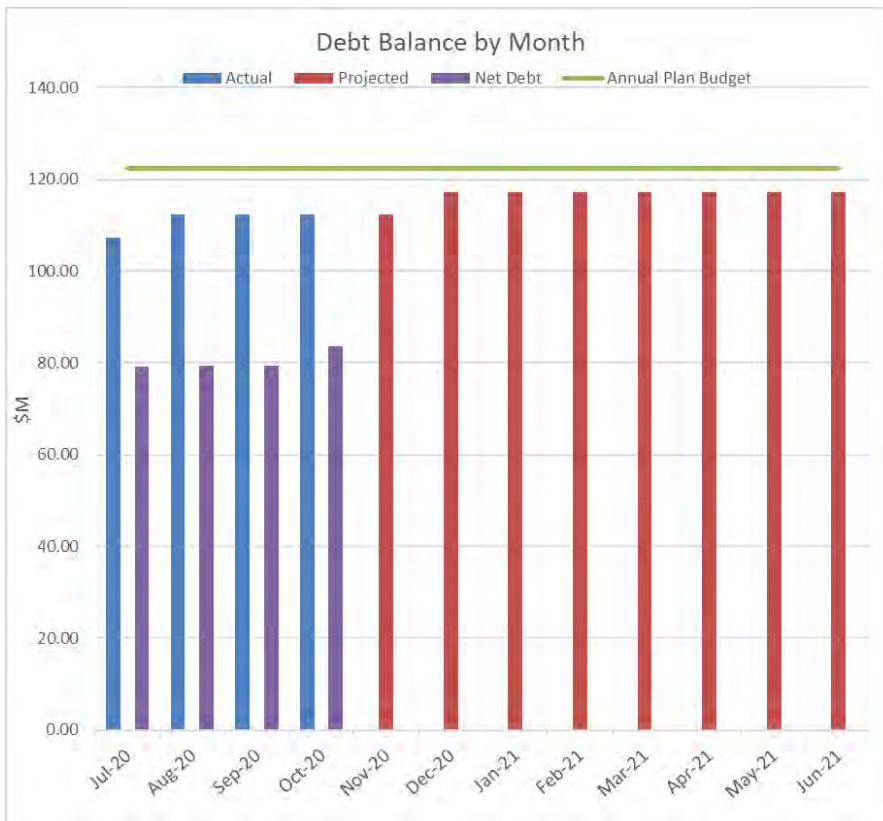
Net interest as a percentage of annual rates <20%	7.6%
Net debt as a percentage of income <200%	75.6%
Net interest as a percentage of income <15%	5.5%
Liquidity ratio (ratio of available funds to short term commitments) >110%	153%

**Policy Compliance and debt forecast**



**Council’s debt to forecast debt**

The following graph shows the Council’s actual monthly borrowings versus the borrowings that the Council has approved. In addition the graph has projected monthly debt balances to the end of the financial year.





**NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED  
NOTICE OF ANNUAL MEETING**

Notice is given that the 2020 annual meeting of shareholders of New Zealand Local Government Funding Agency Limited ("Company" or "LGFA") will be held at the **Bolton Hotel, 12 Bolton Street, Wellington** on **19 November 2020** commencing at **2:00pm**.

**BUSINESS**

1. **FINANCIAL STATEMENTS AND REPORTS:** To receive and consider the financial statements of the Company for the year ended 30 June 2020 together with the directors' and auditor's reports to shareholders.

2. **ELECTION OF DIRECTORS**

In accordance with clause 3.3 of the SHA, **Philip Cory-Wright** retires by rotation and, being eligible, offers himself for re-election as an Independent Director.

In accordance with clause 3.3 of the SHA, **Michael Timmer** retires by rotation and, being eligible, offers himself for re-election as a non-Independent Director.

In accordance with clause 3.5 of the SHA, **Wayne Maxwell** has been nominated by **Kapiti District Council** to the non-Independent director position made available by the retirement by rotation of Mike Timmer.

Accordingly, to:

- (a) Re-elect Philip Cory-Wright as an Independent Director of the Company, by way of Ordinary Resolution;
- (b) Re-elect or elect (as appropriate) as a non-Independent Director of the Company, by the way of Ordinary Resolution, either:
  - (i) **Michael Timmer**; or
  - (ii) **Wayne Maxwell**.

(See Explanatory Note 2)

3. **ELECTION OF NOMINATING LOCAL AUTHORITIES**

In accordance with clause 4.6 of the SHA, **Tasman District Council** and **Wellington City Council** retire by rotation. **Tasman District Council** and **Wellington City Council** being eligible, offer themselves for re-election.

In accordance with clause 4.8 of the SHA, **New Plymouth District Council** has notified LGFA that it wishes to seek election as a Nominating Local Authority to the Shareholders' Council.

Accordingly, to re-elect or elect (as appropriate) as a Nominating Local Authority, by way of Ordinary Resolution, two of either:

- (a) **Tasman District Council** as a Nominating Local Authority;
- (b) **Wellington City Council** as a Nominating Local Authority; or
- (c) **New Plymouth District Council** as a Nominating Local Authority.

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(See Explanatory Note 3)

4. **CHANGES TO FOUNDATION POLICIES**


In accordance with clause 5.1(c) of the SHA, to approve, by way of Ordinary Resolution, the amendments to the foundation policies of the Company ("**Foundation Policies**") as explained in Explanatory Note 4.

5. **GENERAL BUSINESS**

To consider such other business as may properly be raised at the meeting.

Please refer to the explanatory notes that accompany this notice of meeting.

By order of the board:



**Craig Stobo, Chairman**  
18 September 2020

**ORDINARY RESOLUTIONS:** *Ordinary resolutions are resolutions approved by a simple majority of more than 50% of the votes of the shareholders entitled to vote and voting at the annual meeting.*

**SHAREHOLDERS ENTITLED TO ATTEND AND VOTE:** *Pursuant to section 125 of the Companies Act 1993, for the purposes of voting at the annual meeting, those registered shareholders of the Company as at 9.00am on Thursday 19 November 2020 shall be entitled to exercise the right to vote at the meeting.*

**CAPITALISED TERMS:** *Unless otherwise defined in this notice, capitalised terms have the meanings given to them in the Shareholders' Agreement dated 7 December 2011 (as amended and restated on 6 July 2020) ("SHA").*

**EXPLANATORY NOTES****EXPLANATORY NOTE 1 - PROXY VOTE**

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of the shareholder. The proxy need not be a shareholder. To be effective, a copy of the proxy form must be received by the Company at **Level 8, City Chambers, 142 Featherston Street, Wellington 6145** not later than 48 hours before the start of the meeting.

A corporation may appoint a person to attend the meeting as its representative in the same manner as that in which it could appoint a proxy.

**EXPLANATORY NOTE 2 - ELECTION OF DIRECTORS**

The SHA provides that, beginning at, and including, the annual meeting for 2013, two Directors comprising one Director who is an Independent Director and one Director who is not an Independent Director shall retire from office at the annual meeting of the Company in each year. The Directors to retire shall be that Independent Director, and that Director who is not an Independent Director, who have been longest in office since their last election. If two or more relevant Directors were last elected on the same day, the Directors to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director is eligible for re-election.

In this case, **Philip Cory-Wright** (being an Independent Director) who has been longest in office since being elected on 24 November 2016 (Craig Stobo having been re-elected on 21 November 2017, Anthony Quirk having been elected on 21 November 2017, John Avery having been re-elected on 21 November 2018 and Linda Robertson having been re-elected on 21 November 2019) and **Michael Timmer** (being the only Director who is not an Independent Director) shall retire by rotation at this annual meeting. **Philip Cory-Wright** and **Michael Timmer**, being eligible, offer themselves for re-election.

**Wayne Maxwell** the current Chief Executive of Kapiti District Council has been nominated by Kapiti District Council for the non-Independent Director position.

In accordance with the Ordinary Resolution passed by shareholders at the annual meeting for 2017, the size of the Board is set at six Directors, comprising five Independent Directors and one non-Independent Director. In order to comply with the restriction of only having one non-Independent Director, only one of Michael Timmer or Wayne Maxwell may be elected as a Director.

**The following biographies have been provided by the candidates:**

**Philip Cory-Wright Biography**

Philip Cory-Wright is a professional company director with over 20 years' experience. He is a Chartered Fellow of the Institute of Directors and a qualified lawyer, having worked at Belle Gully. Philip then worked in corporate finance for over 25 years for Southpac, Macquarie Bank and then on his own account. Currently he is director of three council-controlled companies. Philip has specialised in infrastructure and energy businesses. He was a member of the Local Government Infrastructure Expert Advisory Group.

His current directorships are Papa Rererangi I Puketapu (New Plymouth Airport) which he chairs, Southport NZ, Matariki Forests, Powerco and LGFA. He is on the Audit Committee of Southport and LGFA and the Treasury Committee of Powerco.

**Michael Timmer Biography**

Mike's biography is attached as a separate document to this notice of meeting.

**Wayne Maxwell Biography**

The letter of nomination from Kapiti District Council and Wayne's biography are attached as separate documents to this notice of meeting.

**EXPLANATORY NOTE 3 - ELECTION OF NOMINATING LOCAL AUTHORITIES**

The SHA provides that a Principal Shareholder may be appointed or removed as a nominator to the Shareholders' Council ("**Nominating Local Authority**") at any time by an Ordinary Resolution, provided that no more than nine Nominating Local Authorities may be so appointed. Each Nominating Local Authority, and the New Zealand Government (for so long as it is a shareholder), may appoint one member of the Shareholders' Council, and remove and replace any member so appointed, in accordance with clause 4.4 of the SHA.

The SHA provides that, beginning at, and including, the annual meeting for 2013, the shareholders shall ensure that two Nominating Local Authorities retire from office at the annual meeting of the Company in each year. The Nominating Local Authorities to retire shall be those who have been longest in office since their last election, and if two or more of those Nominating Local Authorities were last elected on the same day, the Nominating Local Authority to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Nominating Local Authority is eligible for re-election.

In this case, Tasman District Council having been re-elected as a Nominating Local Authority on 24 November 2015 and Wellington City Council having been re-elected as a Nominating Local Authority on 24 November 2016, are the Nominating Local Authorities who have been longest in office since their last election (Christchurch City Council having been elected as a Nominating Local Authority on 24 November 2016, Whangarei District Council having been re-elected as a Nominating Local Authority on 21 November 2017, Bay of Plenty Regional Council having been re-elected as a Nominating Local Authority on 21 November 2017, Hamilton City Council having been re-elected as a Nominating Local Authority on 21 November 2018, Tauranga City Council having been re-elected as a Nominating Local Authority on 21 November 2018, Western Bay of Plenty District Council having been re-elected on 21 November 2019 and Auckland Council having been re-elected on 21 November 2019). Accordingly, being the longest in office since their last election, **Tasman District Council** and **Wellington City Council** shall retire by rotation at this annual meeting.

The Shareholders' Council is comprised of between five and ten members. The New Zealand Government can appoint a member and the remaining members are nominated by up to nine Nominating Local Authorities. Following the retirement of **Tasman District Council** and **Wellington City Council** there are currently two positions available.

**Tasman District Council** offer themselves for re-election as a Nominating Local Authority.

**Wellington City Council** offer themselves for re-election as a Nominating Local Authority.

**New Plymouth District Council** offer themselves for election as a Nominating Local Authority.

**EXPLANATORY NOTE 4 – CHANGES TO FOUNDATION POLICIES**

This resolution seeks shareholders' approval for amendments to the Foundation Policies of the Company.

The Foundation Policies of the Company are set out in schedule 1 to the SHA. Clause 5.1(c) of the SHA provides that neither the Board nor any shareholder shall take or permit any action to cause any alteration to any of the Company's Foundation Policies unless it is approved by Ordinary Resolution of the Company's shareholders (or, if required by law, a Special Resolution).

The proposed changes to the Foundation Policies requiring shareholder approval by Ordinary Resolution relate to:

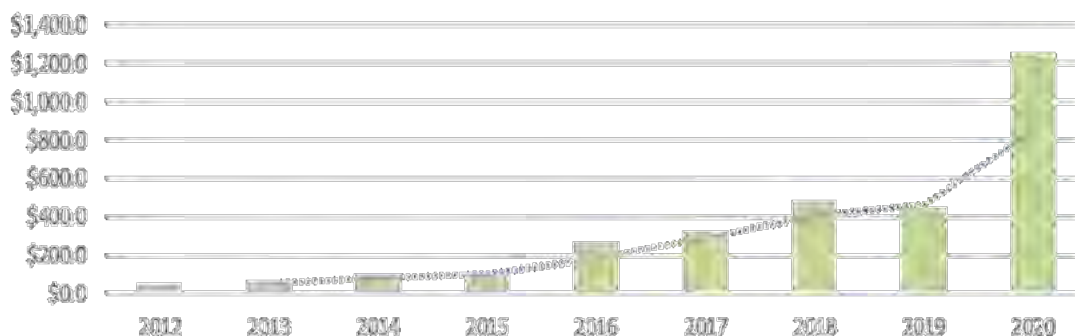
1. an increase in the size of the liquid assets held on the LGFA balance sheet, requiring greater Treasury Policy limits; and
2. removing a limit on a council's loans maturing in a rolling 12-month period.

**Adjustments required to recognise growth in liquid assets**

LGFA holds a liquid assets portfolio ("**LAP**") of fixed income investments that can be used to meet short term liquidity requirements such as timing mismatches between loans made to councils and bonds issued by LGFA to finance those loans.

As the LGFA balance sheet has grown rapidly, then so has the need for a larger LAP. As the LAP grows it is important to have as much flexibility as possible both in the range of investments held and the term to maturity of these investments.

### Liquid Assets Portfolio (NZ\$ millions)



As at 25 August 2020, the LAP composition was weighted towards holdings of securities issued by, or deposits with the NZ Government (30.6%) and domestic banks (46.5%). Extending the term of Non-Government instruments from the current 3 years to 5 years will allow for greater diversification with a larger investable universe of high-grade bonds in the 3-year to 5-year term. Most primary issuance by issuers are for terms beyond 3 years so LGFA is currently restricted to secondary market purchases.

Cash at RBNZ	NZ Govt Bonds	NZ Govt Treasury Bills	SSA Kauri Bonds	Corporate Bonds	Commercial Paper	Bank Bonds	Bank RCDs	Bank Term Deposits	Cash Management Deposits
22.2%	3.9%	4.5%	16.6%	3.0%	3.2%	6.6%	0.7%	27.5%	11.7%

As the issuance term of LGFA bonds has lengthened, there is an increasing maturity bucket mismatch (and hence increased risk) between our average issuance term and the use of bond issuance proceeds (LAP and council loans). We are currently funding most of the LAP from LGFA bond issuance as our LGFA bonds on issue exceed council loans by approximately \$1 billion. While this overfunding may reduce over time, we are funding the LAP conservatively e.g. the average term to maturity of LGFA bond issuance is approx. 5.1 years while the average term to maturity of the LGFA loan book to councils is 4.3 years and the average term to maturity of the LAP is approx. 0.74 years.

Extending the current 3-year term of the Non-Government holdings in the LAP to a term of 5 years will reduce some of that term risk while enhancing yield. Currently the only instrument that can be held in the LAP with a term greater than 3 years are New Zealand Government Bonds. Extending the term will allow the LAP to hold more high-grade bonds e.g. Kauris, Transpower and Housing NZ who will typically issue in the 5-year tenor.

The additional credit risk incurred by lengthening the maximum term to maturity of Non-Government investments from 3 years to 5 years is minimal using S&P Global Ratings default methodology.

Given that LGFA is currently issuing bonds with an average term longer than council on-lending, and is in a positive yield curve environment, the restriction on Non-Government holdings is a drag on profitability. Having the ability to invest in longer dated liquid assets reduces that cost.

The LAP is currently restricted to holding 'A1' or 'A1+' rated commercial paper ("CP"). Adding a small amount of 'A2' rated short term CP with a maturity date less than 365 days is also beneficial from a portfolio diversification and yield pickup perspective, without incurring much additional risk. 'A1' rated CP is currently trading between flat to 8 bps over BKBM, while 'A2' rated CP trades between 15 bps and 35



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bps over BKBM, which is an attractive yield pickup given that BKBM is now 0.28%. 'A2' rated CP issuers are energy sector borrowers, Fonterra and infrastructure companies such as ports and airports.

**Removing the limit on the maximum amount a council can borrow from LGFA that matures in a 12-month period**

This change is proposed for the following reasons:

- The limit is no longer relevant to LGFA. The limit was relevant in the establishment phase of LGFA as it was designed to ensure there was minimal risk to LGFA if a council borrower could not repay its loans, given the LGFA bonds were "back to back" with council loans. That is no longer the case as the LGFA loan book is well diversified across sixty-seven councils and a range of maturities, and there is a substantial LAP to ensure that LGFA is not reliant upon a single council being able to refinance its loans. The New Zealand Debt Management facility and treasury stock available for repo has also reduced LGFA's reliance upon councils repaying on time.
- The limit is better suited in the individual council's Treasury Policy e.g. a council could be within the LGFA limit but may be borrowing an equal amount through other sources in the same 12-month bucket. In that situation we would find it difficult to monitor and to enforce such a limit.

**Foundation Policies**  
(Clause 5.1 of the Shareholders' Agreement)

All foundation policies may be reviewed annually by Principal Shareholders at the annual meeting of Shareholders. Any alteration requires approval pursuant to clause 5.1.

**Credit Risk**

**Lending Policy**

All Local Authorities that borrow from the Company will:

- Provide debenture security in relation to their borrowing from the Company and related obligations, and (if relevant), equity commitment liabilities to the Company and (if relevant) guarantee liabilities to a security trustee approved for the Company's creditors.
- Issue securities (bonds / FRNs / CP) to the Company and/or enter into facility arrangements with the Company.
- Comply with their own internal borrowing policies.
- Comply with the financial covenants outlined in the following table, provided that:
  - Unrated Local Authorities or Local Authorities with a long-term credit rating lower than 'A' equivalent can have bespoke financial covenants that exceed the:
    - Lending policy covenants outlined in the following table with the approval of the Board;
    - Foundation policy covenants outlined in the following table with the approval of an Ordinary Resolution.
  - Local Authorities with a long-term credit rating of 'A' equivalent or higher:
    - will not be required to comply with the lending policy covenants in the following table; and
    - can have bespoke financial covenants that exceed the foundation policy covenants outlined in the following table with the approval of an Ordinary Resolution; and in any event, will not be required to comply with the Net Debt / Total Revenue foundation policy covenant outlined in the following table until the financial year ending 30 June 2026. Until that date, such Local Authority must comply with the Net Debt / Total Revenue covenant set out in the table entitled "Alternative Net Debt / Total Revenue Covenant" below.
  - Any Board or Ordinary Resolution approval of bespoke financial covenants will only be provided after a robust credit analysis and any approval must also include bespoke reporting and monitoring arrangements.
- If the principal amount of a Local Authority's borrowings, or the Company's commitment under a facility agreement with a Local Authority, is at any time greater than NZD 20 million, be a party to a deed of guarantee and an equity commitment deed (in each case in a form set by the Company).

Financial covenant	Lending policy covenants	Foundation policy covenants
Net Debt / Total Revenue	<175%	<280%
Net Interest / Total Revenue	<20%	<20%
Net Interest / Annual Rates Income	<25%	<30%
Liquidity	>110%	>110%

Alternative Net Debt / Total Revenue Covenant	
Financial Year ending	Net Debt / Total Revenue
30 June 2020	<250%
30 June 2021	<300%
30 June 2022	<300%
30 June 2023	<295%
30 June 2024	<290%
30 June 2025	<285%

*Total Revenue is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non government capital contributions (e.g. developer contributions and vested assets).*

*Net debt is defined as total debt less liquid financial assets and investments.*

*Liquidity is defined as external debt plus committed loan facilities plus liquid investments divided by external debt.*

*Net Interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.*

*Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).*

*Financial covenants are measured on Council only basis and not consolidated group basis, unless requested by a Local Authority and approved by the Board.*

During the initial three years of operation the Auckland Council will be limited to a maximum of 60% of the Company's total Local Authority (including CCOs (as defined below)) assets. After three years Auckland Council will be limited to a maximum of 40% of the Company's total Local Authority (including CCO) assets.

~~No more than the greater of NZD 100 million or 33% of a Local Authority's or CCO's (as defined below) borrowings from the Company will mature in any 12 month period.~~

Subject to implementation of any amendments or other actions considered necessary, advisable or expedient by the Board and the approval of the Board in relation to the relevant CCO (as defined below) (which may be a Council-Controlled Trading Organisation), an approved CCO may borrow from the Company provided that:

- The CCO is a "council-controlled organisation" as defined in section 6 of the Local Government Act 2002, where the CCO is a company in which equity securities carrying at least 51% or more of the voting rights at a meeting of the shareholders of the CCO are held or controlled, directly or indirectly, by one or more Local Authorities (respectively, a "CCO" and each such Local Authority being a "CCO Shareholder");
- Each CCO Shareholder provides a guarantee in respect of the CCO in favour of the Company and/or there is sufficient uncalled capital in respect of the CCO to meet the financial obligations of the CCO;
- Each CCO Shareholder provides equity commitment liabilities to the Company, guarantees liabilities to a security trustee approved for the Company's creditors, and provides debenture

security for its equity commitments to the Company and guarantee liabilities to the security trustee;

- Each CCO Shareholder complies with Lending policy financial covenants, Foundation policy financial covenants or other financial covenants required by the Board (if any) and, in the case of a CCO Shareholder with a long-term credit rating of 'A' equivalent or higher, until the financial year ending 30 June 2026, the Net Debt / Total Revenue covenant in the table entitled "Alternative Net Debt / Total Revenue Covenant" above.
- The CCO complies with any covenants required by the Board; and
- If required by the Board, the CCO will grant security in favour of the Company (which may be subject to any intercreditor arrangements acceptable to the Board).

Where the Company agrees to provide funding to the CCO, it must within 90 days of receiving annual financial covenant reporting from a CCO Shareholder (in its capacity as a borrower) report to the Shareholders' Council, holders of ordinary shares in the Company and any Local Authority guarantors of the Company's liabilities as to whether that CCO Shareholder has complied with its financial covenants on an individual and consolidated group basis.

Notwithstanding the definition of "CCO" set out above, the Board may not approve a CCO to borrow from the Company unless 100% of the equity securities carrying voting rights at a meeting of shareholders of the CCO are held or controlled, directly or indirectly, by one or more Local Authorities and the Crown (if applicable).

#### **Cash and Liquid Investment Policy**

The Company will only invest in NZD senior debt securities, money market deposits and registered certificates of deposits within the counterparty limits outlined in the following table.

New Zealand Local Authority and CCO securities are excluded from the Company's cash and liquidity portfolio.

Counterparty <sup>1</sup>	S & P Credit Rating or equivalent <sup>2</sup> (Short-term / long-term) <sup>3</sup>	Maximum % Limit (Total Cash + Liquid Assets)	Minimum % Limit (Total Cash + Liquid Assets)	Maximum New Zealand Dollar counterparty Limit (millions) <sup>4</sup>	Maximum term (years) <sup>5</sup>
Category 1: NZ Government or RBNZ <sup>6</sup>	N/A	100%	20%	Unlimited	No longer than the longest dated LGFA maturity on issue
Category 2	A1+ / AAA	80%	N/A	300	<del>53</del>
	A1+ <del>or</del> A1 / AA+	80%	N/A	200	<del>53</del>
Category 3	A1+ <del>or</del> A1 / AA	80%	N/A	200	<del>53</del>
	A1+ <del>or</del> A1 / AA-	80%	N/A	200	<del>53</del>

<sup>1</sup> Category 2, 3, 4 and 5 counterparties do not include the RBNZ or the NZ Government.

<sup>2</sup> Equivalent rating from Fitch Ratings or Moody's

<sup>3</sup> Short term rating applies for all securities with a maturity date of 365 days or less.

<sup>4</sup> If the counterparty credit rating is downgraded below the allowed limit, LGFA has 30 days to sell the security.

<sup>5</sup> Maximum term applies from the date of settlement.

<sup>6</sup> At least 20% of the portfolio must be held at the RBNZ or invested in NZ Government securities.

Category 4	A1: /A+, NZ Registered Bank	60%	N/A	200	3
Category 5	<del>A1 or A2</del> : /A+ A1 or A2: /A Other Issuers	10%	N/A	50	1

The maximum individual counterparty limit (excluding the NZ Government) cannot be greater than 100% of Accessible Capital. Accessible Capital is defined as issued and paid capital plus retained earnings plus issued and unpaid capital plus outstanding borrower notes.

#### ***Derivative Policy***

Unless explicitly approved otherwise by the Board, all derivative transactions must be transacted with New Zealand Debt Management as counterparty.

#### ***Market Risk***

The Company's total 12 month forecast portfolio PDH (Partial Differential Hedge) Limit is \$100,000<sup>7</sup>.

The Company's total portfolio Value at Risk (VaR) daily limit is \$1,000,000<sup>8</sup>.

#### ***Foreign exchange risk policy***

The Company will take no foreign exchange risk.

#### ***Operational Risk***

Unless explicitly approved otherwise by the Board, the Company will outsource the following functions to New Zealand Debt Management as follows:

- Hedging – New Zealand Debt Management is the LGFA interest rate swap counterparty.

#### ***Dividend policy***

The policy is to pay a dividend that provides an annual rate of return to Shareholders equal to the Company's cost of funds plus 2.00% over the medium term, recognising that, to assist in the start-up period, the initial expectation is for no dividend for the part period to 30 June 2012, and for a dividend equal to 50% of the target dividend in the two periods to 30 June 2014 to be paid. Thereafter, the intention is to pay at least the full target dividend until the target dividend return is achieved as measured from commencement, including consideration of the time value of money at the target annual rate of return.

At all times payment of any dividend will be discretionary and subject to the Board's legal obligations and views on appropriate capital structure.

<sup>7</sup> PDH risk measures the sensitivity of a portfolio to a one basis point change in underlying interest rates. For example a PDH of \$100,000 means that the portfolio value will fall by \$100,000 for a one basis point fall in interest rates.

<sup>8</sup> VaR measures expected loss for a given period with a given confidence. For example, 95% confidence, daily VaR of \$1,000,000 means that it is expected that the portfolio will lose \$1,000,000 on 5% of days. I.e. 1 day in 20 the portfolio value will decrease by \$1,000,000.



14 October 2020

The Shareholders  
NZ Local Government Funding Agency

Dear Shareholder

You have recently received papers from the LGFA for its Annual General Meeting (AGM) on 19 November 2020. The Shareholders' Council has considered this material and wishes to make recommendations to help with your decision making prior to the AGM.

Our role (as per the Shareholders' Agreement) includes requirements to:

- Make recommendations to Shareholders as to the appointment removal, re-election, replacement and remuneration of Directors.
- Make recommendations to Shareholders as to any matters which require the approval of Shareholders.

Our recommendations on the AGM resolutions are as follows:

#### **Resolution 1 – Financials**

The financial statements and Auditor's report for the company for the year ended 30 June 2020 will be presented for consideration and discussion.

*The Shareholders/ Council recommends this resolution is approved.*

#### **Resolution 2 – Appointment of Directors**

Earlier this year the Shareholders' Council met to consider Board representation. At that time we formed the view that there was no pressing need to change the Board composition and we would therefore support the re-appointment of the incumbent retiring directors.

This support was conditional upon:

- a review being conducted in 2020/21 of the current Board's performance
- determining the skills and experience needed going forward
- an assessment of the incumbent Board against this matrix
- a review of succession planning for the Board Chair and Audit & Risk Chair roles.

As a result of this decision the Shareholders' Council did not actively seek additional nominations for the Director roles.

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WELLINGTON Level 5, City Chambers, 142 Featherston Street  
PO Box 5204, Lambton Quay, Wellington 6145 PH 04 474 6530 [www.lgfa.co.nz](http://www.lgfa.co.nz)

However, a nomination was subsequently received from Kapiti Coast District Council for the appointment of their CEO, Wayne Mawell, as a Non-Independent Director. The incumbent Non-Independent Director, Mike Timmer, is seeking re-election, meaning this position is contested.

Philip Cory-Wright, as the retiring Independent Director, seeks re-election, with no other nominees for this position.

Yesterday the Shareholders' Council interviewed the two nominees for the Non-Independent Director role. The unanimous view of those members present was that Mike Timmer should be re-appointed as:

- Given the uncertainty and volatility in financial markets forecast over the next year, there was a strong case for Board continuity
- He has been a strong performer within a highly competent Board
- He was able to demonstrate an awareness of issues facing all stakeholders i.e shareholders, guarantors, borrowers and investors

While Wayne also has strong credentials and offers a fresh perspective, it was felt that any new appointments should only be made after completing the review of the required composition and skills outlined above.

***The Shareholders' Council recommends Philip Cory-Wright and Mike Timmer are re-elected.***

### **Resolution 3 – Election of Nominating Local Authorities**

This issue is not specified as being within the role of the Shareholders' Council, and while it falls within "matters which require the approval of Shareholders" we feel there is conflict of interest and it would be inappropriate to make a recommendation as two of the three candidates are already Shareholders' Council members.

Shareholders are therefore requested to make their own determination on this matter.

***The Shareholders/ Council abstains from making a recommendation on this matter.***

### **Resolution 4 – Changes to Foundation Policies**

The proposed changes have been discussed in depth with LGFA management, and we agree that they are sensible adjustments that reflect the ongoing development and maturity of the company and in particular the changing nature of the lending portfolio.

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In supporting the changes, we have requested LGFA complete a comprehensive review of the Treasury Policy within the next twelve months and continue to monitor relevant borrowing parameters, regardless of whether they are specified covenants.

***The Shareholders/ Council supports the changes to the foundation policies.***

I trust you find this information helpful. Please contact me or your Shareholders' Council liaison should you wish to discuss any matter relating to this letter or any other aspects of LGFA operations.

Yours sincerely



Alan Adcock  
Chair, LGFA Shareholders' Council

cc. Mark Butcher, Chief Executive LGFA

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## Liability Management Policy

### Purpose

The purpose of the Liability management policy is to outline approved policies and procedures in respect of all borrowing related activity to be undertaken by Council. The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

Council borrows for the following purposes:

- To fund capital works primarily for infrastructure and other major assets. The use of debt is seen as an appropriate and efficient mechanism for promoting inter-generational equity between current and future ratepayers.
- Short-term debt to manage timing differences between cash inflows and outflows, and to maintain liquidity.
- Specific debt associated with one-off projects.
- Borrowing through hire purchase, credit, deferred payment or lease arrangements in the ordinary course of Council business.
- Fund emergencies in the short term.

### Objectives

The objectives of the policy are consistent with best treasury management practice and will take into account the Annual Plan and Long-term Plan. The key objectives in relation to borrowing are:

- Prudently manage borrowing activities to ensure the ongoing funding of the Council.
- Borrow only under approved facilities and as permitted by this policy.
- Minimise borrowing costs and risks within prudent risk management control limits.

- Minimise and manage exposure to adverse interest rate movements.
- Ensure operational controls and procedures to protect Council against financial loss, opportunity cost and other inefficiencies are maintained.
- Monitor, evaluate and report on treasury performance.
- Monitor and report on financing/borrowing covenants and ratios under the obligations of Council's lending/security arrangements.
- Maintain a strong long term credit rating from Standard and Poor's (or equivalent agency) of at least A+.
- Borrow funds and transact financial risk management instruments within an environment of control and compliance under the Council-approved policy so as to protect Council's financial assets and costs.
- Comply with financial ratios and limits stated within this policy.
- Maintain appropriate liquidity levels and manage cash flows within Council to meet known and reasonable unforeseen funding requirements.
- Ensure that all statutory requirements of a financial nature are adhered to.
- Develop and maintain relationships with financial institutions, credit agencies, trustees, registrars, brokers, investors and the Local Government Funding Agency ("LGFA").

### Statutory objectives

All borrowing and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of the Local Government Act 2002. Council is governed by the following relevant legislation:

## Liability Management Policy

- Local Government Act 2002, in particular Part 6 including sections 101, 102, 104 and 105.
- Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4.
- Trustee Act 2019 (effective 31 January 2020). When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence and skill that a prudent person of business would exercise in managing the affairs of others. Details of relevant sections can be found in the Trustee Act 2019 Part 4 Investments.
- Public Bodies Lease Act 1969 and Property Law Act 2007.

### Other objectives:

- All projected borrowings are to be approved by Council as part of the Annual Plan process or resolution of Council before the borrowing is effected.
- All legal documentation in respect to new borrowing facilities and financial instruments will be approved by Council's solicitors prior to the transaction being executed.
- Council will not enter into any borrowings denominated in a foreign currency.
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council (without charging rates revenue as security).
- A resolution of Council is not required for hire purchase, credit or deferred purchase of goods if:
  - The period of indebtedness is less than 91 days (including rollovers); or

- The goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding, in aggregate, an amount determined by resolution of Council.

This policy is prepared under sections 102 and 104 of the Local Government Act 2002. The sections require Council to state its policies regarding:

- Interest rate exposure
- Credit exposure
- Liquidity
- Debt repayment

Borrowing is included in the Annual Plan and the Long-term Plan. Projected borrowing/debt levels are ascertained from forecasts in the Annual Plan or the Long-term Plan.

Council is able to borrow through a variety of market mechanisms including the issue of local authority stock and debentures, direct bank borrowing, accessing the short-term and long-term wholesale and retail capital markets directly or indirectly (e.g. LGFA). Council may also use internal funds as a borrowing mechanism.

### New Zealand Local Government Funding Agency Limited

Despite anything in this policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA.

## Liability Management Policy

- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required.
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

In evaluating new borrowings (in relation to source, term, size and pricing) the Chief Executive or delegate will take into account the following:

- The size and the economic life of the project requiring funding
- The impact of the new debt on the borrowing limits
- Relevant margins under each borrowing source
- Council's overall debt maturity profile, to ensure concentration of debt and debt re-pricing is avoided at reissue/rollover time
- Prevailing interest rates relative to term for both stock issuance, capital markets and bank borrowing and management's view of future interest rate movements
- Available term from banks, debt capital markets, the LGFA, loan stock issuance and credit facilities
- Ensuring that the implied finance terms of any specific debt is at least as favourable as Council could achieve in its own right
- Legal documentation and financial covenants

Council's ability to readily attract cost-effective borrowing is largely driven by its ability to rate, maintain a strong credit rating, strong financial standing and manage its relationships with its investors, the LGFA, banks and brokers.

### Borrowing management and internal controls

Council's borrowing activities are managed centrally through the Finance function. The Finance function is broadly charged with the following responsibilities:

- Manage Council's borrowing programme to ensure funds are readily available at margins and costs acceptable to Council
- Manage liquidity to ensure obligations are paid when due
- Raise authorised and appropriate borrowing, in terms of both maturity and interest rate
- Manage the impact of market risks such as interest rate risk on Council's borrowing by undertaking appropriate hedging activity in the financial markets
- Minimise adverse interest rate related increases on ratepayer charges and maintain overall interest costs within budgeted parameters
- Provide timely and accurate reporting of treasury activity and performance

Council's systems of internal controls over borrowing activity include:

- Adequate segregation of duties among the core borrowing functions of deal execution, confirmation, settling and accounting/reporting
- There are a small number of people involved in borrowing activity; however, the risk from this will be further minimised by the following processes:
  - A documented discretionary approval process for borrowing activity that will include when advice is sought from Council's treasury advisors, the internal borrowing process, authorisation and reporting through to Council

## Liability Management Policy

(noting that all borrowing activity should be within the parameters set by this Policy)

- Regular management reporting and review
- Organisational, systems, procedural and reconciliation controls to ensure:
  - All borrowing activity is bona fide and properly authorised
  - Reviews in place to ensure Council's accounts and records are updated promptly, accurately and completely

Council is prohibited from borrowing in a foreign currency by section 113 of the Local Government Act 2002.

### Management of other liabilities

Council will from time to time enter into transactions and agreements that can expose Council to financial liability. These may include:

#### *Creditors*

Council wishes to maintain its credit standing and therefore pays all creditors by the due date in line with the terms agreed with the supplier.

#### *Personnel liabilities*

Council management reviews the level of staff liability balances and encourages the timely use of entitlements.

#### *Deposits and bonds*

These are primarily held for contract retentions until work is deemed to be complete.

#### *Leases*

Council utilises finance leases (as opposed to an operational lease i.e. renting) as a means of financing some office equipment.

#### *Contingent liabilities*

Council may provide financial guarantees to community and service organisations. Management ensures that the business plan of the guaranteed party furthers the strategic objectives of Council and that financial statements are received on a regular basis. Should the guarantee be called up, Council takes immediate action to recover the money. Guarantees require prior approval by way of Council resolution.

#### *Borrowing limits*

Total Council borrowings will be managed within the following macro limits:

Ratio	LIMIT
Net debt as a percentage of total revenue	<200%
Net interest as a percentage of total revenue	<15%
Net interest as a percentage of annual rates	<20%
Liquidity (external debt + available committed bank facilities + cash or near cash financial investments, to existing external debt)	>110%

Revenue is defined as earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue. Income excludes development contributions and vested assets and excludes non-government capital contributions.

Net debt is defined as total debt less cash or near cash financial investments.

## Liability Management Policy

Disaster recovery requirements are to be met through the liquidity ratio.

Cash or near cash financial investments are defined as being:

- Overnight bank cash deposits
- Wholesale/retail bank term deposits no greater than 30-days
- Bank issued RCD's (Registered Certificates of Deposit) less than 181 days

External debt funding and associated term deposit activity relating to pre-funding is excluded from the liquidity ratio calculation.

The LGFA's lending policy has covenants which are less restrictive than those stated above. Due to the low socioeconomic demographics of the Whanganui community, including a low percentage population growth for the region, it is considered prudent to retain Council's current borrowing limits and not increase them in order to align with those of the LGFA.

Cash management and borrowing	Bank overdraft Committed cash advance facilities (short term and long term debt facilities) Committed standby facilities (where offered) from the LGFA Uncommitted money market facilities Retail and Wholesale Bond and Floating Rate Note (FRN) issuance Commercial paper (CP) Forward starting committed debt with the LGFA
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Category	Approved Instrument
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### Interest rate management

Council's ongoing borrowing requirement gives rise to direct exposure to interest rate movements.

Interest rate risk management refers to managing the impact that movements in market interest rates can have on Council's cash flows, Annual Plan and Long-term Plan. This impact can be both favourable and unfavourable. The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing of debt funding costs. Certainty around interest costs is to be achieved through the active management of underlying interest rate exposures.

## Liability Management Policy

### Fixed/floating interest rate profile

Interest costs are incurred on any bank funding facility, issuance of local authority stock/bonds and other borrowing arrangements. This policy recognises that the longer the term of borrowing, the greater the interest rate risk. Longer term fixed rate borrowings may be of benefit if market interest rates rise, but equally may not allow the Council to take advantage of periods of low interest rates.

A balance is achieved through having a mix of variable/floating interest rates and hedged/fixed interest rates.

The Council manages its interest rate exposures by defining minimum and maximum hedging percentages and spreading maturities across various time bands.

There is a tendency to have a higher percentage of fixed/hedged rate borrowing. Council believes this is a prudent approach given the long-term nature of Council's assets, projects and intergenerational factors. In addition, as the major revenue stream is rates, which are set on an annual basis, Council prefers to have reasonable certainty on the level of interest costs and therefore reduce the impact of interest rate increases adversely affecting rates.

The Chief Executive and Chief Financial Officer approve the interest rate risk management strategy based on advice from Council's Treasury Advisors who monitors the interest rate markets on a regular basis and evaluate the outlook for interest rates in comparison to the rates payable on fixed rate/hedged borrowing.

The following table provides guidelines for achieving a floating/fixed rate mix. The table reflects Council's preference for a reasonable level of certainty over interest costs. Notwithstanding the above, it may be appropriate from time to time, depending on Council's outlook on interest rates, to have a floating rate profile.

Council's forecast gross external debt must be within the following fixed/floating interest rate risk control limits:

Debt Interest Rate Policy Parameters (calculated on rolling monthly basis)		
Debt Period Ending	Minimum Fixed	Maximum Fixed
Current	40%	90%
Year 1	40%	90%
Year 2	35%	85%
Year 3	30%	80%
Year 4	25%	75%
Year 5	20%	70%
Year 6	0%	65%
Year 7	0%	60%
Year 8	0%	50%
Year 9	0%	50%
Year 10	0%	50%
Year 11 plus	0%	25%

Forecast gross external debt is the amount of total external debt for a given period. This allows for pre-hedging in advance of projected physical drawdown of new debt. When approved forecasts are changed (signed off by the Chief Financial Officer or equivalent), the amount of interest rate fixing in place may have to be adjusted to ensure compliance with the Policy minimum and maximum limits.

## Liability Management Policy

"Fixed Rate" is defined as all known interest rate obligations on forecast gross external debt, including where hedging instruments have fixed movements in the applicable reset rate.

"Floating Rate" is defined as any interest rate obligation subject to movements in the applicable reset rate.

Fixed interest rate percentages are calculated based on the average amount of fixed interest rate obligations relative to the average forecast gross external debt amounts for the given period (as defined in the table above).

A fixed rate maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council.

Any interest rate swap with a maturity beyond the maximum LGFA bond maturity must be approved by Council.

### Interest rate risk management instruments

Interest rate risk can be managed by using interest rate risk management instruments that allow the re-profiling of the portfolios. Hedging use includes:

- Adjusting the average maturity of fixed rate borrowings, thereby managing interest rate risk within the confines of liquidity management
- Using interest rate risk management instruments to convert fixed rate borrowing into floating rate, floating rate borrowing into fixed or hedged borrowing. Using interest rate risk management instruments to hedge market interest rate re-pricing risk on existing and new debt

The following interest rate risk management instruments are approved by Council:

- Interest rate swaps including forward start swaps, and swap restructures
- Forward rate agreements on bank bills and government bonds
- Interest rate options on approved underlying instruments e.g. on interest rate swaps (purchased swaptions and one-for-one collars), bank bills (purchased options, one-for-one collars) and government bonds

Any other financial instrument must be specifically approved by Council on a case-by-case basis and only be applied to the one singular transaction being approved.

Approved use of interest rate risk management instruments:

- Buying and selling risk management instruments for the primary purpose of generating premium income is not permitted because of its speculative nature
- Interest rate options must not be sold outright. However, one-for-one collar option structures are allowable, whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out (i.e. repurchased), otherwise both sides must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate "in-the-money"
- Purchased swaptions mature within 12 months
- Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the

## Liability Management Policy

appropriate swap rate cannot be counted as part of the fixed rate cover percentage calculation

- Forward start period on swaps and collar strategies to be no more than 36 months, unless linked to the expiry date of an existing swap/collar and has a notional amount which is no more than that of the existing swap/collar.

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as reasonably possible. Maturities should be well spread.

### Credit exposure management

Council's ability to readily attract cost-effective borrowing is largely driven by its ability to:

- Maintain a strong balance sheet
- Service loans as interest and principal amounts become due
- Manage its image in the marketplace and its relationships with bankers, the LGFA, trustees, brokers and wholesale investors
- Maintain a strong credit rating.

### Liquidity management

Liquidity management refers to the timely availability of funds to Council when needed, without incurring penalty costs. Funding risk management centres on the ability to re-finance or raise new debt at a future time at acceptable pricing (fees and borrowing margins) and terms. A key factor of funding risk management is to spread and control the risk and reduce the concentration of risk at any one point in time so that if one-off internal or external negative credit events occur, the overall interest cost through adverse credit margins movements is not unnecessarily increased, or term availability and general flexibility reduced.

The following guidelines have been established to provide Council with appropriate levels of liquidity at all times,

- Cash flow forecasts are produced to assist in the matching of operational and capital expenditure to revenue streams and borrowing requirements
- Council will maintain its financial investments in liquid instruments
- Council will ensure that where Council-created investment reserves are maintained in liquid financial investments to repay borrowing, these investments are held for maturities not exceeding the relevant borrowing repayment date
- To minimise the impact of unexpected cash surpluses, Council may repay outstanding borrowings to benefit from the efficiencies of a committed cash advance facility
- External debt and committed available debt facilities together with cash or near cash financial investments must be maintained at an amount of at least 110% over the existing external debt
- The Chief Executive or delegate has the discretionary authority to re-finance existing debt on more favourable terms. Such action is to be reported and ratified by Council at the earliest opportunity
- Council has the ability to pre-fund up to 18 months of forecast debt requirements including re-financings of existing debt.

To ensure funds are available on repayment of debt, financial investments are maintained in liquid assets and ready funds are available through various committed cash advance and note purchase facilities.



## Liability Management Policy

Council also maintains with at least two banks (or alternatively at least one bank and the LGFA), committed cash advance/credit facilities to ensure funds are available when and if required.

Council ensures debt maturity is spread widely over a band of maturities to minimise the risk that large concentrations of debt may mature or be reissued when credit margins are high. Council manages this specifically by adopting maximum maturity percentages.

The maturity profile of the total committed funding in respect to all external loans and committed facilities is to be controlled by the following system:

Period	Minimum %	Maximum %
0 to 3 years	15%	60%
3 to 7 years	25%	85%
7 years plus	0%	60%

A funding maturity profile that is outside the above limits, but self corrects with 90-days is not in breach of this Policy. However, maintaining a maturity profile beyond 90-days requires specific approval from Council.

To minimise concentration risk the LGFA require that no more than the greater of NZD 100 million or 33% of a council's borrowings will mature in a 12 month period.

### Debt repayment

Funds are provided from operating surpluses, asset sales and general funds for repayment of most loans/or a reduction in borrowing requirements, unless the Council specifically directs that the funds be put to another use.

Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

Each Council activity is rated for loan repayments depending on the life of the individual assets and the ability of that activity to repay the loan.

Repayment of debt (interest and principal) is governed by:

- Affordability of debt servicing costs
- Intergenerational equity principles (debt will be repaid over the life of the asset or 25 years, whichever is the lesser)
- Maintenance of prudent debt levels and borrowing limits
- Council repays borrowings from general funds, special funds or from an existing specific fund allocated to that borrowing
- Where a loan is raised for a specific purpose and the funds are no longer required, the funds will be held in a special fund until the funds can be applied against a future borrowing

### Security

Council offers a charge over rates and rates revenue, as security for general borrowing programmes and interest rate risk management activity. From time to time, with prior Council approval and the Trustee, security may be offered by providing a charge over one or more of Council's assets. Council offers security under a Debenture Trust Deed.

## Liability Management Policy

The utilisation of internal funds for internal borrowing purposes will be on an unsecured basis.

### Internal borrowing

Council uses funds allocated to reserves in the manner which provides Council with the greatest benefit. Where possible, these funds are used to reduce external debt, effectively reducing the Council's net interest cost.

Where Council has a borrowing requirement for specific projects or activities, internal cash resources may be utilised first before any funds are borrowed externally. When Council's cash flows indicate that additional cash resources are required on an ongoing basis, officers will seek external borrowings in accordance with this policy.

Where internal funds are utilised to reduce borrowing, a record will be kept of the source of the funds and an interest rate will be credited to the internal source at the market rate applicable to borrowings over the period of the loan. The cost of the internal borrowing will be charged as an expense to the activity to which the funds have been applied. This is advantageous to Council as there is a difference between the margins that apply to borrowings as opposed to investments and also the costs of transactions.

### Borrowing mechanisms for council controlled organisations and council controlled trading organisations

To better achieve its strategic and commercial objectives, Council may provide financial support in the form of debt funding directly or indirectly to CCO/CCTOs.

Guarantees of financial indebtedness to CCTOs are prohibited, but financial support may be provided by subscribing for shares as called or uncalled capital.

Any lending arrangement to a CCO or CCTO must be approved by Council. In recommending an arrangement for approval the Chief Financial Officer considers the following:

- Credit risk profile of the borrowing entity, and the ability to repay interest and principal amount outstanding on due date.
- Impact on Council's credit standing, debt cap amount (where applied), lending covenants with the LGFA and other lenders and Council's future borrowing capacity.
- The form and quality of security arrangements provided.
- The lending rate given factors such as; CCO or CCTO credit profile, external Council borrowing rates, borrower note and liquidity buffer requirements, term etc.
- Lending arrangements to CCO/CCTO must be documented on a commercial arm's length basis. A term sheet, including matters such as borrowing costs, interest payment dates, principal payment dates, security and expiry date is agreed between the parties.
- Accounting and taxation impact of on-lending arrangement.

All lending arrangements must be executed under legal documentation (e.g. loan, guarantee) reviewed and approved by Council's independent legal counsel.

### Interest costs allocated to Council activities

Interest costs are prorated across those Council activities with internal loan balances. The exception are interest costs for internal loans relating to the Wastewater Treatment Plant. Due to the financial cost of this

## Liability Management Policy

project and the desire to provide certainty to the users of the plant, the interest rates for these loans will be capped at 4.5%.

### Foreign currency

Council may from time to time be exposed to foreign exchange risks through the occasional purchase of foreign exchange denominated services, plant and equipment etc. Generally, all significant commitments (greater than \$500,000 NZD equivalent) for foreign exchange are hedged using foreign exchange contracts, once expenditure is approved and legally committed. Both spot and forward foreign exchange contracts can be used by Council. The following instruments may be used for risk management activity:

Category	Approved Instrument
Foreign exchange risk management	Spot foreign currency contracts Forward foreign exchange contracts Foreign currency deposits

### Delegation of authority and authority limits

Council has the following responsibilities, either directly itself or via the following stated delegated authorities:

Activity	Delegated authority	Limit
Approving and changing policy	The Council	Unlimited

Approving borrowing programme and new debt	The Council	Unlimited (subject to legislative and other regulatory limitations)
Approval for charging physical assets as security over borrowing	The Council	Unlimited
Approval for providing security stock as security over borrowing	Chief Executive or Chief Financial Officer (or delegate)	Unlimited
Appoint Debenture Trustee	The Council	Unlimited
Re-financing existing debt	Chief Executive or Chief Financial Officer (or delegate)	Re-financing existing debt
Approving transactions outside policy	The Council	Unlimited
Adjust net debt interest rate risk profile	Chief Executive or Chief Financial Officer (or delegate)	Per risk control limits
Managing funding maturities	Chief Executive or Chief Financial Officer (or delegate)	Per risk control limits
Approving CCO/CCTO membership of the LGFA	Council	Unlimited
Approving new and refinanced lending activity with CCO/CCTOs	Council	Unlimited

## Liability Management Policy

Approving of Council guarantees or uncalled capital relating to CCO/CCTO indebtedness	Council	Unlimited (subject to legislative and other regulatory limitations)
Negotiation and ongoing management of lending arrangements to CCO/CCTOs.	Chief Executive or Chief Financial Officer (or delegate)	Per approval / per risk control limits
Maximum daily transaction amount (borrowing, interest rate and foreign exchange risk management) excludes roll-overs on floating rate debt and interest rate roll-overs on swaps	Chief Executive or Chief Financial Officer (or delegate)	\$20 million \$10 million
Authorising lists of signatories including seal register signatories	Chief Executive or Chief Financial Officer (or delegate)	Unlimited
Opening/closing bank accounts	Chief Executive or Chief Financial Officer (or delegate)	Unlimited
Triennial review of policy	Chief Executive or Chief Financial Officer (or delegate)	N/A
Ensuring compliance with policy	Chief Executive or Chief Financial Officer (or delegate)	N/A

All management delegated limits are authorised by the Chief Executive. The following procedures must be complied with:

- All delegated authorities and signatories must be reviewed at least annually to ensure that they are still appropriate and current
- A comprehensive letter must be sent to all bank counterparties at least annually to confirm details of all relevant current delegated authorities empowered to bind Council

Whenever a person with delegated authority on any account or facility leaves Council, all relevant banks and other counterparties must be advised in writing in a timely manner to ensure that no unauthorised instructions are to be accepted from such persons.

## Liability Management Policy

### Counterparty credit risk management

The Council will satisfy itself, in all its borrowing and risk management transactions that a counterparty:

- has a long-term S&P (or equivalent Fitch or Moody's rating) credit rating of at least A or above; and a short term rating of A-1 or above.
- banks are New Zealand registered banks with the Reserve Bank of New Zealand.

The following matrix sets out the policy limits:

Counterparty	Minimum S&P long term / short term credit rating	Risk management limit maximum per counterparty (\$m)	Total maximum per counterparty, including investments (\$m)
NZ Registered Bank	A/ A-1	15.0	30.0

In determining the usage of the above gross limits, the following product weightings will be used:

- Interest Rate Risk Management (e.g. swaps) – Transaction Notional  $\times$  Maturity (years)  $\times$  3%.
- Foreign exchange – transactional face value amount multiplied by the square root of the maturity (years)  $\times$  15%.

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. Maturities should be well spread. The approval process must take into account the liquidity of the instrument and prevailing market conditions the instrument is traded in and repriced from.

Individual counterparty limits are kept in a spread sheet by management and updated on a day to day basis. Credit ratings should be reviewed on an on-going basis and in the event of material credit downgrade this should be immediately reported to the Council and assessed against exposure limits. Counterparties exceeding limits should be reported to the Council.

### Performance measurement

The performance of the borrowing activity will be measured against pre-determined benchmarks:

- Adherence to policy and in particular the borrowing limits
- Unplanned overdraft costs – specifically that daily bank balances are within limits taking into account unforeseen external activity
- Comparison of actual monthly and year to date interest costs vs budget borrowing costs
- Comparison of actual monthly borrowings with budgeted borrowing amounts
- Comparison of actual financial ratios to budgeted financial ratios as per the Annual Plan and Long-term Plan

### Reporting to Council

The following reports are produced:

## Liability Management Policy

Report name	Frequency	Prepared by/reviewed by	Recipient
Daily cash flow position	Daily	Finance Technician/ Financial Accountant	As required
Treasury report Policy limit compliance Borrowing limits Funding and interest position Funding facility New treasury transactions Cost of funds vs budget Cash flow forecast report Liquidity risk position Counterparty credit Treasury performance Borrowing and interest rate strategy commentary	Each bi-meeting of the Strategy & Finance Committee	Financial Accountant/ Chief Financial Officer	The Council
Annual Report – statement of debt and revaluation of financial instruments	Annual	Financial Accountant/ Chief Financial Officer	Stakeholders

Liability management policy review	3 yearly	Chief Financial Officer	The Council
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### Accounting treatment of financial instruments

Council uses financial arrangements (“derivatives”) for the primary purpose of reducing its financial risk to fluctuations in interest rates. The purpose of this section is to articulate Council’s accounting treatment of derivatives in a broad sense. Further detail of accounting treatment is contained within the appropriate operations and procedures manual.

Under New Zealand Public Benefit Entity (PBE) International Public Sector Accounting Standards (IPSAS) changes in the fair value of derivatives go through the Income Statement unless derivatives are designated in an effective hedge relationship.

Council’s principal objective is to actively manage the Council’s interest rate risks within approved limits and chooses not to hedge account. Council accepts that the marked-to-market gains and losses on the revaluation of derivatives can create potential volatility in Council’s annual accounts.

The Chief Financial Officer is responsible for advising the Chief Executive of any changes to relevant New Zealand Public Sector PBE Standards which may result in a change to the accounting treatment of any financial derivative product.

All treasury financial instruments must be revalued (marked-to-market) at least every twelve months for risk management purposes.

## Liability Management Policy

### *Policy review*

This Liability management policy is to be formally reviewed on a triennial basis.

The Chief Executive has the responsibility to prepare a review report that is presented to the Council. The report will include:

- Recommendation as to changes, deletions and additions to the Policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of Policy and one-off approvals outside Policy.

The Council receives the report, approves policy changes and/or rejects recommendations for policy changes.

## Investment Policy

### Purpose

The purpose of this Investment Policy (the policy) is to outline approved policy and procedures in respect of all Council investments. The formalisation of such policies and procedures will enable investment risk to be prudently managed.

### Objectives

The key objectives of this policy are to:

- Manage investments in accordance with relevant legislation and use best practice from the market as appropriate
- Maximise investment income within prudent levels of risk. Council as a public entity is risk averse and as such will invest in safer assets with lower returns
- Invest in only those investments that are approved under this policy
- Ensure the appropriate liquidity levels are maintained as required and to optimise the use of cash not immediately required
- Manage the risk of interest rate movements
- Enable regular reviews of the performance (risk and return) of investments
- Maintain satisfactory internal controls and procedures to safeguard investments
- Ensure Council recognises when an acquisition or divestment of an investment may require public consultation
- Obtain a revenue return to reduce the reliance on and impact of rates

- Invest in activities that Council believes have a positive impact on the community which contributes to Council's vision and purpose statement
- Meet the obligations imposed by legislation or trusts, bequests and endowments

### Application

This policy applies to any investment made by Council with an expected commercial return. While an investment may have other strategic economic objectives that are being met, the distinction between it and other spending is that it will be expected to generate a future flow of funds at a market rate of return.

### Local Government Act 2002 requirements

This policy is prepared according to sections 102 and 105 of the Local Government Act 2002. The Act requires Council to state the following:

- The mix of investments
- The acquisition of new investments
- An outline of the procedures by which investments are managed and reported on
- An outline of how risks associated with investments are assessed and managed



## Investment Policy

### Mix of investments

Council holds the following mix of investments:

#### *Surplus cash and working capital funds*

- Short term on call deposits
- Long term deposits

#### *Equity investments*

- 100% ownership of the shares in Whanganui District Council Holdings Limited (WDCHL)
- WDCHL's 100% ownership of the shares in GasNet Limited, New Zealand International Commercial Pilot Academy Limited and Whanganui Port General Partner Limited
- Units in Whanganui Port Limited Partnership
- Shares in Civic Financial Services Limited

#### *Property investments*

- City Endowment property portfolio – investment focussed
- Harbour Endowment property portfolio – investment focussed
- Community and operational portfolio (formerly known as the City Freehold property portfolio) – generally includes property held for operational or community purposes
- The contents of each of the property portfolios may change from time to time

#### *Forestry investment*

- The Emissions Trading Scheme (ETS) system may accrue a carbon asset that could allow that sale of carbon credits.

#### *Loan advances*

- For infrastructure works purposes
- For property freeholding of leasehold land
- For some community groups and activities
- For further capital investment (debt or equity) in subsidiary organisations
- For other investments that meet the Council's general objectives or desired outcomes

### Acquisition/disposition of new investments and revenue

New investments may be acquired if an opportunity arises or if investment supports the Council's desired/required outcomes and is considered the best means of achieving the outcome.

### Equities

Any equity acquisition or disposal must be approved by the Council. Council generally invests in equity investments to achieve other than just commercial outcomes. Revenue/dividends earned from equity investments other than WDCHL is minimal. All income is recognised in the Statement of Comprehensive Revenue and Expense and forms part of general funds.

### Property

Property investments are acquired to provide a better investment mix to any individual portfolio, so adjusting the portfolio will mean sales and purchases of individual properties.

## Investment Policy

### Council controlled organisations (CCOs)

CCOs are consolidated into the Council's Annual Report according to generally accepted accounting practice. Any surplus generated by the CCO will generally be utilised by the CCO, except in the case that a dividend requirement is set out in the CCO's Statement of intent (SOI) or other such determination. Proceeds from the disposition of any CCO investment will form part of general or special funds. Additions to or disposal of any CCO investment requires Council approval. Council facilitates cost-effective external borrowings if required for CCOs by way of its standing in the marketplace and recognises that there is a financial benefit to CCOs from this. Council can pass funding to CCOs at cost or include a margin to reflect its support.

Any Council borrowing from the LGFA that is on-lent to a CCO/CCTO or any direct borrowing by a CCO/CCTO from the LGFA must be consistent with the policy outlined in the Liability Management Policy.

From time to time Council may provide direct financing to assist in cash flow management. Any funding in this form that is equal to or less than \$50,000 requires Chief Executive approval. Amounts over \$50,000 must be approved by the Council.

### New Zealand Local Government Funding Agency Limited

Despite anything earlier in this Policy, the Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment. The Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for the Council.

Because of these dual objectives, the Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA and is a Guarantor.

### General monitoring procedure

For equities, the Annual Reports of the entity held are received and reviewed by the Council.

For CCOs, service level agreements between the Council and the CCO and the SOIs record the responsibilities of each party. Most CCOs are managed and reported on by the Council and the Chief Executive of the Council is generally delegated to appoint managers while the Council is generally responsible for appointing governance boards for the CCOs.

The Annual Reports of CCOs are generally prepared by Council and are subject to audit.

## Investment Policy

### Council controlled organisations

#### Whanganui District Council Holdings Limited (WDCHL)

##### Objectives

The objectives relating to the ownership of the company are to oversee individual investments and to advise Council on:

- The mix of investments in the portfolio
- The risk of investments in the portfolio
- The management of individual investments in the portfolio
- The overall strategy for investments in the portfolio
- To identify opportunities to enhance investments and returns
- To identify potential new investments that meet council investment objectives
- To identify opportunities to sell investments that no longer meet Council's investment objectives
- To identify appropriate structures that may better enhance focus and management of particular investments

It is the sole responsibility of Council, by resolution, to purchase or sell assets owned by WDCHL.

WDCHL has a 100% interest in GasNet Limited, New Zealand International Commercial Pilot Academy Limited and Whanganui Port General Partner Limited, which is owned by the company.

##### Monitoring

WDCHL is required to submit a SOI to the Council annually. This document outlines what the company will be doing in the next three years to meet its objectives. Other monitoring tools are:

- A six-monthly report is required to report on progress against the objectives in the SOI
- An Annual Report is required to also report on objectives in the SOI
- An Annual General Meeting and also meetings with the Council to discuss issues and progress against objectives

##### Risks

Risks are assessed as part of the annual process of developing and adopting a SOI. Business plans will be prepared and contain a section on risks relating to major sectors of business and the expected risk profile over the next three years. Major risks will be monitored by the Board of Directors and will be discussed with Council from time to time.

## Investment Policy

### GasNet Limited

#### Objectives

The objectives relating to the ownership of GasNet Limited by WDCHL are to:

- Protect the provision of an infrastructure investment
- Maximise dividends
- Enhance the value and moderate growth in investment

#### Monitoring

GasNet Limited is required to submit a SOI to WDCHL annually. This document outlines what the company will be doing in the next three years to meet its objectives. Other monitoring tools are:

- A six-monthly report is required to report on progress against the objectives in the SOI
- An annual report is required to also report on objectives in the SOI
- An Annual General Meeting and also meetings with WDCHL to discuss issues and progress against objectives

#### Risks

Risks are assessed as part of the annual process of developing and adopting a SOI. Business plans will be prepared and contain a section on risks relating to major sectors of business and the expected risk profile over the next three years. Major risks will be monitored by the company and will be discussed with WDCHL when they meet.

### New Zealand Commercial Pilot Academy Limited (NZICPA)

#### Objectives

The objectives relating to the ownership of NZICPA by WDCHL are to:

- Oversee the establishment and continued viability of NZICPA
- Maximise benefits to Whanganui Airport and the Whanganui community
- Enhance the value and moderate growth in investment

#### Monitoring

NZICPA is required to submit a SOI to WDCHL annually. This document outlines what the company will be doing in the next three years to meet its objectives. Other monitoring tools are:

- A six-monthly report is required to report on progress against the objectives in the SOI
- An annual report is required to also report on objectives in the SOI
- An Annual General Meeting and also meetings with WDCHL to discuss issues and progress against objectives

#### Risks

Risks are assessed as part of the annual process of developing and adopting a SOI. Business plans will be prepared and contain a section on risks relating to major sectors of business and the expected risk profile over the next three years. Major risks will be monitored by the company and will be discussed with NZICPA when they meet.

## Investment Policy

### Whanganui Port

The Whanganui Port operations involves three entities:

- Whanganui Port General Partner Limited (WPGPL: 100% owned by WDCHL)
- Whanganui Port Operating Company Limited (WPOCL: 100% owned by WPGPL)
- Whanganui Port Limited Partnership (WPLP: Council is the Limited Partner and WPGPL is the General Partner. The Crown has a convertible loan interest in the Partnership.)

The establishment of the Whanganui Port entities involved the transfer of Council Port assets, the Harbour Endowment property portfolio and cash to the WPLP.

#### Objectives

The objective relating to the ownership of the Port assets are to:

- Oversee the rejuvenation and continued viability of the Whanganui port
- Operate the port in a sound and business-like manner
- Improve the long-term value and financial performance of the port while improving the economic value of the port to Whanganui

In addition to the above objectives, the following objectives relate to the ownership of the Harbour Endowment property portfolio:

- To provide revenue for harbour maintenance operations
- To help fund infrastructure for harbour development
- To maintain the value of the portfolio

- To maintain investment in land and property
- To enhance opportunities for economic development on a commercial basis
- To act as a prudent investor

The Harbour Endowment requires that funds must be invested in property. However, proceeds from investment must be used for harbour purposes. Not all properties within the Harbour Endowment are regarded as investment properties as some are used for operational purposes or are owned for strategic reasons. Proceeds from property sales for the Harbour Endowment are not used for harbour maintenance but remain in the capital fund for the purchase of property.

#### Monitoring

All three entities are required to submit a SOI to their shareholder annually (the exception is where Council grants CCO exemption). This document outlines what the entity will be doing in the next three years to meet its objectives. Other monitoring tools are:

- A six-monthly report is required to report on progress against the objectives in the SOI
- An annual report is required to also report on objectives in the SOI
- An Annual General Meeting and also meetings with shareholders to discuss issues and progress against objectives

#### Risks

Risks are assessed as part of the annual process of developing and adopting a SOI. Business plans will be prepared and contain a section on risks relating to major sectors of business and the expected risk profile

## Investment Policy

over the next three years. Major risks will be monitored by each entity and discussed with shareholders.

### Whanganui Airport Joint Venture (WAJV)

Council has 50% ownership of the joint venture with the other 50% owned by the Crown. Council retains ownership of the airport because it is essential for the economic development of the Whanganui District.

#### Objectives

WAJV's primary objectives are to:

- Provide high quality facilities and service commensurate with existing levels of aviation activity and in accordance with all the appropriate Acts, Regulations and Rules pertaining to airport and aviation operations in line with the size of Whanganui Airport.
- Operate the airport in a sound and business-like manner.
- Improve the long-term value and financial performance of the airport while improving the economic value of the airport to Whanganui.

#### Monitoring

WAJV is required to submit a SOI to the Council annually. This document outlines what the joint venture will be doing in the next three years to meet its objectives. Other monitoring tools are:

- A six-monthly report is required to report on progress against the objectives in the SOI
- An Annual Report is required to also report on objectives in the SOI

#### Risks

The primary objective for risk management of the airport is to maintain operational efficiency and safety. This is managed by regular Civil Aviation Authority audits.

## Investment Policy

### Property investment portfolios

The objectives for investment and the use of the proceeds from each portfolio differ. The contents of each portfolio may change from time to time to achieve the Council's objectives and outcomes. This section should be read in conjunction with Council's Property Portfolio Investment Plan.

#### City Endowment property portfolio

The objectives of ownership of the portfolio are:

- To provide community facilities
- To provide revenue for general operations
- To enhance the value of the portfolio
- To maintain an investment in land and property
- To enhance opportunities for economic development on a commercial basis where prudent
- To act as a prudent investor

A large proportion of the value of the City Endowment property portfolio/fund is invested in property with a cash surplus balance available for reinvestment. Not all properties in the portfolio are regarded as investment properties as some are used for operational purposes or are owned for strategic reasons. Investment proceeds are used for the general purposes of Council. There is a requirement that any proceeds of sale be reinvested in property. Capital funds may be invested short term in cash deposits awaiting property investment and interest on those deposits may be used for general purposes.

#### Community and operational portfolio (formerly known as the City Freehold property portfolio)

The objectives of ownership of the portfolio are:

- To provide property to support community activities and the operations of Council
- To enhance opportunities for economic development
- To act as a prudent property owner

The long term objective for the community and operational portfolio would be for all community related properties to be held within this portfolio, with the two Endowments only holding investment properties. This needs to remain a long term objective which can be achieved as and when the rate payer / community and operational portfolio can afford to purchase the community related properties that sit within the two Endowments.

#### Monitoring

The Council includes property investments within its annual planning cycle. A property investments business plan has been developed and Council will monitor progress against that.

Quarterly reports are prepared and presented to Council to evaluate performance against the plans.

The Council reviews the performance of its property investments on a regular basis. Targets for returns are included in the 10-Year Plan or Annual Plan.

## Investment Policy

Divestment of property investments requires Council approval. Proceeds from the sale of endowment property investments are allocated to the appropriate capital account and used for acquisition of another investment property within that portfolio. Proceeds from other property sales are allocated to general funds and used to repay debt or to fund capital improvements.

### Risks

Risks are assessed as part of the annual process of developing and adopting an Annual Plan or 10-Year Plan. Business plans will be prepared for each portfolio and contain a section on risks relating to major sectors of business and the expected risk profile over the next three years. The Audit and Risk Committee and WDCHL will monitor major risks.

### Cash and working capital management

Financial investments are those made in cash deposits or money market term deposits.

The objectives of Council maintaining financial investments are to:

- Invest surplus cash and working capital funds
- Invest amounts allocated to special funds if required
- Invest funds allocated for approved future expenditure to implement strategic initiatives or to support intergenerational allocations if required
- Prefund existing loan maturities
- Invest excess proceeds from the sale of assets if required

Council maintains a cash flow projection (by day) for the financial year and surplus cash is managed on a daily basis.

### Risks

This policy sets operating parameters for financial investment activity including approved counterparties, instruments and limits. The following principles form the key assumptions of the operating parameters contained in the investment framework:

- Credit risk is minimised by placing maximum limits for each broad class of non-Government issuer and by limiting investments to local authorities and registered banks within prescribed limits
- Liquidity risk is minimised by ensuring that all negotiable investments must be capable of being liquidated in a readily available secondary market
- Any financial investments must be restricted to a term of no more than 91 days (unless linked to a debt pre-funding strategy or known capital works programme), ensuring future cash flow and capital expenditure projections are met
- Council may only make financial investments in approved creditworthy counterparties. Creditworthy counterparties and investment restrictions are provided below

Council's financial investments give rise to a direct exposure to a change in interest rates, impacting the return and capital value of its investments.

Management implements an interest rate risk management strategy by reviewing rolling cashflow forecasts and adjusting the maturity of its investments as appropriate. Interest rate management instruments are not approved instruments.



## Investment Policy

### Financial investments - approved issuers, instruments and limits

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to the Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Council. Treasury-related transactions would only be entered into with organisations specifically approved by the Council.

Counterparties and limits can only be approved on the basis of long-term credit ratings (Standard & Poor's, Fitch or Moody's) being A+ and above or short term rating of A-1 or above.

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure. The following matrix guide will determine limits.

Counterparty/Issuer	Minimum long term/short term credit rating	Approved investment instruments	Total maximum investment (\$m) (\$m)
NZ Government	N/A	Treasury bills	unlimited

Local Government Funding Agency (LGFA)	A	LGFA borrower notes/Commercial paper	20.0m
NZ Registered Bank	A / A-1	Money market call deposits Money market term deposits Registered certificates of deposits Bank bills	Up to 100% of total portfolio but no more than \$15m with one registered bank

In determining the usage of the above gross limits, the following product weightings will be used:

- Investments (e.g. bank deposits) – transaction amount x weighting 100%.

To avoid undue concentration of exposures, financial investments should be used with as wide a range of approved counterparties as possible. The approval process must take into account the liquidity of the investment and prevailing market conditions the instrument is traded in and repriced from.

Individual counterparty limits are kept in a spread sheet by management and updated on a day to day basis. Credit ratings should be reviewed on an on-going basis and in the event of material credit downgrade this should be immediately reported to the Council and assessed against exposure limits. Counterparties exceeding limits should be reported to

## Investment Policy

the Council along with a strategy to achieve policy compliance as soon as practical.

Treasury reporting requirements are outlined in the Liability Management Policy.

### Loan advances

Loan advances may be made from time to time to assist the Council to achieve its investment objectives and Council outcomes. Council approval is required for all loan advances.

Council has made advances with respect to infrastructure works loans to its ratepayers.

Council will make advances and other investments after considering the impact of these on the community and the security and return of the advance. Council may offer advances at concessionary interest rates. According to Section 63 of the Local Government Act 2002, concessionary interest rates are unable to be provided to Council Controlled Trading Organisations.

On occasion, Council may also approve loans to trusts or other community-based organisations where there is social or community benefit to be achieved from the lending. Often such lending might be made at significantly discounted or nil interest rates, again in recognition of the clear social and community benefit that is being provided.

### Delegation of authority and authority limits

Council has the following responsibilities, either directly itself or via the following stated delegated authorities:

Activity	Delegated authority	Limit
Approving and changing policy	The Council	Unlimited
Approving transactions outside policy	The Council	Unlimited
Authorising lists of signatories including seal register signatories	Chief Executive or Chief Financial Officer (or delegate)	Unlimited
Opening/closing bank accounts	Chief Executive or Chief Financial Officer (or delegate)	Unlimited
Triennial review of policy	Chief Executive or Chief Financial Officer (or delegate)	N/A
Ensuring compliance with policy	Chief Executive or Chief Financial Officer (or delegate)	N/A

All management delegated limits are authorised by the Chief Executive. The following procedures must be complied with:

- All delegated authorities and signatories must be reviewed at least annually to ensure that they are still appropriate and current

## Investment Policy

- A comprehensive letter must be sent to all bank counterparties at least annually to confirm details of all relevant current delegated authorities empowered to bind Council

Whenever a person with delegated authority on any account or facility leaves Council, all relevant banks and other counterparties must be advised in writing in a timely manner to ensure that no unauthorised instructions are to be accepted from such persons.

### Policy review

This Investment Policy is to be formally reviewed on a triennial basis.

The Chief Executive has the responsibility to prepare a review report that is presented to the Council. The report will include:

- Recommendation as to changes, deletions and additions to the Policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of Policy and one-off approvals outside Policy.

The Council receives the report, approves policy changes and/or rejects recommendations for policy changes.

## 5.8 FINANCIAL COMMITMENTS - OCTOBER 2020

**Author:** Lana Treen - Senior Procurement Officer

**Authoriser:** Mike Fermor - Chief Financial Officer

**References:** Nil

### Recommendation

That the Strategy and Finance Committee receive the report – Financial Commitments - October 2020.

Contract	In Annual Plan	Nº. of Tenders Received	Range for Conforming Tenders \$	Contract's Current Cost \$	Awarded Price \$	Contractor
1899: WSP – Stage 2 – Civil Engineering Consulting Services	Y	1	N/A	N/A	217,000	WSP Whanganui
1891: Fitzherbert Ave Extension – Construction	Y	3	2,921,550 - 3,341,231	N/A	2,921,550	Bullocks Group Limited
1876: MITEL Phone System	Y	2	Year 1: 119,711 - 166,550  Per Year thereafter: 87,444 - 128,400	Year 1: 190,000  Per Year thereafter: \$60,000	Year 1: 119,711  Per Year thereafter: 87,444	Joint/Consortium Contract to Spark New Zealand Limited and Digital Island Limited

### Note:

- All pricing is exclusive of GST.
- 1899: Direct Negotiation with the incumbent.
- 1891: The project is funded from \$1.8M allocated by the Provincial Development Unit and the balance from growth funding in 3 Waters.

## 5.9 STRATEGY AND FINANCE COMMITTEE WORK PROGRAMME - NOVEMBER 2020

**Author:** Stephanie Macdonald-Rose - Group Manager - Corporate

**Authoriser:** Kym Fell - Chief Executive

**References:** Nil

### Recommendation

That the Strategy and Finance Committee receive the report – Strategy and Finance Committee Work Programme - November 2020.

### Executive Summary

The purpose of this report is to present the Committee's work programme for noting.

The work programme will be on every agenda to ensure that the key issues covered in the Committee Terms of Reference will be covered and to enable forward planning.

### Key information

This is the last Strategy and Finance Committee meeting for the year.

### Reporting programme for the Strategy and Finance Committee

Items	2020 meetings						
	25 Feb	7 Apr	9 June	7 Jul	25 Aug	6 Oct	17 Nov
STRATEGY ITEMS		CANCELLED		CANCELLED			
Annual Committee Work Programme	✓		✓		✓	✓	✓
Prioritised Policy Work Programme	✓						
Quarterly Policy Work Programme Update			✓			✓	
Welcoming Communities Six Monthly Update	✓				✓		
Parks and Open Spaces Strategy Review							
Non-Financial KPI Results	✓				✓		✓
Environmental Monitoring Update	✓						
Leading Edge Strategy Update			✓			✓	

Items	2020 meetings						
	25 Feb	7 Apr	9 June	7 Jul	25 Aug	6 Oct	17 Nov
Community Views Survey Results						✓	
Community Contracts Annual Reporting					✓		
Community Line Item Contracts Annual Reporting					✓		
Housing Strategy update					✓		✓
Age Friendly Communities Plan update							✓
Climate Change Strategy							✓
Street Infrastructure Bylaw	Went to Council meeting held on 15 September 2020						
Keeping of Animals, Poultry and Bees Bylaw	✓						
Development Contributions Policy						On hold	
Dog Control Policy and Bylaw							✓
Local Approved Products Policy Review (LAPP)					✓		
Gambling Venues Policy						✓	
<b>FINANCE ITEMS</b>							
Debtors Report	✓					✓	✓
Financial Commitments	✓		✓		✓	✓	✓
Activity Report – Including Treasury Report	✓		✓			✓	✓
Quarterly Financial Results	✓		✓		✓		✓
Annual Report			✓				

**Changes:**

- Development Contributions Policy:
  - Mill Road (Industrial) – dropped as Mill Road is being dealt with by developer agreements.
  - Updates to Residential – undertaken alongside the Long-Term Plan.

**Ad-hoc Reports:**

- Rates remission
- Debt write-offs
- Council Controlled Organisation (CCO) exemptions
- Regional or national submissions

**2021 meetings**

A draft programme for next year is provided below. This will be confirmed in the new year and refined as necessary.

The following dates have been set:

- 16 February
- 30 March
- 11 May
- 29 June
- 10 August
- 21 September
- 2 November

Items	2021 meetings						
	16 Feb	30 Mar	11 May	29 Jun	10 Aug	21 Sep	2 Nov
STRATEGY ITEMS							
Annual Committee Work Programme	✓	✓	✓	✓	✓	✓	✓
Prioritised Policy Work Programme	✓						
Quarterly Policy Work Programme Update		✓		✓		✓	
Welcoming Communities Six Monthly Update	✓				✓		
Parks and Open Spaces Strategy Review		✓					
Non-Financial KPI Results	✓		✓		✓		✓
Leading Edge Strategy Update		✓		✓		✓	
Community Views Survey Results				✓			
Community Contracts Annual Reporting		✓					
Community Line Item Contracts Annual Reporting		✓					

Items	2021 meetings						
	16 Feb	30 Mar	11 May	29 Jun	10 Aug	21 Sep	2 Nov
Housing Strategy update		✓		✓		✓	
Age Friendly Communities Plan update			✓				✓
Pensioner Housing Policy		✓					
Heritage Strategy	✓						
Significance and Engagement Policy	✓						
Cemeteries Bylaw						✓	
Waste Management and Minimisation Plan	✓						
Youth Strategic Plan						✓	
Urban Design Plan					✓		
Freedom Camping Bylaw		✓					
Public Places, Parks and Reserves Bylaw			✓				
Alcohol Control Bylaw						✓	
<b>FINANCE ITEMS</b>							
Debtors Report	✓	✓	✓	✓	✓	✓	✓
Financial Commitments	✓	✓	✓	✓	✓	✓	✓
Activity Report – Including Treasury Report	✓	✓	✓	✓	✓	✓	✓
Quarterly Financial Results	✓		✓		✓		✓
Annual Report				✓			



## 6 MOTION TO EXCLUDE PUBLIC

### RESOLUTION TO EXCLUDE THE PUBLIC

*Section 48, Local Government Official Information and Meetings Act 1987.*

#### Recommendation

That the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7. Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

#### Note

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

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

<b>ITEM NO.</b>	<b>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</b>	<b>SECTION</b>	<b>SUBCLAUSE AND REASON UNDER THE ACT</b>	<b>PLAIN ENGLISH REASON</b>	<b>WHEN REPORTS CAN BE RELEASED</b>
7.1	Public Excluded Minutes of the Strategy and Finance Committee Meeting held on 6 October 2020			Refer to the public excluded reasons in the agenda for 6 October 2020 meeting	
8.1	Debtors Report - November 2020	s7(2)(a)	Privacy	Maintain confidentiality of individuals' financial information.	
8.2	Application for Remission of Rates - November 2020	s7(2)(a)	Privacy	Protect the privacy of named individuals.	