

# SOUTH WAIRARAPA DISTRICT COUNCIL

12 MARCH 2014

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## AGENDA ITEM D3

### CHIEF EXECUTIVE

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#### **Purpose of Report**

To update Councillors on the Chief Executive activities.

#### **Recommendations**

Officers recommend that the Council:

1. *Receives the information.*

#### **1.1 Staffing**

We are currently recruiting for the role vacated by JP Irwin. There has not been a lot of interest so far and we are exploring all our options to ensure the requirements of this role are covered.

#### **1.2 Occupational Health and Safety**

There were no incidents reported since the last Council meeting.

There has been a change in legislation signaled which will come into effect mid/late this year.

This is a significant change in direction with more liability placed on organisations, and this flows through to contractors working for those organisations.

As more information comes to hand we will brief Council.

#### **1.3 Local Government Commission/Governance Review**

The Local Government Commission (the Commission) continues its background work.

The Commission signalled the preferred option would be announced mid-March in its latest newsletter, and a few days later we were informally advised that the date had been pushed out to late April/early May.

Councillors will be updated as new information comes to hand.

#### **1.4 Meetings**

The period since the last meeting has been highlighted by the attendance of the SOLGM Retreat at Wanaka, and a couple of weeks "leave".

### **1.4.1. SOLGM Retreat**

This was held at Wanaka and was attended by around 30 participants from around the country.

The conference was well worthwhile with a couple of key presentations of relevance.

Bruce Robertson from the OAG gave a presentation on recent audit issues and spoke in some detail about the Mangawhai incident. There were a number of relevant points for us:

- Mangawhai built a flash treatment plant before they had anywhere to disperse the treated waste. This resulted in a "fire purchase" where expensive land had to be purchased quite some distance away
- Very long term project with no clear strategy
- Complex financing arrangements which meant debt was not on balance sheet and visible
- Auditors could not really work out how much the project had cost, this resulted from:
  - Poor management
  - Poor recordkeeping
  - Poor management
- Flawed contracting process – Kaipara DC started the process with a PPP approach, legislation changed which meant this was no longer applicable, KDC kept discussions with initial contractor (whose parent company had subsequently gone into liquidation)...

I had a discussion with Bruce Robertson (OAG) and will engage again in due course to discuss our project.

Olympic Rowing champions Hamish Bond and Eric Murray were the motivation speakers and while I thought this would be interesting I anticipated that it would be the usual "go away feeling really motivated, then wake up in the morning to the real world" BUT there was a real gem in there and it was that while they think about the next Olympics, they really only concentrate on the next three or four months.

This has real relevance to our big projects, you have to concentrate on and meet the short term requirements (get the consents filed) otherwise you won't achieve the endgame.

Johnathan Salter from Simpson Grierson also gave an interesting presentation on current legal issues, as usual the lawyers cannot come up with much concrete stuff because a lot relies on interpretation of individual situations.

All in all a worthwhile conference.

### **1.4.2. TOI Wairarapa**

I attended an initial meeting to ascertain the scope of the review Council agreed to fund.

This review process will be based around the existing charter and will take a couple of months to complete.

The actual mechanics of the review have not been decided as there are still some funding issues to be resolved.

### **1.5 Legislation**

The pace of legislative change continues unabated and while I won't comment specifically, one matter I noted from the SOLGM submission on the LGA Amendment Bill No 3 was that a lot of the commentary was on the actual structure and wording of the Bill. The point was that it appears poorly drafted, which means that unless it is changed, when it is enacted, a lot of misinterpretation will result.

Hopefully this will be fully remedied.

### **1.6 Elections**

The Greytown Community Board by-election was successfully completed.

### **1.7 Wastewater Update**

A significant milestone was reached with the lodgement of consents for all three towns.

In consultation with GW, these have been lodged as "working drafts" which allows better informal discussions prior to formal lodgement due end March.

The timeline for final issuance is end November 2014, this does depend on the process, however we are confident consents will be issued by that date.

As mentioned this is a significant milestone for SWDC and in particular Mark Allingham and Bill Sloan need to be commended.

### **1.8 Insurance Review**

LGNZ commissioned a review of the Local Government insurance market, the author (Craig Stobo) arrived at three recommendations –summarised:

- Encourage councils to spend more on risk profiling, risk management, and risk mitigation
- Create a Local Authority owned agency, not an insurance provider (like Civic), but to get the best deals in the market
- Rearrange the 60/40 split between LA's and the Government – change to self-insurance, commercial insurance, and taxpayer support.

This is a complex issue and I will keep members updated as progress is made.

### **1.9 Financial Statements**

Financial Statements for the seven months ended 28 February will be tabled.

## 2. Discussion

### 2.1 Rate Arrears

Efforts continue on rate arrears. The table below outlines the situation as at 17 June 2013, and excludes multi ownership Maori land.

<b>Date</b>	<b>Amount \$'000</b>	<b>Number</b>	<b>Days since installment due</b>	<b>SWDC component \$'000  (81%)</b>
30 June 2011	\$851	631	31	\$689
1 August 2011	\$780	463	64	\$632
28 November 2011	\$969	760	7	\$785
1 March 2012	\$925	690	7	\$740
16 March 2012	\$830	602	23	\$672
23 March 2012	\$790	555	30	\$640
1 June 2012	\$855	722	10	\$692
19 June 2012	\$730	632	31	\$591
10 September 2012	\$947		21	\$767
15 February 2013	\$820	565	57	\$664
17 June 2013	\$913	740	27	\$739
4 March 2014	\$1,033	863	12	\$836

9 ratepayer accounts have been referred to our lawyers for an initial letter. If there is not response to these initial letters formal legal action will commence. The cost of this formal legal; action is recovered from the ratepayer.

A further 45 demands have been made to organisations who have an interest in properties that are in arrears. This is mainly banking institutions.

### 2.2 Service Performance Measures

The following table updates results year to date for the service performance targets set for the 2013/14 Annual Plan. The "don't know" column is included so readers can ascertain the "non negative" results, e.g. in the first measure below there were 11% of the respondents that felt they could not make contact.

	<b>2013/14 Target</b>	<b>2013/14 Survey result</b>	<b>Don't Know</b>	<b>Source</b>
Ratepayers and residents feel they can contact a Council member to raise an issue or problem	75%	73%	16%	NRB Survey 3 yearly*
Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	75%	62%	21%	NRB Survey 3 yearly
Ratepayers and residents are satisfied with Council's	50%	76% (very or fairly satisfied)	8%	NRB Survey 3 yearly

	<b>2013/14 Target</b>	<b>2013/14 Survey result</b>	<b>Don't Know</b>	<b>Source</b>
decisions and actions				
Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	78%	64%(very or fairly satisfied)	14%	NRB Survey 3 yearly
Community Board decision - making reports on local issues	90%			Community Board reports and minutes
% of ratepayers and residents who know how to contact a community board member	65%	65%		NRB Survey 3 yearly
Ratepayers and residents satisfied with the way Council involves the public in the decision it makes	65%	49%	31%	NRB Survey 3 yearly
The Maori Standing Committee makes recommendations to Council in relation to policy and plan development and resource management applications	100% applicable applications			Maori Standing Committee minutes

### **2.3 LGOIMA Requests**

- 14-Jan Vomle Springford, Wairarapa Times Age: re: Noise complaints in 2013, type of noise, street and outcome. The response noted there were 183 complaints during the period with one seizure of equipment.
- 7-Feb Jordan McCluskey, NZ Taxpayers' Union Re: Mayor's office costs including staff. A response has not been prepared at the time of this report.
- 7-Feb Jordan McCluskey, NZ Taxpayers' Union Re: Rates and charges levied by Council. A response has not been prepared at the time of this report.
- 18-Feb Katherine Raue asking about the sculpture in Featherston. A response has not been prepared at the time of this report.

Contact Officer: Paul Crimp, Chief Executive