

SOUTH WAIRARAPA DISTRICT COUNCIL

16 JULY 2014

AGENDA ITEM D3

CHIEF EXECUTIVE OFFICER REPORT

Purpose of Report

To report to Council on general activities since the last meeting.

Recommendations

The Chief Executive Officer recommends that Council:

1. *Receive the information.*
2. *Receive the financial statements for the 11 months ended 31 May 2014.*
3. *Receive the tabled financial statements for the 12 months ended 30 June 2014.*

1. Executive Summary

The Annual Plan was adopted on 25 June as planned, over 155 submissions were received, analysed, considered, debated and decided upon. This annual plan includes a number of exciting initiatives and it is now up to officers to deliver on the plan. Responses to submissions are currently being compiled and will be sent in the next couple of weeks.

Now that the annual plan is completed, it is time to commence with the LTP. Work has commenced internally and a draft timetable will be issued in due course. There have been a number of legislative changes since the last annual plan which local authorities around the country are grappling with.

This is always a very busy time of year and the annual report is underway. While the audit team are not due here until late September we require that full amount of time to compile the working papers and reports to support the disclosures.

2. Governance/Leadership/Advocacy

The following table provides the year to date results for KPI's set for the Governance output

GOVERNANCE/LEADERSHIP/ADVOCACY KEY PERFORMANCE INDICATORS	TARGET 2013/14	YTD RESULT	COMMENT SOURCE, AND ACTIONS TAKEN TO ACHIEVE TARGET
Ratepayers and residents feel they can contact a Council member to raise an issue or problem	75%	73%	NRB Survey 3 yearly*
Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	75%	62%	NRB Survey 3 yearly
Ratepayers and residents are satisfied with Council's decisions and actions	50%	76% (very or fairly satisfied)	NRB Survey 3 yearly
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)	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%	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

2.1 Local Government Commission/Governance Review

The Local Government Commission (the Commission) has decided that:

"...it will not issue any proposal during the regulated period for the 2014 general election..."

This statement is in relation to all reorganisation proposals including Wairarapa's Unitary Authority proposal.

This change had been quietly signalled over the previous month or so, however it was good to get confirmation that this was the actual course of action.

3. Strategic Planning and Policy Development

3.1 Meetings

3.1.1. Civil Defence

Discussions are on-going with WREMO regarding the updated "concept of operations".

While there is a lot of focus on preparing for "declared events, the majority of incidents in the Wairarapa are localised impacting one or two local authorities.

This initiative will be useful in providing more resource to the local controllers in the event of an emergency.

3.1.2. Chief Executives Forum

The Wairarapa Authorities are not impacted to any significant level by the goings on over the hill, the key items discussed were:

- Interrelationships with the state highway and local authority managed roading networks was discussed in relation to the "Petone to Grenada" upgrade planned. In particular traffic flows in and around Petone were raised.
- The regional ICT project was discussed – in reality only three of the Wellington basin LA's are involved – we are keeping a watching brief on this project.
- Spatial planning is also on the agenda, however previous attempts, and the current analysis, seems to indicate a regional spatial plan would be very difficult to achieve given each of the local authorities obligations within their own boundaries.
- Wellington Regional Economic Development Agency progress was also discussed, with all local authorities in the region agreeing in principal to go to the next phase, which is the detailed consultation.
- Airport extension was briefly discussed.

While the majority of the discussion is Wellington based, the level of discussion and willingness to discuss shared initiatives in an open manner is refreshing.

Note also that Capacity infrastructure have taken over management of all water and wastewater operations in the Wellington basin.

3.1.3. Rural and Provincial

This is a useful forum and in particular this forum proved how common the issues facing R & P sector are.

Matters discussed included the FAR review and One Network Road Classification, derelict buildings, freedom camping, alcohol, reorganisation, 3 waters, and rural broadband.

The derelict buildings issue was timely and interesting. Rotorua DC had spent approximately \$70,000 over 7 years on one residential property – in the end the only avenue was for RDC to purchase the property. The Rural and Provincial forum have asked National Council to investigate and advance this issue to enable Local Authorities more power to resolve these types of structures.

3.2 Legislation

We continue to work toward implementation of the various legislation changes that have been, or are about to be made.

Upcoming legislative changes, on top of those recently enacted will place a strain on resources. We continue to look at ways to best manage the continuing impacts of legislation.

The Local Government Amendment Bill before the Committee of the House will probably go through to the third reading, the timing of some initiatives may need to be reviewed.

Attached as Appendix 2 is commentary from the Department of Internal Affairs summarising the changes that are proposed in the Bill.

3.3 Wastewater Consents

The three wastewater consents are tracking generally as planned, the timeframe for issuance is still planned to be late 2014 for all consents.

3.4 Wastewater Funding

While the response from letters to various Ministers requesting consideration of the financial impact of the Freshwater Policy Statement was unsuccessful, Mayor Staples was able to raise the matter with the Prime Minister and this was acknowledged in a response from Hon Lotu-Iiga, Associate Minister of Local Government.

At least they know, and may be a little less critical about rates increases!

4. Monitoring and Reporting

4.1 Financial Statements

Financial statements for the 11 months ended 31 May 2014 are included as Appendix 1.

The financial statement for the 12 Months ended 30 June 2014 will be tabled.

4.2 Annual Plan

The 2014/15 Annual Plan was adopted on 25 June 2014 as planned.

The final average rates increase was 3.58%, mainly impacted by the urban area as the increase was largely driven by wastewater costs.

Over 155 submissions were received covering approximately 300 items.

4.3 Annual Report

The 2013/14 Annual Report preparation is underway, it is not anticipated there will be material changes from that reported in the Management Accounts tabled.

Audit New Zealand are due to be on site 29 Sept to 10 Oct, the statutory sign off date is 31 October.

4.4 Long Term Plan

Work has commenced internally on the LTP. A timetable will be issued shortly for consideration.

There have been a significant number of changes in legislation since the last LTP, these won't really impact the LTP process, but are mainly around more disclosures.

4.5 Rates Arrears

DATE	AMOUNT \$'000	NUMBER	DAYS SINCE INSTALLMENT DUE	SWDC COMPONENT \$'000 (81%)
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
14 April 2014	\$954	675	53	\$773

Nine 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.

5. Corporate

5.1 Staffing

For the role vacated by JP Irwin, Bill Sloan has agreed to take this position over. There will be a change to the administration in the I & S department to support this move. Some aspects of Mr. Sloan's previous role will need to be contracted out (e.g. asset management plans) however it is believed this move will provide stability back into the I & S department.

Local Authorities around the country are finding it difficult to recruit in this area, with the Christchurch situation soaking up most staff.

5.2 Collective Employment Agreement

Negotiations have commenced on a new collective, it is hoped these will conclude in a month or so.

5.3 Occupational Health and Safety

There were a couple of incidents that occurred, one a scalding when a plate of hot soup was spilt taking it out of the microwave, the other a trip on a mat.

Remedial measures were taken to minimize the chance of these events reoccurring.

5.4 Insurance

JLT (Jardines) presented their draft insurance proposal for Councils insurance needs as reported to the previous meeting.

These discussions have generally been concluded with the same level of cover being achieved at slightly lower cost than previous years.

5.5 LGOIMA Requests

DATE	TOPIC OF INFORMATION REQUEST	REQUEST RESPONSE
13 May	1746 State Highway – consents for original sub-division.	Details provided.
16 May	Issues relating to establishment of Alloa Gunclub, Moroa Road	Outlined the District Plan requirements and confirmed these were met. Where writer had non - council controlled concerns was advised to which body to refer those concerns.
28 May	Revenue and running costs for Martinborough Town Hall.	
3 June	Seeking information additional to that sought on 21 May relating to the Gun Club at Moroa Road	
4 June	Details of costs and staff input into royal visit.	None as visit to region in private capacity.
18 June	Further request for details of any costs associated with royal tour	No costs were incurred.
18 June	Copy of letter from Menz Shed to Council	Letter supplied.
19 June	Information water races and by laws. Copy of consents for Moroa and Longwood water races. Names of Ratepayers of Longwood and Moroa water races.	Names of ratepayer withheld. Other detail can be supplied but need to pay fee for costs incurred for research and copying.
18 June	Copies of each letter, leaflet, newspaper advertisement, information sheet and/ or discussion document relating to the Martinborough Town Hall.	
19 June	Costs associated with amalgamation review- broken down into categories such as surveys, consultants and advertising	
23 June	Information relating to subdivision works which are causing flooding on our property, 8 Yule Grove, Greytown.	Detail can be supplied but need to pay fee for costs incurred for research and copying.
3 July	Information relating to consents for properties owned by the T Base 2 Ltd	

6. Appendices

Appendix 1 – Financial Statements for the 11 Months Ended 31 May 2014

Appendix 2 – DIA commentary on Local Government Act 2002 Amendment Bill (No 3)

Contact Officer: Paul Crimp, Chief Executive Officer

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Statements for the 11
Months ended 31 May 2014**

**Appendix 2 – DIA
Commentary on Local
Government Act 2002
Amendment Bill (No 3)**