



# **AGENDA**

Meeting of the  
**Buller District Council**

**Commencing at 3:30pm**  
**Wednesday 28 February 2024**

*To be held at the*  
Clocktower Chambers  
Palmerston Street  
Westport



## CORE COUNCILLOR ROLE AND RESPONSIBILITIES

- The Governance role entails:
- Strategic planning and decision-making;
  - Policy and strategy review;
  - Community leadership and engagement, and stewardship;
  - Setting appropriate levels of service;
  - Maintaining a financially sustainable organisation; and
  - Oversight/scrutiny of Council's performance as one team.

The governance role focusses on the big picture of 'steering the boat' - management's role focusses on 'rowing the boat'

Our commitments to best support each other and meet the challenges and opportunities of 2023 include:

### CLEAR AND RESPECTFUL COMMUNICATION

We are committed to:

- Actively listening and not interrupting;
- Remaining conscious of 'tone', body language, and amount of time speaking (allowing time for others);
- Responding/answering in a timely manner; and
- Being honest, reasonable, and transparent.

### TRUST AND RESPECT

We recognise that trust and respect must be earned and that a team without trust isn't really a team. Trust can be built by:

- Valuing long-term relationships;
- being honest; honouring commitments; admitting when you're wrong; communicating effectively; being transparent; standing up for what's right; showing people that you care; being helpful; and being vulnerable.

### CONTINUOUS LEARNING AND IMPROVEMENT

Continuous learning and improvement are critical for growing together as a team.

We are committed to constantly reviewing what is going well and what needs to improve in relation to the way we work together, the processes we follow, and the outcomes we deliver.

NONE OF US IS AS SMART AS ALL OF US

# Council

<b>Chairperson:</b>	<b>Mayor</b>
<b>Membership:</b>	The Mayor and all Councillors
<b>Meeting Frequency:</b>	Monthly – or as required
<b>Quorum:</b>	A majority of members (including vacancies)

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## **Purpose**

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Buller district.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

## **Terms of Reference**

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
  - a) The power to set district rates.
  - b) The power to create, adopt and implement a bylaw.
  - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
  - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
  - e) The power to appoint a Chief Executive Officer.
  - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the Infrastructure Strategy.
  - g) The power to adopt a remuneration and employment policy for Chief Executive Officer.
  - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
  - i) The power to approve or amend the Council's Standing Orders.
  - j) The power to approve or amend the Code of Conduct for Elected Members.
  - k) The power to appoint and discharge members of committees.
  - l) The power to establish a joint committee with another local authority or other public body.
  - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
  - n) Health & Safety obligations and legislative requirements are met.

2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
  - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
  - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
  - c) Adoption of governance level strategies, plans and policies which advance Council's vision and strategic goals.
  - d) Approval of the Triennial Agreement.
  - e) Approval of the local governance statement required under the Local Government Act 2002.
  - f) Approval of a proposal to the Remuneration Authority for the remuneration of Members.
  - g) Approval of any changes to the nature and delegations of the Committees.

# Common Delegations

The following delegations from Council are common to the Risk and Audit Committee, the Community, Environment and Services Committee and the Regulatory, Hearings and Planning Committee within their respective areas of responsibility.

## General Principal

1. The work of these Committees will be in accordance with the priorities and work programme agreed by the Council.
2. These Committees have the powers necessary to perform the Committee's responsibilities, in accordance with the approved Long Term Plan and Annual Plan budgets. Subject to confirmation of compliance with the financial strategy.

These Committees will:

## Strategy, plans and policy

1. Develop and agree to strategies, plans and policies for the purposes of consultation and/or engagement with community.
2. Recommend to Council for adoption.
3. Monitor and review as and when required.

## Bylaws

1. Develop and agree to the statement of proposal for new or amended bylaws for consultation.
2. Recommend to Council new or amended bylaws for adoption.

## Consultation and engagement

1. Ensure appropriate, effective and transparent engagement with the community, tangata whenua and other stakeholders.
2. Conduct any public engagement required on issues before the Committee, in accordance with Council's Significance and Engagement Policy.
3. Conduct hearings, where appropriate, to consider submissions from members of the public and external organisations, making determinations on such matters unless they are reserved for Council to decide.

## Submissions and legislation

1. Approve submissions to external bodies/organisations on legislation and proposals, related to the Committee's areas of responsibility, that impact governance policy or matters.
2. Monitor and oversee strategic projects and programmes.
3. Monitor Council's Asset Management Plans/Strategic Infrastructure Plan.

**Contracts**

1. Approve and monitor contracts and other legally binding arrangements provided that such contracts/arrangements:
  - a) Do not require the approval of the whole of Council; and
  - b) Fall within the budget approved under the Long Term Plan or Annual Plan and have a value exceeding the Chief Executive's financial delegation.

**Other**

1. Consider and make decisions which are within the Chief Executive Officer's delegations, and which the Chief Executive Officer has referred to the Committee for recommendation to Council.
2. Consider and make decisions on operational matters that fall within a Committee's area of responsibility that are outside of delegations to the Chief Executive Officer or other Council officers.
3. Commission new Committee reports and work required to respond to significant or compliance issues, or to complete the agreed programme of Council.
4. Monitor Audit recommendations and ensure completion.

# Buller District Council

Venue: Clocktower Chambers, Westport. Livestreamed on BDC YouTube Channel



28 February 2024 09:00 AM

<b>Agenda Topic</b>	<b>Page</b>
1. <a href="#">Apologies</a>	9
2. <a href="#">Members Interests</a>	10
3. <a href="#">Confirmation of Previous Minutes</a>	11
3.1 <a href="#">231213 Council Public Minutes Unconfirmed</a>	12
4. <a href="#">Action Points Report</a>	23
4.1 <a href="#">240223 - Council Action Points</a>	24
5. <a href="#">Potential Deferral of Long Term Plan 2024 - 2034</a>	25
5.1 <a href="#">Appendix A - Email to Micheal Lovett (Deputy Chief Executive DIA)</a>	35
5.2 <a href="#">Appendix B - Implementing Local Water Done Well - Legislation Plan (Feb 2024)</a>	37
5.3 <a href="#">Appendix C - Taumata Arowai (TA) Letter to Buller District Council</a>	38
5.4 <a href="#">Appendix D - Email from Minister for Local Government to Mayor Jamie Cleine (Feb 2024)</a>	41
6. <a href="#">Brougham House Upgrade Update Report</a>	44
6.1 <a href="#">Attachment 1 - Expedite Building Report Brougham House June 2022</a>	53
6.2 <a href="#">Attachment 2 - Expedite Building Report Victoria Square June 2022</a>	67
6.3 <a href="#">Attachment 3 - Expedite Council Offices and Civil Defense Buildings May 2023</a>	74
6.4 <a href="#">Attachment 4 - BECA Brougham House Targeted DSA Letter</a>	84
6.5 <a href="#">Attachment 5 - MBIE Seismic Risk Guidance for Buildings</a>	87
7. <a href="#">Governance Structure Change Report</a>	112
7.1 <a href="#">Appendix 1 - Governance Structure Workshop Memo</a>	125

7.2	<a href="#">Appendix 2 - 30 January Workshop Feedback Notes</a>	133
7.3	<a href="#">Appendix 3 - 2024 Meeting Schedule - March Specific</a>	135
8.	<a href="#">Financial Delegations Policy Report</a>	136
8.1	<a href="#">Attachment 1 - Excerpt from RAC Minutes 13 December 2023</a>	140
8.2	<a href="#">Attachment 2 - Financial Delegations Policy Feb 2024</a>	141
9.	<a href="#">Council Controlled Organisation Exemption 2024</a>	151
9.1	<a href="#">Attachment 1 - Sections 6 and 7 Local Government Act</a>	157
10.	<a href="#">BHL Half Year Report December 2023</a>	161
10.1	<a href="#">Attachment 1 - BHL Half Yearly Report to December 2023</a>	164
11.	<a href="#">Council Reefton Pool Status Report</a>	179
11.1	<a href="#">Attachment 1 - Briefing Note Reefton Pool</a>	186
11.2	<a href="#">Attachment 2 - Reefton Pool Ventilation Assessment</a>	198
12.	<a href="#">Mayors Report February 2024</a>	207
12.1	<a href="#">Appendix 1 - RWSG Minutes 8 December 2023</a>	214
12.2	<a href="#">Appendix 2 - WCEM Joint Committee Agenda 7 February 2024</a>	216
12.3	<a href="#">Appendix 3 - Mayors Correspondence</a>	234
13.	<a href="#">CEO Report February 2024</a>	263
14.	<a href="#">Committee Chairs Verbal Updates</a>	267
15.	<a href="#">Public Excluded Report</a>	268



**BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 1**

**Prepared by** Steve Gibling  
Chief Executive Officer

**APOLOGIES**

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**1. REPORT SUMMARY**

That Buller District Council receive any apologies or requests for leave of absence from elected members.

**2. DRAFT RECOMMENDATION**

**That there are no apologies to be received and no requests for leave of absence.**

**OR**

**That Buller District Council receives apologies from (insert councillor name) and accepts councillor (insert name) request for leave of absence.**

# BULLER DISTRICT COUNCIL

28 FEBRUARY 2024

AGENDA ITEM: 2

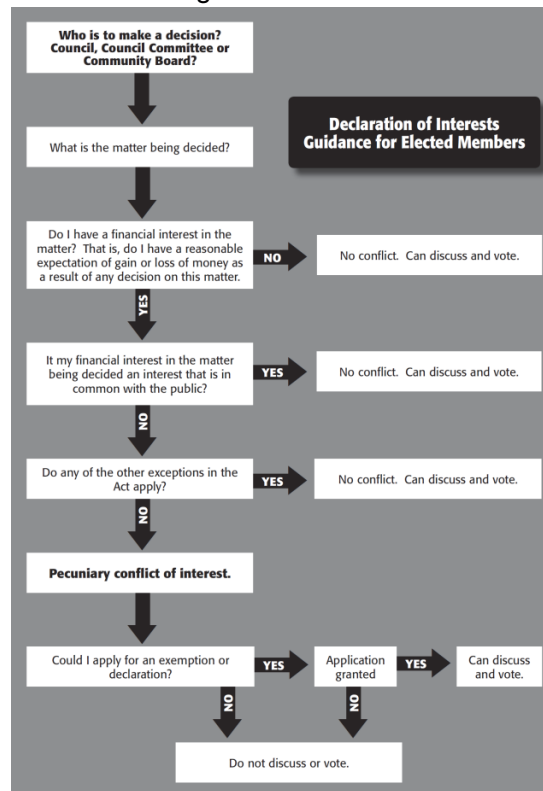
Prepared by Steve Gibling  
Chief Executive Officer

## MEMBERS INTEREST

Members are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

Councillors are encouraged to advise the Governance Assistant, of any changes required to their declared Members Interest Register.

The attached flowchart may assist members in making that determination (Appendix A from Code of Conduct).



### DRAFT RECOMMENDATION:

That Members disclose any financial or non-financial interest in any of the agenda items.

**BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 3**

**Prepared by** Steve Gibling  
Chief Executive Officer

**CONFIRMATION OF MINUTES**

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**1. DRAFT RECOMMENDATION**

**That Council receive and confirm the Public minutes from the meeting of 13 December 2023.**

**THE BULLER DISTRICT COUNCIL, HELD AT 3.30PM ON WEDNESDAY 13 DECEMBER 2023 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT.**

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**PRESENT:** Mayor J Cleine, DM A Basher, Councillors P Grafton, J Howard, C Reidy, T O'Keefe, A Pfahlert, G Neylon, R Sampson, Cr L Webb (via Zoom), G Weston

**IN ATTENDANCE:** S Gibling (CEO), D Marshall (Chief Financial Officer), S Judd (GM Regulatory Services), M Duff (GM Infrastructure Services), K Trigg (GM Community Services), B Little (Policy Advisor), G Barrell (Governance Secretary)

**PUBLIC FORUM:**

Jackie Mathers spoke regarding the Council report she is interested in regarding the Ngakawau/Hector Reserve and Hall Subcommittee.

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**MEETING DECLARED OPEN AT: 3.31pm**

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Mayor J Cleine advised his intention to bring agenda item 10 forward to be addressed as item 4.

**1. APOLOGIES (Page 9)**

**Discussion:**

N Tauwhare

**RESOLVED** that Buller District Council receives apologies from N Tauwhare.

**Cr G Weston/Cr A Pfahlert**

**11/11**

**CARRIED UNANIMOUSLY**

**2. MEMBERS INTEREST (Page 10)**

**Discussion:**

Nil

**RESOLVED** that members disclose any financial or non-financial interest in any of the agenda items.

**Mayor J Cleine/Cr A Pfahlert**

11/11

**CARRIED UNANIMOUSLY**

**3. CONFIRMATION OF PREVIOUS MINUTES (Page 11)**

**Discussion:**

Nil

**RESOLVED** that Council receive and confirm the Public minutes from the Council meeting of 29 October 2023

**DM A Basher/Cr P Grafton**

11/11

**CARRIED UNANIMOUSLY**

Item 10 was addressed next:

**10. NGAKAWAU HALL – HISTORY AND OWNERSHIP (Page 171)**

**Discussion:**

B Little spoke to her report and gave a brief history of the reserve, hall and subcommittee for Ngakawau/Hector.

Council has been working with Ngakawau community and have agreed it is time to clear up the issues. Confirming that the Northern Buller Community Society will become responsible for the hall and BDC will be responsible for the reserve that the hall sits on.

Mayor J Cleine asked if the final division of funds should come back to Council?

B Little advised that it would be best to be approved by Council once the division has been agreed.

S Gibling noted it is important to get the right outcome for the community. An update will come back with a recommendation for Council to endorse. His CEO Monthly report will include a summary of the agreed position related to the share of the funds held in reserve associated with this agreement.

Cr R Sampson thanked S Gibling and B Little for their work in finalising this issue.

When asked about the other halls and whether there were any other likely halls in similar situations, B Little advised that there are not any other halls on reserve land so unlikely to receive similar requests.

The subcommittee will still exist and will be responsible for the land which forms the Ngakawau/Hector Reserve.

S Gibling thanked the volunteers for their persistence in advocating for their community ensuring this matter is addressed.

An additional recommendation was added and is noted as #9 below.

**RESOLVED** that Council:

1. Receives this report for information;
2. Notes that the Ngakawau Hall, located on the Ngakawau Hector Reserve was built by the Buller Mining Districts Community Centre Society;
3. Notes that the Northern Buller Communities Society is in discussions with the Buller Mining Districts Community Centre regarding future management by way of a memorandum of understanding;
4. Acknowledges that neither the Buller District Council nor the Ngakawau Hector Reserve Subcommittee owns, or is responsible for the management, of the hall;
5. Instructs the Chief Executive Officer to remove the Ngakawau Hall from Council's asset registers;
6. Instructs the Chief Executive Officer to work with the Northern Buller Communities Society and the Ngakawau-Hector Reserve Subcommittee to calculate a fair and equitable division of finances held in the existing Hall and reserve joint bank account;
7. Notes that a Licence to Occupy is to be granted to the Northern Buller Communities Society for the hall and that this will be included in the future Reserve Management Plan for the reserve; and
8. Thanks the Northern Buller Communities Society for providing the historical information regarding the hall and for their ongoing support to the community.
9. Requests the CEO to bring a progress report back on Recommendations 5 and 6 to his CEO report in February 2024.

**Cr R Sampson/Cr T O'Keefe**  
11/11  
**CARRIED UNANIMOUSLY**

#### 4. **ACTION POINTS REPORT (Page 23)**

##### **Discussion:**

S Gibling clarified that D Marshall is working to meet with lessee on this, looking to resolve the issue, and will bring the matter back for consideration in February or March next year to Council.

Mr Gibling confirmed any pertinent information will be included in the report that will come back to Council.

**RESOLVED** that Council receive the Action Points list for information.

**Cr C Reidy/Cr A Pfahlert**

**11/11**

**CARRIED UNANIMOUSLY**

#### 5. **ZONE 1 RUBBISH COLLECTION (Page 25)**

##### **Discussion:**

M Duff spoke to his report noting the conclusion of the consultation process with the community and now looking at options for moving this process forward.

Staff were asked what the consultation cost to date was and what the cost would be to reconsult. Noting we are looking at watching costs and this has already cost a lot. M Duff to advise of external costs. To reconsult, the estimated cost is also to be advised by M Duff.

When asked if this next stage of consultation could piggyback on another public consultation process, Mayor J Cleine noted this could be included as part of the LTP.

Mayor J Cleine felt the initial public consultation provided good information on what the public did and did not want.

Comment was made that it was clear Council was moving towards a certain path and it is surprising to see a suggestion to reconsult. Isn't this going backwards?

Mayor J Cleine clarified that today does not necessarily require a final decision; rather a move forward for the next step.

General discussion showed that the view amongst Councillors was that the options should have been given to the community at the start of this consultation. Also, that the community has given a clear direction on their preferences; thus not requiring to reconsult.

Regarding Scenario 3 and why it is not recommended, M Duff advised that without a resolution from Council to do something one particular way, it is very difficult to ask for tender.

It was noted that the original consultation was to extend Smart Environmental as we were looking at a regional waste plan and this was for the interim. Councillors were unaware the discussion was to bring this in house completely.

Comment was made that there is no requirement for haste on this. We need to extend the contract anyway and most people don't want change. We need to give the public options.

Cr C Reidy left the room at 4.17pm and returned at 4.19pm.

The team today is trying to provide clearer options. Going to the LTP and AP process, we could look to put realistic costs around these options and offer a range of clear options to community.

Mayor J Cleine moved 'a-d' noting the importance of getting this right as it is a 10 year contract.

Concern was raised that if we reconsult within the LTP, this will overtake the LTP and a fair consultation will not be had for that.

It was noted that if the status quo was or was not a viable option, then we need to be open to the community about that.

Comment was made that it is important to remember this is about the entire community and what they would want. A ratepayer price will guarantee a price for pick up as opposed to a contractor not necessarily knowing how many bins he may have from any given time.

Another cause for concern was noted with there being no option of having a base rate for everyone and tags for those that required more (both a targeted rate and user pays rate).

Amendments were made to Recommendations c and d and are noted below:

**RESOLVED:** That the Council:

- a. Receives the report and attachments.
- b. Approves the recommended options (1-B, 2-B and 2-E) to reconsult with the community.
- c. Approves Scenario 2 as the recommended process to reconsult with the community based on estimated costs, not tender prices **to be included in the LTP consultation 2024-2034.**
- d. ~~Delegate authority to the Chief Executive Officer~~ Approve the public consultation process and documentation in relation to the recommendations above will be brought back to Council.

**Mayor J Cleine/Cr G Neylon**  
8/3

**Cr C Reidy, Cr R Sampson, Cr P Grafton against**  
**MOTION CARRIED**



**6. WESTPORT TOWN PLAZA PROJECT – STAGE 2 (Page 66)**

**Discussion:**

M Duff spoke to his report confirming this has already been budgeted for this AP year and the current LTP.

D Marshall advised that in current LTP this was agreed. If we were to cancel now, with the challenging times ahead, the funds already budgeted for can be moved elsewhere if required.

A question regarding the loan was raised. What is difference in loan from 2018 and now? The interest rates will mean a lot to pay back. The present climate does not seem appropriate to move forward with this.

Comment was made that the perception within the public will cause them to question Council's priorities and general discussion was around the suggestion of deferring this project.

M Duff confirmed that the planned stormwater work is a separate project and that this is not conditional on the current plaza project.

Cr G Neylon voiced that he was against the motion. He spoke that Inangahua, Ikamatua, Maruia, Springs Junction have a lot of projects they would like done, and that while there is a lot of rates collected from these outlying areas, the general feel amongst those communities is that everything is done for Westport. Reefton Inc will not apply for revitalisation money as they feel it is time for Ikamatua, Maruia, Inangahua, Springs Junction to receive funding.

Mayor J Cleine reminded there will likely be places in the upcoming LTP for those outlying areas.

Recommendation 2 was amended FROM:

**RESOLVED** That the Council:

1. Receives the report and attachments.
2. Endorses proceeding with the Westport Town Plaza Project Stage 2.

TO:

**RESOLVED** That the Council:

1. Receives the report and attachments.
2. Request staff to defer Westport Town Plaza Project Stage 2, until Year 4 or later of the 2024-2034 LTP.

**Cr C Reidy/DM A Basher**  
9/2

**Cr G Neylon and Cr L Webb against**  
**MOTION CARRIED**

**7. PROPOSED COUNCIL MEETING SCHEDULE FOR 2024 (Page 84)**

**Discussion:**

Mayor J Cleine advised he is looking to recommend some major amendments to this schedule and will bring these to Council in early 2024.

It was noted that the workshops are not scheduled however, these are often not known at the point of the report.

Comment was made that keeping workshop days to specific days of the week or month, would make it easier for Councillors to arrange their schedules.

S Gibling noted the importance to confirm at least the first few months of the calendar in order to meet statutory requirements.

It was confirmed that a workshop would be held on final Wednesday of January 2024.

Recommendation 1 was approved and amended as follows:

**RESOLVED** That Council:

1. Adopt the proposed 2024 Council, Committee and Community Board Calendar schedule dates **for January and February only as per Attachment 1 with the inclusion of a workshop on 31 January 2024**

**DM A Basher/Mayor J Cleine  
11/1**

**Cr G Neylon against  
MOTION CARRIED**

**OR**

- ~~2. Approve the proposed Council, Committee and Community Board schedule dates for 2024 as set out in Attachment 1 with required date amendments as determined by Council.~~

Cr A Pfahlert departed the room at 4.58pm and returned at 5.00pm.

**8. CHIEF OMBUDSMAN'S "OPEN FOR BUSINESS" REPORT AND RECOMMENDATIONS (Page 88)**

**Discussion:**

An addition was made to Recommendation 2 as noted below.

**RESOLVED** that Council:

Receive the report for information; and

- (1) Resolve to fully implement the Chief Ombudsman's recommendations as identified under clause 3.4 of this report; and
- (2) Note that these changes, if as agreed, will be incorporated into Council's Standing Orders early 2024 **and presented back to Council for approval.**

**Cr C Reidy/Cr G Weston**

11/11

**CARRIED UNANIMOUSLY**

## **9. KEEPING OF ANIMALS BYLAW 2023 (Page 106)**

### **Discussion:**

B Little spoke to her report noting it is a summation on the deliberations of the hearing.

There was still a little uncertainty around whether the two cat rule applies to a property or a household.

The exception rule was recommended.

**RESOLVED** that Council:

1. Determines that, in accordance with section 155 of the Local Government Act 2002, the Council is satisfied that the Keeping of Animals Bylaw 2023:
  - a. is the most appropriate way of addressing the perceived problems
  - b. is the most appropriate form of bylaw; and
  - c. does not give rise to any implications under the New Zealand Bill of Rights Act 1990;
2. Determines that it has followed the required Special Consultative procedure as set out in the Local Government Act 2002;
3. Adopts the Keeping of Animal Bylaw 2023,
  - a. As attached in Attachment 1; OR
  - b. As attached in Attachment 1 with the following amendment:
    - Definition of individual household unit
    - Keeping of cats provisions section 7.1 to 7.3 replace 'property' with 'individual household unit';
4. Approves the commencement date of 20 December 2023;
5. Revokes the existing Buller District Council Keeping of Animals Bylaw on 20 December 2023

6. Thanks all those members of the community and organisations who made submissions to the draft bylaw.

**Mayor J Cleine/DM A Basher**  
11/11  
**CARRIED UNANIMOUSLY**

**11. ADOPTION OF REPORT UNDER SECTION 10A OF THE DOG CONTROL ACT 1996 (PAGE 178)**

**Discussion:**

Nil

**RESOLVED** that Council adopts the Buller District Council Annual Report on Dog Control Policy and Practices for the 2022/2023 financial year.

**Cr G Neylon/DM A Basher**  
11/11  
**CARRIED UNANIMOUSLY**

Cr L Webb departed Zoom at 5.15pm and returned at 5.18pm.

**12. MAYOR'S REPORT (Page 187)**

**Discussion:**

Regarding the National Railway Museum, it was noted that the community would like a little bit of shelter around Steam Locomotive C2. M Duff noted the main issue around the preservation of this was funding as well as a disagreement around the ownership of this asset. At present Council staff do not have firm knowledge on who owns this asset.

Mayor J Cleine noted it is not Council's asset to gift to anyone.

Regarding the petition on Hector toilets, M Duff advised that the costs for this may be considered as part of the LTP. The costs to maintain these toilets are approximately \$30k. Staff are not looking to disestablish it at present.

**RESOLVED** that Council

1. Receive the report for discussion and information.
2. Notes Inwards and Outwards Correspondence and provide direction for any responses required.

**Cr A Pfahlert/DM A Basher**  
11/11  
**CARRIED UNANIMOUSLY**

**13. CEO'S REPORT (Page 202)**

**Discussion:**

Staff are working hard to present Draft LTP to Council on 27 March 2024 for adoption.

S Gibling spoke to his report noting it has been a big challenge around the legislative reform and changes proposed.

**RESOLVED** that That the Council receive the report Chief Executive Officers Report.

**DM A Basher/Cr P Grafton**

**11/11**

**CARRIED UNANIMOUSLY**

**14. COMMITTEE CHAIRS VERBAL UPDATES (Page 207)**

**Discussion:**

**Inangahua Community Board – Cr G Neylon** (Acting Chair for ICB meeting 5 December) Good recommendations for future of pool. Path to cenotaph, needing to be done by ANZAC day. Requests improvement in advertising. ICB meeting to be held in Ikamatua early 2024.

**Ngati Waewae Representative – N Tauwhare** – Not present.

**Regulatory & Hearings Committee – Cr G Neylon** – Keeping of Animals Bylaw passed and good pathway forward for Waste Management.

**Community, Environment & Services Committee – Cr J Howard** – Busy with climate change consultations. To attend regional workplace programme for older workers.

**Te Tai o Poutini Plan – Mayor J Cleine and Cr G Neylon** – Nothing to add.

**Joint Committee Westport Rating District – Mayor J Cleine, Cr J Howard and Cr C Reidy** – Committee has not met.

**WC Health Localities Project - Cr G Neylon** – Nothing to add. Waiting to meet with new minister. Looking to focus on wellbeing as opposed to health.

**Regional Transport Committee - Cr T O'Keefe** – New government 100 day plan bringing a lot of change.

**RESOLVED** that Council receive verbal updates from the following Chairs and Council Representatives, for information:

1. Inangahua Community Board – Cr L Webb
2. Ngati Waewae Representative – N Tauwhare
3. Regulatory & Hearings Committee – Cr G Neylon
4. Community, Environment & Services Committee – Cr J Howard
5. Te Tai o Poutini Plan – Mayor J Cleine and Cr G Neylon

- 6. Joint Committee Westport Rating District – Mayor J Cleine, Cr J Howard and Cr C Reidy
- 7. WC Health Localities Project - Cr G Neylon
- 8. Regional Transport Committee - Cr T O’Keefe

**Mayor J Cleine/Cr G Neylon**  
11/11  
**CARRIED UNANIMOUSLY**

**PUBLIC FORUM RESPONSE:**

Mayor J Cleine will write a letter of response to J Mathers.

**15. PUBLIC EXCLUDED REPORT (Page 155)**  
**Discussion:**

Nil

**RESOLVED** that the public be excluded from the following parts of the proceedings of this meeting

<b>Item No.</b>	<b>Minutes/Report of:</b>	<b>General Subject</b>	<b>Reason For Passing Resolution Section 7 LGOIMA 1987</b>
<b>PE 1</b>	Steve Gibling - CEO	Confirmation of Previous Public Excluded Minutes	(s 7(2)(j)) - Prevent the disclosure or use of official information for improper gain or improper advantage.
<b>PE2</b>	Michael Duff – Group Manager Infrastructure Services	Waste Services Contract	(s 7(2)(i)) - Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);
<b>PE3</b>	Michael Duff – Group Manager Infrastructure Services	Local Purpose Reserve Change	(s 7(2)(a)) - Protect the privacy of natural persons, including that of deceased natural persons;
<b>PE 4</b>	Jamie Cleine - Mayor	Draft Briefing to Incoming Ministers Report	(s 7(2)(i)) - Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);
<b>PE 5</b>	Jamie Cleine - Mayor	Employment Relations Matter	(s 7(2)(a)) - Protect the privacy of natural persons, including that of deceased natural persons;

**Mayor J Cleine/Cr J Howard**  
11/11  
**CARRIED UNANIMOUSLY**

Mayor J Cleine called for a short recess.

**BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 4**

**Prepared by** Steve Gibling  
Chief Executive Officer

**COUNCIL ACTION POINT LIST**

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**1. REPORT SUMMARY**

A summary of council resolutions requiring actions.

**2. DRAFT RECOMMENDATION**

**That Council receive the Action Point list for information.**

## Council Action Points - CURRENT

No	Meeting Date / Action Point	Responsible	Update	Date Required By
24	<p><b>29 November 2023</b>  <b>Punakaiki Campground</b>            Update on progress with upgrading the Punakaiki Wastewater Treatment Plant</p>	D Marshall	<p>A budget of \$796,000 was included in the 2023/2024 annual plan for this project. The project has funding of \$398,000 from the TIF fund, \$198,000 from various council sources and \$200,000 from other funds - external funding.</p> <p>Current estimates to undertake the project are \$496,000. Staff have a number of matters to complete before the project commences including:</p> <ul style="list-style-type: none"> <li>• Decision to proceed or not with a propriety system and sole supplier.</li> <li>• The level of TIF funding if the project cost is lower (approved application was based on a 50% contribution at cost estimate of \$796,000</li> <li>• External funding - indications are that funding may not be available</li> </ul> <p>Staff will provide an update next meeting, but expectations are that the project will be complete by 30 June 2024 if all matters identified, including funding can be resolved.</p>	February 2024



## BULLER DISTRICT COUNCIL

28 FEBRUARY 2024

### AGENDA ITEM: 5

<b>Prepared by</b>	John Salmond Senior Project Lead
<b>Reviewed by</b>	Steve Gibling - CEO Douglas Marshall – CFO
<b>Appendices</b>	A Email from Michael Lovett (Deputy Chief Executive DIA) B Implementing Local Water Done Well – Legislation Plan (Feb 2024) C Taumata Arowai (TA) Letter to Buller District Council D Email from Minister for Local Government to Mayor Jamie Cleine (Feb 2024)

### LONG-TERM PLAN (LTP) ADOPTION DATE WITH KEY CONSIDERATIONS

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#### 1. REPORT PURPOSE

For Council to consider the challenges, consequences, and associated considerations of the repeal of the Affordable Waters Legislation which impacts on the Council's ability to adopt the next Long-Term Plan (LTP).

Council has an option to approve a 12-month deferral of the 2024-2034 LTP replacing it with an enhanced Annual Plan for the 2024-2025 financial year.

#### 2. DRAFT RECOMMENDATIONS

**That the Council:**

- 1. Receive the report "Long-Term Plan (LTP) Adoption Date with "key considerations".**
- 2. Agree to defer the LTP adoption by 12 months to 30 June 2025**
- 3. Agree to adopt an 'enhanced' Annual Plan for the 2024-2025 financial year**
- 4. Agree to produce a reduced 9-year Long Term Plan for 2025-2034.**

### **3. BACKGROUND AND DISCUSSION**

On Tuesday 13 February, the Prime Minister (Hon Christopher Luxon) and the Minister of Local Government (Hon Simeon Brown) provided an update to Local Government. In their update they outlined the plan for the next 12-18 months to implement Local Water Done Well into legislation and to repeal the Water Services Legislation.

The Government is set to enact a bill to revoke the prior administration's water services laws by 23 February 2024. Subsequent legislation aimed at enacting the Local Water Done Well initiative will advance through a two-step process. Initially, a bill outlining the structure and transition plans for the new water services system which means Council will retain ownership, and delivery of water services will be approved by mid-2024. A second bill, paving the way for a permanent replacement regime, is due for introduction in December 2024.

As part of this legislation the Minister has announced that there will be a technical advisory group which has been setup to provide expert advice to the Department of Internal Affairs (DIA) and the Minister on the implementation of Local Water Done Well.

In the ministerial letter that Buller District Council have received, Central Government have given three different options as to when the Council will be required to adopt the LTP.

- Option 1 – Adopt by 30 June 2024
- Option 2 – 3-month deferral to adopt by 30 September 2024
- Option 3 – Defer the LTP to be adopted by 30 June 2025; which will mean a reduced 9-year long term plan, from this date until June 2034 and the Council having to adopt an 'enhanced' Annual Plan for the 2024-2025 financial year.

The table on the following page highlights the benefits, consequences, cost implications and community impact that all the options will potentially have:

	<b>Benefits</b>	<b>Consequences</b>	<b>Cost Implications</b>	<b>Community Impact</b>
Keep on Course for adoption of 2024-2034 LTP by 30 June 2024	<ul style="list-style-type: none"> <li>80 % of the process is completed</li> <li>Our document is nearly there</li> <li>Avoids work duplication</li> </ul>	<ul style="list-style-type: none"> <li>Uncertainty</li> <li>Most likely will need to re-consult after water situation is known</li> <li>The things we put into the LTP will need to be completed as adopted</li> <li>There could be cost savings of delaying</li> <li>All the information is clearly not known</li> <li>New SLT staff will only be joining just prior to adoption</li> </ul>	<ul style="list-style-type: none"> <li>Unknown based on uncertainty; the budget will need to change through further consultation based on certain elements</li> <li>Could end up costing our ratepayer more money when potentially it doesn't need too.</li> </ul>	<ul style="list-style-type: none"> <li>Could be going too early to the community as the certainty is not known</li> <li>May adopt an LTP when there is a pretty much a guarantee of further consultation requirements</li> </ul>
Defer 2024-2034 LTP adoption by 1-3 months with the deferral taking place by 30 September 2024	<ul style="list-style-type: none"> <li>Gives a little more time to understand water implications</li> <li>May provide a little more certainty</li> <li>Allows us a bit of time to understand next steps</li> <li>The roading next steps will be understood more</li> </ul>	<ul style="list-style-type: none"> <li>We may not be any further forward in terms of some of the key issues</li> <li>A decision will need to be made quickly as to how we move forward given the audit implications and also the project timeline implications</li> <li>Potentially delaying the inevitable of having to re consult again in the future</li> <li>rates will need to be struck twice</li> <li>It'll be around the time of the annual report which ultimately will give staff more work to do</li> <li>Could end up costing the ratepayer more in the long run if we adopt too early</li> </ul>	<ul style="list-style-type: none"> <li>Audit fees have increased this year</li> <li>No penalties for deferring LTP</li> </ul>	<ul style="list-style-type: none"> <li>We do not foresee any community impacts in terms of the 3 month deferral to note, apart from the fact that the rates would need to be struck twice in that period</li> </ul>
Defer for 12m Adoption in June 2025 with an enhanced annual plan for the 2024-2025 financial year	<ul style="list-style-type: none"> <li>More certainty</li> <li>Potential of less unknowns in terms of layout of water legislation</li> <li>Could end up costing the ratepayer less</li> <li>We will be further on with the process of the creation of a waters entity thus having impact on full of council financials</li> <li>New SLT members and CEO will have input to support plan</li> </ul>	<ul style="list-style-type: none"> <li>There are still a lot of unknowns</li> <li>We are quite far along the current process, potential duplication of work</li> <li>Staff / Elected Member time</li> </ul>	<ul style="list-style-type: none"> <li>Some cost for the new water reform implications</li> </ul>	<ul style="list-style-type: none"> <li>A little longer to understand the layout of the next 10 years</li> <li>They will have more certainty as well</li> <li>Longer term planning will be possible</li> </ul>

Our auditor Ernst & Young (EY) have highlighted that if Council choose to defer the adoption of the LTP for one year then there would be the following impacts:

*“If a Council takes the one-year deferral option:*

- *An Auditor-General’s report on the Consultation Document (CD) is required. They can’t opt out of this.*
- *Their LTP will be a nine-year LTP. They will revert to a 10-year audited LTP as from 2027.*
- *They must consult on the 2024/2025 annual plan - This will be unaudited.*
- *Their 2024/2025 annual plan that they consult on must include:*
  - *detailed, LTP-level information about capital expenditure for each group of activities for that year.*
  - *an LTP-style statement of service provision and FIS (financial impact statement) for each group of activities for that year.*
- *This does not avoid the need to consult on major matters through the LTP or an LTP amendment.”*

A Council can extend the local authority’s policy on development contributions or financial contributions so that the period to which it applies ends on the date on which the local authority’s deferred 2025-2034 LTP comes into force.

#### **4. PRIMARY CONSIDERATIONS**

Buller District Council face significant challenges in our long-term planning in terms of ensuring compliance with the regulatory expectations whilst maintaining a financially sustainable and affordable future.

At present, there are a number of significant uncertainties which have a fundamental impact on the borrowing levels, the rates levels, and the financials of BDC. Of note, and in terms of the level of uncertainty, the answers will not be known before the 30 September 2024. The key challenges which staff believe have most relevance and impact on the community are the following:

- a) The potential creation of a Regional Water Entity**
- b) Westport Flood Protection**
- c) Taumata Arowai Regulations**
- d) New Zealand Transport Agency (NZTA) funding**

### **The Potential Creation of a Regional Water Entity**

As outlined in the recently released Water Services legislation mid-February there is going to be a three-stage legislative approach as to how this is expected to be included in each bill as per the below:

- 1. Repeal legislation: Lay foundation for new system** – Introduced and enacted February 2024:
  - a) Restore continued Council ownership and control of water services, and responsibility for service deliver.
  - b) Provide support options to help Councils complete and include water services in their 2024-34 long-term plans.
  
- 2. Establish framework and transitional arrangements** – Introduced and enacted mid-2024:
  - a) Provide a framework for Councils to self-determine future service delivery arrangements via a water services delivery plan (to be submitted to government within 12 months).
  - b) Establish foundation information disclosure requirements (as first step towards economic regulation).
  - c) Streamline requirements for establishing Council Controlled Organisations (CCOs) under the Local Government Act to enable Councils to start shifting the delivery of water services into more financially sustainable configurations, should they wish to do so.
  - d) Provide technical and advisory support to Auckland Council to determine how they wish to create a financially sustainable model for Watercare.
  
- 3. Establish enduring settings and begin transition** - Introduced December 2024 and enacted mid-2025:
  - a) Set long-term requirements for financial sustainability.
  - b) Provide for a range of structural and financing tools, including a new class of financially independent Council Controlled Organisations.
  - c) Consider the water regulator’s empowering legislation to ensure the regulatory regime is efficient, effective and fit-for-purpose, and standards are proportionate for different types of drinking water suppliers.**
  - d) Provide for a complete economic regulation regime.
  - e) Establish regulatory backstop powers, to be used when required to ensure effective delivery of financially sustainable or safe water services.
  - f) Refine water service delivery system settings to support the new system, such as consistent industry standards.

As part of the new legislation Council have already taken steps to understand how a Regional CCO would benefit us and the impact that it would have as an entirety to all of Council financials with water services moving out of Council delivery.

Water service delivery is one of the most challenging portfolios within the Council. There are a lot of uncertainties and financial implications that are yet to be fully understood.

It is expected that this information would not be fully recognised before the 30 September 2024 and most importantly what Point C means for some of our smaller supplies which could have some serious affordability implications and/or savings in the long term for Council

### **Westport Flood Protection**

In the initial proposal submitted to Central Government in June 2022, there was a request for \$12 million (\$8 million funded by DIA) for stormwater initiatives that would support the enhanced flood wall protection for Westport.

Unfortunately, Government did not grant any funding instead they said that the cost of any stormwater system would be funded by a new water entity.

That entity will now not be created and thus there is no funding for a stormwater system.

The landscape has shifted dramatically since the change in government at the end of 2023, with the Buller District Council now responsible for Stormwater networks and water services again.

We have just recently turned our attention back to this matter to reevaluate our strategies and what we do know is that the Water Services legislation is due to be repealed, placing the onus on us to provide these essential services. However, given the financial constraints, this is an extremely challenging task.

While the problem wasn't of our making, it falls upon us to find a solution.

As our understanding of the floodwall proposals improve and as the design process progresses, it becomes increasingly apparent that Westport ratepayers will have a significant financial burden, both in the short and long term for the capital and operational costs associated with the level of protection being provided.

This encompasses the direct costs of building the flood walls, the accompanying stormwater network and infrastructure to act as the "pump out" system as well as the ongoing maintenance needs. It is evident that addressing these challenges effectively, will require significant support from Central Government.

The clear uncertainty is that, at present the impact on the ratepayer is not known, both from the initial capital investment required to fund the necessary requirements, but also the ongoing maintenance costs. The costs prior to the ministerial announcement were due to be covered from Entity I, however that is no longer the case and there is not, at present, a funded plan for the works.

BDC have had discussions with Central Government about this and are working through the next steps.

It is not expected that a full funded solution will be established by 30 September 2024.

### **Taumata Arowai (TA) Quality Standards**

On 25 January 2024 TA and Buller District Council had a meeting to discuss the path forward with these three water supplies being; Waimangaroa, Mokihinui and the Little Wanganui supplies.

It was apparent in the meeting that BDC will not be able to achieve either the LTP funding deadline of June 2024 or the compliance deadline of December 2024. This is a common position that various Councils around New Zealand are in.

To achieve compliance with the Water Services Act (WSA), two options were proposed by TA to assist Councils like ours to achieve the regulations. These were:

1. Exemption.
2. Enforceable undertaking.

### **Exemptions**

Buller District Council would be required to apply for a general exemption to TA. A general exemption allows drinking water supplies to be exempt to a range of legislative requirements and lasts five years. An exemption will only be granted if it is consistent with the main purpose of the WSA, that safe water is provided to consumers. None of the Northern Buller supplies would be granted an exemption under current circumstances.

The main circumstance BDC may seek an exemption for these supplies, is if a proposed solution is not compliant with an acceptable solution or the requirements of the Drinking Water Quality Assurance Rules (DWQAR). The main example of this for BDC would be related to if a Point of Entry (POE) solution, where treatment devices (cartridge + UV) are installed at each property which treat water provided by mains supply.

This is currently an acceptable solution for mixed used rural supplies, however, none of the northern supplies fall under this category. There has been one exemption currently granted by TA for Torrent Bay, which is a community supply which serves 20 people, consisting primarily of holiday homes (<https://gazette.govt.nz/notice/id/2024-sl30>). The exemption was

based on houses having point of entry treatment devices or active messaging of the boil water notice if a house did not have treatment.

### Enforceable Undertakings

TA allows a water supplier to apply for an enforceable undertaking to acknowledge areas of actual or possible non-compliance with the WSA. An enforceable undertaking allows BDC to commit to specific actions which assure compliance in the future. This is a legally binding document between BDC and TA, accepted at the discretion of the Chief Executive of TA.

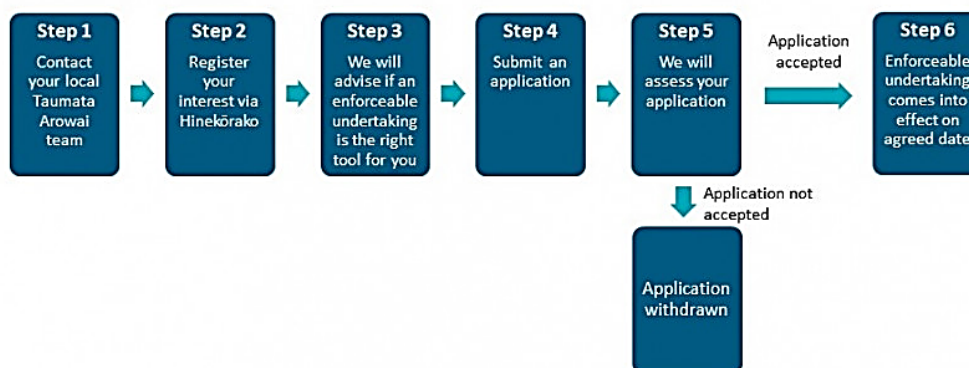
While an enforceable undertaking is in place, BDC is immune from prosecution for a behaviour, incident, or non-compliance relating to the enforceable undertaking.

If BDC breaches the conditions of the enforceable undertaking, TA can apply to the High Court for an order directing compliance, an order discharging the undertaking, or a civil pecuniary penalty (non-criminal monetary penalties).

To apply for an enforceable undertaking, BDC will need to submit an application which summarises the following:

- Commitment to giving effect to Te Mana o te Wai.
- Ability to meet commitments in a reasonable timeframe.
- Compliance history
- Ability to manage risks in the interim
- Commitment to achieving more than the minimum requirements of the Act and other relevant legislation.

There is a 7-step process as per below:



The application generally takes three months to process (unless significant additional information is required), and as it is a legal binding document, it is recommended it is reviewed by a lawyer prior to submission. The entire



agreement, including its conditions, monitoring and reporting provisions will be published on the TA website.

After the meeting on 25 January 2024, Buller District Council met with TA on Monday 12 February 2024 who provided more information as to what the process would involve. There were many questions asked as to what could be done and information provided as to the consequences for our Council.

There are four possible pathways for Council to address the non-compliances:

- Do Nothing
- Take immediate action to address the risk of bacterial contamination.
- Apply for an enforceable undertaking.
- Become compliant with the Water Services Act as soon as possible.

TA did advise that an immediate interim solution could be to chlorinate the supplies however, there is a view that this might not be an appropriate solution given the nature of the supplies.

BDC are working closely with TA to explore all alternatives and acceptable solutions within the timeframes requested. There are many aspects Council must consider, including community consultation, regulator acceptance, technical, financial, and legislative options before making decisions.

Affordability, statutory compliance, and community outcomes must all be resolved together, and it is expected that the legislation changes could impact some of the decisions to be made for these supplies. This information will not be immediately available until the legislation is enacted.

### **New Zealand Transport Agency (NZTA) Funding**

The New Zealand Transport Agency regional land transport programme and National Land transport programme triennial needs preservation by committing Council funding for Years 1, 2 and 3 to replicate what an LTP adoption would do.

We have requested from our auditor further information as to what a potential deferral would mean to the triennial, as in theory the normal process is done at the same timeframe as a Long-Term Plan. This information has not been provided yet so therefore it is believed that we would need to commit to the three-year programme by ways of an adoption during the Annual Plan process and the continuation during the next two years of the Long-Term Plan.

Council is yet to have the confirmation that the funding agreement will be received before the 30 June or the 30 September 2024.

## 5. CONSIDERATIONS

### 5.1 Strategic Alignment

The preparation of the LTP or the Annual Plan is aligned to the strategic goals of the Council and outlines the budget expectations for the next 10 years, or year ahead.

### 5.2 Significance Assessment

The resolution of when to adopt the LTP is considered to meet the significance threshold under Council's Significance and Engagement Policy. The adoption of an LTP or Annual Plan requires public consultation and Council will fulfill its obligation under the Local Government Act 2002.

The project timeline with the key milestone dates as highlighted below outline some of the key dates that are in the current LTP plan. The necessity and timeliness of the decision is paramount so that staff can go ahead and work on whichever is the preferred choice, to ensure the deadlines are achieved.

Any delay in this decision could result in further challenges to the project plan.

- 18-27 March – Council adopts draft LTP
- April – Community Consultation on draft LTP
- 2 May – Submissions on draft LTP Close
- 28 June – Council adopts final LTP.

### 5.3 Tangata Whenua Considerations

No specific considerations have been identified in relation to the endorsement of the submissions.

### 5.4 Risk Management Implications

The risks associated with whatever decision is made are highlighted above.

### 5.5 Financial / Budget Implications

There are potentially financial and budget implications depending on which decision is made.

### 5.6 Media/Publicity

It is anticipated that there will be strong community and media interest in which date is chosen for LTP adoption and around the potential rates / debt movement.

**Subject:** Ministerial announcement on water services

Kia ora koutou

Yesterday the Prime Minister and Minister of Local Government provided an update on progress and outlined the plan for the next 12-18 months to implement Local Water Done Well.

The Government will pass a bill that will repeal the previous Government's water services legislation by 23 February 2024. Further legislation to implement Local Water Done Well will progress in a two-stage approach. The first bill, which will establish the framework and transitional arrangements for the new water services system, will be passed by the middle of 2024. A second bill to provide for the long-term replacement regime will be introduced in December 2024.

I've attached a copy of the legislation plan here for your information, showing the different components expected to be included in each bill.

The Minister also announced the establishment of a Technical Advisory Group to provide expert advice to the Department and the Minister on the implementation of Local Water Done Well. You can find out more about the Technical Advisory Group on the DIA website, [here](#).

The Minister's press release is available on the [Beehive website](#).

Prior to the introduction of the repeal bill and recognising that councils are currently planning for the year ahead, I wanted to provide a heads-up about two aspects in the bill that may be of interest to you.

**1. An additional option that will enable councils to defer their 2024-34 long-term plan by 12 months**

In December 2023 the Minister communicated directly with mayors and council chief executives regarding options that will be available in the bill to assist councils to include water services in their 2024-34 long-term plans.

In addition, the bill will provide a further option that will enable councils to defer their 2024-34 long-term plan by 12 months, and to prepare an 'enhanced' annual plan for the 2024/25 financial year instead.

If a council chooses this option, it will be required to include additional information (about groups of activities and capital expenditure) in the 2024/25 annual plan, and to consult on that plan. A council will be able to exercise this option by resolution by 30 April 2024, or if authorised to do so by an Order in Council, after that date.

**2. Transitional provisions that enable councils to defer the review of water services bylaws**

The bill will also include transitional provisions that enable councils to defer the review of water services bylaws (similar to the approach previously provided through the water services legislation).

The bill allows councils to defer a review, if that review would ordinarily be required between 15 December 2022 and the end of 2025. If there is a deferral, the review would need to be completed by 1 July 2026 at the latest.

I will keep you updated as we continue to support the Government in implementing Local Water Done Well.

The Department is continuing to work with Taituarā to ensure councils receive timely information and guidance regarding legislative changes impacting councils' work.

In the meantime, please contact me directly if you have any questions.

Ngā mihi

Michael

**Michael Lovett** | Deputy Chief Executive  
Ue te hīnātore (Local Government Branch)  
**The Department of Internal Affairs Te Tari Taiwhenua**  
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PO Box 805 | Wellington 6140

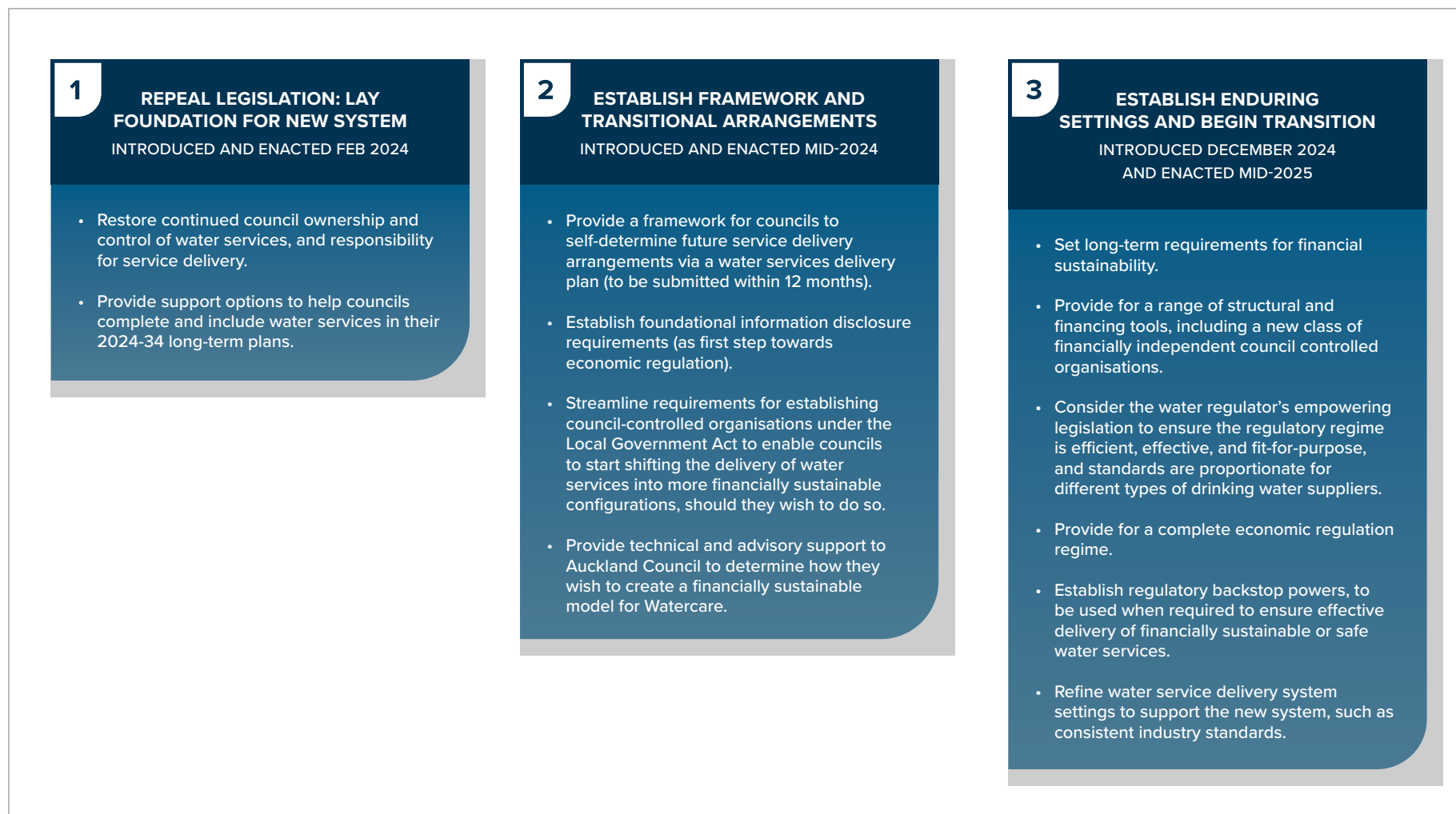


**Te Tari Taiwhenua**  
**Internal Affairs**

*Thriving local communities, together*

## Implementing Local Water Done Well: Three-stage legislation plan

Legislation to implement Local Water Done Well has three stages. Key components that are expected to be included in each bill are outlined below.



Note: All timeframes are subject to parliamentary processes and timelines.

**From:** Steve Taylor <[info@taumataarowai.govt.nz](mailto:info@taumataarowai.govt.nz)>  
**Sent:** Thursday, October 26, 2023 3:49 PM  
**To:** Steve Gibling <[Steve.Gibling@bdc.govt.nz](mailto:Steve.Gibling@bdc.govt.nz)>  
**Subject:** Managing bacterial risks to drinking water supplies



## Managing bacterial risks to drinking water supplies

26 October 2023

Tēnā koe

### Bacterial risks to drinking water supplies:

- **Verifying water supply information held by Taumata Arowai**
- **Expectations of compliance with the requirement for bacteria barrier**
- **Expectations of compliance with the requirement for residual disinfection**

The recent *cryptosporidiosis* outbreak in Queenstown has highlighted the possible consequences of contamination of drinking water supplies, and why registered suppliers are required to have effective barriers in place to prevent this from happening.

I recently wrote to public suppliers without protozoal barriers setting out our expectations for compliance with the requirements for a protozoa barrier, including the timeframes in which that must be achieved.

In considering the multi-barrier approach drinking water suppliers are required to take under the Water Services Act 2021, we have identified there are also supplies that do not, on the information suppliers have provided us, have bacterial treatment in place at their water treatment plants and/or do not have residual disinfection in their reticulated networks.

### Non-compliance with important treatment requirements

You are receiving this email as our records show a supply or supplies you are responsible for are missing one or more of these barriers.

To comply with the requirements of the Water Services Act 2021 and the Drinking Water Quality Assurance Rules 2022, the following supply(s) require a bacterial barrier and/or residual disinfection, unless a relevant exemption is obtained:

Supply Name and ID	Requirement
Little Wanganui (LIT003)	Residual Disinfection and Bacterial Barrie
Mokihinui (MOK001)	Bacterial Barrier
Punakaiki (PUN001)	Residual Disinfection
Reefton (REE001)	Residual Disinfection
Waimangaroa (WAI001)	Residual Disinfection and Bacterial Barrie

### Check your drinking water supply information is up to date

The list above is based on the information you have registered in our supplier portal, Hinekōrako.

I encourage you to take the opportunity to:

- Check the accuracy of information for your supplies in Hinekōrako and update it if you have recently installed a bacteria barrier, residual disinfection or other treatment.
- Amend your source water information in Hinekōrako if this is incorrect or has changed.

You should also update your drinking water safety plan (DWSP), especially if it needs to reflect any recently installed barrier or other treatment. Make sure your most up to date DWSP has been uploaded in Hinekōrako.

Please update your information in Hinekōrako, if required, by **15 November 2023**. After this date, we will be publishing information on any registered public supplies without required bacteria barriers and/or residual disinfection on our website, as we recently did for those registered public supplies without required protozoa barriers.

### Our expectations for compliance with these requirements

Following the opportunity to update your information, we will set out our expectations for becoming compliant with the requirements to have a multi-barrier approach and/or a residual disinfectant in the supply/ies, including the timeframes in which compliance must be achieved.

### Who to contact about this email

If you wish to discuss anything in this email, please continue to communicate directly with your [Taumata Arowai regional contacts](#), or contact Bruce McLaren, Manager Regulatory Operations (email: [Bruce.McLaren@taumataarowai.govt.nz](mailto:Bruce.McLaren@taumataarowai.govt.nz), phone: 021 580 872).

We look forward to hearing from you.

Ngā mihi



**Steve Taylor**  
Head of Regulatory

You're receiving this email update because you're a drinking water supplier or network operator and have duties under the Water Services Act 2021. If you don't wish to receive these regular email updates, you can select a different person as your portal user in Hinekōrako.

Click [here](#) to unsubscribe

taumataarowai.govt.nz





**Hon Simeon Brown**

Minister for Energy  
Minister of Local Government  
Minister of Transport  
Minister for Auckland  
Deputy Leader of the House



To: All Council Mayors + GWRC Chair

Dear Mayor

**Implementing Local Water Done Well**

Following my previous (December) letter, I'm pleased to provide you with an update on progress with implementing our plan for addressing New Zealand's long-standing water infrastructure challenges, Local Water Done Well (LWDW).

Last week the Prime Minister and I outlined the Government's plan for the next 12-18 months to implement LWDW. This included the repeal of the previous Government's three waters legislation, which was passed through Parliament last week.

This is a significant milestone, and I am energised about the work ahead of us. The Government is committed to enabling councils to determine water services infrastructure arrangements that work for them and their communities, while ensuring rules for water quality and long-term investment in infrastructure are met.

I understand that following my announcement last week the Department of Internal Affairs shared some detailed repeal bill information with council chief executives. I wanted to contact you directly to provide further information about:

- Our plan to implement LWDW through a three-stage legislative approach
- The establishment of a Technical Advisory Group to support the detailed design of LWDW policy.

I also wanted to provide a contact at the Department of Internal Affairs should you wish to have any early discussions about possible future water service delivery arrangements.

**Our plan to implement LWDW**

I am pleased we have been able to make good progress in our first 100 days in Government, with the repeal of the previous Government's legislation now complete.

Further legislation to implement LWDW will progress in two further stages. The first bill, which will establish the framework and transitional arrangements for the new water services system, will be passed by the middle of 2024. A second bill to provide for the long-term replacement regime will be introduced in December 2024.

Set out below is our three-stage legislative approach, and the different components expected to be included in each bill.

1

**REPEAL LEGISLATION: LAY FOUNDATION FOR NEW SYSTEM**

INTRODUCED AND ENACTED FEB 2024



- Restore continued council ownership and control of water services, and responsibility for service delivery.
- Provide support options to help councils complete and include water services in their 2024-34 long-term plans.

2

**ESTABLISH FRAMEWORK AND TRANSITIONAL ARRANGEMENTS**

INTRODUCED AND ENACTED MID-2024

- Provide a framework for councils to self-determine future service delivery arrangements via a water services delivery plan (to be submitted within 12 months).
- Establish foundational information disclosure requirements (as first step towards economic regulation).
- Streamline requirements for establishing council-controlled organisations under the Local Government Act to enable councils to start shifting the delivery of water services into more financially sustainable configurations, should they wish to do so.
- Provide technical and advisory support to Auckland Council to determine how they wish to create a financially sustainable model for Watercare.

3

**ESTABLISH ENDURING SETTINGS AND BEGIN TRANSITION**

INTRODUCED DECEMBER 2024 AND ENACTED MID-2025

- Set long-term requirements for financial sustainability.
- Provide for a range of structural and financing tools, including a new class of financially independent council controlled organisations.
- Consider the water regulator's empowering legislation to ensure the regulatory regime is efficient, effective, and fit-for-purpose, and standards are proportionate for different types of drinking water suppliers.
- Provide for a complete economic regulation regime.
- Establish regulatory backstop powers, to be used when required to ensure effective delivery of financially sustainable or safe water services.
- Refine water service delivery system settings to support the new system, such as consistent industry standards.

### Technical Advisory Group establishment

Last week I also announced the establishment of a Technical Advisory Group (TAG) to contribute specialist and technical expertise to myself and the Department as we develop policy and legislation to implement LWDW.

Leading experts in finance, infrastructure and local government will take on key roles as members of the TAG.

One of the key areas of focus for the TAG is providing advice and assurance on policy and legislative settings that will enable local councils to appropriately recover costs and access the long-term debt needed to fund the required investment in water infrastructure.

You can find more information about the TAG, including membership and Terms of Reference on the Department website, at: [www.dia.govt.nz/Water-Services-Policy-and-Legislation](http://www.dia.govt.nz/Water-Services-Policy-and-Legislation)

### Enabling councils to determine future water services arrangements

I recognise that councils will be at different stages in their thinking and readiness in determining their preferred future water services delivery model.

I also recognise that many councils are wanting to move quickly to put new arrangements in place and lead the way in developing local solutions to their water services challenges.

While our legislative plan provides certainty about our direction of travel, there are details to be worked through in the months ahead. We need to work together to ensure councils have the tools and information they need to support a smooth transition.

To this end, I have instructed officials at the Department to be available to assist with early discussions that councils may be having about their possible future service delivery arrangements.

Please contact Hamiora Bowkett, Executive Director, Water Services Policy, Legislation and Stewardship, by emailing [waterservices@dia.govt.nz](mailto:waterservices@dia.govt.nz), should your council wish to set up initial discussions with Department officials.

Yours sincerely,



Hon Simeon Brown  
**Minister of Local Government**

**BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 6**

- Prepared by** - Krissy Trigg  
- Group Manager – Community Services
- Reviewed by** - Steve Gibling  
- Chief Executive Officer
- Attachments** - Attachment 1. Expedite Building Report Brougham House. June 2022  
Attachment 2. Expedite Building Report Victoria Square. June 2022  
Attachment 3. Expedite Council Offices and Civil Defence Buildings May 2023  
Attachment 4. BECA Brougham House Targeted DSA Letter  
Attachment 5. MBIE Seismic Risk Guidance for Buildings

**BROUGHAM HOUSE UPGRADE UPDATE REPORT**

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**1. REPORT SUMMARY**

This report provides an overview of the current condition and challenges associated with Brougham House and the Victoria Square buildings. Additionally, it outlines the proposed strategy for addressing the identified issues.

Based on the initial report by Expedite and its subsequent review, which included valuable insights from the BECA Targeted-DSA and Seismic Assessment Review for Brougham House, this report aims to present a path forward. It should be noted that the initial budget allocated for this project proved insufficient. Hence, this report explores various options for the way ahead.

## 2. DRAFT RECOMMENDATION

That Council;

1. **Notes the contents of this report for information;**
2. **Notes that the completion of the heating and cooling part of the upgrade will be implemented pre-June 2024;**
3. **Instructs staff to bring forward plans for a 'Council facility' to the 2027-2037 Long Term Plan.**

## 3. ISSUES & DISCUSSION

### 3.1 Background

In mid-2021, Council embarked on a thorough investigation and assessment process to understand the performance related challenges of its Brougham House premises and Victoria Square complex. The objective was to explore potential remedial issues and provide upgrade options where needed.

In the Council's Long-Term Plan (LTP) for 2021-2031, a budget allocation of \$2.6million was set aside to conduct a comprehensive assessment of both buildings and to address any significant issues that might arise during this process. It is noted that the above figure did not cover the full estimate costs of upgrade of all buildings.

It's important to highlight that the budget included in the 2021-2023 LTP was an estimate only and acknowledged as potentially insufficient to cover all possible issues. Instead, the primary goal was to:

- establish baseline building performance levels,
- identify critical problems,
- explore potential remedies, and
- prioritise potential remedies based on their impact and benefits.

This prioritisation aimed to provide a basis for making informed decisions on which issues to address moving forward. Council tendered for the projects late 2021.

### 3.2 Key Findings / Outcomes

Expedite reports attached include the first (updated) report for Brougham House and Victoria Square, June 2022. (**Attachment 1 & 2**).

A subsequent report was requested when it became clear that the budget would not cover the required works to reflect the increases in build costs since the initial report. This report included Westport Library as an added as part of the options assessment. Expedite Council Offices and Civil Defence Buildings (**Attachment 3**). This also followed the BECA assessment regarding the New Building Standard (NBS) % of the buildings which was seen as a priority to have confirmed at the time.

The Building Performance Report for Brougham House prepared by Expedite concentrated on:

- structural (seismic) integrity; and
- coal-fired boiler replacement

Other issues which were identified as the assessment progressed were fire design, staff capacity and building services.

### 3.2.1 Structural

In relation to Brougham House, the most critical issue identified was a building integrity concern in the event of a significant and/or sustained earthquake. After assessing the building, Expedite considered the building to be at 34% of the New Building Standard (NBS). A building standard of less than 34% NBS is considered an Earthquake *Prone* Building. Ratings below 67% NBS are considered to be Earthquake *Risk* Buildings. The particular issue identified in Brougham House relates to roof support columns on the first floor.

A peer review was requested from BECA consultants in August 2022 (**Attachment 4**) and undertaken in the form of a further Detailed Seismic Assessment (Targeted-DSA) of Brougham House. BECA quantified the building as **45% NBS** but agreed that the concrete columns supporting the roof are the Critical Structural Weakness. All buildings have a Critical Structural Weakness, and it is the % NBS of this element that determines the overall building % NBS.

BECA recommend strengthening to a target level 70% NBS as this level is “generally considered a good target level for strengthening existing buildings”.

The Victoria Square has a structural capacity of 50% NBS as Importance Level (IL) 4 as an emergency centre. If not used as an emergency centre, the structural capacity is 70% NBS as an IL3 building which is a building that is occupied by more than 300 people. The Detailed Seismic Assessment was carried out in 2014.

### **3.2.2 Boiler Replacement and Associated Electrical-Main Switchboard**

The coal boiler equipment and associated pipework proved to be irreparable, and a new cooling and heating system was recommended. The main switchboard also needed replacement mostly because of this recommended upgrade. The switchboard has been replaced and a new heating and cooling system is pending, subject to ensuring the proposed work can be done ahead of the future strengthening work.

### **3.2.3 Other Matters:**

(i) **Fire Design and Compliance:**

Some minor improvements were identified to bring the building up to a higher level of new building compliance, safety and ease of escape.

(ii) **Staff Capacity Upgrades:**

Some design issues, mainly because of other work, were identified which could increase staff capacity and workflow benefits.

(iii) **Building Services Upgrade:**

Some areas for improvement including upgrading lighting and ducted extracts for toilets were identified.

### **3.3 Options:**

Based on the findings of the assessment, Expedite presented Council with three options for moving forward, (with a slightly varied scope) in June 2023 as follows;

- **Option One:**

Upgrade Council offices, library and Civil Defence existing buildings to address the issues identified above in 3.2.

- **Option Two:**

A new build option on the current Brougham House site incorporating the capacity for a library.

- **Option Three:**

A new build option on an alternative site incorporating the capacity for a Library.

### **3.4 Costings:**

The 2021-2031 Long Term Plan (LTP) with year two and year three revision's allocated \$2.6m for the assessment and any subsequent work required. To date there has been the following expenditure:

- Approximately \$236,000 has been spent on Expedite and Beca to undertake the various reports and assessments related to the seismic integrity of the Brougham House and Victoria Square buildings.

- With the removal of the coal boiler, an allowance has been made for installing a heating ventilation and cooling systems (HVAC) in Brougham House. \$60,000 has been spent to upgrade the switchboard with an additional \$170,000 required to complete the works. This work is progressing and will be operational when needed this winter. The estimated total cost is \$230,000.
- Initial project management, feasibility and optional consideration and procurement for previous works were approximately \$87,000
- Total spend to date is \$383,000.

It is clear that the initial budget proposed in the 2021-2031 Annual Plan is not realistic in the light of the work which would need to be undertaken to bring Brougham House up to the 67% NBS or better as originally envisaged.

In July 2022 the Ministry of Business, Innovation and Employment (MBIE) issued guidance regarding the risk for buildings with low seismic ratings, including a process for making occupancy decisions.

This guidance document clarifies the legislative requirements related to the continued occupancy of buildings with low % NBS ratings, including Earthquake-Prone Buildings (EPB's). This MBIE guidance notes the following key messages:

- A low % NBS (including EPB) *does not mean* the building is imminently dangerous. A low rating does indicate a higher Life Safety risk in the event a *significant* earthquake does occur. However, earthquakes are not considered an ordinary event, and are specifically excluded from the definition of a “dangerous building” in the Building Act.
- A low % NBS should be a “trigger” to initiate funding and planning to undertake seismic remediation work. In most cases, seismically vulnerable buildings can remain occupied while the seismic strengthening work is being planned for.
- There is no legal requirement to close a building based solely on a low % NBS rating – the Health and Safety at Work Act (2015) does not have specific provisions for seismically vulnerable buildings.

If a building is greater than 34% NBS but less than 100% NBS, this indicates that the building poses a somewhat higher risk to users than a new building does. There is no requirement to do anything under the Building Act, but over time a building owner may want to improve the building's seismic resilience.

In general, a low % NBS rating is no need for alarm or immediate action. The life safety risk is still very low.



The purpose of seismic assessments is to inform building owners and users about their building vulnerabilities, encourage strengthening of vulnerable buildings and lead to the improvement of building stock over a reasonable time period. The MBIE guidance recommends that there are a number of actions that can be taken to mitigate both life safety risk and disruption to operations in more frequent earthquakes. This includes but is not limited to:

- having an emergency plan;
- staff education (eg drop, cover, hold);
- removing hazardous substances or other risks;
- restraining plant, services and non-structural elements; and
- creating a business continuity plan, including identifying alternative ways to deliver services; and
- having back-ups for critical infrastructure services

Our staff have been briefed on the contents of these reports, and necessary mitigations, including alternative route evacuation drills, are completed and in place to ensure everyone knows how to respond in case of an earthquake or emergency.

It is important to note, as per **Attachment 4**, the current NBS rating of the Brougham House building is 45% which is sufficient for the current IL2 building.

BECA do qualify this by saying “the building is not deemed to be a significant risk of collapse in a moderate earthquake”. However, they go on to say; “We do agree that the concrete columns could become a significant Life Safety risk in a large earthquake.”

The Building Research Association of New Zealand (BRANZ) have provided guidance in their “Managing earthquake-prone Council buildings - a decision framework”, published November 2021, **Attachment 5**. To summarise the guidance, if the building is not an earthquake prone building, (where less than 34%), the guidance confirms normal asset management process should be used and to include in the long-term seismic upgrade programme.

This implies that at the appropriate time, the seismic strengthening should be included in a future upgrade programme.

Although not a life safety issue, Brougham House is without a heating system due to its coal-fired boiler no longer being serviceable, and this will become a significant issue if not resolved before next winter. Heating and cooling solutions are in progress and will be completed in this financial year.

### **3.5 Importance of Addressing Issues**

While Brougham House faces structural concerns, Victoria Square needs significant seismic upgrades and improved building services resilience. These issues are reported to Council due to their significance in relation to safety, compliance, building function, and post-disaster functionality.

The Risk Register currently identifies Council buildings needing to be assessed for their seismic risk. As a result of this report, staff will be recommending that Brougham House and Victoria Square are identified as needing further consideration as to strengthening due to their importance that both are available for Civil Defence and Council operations after a seismic event.

BDC continues to lease the Ellery's building to provide adequate capacity for Council staff and contractors.

### **3.6 Next Steps?**

Council will continue to operate its main activities from Brougham House.

This should only be seen as a short term (ie 3 – 5 years) solution to how Council staff should be accommodated in the long term.

Since the initial budget was provided for the 2021-2031 LTP, Council has had to commence the master planning for Westport for the future. As well as considering matters of resilience in relation to water, wastewater and flood protection / stormwater.

There will be an element of the switchboard and HVaC systems being able to be transferred to other buildings in the future. Accordingly, this work is not a 'sunk cost' if the Council decide to not use Brougham House for staff accommodation.

It may include the capability for this to also act as an Emergency Operations Centre \$2,073,000 has been provided for in the Draft 2024-2034 LTP. This budget has been split between the first three years, with the construction of any facility planned for in the third year.

## **4. CONSIDERATIONS**

### **4.1 Strategic Impact**

The building assessment and upgrade work summarised in this report was identified and budgeted as part of Council's LTP 2021-2031 process. It was halted/paused out of financial necessity, due to cost pressures and demands wrought by the Buller River floods in 2021 and 2022.

#### **4.2 Significance Assessment**

This report is for noting and does not currently require consultation with the community or stakeholders. However, ongoing consultation with staff will be essential.

#### **4.3 Risk Management Implications**

The Brougham House and Victoria Square building performance assessment work highlights some critical safety, service delivery, and reputational risks for Council, if left unaddressed. Options, financial implications, and recommendations will need to be worked through and presented to Council.

The incomplete seismic characterisation of other Council buildings throughout the district also poses some risk and warrants consideration of a programme of work to assess and infill this information.

#### **4.4 Values**

The matters discussed in this report align closely to core values of Community Driven, One Team, Future Focussed, Integrity, and We Care.

#### **4.5 Policy / Legal Considerations**

Brougham House is likely to have legal/compliance implications, so a plan to address Health and Safety requirements and fund this matter should be pursued as a matter of urgency.

#### **4.6 Tangata Whenua Considerations**

The matters noted in this report do not involve a significant decision or implication in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this matter does not specifically impact tangata whenua, their culture and traditions.

#### **4.7 Views of Those Affected**

This report is for noting and does not currently require consultation with the community or stakeholders. However, consultation with staff will be essential.

#### **4.8 Costs**

While this report is for information purposes, it raises several matters that are imperative to address, likely leading to significant financial implications in the short to medium term. These options are being presented to the Council now that they are more accurately quantified, and options and cost-benefit assessments will be completed.

#### **4.9 Benefits**

This report does not recommend a course of action at this time, rather presents information for noting. The benefits of presenting an information paper ensure Council is informed and up to date on emerging building

performance issues. The benefits of any future action/recommendation to undertake physical works will be described and quantified at that time.

#### **4.10 Media / Publicity**

There is likely to be interest from media in the key findings of this building performance assessment work, especially given it has highlighted a life safety risk for Brougham House under a significant and/or sustained earthquake, and the shortcomings of the current emergency operations facility at Victoria Square to provide Importance Level 4 (post-disaster function) functionality and certainty.

JUNE 2022

*UPDATED DRAFT FOR CONSIDERATION*

# BULLER DISTRICT COUNCIL

6-8 Brougham House *Building Performance Report*

Expedite.

# CONTENTS

Executive summary

Current situation & Recommendations

Services - Current Situation & Recommendations

Next steps - Go / No Go

Appendix

- Test-fit Layouts
- Structural Report & Sketches
- Fire GAP Analysis
- Asbestos Report
- Services Gap Analysis Report
- Geotech Report

**Expedite.**

BULLER DISTRICT COUNCIL

## EXECUTIVE SUMMARY

The Buller District Council commissioned an investigation of building performance and upgrade feasibility for its offices at 6-8 Brougham Street and the Civil Defence building at Victoria Square. Serious repeat flooding in February 2022 caused Council to refocus its priorities and scale back its aspirations for building upgrade work. As a result, the primary focus was revised to concentrate on structural (seismic) integrity and coal-fired boiler replacement. This report is an advanced and initial summary of the outcomes evident to date. For Council's benefit, it includes safety and compliance matters that were identified as part of the work undertaken.

The key building performance (safety and compliance) issues identified to date to note are as follows:

- Structural & seismic 'New Building Standards' (NBS) and failure thresholds
- Fire and compliance limitations
- Asbestos present in frequented areas
- Building Services

This initial output provides early supporting information and summary to assist the Council to make an informed decision as to what extent, if any, the 6-8 Brougham St Building needs to be upgraded and to provide an opportunity for Council to accommodate this within their Annual Plan, should they wish to. The remainder of the investigations undertaken by Expedite will be included in a final report to be delivered by the beginning of May 2022.

We thank you for the opportunity to provide this information and look forward to working with you further.



Kind regards,  
Kent Simmons

**Expedite.**



# DEFINITIONS

Before we outline the current situation and our recommendations, we thought it would be important to ensure there is alignment and understanding on terminology and thinking.

## **%NBS - What does it mean?**

Engineers consider the %NBS to be the point at which a building structurally fails. Typically, we refer to a building to have at least X%NBS. This means we believe (through various analysis levels) that the building has a percentage of strength relative to the minimum requirements of a similar building design to 'New Building Standards'.

## **What if an earthquake strikes that is bigger than the capacity of the building, i.e. its strength or %NBS?**

This is a very important consideration and requires significant thought. Some buildings fail in a brittle manner, and some carry a significant amount of robustness or toughness. If a building fails in a brittle manner, it often fails with partial or total collapse. This can be fast, unpredictable and catastrophic. If a building has robustness and or toughness, although engineers consider that the building has failed, it does not collapse. They are often significantly damaged, lean over, or suffer and cracks and/or deformations in the primary structural members. An important point here is that the building is still standing so the risk of loss of life is significantly reduced compared to the that of a brittle building.

So, in summary, although two buildings may have the same %NBS, the outcome, should an earthquake induce bigger force onto the building, can be very different in terms of life safety. In both cases the building is not likely to be repairable so rebuilds would be required. To help further explain building toughness or robustness an analogy of the paperclip can be used. It is impossible to tell how tough a paperclip is by how much force (%NBS can be related to the applied force) is required to bend it. Although equal force is applied to bending a paper clip, some paper clips will break reasonably easy when bent back and forth compare to others that won't break.

## **What magnitude earthquake does this %NBS relate to?**

Engineers do not talk of size of earthquake in magnitude. (Magnitude is a measure of the total energy released in an earthquake). Engineers talk of a peak ground acceleration which is basically how violently the ground shakes. This depends on the location of the earthquake relative to the building, its size, and a range of other complicated factors. Simply however, a good analogy here is the fire-cracker analogy. If a small fire-cracker explodes near your ear, it can cause damage to your ear; if a large fire-cracker explodes a distance away from your ear it can do the same damage. This is true with small close earthquakes and large far earthquakes.

## **A general recommendation**

When considering earthquakes and life safety, it is better to be in a building which has a high level of robustness than in a building that does not, even if they have been assessed to have the same %NBS. When strengthening buildings, it is important to consider the failure mechanism as this can have a significant outcome should an earthquake occur.

**ANARP** means that the building as a whole will comply '*as near as is reasonably practicable*' with applicable Building Code clauses for fire and accessibility after an alteration takes place.

**Expedite.**



## CURRENT SITUATION

The below matrix outlines the key items that are considered to present the largest impacts on the current 6-8 Brougham St Building from a safety and compliance perspective. This has been collated through a site visit and detailed correspondence and coordination with the project consultant & engineering team. Please refer to the detailed reporting & data in the appendix. Some of these matters may already be known and under management by Council, however it is our professional obligation to ensure these items have been communicated with the associated risk.

ITEM	IMPORTANCE LEVEL	FINANCIAL & DISRUPTION IMPACT LEVEL	EXPLANATION
Building Structural & Seismic Integrity	High	High	The current 6-8 Brougham Street building has been identified as a probable earthquake rating of 34% NBS for the building as a whole. The other important factor to consider is the mode of failure in the event of an earthquake. Beyond the 34% NBS the structural engineers "believe the building will behave in a brittle manner in a moderate or larger seismic event, failing fast, potentially catastrophically and with little warning."
HVAC / Boiler System	High	High	End of life – Scope TBC
Fire Cell Compartmentation	High	Med	Compliance issue. The current Ground > L1 internal stairwell and main electrical switchboard cupboard are not currently compliant fire-cells. This is considered a high risk to the safety of egress from the building in the event of a fire.
Asbestos – Main Building	High	Med	Operational Health & Safety issue. There has been asbestos identified in multiple areas throughout the building. Council is legally obligated to manage restriction/contact with these areas appropriately and as outlined in the Asbestos management report appended.
Asbestos – Boiler Room	High	Med	Operational Health & Safety issue. There is currently a 'high-risk' asbestos product located in the boiler room throughout pipework, lagging, machinery, cladding, switches & electrics. From an operational perspective, access should be restricted with appropriate PPE, RPE and training provided for maintenance activities. Asbestos removal in this area alone can be estimated at \$60 to \$80k.

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**Expedite.**

# CURRENT SITUATION CONTINUED

ITEM	IMPORTANCE LEVEL	FINANCIAL & DISRUPTION IMPACT LEVEL	EXPLANATION
Escape Routes	High	Low	Compliance issue. The current escape routes are not wide enough and/or compliant due to existing corridor widths and secondary security doors swinging in (instead of out). This is a medium risk to the safety of staff egress from the building in the event of an emergency requiring building evacuation.
Accessibility	Med	Med	Compliance issue. There are insufficient handrails to the internal staircase and front entry to the building. There are insufficient corridors and openings for the Public Meeting room and the accessible toilet on GF (Ground Floor).
Occupancy Loads – Level 1	Med	Low - Med	Compliance issue. The financial threshold for L1 occupancy is that a mechanical lift is required for +40 staff on L1. The current numbers on this floor are 36, plus the primary staff tearoom space which is calculated at 1 person per 5m2, taking the total current occupancy for L1 to 41 people.
Fire alarm system	Med	Low - Med	The current fire alarm system is ageing and as time goes on it will become more difficult to obtain components for this alarm. For immediate solutions and layout/ compliance changes and updates, it is thought to be possible to provide cost-effective and timely revisions to this equipment.
Emergency Lighting & Signage	Med	Low	Compliance issue. Currently there is insufficient emergency lighting and exit signage. This is moderately important (and a code requirement) to ensure clear direction of staff to exits in the event of an emergency requiring building evacuation.
Occupancy Loads – Generally	Med	Low	Compliance issue. The current building occupant load from the 2015 Fire report is noted at 49 persons; 26 GF + 23 FF. The current building occupancy exceeds this at circa 55 persons from our count of staff versus work-points in our site walk-through.

**Expedite.**

BULLER DISTRICT COUNCIL

# CURRENT SITUATION & RECOMMENDATIONS

## Building Services

A Building Services Gap Analysis has been undertaken for the existing building services which were assessed against building standards from a Health & Safety, Resilience and Sustainability perspective. Expedite has then reviewed the scope with subcontractors and peer-reviewed NDY's report with an independent engineer to highlight the key building services items that we deem to be priorities. All items in NDY's GAP analysis should be reviewed and assessed by Council's Health & Safety and/or infrastructure team to ensure all items are considered beyond current IQP inspections and BWOF maintenance plans.

Item	Importance level	Financial & Disruption Impact level	Explanation	Recommendations
Main switchboard	High	Med	Health & Safety / resilience issue. The existing main switchboard is past its useful life and contains damaged fuse carriers with possible 'arc fault' material which could cause an electrical fire. An upgrade of capacity is very likely required if a change is also made to an electric-powered heated hot water system. The switching between main power and standby generator power should be incorporated into the main switchboard.	Upgrade the distribution board, increasing the size to incorporate additional capacity for an electrical heating solution and incorporating the transfer switch for the generator. Appropriate measures would need to be taken for the removal of asbestos in this area during an upgrade.
Coal boiler heating system	High	High	Resilience Issue. End of serviceable life and end-of-life materials resulting in reduced and inefficient heating capability. The existing pipework from the boiler to the radiator units is also considered end of life and contain asbestos. There is no guarantee of the life of the wall radiators themselves if the coal-boiler system was repurposed with an alternative heating solution.	Given the existing state of the Coal Boiler/Radiator system, we recommend decommissioning the existing coal-boiler room and radiator convection units. Install highwall units throughout the building supplied by electric heat pumps. There is a possibility that the existing coal-boiler also provides Domestic Hot Water supply (kitchens & bathrooms) in which case separate hot water units would need to be provided for these facilities.
Ground floor toilet extraction system	Med	Med	Compliance issue. Not correctly ventilated to code and incorrect separation distances between office fresh air supply (opening windows) and the toilet discharge.	Install a new ducted ventilation system that is venting above any opening office windows. Add in extract requirements above the existing oven cooktop in the L1 cafeteria. Patch-up existing extract openings in the L1 ceiling and roof to improve heating efficiency.

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**Expedite.**

# CURRENT SITUATION & RECOMMENDATIONS

## Building Services

<b>Fire protection system - fire extinguishers &amp; fire hose reels</b>	Med	Low	Compliance Issue. It has been initially highlighted that there is currently no building hydrant system and that all fire-fighting water supplies are via the main town reticulated fire hydrant.	Through peer review, it is recommended that rather than assessing and remediating the existing fire-hydrant/fire hose reel system, a more pragmatic solution would be to remove the fire hoses and replace them with additional wall-mounted fire extinguishers for sufficient coverage.
<b>Existing fluorescent lighting</b>	Low	Med	Sustainability issue. Existing lighting is fluorescent type fittings which is generally less energy-efficient and requires more maintenance than for modern LED type fittings	Upgrade existing fluorescent lighting to LED lighting for significant reduction in operating expenses.
<b>Building envelope - insulation</b>	Low	Low	Sustainability issue. Ceiling insulation was observed as poorly fitted, allowing for heat to escape.	If a heating system upgrade is pursued, it is recommended that the ceiling insulation is improved to gain heating efficiencies.
<b>Fuel storage for generator</b>	Med	Low	Health & Safety issue. Currently small fuel cartons sitting next to the generator which is a fire hazard.	Install a fuel tank for safe onsite fuel containment.

**Expedite.**

# RECOMMENDATIONS

## Structural & Seismic

The structural engineer's investigation and analysis has validated that the existing 6-8 Brougham St Building has been upgraded to 34% NBS. As a guide, a building rating less than 67% is considered as an Earthquake Risk Building. 67% NBS is also considered to be a baseline level of seismic rating and safety threshold. The below scope is relevant for increasing the current NBS% rating to 67% NBS to provide Council with an option of reducing risk. This scope has been extracted from MY Consulting's prelim report, prelim sketch and correspondence with key geotech engineers, steel and building contractors.

### BUDGET

<b>STRUCTURAL UPGRADES</b> .....	<b>\$720K</b>
FIRE DESIGN UPGRADES .....	\$160K
STAFF CAPACITY UPGRADES .....	\$440K
BOILER REPLACEMENT .....	\$406K
SERVICES UPGRADE .....	\$100K

**Clarifications**

- Budgets have been established from initial site visit, MY Consulting sketches, initial trade input.

<b>General</b>	<ul style="list-style-type: none"> <li>› Structural Engineering fees</li> <li>› Project Management &amp; Cost Management fee</li> <li>› Design Integration costs</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General (staged construction)</li> </ul>
<b>Concrete Wall Thickening</b>	<ul style="list-style-type: none"> <li>› Concrete wall thickening to four locations in-situ</li> <li>› Associated reinforcing steel</li> <li>› Steel &amp; timber formwork for in-situ concrete – boxed &amp; pump-poured</li> <li>› Slab core-holes (including scanning) and window reinstatement for concrete pumping access</li> <li>› Modification/ decommissioning/ isolation of services affected: convector units, fire alarms, electrical &amp; lighting</li> <li>› Strap &amp; lining of concrete walls and integration with existing detailing</li> <li>› Demo and reinstatement of walls and ceilings impacted and necessary finishing including flooring makegood</li> </ul>
<b>Box-Section Cross Brace</b>	<ul style="list-style-type: none"> <li>› Replace 3x existing cross-brace sections, upgrading existing steel sizing</li> <li>› Install 2x new cross-brace sections</li> <li>› Existing column scanning</li> <li>› Demo &amp; reinstatement of walls &amp; ceilings impacted and necessary finishing including flooring makegood</li> <li>› Modification/ decommissioning/ isolation of services affected: convector units, fire alarms, electrical &amp; lighting</li> </ul>
<b>Strengthening diaphragm between original &amp; existing slab</b>	<ul style="list-style-type: none"> <li>› Fabrication &amp; installation of equal-angled bracket to underside of L1 slab</li> <li>› Cut-back and reinstatement of existing ceilings, associated painting and stopping</li> <li>› Relocation of power and lighting services as required</li> </ul>

**Expedite.**

# RECOMMENDATIONS

## Fire design and compliance

The below scope has been recommended to bring the building up to a higher level of new building compliance (with some areas of ANARP consideration) and ensuring the safety of building occupants and ease of escape in the event of an emergency. In regards to the Public Meeting room accessibility, through correspondence with the fire engineer and our design resource, we have recommended relocating the Public Meeting Room rather than trying to increase the width of an existing (solid concrete) opening. This would also lend itself to some 'quick win' layout changes in terms of building capacity and layout flow.

BUDGET	
STRUCTURAL UPGRADES .....	\$720K
<b>FIRE DESIGN UPGRADES .....</b>	<b>\$160K</b>
STAFF CAPACITY UPGRADES .....	\$440K
BOILER REPLACEMENT .....	\$406K
SERVICES UPGRADE .....	\$100K

<b>General</b>	<ul style="list-style-type: none"> <li>› Project Management &amp; Cost Management fees</li> <li>› Design Integration costs</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General</li> </ul>
<b>Fire Separation</b>	<ul style="list-style-type: none"> <li>› Upgrade of wall materials around staircase fire-cell and Main Distribution Board</li> <li>› Supply and installation of in-ceiling baffle walls above L1 walls around staircase cell</li> <li>› Supply and installation of fire-rated doors and associated security hardware and relay to fire alarm system</li> <li>› Associated stopping, painting and finishing details</li> </ul>
<b>Accessibility &amp; Egress upgrade</b>	<ul style="list-style-type: none"> <li>› Supply and installation of handrail to outside of internal Ground/L1 staircase</li> <li>› Supply and installation of handrails to entry (against exterior of building)</li> <li>› Re-mounting of security doors to exterior doors in 2x locations</li> <li>› Relocation of the public meeting room space – associated partitioning, ceiling, flooring, finishes and services work</li> <li>› Wall modification to provide correct egress width to L1 exit</li> <li>› Supply &amp; install of additional emergency lighting, exit signage and public way-finding signage as required</li> <li>› Upgrade of accessible toilet – mirror adjustment, grab handle to toilet door, remount privacy bolt, complaint door hardware</li> <li>› All other builders works associated with the above scope and adjustments</li> </ul>

Clarifications

- Budgets have been established from initial site visit, Axis Pro GAP Analysis, initial trade input.

**Expedite.**

# RECOMMENDATIONS

## Staff capacity and refresh

Whilst Council recently indicated the primary focus of building feasibility investigations should be reduced to key safety aspects (e.g. seismic, fire) and boiler replacement, opportunities have become apparent as the Expedite team worked through structural and compliance matters for 'quick wins' that address key safety and compliance aspects, but also yield significant staff capacity and workflow benefits. As such, these are provided below for Council consideration. Whilst existing L1 staff could be relocated to the GF to ensure a GF>L1 mechanical lift isn't required, we would recommend the below scope of work to enable a total capacity of 65 staff whilst further enhancing the flow & feel of the space. For clarity, we would expect the \$440k scope of work to be significantly higher in value if tackled as a separate project (rather than addressed and integrated as part of possible structural and compliance upgrades).

BUDGET			
STRUCTURAL UPGRADES .....	\$720K	<b>General</b>	<ul style="list-style-type: none"> <li>› Project Management &amp; Cost Management fee</li> <li>› Design Fees</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General</li> </ul>
FIRE DESIGN UPGRADES .....	\$160K	<b>Floor Layout modifications</b>	<ul style="list-style-type: none"> <li>› New staff tearoom on Ground floor: joinery, flooring, furniture, services</li> <li>› Opening up of Ground floor to increase flow and space utilisation: demo, partitioning, ceilings, services, furniture</li> <li>› New teabay &amp; space modifications on L1: demo, partitioning, ceilings, services &amp; furniture changes</li> <li>› Accommodation of 65x staff in the building</li> </ul>
<b>STAFF CAPACITY UPGRADES .....</b>	<b>\$440K</b>		
BOILER REPLACEMENT .....	\$406K		
SERVICES UPGRADE .....	\$100K		

Clarifications

- Budgets have been established from initial site visit, design/test-fitting, initial trade input.

**Expedite.**

# RECOMMENDATIONS

## Boiler Replacement & Associated Electrical-Main Switchboard

Through initial investigation determining the existing state of the coal boiler equipment and associated pipework, Expedite worked with various Mechanical trades to come up with a heating solution. Either multi-split cassette units or split cassette units were recommended for the ground floor (pros and cons for each option) and a ducted system recommended for the first floor. These systems would provide the council with a reliable and efficient heating and cooling option going forward. Included below is replacing the main switchboard and ceiling insulation upgrades. These two items have to be upgraded in conjunction with an alternative heating solution installed within the building.

BUDGET	
STRUCTURAL UPGRADES .....	\$720K
FIRE DESIGN UPGRADES .....	\$160K
STAFF CAPACITY UPGRADES .....	\$440K
<b>BOILER REPLACEMENT .....</b>	<b>\$406K</b>
SERVICES UPGRADE .....	\$100K

<b>General</b>	<ul style="list-style-type: none"> <li>› Project Management &amp; Cost Management fee</li> <li>› Design Fees</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General</li> </ul>
<b>New Heating &amp; Cooling System – GF &amp; L1</b> \$356K	<ul style="list-style-type: none"> <li>› Decommission of existing boiler room &amp; convector units</li> <li>› Ground Floor: Supply &amp; Installation of multi-split cassette units for heating &amp; cooling throughout the floor.</li> <li>› First Floor: Supply &amp; Installation of ducted units for heating &amp; cooling throughout the floor.</li> <li>› Installation of associated outdoor units</li> <li>› Builders Works, as below:                             <ul style="list-style-type: none"> <li>• Associated builders works including exterior penetrations for refrigerant pipework</li> <li>• Asbestos-safe onsite set-up for drilling through exterior façade, cladding &amp; soffits (contains asbestos)</li> <li>• Ceiling removal &amp; remediation in locations for ease of installation</li> <li>• Supply &amp; installation of ceiling hatches</li> </ul> </li> </ul>
<b>Insulation Upgrade</b> \$11K	<ul style="list-style-type: none"> <li>› Ceiling insulation upgrades as required &amp; patching of existing redundant vents</li> </ul>
<b>New Main Switchboard</b> \$ 39K	<ul style="list-style-type: none"> <li>› Strip-out of existing mains switchboard inc. compliant removal of asbestos materials</li> <li>› Supply &amp; Installation of new switchboard including associated metering, mains switch, auto-generator changeover</li> <li>› Reconnection of existing circuits                             <ul style="list-style-type: none"> <li>- Associated builders works</li> </ul> </li> </ul>

Clarifications

- Budgets have been established from initial site visit, design/test-fitting, initial trade input.

**Expedite.**



BULLER DISTRICT COUNCIL

# RECOMMENDATIONS

## Building Services Upgrade

The below scope has been recommended to bring the building up to a higher level of new building compliance and ensuring the health & safety and comfort of building occupants on a daily basis.

BUDGET	
STRUCTURAL UPGRADES .....	\$720K
FIRE DESIGN UPGRADES .....	\$160K
STAFF CAPACITY UPGRADES .....	\$440K
BOILER REPLACEMENT .....	\$406K
<b>SERVICES UPGRADE .....</b>	<b>\$100K</b>

<b>General</b>	<ul style="list-style-type: none"> <li>› Project Management &amp; Cost Management fee</li> <li>› Design Fees</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General</li> </ul>
<b>Replacement of existing lighting</b>	<ul style="list-style-type: none"> <li>› Isolation &amp; Disconnection of existing lighting</li> <li>- Supply &amp; Installation of replacement LED light fittings</li> </ul>
<b>Ducted Extract – Male &amp; Female Toilets</b>	<ul style="list-style-type: none"> <li>› Decommissioning &amp; disconnection of existing fans</li> <li>› Supply &amp; Installation of stainless ducting to Male &amp; Female bathrooms on Ground Floor.</li> <li>› Associated exterior ducting &amp; penetrations</li> </ul>
<b>Fire Hose Reel Replacement</b>	<ul style="list-style-type: none"> <li>› Disconnection and removal of existing fire hose reels</li> <li>› Supply &amp; Installation of additional fire extinguishers for sufficient coverage as per the building code</li> <li>› Associated make-good to walls affected by hose-reel removal</li> </ul>
<b>Fuel Containment - Generator</b>	<ul style="list-style-type: none"> <li>› Supply &amp; Installation of a new fuel tank with sufficient fuel capacity for BDC's generator-duration requirements</li> </ul>

Clarifications

- Budgets have been established from initial site visit, design/test-fitting, initial trade input.

**Expedite.**

# NEXT STEPS - GO / NO GO

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## GO

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### NEXT STEPS

1. Review and agree SP1B scope (further feasibility and planning as required)
2. Expedite SP1B engagement
3. Buller District Council approval
4. Completion of SP1A deliverables (as per 'No Go')

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## NO GO

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### COMPLETION OF REMAINING SP1A DELIVERABLES - 13 MAY

- › Final closure of SP1A Deliverables

**Expedite.**

13 JUNE 2022

*UPDATED DRAFT FOR CONSIDERATION*

# BULLER DISTRICT COUNCIL

*Victoria Stand Building Performance Report*

Expedite.

# CONTENTS

Executive summary

Definitions

Current situation

Recommendations

Next steps

Appendix

- Structural Report & Sketches
- Services Gap Analysis
- Asbestos Report
- Geotech Report

**Expedite.**

## DEFINITIONS

Before we outline the current situation and our recommendations, we thought it would be important to ensure there is alignment and understanding on terminology and thinking.

**Dependable Strength** (*How Vic Stand has been calculated seismically*): The dependable strength is what is used in new designs and requires 95% chance of elements being over that stated strength. For steel, the difference between probable and dependable is 10%. The larger the percentage, the more variable the material.

**Probable Strength** (*How 6-8 Brougham has been calculated seismically*): Probable strength refers to a likely strength of the element/building using the average strength of elements. IE if the probable strength of a steel section is 300MPa, there is a 50/50 chance of its true strength being less.

### **%NBS - What does it mean?**

Engineers consider the %NBS to be the point at which a building structurally fails. Typically, we refer to a building to have at least X%NBS. This means we believe (through various analysis levels) that the building has a percentage of strength relative to the minimum requirements of a similar building design to 'New Building Standards'.

### **What if an earthquake strikes that is bigger than the capacity of the building, i.e. its strength or %NBS?**

This is a very important consideration and requires significant thought. Some buildings fail in a brittle manner, and some carry a significant amount of robustness or toughness. If a building fails in a brittle manner, it often fails with partial or total collapse. This can be fast, unpredictable and catastrophic. If a building has robustness and or toughness, although engineers consider that the building has failed, it does not collapse. They are often significantly damaged, lean over, or suffer and cracks and/or deformations in the primary structural members. An important point here is that the building is still standing so the risk of loss of life is significantly reduced compared to the that of a brittle building.

So, in summary, although two buildings may have the same %NBS, the outcome, should an earthquake induce bigger force onto the building, can be very different in terms of life safety. In both cases the building is not likely to be repairable so rebuilds would be required. To help further explain building toughness or robustness an analogy of the paperclip can be used. It is impossible to tell how tough a paperclip is by how much force (%NBS can be related to the applied force) is required to bend it. Although equal force is applied to bending a paper clip, some paper clips will break reasonably easy when bent back and forth compare to others that won't break.

### **What magnitude earthquake does this %NBS relate to?**

Engineers do not talk of size of earthquake in magnitude. (Magnitude is a measure of the total energy released in an earthquake). Engineers talk of a peak ground acceleration which is basically how violently the ground shakes. This depends on the location of the earthquake relative to the building, its size, and a range of other complicated factors. Simply however, a good analogy here is the fire-cracker analogy. If a small fire-cracker explodes near your ear, it can cause damage to your ear; if a large fire-cracker explodes a distance away from your ear it can do the same damage. This is true with small close earthquakes and large far earthquakes.

### **A general recommendation**

When considering earthquakes and life safety, it is better to be in a building which has a high level of robustness than in a building that does not, even if they have been assessed to have the same %NBS. When strengthening buildings, it is important to consider the failure mechanism as this can have a significant outcome should an earthquake occur.

**ANARP** means that the building as a whole will comply '*as near as is reasonably practicable*' with applicable Building Code clauses for fire and accessibility after an alteration takes place.

**Expedite.**

## CURRENT SITUATION

The below matrix outlines the key items that are considered to present the largest impacts on the current Victoria Stand Building from a safety and compliance perspective. This has been collated through a site visit and detailed correspondence and coordination with the project consultant & engineering team. Please refer to the detailed reporting & data in the appendix. Some of these matters may already be known and under management by Council, however it is our professional obligation to ensure these items have been communicated with the associated risk.

ITEM	IMPORTANCE LEVEL	FINANCIAL & DISRUPTION IMPACT LEVEL	EXPLANATION
Building Structural & Seismic Integrity	High	High	The current Victoria Stand Building has been identified as a dependable earthquake rating of 40% NBS for the building as a whole, at IL4 level. There are some varying factors that have an impact on the 'NBS' rating, namely: Dependable vs Probable ratings (refer to definitions) Intended Importance Level of the building To help explain this we have requested the engineer to provide a benchmarking matrix (refer to pg. 3 of his report) showing how the NBS % is affected by these factors
Fire Alarm System	High	Med	Compliance issue. There isn't currently a fire alarm system within the building which is required as per the building code irrespective of the building importance level.
Hot Water supply for Bathrooms	High	Med	Compliance Issue. The existing bathrooms don't have any hot water supply currently which is a requirement of the building code irrespective of the building importance level. This could be supplied via some electronic-heated hot-water units or tanks.
Kitchen & Toilet Ventilation	High	Med	Compliance Issue. The existing kitchen and toilets don't currently have any form of ventilation which is a requirement of the building code irrespective of the building importance level. We would recommend installing a new ducted ventilation system.
Emergency Lighting	High	Med	Compliance Issue. There is no emergency lighting in the building which is a requirement of the building code irrespective of the building importance level.
Back-up Potable Water	Low-High	Med	There isn't currently any back-up potable water supply for the building. If the Victoria Stand building is to be regarded as an IL4 building, back-up potable water supply is a requirement.
Asbestos	High	Med	Operational Health & Safety issue. There has been asbestos identified in multiple areas throughout the building. Council is legally obligated to manage restriction/contact with these areas appropriately and as outlined in the Asbestos management report appended.

**Expedite.**

# RECOMMENDATIONS

## Structural & Seismic

The below scope is relevant for increasing Victoria Stand building’s current NBS% rating to 100% NBS (New-Build Equivalent). This will in turn provide Council with an option of reducing risk in relation to structural/seismic requirements for an Importance Level 4 building. This scope has been extracted from MY Consulting’s prelim report, prelim sketch and correspondence with key geotech engineers, steel and building contractors.

### BUDGET

**STRUCTURAL UPGRADES** .....\$1.7 m

FIRE & SERVICES UPGRADES .....\$290K

<b>General</b>	<ul style="list-style-type: none"> <li>› Structural Engineering fees</li> <li>› Project Management &amp; Cost Management fee</li> <li>› Design Integration costs</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General (staged construction)</li> </ul>
<b>Concrete &amp; Formwork (GF)</b>	<ul style="list-style-type: none"> <li>› Cut-out of existing slab &amp; removal of existing block-walls with temporary support</li> <li>› New concrete walls &amp; New Footings with associated reinforcing steel</li> <li>› Steel &amp; timber formwork (double-sided) for new concrete walls – boxed &amp; pump-poured</li> <li>› Modification/ decommissioning/ isolation of services affected: Electrical/ Lighting/ Plumbing</li> <li>› Strap &amp; lining of concrete walls as required and integration with existing detailing</li> <li>› Demo and reinstatement of walls and ceilings, toilet partitioning impacted and necessary finishing including flooring make-good</li> </ul>
<b>Steel work</b>	<ul style="list-style-type: none"> <li>› Supply &amp; Installation of steel portal frames into existing structure and associated make-good</li> <li>› Supply &amp; Installation of angle brackets and RHS supports to existing perimeter and central seating. Re-fixing of timber as required</li> <li>› Modification/ decommissioning/ isolation of services affected</li> </ul>
<b>Strengthening diaphragm &amp; Plasterboard Linings (L1)</b>	<ul style="list-style-type: none"> <li>› Re-lining of existing solid partitioning with plasterboard linings to specification</li> <li>› Diaphragm strapping and re-lining of existing ceilings with plasterboard linings to specification</li> <li>› Associated painting and stopping</li> <li>› Relocation of power and lighting services as required</li> </ul>

Clarifications

- Budgets have been established from initial site visit, MY Consulting sketches, initial trade input.

**Expedite.**

# RECOMMENDATIONS

## Building Services Upgrade

The below scope has been recommended to bring the building up to building compliance and ensuring reasonable health & safety standards for the building occupants. Further engineering investigation and advice will be required prior to any of the works below taking place provided some overlaps in scope with the below upgrade recommendations and their impact on the building.

### BUDGET

STRUCTURAL UPGRADES .....\$1.7 m

**FIRE & SERVICES UPGRADES .....\$290K**

<b>General</b>	<ul style="list-style-type: none"> <li>› Project Management &amp; Cost Management fee</li> <li>› Design Fees</li> <li>› Council Consent costs</li> <li>› Onsite Preliminaries &amp; General</li> </ul>
<b>New Emergency Lighting</b>	<ul style="list-style-type: none"> <li>› Supply &amp; Installation of emergency lighting throughout the ground floor and first floor.</li> <li>› Associated phase failure relays and emergency lighting timers</li> <li>› Associated builders works</li> </ul>
<b>Ducted Extract System to L1 Kitchen &amp; GF Toilets</b>	<ul style="list-style-type: none"> <li>› Ventilation design</li> <li>› Supply &amp; Installation of stainless ducting to Ground Floor Toilets</li> <li>› Rigid surface ducting with branches to each toilet</li> <li>› Associated seismic bracing and concrete cutting</li> <li>› Associated exterior ducting &amp; penetrations</li> <li>› Supply &amp; Installation of a standard rangehood to the Kitchen, ducted to the external soffit</li> </ul>
<b>Fire Alarm System</b>	<ul style="list-style-type: none"> <li>› Supply &amp; Installation of a new fire alarm system throughout the building with supplementary smoke detectors in the upper floor operations centre.</li> <li>› Supply &amp; Installation of heat detectors to toilets, operations centre roof space and all ground-floor spaces</li> <li>› Associated makegood</li> </ul>
<b>Hydraulics/ Plumbing Upgrades</b>	<ul style="list-style-type: none"> <li>› Supply &amp; Installation of electronic-heated hot water cylinders &amp; hot water feeds to existing bathrooms. Including exterior penetrations, mounting slabs, bracing and other builders works as required</li> <li>› Supply &amp; Installation of 2x storage tanks and a pump set system for domestic cold water back-up storage. Associated mounting slabs, penetrations, bracing and builders works as required</li> </ul>

Clarifications

- Budgets have been established from initial site visit, design/test-fitting, initial trade input.

**Expedite.**



## NEXT STEPS - GO / NO GO

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### GO

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#### NEXT STEPS

1. Review and agree SP1B scope (further feasibility and planning as required)
2. Expedite SP1B engagement
3. Buller District Council approval

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### NO GO

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#### COMPLETION OF REMAINING SP1A DELIVERABLES - 13 MAY

- › Conclude engagement

**Expedite.**

24 MAY 2023

# Buller District Council

Council Offices & Civil Defence Buildings



# Contents

- 01 Summary and Overview
- 02 Pros and Cons
- 03 Accommodation & Budget Analysis
- 04 Programme Summary
- 05 Conclusion and Recommendations
- 06 Appendix

## Summary and Overview

Buller District Council is considering its options regarding future proofing and making its key real estate portfolio buildings fit for purpose.

In mid-2021, Council embarked on an investigation and assessment process to understand building performance issues and remedial/upgrade options (if any) with its Brougham House premises and Victoria Square complex. Council had a budget estimate \$2.3M in its Long Term Plan (LTP) 2021-2031 to undertake a detailed assessment of both buildings, and to address key issues that were identified.

The budget allowance was an estimate only, and it was accepted that it may not be sufficient to address all the issues that might be identified. Rather, the focus of the work was to establish building performance levels, identify key issues and remedial options, and prioritize their impact and benefit to enable an informed decision about which to address. In February 2022 the major flood events the project was placed on hold providing the opportunity to analyze additional options.

The scope of this analysis covers Brougham House and the Victoria Stadium.

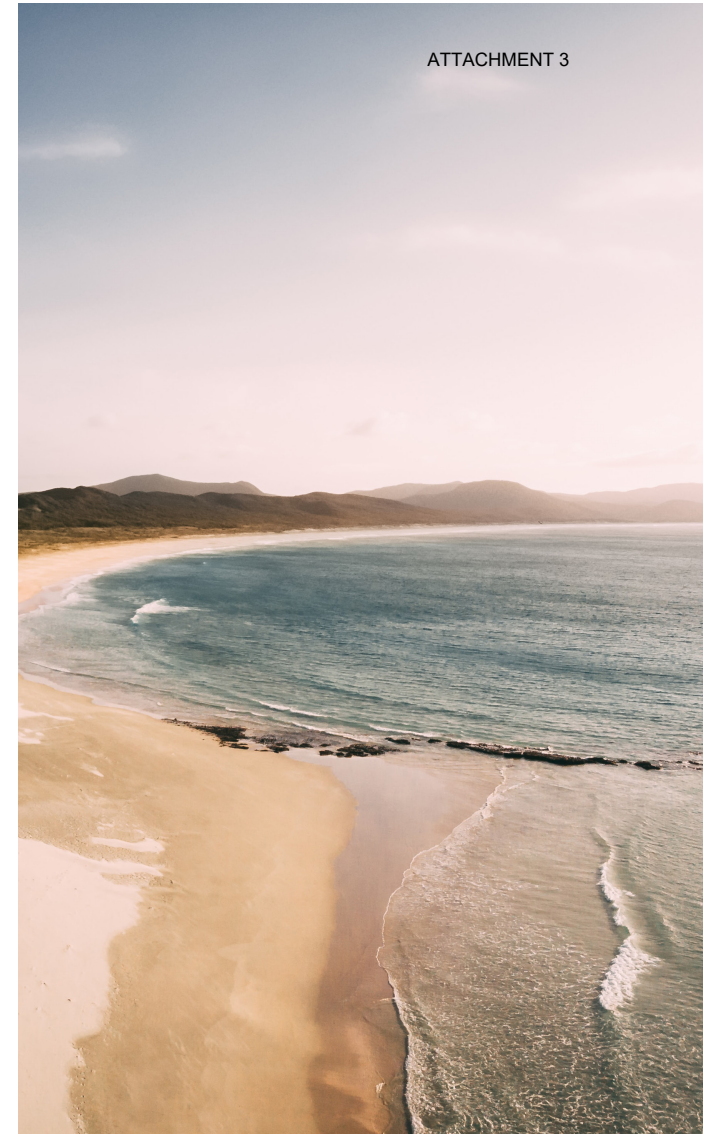
Success will be measured against the following factors:

- Solution to be within agreed financial constraints.
- The buildings to be fit for purpose
- Accommodate potential growth
- Safe working environment
- Heating to be derived from a sustainable source
- Positive stakeholder perception and impact

Solutions have been presented as three discrete options.

1. Upgrade two of the existing buildings.
2. A new build option on the current Brougham house site incorporating the capacity for a city library
3. A new build option on an alternative site incorporating the capacity for a city library.

This initial output provides the supporting information and summary to assist Buller District Council in making an informed decision, taking into account the information outlined within this report. On this basis, we strongly recommend consensus is obtained early in the process from key decision-makers to ensure funds are well directed.



Buller District Council

# Pros and Cons

ITEM	SUMMARY OF OPTIONS	PROS	CONS	FINANCIAL	FIT FOR PURPOSE	GROWTH	SAFETY ENVIRONMENT	ENHANCED SUSTAINABILITY	EXTERNAL PERCEPTION	COMMENTS
Option One	Upgrade council offices and civil defense existing buildings.	<ul style="list-style-type: none"> <li>Speed of implementation</li> <li>Significantly lower cost</li> <li>Aligns with BDC values and public perception</li> <li>Provides a safe environment for the staff in the shorter term</li> <li>Retains multiple locations for the public reducing centralised traffic flow</li> <li>Meets the required compliance and seismic protection of staff</li> </ul>	<ul style="list-style-type: none"> <li>Reduces the ability to future proof given the restriction of the current floor plan</li> <li>The current site is adjacent to a flood plan</li> <li>There will be disruption during the works and potentially accommodation required during the construction</li> </ul>	✓	✓	✓	✓	✓	✓	Depending on the growth curve and current working style the capacity will hit limitations.
Option Two	A new build option on the current Brougham house site incorporating the capacity for a city library	<ul style="list-style-type: none"> <li>New purpose built facilities</li> <li>Meets the required compliance and seismic protection of staff</li> <li>More ability to accommodate future proofing requirements</li> <li>More energy efficient and sustainable outcome</li> <li>Lower ongoing maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>Significant cost</li> <li>Drawn out process</li> <li>There will be disruption during the works and potentially accommodation required during the construction</li> <li>Wasted cost for feasibility to date of Option One</li> </ul>		✓	✓	✓	✓		Public perception and budget constraints to be considered.
Option Three	A new build option on an alternative site incorporating the capacity for a city library	<ul style="list-style-type: none"> <li>New purpose built facilities</li> <li>Meets the required compliance and seismic protection of staff</li> <li>More ability to accommodate future proofing requirements</li> <li>Allows future requirements</li> <li>Can be positioned out of risk areas</li> <li>More energy efficient and sustainable outcome</li> <li>Lower ongoing maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>Significant cost</li> <li>Drawn out process</li> <li>Extended period of time for temporary accommodation</li> <li>H&amp;S risk in the meantime</li> <li>Wasted cost for feasibility to date of Option One</li> </ul>		✓	✓	✓	✓		Public perception and budget constraints to be considered.



Buller District Council

## Accommodation & Budget Analysis

### Estimated Cashflow

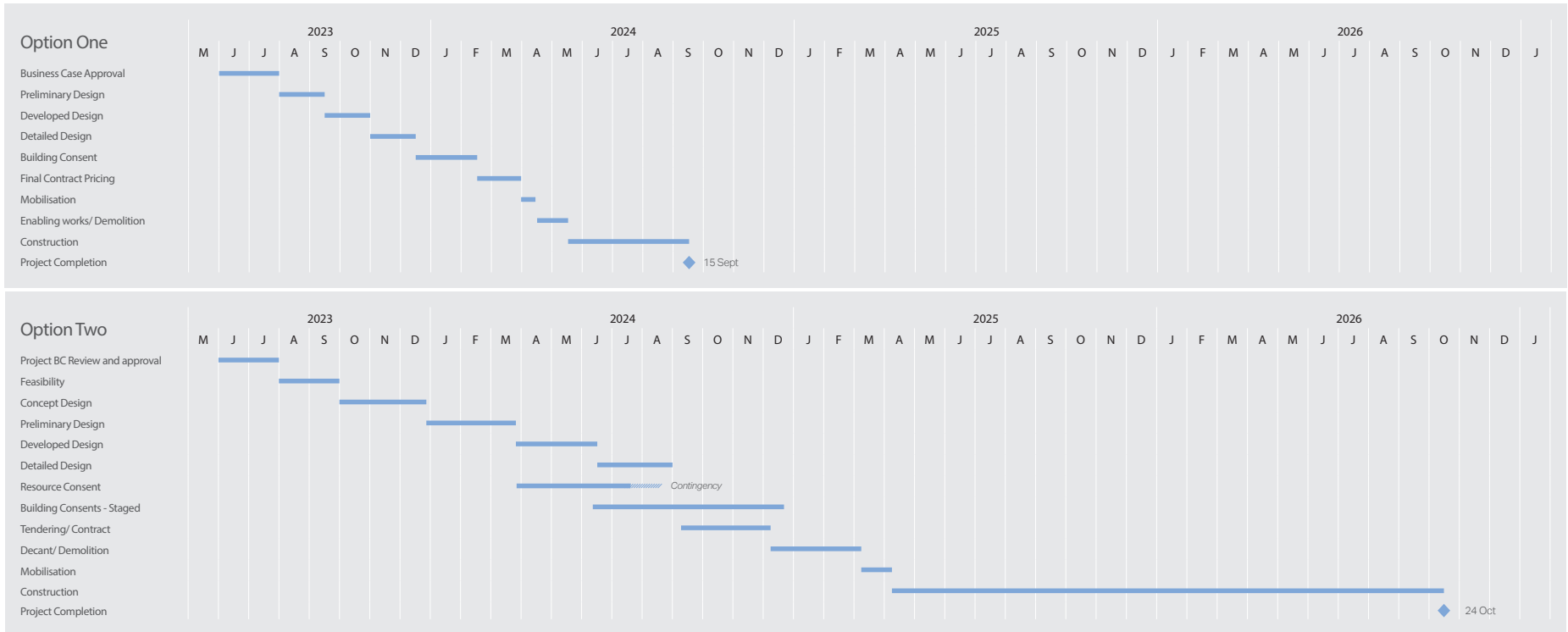
ITEM	2023	2024	2025	2026	2027	2028	TOTAL
Option One	\$2,712,250.98	\$2,270,150.61	\$98,995.42	-	-	-	\$5,081,400.00
Option Two	\$1,356,521.74	\$2,034,782.61	\$7,035,820.60	\$7,392,968.05	\$140,607.00	-	\$17,960,700.00
Option Three	\$847,826.09	\$1,865,217.39	\$4,743,324.94	\$8,535,284.21	\$1,560,447.37	\$137,900.00	\$17,690,000.00

	COUNCIL OFFICES	CIVIL DEFENSE	COMBINED	COMMENTS
Option One	940sqm	250sqm	1,190sqm	
Option Two			1,840sqm	The calculation for cost and programme for options 2 and 3 have been prepared on a like for like square metre basis. We would note however with a new build building the layout and utilization would be more efficient.
Option Three			1,840sqm	



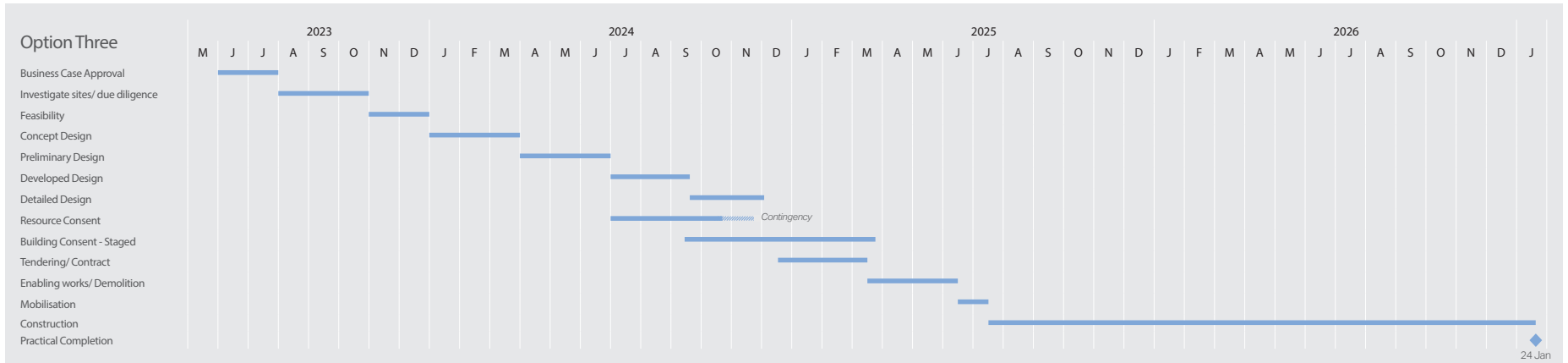
Buller District Council

# Programme



Buller District Council

# Programme





## Conclusion, Recommendations and Next Steps

In conclusion, the Buller District Council has evaluated three options for addressing the needs of its buildings, with a particular focus on incorporating a city library. Each option aligns with the key success factors identified in this business case paper, but options 2 and 3 offer greater potential for future growth despite their significant financial and program implications.

While upgrading the council offices and civil defence (option 1) is cost-effective, it could present some limitations in terms of space and capacity for future expansion, however, providing a safety working environment for the staff at BDC in the short and mid term and presents better to the media and other key stakeholders. On the other hand, options 2 and 3 involve a new build, either on the current Brougham house site or an alternative site, allowing for the incorporation of a city library and addressing some of the key success factors more comprehensively.


Regardless of the chosen option, it is crucial for the solution to be within the agreed financial constraints and for the buildings to be fit for their intended purpose. Accommodating potential growth is essential to ensure the longevity and scalability of the facilities. Furthermore, creating a safe working environment and utilizing sustainable heating sources are important factors that contribute to the well-being of occupants and the environment.

Ultimately, the Buller District Council must carefully weigh the financial and program implications against the future growth opportunities offered by options 2 and 3. By considering these factors and aligning them with the key success factors outlined in this report, the council can make an informed decision that best serves the district and its stakeholders.



Buller District Council

# Option Estimates Continued


CLIENT: Expedite Projects Ltd. 

PROJECT: Brougham house

REPORT: Victoria Street Civil Defence Hall - Option 1

Code	Description	Quantity	Unit	Rate	Total
	<b>OPTION 1 - Victoria Street Civil Defence Hall</b>				<b>2,367,100</b>
	<b>Total Brougham house - Victoria Street Civil Defence Hall - Option 1</b>				<b>2,367,100</b>

Revision: 0      Customer Limited / 23-1350-      Page 1 of 2


CLIENT: Expedite Projects Ltd. 

PROJECT: Brougham house


REPORT: Victoria Street Civil Defence Hall - Option 1

Code	Description	Quantity	Unit	Rate	Total
	<b>OPTION 1 - Victoria Street Civil Defence Hall</b>				
	insurance in way area			2,142,000	
	sub total A			2,142,000	
	18 months pre-Contract escalation			174,100	
	<b>Total OPTION 1 - Victoria Street Civil Defence Hall</b>				<b>2,316,100</b>

Revision: 0      Customer Limited / 23-1350-      Page 2 of 2



**APPENDIX C - LIBRARY OPTION 1**



**Brougham house**

**Library Option 1**

Reference: 23-1350  
 Revision: 0  
 Date: 15/05/2023  
 Client: Expedite Projects Ltd.

**ESTIMATE SUMMARY**


Customer Limited  
 PO Box 200104, Albany Grove, New Zealand      www.cuesko.com  
 T: +64 (0) 9 477 4880



Buller District Council

# Option Estimates Continued


**CLIENT:** Expedite Projects Ltd.  
**PROJECT:** Brougham House  
**REPORT:** Library Option 1



Code	Description	Quantity	Unit	Rate	Total
<b>OPTION 1 - Library only</b>					<b>1,847,400</b>
Total Brougham house - Library Option 1					<b>1,847,400</b>

Brougham House  
 Expedite Projects Ltd.  
 PO Box 3001018, Albany Oval, New Zealand  
 T: +64 (0) 9 477 4880



**CLIENT:** Expedite Projects Ltd.  
**PROJECT:** Brougham House  
**REPORT:** Library Option 1



Code	Description	Quantity	Unit	Rate	Total
<b>OPTION 1 - Library only</b>					
1.	structure upgrades			841,300	
2.	Fire Design Upgrades			164,000	
3.	interior upgrades			263,000	
4.	HVAC Upgrade			164,000	
5.	Services Upgrade			233,000	
Sub total A					1,427,000
Allowance for Contingency					164,000
Sub total B					1,713,000
18 month Pre-Construction					134,300
<b>Total OPTION 1 - Library only</b>					<b>1,847,400</b>

Brougham House  
 Expedite Projects Ltd.  
 PO Box 3001018, Albany Oval, New Zealand  
 T: +64 (0) 9 477 4880

**APPENDIX D - BROUGHAM HOUSE & LIBRARY OPTION 2**

**Brougham house**

**Brougham House & Library - Option 2**

Reference: 23-1350  
 Revision: 0  
 Date: 15/05/2023  
 Client: Expedite Projects Ltd.

**ESTIMATE SUMMARY**

Cuesko Limited  
 PO Box 3001018, Albany Oval, New Zealand  
 www.cuesko.com  
 T: +64 (0) 9 477 4880





29 August 2022

Buller District Council  
PO Box 21  
Westport  
New Zealand

**Attention: Mike Williams**

Dear Mike

**Brougham House Targeted-DSA and Seismic Assessment Review**

This letter is to provide you with our findings from our Targeted Detailed Seismic Assessment (Targeted-DSA) of Brougham House, located at 6-8 Brougham Street, Westport. Additionally, this letter includes our findings from a review of the Detailed Seismic Assessment, performed by MY Consultants. This letter also seeks to address your immediate questions pertaining to continued occupancy of staff located within the building. Recommendations for next steps are discussed at the end of the letter.

Targeted-Detailed Seismic Assessment (Targeted-DSA)

We have completed our targeted-DSA of specific elements for Brougham house. We have concluded that the seismic performance of the Ground Floor columns (short columns in the longitudinal direction) is 70%NBS(IL2). Additionally, we have concluded that the seismic performance of the concrete columns supporting the roof is 45%NBS(IL2) – these concrete columns were identified as the Critical Structural Weakness (the lowest scoring element). On this basis a seismic performance of **45%NBS(IL2)** would classify the building as Earthquake Risk (between 34%NBS and 67%NBS).

The concrete columns supporting the roof trusses have inadequate lap splices at the base of the columns. The lateral strength of columns with inadequate lap splices rapidly degrades once the deformation capacity of the splice is exceeded - the ability for the columns to continue to resist seismic loads from future events (aftershocks) is compromised, which may lead to a loss of gravity support to the roof trusses.

If the concrete columns are strengthened, and a diaphragm is installed within the roof structure, the performance of the building will increase to **70%NBS(IL2)**.

We do not believe there is a need for further seismic evaluation of the original 1950's construction. We have evaluated what we believe to be the most critical structural elements that would control the seismic performance of the building.

**make  
everyday  
better.**

### Review of Detailed Seismic Assessment by MY Consultants.

The DSA performed by MY Consultants concludes with a rating of 34%NBS(IL2). The DSA states that seismic performance is limited by the lateral capacity of the perimeter “short columns” in the longitudinal direction. The report also notes that “*the building will behave in a brittle manner in a moderate or larger seismic event, failing fast, potentially catastrophic and with little warning*”.

We agree with the conclusion that the short columns are one of several Structural Weakness; however, based on our assessment of the building, the seismic load at which the columns reach their capacity is larger than what is reported in their DSA.

MY Consultants’ report suggests there is a significant risk to the building from a moderate earthquake, but the reported 34%NBS(IL2) rating is above the threshold to be designated Earthquake Prone (less than 34%NBS), therefore the building is not deemed to be a significant risk of collapse in a moderate earthquake. We do agree that the concrete columns could become a significant Life Safety risk in a large earthquake.

Based on our review of MY Consultants’ calculations, and our own assessment, we do not agree with the conclusions made by MY Consultants on the %NBS of the building, or the description of the seismic behaviour of the existing building.

### Continued occupancy of buildings with low %NBS ratings (including Earthquake Prone Buildings)

MBIE<sup>4</sup> issued guidance in July 2022 pertaining to the risk guidance for buildings with low seismic ratings, including a process for making occupancy decisions. This guidance document clarifies the legislative requirements pertaining to the continued occupancy of buildings with low %NBS ratings, including Earthquake-Prone Buildings (EPB’s). This MBIE guidance notes the following key messages:

- A low %NBS (including EPB) does not mean the building is imminently dangerous. A low rating does indicate a higher Life Safety risk in the event a significant earthquake does occur. However, earthquakes are not considered an ordinary event, and are specifically excluded from the definition of a “dangerous building” in the Building Act.
- A low %NBS should be a “trigger” to initiate funding and planning to undertake seismic remediation work. In most cases, seismically vulnerable buildings can remain occupied while the seismic strengthening work is being planned for.
- There is no legal requirement to close a building based solely on a low %NBS rating – the Health and Safety at Work Act (2015) does not have specific provisions for seismically vulnerable buildings.

BRANZ<sup>5</sup> recently published a guidance document in November 2021 for Earthquake-Prone council buildings. The document outlines a 5-Step framework to assist in making an informed decision around whether a council building should remain occupied or not. The decision framework in the BRANZ document considers a) the risk exposure, b) whether the risk can be mitigated, c) the consequences of building closure, along with other influencing factors.

Steps 1 & 3 of the 5-Step process require assistance from a Structural Engineer to outline the seismic vulnerabilities of the building, and to understand whether any mitigation strategies can be implemented to

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<sup>1</sup> “Seismic Risk Guidance for Buildings – Using Seismic Assessments in Occupancy Decision-Making”, MBIE, July 2022

<sup>2</sup> “Managing Earthquake-Prone Council Buildings – A Decision Framework”, BRANZ, November 2021

reduce the seismic risk to the building occupants. This information was discussed above. We recommend you use the BRANZ document to help make an informed decision around continued occupancy of Brougham House – while we do not have all the pertinent information to work through the 5-Step process ourselves, it is possible that the outcome of this process will be that the “building remains open”.

#### Recommended Next Steps

We recommend progressing with concept level strengthening to target 70%NBS(IL2), which is generally considered a good target for strengthening existing buildings. The strengthening scope would likely include:

1. Strengthening of the Level 1 concrete columns supporting the roof
2. Installation of a new diaphragm (and associated connections) within the existing roof.

If there is a desire to target performance higher than 70%NBS, then we can explore this too. Once the concept strengthening design is agreed upon, we can then develop a schedule to progress with developed design and work towards consent and construction documentation.

Our review of the 1970's addition indicates that this portion of the building does not appear to contain the same deficiencies as the original 1950's construction – therefore, we would not expect the 1970's addition to limit the seismic performance to the rest of the building. However, if there is a desire to progress with concept strengthening, we would recommend confirming the seismic performance of the 1970's addition during the concept design strengthening phase.

Yours sincerely



**Dion Marriott**

Technical Director - Structural Engineer

on behalf of

**Beca Limited**

Phone Number: +64 39669132  
Email: Dion.Marriott@beca.com

# Seismic Risk Guidance for Buildings

**GUIDANCE**

Using seismic assessments in occupancy  
decision-making



## **Ministry of Business, Innovation and Employment (MBIE)** **Hīkina Whakatutuki – Lifting to make successful**

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

The Seismic Risk Guidance for Buildings document is produced by the Building System Performance branch.

This document is issued as guidance under section 175 of the Building Act 2004.

While MBIE has taken care in preparing the document it should not be relied upon as establishing compliance with all relevant clauses of the Building Act or Building Code in all cases that may arise. This document may be updated from time to time and the latest version is available from MBIE's website at [www.building.govt.nz](http://www.building.govt.nz)

Information, examples and answers to your questions about the topics covered here can be found on our website: [www.building.govt.nz](http://www.building.govt.nz) or by calling us free on 0800 24 22 43.

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# Contents

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1.	Purpose	4
2.	MBIE's Role	6
3.	Part A: Obtaining and understanding seismic assessments	7
3.1	Obtaining a seismic assessment for a building	7
3.2	What a seismic assessment includes	8
3.3	What %NBS means	9
3.4	How a seismic assessment relates to life safety risk	10
3.5	Having confidence in the latest seismic assessment for a building	10
3.6	Understanding what a low %NBS rating means	11
4	Part B: Process for making occupancy decisions	12
4.1	Identify which elements of the building are vulnerable	14
4.2	Understand how many people are exposed to the vulnerable elements of the building	14
4.3	Evaluate how long it may take to remediate a building	14
4.4	Identify the overall life safety risk	15
4.5	Identify whether you can temporarily mitigate the life safety risk	16
4.6	Understand the consequences of immediate building closure	17
4.7	Complete and overall risk assessment: Identify the best way to practically manage the risk	17
5	Part C: Managing ongoing earthquake risk and communicating with staff	19
5.1	Determining how quickly to vacate a building if the decision is made to close a building	19
5.2	Ways to reduce risk when a building remains open	19
5.3	Communicating a decision to building users and others	19
6	Examples of risk inputs to continued occupancy decisions	21
7	Glossary	23

# 1. Purpose

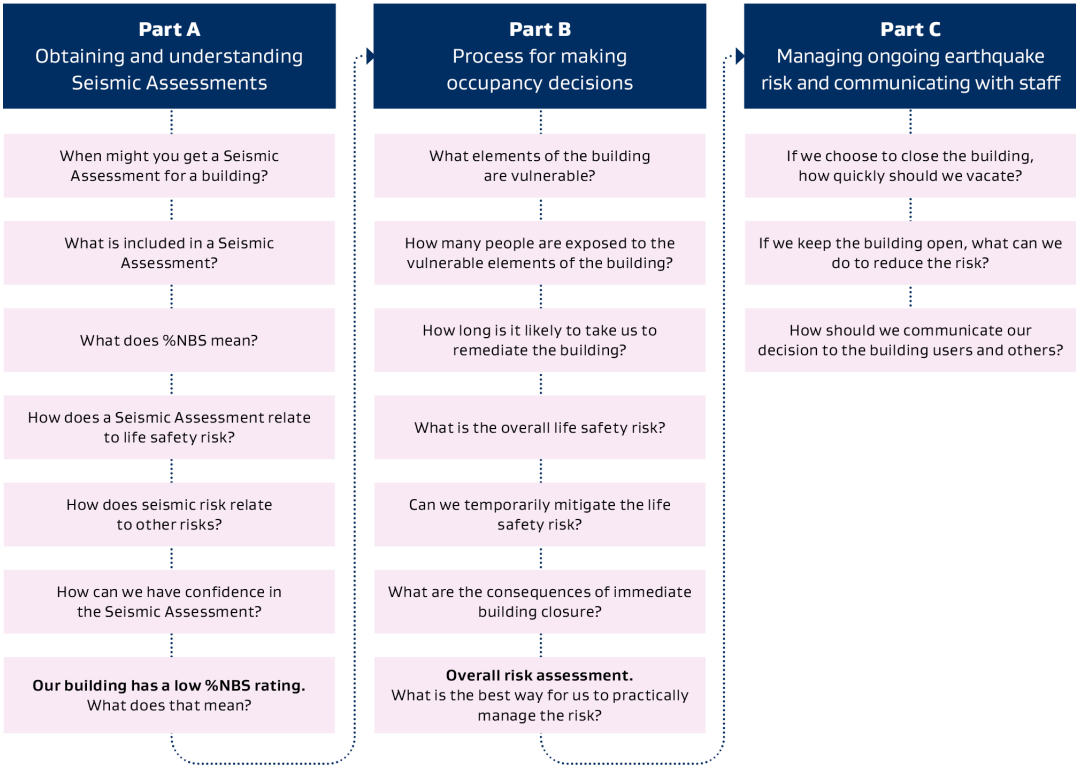
The purpose of this document is to help building users, tenants and owners understand seismic assessments of their buildings and make risk-informed decisions about continued occupancy of these buildings when they have a low seismic rating. It also provides the tools and language for engineers and their clients to discuss seismic assessments and what these mean for building performance in an earthquake.

## What is in this document?

The document is in three parts.

- Part A provides background material on when to obtain and how to interpret a seismic assessment, including the limitations of the New Building Standard (%NBS) metric.
- Part B describes a process for building owners and tenants to go through when making decisions on occupancy of seismically vulnerable buildings.
- Part C provides guidance on how to manage ongoing earthquake risk and communicate this information with staff and other stakeholders.

Figure 1 Document overview



There are over 4200 buildings that have already been identified as earthquake-prone and many thousands more that have been or will be identified as seismically vulnerable. While these buildings do not meet the standards we require of modern buildings, they are not imminently dangerous and most continue to be occupied. Closing all these buildings would have a significant impact on the wellbeing of our communities and businesses. Seismic resilience is something we need to address over a period of years, so that we look after our communities today, while we work to reduce the impact of future earthquakes.

## Key messages

- The aim of the %NBS metric is to provide a relative assessment of seismic risk. It is not a predictor of building failure in any particular earthquake.
- While a low %NBS rating does indicate a heightened life safety risk in the event that an earthquake occurs, it does not mean that the building is imminently dangerous.
- In most cases, seismically vulnerable buildings can be occupied while you plan, fund and then undertake seismic remediation work.
- There is no legal requirement to close a building based solely on a low %NBS rating.
- The purpose of seismic assessments is to inform building owners and users about their building vulnerabilities, encourage strengthening of vulnerable buildings and lead to the improvement of our building stock over a reasonable time period.
- Understanding the relative vulnerability of different building elements, and potential consequences of failure of these elements, is always more important than the overall %NBS rating for a building.
- Occupancy decisions should be made only after all relevant information about the building has been obtained and the engineering assessment has been independently reviewed and finalised.
- If you are concerned about ongoing occupancy, you should consider the likelihood of an earthquake, the potential consequences of an earthquake and the temporary mitigation measures you can put in place to reduce risk.
- Compared to most business-as-usual risks, earthquakes are low probability. The potential consequences will depend on the seismic vulnerabilities of different building elements, the potential exposure of people to these vulnerabilities and the ability to temporarily mitigate the risk. You should also compare this risk against the consequences of immediate closure of the building.
- You cannot eliminate seismic risk. Even if a building is vacated, staff and building users will be exposed to seismic risk in their homes and other buildings.
- While planning seismic remediation work, you can mitigate risk to staff and other building users through emergency planning and training as well as restraining plant, services and contents within the building.
- It is best to communicate openly and honestly with building occupants about the information you have, what you don't know, your decision process, and measures you are taking to manage risk.

## Acknowledgements

This guidance has been prepared by the Building Performance team at MBIE, with specialist support from a technical working group of industry professionals.

We would like to acknowledge and thank those who have contributed to the development of this guidance.

## 2. MBIE's Role

---

MBIE is the over-arching regulator of Aotearoa New Zealand's building system providing policy and technical advice on New Zealand's building system, rules and standards, and implementing building legislation and regulations to meet New Zealand's current and future needs.

Our role is to work with stakeholders to deliver fit-for-purpose, performance-based building regulation that protects public safety and property and helps lift the sector's performance. We work with a range of people across the building sector to ensure they understand their roles and responsibilities. We do this by providing clear and effective guidelines, information, and education.

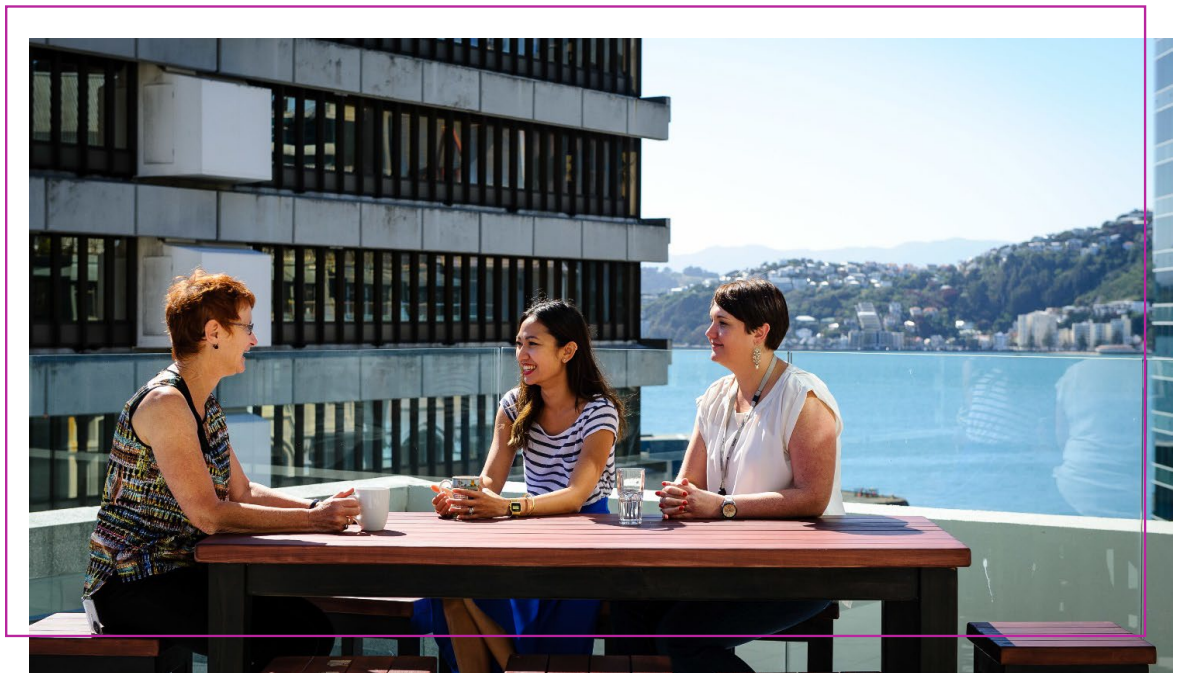
We have a range of statutory responsibilities in relation to the building system and administer Aotearoa New Zealand's building legislation. We also work with other regulators whose legislation has an impact on the building sector.

Our work includes:

- educating and informing people on building compliance
- monitoring and evaluating the overall performance of New Zealand's building system
- reviewing and updating building policy, laws and regulations
- occupational regulation (for example, Licensed Building Practitioners)
- oversight of the Building Code and setting and developing standards
- earthquake building-related guidance
- supporting investigations into building or product failures
- determinations and product assurance.

### Who is this guidance for?

This document is for users, tenants, owners and their engineers. It addresses all building types, from office blocks to post-disaster critical facilities. In particular, it is for those interpreting and making ongoing occupancy decisions on buildings based on the outcome of a seismic assessment.



## 3. Part A: Obtaining and understanding seismic assessments

---

### Background

Engineering design standards and our understanding of earthquakes have advanced over time, in particular as a result of learnings from the 2011 Christchurch and 2016 Kaikōura earthquakes. Consequently, many older buildings do not meet the standards required of new buildings.

The purpose of seismic assessments is to inform building owners and users about vulnerabilities in their buildings, encourage strengthening of vulnerable buildings and improve Aotearoa New Zealand's building stock over time. When the outcome of a seismic assessment is a low New Building Standard (%NBS) rating, this should be a trigger for planning, funding and implementing a seismic upgrade, addressing the identified vulnerabilities and mitigating risk. Section 3.6 explains %NBS ratings.

Most of the New Zealand Building Code focuses on the safety of building users. While some existing buildings are identified through a seismic assessment as seismically vulnerable, the risk to life is still relatively low for most buildings given the low likelihood of a significant earthquake occurring in a given location in the immediate future. While a low rating does indicate a heightened life safety risk in the event that a significant earthquake occurs, it does not mean that the building is imminently dangerous. In most cases, occupancy can be continued while mitigation work is planned and designed, and in some cases even while works are being carried out. Many building owners and tenants continue to occupy buildings with identified seismic vulnerabilities, as they work towards remediating the vulnerabilities identified.

### 3.1 Obtaining a seismic assessment for a building

As a building owner you will need to obtain a seismic assessment of your building if:

- the building has been identified by a territorial authority as being potentially earthquake-prone under the national earthquake-prone building programme, as per requirements in the Building (Earthquake-prone Buildings) Amendment Act 2016 (see [Managing earthquake-prone buildings](#)); or
- In certain circumstances where there is a change of use or a planned redevelopment (triggered by Sections 112, 115, or 133AT in the Building Act).

As a building owner or tenant, you may seek a seismic assessment of your building if:

- you are purchasing a property, or taking on a long-term lease;<sup>1</sup>
- you need to understand the current seismic risk profile of a building (for example as part of a risk evaluation exercise, or building portfolio planning); or
- insurers and other stakeholders request updated seismic assessments.

Aotearoa New Zealand has been through a time of significant change since the 2011 Christchurch and 2016 Kaikōura earthquakes. Knowledge gained from recent earthquakes has led to the introduction of new assessment guidance and has prompted more re-evaluation of seismic assessments. Generally, the seismic assessment of your building will not change unless there have been significant technical changes in how engineers assess the behaviour of buildings.

<sup>1</sup> This is so you can make informed decisions on the purchase or lease of a building. For a lease agreement this could include planning for seismic strengthening requirements before, during, or after a cycle of occupation.

If you are unsure whether you need to update your seismic assessment, talk to a suitably experienced Chartered Professional Engineer. They will let you know if there have been any changes that might affect the seismic assessment of your building. To find a Chartered Professional Engineer in your area, visit the Engineering New Zealand Te Ao Rangahau website <https://www.engineeringnz.org/public-tools/find-engineer/>.

The understanding of the performance of concrete buildings in earthquakes has evolved rapidly in the last decade. The Seismic Assessment Guidelines (Red Book) were released in July 2017 to support the Building (Earthquake-prone Buildings) Amendment Act 2016 and is the regulatory method required when assessing a building under this piece of legislation. A seismic assessment gained prior to 2017 may still be of value to identify potential vulnerabilities, but frequently these do not include assessment of some critical components such as precast floors. In 2018, the chapter of the Seismic Assessment Guidelines on concrete buildings (Section C5) was updated to reflect lessons from the Kaikōura Earthquake and recent research. This update has become known as the "Yellow Chapter". The Yellow Chapter is considered the most up to date guidance available in Aotearoa New Zealand and should be used for seismic assessments informing continued occupancy decisions. Engineers must continue to use the July 2017 version of the Seismic Assessment Guidelines (Red Book) to identify earthquake-prone buildings under the Building Act 2004. For further information on the Red and Yellow chapter assessments please refer to [What you need to know: Section C5 'Concrete Buildings' proposed revision](https://www.engineeringnz.org/news-insights/mbie-releases-yellow-chapter-findings/) and <https://www.engineeringnz.org/news-insights/mbie-releases-yellow-chapter-findings/>.

### 3.2 What a seismic assessment includes

There are two forms of seismic assessments in Aotearoa New Zealand:

- **Initial Seismic Assessment (ISA)** - An ISA is a simplified procedure to estimate the likely seismic rating of a building.
- **Detailed Seismic Assessment (DSA)** - A DSA is a detailed, modelled, assessment of the likely seismic behaviour of a building. Given their complexity, it can be appropriate for a DSA to be independently reviewed by another engineer. When doing a DSA, engineers will assess the vulnerability of any and all critical elements in the building (such as columns, floors, parapets, heavy exterior cladding) that could present a significant life safety hazard during an earthquake. Each of the elements gets a score expressed in terms of percentage of New Building Standard (%NBS) achieved.

#### What does the law say?

The Building (Earthquake-prone Buildings) Amendment Act 2016 (the Act) contains the requirement for territorial authorities to identify buildings or parts of buildings that are potentially earthquake-prone and to request engineering assessments for them from building owners. There are two main purposes, to:

- identify buildings that pose a higher seismic risk and disclose this to building users and the public; and
- require the seismic strengthening of the lowest performing buildings over a period of time.

The Act includes statutory timelines for remediating earthquake-prone buildings (from 7.5 to 35 years) and does not preclude continuing to use and occupy them in the meantime.

A building may be identified as a 'dangerous' building (Building Act 2004, section 121). This means that the building poses immediate danger to the people in or around the building in the ordinary course of events and action to protect people must be taken immediately. An earthquake-prone or seismically vulnerable building is not considered a dangerous building as an earthquake is not an ordinary event and is specifically excluded from the definition of a dangerous building in the Act.

When thinking about occupancy of seismically vulnerable buildings, the Health and Safety at Work Act 2015 (HSWA) must also be considered. Building owners and employers must protect the health and safety of workers as far as is reasonably practicable. The consideration of reasonably practicable (HSWA, section 22) includes a balanced consideration of five factors: the likelihood of the hazard, the degree of harm that might result, knowledge of the risk, ability to eliminate or minimise the risk, and (after all other matters have been considered) the cost of mitigation relative to the risk.

The HSWA does not have specific provisions that relate to seismically vulnerable buildings. However, in its June 2018 policy guidance, WorkSafe indicates that if building owners and tenants are meeting the Building Act 2004 requirements, they will not enforce to a higher standard under HSWA. This allows for the possibility that occupants might remain in the building while remediation is taking place within the time frames set out in the Building (Earthquake-prone Buildings) Amendment Act 2016.

‘New Building Standard’ refers to the minimum life safety requirements for a new building set out in clause B1 of the New Zealand Building Code. The lowest score (ie worst performing element) will determine the overall earthquake rating (%NBS) for the building. The element governing the earthquake rating for the building is referred to as the “Critical Structural Weakness”. All buildings have a Critical Structural Weakness.

Another term sometimes found in a seismic assessment is “Severe Structural Weakness”. This denotes a specific vulnerability which is difficult for engineers to quantify and has the potential to cause extensive life-threatening consequences.

Seismic assessments should describe elements from the building’s primary structure, which provides the overall stability to the building (for example, foundations, columns and beams), and relevant secondary structural and non-structural elements (for example stairs and heavy external cladding panels).

For key primary and secondary elements, alongside a %NBS score, there should be a description of their anticipated response and vulnerability to different degrees of earthquake shaking and where <34%NBS, a brief description of the consequences of their failure.

Understanding the relative vulnerability of different building elements, and potential consequences of failure, is always more important than the overall %NBS rating for a building. For example, vulnerabilities in the primary structure may have significantly different consequences of failure than vulnerabilities in a secondary structural element. Your engineer can help you understand the vulnerabilities and potential consequences. This is particularly important when making mitigation and occupancy decisions.

### 3.3 What %NBS means

%NBS is an index used to characterise the expected seismic response of a building to earthquake shaking. It helps identify buildings that represent a higher seismic risk than a similar new building, built to current Building Code standards.

There are many variables for seismic assessment and there can be uncertainty in estimating the relative life safety risk for a particular building. Among other factors, this uncertainty comes from the random nature of earthquakes, the complex response of buildings to earthquake shaking particularly at the point of structural failure, the variability in construction quality, and the lack of accurate records of buildings’ construction. The uncertainty arising from these factors mean that %NBS should be viewed as indicative of the engineer’s confidence in the expected seismic performance of the building rather than an exact prediction.

The purpose of the %NBS metric is to provide a relative assessment of seismic risk. It is not a predictor of building failure, nor is it an assessment of safety in a particular earthquake. Given the range of variables associated with earthquakes outlined above, no person can make categorical statements about safety, just relative degrees of risk.

The %NBS metric was specifically developed to support the implementation of the earthquake-prone building legislation. This legislation seeks to quantify the seismic performance of buildings in relation to an equivalent new building, and a simple metric was needed to classify buildings. %NBS building ratings were not intended to be used to support building occupancy decisions.

There are many variables that ultimately determine how a building responds to a particular earthquake including the earthquake itself, local geological and geotechnical features, the characteristics of that specific building and how all of these factors interact. For example, short sharp earthquakes will have the most significant impact on stiff, low-rise buildings. Long rolling earthquakes will impact high-rise buildings most significantly.

### 3.4 How a seismic assessment relates to life safety risk

When thinking about life safety risk<sup>2</sup> to building users, %NBS and the specific seismic *vulnerabilities* identified in a seismic assessment are only part of the equation. The *likelihood* of an earthquake occurring, and the potential *exposure* of people are also important.

Risk is a combination of *likelihood* and *consequence*. In this case *likelihood* is the potential for a damaging earthquake to occur. Large earthquakes are rare events.

The potential *consequences* are a combination of the building *vulnerabilities* identified in the seismic assessment and the potential *exposure* of people to *vulnerable* parts of the building. The level of exposure can depend on how many and how frequently people use or are near a vulnerable building element. Exposure over time is also important; that is, how long are people going to use the building before it is remediated? The less time people are exposed, the lower the overall risk.

%NBS ratings for buildings include broad parameters that reflect likelihood (ie seismicity of the region) and peak exposure for high occupancy buildings. But when decisions are being made around continued occupancy, closer consideration of the specific risk components is warranted.

Life safety risks are often quantified in terms of the annual fatality risk for an individual. New buildings are designed with a 1 in 1,000,000 annual fatality risk due to earthquakes.

An earthquake-prone building (<34%NBS) is estimated at 1 in 40,000-100,000 annual fatality risk. Flying in an aeroplane has an estimated fatality risk of approximately 1 in 700,000 and driving a car in New Zealand is estimated to carry a fatality risk of 1 in 20,000.

### 3.5 Having confidence in the latest seismic assessment for a building

There are two types of seismic assessments you can get: an initial seismic assessment (ISA) or a detailed seismic assessment (DSA). Any decision to change the occupancy of the building should be based on a sound and complete understanding of the building and its potential vulnerabilities. Generally, an ISA does not provide enough detail to make a decision about occupancy of a building.

A DSA used to inform continued occupancy decisions should be based on the latest assessment guidelines available (eg 2018 update of section C5 of the Seismic Assessment Guidelines, the “Yellow Chapter”, for a concrete building). The latest guidelines will provide the most up to date knowledge on the potential vulnerabilities in the building.

A comprehensive DSA will include:

- %NBS rating for the building
- %NBS scores for critical building elements, description of vulnerabilities and identification of the critical structural weakness
- the physical consequences of any potential failure
- identification of the portion(s) of the building that is affected
- consideration of any adjoining structures that might affect the response of the building in an earthquake such as shared structural roof or wall elements
- consideration of building condition, presence of other hazards (eg hazardous substances), or geological hazards in proximity to the building (eg unstable ground) that might affect the performance of the building and/or pose additional risks to building users.

A DSA should be carried out by an experienced chartered professional engineer. Seismic assessments are typically more challenging than new building design, so need to be carried out by structural and geotechnical engineers experienced in the field.

An independent review of a DSA is useful, especially for bigger, more complex buildings or where there are significant consequences related to the rating. %NBS is a very blunt measure of likely building performance in an

<sup>2</sup> “Earthquake ratings are based primarily on life safety considerations rather than damage to the building or its contents unless this might lead to damage to adjacent property – Part A, Section A3, Technical Guidelines for Engineering Assessments”



earthquake and it is important that your engineer talks through the nature of the building vulnerabilities. This includes highlighting any uncertainty in the assessment, and the potential consequences of failure for vulnerable building elements.

Occupancy decisions should not be made until you have received an independently reviewed seismic assessment and had time to discuss and work through Part B of this document with your engineer and other key stakeholders. Receipt of a seismic assessment does not change the seismic vulnerability of your building. You should take time to carefully review and understand the DSA so that you can decide how best to manage the risk without creating unintentional harm.

A building closure decision can be difficult to reverse, so take time to make sure you are confident in the information you have received and decision process you have followed.

#### **Making occupancy decisions on importance level (IL) three and four buildings**

Some buildings are built to withstand larger earthquakes than others. A building is given an [importance level](#) (1-5) based on occupancy, its post-disaster function and potential environmental consequences of failure. Buildings with higher importance levels are designed to withstand larger, less frequent earthquakes. Most buildings are importance level 2 (IL2). For all buildings, regardless of importance level, short-term occupancy decisions should focus on life safety risk in the near term: that is considering earthquakes that are more frequent and hence smaller. Therefore, it is more appropriate for occupancy decisions for IL3 and IL4 buildings to be based on the design earthquake for an IL2 building, that is a 1 in 500-year event. Further consideration of risk in high occupancy buildings is factored into the decision guidance in Part B.

### **3.6 Understanding what a low %NBS rating means**

If a building is calculated as less than 34%NBS using the Red Book assessment guidelines, it may be classified as 'Earthquake-prone' under the Building (Earthquake-prone buildings) Amendment Act 2016. This means the building is more likely to sustain damage following a moderate earthquake and, in the event of an earthquake, there is a higher risk to users than there is in a new building. Over time, the law requires this risk for earthquake-prone buildings to be reduced.

If your building is greater than 34% but less than 100%NBS, this also indicates your building poses a somewhat higher risk to users than a new building does. There is no requirement for you to do anything under the Building Act, but over time you may want to improve the building's seismic resilience.

In general, a low %NBS rating is no need for alarm or immediate action. The life safety risk is still very low.

At the time of the 2016 Kaikōura earthquake, there were over 700 earthquake-prone buildings in Wellington. Due to the nature of that earthquake, very few of these buildings received damage, much less failed. Most were occupied at the time, and many of those that have not yet been strengthened continue to be occupied.

### **Further references**

MBIE online learning modules on earthquake-prone buildings: [Building Performance: All courses](#).

## 4. Part B: Process for making occupancy decisions

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Occupation of seismically vulnerable buildings can be an emotive topic and the fear of injury or death, moral obligation toward safety of building users and/or personal liability can weigh heavily on the shoulders of decision-makers.

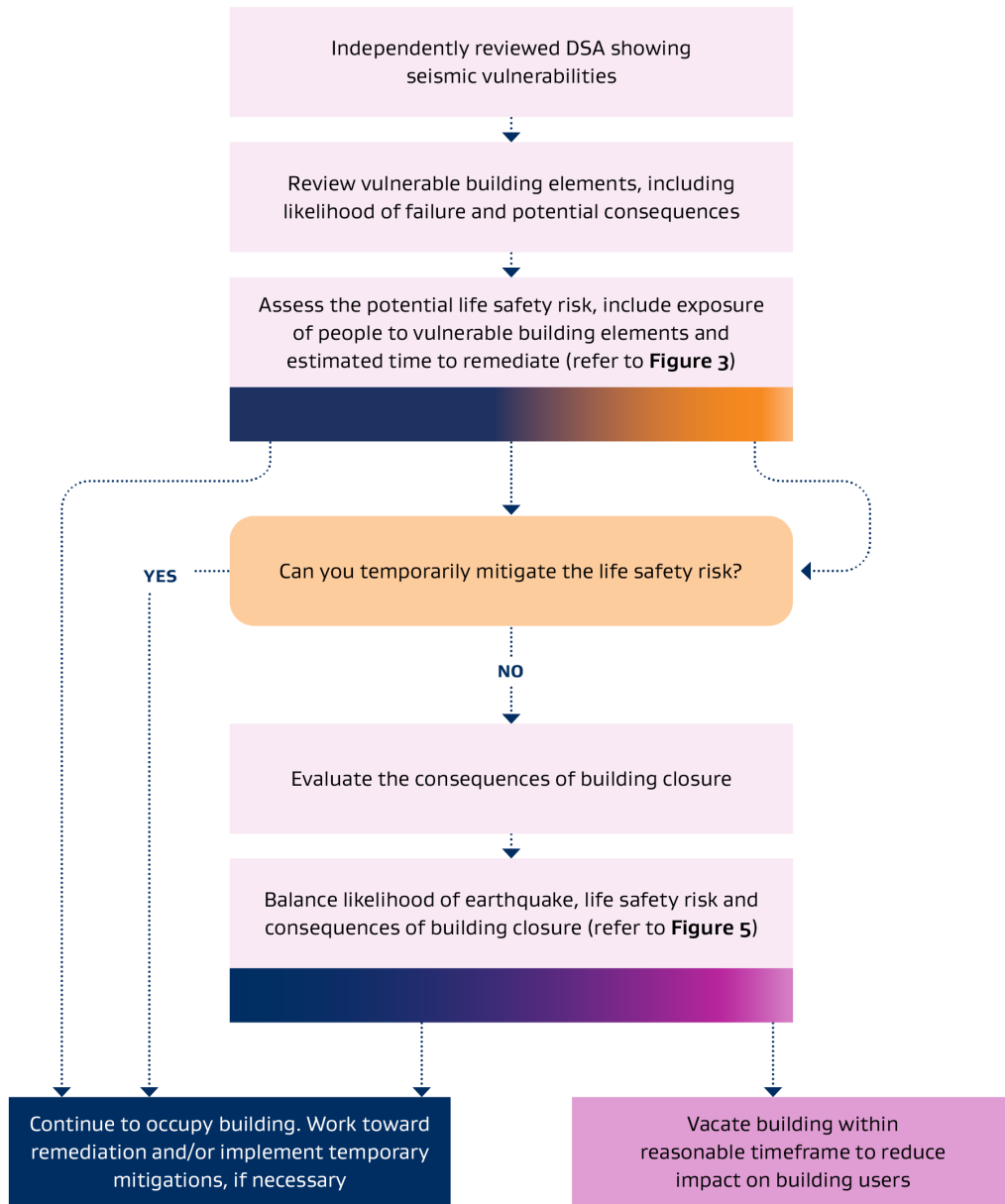
The following section provides a set of questions that you, as a building owner or tenant, can ask yourself and your engineer as you make occupancy decisions for a seismically vulnerable building. The questions will help you to interpret the seismic assessment, understand what this means in terms of life safety risk, assess the consequences of building closure and ensure your decision is a balanced assessment of risk. This structured approach to decision making will also help you to communicate your decision with key building stakeholders, including staff, tenants, and other building users. The decision process is summarised in Figure 2.

If you follow the process outlined in this section, you will have the information you need to document and justify your decision. In most cases, seismically vulnerable buildings can justifiably be occupied while mitigation actions are planned and designed.

Making a decision about continuing to occupy an earthquake-prone building can be thought of as a comparison of two different risks. The risk of an earthquake has potential consequences for injury and loss of life but has a low likelihood of occurring. The risk of building closure has arguably lesser consequences on building users, staff and operations but the consequences are almost certain to occur if the building is closed. Closing a building does not mean that earthquake risk for building users has been eliminated. Many building users will face earthquake risks in their homes or other buildings they are displaced to. There are risks in all decisions and you need to consider the benefits and consequences of all decisions and who is bearing them.



Figure 2 Occupancy decision process



**Key**  
 Third box: The transition of colour from blue (left) to orange (right) represents an increasing life safety risk.  
 Sixth box: The transition of colour from blue (left) to purple (right) represents an increasing balance of life safety risk vs consequence of closure.

#### **4.1 Identify which elements of a building are vulnerable**

Focus your occupancy decision on the vulnerabilities of all critical building elements and the consequences associated with potential failure of each element. In particular, understand which elements of the building any low %NBS scores apply to and evaluate the vulnerability of each of those elements to failure. Also consider the likelihood of an earthquake which could trigger failure of those building elements.

Remember that failure of structural elements that support other parts of the building, such as a column or a wall, are likely to have greater consequences than failure of elements that only support their own load, such as heavy cladding panels. Your engineer can help you think through these differences.

Vulnerability to precast (particularly hollow-core) floors can be concerning. Generally, however, this presents a lower life safety risk than vulnerability in a column, as the floor only supports its own weight. In many cases, the precast floors in the corners of a building are the most vulnerable and avoiding these areas can be a good way to reduce risk while mitigations are being planned. Ask your engineer to identify the regions in your building with the most vulnerable precast floors.

#### **4.2 Understand how many people are exposed to the vulnerable elements of a building**

Consider how many people might be exposed to the vulnerable building elements on a daily basis. This includes consideration of:

- peak and average number of users in the affected area;
- how long people spend in the affected part of the building at any one time (for example, are people passing through or do they spend eight hours a day there?); and
- mobility requirements of the building users (are they young, elderly, disabled, likely to have difficulty with mobility or vulnerable in any other way that might impact their ability to evacuate after an event?).

The more people that are exposed to a vulnerable building element, and the more time they spend in or around the element, the higher the exposure risk.

#### **4.3 Evaluate how long it may take to remediate a building**

Consider how long building users might be occupying the building before it is strengthened.

The period will likely depend on:

- the complexity of the seismic retrofit
- the length of time it will take to design and consent the remediation works
- challenges around relocating operations or finding alternative delivery mechanisms
- whether the works can be carried out in a (part) occupied building
- the availability of funding to carry out works, and
- the statutory timelines for earthquake-prone building remediation.

Consider this in the light of how likely it is that a damaging earthquake will occur during this time.

Small mitigation or localised measures can be put in place in a matter of weeks to months, while more general strengthening will take months to several years (refer to mitigations below). Non-structural elements are typically easiest to remediate, followed by secondary structural elements, with the primary structure and foundations being most difficult.

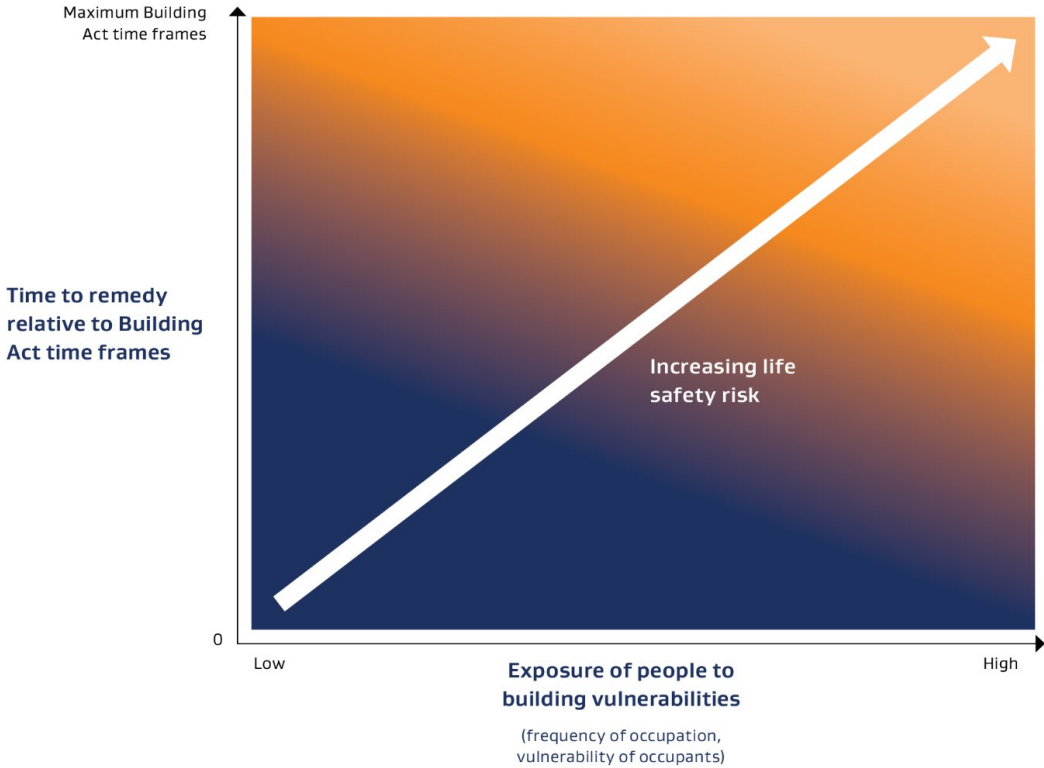
### 4.4 Identify the overall life safety risk

Once you understand the exposure of people to the vulnerable building elements, the duration people will be exposed to the increased risk, and the likelihood of a damaging earthquake occurring during that time, you can determine the overall life safety risk. It is useful to think of the time people will be exposed to the risk relative to the times set out in the Building (Earthquake-prone Buildings) Amendment Act 2016, as these times account for the Seismic Risk Area a building is in and hence the likelihood of an earthquake occurring in the region. If you are planning to remediate within or significantly faster than the times set out in the Act, you are significantly reducing the risk to building users.

Figure 3 illustrates one way to evaluate the level of life safety risk for your building, based on the exposure of people to the seismic vulnerabilities in the building and the expected time to remediate. Figure 3 shows how life safety risk increases with higher exposure of people and longer periods before the risk is remediated. How you evaluate the life safety risk, and what is considered low or high 'exposure of people' will depend on your organisation's own risk tolerance.

For example, an office building has a seismic assessment that identifies a seismic vulnerability that could affect the building's primary structure. If the building has a peak occupancy of 200 people that spend eight hours per day, this is a fairly high exposure for building occupants. Assuming it will take 12 years to plan and carry out remediation work and the building is in a high hazard zone, 12 years from now is close to the maximum remediation time set out in the Building (Earthquake-prone buildings) Amendment Act 2016. Using Figure 3, a high exposure and long time to remediate (relative to Building Act timeframes) means the life safety risk is relatively high, although does not present an immediate danger. This risk can be reduced through temporary mitigation measures and needs to be considered alongside the potential impacts of building closure (see next steps).

Figure 3 Evaluating life safety risk



### 4.5 Identify whether you can temporarily mitigate the life safety risk

If only part of the building is at risk, you can look at options to reduce or avoid use of these vulnerable parts of the building. If this is not an easy option, then talk to engineers about potential physical risk mitigation measures including their cost and impact on building element vulnerability.

Temporary mitigation measures include:

- closing parts of the building where structural failure could occur in more frequent earthquakes
- removing, propping or tying back the high-risk features of the building such as chimneys, parapets, or heavy cladding
- cordoning areas where exterior secondary structural elements may fall
- moving affected services to reduce building occupancy, or
- limiting access to higher risk areas of the building.

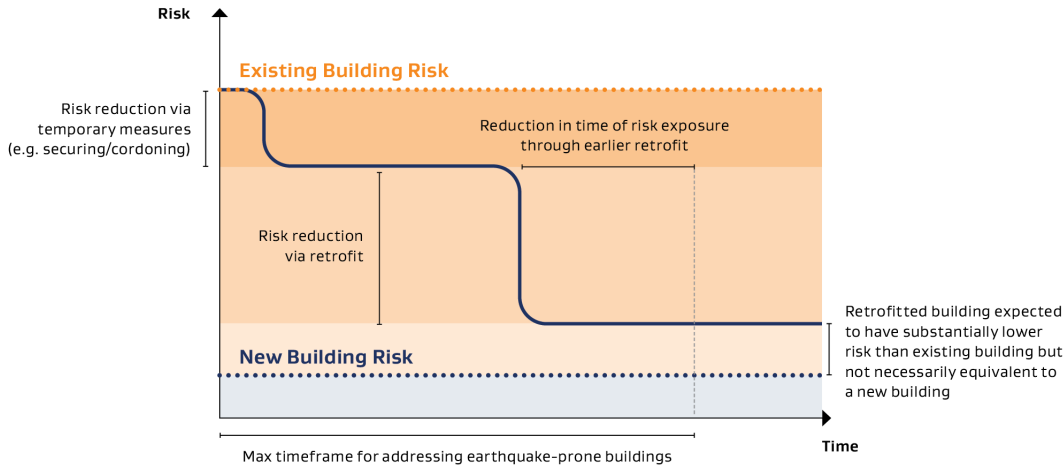
There are also a number of permanent mitigation measures that could be implemented over time:

- bracing, strengthening and addressing hazards in stairwells and exits
- bracing services and restraint or replacement of heavy ceilings, or
- staged/incremental strengthening.

Many of these items can be addressed while people continue to occupy the building. Ask your engineer how effective the proposed measures are at reducing the risk to the building users. Each mitigation measure undertaken will reduce the risk. The earlier mitigation measures are taken, the lower the overall risk for building occupants.

In the office building example, temporary mitigation could involve moving people away from the higher risk areas and allowing flexible working from home arrangements.

Figure 4 Impact of seismic risk mitigation



## 4.6 Understand the consequences of immediate building closure

Consider the immediate impact of closing the building. In many cases the certain consequences of closure outweighs the uncertain consequences of an earthquake (which is unlikely to occur prior to remediation).

Consider the impact on:

- **Building / business services:** can you continue doing your business without use of the building? Do you have ways to deliver services through other means (eg online) or in another location?
- **Customers or building users:** will building closure adversely impact customers who rely on your service? Do you have vulnerable customers/users and will they be able to meet their needs elsewhere?
- **Tenants:** will tenants and their customers be adversely affected?
- **Staff:** will building closure cause unreasonable inconvenience or stress to staff? Will this have an impact on staff wellbeing? For example, could building closure lead to job losses or unsuitable working conditions elsewhere (including seismic risk)?
- **Neighbouring businesses/community:** will closure of the building have impacts to neighbouring buildings and/or surrounding community? Is this impact material to you and your business?

How you measure each of the impacts will depend on your organisation's own risk tolerance and organisational priorities. For example, some organisations will place high importance on supporting their community, while others may have vulnerable customers that are a high priority. If you have a risk management framework or set of strategic objectives, this could be a useful frame for measuring building closure consequences against. In the office building example, the closure consequences could be considered moderate due to ability to work from home, but we should account for increased potential for staff isolation.

Where possible, talk through the potential impacts of closure with building users. Many decision-makers fear staff reaction when considering ongoing occupancy of a seismically vulnerable building. Talking with staff can help you understand the likely consequences of closure on building users. Discussing issues with staff before a decision is made can help build confidence in the decision process.

## 4.7 Complete an overall risk assessment: identify the best way to practically manage the risk

You should assess the potential for life safety risk in the event of an earthquake and the immediate consequences of closure. Figure 5 below is an example of how you can balance the life safety risk (from Figure 3) and the consequences of closure, to evaluate whether or not you should vacate your building. As Figure 5 shows, the overall risk assessment (and associated occupancy decision) indicates that building closure decisions are more likely in situations where the life safety risk is higher and there are fewer consequences of closure.

For example, take the office building example used earlier. Figure 3 indicated a relatively high life safety risk. The closure consequences (above) are considered moderate. Combining these on Figure 5 shows that maintaining occupancy might be the most reasonable decision.

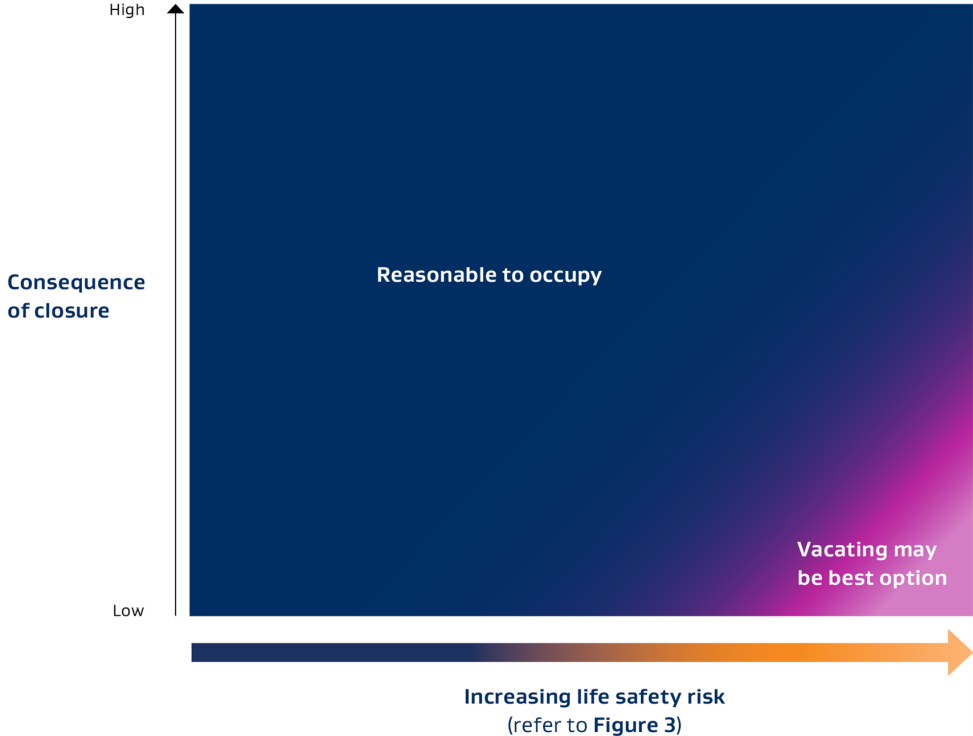
As with the life safety assessment and closure consequence evaluation, the overall risk assessment and balance of life safety risk and consequence will depend on your organisation's risk tolerance. Where you have an existing risk assessment framework, make sure your decision is consistent with the management of other risks within your organisation.

Finally do a sensibility check on the decision. You may need to consider factors beyond what is described above, including other factors that might heighten safety risks during an earthquake (eg building condition and presence of other hazards such as hazardous substances in the building, or geological hazards in proximity to the building (unstable ground)).

In most cases, vacating a building should be a last resort means of mitigating life safety risk for buildings occupants. However, it is important to note that this does not eliminate the risk for building occupants. Life-safety risk from earthquakes will still be present for staff working from home or in an alternate location.

As schematically shown in Figure 5, vacating a building should generally only be considered where the consequences of closure are low and the life safety risk is very high. Such a building will typically have one or more severe structural weaknesses, and a range of vulnerabilities which suggest a propagating failure from one vulnerability to another (progressive collapse) is possible in strong ground shaking. Alternatively, a building with very low consequences of closure, for example a low use building where closure will not notably affect staff or service delivery, could be justified based on fewer, less severe vulnerabilities.

Figure 5 Overall risk assessment



**Further references**

For more information on making occupancy decisions, and how to document these decisions, BRANZ have developed some guidance specifically on management of earthquake-prone council-owned buildings: [https://www.branz.co.nz/shop/catalogue/earthquake-prone-buildings\\_994/](https://www.branz.co.nz/shop/catalogue/earthquake-prone-buildings_994/)



## 5. Part C: Managing ongoing earthquake risk and communicating with staff

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### 5.1 Determining how quickly to vacate a building if the decision is made to close a building

If you determine that the seismic risk is unacceptable, allow reasonable time to vacate the building. Unless there is immediate danger to building users from issues other than earthquake, allow time for occupants to make alternative arrangements for service delivery/business operations to reduce the impact on building users. A low %NBS rating does not in itself signify an imminent risk to users and occupants and it is reasonable to take a measured approach to vacating a building. There is no legal requirement to close a building based solely on a low %NBS rating.

### 5.2 Ways to reduce risk when a building remains open

As outlined in Part B, there are a number of ways to temporarily and permanently mitigate the risk posed by the building itself, including limiting access to particularly vulnerable parts of the building, and carrying out physical remediation works.

Alongside these physical mitigation measures, there are a number of actions that can be taken to mitigate both life safety risk and disruption to operations in more frequent earthquakes. This includes but is not limited to:

- having an emergency plan,
- staff education (eg drop, cover, hold),
- removing hazardous substances or other risks,
- restraining plant, services and non-structural elements, and
- creating a business continuity plan, including identifying alternative ways to deliver services and having back-ups for critical infrastructure services.

In addition, actively working toward seismic retrofit or strengthening is a key mitigation activity.

### 5.3 Communicating a decision to building users and others

Often communicating a decision to continue occupation of a seismically vulnerable building is more daunting than the decision itself. The best approach is to be open and honest with building occupants. Key messages should include:

- the information you have received,
- what you know and what you don't know,
- the decision process you have gone through (including factors considered),
- the decision you have made, and
- the measures you are taking to manage risk in the short and longer term.

Some staff or building users might be anxious about working in a building with identified seismic vulnerabilities. Use the information here to help staff and building users to understand the risk and put it into context. Other ways to help staff understand the issues include:

- providing a simple publicly visible, one-page summary of the key items from the engineer's report;
- organising a session for staff where the building's engineer can provide a summary of their assessment and answer any questions that they may have;
- getting staff involved in making their own workplace as safe as it can be, for example securing of non-structural items such as bookcases, unsecured equipment; and/or
- providing choice and flexibility in how staff use the building, including working from home options (where possible).

## Further references

- Earthquake preparedness checklist:  
[https://www.resorgs.org.nz/wp-content/uploads/2021/04/Resilient\\_Organisations\\_EO\\_Preparedness\\_Checklist.pdf](https://www.resorgs.org.nz/wp-content/uploads/2021/04/Resilient_Organisations_EO_Preparedness_Checklist.pdf)
- Emergency preparedness:  
<https://www.business.govt.nz/risks-and-operations/planning-for-the-unexpected-bcp/emergency-planning-for-businesses/>
- Stacking shelves  
<https://www.worksafe.govt.nz/topic-and-industry/building-and-construction/building-restraint>
- Fix-fasten don't forget  
[https://www.eqc.govt.nz/assets/Documents/EQC0047-QuakeSafeHome\\_2020\\_SP\\_1.pdf](https://www.eqc.govt.nz/assets/Documents/EQC0047-QuakeSafeHome_2020_SP_1.pdf)
- Incremental seismic rehabilitation of office buildings  
<https://www.fema.gov/pdf/plan/prevent/rms/397/fema397.pdf>
- Drop, cover, hold  
<https://www.civildefence.govt.nz/assets/Uploads/public-education/tsunami-public-education/drop-cover-hold-fact-sheet.pdf>



## 6. Examples of risk inputs to continued occupancy decisions

This table outlines some examples of temporary mitigation measures for buildings with low seismic ratings that could support ongoing occupancy of the building ahead of permanent seismic strengthening for long term risk reduction.

These examples are provided for illustrative purposes only – every building and occupancy circumstance is different, and specific risk evaluation is required. This can be undertaken using the information and tools in the earlier sections of this document.

As indicated in Part C: Communications, both the hazards and the mitigations put in place are usefully communicated at the main entrances to buildings so that occupants and the public can be informed about the risk. In all cases, refreshing emergency plans for the building is encouraged.

Building	Building vulnerabilities <sup>1</sup>	Exposure <sup>2</sup>	Possible Temporary Mitigation <sup>3</sup>
Large multi-storey office building CBD	Precast floors 30%NBS.	High: Peak occupancy of 200 people, most users spend 8 hours per day inside.	Where possible high density / occupied desking moved away from higher risk areas in building corners.
Small/medium two-storey office building in provincial centre	Precast upper level cladding connections and associated roof restraint 25%NBS – panels likely to fall outward.	Medium: Peak occupancy of 40 people, most users spend 8 hours per day inside.	Locally restrain panel above main entry.
Small town single storey office building in old retail premises	Part of Un-reinforced Masonry façade could fall outward 15%NBS, primary lateral bracing 20%NBS	Low: Peak occupancy of 4 people, mostly 1-2 users.	Evacuation plan using rear entry. Desks moved to areas with higher lateral strength towards rear of premises.
Single storey warehouse in provincial centre	External precast panels with poor connections to primary structure 15%NBS.	Low: Peak occupancy 6 people, individuals regularly moving in and out of and around building.	Potential fall zones inside and out used for heavy storage (forklift only access) or transport corridors. Forklift has roll cage.
Large industrial park warehouse	Roof bracing 35%NBS. Hollowcore floor in two-storey office 30%NBS	Medium: Peak occupancy 20 people, individuals regularly moving in and out of building. Office use more static.	Office occupants prioritised to occupy the upper level of warehouse.

Community Hall	Unreinforced masonry building. Falling masonry presents danger to those entering and exiting building and around perimeter <15%NBS	Low-Medium: Low occupancy during week, larger community events during weekend. Many users with mobility issues.	Weekend crowd events moved outside away from building façade when practical. Seating located in area of least risk. Fall hazard canopy over accessible entry/exit.
3-storey "row"-style townhouses in suburban centre	Irregular light timber framed bracing walls along the "row" 30%NBS	Medium: Generally 2+ people per apartment throughout day and night	Users develop emergency plan. Tenants plan jointly for future retrofit plan in statutory timeframes.
Multi-storey apartment building in CBD previously converted from 60's office building	Primary lateral capacity 40%NBS	Medium: Generally 2-3 people per apartment throughout the day	None. Body corporate creates sinking fund for future strengthening.
Small town two storey unreinforced masonry building ground floor retail first floor residential	URM façade could fall outward <15%NBS, primary lateral bracing <15%NBS	Low: Peak occupancy of 6 people, mostly 2-3 occupants either downstairs or upstairs	Evacuation plan with alternative exits to rear and into adjacent building. Develop an incremental retrofit plan starting with restraining parapets, followed by restraining façade.
Single storey suburban medical centre	Shallow foundations on liquefiable soils 45%NBS. Masonry chimney and nearby features 25%NBS	High: Heavily occupied 12hour/day 6 days per week.	Masonry features removed when practical. Temporary securing of masonry considered if near areas of high public occupation.
3 storey aged care facility	Reinforced concrete block bracing walls 45%NBS ground floor, 65%NBS upper floors.	High: Generally fully occupied 24/7	Securing of heavy moveable contents. Develop emergency plan.
Single storey public facility such as community library	Primary structure >67%NBS, however heavy plaster ceiling tiles present over large area and ceiling grid <34%NBS.	Medium: Peak occupancy 20-30 people, most occupants in the building for up to 1 hour.	Remove ceiling tiles, or limit access to area where heavy tiles present.

1: See Part B 4.1

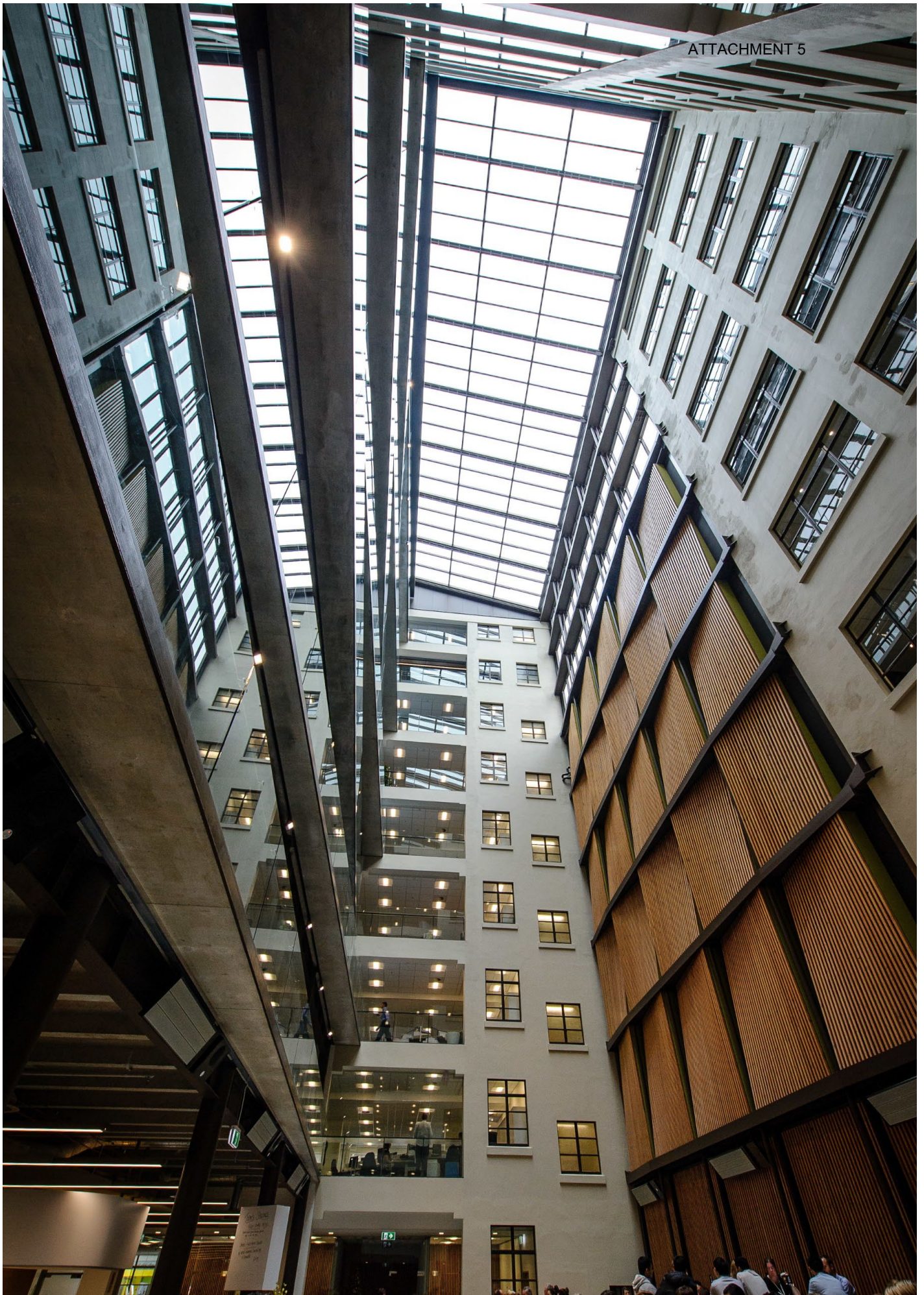
2: See Part B 4.2

3: See Part B 4.5

## 7. Glossary

<i>%NBS</i>	An index used to characterise the expected seismic response of a building to earthquake shaking. It identifies buildings that represent a higher seismic risk than a similar new building, built to the minimum life safety requirements of the Building Code (or New Building Standard).
<i>%NBS</i> rating	Rating given to a building based on an assessment of the vulnerability of key building elements. The lowest <i>%NBS</i> score for any one building element represents the <i>%NBS</i> rating for the building.
<i>%NBS</i> score	Score given to each critical building element, denoting how vulnerable that building element is to earthquake shaking.
Consequence	The impact of failure of one or more critical building elements. This also covers the impact of building closure.
Critical building element	Key part of a building (eg columns, floors, parapets, heavy exterior cladding, foundations) that could present a significant life safety hazard during an earthquake.
Critical structural weakness	The building element governing the seismic rating for the building (the element with the lowest <i>%NBS</i> score).
Dangerous building	Legal term to define a building that poses an immediate danger to people in or around the building in the ordinary course of events (Building Act, section 121). A building cannot be classified as <i>Dangerous</i> due to earthquake risk.
Earthquake-prone building	Legal term to define buildings that rate less than 34 <i>%NBS</i> and are designated as "Earthquake-prone" by a Territorial Authority under the Building (Earthquake-prone Buildings) Amendment Act 2016. Earthquake-prone buildings must be remediated or demolished within a period of 7.5 to 35 years depending on their use and location in Aotearoa New Zealand
Exposure	The number of people that might be affected by failure of a structural vulnerability and the duration they are subjected to the risk.
Importance level	Designation of building used in the Building Code based on consequence of failure and impact on human life, the environment, economic cost and other risk factors in relation to its use. The higher the importance level, the higher the design requirements. Most buildings (residential, commercial and industrial) are importance level 2. importance level 3 indicates buildings with large occupancy and importance level 4 buildings are those essential to post-disaster recovery. Importance level 1 buildings are generally not occupied by people.
Likelihood	The potential for an event (such as an earthquake) to occur.
Non-structural element	Elements within a building that are not part of the primary or secondary structure but are required for the building to function. Examples include ducting, piping, suspended ceilings, internal partitions.
Primary structure	All building elements in a building that are necessary to keep the structure standing. Examples include beams, columns, floors, structural walls, foundations.
Secondary structure	Heavy elements of the building that are not part the primary structure but are required to transfer loads to the primary structure. Examples include precast panels, stairs, and parapets.

Seismic risk area	Geographically defined area, indicating a particular level of earthquake hazard (low, medium or high) as defined in the section 133AD of the Building Act 2004.
Severe structural weakness	Specific building element vulnerability(s) which is difficult for engineers to quantify and are more likely to cause extensive life-threatening consequences.
Vulnerability	The susceptibility of a building element to failure due to earthquake shaking.



## **BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 7**

**Prepared by** Jamie Cleine  
Buller District Mayor

**Reviewed by** Steve Gibling - CEO

**Appendix**

- 1 Governance Structure Workshop Memo
- 2 30 January Workshop Feedback Notes
- 3 2024 Meeting Schedule – March specific

### **GOVERNANCE STRUCTURE CHANGE REPORT**

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#### **1. REPORT SUMMARY**

This report is to recommend changes to Council governance structure. This includes dis-establishment of the Regulatory and Hearings Committee and the Community and Environment Services Committee.

The report also recommends introducing a portfolio approach to governance and assigning Councillors to portfolios. Suggested changes to Councillor remuneration and some additions to the Terms of Reference for the Risk and Audit Committee and a draft calendar for 2024 are also included.

#### **2. DRAFT RECOMMENDATIONS**

**That Council:**

- 1. Receive the report for discussion and information.**
- 2. Receives the governance structure workshop notes held 31 January 2024.**
- 3. Resolves to change the reporting line of the 11 Reserve and Hall Subcommittees from Community, Environment Services Committee to Risk Audit Committee.**
- 4. Resolves to change the reporting line of the Creative Communities Subcommittee from Community, Environment Services Committee to Risk Audit Committee.**
- 5. Requests the Chief Executive to update the Terms of Reference for Risk and Audit Committee to include reserve and hall subcommittees and Creative Communities delegations.**



6. **Resolves to dis-establish the Regulatory and Hearings Committee, Grants Committee and the Community and Environment Services Committee.**
7. **Resolves to establish the following portfolios and assign Councillors, and Iwi rep, the responsibility for the portfolios:**
  - a. **Regulatory Environment & Planning - Councillors Neylon and Basher**
  - b. **Community Services - Councillors Howard and Pfahlert**
  - c. **Infrastructure - Councillors Grafton and Weston**
  - d. **Corporate Policy and Planning - Councillors Reidy and Sampson**
  - e. **Smaller and Rural Communities - Councillors O’Keefe and Webb**
  - f. **Iwi Relationships - Ngāti Waewae Representative Ned Tauwhare and Mayor Cleine**
8. **Resolves to appoint Cr Phil Grafton to replace Cr Toni O’Keefe on the Regional Transport Committee.**
9. **Resolves to make a proposal to the Remuneration Authority to amend the remuneration schedule for elected members, per financial year, to:**
  - a. **Deputy Mayor – \$36,000.00**
  - b. **All other Councillors – \$32,034.00**
10. **Requests the Chief Executive update the schedule of meetings and workshops for 2024 to reflect the new governance structure for Council approval.**
11. **Requests the Chief Executive to work with the subcommittees to update the Terms of Reference to reflect the change of committee they report to.**

### **3. BACKGROUND**

The mayor circulated to Councillors a governance structure proposal memo on 17 December 2023. Councillors held a workshop on 31 January 2024 to provide feedback and discussion on the proposed changes (Attachment 1). The key points from that workshop have been incorporated into the recommendations in this report (Attachment 2).

Ngati Waewae representative to Council, Ned Tauwhare has been consulted as to his view on the recommended changes to governance structure. Iwi representation remains vitally important to Council decision making. An open invitation exists to Ned as Iwi representative to participate in workshops and advise portfolios as appropriate. Iwi participation remains supported with voting rights at RAC and attendance at Council meetings maintained.

The changes recommended go some way to addressing the issues raised by Councillors during one-on-one interviews with the mayor and subsequent workshop feedback. The changes recommended provide:

- Greater equity in remuneration.
- Reduced frequency of formal meetings allowing decisions to be made once, at the right level.
- Enables Councillors to specialise via portfolios of interest and supports leadership growth at workshops, valuing Councillor time, experience and connections.
- Enhances workshop structure and quality via portfolio-holder/staff interaction on content and quality of information being presented.
- Councillors share multiple portfolios, creating broader spread of workload and encourages collaboration between Councillors, within portfolios.
- Greater transparency in open workshops that have a purpose/outcome, can involve subject matter experts (or invited interested people) if required.
- Greater focus on policy and bylaws via inclusion in RAC.

The recommendations included in this report are structural changes that build further on Councillor feedback that has already seen some immediate changes implemented, or planned for early 2024. These include:

- a move to public workshops as resolved by Council on 13 December.
- a training session on meeting protocol/Standing Orders was held 22 February 2024 to build knowledge and confidence of elected members in this area.
- changes have been made to Council chambers layout to improve the rooms utility and potentially audio-visual performance.
- Mayor has taken on board feedback to increase participation for those attending meetings via Zoom by being more deliberate in the introduction to agenda items for discussion and paying additional attention to speaking times, and opportunity of Councillors to speak.

#### 4. PROPOSAL – CHANGES TO THE FORMAL COMMITTEES OF COUNCIL

##### **Community & Environment (CESC)**

Either due to the delegations from Council, or the balance of workload from the Community services area, a significant proportion of papers considered at CESC are information papers received or noted as FYI to Council. Decision papers ultimately need Council resolution to proceed.

At the workshop Councillors provided feedback that having a Chairperson provided a key contact to lead and advocate on CESC matters within Council, with stakeholders and the community. It was suggested Council could address this by assigning portfolios to specific Councillors who would co-lead governance of the CESC work-stream and become a point of contact for community members.

Portfolio holders would have responsibility to work with the relevant Group Manager on workshop structure and content quality. Chairing of workshops specific to community services would also be the responsibility of portfolio holders.

On the basis of the above, many CESC papers can be discussed at public workshops where there could be action/directions (if required) for staff to prepare reports to full Council. E.g a workshop may discuss information received and request staff bring options or decision-making papers forward to full Council.

A workshop may request any “for your information” type reports be included in the Mayors Report (or another update report) to Council for noting to Council’s official records.

All formal decisions would be made via full Council (monthly) or if urgent at an Extraordinary Council meeting (as required).

**Recommendation:** Based on the above it is recommended to disestablish Community & Environment Services Committee (CESC) and establish a Community Services Portfolio.

##### **Grants Committee**

Currently, the Grants Committee come together to discuss community grants applications and recommend these on to CESC.

It is recommended that responsibility for community grants is included in the Community Services portfolio and will be co-led by those portfolio holders. Portfolio holders will work with the relevant staff in coordinating the grants process.

Community Grant applications will be discussed at a public workshop and a full report to Council for decision making. Creative Communities grants will be resolved by the Creative Communities Subcommittee.

The workshops now being in public allows applicants to see and hear discussion on their application and provides an opportunity for Councillors to request additional information that can be provided as part of the final report to Council. It is at Council where all applications can be debated and considered for approval.

If required, community grants could be discussed and approved at an Extraordinary meeting of Council instead of a workshop.

**Recommendation:** Based on the above it is recommended to disestablish the Grants Committee. Responsibility for Grants will remain with Community Services portfolio with decisions made at Council.

### **Regulatory and Hearings (RHC)**

For similar reasons described regarding CESC it is recommended to disestablish the Regulatory and Hearings Committee. It is recommended that a Regulatory, Environment and Planning portfolio be established. Councillors assigned to this portfolio will work with the relevant Group Manager on workshop content and structure.

Papers and information received as “for your information” or other work to progress work-streams can be discussed at public workshops and formed into action/directions (if required) for staff to include in reports to full Council. All decisions will be made via full Council (monthly) or at Extraordinary meetings (as required).

**Recommendation:** Based on the above it is recommended to disestablish the Regulatory and Hearings Committee and establish a Regulatory, Environment and Planning portfolio.

### **Risk and Audit (RAC)**

RAC will continue as an independently chaired formal Committee of Council with all Councillors and Iwi representative as members. It is recommended that meetings be held bi-monthly as this maintains adequate oversight of risk and audit matters and assists in optimising commitments for elected members.

Monitoring of Council's governance policy and bylaws is an area that has lacked specific attention under the current committee structure. Inadequate monitoring and review of these as is statutorily required, carries risk to Council. It is recommended that the RAC Terms of Reference be amended to include responsibility for all bylaw and governance policy reviews.

It is anticipated that RAC will need to utilise workshops to progress some of its work-streams, particularly with the addition of policy and bylaws to the Terms of Reference. It is recommended that a Corporate Policy and Planning portfolio is established with Councillors assigned responsibility to work alongside the relevant Group Manager and the independent chairperson.

**Recommendation:** Based on the above it is recommended to retain the Risk and Audit Committee and establish a Corporate Policy and Planning

portfolio. Meetings will move to a bi-monthly schedule from February 2024. RAC Terms of Reference will be amended to include responsibility for governance policy and bylaw reviews as well as providing a reporting line for Reserve Subcommittees.

### **Other Formal Subcommittees**

Reserve Subcommittees are currently subcommittees of the CESC. With the disestablishment of CESC, the Reserve Subcommittees will need a new reporting line. Legal advice has indicated Council itself cannot have subcommittees, so it is recommended that Reserve Subcommittees become subcommittees of RAC for reporting purposes. This can be through an Activity Report on a quarterly basis.

Changes will be required to the Terms of Reference for RAC, Creative Communities and Reserve Subcommittees to reflect the new reporting lines. The CESC subcommittees will be consulted on the proposed changes which has no practical effect on the current Terms of Reference or relationship between Council and subcommittees.

Until RAC's Terms of Reference are updated to include the Reserve Subcommittees and Creative Communities Subcommittee, Council's delegated powers to RAC allow the subcommittees to continue their operations / delegations as business as usual.

### **Inangahua Community Board (ICB)**

It should be noted that the ICB is a statutory body in its own right and is not a subcommittee of Council. The ICB is not included in these changes to the Council governance structure.

### **Other Appointments to Advisory Groups, Working Groups and Other Committees Requiring Representation**

This report is recommending one change to these appointments. To better align with the infrastructure portfolio, it is recommended that Cr Phil Grafton replace Cr Toni O'Keefe on the Regional Transport Committee.

For clarity the previously approved list of other appointments is included below with comments:

- a) Mayor, Jamie Cleine and Councillor Graeme Neylon to the Te Tai o Poutini Plan Committee (One District Plan), Councillor Joanne Howard as nominated reserve to cover any absence. **No changes.**
- b) Councillor Toni O'Keefe to the Regional Transport Committee. **Move to Cr Grafton as infrastructure portfolio.**
- c) Mayor Jamie Cleine, Councillor Colin Reidy and Councillor Joanne Howard to the Westport Rating District Joint Committee. **No changes as applicable to Ward Councillor role.**

- d) Councillor Graeme Neylon to the District Licensing Committee (Alcohol Licensing) as Chair. **No change.**
- e) Councillor Joanne Howard to the Dolomite Point Redevelopment Project Steering Group and Social Hub Feasibility Working Group. **No change as aligns with Community Services portfolio and Ward Councillor role.**
- f) Councillor Rosalie Sampson to the West Coast Regional Housing Forum. **No change.**
- g) Councillor Graeme Neylon to the West Coast Health Localities project governance group. **No change.**
- h) Councillor Grant Weston to the West Coast Road Safety Co-Ordinating Committee. **No change as aligns with infrastructure portfolio.**

### **Establishing New Portfolios**

In response to the feedback from some Councillors in regard to the workshops, and the potential to increase governance connection with the various areas of work of the Council, it is proposed to establish six new portfolios. This portfolio approach will also spread workload across all Councillors with each having a greater degree of responsibility, opportunity to lead and work more collaboratively with peer Councillors and Group Managers.

Portfolios are based on the organisational structure of Council and will enable the Councillors appointed to each portfolio to have governance oversight of key work programmes and strategic issues.

In order to allow flexibility as work-streams and focus areas of Council evolve in response to emerging issues and progress of Annual and Long-Term Plans, portfolios will not have detailed job descriptions.

Portfolio Councillors will work together as co-leaders and in collaboration with the relevant Group Manager to guide the development and delivery of governance level workshops and to work with relevant staff on matters that need formal approval of Council.

It should be noted that portfolios do not replace or diminish the various community events, groups and forums that individual Councillors attend as ward representatives. It is essential to good representative governance that these activities are encouraged and considered part of all elected members roles and responsibilities.

Portfolio holders will have the following responsibilities in addition to their obligations as ward Councillors;

- to establish regular interactions with the relevant Group Manager (GM)
- brief the Mayor and Council on portfolio workstreams as required

- work with GM to provide governance oversight of portfolio workstreams, collaboration on governance workshop content and leadership/chairing of workshops as required
- to keep informed of emerging issues, current affairs and community feedback on matters relevant to the portfolio to assist overall Council decision making.

The recommended portfolios and proposed Councillor assignments include:

- 1. Regulatory Environment & Planning**  
Proposed Councillors – Neylon, Basher,  
Lead official – GM Regulatory Services
- 2. Community Services**  
Proposed Councillors – Howard, Pfahlert,  
Lead official – GM Community Services
- 3. Infrastructure**  
Proposed Councillors – Grafton, Weston  
Lead official – GM Infrastructure Services
- 4. Corporate Policy and Planning**  
Proposed Councillors – Reidy, Sampson  
Lead Official - GM Corporate Services
- 5. Smaller and Rural Communities**  
Proposed Councillors – O’Keefe, Webb  
Lead Official – GM Community Services
- 6. Iwi Relationships**  
Proposed Representatives – Ngāti Waewae Rep – Ned Tauwhare, Mayor  
Cleine  
Lead Official – Chief Executive

## **5. REMUNERATION**

The current governance pool as determined by the Remuneration Authority is \$324,306 for elected members. (Note Mayors' salary is not included in this pool as this is separately determined by the Remuneration Authority). Authority rules require the pool to be fully expended.

Council has discretion as to how the split of the pool is divided among elected members and submits a preferred proposal to the Remuneration Authority for approval.

Currently the pool is divided as:

Deputy Mayor	44,490
RHC Chair	39,546
CESC Chair	39,546
CESC Deputy	34,603
Cr/ICB Chair	30,756
Crs x 5	27,073

The Remuneration Authority intends to issue its next amendment determination by late March 2024.

Council has obtained permission to provide a new proposal to the Authority for consideration and processing, by **Thursday 29 February 2024**.

If Council's proposal is approved by the Authority the changes would be backdated to on and from the day after the day on which the Council confirmed and resolved the changes.

### **Proposed Remuneration Under the New Structure**

The current remuneration arrangement in many cases does not reflect the time commitment of elected members. This is exacerbated for those representing wards outside Westport. It could be argued that all elected members have additional workloads in one way or another when conducting their elected roles and this is not necessarily linked to a specific committee or role.

This workload is not necessarily accurately represented in how remuneration is divided.

The disestablishment of committees and adopting a portfolio model whereby multiple Councillors share responsibility for assigned portfolios should increase equality of workload across the Councillor group.

The proposed portfolio structure creates an opportunity to be more equitable in how remuneration is divided among Councillors and allows for more elected members to specialise and show leadership in their assigned portfolios. The portfolio approach avoids recognising one level of effort as being worth additional remuneration while another effort (potentially just as valid) is not.

Another way to describe it is everyone gets paid equally to be a Councillor and has the same or similar responsibilities to be diligent in fulfilling that obligation. As is the case now, Councillors will choose the level of commitment they feel is appropriate, remuneration alone is a poor indicator or measure of how Councillors conduct their role or meet the expectations of the public.

This change would mean remuneration would increase for six Councillors and decrease for four Councillors but equally, fairer parity of workload and duties across all elected members.



## Other Remuneration Considerations

### Deputy Mayor

The role of Deputy Mayor carries additional statutory obligations than that of a Councillor. This is described in the Local Government Act 2002. (Schedule 7, Pt1, section 17) where it states:

- 3) *The deputy mayor or deputy chairperson must perform all the responsibilities and duties, and may exercise all the powers, of the mayor or chairperson,—*
  - (a) *with the consent of the mayor or chairperson, at any time during the temporary absence of the mayor or chairperson:*
  - (b) *without that consent, at any time while the mayor or chairperson is prevented by illness or other cause from performing the responsibilities and duties, or exercising the powers, of his or her office:*
  - (c) *while there is a vacancy in the office of the mayor or chairperson.*

In addition to this the Deputy Mayor is expected to provide support to the Mayor as is required from time to time. This may include representing the Mayor at events or external representative groups or taking responsibility for special projects.

For these reasons it is **recommended that the Deputy Mayor role attracts additional remuneration to that of a Councillor.**

### Seddon & Inangahua Ward Councillors

Currently, there is a potential inequality for Councillors who reside in Seddon or Inangahua wards. For these Councillors to participate at an equal level to those based in Westport there is clearly an additional commitment required to represent their ward residents at the Council table.

This could be partially recognised by providing additional remuneration to Councillors representing the Seddon and Inangahua wards. Feedback from the workshop indicated this may be a moot point as travel time is a claimable allowance (\$40/hr excluding the first hour) under Remuneration Authority rules. Note however, this rule excludes the first hour of travel which means the 1-1.5hr travel time for these ward Councillors is limited in the eligibility to claim, despite there being additional commitment to attend meetings than that of a Westport based Councillor.

The recommended flat remuneration approach does provide an uplift to two of the four Councillors affected without making any special provision. On that basis, a flat remuneration model for ward Councillors will be proposed to the Remuneration Authority to fully expend the \$324,306 pool would be:

<b>Deputy Mayor</b>	<b>\$36,000.00</b>
<b>Councillors x 9</b>	<b>\$32,034.00</b>

There would be no change to Councillors statutory entitlement to claim allowances (as per Remuneration Authority rules). These relate to kilometres travelled (private vehicles) reimbursement, ICT/Communications, travel time, childcare and fees related to hearings (which have statutory rates)

There would also no longer be additional remuneration tagged for a Councillor who is also Chairperson of ICB. ICB would be considered part of the portfolio of the relevant elected member responsibilities. The ICB itself is not included in any changes to Council structure or remuneration.

## 6. MEETING SCHEDULE

The proposed portfolio structure would greatly reduce the number of formal meetings and enhance the quality/importance of meeting agendas. This, alongside other changes to workshops and broader Councillor responsibility for portfolio workshops should support an “in person preferred” expectation to attendance at meetings.

Under the **current** structure:

- approximately 28-32 formal meetings are held each year across RAC, CESC and COUNCIL.
- Some months meetings occur on three Wednesdays.
- Some days, there are three committee meetings, all with identical membership but separate agendas.
- Workshops are somewhat adhoc and often Councillors are compromised time wise to attend workshops followed by meetings on the same day.
- Extraordinary meetings are sometimes held, over and above the fixed frequency described above.

Recommended **new** calendar under the portfolio/public workshop structure:

- Approx 18 formal meetings would be held each year across RAC and COUNCIL
- COUNCIL would meet monthly on the last Wednesday of the month.
- RAC would meet on the middle Wednesday every two months.
- **Either** of these Wednesday fixtures become available for workshops or Extraordinary meetings to be scheduled from 1pm (prior to RAC or Council start times of 3.30pm on those meeting days)
- Portfolio holders will work with Group Managers on specific workshop topics to be held on the agreed Wednesdays.
- Extraordinary meetings could be used as required for any urgent matter or to address a specific requirement e.g to hear verbal submissions.

- Councillors would have two clear weeks (without either a workshop or a meeting) per month.

## 7. CONSIDERATIONS

### 7.1 Strategic Impact

A decision to accept the proposed changes meets Council's strategic and statutory obligations.

### 7.2 Significance Assessment

This decision does not trigger any of the thresholds in the Significance and Engagement Policy.

Other relevant criteria that have been considered to determine the significance of the decision include the impact of the decision on the large portion of the community and the capacity of the Council to carry out its activities.

There will be no impact on the ability for the community to be involved in decision making in accordance with the LGA and other legal requirements.

Likewise, there will be no implications on the capacity of the Council to carry out its activities as the change is structural only.

Engagement on the structure of the Committees has historically been limited because they have been determined immediately after the election as part of the initial formation of Council.

While this matter is not considered to meet the significance threshold under Council's Significance and Engagement Policy, Council has engaged with the subcommittees of the CESC who have been asked to provide feedback on the proposed changes. This matter is further addressed in section 7.7.

This decision is also not deemed significant as it does not change the way in which Council ultimately makes decisions.

### 7.3 Risk Analysis

This decision does not provide Council with a significant risk.

### 7.4 Values

A decision to implement the proposed changes supports all of the Buller District Values:

- Community Driven
- One team
- Future Focussed
- Integrity
- We Care

**7.5 Policy / Legal Considerations**

Legal advice was sought to understand any considerations of these changes under the Local Government Act, the Resource Management Act and the Local Government Official Information and Meetings Act. This report incorporates recommendations stemming from the legal advice received.

**7.6 Tangata Whenua Considerations**

The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact tangata whenua, their culture and traditions. Our Iwi representative has given their support of the changes and endorses the establishment of the new portfolio.

**7.7 Views of Those Affected**

This decision does not require consultation with the community, but Council must give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, this matter.

In considering those that would likely be affected, we have determined that Councillors and members of the Subcommittees of the Committees to be discharged (including Halls and Reserves Subcommittees) will be affected.

We have run a number of workshops with Councillors to seek their input and views. We have also written to the Subcommittees of CESC to provide their feedback of the proposed changes. Feedback will be provided at the meeting and Councillors should be prepared to take this into account before making their decisions.

**7.8 Costs**

Changes to remuneration has been done in consultation with the Councillors and a report sent to the Remuneration Authority, who will need to approve the amended remuneration. Changes from this reports proposals should not incur any additional extra cost to Council.

**7.9 Benefits**

The alteration in the governance structure is anticipated to generate various benefits, as detailed in the bullet points in Item 3. Additionally, it is expected to enhance community awareness regarding meeting schedules and boost participation in both Zoom and physical meetings

**7.10 Media / Publicity**

It is expected that there will be some interest in this decision from the media. The communications team will ensure that appropriate media releases and social media content are created.

**MEMO - Proposed Changes to Committee Structure  
17 December 2023**

**Prepared by: Jamie Cleine – Mayor Buller District Council**  
**Reviewed by: Steve Gibling - CEO**

**Purpose:** The purpose of this discussion document is to guide the next workshop discussion on proposed changes to governance structure. This includes consideration of potential effects on councillor remuneration, revised reporting lines and simplification of decision making to the appropriate level of hierarchy.

Elements of this proposal, once discussed and tested in workshop, will be presented for formal debate and decision making at a future Council meeting (provisionally mid-late February).

**Background:**

At the end of year one of the triennium the mayor conducted “one on one” meetings with councillors to understand various aspects of how council was functioning and what issues were present for individual councillors. A workshop was held 22 November (the notes from that workshop are included as attachment 1) to summarise and discuss that feedback and a number of improvements were suggested, including:

- Chairs to take a more active role using the existing standing orders in meeting management through setting the tone and approach to each paper ahead of passing to staff to discuss.
- Councillors will seek to provide feedback to the Chairs post meeting the organisation will provide training in the new year around best use of standing orders for meeting outcomes.
- General recognition that the AV system is not fit for purpose and needs to be addressed to support those online
- Chairs are to actively seek to bring in the attendees online through each paper and staff are to actively manage the onscreen appearance and engagement.
- The management and planning of meetings to be reviewed, including the time, length of meeting, start times frequency and location.
- Consideration to be given as to whether there are alternate structures of Council that may also improve the efficiency and effectiveness of the meetings.
- General consensus to make all workshops public but allow exceptions to that rule where there is a bonafide need (following LGOIMA) to debate in public excluded.

Some changes have already been initiated as a result of the workshop:

- a move to public workshops was resolved by Council on 13 December
- a training session on meeting protocol/standing orders will be provided early 2024 to build knowledge and confidence of elected members in this area.
- changes have been made to council chambers layout to improve the rooms utility and potentially audio-visual performance.
- Mayor has taken on board feedback about trying harder to include those attending on zoom to participate in meeting, being more deliberate in setting up agenda items for discussion and paying additional attention to speaking times and opportunity of councillors to speak.

## PROPOSED CHANGES – FOR DISCUSSION

The following discussion topics suggest a new committee structure, changes to remuneration and a clearer/less fluid approach to the approved calendar/meeting schedule.

### Workshops:

As already resolved by Council we are taking a new approach to workshops. This is a key change that enables a simpler formal committee structure as public will see council working through information that eventually may be the subject of formal decision making at a Council meeting. Workshops will be public, except where reasons exist to exclude public under LGOIMA, advertised in a similar fashion to Council meetings (minimum 7 days). Workshops would have set dates on a Wednesday mid-month and at the end of every month. These would coincide with RAC every second month and Council every month.

No formal minutes will be taken but a record of actions following the meeting will be kept. Attendee names to be recorded. Action Point/outcomes to be required of every workshop and noted.

E.g the workshop may direct:

- a report to come to full council or RAC,
- Information be included in council or RAC agenda for formal noting.
- A further workshop to be held on a particular topic.

## Formal Committees of Council

### Community & Environment (CESC)

Either due to the delegations from Council, or the balance of workload from the Community services area, a significant proportion of papers considered at CESC are information papers received or noted as FYI to Council. Any decision papers ultimately need Council resolution to proceed.

On the basis of the above, these types of papers can be discussed at public workshops where there could be action/directions (if required) for staff to prepare reports to full council. E.g a workshop may discuss information received and request staff bring x & y option in a report to full Council.

A workshop may request any FYI type reports be included in Mayors Report (or another update report prepared by a Councillor) to Council for formal noting to Councils official records.

All formal decisions would be made via full council (monthly) or if urgent at an extraordinary council meeting (as required).

Alternatively, the delegations could be amended by Council to delegate more powers to CESC.

**Proposal:** Based on the above I / we are proposing to disestablish Community & Environment (CESC).

### **Grants Committee**

The Grants Committee only come together to discuss Grants and they recommend these on to CESC who then recommend to Council.

The proposal is now that all applications can be discussed in public workshop and formal full report to council for voting. The workshops now being in public allows applicants to see and hear discussion on their application and provides an opportunity for councillors to request additional information that can be provided as part of the final report to council. It is at council where all applications can be debated and considered on merit.

Alternatively, Grants could be debated in an Extra Ordinary meeting of Council instead of a workshop.

**Proposal:** Based on the above I / we are proposing to disestablish the Grants Committee.

### **Regulatory & Hearings (RHC)**

Very similar as noted for CESC above. All decisions made via full council (monthly) or extraordinary meeting (as required). Papers and information received as FYI or in developing a bylaw (for example) can be discussed at public workshops and formed into action/directions (if required) for staff to prepare and/or include in reports to full council. For example, the recent waste proposal hearing of verbal submissions could have been conducted at an extraordinary meeting of Council (mid-month) instead of RHC. The final decision paper comes to full Council for decision (as happened anyway).

**Note:** we would still have formal independent hearings & commissioners panel, convened as required for quasi-judicial matters. This would be chaired by Cr Neylon (unless conflicted) and he would receive/charge commissioner fees/hourly as legislated in addition to governance remuneration.

**Proposal:** Based on the above I / we are proposing to disestablish the Regulatory and Hearings Committee.

### **Risk and Audit (RAC)**

This would remain as an all of Council committee and remain independently chaired however meetings could move to bi-Monthly.

Consideration is to add responsibility for all bylaw and/or governance policy reviews be added to the Terms of Reference for RAC. This area has struggled to get the level of attention it deserves with the current committee structure. Inadequate monitoring and review of these as statutorily required carries risk to Council. RAC may monitor and report the bylaw or policy are due for review and refer to workshop or full council for review process.

**Proposal:** Based on the above I / we are proposing to retain the Risk and Audit Committee and move to a bi-monthly schedule of meetings from February 2024.

### **Other formal sub-committees of Council**

All other formal sub-committees of Council (reserve committees etc) would report directly through to full Council. This can be either through the Mayors Report or an Activity Report on a quarterly basis.

### **Remuneration:**

The current governance pool as determined by the remuneration authority is \$324,306 for elected members. (Note mayors' salary is not included in this pool as this is specifically determined by the Remuneration Authority). Authority rules require the pool to be fully expended, Council has discretion as to the split of the pool among elected members (subject to approval).

Currently the pool is divided as:

Deputy Mayor	44,490
RHC Chair	39,546
CESC Chair	39,546
CESC Deputy	34,603
Cr/ICB Chair	30,756
Crs x 5	27,073

The Remuneration Authority intends to issue its next amendment determination by late March 2024.

Therefore, the Authority would require Council to notify a new proposal, for consideration and processing, by Friday 24 February 2024.

If Council's proposal is approved by the Authority the changes would be backdated to on and from the day after the day on which the Council confirmed/resolved the changes.

### **Proposed Remuneration under the new structure**

The disestablishment of committees would flatten remuneration. This would mean 6 councillors get an increase of approx \$5,000 and 5 councillors get decreases ranging from \$12,000 - \$1,570. The current remuneration arrangement in many cases does not reflect the time commitment of elected members, particularly those from wards outside Westport. It could be argued that all elected members have additional workloads in one way or another when conducting their elected roles and this is not necessarily linked to a committee or portfolio, nor is it accurately represented in how remuneration is divided.

The proposed new committee structure creates an opportunity to be more equitable in how remuneration is divided by treating all Councillor roles as "baseline" in terms of being paid to be an elected member. This approach avoids recognising one level of effort as being worth additional remuneration while another effort (potentially just as valid) is not. Another way to describe it is everyone gets paid equally to be a councillor and has the same responsibilities to be diligent in fulfilling that obligation. As is the case now, councillors will choose the level of commitment they feel is



appropriate, remuneration alone is a poor indicator or measure of “how good a job” any particular councillor does.

**Seddon & Inangahua Ward Councillors**

Currently, there is a potential inequality for councillors who reside in Seddon or Inangahua wards. For these councillors to participate at an equal level to those based in Westport there is clearly an additional imposition on their work/life balance in the time taken to travel to meetings. This could be at least partially recognised by providing additional remuneration above “baseline” for these more remote councillors.

Travel time is a claimable allowance (\$40/hr excluding the first hour) under Remuneration Authority rules. However, this is only after the first hour of travel and requires careful record keeping and claims to be submitted by the councillor. As these ward councillors tend to have travel times of approx 1-1.5hrs to get to Westport, the ability to claim is limited, despite there being additional time required to attend meetings than that of a Westport based councillor. (Note there is also a kilometre rate reimbursement for use of private vehicles that elected members can also choose to claim).

The new proposal would see a distance adjustment applied to Seddon and Inangahua ward councillors in recognition of the additional imposition on work/life balance of fulfilling an equal representation to attend council meetings in person. If you were to make some assumptions, this could be calculated as allowing for two hours for 12 Council meetings per year at \$40/hr. Round figures would see the distance adjustment being \$1000 in additional remuneration per annum above baseline for Inangahua and Seddon Ward Councillors.

**The new remuneration schedule to fully expend the \$324,306 pool would be:**

<b>Westport ward councillors x 6</b>	<b>\$32,030.60</b>
<b>Seddon &amp; Inangahua ward councillors x 4</b>	<b>\$33,030.60</b>

There would be no change to Councillors statutory entitlement to claim allowances (as per remuneration authority rules). These relate to kilometres traveled (private vehicles) reimbursement, ICT/Communications, travel time, childcare and fees related to hearings (which have stipulated rates)

There would also no longer be additional remuneration tagged for a councillor who is also chairperson of ICB. ICB Chair would be considered part of baseline elected member responsibilities. (Noting baseline salary would be greater than current ICB chair remuneration.)

The ICB itself is not included in any changes to Council structure or remuneration.

**Meeting Schedule**

The proposed structure would greatly reduce the number of formal meetings and enhance the quality/importance of agendas. This, alongside other changes in this proposal should support an “in person preferred” expectation to attendance at meetings.

Under the current structure:

- approx 28-32 formal meetings are held each year across RAC, CESC and COUNCIL.
- Some months meetings occur on three Wednesdays.
- Some days, there are three committee meetings, all with identical membership.
- Workshops are randomly added and often councillors are compromised time wise to attend workshops followed by meetings same day.
- Extraordinary meetings are sometimes held, over and above the fixed frequency described above.

Under the new structure:

- Approx 18 formal meetings are held each year across RAC and COUNCIL
- Two Wednesdays per month would be scheduled workshop or meeting days, mid-month and end of month.
- Workshops would be scheduled to be consistently held on the two Wednesdays approved, mid-month (to coincide with RAC bimonthly) and COUNCIL.
- Extraordinary meetings could be used as required for any urgent matter or to spread workload from monthly Council meeting.
- Councillors would have two clear weeks (without either a workshop or a meeting) per month.

### **Summary**

The changes suggested would go some way to addressing the concerns raised by councillors by improving equity in remuneration, reducing frequency of formal meetings, enabling specialisation at workshops, valuing councillor time with decisions made “once”, at the right level.

Governance is also improved with greater transparency in open workshops that have a purpose/outcome, can involve subject matter experts (or invited interested people) if required, councillors can grow experience leading and chairing at workshop level and can (if they wish) sponsor papers through to Full Council.

The additional responsibilities assigned to RAC for policy and bylaws could help address previous lack of clarity and appropriate review processes.

MEMO ENDS

## Attachment 1

**NOTES FROM WORKSHOP HELD 22 NOVEMBER 2023 –  
CIRCULATED TO COUNCILLORS BY STEVE GIBLING 28 NOVEMBER 2023**

**Memo: Mayor – Councillors Relationship - general feedback and potential actions**

**Prepared By:** Mayor Jamie Cleine and CEO Steve Gibling  
27 November 2023

**Purpose:** to summarise feedback during Mayor – Councillor session last week. This is intended to propose possible improvements that can be made to improve the value and experience for Councillors.

**Formal Meetings – Questions:**

- a. Would a stricter adherence to standing orders improve the above points?
  - Chairs to take a more active role in meeting management through setting the tone and approach to each paper ahead of passing to staff to discuss
  - Councillors will seek to provide feedback to the Chairs post meeting if there were observations of improvement to be made or reinforce good meeting outcomes.
  - We will seek to provide some training for good meeting management for governors and key staff
  - Councillors are to wait to be invited by the Chair to engage in a debate and discussion and Chairs to ensure the debate follows standing orders protocols
  - Councillors are to review the [Standing Orders](#).
- b. Do we need additional training/guidance on attending meetings electronically?
  - General recognition that the AV system is not fit for purpose and needs to be addressed to support those online
  - Chairs are to actively seek to bring in the attendees online through each paper
  - Staff are to actively manage the onscreen appearance and engagement
  - Councillors and staff to be self-aware of the behaviours and levels of attention for online meetings
  - Meeting experience in general to be improved, including assessing whether the current facilities in general are good enough
- c. Are current charter, standing orders and code of conduct agreements adequate, do they need amendment?
  - No, they're working ok at this stage
- d. How do we manage workload due to meeting frequency or volume of papers?
  - The time commitment is what it is but there may be some potential to play more to each individual strengths.
  - Things we need to further discuss include:
    1. **Time and length of meeting** – start times potentially moved back
    2. **Frequency of meetings** – review calendar and assess whether meetings can be better spaced out and / or increase the gap between meetings
    3. **Location** – consider moving meetings around the District

## Attachment 1

- Recognise that not everyone is in the same space, nor has the same ability to engage on a consistent basis
- Get the programme and stick to it – staff to be more protective of the meeting and workshop schedule

### **Time Commitment and Work/Life Balance - Questions:**

- a. Should changes be made to committee structures and associated TOR?
  - Consider flatter structure for the organisation of committees
  - Review need / purpose of RAC, CESC and other sub-committees of Council and review whether the TOR are fit for purpose including assessing the membership for each committee (some interest in refining membership).
- b. Workshops vs meetings, what is preferred?
  - General consensus to make all workshops public, but allow exceptions to that rule where there is a bonafide need (following LGOIMA) to debate in public excluded.
- c. How is information best shared to build knowledge and quality of decision making?
  - There are current challenges with the circulation of information – timing of papers on a Friday is problematic for some. Staff to review whether an additional day can be included within the process (circulate agendas on Thursdays).
  - Diligent is not working for some.
- d. Should changes be made to remuneration? Redistribute the governance pool in a different way?
  - Yes but is dependent upon the committee structure and membership

### Notes from Committee Structure Workshop 31 January 2024

#### Committees:

1. There was a 50 / 50 split of those in favour of the new committee structure. Those in favour noted the following benefits, including:
  - a. Removal of duplication and overlap of discussions between committee and council meetings. A number of people cited examples of meeting agendas that addressed an issue at a sub-committee or committee level for it to be simply referred to full Council with the ultimate delegated authority.
  - b. Streamline of meeting and agendas – the removal of committee meetings and the new 2-month frequency for RAC would allow more workshop time (if needed) for Council to still discuss things, primarily in public, without the need for the formality of agendas and minutes.
  - c. Support for the principle of shared responsibility through the removal of committees
  - d. Support for more stringent adherence to calendar being two Wednesdays a month, less adhoc and accepting that either of those days would be “fair game” for workshops to be added. Some preference for these days to start no earlier than 1pm.
2. A number of councillors did not support the proposal and noted some of the issues with the proposal, including:
  - a. Impact of the workload on the Mayor who would be the sole chair of Council meetings (excluding the independent Chair of Risk and Audit Committee).
  - b. The need to manage more effectively any issues that occur out of cycle, especially for the Risk and Audit Committee, and have clearer guidance for staff around the use and need for workshops and also how to deal with requests for extraordinary meeting. Will require greater rather than less planning from staff.
  - c. Need for workshops, and their importance, likely to increase and this will need greater guidance and clarity from governance to ensure better value.
  - d. Loss of the leadership role for non-meeting related activities. For example, the Chair of CESC attends a number of external meetings in the Chair capacity – this role will need to be carefully assessed so as not to loss that important connection with external groups.
  - e. Possible concern that fewer meeting days will lead to longer meetings – more clarity needed in this regard.
3. As the discussion of committee structure unfolded, a number of Councillors addressed the idea of a portfolio management type approach, as a way to secure governance oversight and buy-in to key meeting topics. This idea gained some support as the meeting progressed, especially around the idea of governance oversight and control of workshop material. In the event that a new structure was adopted, the likelihood that more, rather than less, workshops would occur was noted. Some councillors did not find that there was currently good value from the existing workshop approach.

#### Remuneration

4. One of the benefits of the above approach was that more of the rem pool would be spread across the Councillor group, noting that everyone undertakes work outside of their meeting function in order to maintain connection with the community they represent. Most councillors agreed in principle with this approach, although a few did not. Their feedback included:

- a. Did not agree with the travel recognition for out-of-town councillors only – there is some degree of travel for non-Council meeting events (travel to Punakaiki for example) and do not see the difference between this travel and the proposed option.
  - b. On a similar topic, the question was raised as to what happens if the person is remunerated because of where they live but then don't travel for other reasons, yet the money has been paid to them?
  - c. Challenge our ability to change Rem outside of the Rem Authority's guidance - what right /ability do we have to do this?
  - d. Did not agree with removing the rem from Chair roles – its already a low paying role and further reduction was not supported.
5. A final piece of feedback revolved around the specific removal of the remuneration for the Deputy Mayor. Most felt this was not supported as the role as a critical function to play in the event the mayor is incapacitated.

APPENDIX 3

Date	Day	January	Day	February	Day	March
1	M	PUBLIC HOLIDAY	T		F	
2	T	PUBLIC HOLIDAY	F		S	
3	W		S		S	
4	T		S		M	
5	F		M		T	
6	S		T	WAITANGI DAY	W	
7	S		W		T	
8	M		T		F	
9	T		F		S	
10	W		S		S	
11	T		S		M	
12	F		M		T	
13	S		T	ICB	W	CNZ RAC
14	S		W	RAC	T	
15	M		T		F	
16	T		F		S	
17	Already adopted				S	
18	Already adopted				M	
19	F		M		T	
20	S		T		W	
21	S		W		T	
22	M		T		F	
23	T		F		S	
24	W		S		S	
25	T		S		M	
26	F		M		T	
27	S		T		W	COUNCIL
28	S		W	COUNCIL	T	
29	M		T		F	GOOD FRIDAY
30	T				S	
31	W				S	
	Day	January	Day	February	Day	March

## BULLER DISTRICT COUNCIL

28 FEBRUARY 2024

AGENDA ITEM: 8

**Prepared By:** Douglas Marshall  
Chief Financial Officer

**Reviewed By:** Steve Gibling  
Chief Executive Officer

**Attachment 1** Minute extract from Risk and Audit Committee meeting 13  
December 2023

**Attachment 2** Financial Delegations Policy

### REVIEW OF FINANCIAL DELEGATIONS' POLICY

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#### 1. REPORT SUMMARY

This report considers changes to the Financial Delegations Policy for consideration by the Council.

#### 2. DRAFT RECOMMENDATION

**That the revised Financial Delegations Policy as at February 2024 be adopted by Council.**

#### 3. ISSUES & DISCUSSION

##### 3.1 Current Financial Delegations Policy

Council completed a comprehensive review of the Financial Delegations Policy in 2020.

An updated Policy was presented to the October 2023 Risk and Audit Committee meeting and a revised Policy to the Risk and Audit Committee at its meeting of 13 December 2023.

The minute extract and Committee resolution can be found at Attachment 1. Changes from the 13 December 2023 meeting are marked up in the policy to be adopted by the Council.



### **3.2 Requirement to Have a Financial Delegations Policy**

Council is required by law to ensure all dealings are ethical, transparent, and conducted within a strong financial control environment. All of Council must comply with the Delegations Policy which supports this requirement.

In the interests of effective governance, encouraging delegation of decision making to the lowest competent level is advised. This achieves the best use of the abilities of elected representative and officers, ensures cost effectiveness, good use of resources and promotes the development of efficient and effective management.

Delegations provide authority and grant responsibility for a task or function to be undertaken by a person acting in a role other than Councillors or Chief Executive.

Delegations cannot however remove from Council and the Chief Executive Officer the ultimate accountability for the affairs of Council.

This is why it is important that Council review and adopt this policy.

### **3.3 Changes Made to This Version of the Financial Delegations Policy**

Changes to this policy are designed to give clarity on a number of matters where the current policy is deemed to be deficient.

Some "position" descriptions have been updated to reflect the current operating structure of Council.

A new section, 4.9 has been added to give clarity where the Council may wish to generate new income.

New income sources are welcome, but care needs to be taken to ensure that in seeking and obtaining new income, agreed/adopted budgets/plans must also be delivered unless the Council decides otherwise.

Clarity has been added by documenting that the creation of purchase orders can be by any approved staff, with the key being the authorisation of an officer who has the appropriate \$ value delegation.

### **3.4 Strategic Issues**

A financial delegation policy with appropriate statements about how financial actions will be undertaken on behalf of the Council is important. Finding the appropriate split between what can be delegated to Council staff and what should be considered by the Council, allows the right level of decision making on what are key financial transactions needing

Council approval and what can be decided by Council staff to ensure the most efficient and effective way Council activities can be undertaken.

### **3.5 Values**

The Buller District Council Values are: Community Driven, One Team, Integrity, Future Focussed, and We Care.

Buller District Council must ensure the Financial Delegations Policy is written in line with the above values.

### **3.6 Significance Assessment**

The Buller District Council Significance and Engagement Policy sets out the criteria and framework for a matter or transaction to be deemed significant.

The revised Financial Delegations Policy is not deemed significant.

### **3.7 Risk Analysis**

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

The Delegations Policy is an appropriate document to manage financial risks by setting appropriate rules around how financial actions will be undertaken.

### **3.8 Policy / Legal Considerations**

Council is required by law to ensure all dealings are ethical, transparent and conducted within a strong financial control environment. Council must comply with a Financial Delegations Policy which supports this requirement. Council must be aware of and comply with public law.

The Local Government Act (2002) Schedule 7, Clause 32 sets out the powers that cannot be delegated with respect to the conduct of a local authority's business. This includes such powers as making rates, bylaws and the power to appoint a Chief Executive among other things.

It is appropriate for Council to confirm this revision to the Financial Delegations Policy at a monthly meeting of Council.

Examples of public law legislation:

- Public Finance Act 1989
  
- Public Audit Act 2001
  
- Public Records Act 2005
  
- Official Information Act 1982
  
- State Sector Act 1988

- Ombudsmen Act 1975
- Public Bodies Contracts Act 1959

The Buller District Council is charged with playing a broad role in meeting the current and future needs of our community for good-quality local infrastructure, local public services and performance of regulatory functions by the Local Government Act (2002).

Included in that role is ensuring financial matters are conducted in an appropriate manner.

### **3.9 Tangata Whenua Consultation Considerations**

The contents of the report are not a matter requiring consultation with tangata whenua.

### **3.10 Views of Those Affected**

Ratepayers expect Council to provide good quality services and infrastructure at a fair price and a revised delegations policy supports that outcome.

### **3.11 Costs**

There is no additional cost to the community for the revised Financial Delegations Policy. The policy revision has been funded out of existing operating budgets of Council, with staff time used for the review in addition to their daily tasks.

### **3.12 Benefits**

Council should use best practice to procure goods or services and pay for them. Good policy outlines expectations and provides guidance to staff for day-to-day operations such as payment of creditors as well as more technical one-off delegations such as committing Council to a contract, and ensures appropriate checks and balances are achieved.

### **3.13 Media / Publicity**

It is expected there would be little media interest in the revised Financial Delegations Policy.

It was noted that on Page 29, last paragraph, the word FRAC should be changed to RAC.

**RESOLVED** that the Risk and Audit Committee endorses the Letter of Expectation to be sent to Buller Holdings Limited subject to the amendments received.

**Cr A Pfahlert/DM A Basher**  
**12/12**  
**CARRIED UNANIMOUSLY**

**7. REVIEW OF FINANCIAL DELEGATIONS' POLICY**  
**(Page 31)**  
**Discussion:**

D Marshall spoke to his report. He noted some amendments including that the reference to the Annual Plan (AP) should refer to the AP and Long-Term Plan (LTP).

Mr Marshall advised there are different levels of financial delegation given amongst staff.

The following points were noted as appropriate changes to the draft on the agenda and they will be included in a marked up copy for the first council meeting in 2024 for adoption.

Any reference to Annual Plan should also include Long Term Plan (LTP).

The first column in part 4.5 has a column heading called "Sec". Sec means sections and we are referring to sections of the Local Government (Rating) Act 2002. This needs to be changed to make it clear what the reference is.

On page 42 of the agenda – in the last table item - bereavement leave approval – there are staff working notes that need to be removed.

Page 43 - special leave - fire "brigade" the reference should be to fire and emergency.

**RESOLVED** that the Risk and Audit Committee recommend the revised Financial Delegations Policy, subject to the highlighted amendments, be adopted by Council.

**Cr G Neylon/Cr G Weston**  
**11/1**  
**Cr C Reidy against**  
**MOTION CARRIED**

**FINANCIAL DELEGATIONS POLICY (as at 13 December 2023)**

<i>Creation Date:</i>	<i>April 2019</i>	<i>Date for Review:</i>	<i>October 2026</i>
<i>Author:</i>	<i>Chief Financial Officer</i>	<i>Authorised by:</i>	<i>Chief Executive Officer</i>
<i>Adopted by Council: on:</i>	<i>28 February 2024</i>	<i>Version:</i>	<i>Four</i>

**1. BACKGROUND**

The Financial Delegations Policy is one of a series of documents adopted by Council to define methods and means of operation and managerial and administrative relationships.

The Financial Delegations Policy has been updated to recognise staff complement changes and to set staff expenditure authorisation limits to practical and appropriate levels. The expenditure limits have been set to keep pace with inflation to ensure efficient Council operations.

*In this delegation there is reference to Annual Plan and Long Term Plan. The two plans have different purposes but for the purpose of this delegation, the two terms are interchangeable.*

**2. FINANCIAL DELEGATIONS**

The Financial Delegations Policy is a subsection within the full Delegations Policy. Financial Delegations must be read in conjunction with other policies such as:

- Procurement Policy
- Treasury Management Policy
- Delegations Policy
- Rates Remission Policies
- Human Resources Policies

These are delegations of powers and responsibilities to facilitate the effective and efficient financial management of the Council. The powers may be limited in some respects at lower levels of delegation.

**3. DELEGATION INCLUDED WITHIN THIS SUB-SECTION ARE:**

- Expenditure approval relating to procurement of goods, services and materials within the funding and budget limits approved by the relevant Annual Plan document
- Binding Council to a contract
- Delegation to authorise budget variances
- Write-off of Bad Debts excluding rates
- Delegation of various rating decisions
- Treasury management decisions and actions
- Disposal of Asset decisions, and associated calculations of losses or gains

#### 4. LEVELS OF AUTHORITY AND ACCOUNTABILITY

Buller District Council's financial delegations align with the organisational structure and levels of accountability. The delegations framework is set against broad functional accountabilities as detailed in the table below:

Level	Functional Accountability	Titles
1	<ul style="list-style-type: none"> <li>Strategic Leadership of the organisation as a whole.</li> <li>Accountability for overall achievement of strategic outcomes.</li> <li>Whole of organisation staff management responsibilities.</li> <li>Whole of organisation delivery of services.</li> <li>Transition-related matters.</li> </ul>	Chief Executive Officer.
2	<ul style="list-style-type: none"> <li>Collective strategic leadership of the organisation through membership of the Senior Leadership Team.</li> <li>Whole of group staff management responsibilities.</li> <li>Whole of group financial management responsibilities.</li> <li>Whole of group delivery of services.</li> </ul>	Group Manager. (including Chief Financial Officer)
3+	<ul style="list-style-type: none"> <li>Accountability for a prescribed area of the organisation which requires a higher delegation limit to ensure effective day-to-day operation of the organisation.</li> </ul>	Manager Infrastructure Delivery.
3	<ul style="list-style-type: none"> <li>Collective operational leadership of the organisation through membership of the Tier 3 Management Group.</li> <li>Accountability for delivery in a prescribed area of the business.</li> <li>Full financial and staff responsibilities within their defined area (where this is delegated to them).</li> </ul>	<ul style="list-style-type: none"> <li>Manager Infrastructure Planning,</li> <li>Coordinator Property and Facilities</li> <li>Coordinator Three Waters including Coordinator Drinking Water,</li> <li>Coordinator Waste Water and Coordinator Storm Water.</li> <li>Coordinator Transport.</li> <li>Coordinator Rooding.</li> <li>Team Leader Planning</li> <li>Team Leader Building</li> <li>Manager Community Engagement</li> <li>Manager Customer Experience</li> <li>Airport Manager</li> </ul>

		<ul style="list-style-type: none"> <li>• Harbourmaster</li> </ul>
4	<ul style="list-style-type: none"> <li>• Accountability for delivery of team results within a single function of the organisation or Annual Plan/ Long Term Plan, such as professional administration services.</li> <li>• Has limited financial responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>• Executive Assistant/ Personal Assistant.</li> <li>• Management Accountant</li> <li>• Financial Accountant</li> <li>• Coordinator Asset Planning</li> <li>• Coordinator Asset Programmes.</li> <li>• Animal Control Officer.</li> <li>• Compliance Officer.</li> <li>• Planner</li> <li>• Coordinator Waste Management.</li> <li>• Community Facilities Officer</li> <li>• Project Officer Capital Work</li> <li>• Senior Building Inspector</li> <li>• Technical Support Officer.</li> <li>• Human Resources Advisor</li> </ul>

Delegations that are set out in the table are not determined just by the "Title" in the table above, but by the functional accountability that the staff member is responsible for.

In any instance when a new position or a new title is created at Level 3 or 4 and the title does not appear in the title List, then Level 1 shall have authority to confirm what the level of delegated authority shall be for that new title position.

In any instance when a new position/title is created at Level 3+ or above authority to set the delegation limit shall be required by Council resolution.

Under this delegation, the Chief Executive Officer is able to appoint a consultant/contractor to any of the above named roles if they believe that is the most appropriate manner to undertake the role.

#### **4.1 Expenditure approval relating to the procurement of goods & services, materials and equipment within the funding limits approved by the relevant Annual Plan**

The authority under this delegation is to approve generally recurring types of expenditure on behalf of the Council, up to the limits set out below, where the expenditure is provided/budgeted for in the relevant Annual Plan or Long Term Plan.

<b>Level</b>	<b>Limit</b>
1	\$ 750,000 provided/budgeted for in the relevant Annual Plan or Long Term Plan, or any amount if it is part of a contract that has been adopted by a previous Council resolution.

Level	Limit
2	\$500,000 provided/budgeted for in the relevant Annual Plan or Long Term Plan
3+	\$250,000 provided/budgeted for in the relevant Annual Plan or Long Term Plan
3	\$25,000 provided/budgeted in the relevant Annual Plan or Long Term Plan
4	\$7,500 provided/budgeted in the relevant Annual Plan or Long Term Plan

Any staff member with delegated authority to approve expenditure must declare any conflict of interest to their respective manager prior to approval of this expenditure, or in the case of the CEO approval must be given by the Mayor.

For clarity, various positions within the council staff structure will be able to initiate purchase orders but the authoriser of the purchase order must have the appropriate \$ value level as noted above.

#### **4.2 Binding Council to a Contract awarded by publicly advertised tenders:**

Binding Council to a contract awarded by publicly advertised tenders are restricted to: the Chief Executive Officer, Group Manager Regulatory Services, Group Manager Community Services, Group Manager Infrastructure Services and Chief Financial Officer

Delegated authority to accept tenders up to \$500,000 provided that the lowest conforming tender meeting specification (for purchases and works contracts)

All tenders exceeding \$500,000 are to be approved by Council. All tenders accepted are to be reported to Council.

For the sake of clarity, contract payments may be authorised by the appropriate Officer for those contracts awarded by Council provided the contract payments do not exceed the approved contract amount.

The sale of land and building and other assets over the value of \$50,000 must be approved by the council. Other assets under the value of \$50,000 can be approved for sale by the Chief Executive Officer.

All land/buildings to be sold must be supported by a registered valuation while all other assets to be sold must use a publicly available sales process (eg trademe) to provide indicative sales value.



#### 4.3 Power to authorise budget variances

The Council agrees to the following delegations of financial powers pursuant to the delegations policy to the CEO:

The power to authorise an officer to approve budget variances in an activity where that activity is able to be funded by additional income or reduced expenditure within the activity and in so doing will better meet the objectives set out in the relevant Annual Plan.

#### 4.4 Bad Debts

Delegated authority to write-off bad debts excluding rates is as follows:

- (a) Council - amounts over \$5,000 on any single account.
- (b) Chief Executive Officer - amounts up to \$5,000 on any single account.
- (c) Group Managers/Chief Financial Officer - amounts up to \$2,500 on any single account.
- (d) Finance Manager, District Librarian; Senior Building Inspector; Manager Infrastructure Delivery Theatre Manager; Manager Reefton Service Centre - up to \$200 on any single account.

#### 4.5 Rating Delegations

**The “section” reference in the delegation below is the Local Government (Rating) Act 2002.**

<b>Section</b>	<b>Details for Power</b>	<b>Delegations</b>
27 (5)	The decision on whether to divide rating units and the methodology for division	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Management Accountant</li> <li>• Finance Manager</li> </ul>
28 (2)	The decision on whether the disclosure of the name of any person is necessary to identify a rating unit	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> <li>• Rates Officer</li> </ul>
29	Authority to determine objections to the Rating Information Database	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> </ul>
35	Authority to remove a name from the Rating Information Database	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> <li>• Rates Officer</li> </ul>
39	Authority to determine objections to rates records	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> </ul>
40	Authority to correct errors in the Rating Information Database and Rate Records	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> <li>• Rates Officer</li> </ul>

<b>Section</b>	<b>Details for Power</b>	<b>Delegations</b>
54	Authority not to collect small amounts	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> </ul>
61	Authority to collect unpaid rates from the owner	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> <li>• Rates Officer</li> <li>• Revenue Officer</li> </ul>
62	Authority to collect unpaid rates from persons other than the owner (including authority to send a ratepayer to debt collection, or to Mortgagee)	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> </ul>
63	Ability to commence legal proceedings for the recovery of rates that are in default	<ul style="list-style-type: none"> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> </ul>
67	Commencement of rating sale or lease provisions	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> </ul>
77,	Authority to commence abandoned land procedure	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> </ul>
79	Authority to sell abandoned land including setting the reserve price	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> </ul>
114- 1 1 5	Authority to administer "Remission of Rate Penalties", "Policy for Rates Relief on Maori Freehold Land", "Policy on Uneconomic Balances", "Policy on Remission on General Rates – land used and/or occupied by community, sporting and other organisations" policies.	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> <li>• Rates Officer</li> <li>• Revenue Officer</li> </ul>
114- 1 1 5	Authority to administer "Policy on remission for rates and charges in times of extenuating circumstances"	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> <li>• Finance Manager</li> <li>• Management Accountant</li> </ul>
99	Authority to apply for charging orders	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Chief Financial Officer</li> </ul>
135	Authority to sign documents for court proceedings	<ul style="list-style-type: none"> <li>• Chief Executive Officer</li> </ul>

Where any individual position changes or is replaced, the delegated power will be transferred to the equivalent position.

This transfer of delegation shall be ratified by full Council where the delegation relates to the Chief Executive Officer or the Chief Financial Officer.

When the transfer of delegation relates to the Management Accountant, Finance Manager, the Rates Officer, or Revenue Officer, the Chief Executive Officer shall ratify this change in delegation.

#### 4.6 Treasury Management Delegations

Council has the following authorities in place within the Treasury Management Policy:

<b>Activity</b>	<b>Delegated Authority</b>	<b>Limit</b>
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<b>Activity</b>	<b>Delegated Authority</b>	<b>Limit</b>
Approving & changing policy	<ul style="list-style-type: none"> <li>Council</li> </ul>	Unlimited
Borrowing limits	<ul style="list-style-type: none"> <li>Council</li> </ul>	Borrowings limits are approved in the Long Term Plan by Council
Approving and setting up borrowing arrangements	<ul style="list-style-type: none"> <li>Chief Financial Officer ]</li> </ul>	Subject to the limits approved in the relevant Long Term Plan or Annual Plan
Drawing down debts & re-financing existing debt	<ul style="list-style-type: none"> <li>Chief Executive Officer</li> <li>Chief Financial Officer</li> </ul>	Subject to Council set limits
Approving transactions outside policy	<ul style="list-style-type: none"> <li>Council</li> </ul>	Unlimited (Subject to Council resolution)
Approving credit counterparty limits	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>	Subject to Council set limits
Adjust interest rate risk profile on borrowing	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> <li></li> </ul>	Fixed/floating ratio between 55% and 95%
		Fixed rate maturity profile limit as per risk control limits
Managing funding maturities in accordance with Council approved facilities	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>	Per risk control limits
Authorising lists of signatories	<ul style="list-style-type: none"> <li>Chief Executive Officer</li> </ul>	Unlimited and reviewed as and when required
		Annual letter to lender
Opening/closing bank accounts	<ul style="list-style-type: none"> <li>Chief Executive Officer</li> </ul>	Unlimited
Ensuring compliance with policy	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>	Ongoing
Review key performance measures	<ul style="list-style-type: none"> <li>Risk and Audit Committee</li> </ul>	Quarterly Reports

Approval of changes to the Council Treasury Management Policy will authorise an equivalent update to this section of the Financial Delegations Policy.

#### 4.7 Human Resources

Buller District Council's Human Resources delegations framework is set against broad functional accountabilities as detailed in the table below:

<b>Level</b>	<b>Functional Accountability</b>	<b>Titles</b>
Level 1	<ul style="list-style-type: none"> <li>Strategic Leadership of the organisation as a whole.</li> <li>Accountability for overall achievement of strategic outcomes.</li> <li>Whole of organisation staff management responsibilities.</li> <li>Whole of organisation delivery of services.</li> <li>Transition-related matters.</li> </ul>	Chief Executive Officer.

Level	Functional Accountability	Titles
Level 2	<ul style="list-style-type: none"> <li>Collective strategic leadership of the organisation through membership of the Senior Leadership Team.</li> <li>Whole of group staff management responsibilities.</li> <li>Whole of group financial management responsibilities.</li> <li>Whole of group delivery of services.</li> </ul>	Group Manager.
Level 3+	<ul style="list-style-type: none"> <li>Accountability for delivery of Human Resources Management throughout the organisation.</li> <li>3+ Delegations will only be undertaken in conjunction with authorisation from Level 2 or Level 1.</li> </ul>	Human Resources Advisor.
Level 3	<ul style="list-style-type: none"> <li>Collective operational leadership of the organisation through membership of the Tier 3 Management Group.</li> <li>Accountability for delivery in a prescribed area of the business.</li> <li>Full financial and staff responsibilities within their defined area (where this is delegated to them).</li> </ul>	Team Leader. Manager.

#### 4.8 Human Resources Delegations

Council has the following authorities in place for the Human Resources:

Activity	Delegation
Wholesale Changes to the Organisational Structure (within approved budgets)	Level 1
Create a new position or significantly change a position (within approved budgets)	Level 1, Level 2, Level 3+
Appoint permanent positions (within approved budgets)	Level 1, Level 2, Level 3+
Appoint temporary or fixed term positions (within approved budgets)	Level 1, Level 2, Level 3+
Sign Employment Agreements	Level 1, Level 2, Level 3+
Approve variations to employment agreements	Level 1, Level 2, Level 3+
Decide any appeal against appointment	Level 1
Agree Remuneration	Level 1
Agree Remuneration for positions within their business group	Level 2, Level 3+
Higher Duties Allowance Approval	Level 1, Level 2, Level 3+
Extra Duties Allowance Approval	Level 1, Level 2, Level 3+
Approve Annual Leave	Level 1
Approve Annual Leave for positions within their business group	Level 2, Level 3+, Level 3
Conduct Performance Reviews	Level 1
Conduct Performance Reviews for positions within their business group	Level 2, Level 3+, Level 3
Cash Up any balance of Long Service Leave	Level 1 Level 2
Cash Up to two (if five week's entitlement) annual leave approval	Level 1
Cash Up to one week's annual leave approval	Level 2, Level 3+
Using Sick Leave in arrears approval	Level 1 Level 2, Level 3+
Bereavement Leave approval	Level 1 Level 2, Level 3+, Level 3

Activity	Delegation
Working on Public Holidays approval	Level 1 Level 2, Level 3
Leave Without Pay approval For Greater than 2 days per Annum Leave Without Pay approval For Less than 2 days per Annum	Level 1, Level 2 Level 3
Study Leave approval	Level 1 Level 2, Level 3+
Approval of taking leave under the Staff Wellness Policy	Level 1
Parental Leave Approval	Level 1 Level 2, Level 3+
Health and Safety Leave and Domestic Violence Leave	Level 1 Level 2, Level 3+
Employment relations leave approval	Level 1 Level 2, Level 3+
Special leave for jury service approval, for travel, for sporting or cultural purposes, Outward Bound,	Level 1 Level 2, Level 3+
Training, Conference, Seminar approval	Level 1 Level 2, Level 3+, Level 3
Special Leave for Search and Rescue, Volunteer <b>Fire &amp; Emergency</b> , Civil Defence and St John's Ambulance Services	Level 1 Level 2, Level 3+
Early Retirement approval and payment of Retirement Leave	Level 1
Dismissal or suspension of staff	Level 1
Initiate disciplinary action	Level 1 Level 2, Level 3+
Approval to undertake other work or secondary employment outside of Buller District Council (due to conflict of interest considerations)	Level 1 Level 2, Level 3+
Approve a conflict of interest decision	Level 1 Level 2, Level 3+
Refer a staff member to Employee Assistance Programme for counselling (for the first three appointments there is no requirement for any employee to seek authority to attend those sessions, greater than three requires permission)	Level 1 Level 2, Level 3+
Initiate staff misconduct investigation	Level 1 Level 2, Level 3+
Initiate fraud or corruption investigation	Level 1, Level 2, Level 3+

#### 4.9 Contracting Council to income not included in the Long Term Plan or Annual Plan

Opportunities arise occasionally for the council to generate income from sources/activities not considered when the Long-Term Plan or Annual Plan were adopted by the council.

Such opportunities, if appropriate should be encouraged. The most obvious example is when the Council could apply for grants from Central Government. The generating of such income opportunities will most likely attract additional costs or require existing council resources to be reprioritised from other activities that have been agreed to in the Long-Term Plan/Annual Plan.

Accordingly, all opportunities to create additional income that has not been identified as an activity in the Long Term Plan or Annual Plan that exceed \$50,000 requires council approval

to allow the appropriate application to be made or ratify any decision made by the Chief Executive Officer.

**BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 9**

**Prepared By:** Lynn Brooks  
Finance Manager

**Reviewed By:** Douglas Marshall  
Chief Finance Officer

**Attachment 1:** Extract from Local Government Act – section 6 & 7

**COUNCIL CONTROLLED ORGANISATION – EXEMPTIONS FROM REPORTING OBLIGATIONS UNDER THE LOCAL GOVERNMENT ACT: DENNISTON HERITAGE CHARITABLE TRUST, BULLER RESILIENCE TRUST AND BULLER HEALTH TRUST**

**1. REPORT SUMMARY**

Under the Local Government Act, an exemption can be used by Councils to not undertake certain reporting requirements for their Council Controlled Organisations.

This exemption reduces reporting requirements for Statements of Intent, half year financial reports, and all other compliance matters around audit requirements.

Council has previously approved an exemption for “Other Council Controlled Organisations” which includes Denniston Heritage Charitable Trust and Buller Health Trust in February 2021 and Buller Resilience Trust in March 2023. This paper recommends continuation of this exemption.

The recommendation is that Denniston Heritage Charitable Trust, Buller Health Trust and Buller Resilience Trust are exempted from being classified as a Council Controlled Organisation (CCO) in terms of the Local Government Act 2002.

The rules relating to the appointment of trustees is noted in this report for each trust. Sections 6 and 7 of the Local Government Act 2002 are included in Attachment 1 to assist readers of this report.

## 2. DRAFT RECOMMENDATION

That the Council resolves the following;

- a) **Given the nature and scope of the activities of Denniston Heritage Charitable Trust, and cost benefit available from being exempted, Council, per section 7 of the Local Government Act 2002, exempts Denniston Heritage Charitable Trust as a Council Controlled Organisation;**
- b) **Given the nature and scope of the activities of Buller Health Trust, and cost benefit available from being exempted, Council, per section 7 of the Local Government Act 2002, exempts Buller Health Trust as a Council Controlled Organisation;**
- c) **Given the nature and scope of the activities of Buller Resilience Trust, and cost benefit available from being exempted, Council, per section 7 of the Local Government Act 2002, exempts Buller Health Trust as a Council Controlled Organisation.**

## 3. ISSUES & DISCUSSION

Council is deemed to have a controlling interest that meets the legislative definition of a Council Controlled Organisation (CCO) when one or more local authorities control more than 50% of the voting power of that entity. Buller District Council in itself has less than 50% control for the entities listed above.

There are several requirements that CCOs must adhere to including, but not limited to:

- CCO's must have a statement of intent that is annually approved by Council,
- Council must monitor performance of the CCO and its contribution towards the local authority's objectives for the organisation and the desired results as set out in the organisations statement of intent as well as the overall aims and outcomes of the local authority,
- The CCO must present a half yearly report to shareholders,
- The CCO must deliver an audited annual report within 3 months after the end of its financial year,



The Local Government Act gives Council the discretion to exempt organisations that qualify as CCOs from being a CCO, giving specific regard to:

- The nature and scope of the activities provided by the organisation; and
- The costs and benefits, if an exemption is granted, to the local authority, the Council-Controlled Organisation, and the community.

Council resolved in February 2021 to exempt Denniston Heritage Charitable Trust and Buller Health Trust as a CCO. Council resolved in March 2023 to exempt The Buller Resilience Trust.

The Act requires Council to review the exemption within three years of it having been granted and after such a review, at intervals of no less than three years. The inclusion of The Buller Resilience Trust in this report is not required as it is within the three-year threshold, however it is included for completeness to ensure one report can be put to Council every three years with all requests for CCO exemptions.

All three of these organisations contribute to the district and region as a whole and have a specific focus. How trustees are appointed is noted below each commentary:

- **Denniston Heritage Charitable Trust** is involved in the preservation and enhancement of the Denniston historical area by planning and designing developments to preserve the historical characteristics of the area. The trust also co-ordinates funding to this end.

#### Trustee Appointment Process

##### **5 THE BOARD OF TRUSTEES**

5.1 The persons named at the beginning of this Deed as the Trustees shall comprise the Board. The Board will comprise of **at least seven** Trustees. There shall at all times be:

- a **One trustee** appointed by the Buller District Council;
- b two trustees appointed by the Friends of the Hill Trust;
- c **One trustee** appointed by the Department of Conservation.
- d **At least three trustees appointed from the local community. Nominations for the trustees shall be called for publicly and encouraged from persons who are likely to best assist in the fulfilment of the Trust's Purposes. Trustees shall be appointed by majority vote of the trustees.**

- **Buller Health Trust** is involved in preserving public health and wellbeing in the Buller district. It achieves this by facilitating the provision of adequate health services to the region in an efficient and effective manner. Council has provided loans to the Trust in the past which have now been repaid. Council does not provide operating funding to the Trust, although it is likely

to support it should the benefits to the community outweigh the costs of doing so.

#### Trustee Appointment Process

#### **4 Structure of the Trust**

**4.1** *There shall at all times be 3 Trustees, two of whom shall be the Mayor and Chief Executive from time to time of the Buller District Council so long as he or she holds office as such (**Council Trustees**). A Council Trustee ceasing to hold office shall be succeeded automatically by his or her successor.*

**4.2** *The third Trustee is referred to as the Community Trustee.*

- **Buller Resilience Trust** has an important part to play in the Buller community as mining activities transition to other activities that support the employees of the mining organisations and the wider community in the future.

#### Trustee Appointment Process

#### **5. Trustees**

**5.1** There shall be no more than 5 trustees and no fewer than 4 trustees. The initial Trustees shall be the signatories to this deed.

**5.2** There shall at all times be:

- (a) One Trustee who has been appointed by Buller District Council (**Council Trustee**). Of the initial trustees, Jamie Cleine is the Council Trustee; and
- (b) One Trustee who has been appointed by the entity that is the owner of the Stockton mine from time to time, which at the date of this deed is BT Mining Limited (**BT Mining Trustee**). Of the initial trustees, Richard Tacon is the BT Mining Trustee.

To add the formal monitoring and reporting requirements of the Local Government Act 2002 that applies to CCOs would add to the administration and compliance costs of these organisations.

Given that Council may be financial contributor in one way or another as well, this a cost that may ultimately be borne by Council. It is noted that this does not limit Council's control of the organisation available per the current constitution of these organisations, nor does it limit Council's responsibility to ensure that each

organisation is governed and operated in an appropriate and prudent manner. The manner and reporting to Council in the last three years is deemed to be sufficient.

In Buller Health Trust’s case it is intended that Council’s Finance and Audit Committee continue to be provided with a yearly financial report prepared by an independent chartered accountant firm. Financial targets other than a requirement to break even are inappropriate for the entity as it is registered with the IRD as a charitable trust. Non-financial targets are provided through the trust deed and are a requirement of the trustees to adhere to.

The Denniston Heritage Trust historically has very low-level activity, it is a registered charity with revenues typically less than \$4k per annum. Of the seven required Trustees, Council has the right to appoint one Trustee. Annual financial statements are available online at the Charities New Zealand website.

The Buller Resilience Trust will provide an annual report and update Council on any matters that are deemed appropriate for it to be advised on.

### Options

	<i>Advantages</i>	<i>Disadvantages</i>
Continue the exemption for the organisations	<ul style="list-style-type: none"> <li>• Less compliance costs and resourcing required</li> </ul>	<ul style="list-style-type: none"> <li>• nil</li> </ul>
Discontinue the exemption for the organisations	<ul style="list-style-type: none"> <li>• Gives Council formal control over the reporting to be undertaken by the organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Additional compliance costs that have to be met by shareholder / stakeholders</li> </ul>

## 4. CONSIDERATIONS

### 4.1 Strategic Impact

This sets up the requirements for these organisations for the next three years.

### 4.2 Significance Assessment

This matter is not deemed significant under the Council’s Significance Policy.

### 4.3 Risk Analysis

If Council does not approve the exemption, full budgeting, reporting and audit requirements required of a Council Controlled Organisation will need to be met for these entities which will have additional costs.

#### **4.4 Values**

The Buller District Values are: Integrity, Future Focused, Community Driven, One Team and We Care. This report sets up the requirements for these organisations for the next three years.

#### **4.5 Policy / Legal Considerations**

Council must review its decision under the Local Government Act 2002 to exempt a CCO at intervals not less than three years. Council can revoke an exemption at any time. Council is not required to exempt a CCO but may apply an exemption if it deems this is appropriate.

#### **4.6 Tangata Whenua Considerations**

There is no need to consult with iwi.

#### **4.7 Views of Those Affected**

There is a benefit for these organisations and the ratepayers in exempting these organisations.

#### **4.8 Costs**

There are cost savings by exempting appropriate CCOs; savings in audit fees as performance information will not be required to be audited, savings in accounting fees as a half yearly reports will not be required to be prepared and internal time and costs of Council staff engaged in compliance work for CCOs.

#### **4.9 Benefits**

The main benefit is cost and efficiency for the proposed exemption.

#### **4.10 Media / Publicity**

There are no media opportunities.

**6 Meaning of council-controlled organisation and council organisation**

(1) In this Act, unless the context otherwise requires,—

**council-controlled organisation** means a council organisation that is—

(a) a company—

(i) in which equity securities carrying 50% or more of the voting rights at a meeting of the shareholders of the company are—

(A) held by 1 or more local authorities; or

(B) controlled, directly or indirectly, by 1 or more local authorities; or

- (ii) in which 1 or more local authorities have the right, directly or indirectly, to appoint 50% or more of the directors of the company; or
- (b) an entity in respect of which 1 or more local authorities have, whether or not jointly with other local authorities or persons,—
  - (i) control, directly or indirectly, of 50% or more of the votes at any meeting of the members or controlling body of the entity; or
  - (ii) the right, directly or indirectly, to appoint 50% or more of the trustees, directors, or managers (however described) of the entity

**council-controlled trading organisation** means a council-controlled organisation that operates a trading undertaking for the purpose of making a profit

**council organisation** means—

- (a) a company—
  - (i) in which equity securities carrying voting rights at a meeting of the shareholders of the company are—
    - (A) held by 1 or more local authorities; or
    - (B) controlled, directly or indirectly, by 1 or more local authorities; or
  - (ii) in which 1 or more local authorities have the right, directly or indirectly, to appoint 1 or more of the directors (however described) of the company; or
- (b) an entity in respect of which 1 or more local authorities have, whether or not jointly with other local authorities or persons,—
  - (i) control, directly or indirectly, of 1 or more of the votes at any meeting of the members or controlling body of the entity; or
  - (ii) the right, directly or indirectly, to appoint 1 or more of the trustees, directors, or managers (however described) of the entity.
- (2) For the purposes of subsection (1), **entity** means any partnership, trust, arrangement for the sharing of profits, union of interest, co-operation, joint venture, or other similar arrangement; but does not include a company, or a committee or joint committee of a local authority.
- (3) If a council organisation is not a company, references in this Act, in relation to the council organisation, to—
  - (a) equity securities include any form of voting rights in that organisation; and
  - (b) the directors and the board include trustees, managers, or office holders (however described in that organisation); and
  - (c) shareholders include any persons with an interest or right in the entity that is comparable to the rights of a shareholder in a company, for

- example, partners, joint venture partners, members, or other persons holding equity securities in relation to that organisation; and
- (d) the constitution include any rules or other documents constituting that organisation or governing its activities; and
- (e) subsidiaries include any entity that would be a council-controlled organisation if the references to “local authority” or “local authorities” in subsection (1) read “council-controlled organisation” or “council-controlled organisations”.
- (4) The following entities are not council-controlled organisations:
- (a) a body corporate that carries on an electricity business (whether or not that business is its principal or only business) or a trust that is constituted for purposes which include owning or controlling, directly or indirectly, all or part of an electricity company that carries on that business; or
- (b) an energy company within the meaning of the Energy Companies Act 1992; or
- (c) a port company or subsidiary of a port company within the meaning of the Port Companies Act 1988; or
- (ca) a company in which a port company (within the meaning of the Port Companies Act 1988) holds or controls 50% of the shares; or
- (d) *[Repealed]*
- (e) New Zealand Local Government Association Incorporated; or
- (f) New Zealand Local Government Insurance Corporation Limited and its subsidiaries; or
- (g) *[Repealed]*
- (h) a company or other organisation (as defined in subsection (2)) of which the New Zealand Local Government Association Incorporated has control directly or indirectly by whatever means; or
- (i) an organisation exempted under section 7.
- (5) In this section, terms not defined in this Act, but defined in the Companies Act 1993, have the same meaning as in that Act.

Compare: 1974 No 66 s 594B

Section 6(1) **council-controlled organisation** paragraph (b): amended, on 7 July 2004, by section 3(1) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(1) **council-controlled organisation** paragraph (b)(i): amended, on 7 July 2004, by section 3(1) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(1) **council-controlled organisation** paragraph (b)(ii): amended, on 7 July 2004, by section 3(1) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(1) **council organisation** paragraph (a)(ii): amended, on 7 July 2004, by section 3(2) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(1) **council organisation** paragraph (b): amended, on 7 July 2004, by section 3(3) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(1) **council organisation** paragraph (b)(i): amended, on 7 July 2004, by section 3(3) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(1) **council organisation** paragraph (b)(ii): amended, on 7 July 2004, by section 3(3) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(2): amended, on 7 July 2004, by section 3(4) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(3)(c): replaced, on 22 October 2019, by section 5 of the Local Government Act 2002 Amendment Act 2019 (2019 No 54).

Section 6(4)(a): substituted, on 1 November 2010, by section 166 of the Electricity Industry Act 2010 (2010 No 116).

Section 6(4)(ca): inserted, on 7 July 2004, by section 3(5) of the Local Government Act 2002 Amendment Act 2004 (2004 No 63).

Section 6(4)(d): repealed, on 1 July 2004, by section 48(1)(b) of the Local Government (Auckland) Amendment Act 2004 (2004 No 57).

Section 6(4)(g): repealed, on 1 July 2012, by section 113(2) of the Local Government (Auckland Transitional Provisions) Act 2010 (2010 No 37).

## 7 Exempted organisations

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, exempt an organisation for the purposes of section 6(4)(i).
- (2) The Minister may make a recommendation only if—
  - (a) the organisation is subject to monitoring and reporting requirements under an enactment; and
  - (b) in the Minister's opinion, the organisation's accountability under that enactment is of a similar nature and effect to that required of a council-controlled organisation under this Act.
- (3) A local authority may, after having taken account of the matters specified in subsection (5), exempt a small organisation that is not a council-controlled trading organisation, for the purposes of section 6(4)(i).
- (4) An exemption must be granted by resolution of the local authority.
- (5) The matters are—
  - (a) the nature and scope of the activities provided by the organisation; and
  - (b) the costs and benefits, if an exemption is granted, to the local authority, the council-controlled organisation, and the community.
- (6) A local authority must review an exemption it has granted—
  - (a) within 3 years after it is granted; and
  - (b) after the first review, not more than 3 years following the last review under this section.
- (7) A local authority may, at any time, revoke an exemption it has granted.
- (8) An order under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).



## BULLER DISTRICT COUNCIL

28 FEBRUARY 2023

AGENDA ITEM: 10

<b>Prepared by</b>	Lynn Brooks Manager Finance
<b>Reviewed by</b>	Douglas Marshall Chief Financial Officer
<b>Attachments</b>	1. Buller Holdings Limited Half Year Financial Report (Unaudited)

### **BULLER HOLDINGS LIMITED – HALF YEAR FINANCIAL REPORT TO 31 DECEMBER 2023**

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#### **1. REPORT SUMMARY**

This report presents the quarterly (unaudited) financial results for the six-month period ended 31 December 2023 including the budget for this period. The report also presents results against the Statement of Intent targets which are non-financial measures.

#### **2. DRAFT RECOMMENDATION**

**That Council receives the Financial Report for the six months ending December 2023.**

#### **3. ISSUES AND DISCUSSION**

This report is presented to Council to monitor Buller Holdings Limited (BHL) financial results.

The Council owns 100% of the shares in BHL, therefore BHL is deemed to be a Council Controlled Organisation (CCO). The BHL group incorporates WestReef Services Limited (WRSL) and Buller Recreation Limited (BRL) (trading as the Pulse Energy Recreation Centre)

The Group reports a deficit of \$(180)k for the half year against a budgeted surplus of \$328k. Reported revenue is \$3.180m more than budget of \$8.650m. Expenses follow this pattern with \$3.688m more than budget of \$8.322m. This follows the trend of the prior year where revenues were well above budget however expenses were also in line, showing reduced margins. The Directors

Report included in the attached (unaudited) Financial Report flags the below budget result at this stage is likely to compromise the annual distribution to Council.

Council staff have commenced a review to identify options reducing costs or increasing income if the budgeted distribution was not achieved.

Further detail on these results is included in the commentary section of the attached report. This information should be read in conjunction with the financial statements to provide detail about the group's reported results.

#### **4. CONSIDERATIONS**

##### **4.1 Strategic Impact**

BHL is a holding company that was set up to provide a commercial focus in the governance and management of the Council's commercial activities. The aim of the group is to operate as a successful company and provide a competitive rate of return on the investments of the company.

##### **4.2 Significance Assessment**

The significance and engagement policy sets out the criteria and framework for a matter or transaction to be deemed significant. The content included in this report is not considered significant by nature.

##### **4.3 Values**

The Council values are future focussed, community driven, one team, integrity and we care. Monitoring the performance of BHL is important. The strong performance of BHL is integral to ensuring Council can fund current and future services for the community.

##### **4.4 Risk Analysis**

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

This report provides oversight of the financial operations of BHL but does not elaborate on other risks which may be present with those operations.

Risk is mitigated by engaging suitably qualified Directors to oversee the operations of the group, and to have a dedicated Committee of Council to oversee and report upon the operations of the group.

Financial risk is mitigated when the results of operations are reported on and understood by staff and governance, and provision of the interim report to the Risk and Audit Committee.

##### **4.5 Policy/Legal Considerations**

BHL is required to provide regular financial results to Council as stipulated in Council's Long-Term Plan and/or Annual Plan.

**4.6 Tangata Whenua Consultation Considerations**

The contents of the report are not a matter requiring consultation with tangata whenua.

**4.7 Views of Those Affected**

The provision of services through the holdings company model and the type and nature of those services are consulted upon annually as part of the Annual Plan of Council.

**4.8 Costs**

There are no extraordinary costs included in the attached reports, nor are there any additional costs incurred due to the submission of this report.

**4.9 Benefits**

The benefit of reviewing a half-yearly report is the financial results are monitored on a regular basis.

**4.10 Media/Publicity**

There are no media or publicity opportunities with this report.

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**Financial Report (unaudited)**

**For**

**Buller Holdings Ltd**

*For the Period Ending 31 December 2023*

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	Page
Contents	2
The six-monthly review	3
Performance Information	4
Statement of Financial Performance	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Statement of Financial Position	14

Directors Report to the shareholders of Buller Holdings Ltd on the financial performance for the six months to 31 December 2023

**Commentary:**

The result for the first 6 months of the financial year is below the equivalent period from the previous year and at this stage is likely to compromise the signaled distribution to Council.

WestReef Services Ltd (WSL) has had strong revenue figures for the first six months of the year. However, margins continue to be put under pressure due to higher inflation and rising costs and costs cannot always be fully recovered in contract revenues. Some departments are not receiving the budgeted amounts of capital work, including Civil Roading works which is well down on budget and last year's contract work. This is impacting the WSL bottom line.

Three waters recently completed the Westport Trunk Main project for Council. This project involved upgrading and replacing approximately 3.5km of pipeline over 2 years and will improve the reliability and operation of Westport's water supply.

The IT project has now been completed. This is already improving the organisation's operational and reporting systems.

The depot project passed a recent milestone with the Hamilton block of land purchased adjacent to the Cape Foulwind highway fully completed and settled.

WSL has been awarded a 4-year extension to NOC roading contract with Waka Kotahi. The company has been a top performer country-wide for the last 5 years, which was a contributing factor to this success.

Work volumes are satisfactory in the immediate future. Several external contracts have recently been won by the company. Moving forward into the next 2 quarters of the year WSL will continue to look for new opportunities to maximize commercial returns and improve margins.

An excellent first half of the year for Buller Recreation Ltd. We are ahead of the budget for the period, and use is extremely good in all areas. Highlights include the numbers attending the fitness area, and swim lesson numbers continue to be very strong. Education of our younger members of the community about water safety will provide significant benefits given our coastal environment.

The majority of the BRL capital expenditure programme is due to be completed during the second half of the year.

Line charges for electricity from Buller Electricity are set to increase markedly and my impact on BRL going forward.

The Group continues to look for new opportunities for the individual companies and any other opportunities that present themselves. The group now employs approximately 135 staff and is one of the biggest employers within the district, providing social and economic well-being spread throughout the district.

A commentary against key performance indicators is contained in the next section of the report.

On behalf of the Board

Steve Grave

Chair

**Statement of Intent Targets:**

The targets as set out in the individual statements of intent for each subsidiary are shown below with an update of progress:

**Buller Holdings Limited**

	<b>Key Performance Measure</b>	<b>Target</b>	<b>Achieved</b>
<b>Health &amp; Safety</b>	Medical Treatment Injury	Nil	Nil
	Serious harm accidents	Nil	Nil
	LTI Target	Nil	Nil
<b>Operational</b>	The board of directors will meet with the BDC, CTO Committee on a formal basis: (per/year)	3 times per year	1
	The Buller Holdings Ltd Chief Executive will provide a formal and or informal report to Council as requested.	As requested	2 Report
	The Chief Executive of Buller Holdings Ltd will meet with the Chief Executive of Buller District Council when requested.	As requested	5
<b>PARENT Financial (\$000)</b>	Revenue	\$691	\$329
	Expenditure	\$688	\$350
	Net Operating Surplus	\$3	(\$21)
	Provision for Capex	\$0	\$1m
	Capital Carryover from 2022	\$1m	\$0
	Ratio of Shareholders Funds to Total Assets	45%	64%
<b>GROUP Financial (000's)</b>	Group Revenue	\$17,745	\$11,830
	Group Expenditure	\$16,983	\$12,010
	Group Operating Surplus (EBIT)	\$1,112	(\$180)
	Provision for capex	\$1.255m	\$734k (does not include \$1m land purchase)
	Forecasted distribution to Shareholders	\$1.3m	At risk
	Ratio of Shareholders Funds to Total Assets	45%	76%
	<b>Environmental</b>	Business Environmental Footprint	Establish 2024 business footprint as baseline

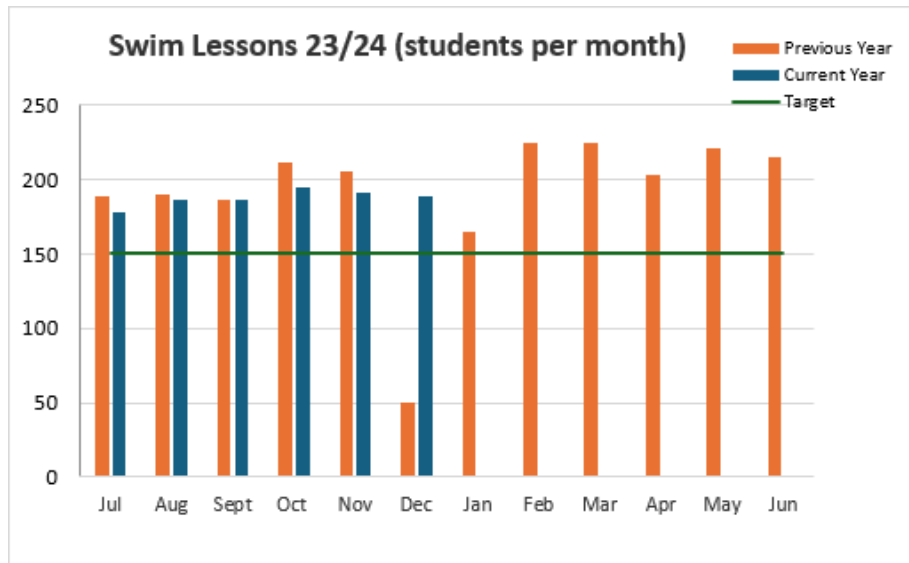
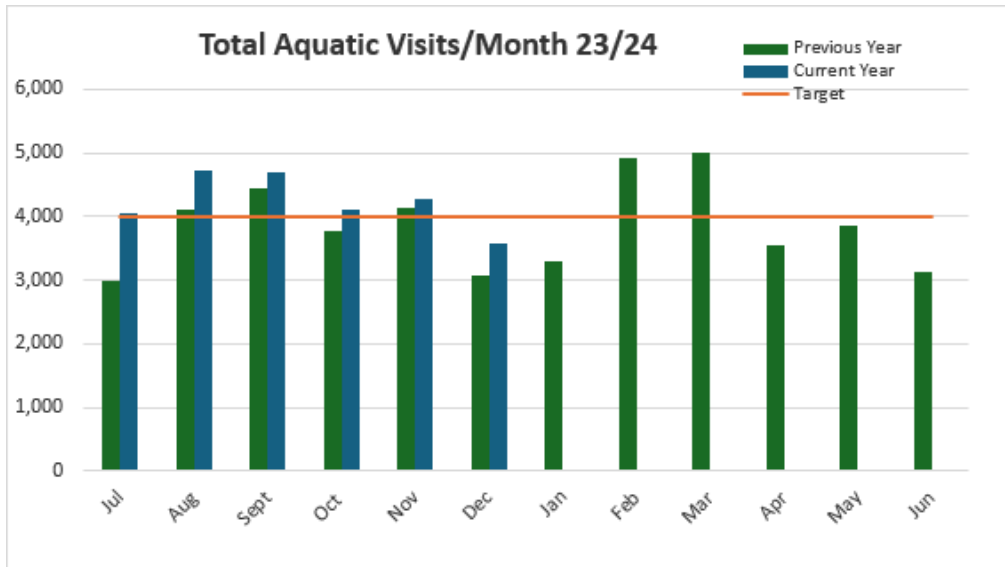
<b>WestReef Services Ltd</b>			
<b>OBJECTIVE</b>	<b>KEY PERFORMANCE INDICATOR</b>	Target	Achieve
<b>HEALTH &amp; SAFETY</b>	Medical Treatment Injuries	Nil	3
	Notifiable Incident ICAM (investigated with recommendations actioned)	100%	0
	Total Safety Audits Completed	>100	98
	ISO 45001 Accreditation	Maintain	Achieved
<b>OPERATIONAL</b>	Employee Satisfaction – Staff turnover excluding retirement, redundancy and internal transfers	Within the range of +/- 5% of the national benchmark	Achieved
	Client Satisfaction – Min 12 meetings per year	12	6
	Renewal of TQS1 certification	Achieve	Achieved April 2023
<b>EMPLOYEE DEVELOPMENT &amp; SATISFACTION</b>	Undertake staff satisfaction survey (2 yearly)	Not required 2024	not required 2024
	Weekly department staff meetings	Achieve	Achieved
<b>FINANCIAL (\$ 000)</b>	Revenue (\$ 000)	\$16,124	\$11,055
	Expenditure	\$ 14,516	\$10,874
	Net Operating Surplus (EBIT)	\$1,608	\$ 181
	Provision for Capex	\$900	\$707
	Competitively Procured Revenue	45%	89%
	Ratio of Shareholders Funds to Total Assets	45%	80%
<b>ENVIRONMENTAL</b>	Number of Enforcement notices	Nil	Achieved
	Business Environmental Footprint	Establish 2024 business footprint as baseline	On track

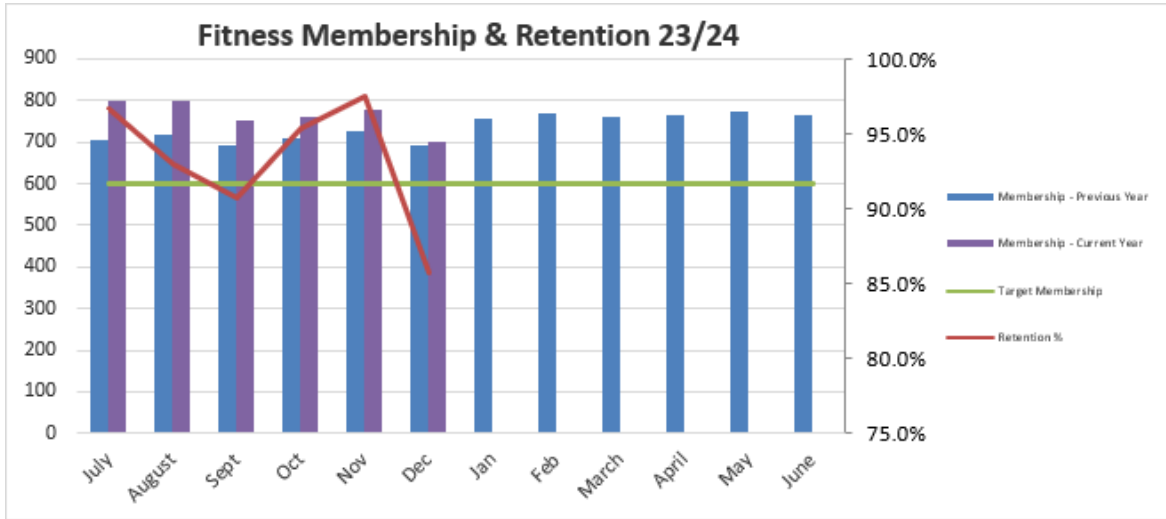


COMMUNITY	Support Minimum community activities	25	24
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**Buller Recreation Ltd**

Performance Measure	Key Performance Indicator	Target	As at 31 December 23
Fitness membership	Average membership over 12-month period.	700	765
	Average retention rate over 12-month period	>75%	94%
Aquatic centre usage	Average visits per month over 12 months	3,750	4,100
	Achieve number of students over 4 swimming terms	140	198
Safety	MTI	Nil	Achieved
	Serious Harm Accidents	Nil	Achieved
	LTI	Nil	Achieved
Work Environment	Maintain regular communication with all employees through weekly emailed updates and meetings with all staff every 4 months.	Achieve	Achieved. Weekly meetings held with management and quarterly meetings with each department
	Review the succession plan for key positions and identify training needs and actions for the next 12 months	Achieve	Achieved. Consideration given at Management meeting to skills and training if personnel in key positions leave.
	Complete annual review process with all staff	Achieve	To be completed by 30 June 2024
	Undertake staff satisfaction survey every second year	Achieve by 30 June 2024	To be completed by June 2024
	Undertake client satisfaction survey every second year.	Not required in 2024	Not required
Asset Management	Review of the Asset Replacement Schedule annually	Achieve	Comprehensive asset management Plan in place
	Complete maintenance and replacement in accordance with AMP (monitor monthly)	Achieve	Ongoing
Financial Forecasts \$000's	Revenue	\$735	\$395
	BDC Service level fee	\$851	\$426
	Expenditure	\$2,435	\$1,160
	Net operating surplus (deficit)(EBIT)	(\$849)	\$(339)
	Cash Surplus/(deficit) (after adding back depreciation)	(\$129)	\$(27)
	Provision for Capex	\$355	\$25
	Ratio of Shareholders Funds to Total Assets	45%	97%
Environmental	Business Environment Footprint	Establish 2024 Business Footprint as Baseline	On track





<b>October, November, December</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Pool</b>	11,618	10,984	11,959
<b>Gym</b>	6,001	6,576	9,044

**STATEMENT OF FINANCIAL PERFORMANCE**

For the period ending 31 December 2023

	ACTUAL	BUDGET	ACTUAL	BUDGET
	GROUP	GROUP	PARENT	PARENT
	\$000	\$000	\$000	\$000
Revenue	11,830	8,650	329	346
Expenses	12,010	8,322	350	344
<b>OPERATING SURPLUS/(DEFICIT) before taxation</b>	<b>(180)</b>	<b>328</b>	<b>(21)</b>	<b>2</b>

**STATEMENT OF FINANCIAL PERFORMANCE**

For the period ending 31 December 2022

	ACTUAL	BUDGET	ACTUAL	BUDGET
	GROUP	GROUP	PARENT	PARENT
	\$000	\$000	\$000	\$000
Revenue	11,380	7,747	300	294
Expenses	11,109	7,478	328	292
<b>OPERATING SURPLUS/(DEFICIT) before taxation</b>	<b>271</b>	<b>269</b>	<b>(28)</b>	<b>2</b>

**STATEMENT OF CHANGES IN EQUITY**

For the period ending 31 December 2023	Actual			Actual		
	Group			Parent		
	Share Capital	Retained Earnings	Total Equity	Share Capital	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance 01 July 2023	20,117	(7,822)	12,295	20,117	(13,930)	6,187
Profit for the period	-	(180)	(180)		(21)	(21)
	<b>20,117</b>	<b>(8,002)</b>	<b>12,115</b>	<b>20,117</b>	<b>(13,951)</b>	<b>6,166</b>
<b>Transactions with owners, recorded directly in equity</b>						
Issued capital	355	-	355	355		355
Closing balance 31 December 2023	<b>20,472</b>	<b>(8,002)</b>	<b>12,470</b>	<b>20,472</b>	<b>(13,951)</b>	<b>6,521</b>

For the period ending 31 December 2022	Actual			Actual		
	Group			Parent		
	Share Capital	Retained Earnings	Total Equity	Share Capital	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance 01 July 2022	19,934	(8,045)	11,889	19,934	(13,920)	6,014
Profit for the period	-	271	271	-	(28)	(28)
	<b>19,934</b>	<b>(7,774)</b>	<b>12,160</b>	<b>19,934</b>	<b>(13,948)</b>	<b>5,986</b>
<b>Transactions with owners, recorded directly in equity</b>						
Issued capital	183	-	183	183		183
Closing balance 30 September 2022	<b>20,117</b>	<b>(7,774)</b>	<b>12,343</b>	<b>20,117</b>	<b>(13,948)</b>	<b>6,169</b>

**STATEMENT OF CASH FLOWS**  
**For the period ending 31 December 2023**

	GROUP	PARENT	GROUP	PARENT
	\$000	\$000	\$000	\$000
	2023	2023	2022	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash was provided from:				
Management fees	425	310	426	279
Receipts from Customers	8,971	14	13,627	19
Interest received	69	3	37	1
	<u>9,465</u>	<u>327</u>	<u>14,090</u>	<u>299</u>
Cash was applied to:				
Payments to suppliers and employees	8,419	253	14,246	306
GST Paid	470	39	357	24
Interest Paid	37	36	23	23
	<u>8,926</u>	<u>328</u>	<u>14,626</u>	<u>353</u>
<b>Net cash inflow/(outflow) from operating activities</b>	<u>539</u>	<u>(1)</u>	<u>(536)</u>	<u>(54)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash was provided from:				
Realisation of term investments	2,593	130	4,077	123
Loan from WSL	0	1,002	0	0
Proceeds from sale of fixed assets	26	-	26	-
	<u>2,619</u>	<u>1,132</u>	<u>4,103</u>	<u>123</u>
Cash was applied to:				
Term investments	605	130	1,587	130
Purchase of fixed assets	1,734	1,002	585	-
	<u>2,339</u>	<u>1,132</u>	<u>2,172</u>	<u>130</u>
<b>Net cash inflow/(outflow) from investment activities</b>	<u>280</u>	<u>-</u>	<u>1,931</u>	<u>(7)</u>

	GROUP	PARENT	GROUP	PARENT
	\$000	\$000	\$000	\$000
	2023	2023	2022	2022
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash was provided from:				
Share Issue	355	355	183	183
	<u>355</u>	<u>355</u>	<u>183</u>	<u>183</u>
Cash was applied to:				
Share Issue		355	183	183
Subvention payment made	650	-	1,300	-
	<u>650</u>	<u>-</u>	<u>1,483</u>	<u>183</u>
<b>Net cash inflow/(outflow) from financing activities</b>	<u>(295)</u>	<u>-</u>	<u>(1,300)</u>	<u>-</u>
Net increase in cash held	524	(1)	95	(61)
Add opening cash as at 1 July 2023	<u>1,009</u>	<u>125</u>	<u>959</u>	<u>140</u>
<b>Closing cash balance</b>	<u>1,533</u>	<u>124</u>	<u>1,054</u>	<u>79</u>
Made up of:				
Bank	<u>1,533</u>	<u>124</u>	<u>1,054</u>	<u>79</u>
<b>Closing cash balance</b>	<u>1,533</u>	<u>124</u>	<u>1,054</u>	<u>79</u>



**STATEMENT OF FINANCIAL POSITION  
As at 31 December 2023**

	Group	Parent	Group	Parent
	\$000	\$000	\$000	\$000
	2023	2023	2022	2022
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and short-term deposits	1,533	124	1,054	79
Receivable and prepayments	2,245	62	2,396	57
Inventories	130	0	186	0
Other Current Assets	0	0	1,000	1,000
Short Term Investments	605	130	1,587	130
<b>Total current assets</b>	<b>4,513</b>	<b>316</b>	<b>6,223</b>	<b>1,266</b>
<b>Non-current assets</b>				
Deferred tax	286	15	311	30
Fixed assets	11,278	2,403	8,467	405
Goodwill	389	0	389	0
Investment in Subsidiaries	0	7,430	0	7,075
<b>Total non-current assets</b>	<b>11,953</b>	<b>9,848</b>	<b>9,167</b>	<b>7,510</b>
<b>Total Assets</b>	<b>16,466</b>	<b>10,164</b>	<b>15,390</b>	<b>8,776</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables and accruals	1,357	84	870	52
Employee entitlements	652	57	677	55
Provision for Subvention	487	0	0	0
<b>Total current liabilities</b>	<b>2,496</b>	<b>141</b>	<b>1,547</b>	<b>107</b>

**Non current liabilities**

Loans	1,500	3,502	1,500	2,500
<b>Total non-current liabilities</b>	<b>1,500</b>	<b>3,502</b>	<b>1,500</b>	<b>2,500</b>
<b>Total liabilities</b>	<b>3,996</b>	<b>3,643</b>	<b>3,047</b>	<b>2,607</b>

**EQUITY**

Share capital	20,472	20,472	20,117	20,117
Accumulated Funds	(180)	(21)	271	(28)
Retained earnings	(7,822)	(13,930)	(8,045)	(13,920)
	<b>12,470</b>	<b>6,521</b>	<b>12,343</b>	<b>6,169</b>
<b>Total Liabilities and Equity</b>	<b>16,466</b>	<b>10,164</b>	<b>15,390</b>	<b>8,776</b>

## **BULLER DISTRICT Council**

**28 FEBRUARY 2024**

**AGENDA ITEM: 11**

- Prepared by** - Mel Sutherland  
- Acting Manager Infrastructure Planning
- Reviewed by** - Michael Duff  
- Group Manager – Infrastructure Services
- Attachments** - 1 - Stephen Cook – Briefing Report Reefton Pool  
2 - BECA Report – Reefton Pool Ventilation Assessment

### **STATUS REPORT – REEFTON POOL**

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#### **1. REPORT SUMMARY**

This report provides Council with specialist advice on proposed upgrades to the pool including recommendations as to Priority One work. Input from the Inangahua Community Board was also sought at their meeting on 13 February 2024 as to the required Priority Two works. This input will assist in an application to an external funder for these works.

#### **2. DRAFT RECOMMENDATION**

- 1. That Council receives this status report.**
- 2. That the Council confirms the Priority One Works listed in Table A in this financial year.**
- 3. That Council confirms the Priority Two Works listed in Table B.**
- 4. Council resolves to apply to the Department of Internal Affairs Lottery's Community Facilities Fund for \$707,000 plus GST for completion of the betterment of Reefton Pool.**

#### **3. ISSUES & DISCUSSION**

##### **BACKGROUND**

The two attachments were commissioned to provide specialist input from experts involved in the:

- Operation and management of swimming pools.

- Specialised knowledge on the costs of options to upgrade the heating and ventilation.

The first report provides an assessment of the key issues and provides guidance on recommended priorities. The second report provides an assessment of the costs for key components for some of the priority work. Council's current available budget is around \$400,000.00 plus GST.

Based on the attached two reports the recommended way forward is covered in Table A and Table B below. These tables include all known potential projects relating to the pool. Table C is also included which are the project tasks not recommended at this stage.

These recommendations for project scope were discussed and agreed in principle at the recent Inangahua Community Board meeting. At that meeting the Board agreed to request Council to seek a funding application of the approved projects to the total of \$707,000 plus GST.

#### **Funding Request to Department of Internal Affairs (DIA)**

Council needs to show that it has secured one third of the funds required for all the required works. An external potential funder such as the DIA will consider funding up to two-thirds of the total project upgrade cost if Council can show it has one-third available. It also cannot start spending the budget as this will limit what can be applied for to the DIA. Based on Council funds available, potentially, and external funding agency could consider up to \$800,000.

Cumulative totals are shown and carried forward from Table A into Table B and Table C. If all Priority Two project tasks are included from Table B, the short fall is estimated to be \$707,000. The tasks not recommended at this stage add another \$83,000 to the costs, making a total difference of \$790,000.

The Inangahua Community Board agreed that the Table C tasks are not a priority at this stage.

Estimates have been provided for all recommended Priority One project tasks based on advice from BECA and Westpower and from an experienced local Quantity Surveyor. Quotes are also being sought but due to the time of year, getting quotes is slow. Estimates have also been provided for recommended Priority Two project tasks and these will be backed up with quotes.

**Table A – Priority One Project Tasks**

Item	Estimate including fees and contingencies	Cumulative Cost (\$)	Extra Maintenance & Operations Cost (\$)	Comment
Total Available Budget \$400,000				Original \$420k some minor costs to date
HVAC System with temperature and humidity control - Option M2)	354,000	354,000	17,000	Excludes operational costs BECA Estimate. Includes Electrical Switchboard and electrical work, power upgrade
Pool Cover installation including relocation of door	8,850	362,850	Neutral, will result in cost savings	Excludes operational costs. Estimate, not quote yet
Changing Room repairs and repainting, including structural beam	35,400	398,250	Neutral	Steel beams & columns to be removed, and recoated
Changing Room insulation	42,480	440,730	NIL	Insulation for external walls and Seratone for internal walls & ceilings
Plant Maintenance items to improve operation	11,800	452,530	NIL	Excludes operational costs and repair costs
Power Upgrade to mains etc	0	452,530	Included above	Covered in costs in HVAC costs

**Table B – Priority Two Project Tasks**

Item	Estimate including fees and contingencies	Cumulative Cost (\$)	Extra Maintenance & Operations Cost (\$)	Comment
Quality Pool System	23,600	476,130	TBC	Noted included as a priority but have included here. Includes obtaining certification, key fobs, and surveillance cameras. Does not included operating costs
Toddlers Pool	35,400	511,530	TBC	Estimate to obtain quote
Accessibility Ramp/Access Lift/Raising Pool Bottom	29,500	541,030	Neutral	See report, recommends a full cost benefit assessment. Estimated cost is for an Access Lift. Would take up space on pool, access lift likely to be a more cost effective option
Boiler Replacement	236,000	777,030	TBC, assume likely to be a reduction in M&O costs compared to maintaining a boiler but power consumption costs will increase	Allow for future growth, consider roof mounted solar tubes or UV to reduce heating costs as part of options
Pavers - replace with concrete floor with non-slip surface + wash down drain around the pool edge	114,460	891,490	Neutral	Maintenance required to existing pavers, look at alterative surface coverings and a wash down channel

Item	Estimate including fees and contingencies	Cumulative Cost (\$)	Extra Maintenance & Operations Cost (\$)	Comment
Learn to Swim (LTS)/Hydrotherapy Pool	100,300	991,790	TBC	Learn to swim (LTS). Area 4m x 12 m, Depth 0.7m to 1.5m. Requires new plant and review of heat source capacity
Lighting	11,800	1,003,590	TBC	Needs improving, two options suggested and recommends engaging a lighting engineer
Acoustics	21,240	1,024,830	NIL	Needs reducing
UV Solar System to reduce power consumption	82,600	1,107,430	Increase in maintenance, overall reduction on power costs	Further recommendation by staff, endorsed by BECA

**Table C – Tasks Not Recommended**

Item	Estimate including fees and contingencies	Cumulative Cost (\$)	Extra Maintenance & Operations Cost (\$)	Comment
Bulkhead to split main pool into 25m and 5m	29,500	1,136,930	NIL	Only viable if Accessibility Ramp does not proceed
Additional Windows	23,600	1,160,530	Minor increase in maintenance	Not a good use of funds at this stage
New Pool Lining (Liner)	29,500	1,190,030	Minor increase in power and maintenance costs	Current one in good condition, likely last another 5 years

## 4. CONSIDERATIONS

### 4.1 Strategic Impact

Project aligns with LTP and Annual Plans.

### 4.2 Significance Assessment

Has been addressed, this status report is to allow this community project to progress.

### 4.3 Risk Management Implications

Risk mitigated obtaining the specialist reports and obtaining advice on Priority One costs. There is still some risk with the estimates for the works, however the estimates are deemed to be conservative. All works will be sourced through Council's Procurement Policy. There is also a risk that the external funder will not fund the total cost of what Council applies for.

### 4.4 Values

Aligns with the Buller District Values, which are: Community Driven, One Team, Future Focussed, Integrity and We Care.

### 4.5 Policy / Legal Considerations

Obtaining the specialist advice has assisted in ensuring the highest risk items are addressed first.

### 4.6 Tangata Whenua Considerations

The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact tangata whenua, their culture, and traditions.

### 4.7 Views of Those Affected

Improvement items have been identified through previous consultation and are listed in the tables. There has been a lot of feedback and input from the community, the Community Board, Elected Members, and staff. This paper has been put forward to Council with the endorsement from the Inangahua Community Board.

### 4.8 Costs

Estimates have been provided. It is noted that not all the desired improvements can be achieved within the available budget hence the need to consider applying for external funding.

### 4.9 Benefits

The benefits to Council and Community are:

- Highest risks items have been identified which will assist in prolonging the life of the pool structure (reducing condensation) and reducing heat loss (pool cover).



- Proceeding with these items has additional benefit of allowing Council to consider extending the operating hours for the pool if the quality pool system is introduced.

#### **4.10 Media / Publicity**

There is likely to be interest in this matter. A press release should be prepared which reflects Council's decision.

# BRIEFING: REEFTON POOL

## Executive Summary

The purpose of this briefing is to provide some guidance to the Buller District Council on what upgrades to prioritise for the Reefton Pool.

Current funds budgeted for the upgrades is \$420k, additional funds of up to one third of the \$420k can be applied for in the New Year, if successful this will increase the total funding to \$560k.

On my initial site visit, I noticed quite a few issues with the pool and building as well as some positives, my main concerns were:

- High levels of condensation in the air on building surfaces including windows and doors in both pool hall and changing rooms.
- A very warm and uncomfortable environment for staff and spectators.
- Corrosion on structural steel in changing rooms where paint has peeled off. This has been caused by the incorrect paint system used for the environment.
- Pool covers still in boxes stacked in the corner as the cover roller seating has not been installed due to no concrete pad to fix to and the fire exit door being in the way.

Wants and needs from the community, staff and elected members have been captured and considered in this briefing. The initial focus will need to be on the core function of the pool operation.

Changing the operating model to a Quality Pool would raise the level of service to the community through better access, this model in conjunction with upgrades to the HVAC, covers, changing rooms and plant maintenance could lead to better community access, longer seasons and increased revenue.

Buller District Council need to carry out key building work to improve the environment and prolong the life of the building, these are **priority one** items. Priority one items include:

- HVAC System with temperature and humidity control
- Pool Cover installation and operation
- Changing Room repairs and repainting, including structural beam
- Plant Maintenance items to improve operation.

If there are additional funds left after the priority one work has been completed the community should be consulted and given the options on what to put these funds towards, these are **priority two** items. Priority two items include:

- Toddlers Pool

**Briefing: Reefton Pool**  
November 2023

**Provided By**  
**Stephen Cook**  
**Invercargill City Council**

- Accessibility/Raising Pool Bottom
- Boiler
- Pavers
- LTS/Hydrotherapy Pool
- Lighting
- Acoustics

It is not recommended to proceed with a bulkhead, additional windows and a new liner at this stage due to more urgent work being required to be undertaken. The pool tank appears to be in good order with reports of no major leaks present.

Opex will need to be considered with any upgrade, will it cost more to run or will it save money. A review of the current opex to try and make savings is recommended. If the season was to be extended, additional opex will be required, this could be offset by higher revenue through fees and charges or external funding.

There is no immediate foreseeable risks with the current operation, however if structural steel is left too long for corrosion to set in remedial work will cost more and increase risks to the building structure.

Table of Contents

- [Executive Summary..... 1](#)
- [About Me ..... 4](#)
- [Purpose ..... 4](#)
- [Background ..... 4](#)
- [Funding ..... 4](#)
- [Site Visit Observations ..... 4](#)
- [Wants and Needs ..... 5](#)
- [Alternative Operating Model – Quality Pool ..... 6](#)
- [Recommendations: Priority One..... 7](#)
  - [1. Heating and Ventilation ..... 7](#)
  - [2. Pool Covers ..... 8](#)
  - [3. Changing Rooms ..... 9](#)
  - [4. Plant Room – Water Treatment Systems..... 9](#)
- [Recommendations: Priority Two ..... 9](#)
  - [1. Toddlers Pool ..... 9](#)
  - [2. Accessibility / Raising Pool Bottom ..... 10](#)
  - [3. Boiler ..... 10](#)
  - [4. Pavers..... 10](#)
  - [5. LTS/Hydrotherapy Pool ..... 10](#)
  - [6. Lighting..... 11](#)
  - [7. Acoustics ..... 11](#)
- [Not recommended at this Stage ..... 11](#)
- [OPEX..... 12](#)
- [Revenue ..... 12](#)
- [Risks ..... 12](#)

## About Me

I have worked in Aquatics for 25 years, starting as a lifeguard and then moving into pool building and plant maintenance for 16 years where I have overseen several pool upgrade projects and design and commissioning of pool water treatment systems. I am an experienced operator of water treatment systems, HVAC, Building Management Systems, pool water heating and boiler systems including coal, woodchip and diesel. I am currently the Aquatic Services Manager for the Invercargill City Council, a position I have held for the last 3 years. I hold a Pool Water Treatment Certificate, Diploma in Business Management, I'm a current Poolsafe Assessor for Recreation Aotearoa and a course facilitator for Watermark Training and Consultancy.

## Purpose

To provide guidance to Buller District Council for the priority of works required to improve the pool operation and environmental conditions of the Reefton Pool. Provide information on how to increase community access and revenue through an alternative operating model.

## Background

Reefton Pool was opened on the 18 December 1908 and was a seasonal outdoor pool operating from September through to April. The Reefton Pool became an indoor pool in 1993 and has been re-clad in 2020 as well as new structural steel.

A funding application for upgrades to be undertaken was put on hold in 2023 to allow time to gather more information on the essential work required, the impact on operational budgets and to understand the order of priority.

Steve Gibling, Chief Executive Buller District Council, invited myself to visit Reefton Pool to review the current conditions and supply a briefing note on the recommended order of priorities of operational concerns, upgrades, alternative operating models and desired increases in levels of service.

## Funding

Buller District Council currently have a budget of \$420k to go towards the upgrades at the Reefton Pool. An opportunity to apply for some more funding will be available in the New Year, with applications closing at the end of February 2024. This funding opportunity will enable the Buller District Council to apply for an additional third of the funds they already have, being \$140k, the outcome of the funding application will be in early June 2024. If successful, this will bring the total of the funds to go towards the Reefton Pool upgrades to \$560k.

In order to receive the additional funding Buller District Council would need to hold the original \$420k of funds through the application process. Based on this, planning work for the upgrades to the Reefton Pool should be made between February and May, which would include obtaining quotes, drawings, advice from engineers and procurement of services in order to be prepared to start the work on-site at Reefton Pool from June – September with an October opening.

## Site Visit Observations

I attended a site visit to the Reefton Pool on Wednesday 29 November 2023 at approximately 11:35am with Hayley Burnham.

My observations of the pool building, environment and plant were:

- High levels of condensation in the air on building surfaces including windows and doors in both pool hall and changing rooms.
- A very warm and uncomfortable environment for staff and spectators.
- Corrosion on structural steel in changing rooms where paint has peeled off. This has been caused by the incorrect paint system used for the environment.
- Pool covers still in boxes stacked in the corner as the cover roller seating has not been installed due to no concrete pad to fix to and the fire exit door being in the way.
- Pool tank itself for both the main pool and the toddlers pool appears to be in good condition with no reports of significant leaks present.
- Accessibility to the pool for those with mobility issues is via an older style hydraulic chair lift.
- Pavers around poolside, this is not an ideal flooring solution for an indoor pool due to the risk of contaminants entering the water from wash downs or water blasting as well potential to grow weeds between them.
- No wash down drainage channel around the pool catching the wash down water so it doesn't enter the pool.
- Some mould in changing rooms.
- Algae on wall upstands and around windows.
- Lighting on poolside was marginally adequate but may differ on a cloudy day.
- Nails were sticking up on the seating in the SW corner.
- Where tension rods had been cut, there was no rust prevention coating applied and the ends have started to corrode.
- New structural steel is in good condition with no visible signs of corrosion.
- BECSYS 3 Chlorine controller not operating due to needing new probes, also noted flow through the sample cell was inadequate.
- Minor water leaks in the plant room.
- Toddlers Pool flow is insufficient which may affect water treatment and heating.
- No water meter on pool top up water line to help with leak identification.
- Top up water diaphragm valve possibly not working correctly.
- Dosing pumps looking tired and some visible signs of leaks.
- Taymac 300KW coal fired boiler looks in good condition from the outside, however, most wear on these boilers is internal around the water jacket. I didn't have an opportunity to view this but signs of wear would be internal water leaks.
- Alfa Laval plate heat exchanger for the pool heating appears in good condition, there is potential to increase the capacity by installing more plates if the system allows.
- Poolside acoustics were below standard with echo and higher noise levels.

## Wants and Needs

There has been a lot of feedback around the wants and needs from the community, elected members and staff. These improvement items need to be prioritised relative to the core function of the pool operation, additional upgrades or increases to levels of service should be weighed up by a cost-benefit analysis.

Some of the suggested wants and needs are listed below.

- Accessible ramp into main pool
- Raising bottom of pool to be 0.7m depth at the shallow end
- Extension to the swimming season

- Temperature of pool to be 29-30 degrees consistently
- Bulkhead to split pool into two sections, 25m and 5m
- Additional pool for LTS or Hydrotherapy or to encompass both
- Improved ventilation
- Additional windows
- New pool liner
- Better insulation in changing rooms
- New diesel boiler to replace the coal boiler
- Warmer toddlers pool
- Ground recovery heat pumps to replace coal boiler
- Better access

### Alternative Operating Model – Quality Pool

Quality Pool is an alternative version of Poolsafe, mainly for smaller pools where operating expenditure does not allow for additional staff to maintain supervision standards for the entire day.

Quality Pool would allow Reefton Pool to allow entry to community members without needing the staffing requirement. Providing the pool meets the criteria, it enables access to the facility via a key fob system. The pool could still have lifeguard supervised sessions but this model would allow access outside of those times. Community members who utilise the key fob system would need to undergo an induction to the pool and sign that have understood their health and safety responsibilities.

For example, Reefton Pool could open in the morning at 7am and close in the evening at 8pm, outside of these hours the key fobs won't work. A supervised lifeguard session for the public could operate from 9-11am and 3.30 to 6pm for those who don't have a key fob. Times would vary depending on demand or season. Key fobs could be sold each season as a membership fee.

This increases revenue while either maintaining or reducing staffing costs, whilst increasing access to members of the community. Installation of a key fob system and some surveillance cameras would be required. As the key fob system is a specified system a building consent may be required.

Quality Pool uses the knowledge and expertise that have been gained from the aquatic industry and Poolsafe over the last 16 years to provide private pool operators with the tools to operate and maintain a safer environment for their customers and communities. This includes Motels and Hotels, holiday parks, retirement villages, private gyms and health clubs, and schools.

Quality Pool is an independent assessment of pools to ensure that their operations and facilities are safe. The scheme comprises an annual assessment of the provider's documentation covering the operation (NOP), emergency action plan, health and safety and water quality.

Through the Quality Pool scheme, operators now have access to important safety information and key messages on operating aquatic environments. Recreation Aotearoa provide the industry best practice information on supervision guidelines for parents/caregivers of children, water treatment standards, health & safety, emergency procedures and signage and tools to ensure managing the quality of the pool water is simple.

Pool safety is paramount. By understanding your duties and creating a healthy environment for swimmers you will ensure that your customers and clients have a safe, positive and enjoyable experience. You will also be safeguarding the quality and durability of your assets and helping promote high standards

Take a look at signage that can be ordered [here](#).

For more information visit [Quality Pool \(nzrecreation.org.nz\)](http://QualityPool.nzrecreation.org.nz)

If you have any questions or would like to apply, contact the Recreation Aotearoa Aquatic Programme Manager on [rhiann@nzrecreation.org.nz](mailto:rhiann@nzrecreation.org.nz)

## Recommendations: Priority One

Buller District Council should prioritise the following items to ensure the building condition and environment is improved to prolong the life of the facility.

The following recommendations are listed in order of the priority in which they should be addressed.

### 1. Heating and Ventilation

NZS4441:2008 states;

#### 8.2 Air heating and ventilation

For indoor pools, ventilation shall be provided to meet the provisions of NZBC Clause G4. A mechanical system is preferred. This should supply the minimum outdoor air flow rates required by Acceptable Solution G4/AS1 of Approved Document for NZBC Clause G4 (refers to NZS 4303).

Air heating and ventilation systems should maintain conditions in the pool hall that are comfortable and safe for users and staff, and prevent unacceptable deterioration of the building structure and fabric. To meet these aims the systems should control space air temperature and relative humidity (and therefore the rate of evaporation from the pool water surface), prevent condensation, and maintain chlorine-based odours and other contaminants within acceptable limits. The following principal requirements should be achieved:

- (a) Outdoor air and extract air ventilation rates should be selected to maintain space relative humidity preferably in the range of 55% to 70%. Allowance should be made for evaporation from pool water surfaces, wet areas surrounding the pools, and from water features;

##### **C8.2(a)**

*The lower end of this range will be more comfortable for non-swimming occupants and will minimise risk of condensation on the building elements. The higher end of the range will reduce evaporation from the pool water surface and therefore reduce pool water heating loads. The selection of relative humidity value for design and control purposes requires a compromise between competing objectives.*

- (b) Air temperature at occupant level should generally be controlled in the range  $\pm 2^{\circ}\text{C}$  of the water temperature of the larger pools in the facility. To limit energy consumption, air temperatures greater than  $30^{\circ}\text{C}$  should be avoided.

Installation of a mechanical heating and ventilation plant to both the pool hall and changing rooms. Ventilation will need to be neutral pressure to avoid draughts, be able to bring in fresh air, exhaust pool air and recirculated pool air to control relative humidity (RH) within the building. Fresh air is introduced to reduce RH or recirculated from the pool to increase RH. Heating coils can be installed to heat the outside air to maintain a constant temperature and heat could be sourced from the



existing coal boiler if capacity is identified. Heat recovery could also be installed on the exhaust air to capture the waste heat.

It would be recommended that the RH be set at around 55-60% for user comfort and temperature within  $\pm 2$  degrees of the pool temperature, in this case about 26-27 degC.

Ducting on poolside should be of a fabric type. Supply and extract air in the changing rooms is essential.

Alternative options for heating should be considered like heat pumps.

As ventilation is a specified system, installation may require a building consent.

Contractors who specialise in HVAC systems, especially with pool experience should be considered as per the procurement policy.

Existing fans may not be required and should be removed if this is the case.

A suitable heating and ventilation system will:

- Remove high levels of condensation in the air and on building surfaces including windows and doors in both pool hall and changing rooms.
- Create a more comfortable environment for staff and spectators.
- Reduce corrosion.
- Reduce or eliminate mould in changing rooms.
- Reduce or eliminate algae on wall upstands and around windows.

## 2. Pool Covers

Thermal pool covers are used to provide a higher level of energy efficiency and cost savings and have the following benefits:

- Pool covers trap in the day's generated heat.
- Reduce evaporation.
- Save water and chemical loss.

The current pool covers have been sitting on poolside for over 12 months due to not being able to install the rollers/seat adequately into a concrete pad and that there is a fire exit that would be blocked when it is installed in the correct location.

It is recommended to review the latest fire report to see if the single fire exit door is required, as there are also two other double-door fire exits within the space. My initial calculations on the two other exit doors with a combined overall width of 3330mm and allowing for 7mm/person would indicate a building capacity of approximately 475 people, which I believe is more than adequate for the pool. However, before removal, advice from a fire engineer may be prudent. It is suggested that the hardware used on the fire exit doors are checked to see if they comply or if crash bars are required.

If the door can be removed then a concrete pad will need to be poured to bolt down the rollers/seat. This should be a relative quick and affordable fix for the benefits it provides.

Covers will need to be put on each night and removed in the morning prior to use, no cover should be left on while patrons are swimming.

### 3. Changing Rooms

Although the changing rooms were tidied up a few years ago, they now look aged and in poor condition due to the environment.

Paint has come off a structural beam and has a medium level of corrosion on it. Although it may only be surface rust, an engineer may need to inspect it to provide a solution to remedy this. This would include having the corrosion cleaned and treated, a primer paint applied and a two-pot paint system to ensure the longevity of the paint, similar to Resene Uracryl.

The changing rooms will require a good wash down and repaint to walls and ceilings, a proper paint system for the environment is recommended.

As mentioned above mechanical ventilation for both supply and extract is recommended and will ensure compliance to NZBC.

### 4. Plant Room – Water Treatment Systems

Overall the bulk of the water treatment systems look ok, minor maintenance is required to improve operation, which is listed below.

- New probes/measuring cell for the BECSYS 3 controller.
- Review dosing pump operation is functional, if not look to replace with a diaphragm dosing pump.
- Repair minor leaks.
- Relocate supply hose to measuring cell to get better flow for sampling purposes.
- Ensure BECSYS 3 has fault notification.
- Repair diaphragm top up valve/ballcock and install a water meter to assist with leak detection.

## Recommendations: Priority Two

If there are any funds remaining once the Priority One work has been completed, the community should be consulted on what they might like to use this for or put it towards.

The following items would be the next best options to put forward to the community if funds remain.

### 1. Toddlers Pool

Toddler pool flow appears inadequate and is too cold for toddlers. Look to change pipework in plant room and under pavers to be its own system. This will require:

- Small sand filter
- Pump
- Heat exchanger and controls or alternative small air to water heat pump
- Chemical controller
- Dosing pump
- Auto water top up function

This should be able to be quoted by pool suppliers like Coombes Aquatics or FPC. Once quotes are received a cost-benefit analysis should be undertaken.

## 2. Accessibility / Raising Pool Bottom

Any access ramp in to the pool shall have a fall of no more than 1 in 12, this fall is the same requirement as the bottom of the pool. The NZBC shall be used for the ramp criteria.

Costing should be sought for a ramp and lifting the bottom of the pool and a cost-benefit analysis should be completed. This should be compared with a newer access lift that can be user operated for ease of use.

### 3.3 Slope of pool bottoms

- 3.3.1 The design of the pool shall provide for it to be easily and completely drained, preferably by gravity.
- 3.3.2 For the safety of users, the maximum slope of a pool bottom shall be:
  - (a) Where the water depth does not exceed 900 mm and the pool bottom has an anti-slip surface (minimum coefficient of friction measured wet of 0.50) – 1 in 12;
  - (b) Where the water depth does not exceed 1650 mm – 1 in 15;
  - (c) Where the depth of water exceeds 1650 mm – no restriction.

## 3. Boiler

Future planning for the boiler replacement should be undertaken and an allowance for future growth in its size or capacity would be recommended to avoid needing to add anything or replace it later on. Options could include a Biomass boiler, Diesel Boiler or Heat Pumps.

Heat pumps may be slightly dearer to operate but savings in labour and maintenance would be seen over the lifecycle of the new asset.

## 4. Pavers

Pavers should be looked at being replaced in the future with a better pool surround solution that is non slip, like a Rhino Armafloor surface on concrete. There is movement in the current pavers which should be looked at as well as plant growth between them, this could be mitigated now with the use of wet and forget. Access to pool pipes can be maintained by concreting in a channel with access cover.

When these are replaced installation of a wash down channel drain around the pool should be budgeted for and installed.

## 5. LTS/Hydrotherapy Pool

Installation of a LTS/Hydrotherapy Pool will be outside the current budget, however getting a cost estimate could enable the community to get funding or hold fundraisers to achieve the financial targets. The available space may allow a 4m x 12m pool with a depth from 0.7m to 1.5m or 1m if it is just used for LTS. Being in close proximity to the wall and main pool would require an engineer to calculate the wall loadings of both to ensure a new pool would structurally hold up.

A new pool will also require new plant like, filters, pumps, chemical controller, dosing pumps, heating and heat exchangers. It may also mean that there is not enough capacity in the coal boiler to achieve the desired temperature of around 33degC.

## 6. Lighting

The current lighting is marginal with only having a row of fluorescent lights along the north wall. On darker days or later in the evening if the season was looked at being extended alternative options should be considered to enhance the lighting to provide a safer environment for not only walking around poolside but to also improve pool supervision. NZS4441:2008 says;

### 8.1 Lighting

Indoor pools and outdoor pools to be used at night shall be provided with artificial lighting to allow observation of swimmers who may be in difficulty below water level, and to permit safe movement on the surrounding pool surfaces.

Illumination shall be reasonably uniform and comply with the general principles and recommendations of AS/NZS 1680.1, with a minimum of 200 lux at the pool water surface and 100 lux in circulation routes. Where required for special effects, lower illumination levels shall be permitted if appropriate additional pool supervision is provided. Glare or shadows on the water surface shall be reduced to a practical minimum.

Luminaires mounted on poles or on the building shall be provided for public pools and may be supplemented by underwater lighting. Underwater luminaires may be used for other pools and should be considered for all pools deeper than 2 m. Access requirements for maintenance shall be taken into account.

Ways to improve this could be by installing two rows of LED high bay downlights along either side of the pool, LED's of approximately 120W could provide efficient lighting as well as cost efficiency. Another option could be to install 200W LED floodlights pointing on an angle out and upwards onto the ceiling and using the ceiling to reflect the light down. These lights could be mounted along the walls which is also easier to access for maintenance. For the best result I would recommend engaging a lighting engineer to design the right lights for the environment.

## 7. Acoustics

Acoustic panels will help with reducing noise and echo within the pool hall. The panels stop the sound waves from bouncing around the room. This should be designed by a suitable qualified person.

## Not recommended at this Stage

Although the above recommendations are budget dependant, and not all of them will be likely to be completed in the upcoming off-season, it allows for future planning to be made.

In addition to the above the below are items at this stage that I don't see as a priority to be carried out. However, in saying that if the bottom of the pool is raised it may pay to revisit if then is the time to install a new liner.

- Bulkhead to split pool into two sections, 25m and 5m
  - This is not a viable option at this stage as it would not work if the option for an accessible ramp was progressed.
  - If the accessible ramp was not going to progress a bulkhead option to divide the pool could be considered. This would need to ensure the water could flow through on both sides and be in-line with NZS4441:2008 to avoid any entrapment risks.
- Additional windows
  - This is not an option at this stage due to only wanting to be installed for the view outside, this is not a good use of funds with the current condition of the facility.

- New pool liner
  - The current liner in the pool has been in place now for 10 years and appears to be in good condition still. A condition report from the installers would be recommended but it would appear it could last at least another 5 years. A new liner should be considered if cracks in the pool or significant pool tank leaks start to occur.

## OPEX

Without seeing the current opex budget, it is recommended that full costings be undertaken with any upgrade with annual estimates to ensure that the opex budget is not severely impacted or that it can be managed through more revenue of grant funding. Additional Opex would be required to operate a longer season and would require an increase in community engagement and participation to provide additional revenue.

Ways to save money should be looked at as well to ensure costs stay low. If PERC could bulk by chemicals from a bulk supplier like Redox or Ixom at a cheaper rate, they could then supply the chemicals needed for Reefton Pool, a wider regional initiative could also include on selling to Ngakawau Pool to make it cheaper for them.

PERC also uses an on-site chlorine generator to produce a 1% sodium hypochlorite solution through Aqua Care in Christchurch. This should be considered for Reefton Pool if it was to work out cheaper, an additional 5kg unit (size dependent on consumption) could be installed at Reefton under PERC's contract and price, this would remove handling and the risk involved in using a higher concentrate of sodium hypochlorite. PERC may also be able to negotiate a cheaper rate if an additional unit was to be leased.

Sharing or providing common resources like chemicals or labour for both pools which are both operated by BHL is one way to reduce operating costs.

## Revenue

Ways to increase community engagement and participation to improve revenue targets will need to be looked at, this can be achieved through fees and charges, donations, fundraisers, alternative operating model like Quality Pool, external funding or corporate sponsorship from local or regional businesses.

Becoming a Quality Pool enables more access to the pool to the community, this can lead to increased revenue though selling membership fobs for access out of staffed hours.

## Risks

There is no immediate foreseeable risks with the current operation, however if structural steel is left too long for corrosion to set in remedial work will cost more and increase risks to the building structure.

Three staff across Pulse Energy Recreation Centre and Reefton Pool are trained in the management of pool water treatment.



# Reefton Pool Ventilation Assessment

## Final Report

Prepared for Buller District Council  
Prepared by Beca Limited

25 January 2024



## Contents

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<a href="#">1 Introduction.....</a>	<a href="#">1</a>
<a href="#">2 Assessment.....</a>	<a href="#">2</a>
<a href="#">3 Next Steps.....</a>	<a href="#">4</a>
<a href="#">4 Assumptions.....</a>	<a href="#">5</a>

## Appendices




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No table of contents entries found.

### Revision History

Revision N°	Prepared By	Description	Date
A	Liam Membro	Ventilation Assessment	25/01/2024

### Document Acceptance

Action	Name	Signed	Date
Prepared by	Liam Membro		25/01/2024
Reviewed by	Nick Yannakis		25/01/2024
Approved by	Nick Yannakis		25/01/2024
on behalf of	Beca Limited		

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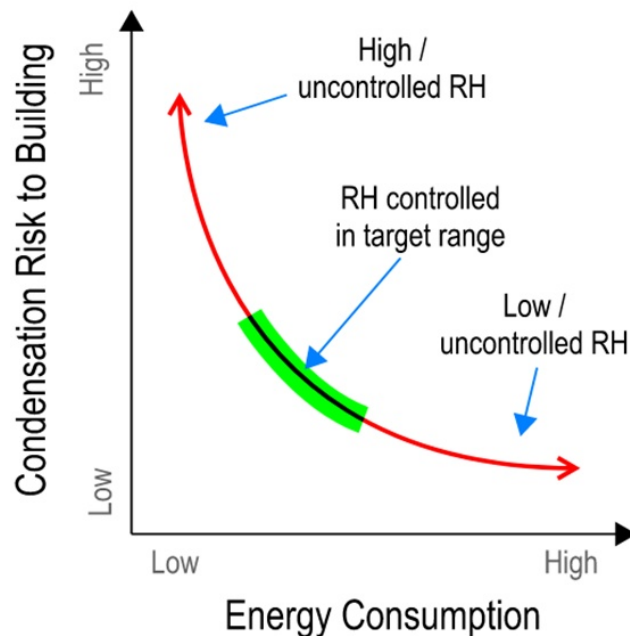
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## 1 Introduction

A desktop study was conducted by Beca to assess the potential ventilation upgrades for the Reefton Pool. Note that this information is for the purposes of decision making by Avant Build Cost Solutions Ltd, the Buller Holding Limited and the Buller District Council only. The capital and operating costs are engineering estimates only and are based on current energy costs (i.e. no financial analysis has been conducted for differing energy rates resulting from increased/decreased consumption or future price changes). Note that we are not quantity surveyors, however, we do work in the industry and are exposed to regular pricing information. If more detailed figures are required for budgeting purposes, we recommend engaging a cost consultant.

A fundamental feature of pool hall HVAC systems (and a major reason for their large energy consumption) is providing dehumidification of the pool hall to control the relative humidity (RH). Controlling RH is typically done by introducing dry fresh air which needs to be raised in temperature to allow more moisture to be captured, and then exhausting this humid air out of the building. This is fundamental in pool halls as there is a relatively simple correlation between the operating cost versus the maintenance cost of the building at different humidities (as outlined in the figure below). As there is minimal fresh air ventilation of the pool hall currently (as per the GVDesign report), this leads to high / uncontrolled RH. Therefore, adding in air temperature and humidity control can come at an energy penalty, but will help prevent the damage that is currently being caused and can improve occupant comfort. RH control will likely lead to an extension of the safe use life of the current structure and building fabric, mitigating the need to prematurely retrofit the facility.



As cold air is less able to hold moisture, the current system which does not heat the incoming fresh air, will need to move far larger quantities of fresh air to achieve humidity control and will rely on pool covers being used outside of occupied hours to bring humidity down. This has been highlighted by the GVDesign report as a simple solution to fixing the site's existing condensation issues and it is agreed that this is the simplest and cheapest solution for the site. However, it is worth noting that this will come at the price of thermal comfort as the pool hall will be roughly the same temperature as outside with the increased fresh air rates. This also restricts the ability to operate the site during winter months if this is a desire of the BDC as it is understood the current boiler struggles to maintain water temperature at times. GVDesign recommended assessing the energy implications of adding in air handling units (AHUs) to heat the incoming fresh air, to improve the thermal comfort of the space and achieve enhanced humidity control.

## 2 Assessment

The implications of three options were assessed against the business-as-usual (BAU) scenario:

- **Option M1:** As outlined in the GVDesign report, basic upgrades required to control humidity in the space. This includes pool covers, make-up air louvres, and variable speed extract fans based on humidity sensor readings. There is no pool hall air temperature control with this option.
- **Option M2:** Install a new packaged AHU to provide temperature and humidity control of the space. The AHU is powered by electricity.
- **Option M3:** Install a new custom-made AHU to provide air heating and humidity control of the space. Heating for the unit will be provided by the existing coal boiler, which will likely need to be enlarged to meet the extra heating load.

The below table outlines the anticipated increase to energy costs, along with a high-level engineering cost estimate of the upgrade works. A brief outline of the allowed for works associated with each option has also been included.

Options	Annual Energy Costs	Increased Energy Costs	Upgrade Capital Cost Estimates*	Required Upgrade Works Allowed For
<b>BAU</b> Business-As-Usual	\$42,000	N/A	N/A	N/A
<b>M1</b> Basic Upgrades in GVDesign Report	Unknown due to complex energy modelling - expected similar to BAU	N/A	\$65,000	<ul style="list-style-type: none"> <li>• Covers (\$40,000)</li> <li>• New makeup louvres (\$5,000)</li> <li>• Fan controllers, controls, sensors, and commissioning (\$10,000)</li> <li>• Builders works (\$10,000)</li> <li>• Mechanical contractor installation (\$10,000)</li> </ul>
<b>M2</b> Packaged AHU	\$59,000	\$17,000	\$300,000	<ul style="list-style-type: none"> <li>• New 4m<sup>3</sup>/s pool packaged AHU with in-built controls and sensors, with filters added on (\$50,000)</li> <li>• New fresh air fabric duct (\$15,000)</li> <li>• New louvre and ductwork (\$15,000)</li> <li>• Mechanical contractor installation (\$30,000)</li> <li>• New switchboard and electrical works (\$25,000)**</li> <li>• New electrical transformer and underground supply cable (\$145,000)**</li> <li>• Commissioning (\$5,000)</li> <li>• Builders works (\$15,000)</li> </ul>
<b>M3</b> Coal Boiler Heated AHU	\$54,000	\$12,000	\$160,000	<ul style="list-style-type: none"> <li>• New 4m<sup>3</sup>/s heat recovery AHU with in-built filters (\$30,000)</li> <li>• New fresh air fabric duct (\$15,000)</li> <li>• New louvre and ductwork (\$15,000)</li> <li>• New pipework and pump (\$10,000)</li> </ul>

Options	Annual Energy Costs	Increased Energy Costs	Upgrade Capital Cost Estimates*	Required Upgrade Works Allowed For
				<ul style="list-style-type: none"> <li>Mechanical contractor installation (\$50,000)</li> <li>Increased capacity secondhand boiler (\$15,000)</li> <li>Controls, sensors, and commissioning (\$10,000)</li> <li>Builders works (\$15,000)</li> </ul>

\*Note that the capital cost estimates are based on high-level engineering estimates only. It is recommended a QS or contractor price the preferred works for greater certainty.

\*\*Cost estimate from ElectroNet via email on the 22/01/2024.

The below table outlines the qualitative advantages and disadvantages of the options M1, M2 and M3 along with the BAU scenario.

Options	Advantages	Disadvantages
<p><b>BAU</b> Business-As-Usual</p>	<ul style="list-style-type: none"> <li>Low energy costs</li> <li>No capital cost for upgrade works</li> </ul>	<ul style="list-style-type: none"> <li>Poor humidity control contributing to increased condensation and corrosion</li> <li>Shortened building life requiring expensive structural and envelope upgrades sooner than necessary</li> <li>Variable pool hall temperatures leading to inconsistent occupant comfort</li> <li>Difficulty to maintain pool water temperature on colder days, assumed to be reason for short operational season</li> <li>Dependency on coal as an energy source</li> </ul>
<p><b>M1</b> Basic Upgrades in GVDesign Report</p>	<ul style="list-style-type: none"> <li>Low operating cost</li> <li>Greater control of humidity and reduced condensation</li> <li>Improved building life expectations</li> </ul>	<ul style="list-style-type: none"> <li>Significant capital investment to only resolve humidity issues</li> <li>Pool hall temperature remains uncontrolled</li> <li>Degraded thermal comfort with higher fresh air rates</li> <li>Greater difficulty to maintain pool water temperature on colder days, assumed to be reason for short operational</li> <li>Dependency on coal as an energy source</li> </ul>
<p><b>M2</b> Packaged AHU</p>	<ul style="list-style-type: none"> <li>Can provide heating and cooling for the pool hall air to maximise thermal comfort</li> <li>Can be provided with in built controls to remove</li> <li>Improved building life expectations</li> <li>Slightly reduced carbon emissions due to the use of electricity for air conditioning, leading to reduced water heating from coal</li> </ul>	<ul style="list-style-type: none"> <li>Likely requires an electrical upgrade to the site MSB and could require an upgrade of the site transformer</li> <li>Significant capital cost</li> <li>Higher operating costs, can be reduced with covers</li> </ul>

Options	Advantages	Disadvantages
	<ul style="list-style-type: none"> <li>Improved control of water temperatures by the existing boiler</li> <li>Could allow for year long operation of the facility / including running in winter, this will increase operational costs as a result</li> <li>Reduced dependency on coal as a fuel source</li> <li>Potential to remove dependency on coal if integrated with a direct pool water heat pump (i.e. remove coal boiler for water heating)</li> <li>Slight reduction in carbon emissions</li> </ul>	
<b>M3</b> Coal Boiler Heated AHU	<ul style="list-style-type: none"> <li>Provides heating for the pool hall air to improve thermal comfort</li> <li>Improved control of water temperatures</li> <li>Improved building life expectations</li> <li>Could allow for year long operation of the facility / including running in winter, this will increase operational costs as a result</li> </ul>	<ul style="list-style-type: none"> <li>Significant capital cost</li> <li>Higher operating costs, can be reduced with covers</li> <li>No cooling ability</li> <li>Increased dependency on coal as a fuel source</li> <li>Increase in carbon emissions</li> </ul>

There is the potential with Option M2 to fully electrify the site and remove the dependency on coal all together. This is possible if a direct pool water heat pump replaces the coal boiler as the source of pool water heating. A single direct pool water heat pump can be connected to two bodies of water and provide different temperature setpoints. This will reduce carbon emissions and help future proof the site with the uncertain future around coal as an energy source.

Note that the issues with condensation on thermally poor surfaces (e.g. the exposed blockwork external walls in the changing rooms) and the corrosion / damage to the structural members with incorrect spec paint coatings will continue with option M2 & M3. However, they will likely occur at less severe rates and frequencies than it is currently. It is recommended to engage an aquatic specialist architect to propose potential solutions for these issues, which we are able to recommend based on similar upgrade projects we have been involved in.

### 3 Next Steps

The next steps for the Buller District Council are to:

- Decide whether the best option for Reefton Pool is to:
  - Continue operating the facility as is, which will likely lead to the building structure and fabric needing to be replaced before the expected lifespan.
  - Continue developing one or more of Options M1-M3 to extend the life of the building.
- Assess the capital and operational cost impact of electrifying the pool water heating.
- Assess the capital and operational cost impact of installing solar PV to offset the electrical consumption of the site, in particular if electrifying the coal boiler is proceeded with.

## 4 Assumptions

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The following assumptions were used to generate the information in the above report:

- The current coal boiler (and enlarged boiler for M3) is 75% efficient. It is assumed the current heat output of the boiler is 80kW.
- The facility operates for part of the year through the period of Mid-October to Mid-April. The average opening hours has been assumed to be 2 hours in the morning and 3 hours in the afternoon. Options M1, M2, & M3 have been assumed to have the same operating hours and period for the purposes of comparison against the BAU scenario.
- The BAU facility consumes 50,000kg (380,000kWh) of coal and 80,000kWh of electricity on average annually.
- Coal is assumed to be exclusively bituminous.
- The cost of coal is assumed to be \$0.047/kWh (i.e. \$0.35/kg) and electricity is assumed to be \$0.315/kWh. This corresponds to a useable heat cost of \$0.062/kWh (i.e. \$0.47/kg) for coal assuming the boiler is 75% efficient, and \$0.105/kWh for electricity assuming a standard COP 3 heat pump (300% efficient).
- The average pool water temperatures have been assumed to be 28°C in the main pool and 31.5°C in the toddler's pool.
- It is assumed that there are no pool covers.
- Domestic hot water heating has been assumed to be provided by an electric DHW unit.
- It has been assumed that all electrical loads associated with current electrical demand (DHW, lighting, pool filtration and pump, plug loads, etc.) remain unchanged if option M2 or M3 are proceeded with.
- The M2 and M3 AHUs have been modelled as full fresh air units (i.e. no return air recirculation). Therefore, to control humidity both units need to vary fresh air flow rates. It has been assumed that both AHUs have the ability to turn down to 70% flow.
- Air temperature setpoint is 26°C and the humidity setpoint is 65% RH for options M2 & M3.

The heat exchangers in the option M2 & M3 AHUs are assumed to be 55% efficient due the summer only operation of the facility. The heat pumps in the M2 AHU are assumed to have a COP 3.



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## BULLER DISTRICT COUNCIL

28 FEBRUARY 2024

AGENDA ITEM: 12

**Prepared by** Jamie Cleine  
Buller District Mayor

**Appendix**

- 1 RWSG Minutes 8 December 2023
- 2 WCEM Joint Committee Agenda 7 February 2024
- 3 Mayors Correspondence

### MAYOR'S REPORT

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#### 1. REPORT SUMMARY

This report is to provide commentary of significant events and meetings attended by the Mayor. The report also provides information on advocacy or political matters currently before Council.

#### 2. DRAFT RECOMMENDATION

**That Council:**

1. **Receive the report for discussion and information.**
2. **Notes Inwards and Outwards Correspondence and provide direction for any responses required.**

#### 3. COUNCIL

##### 3.1 Professional Development

The Mayor has concluded a governance structure review process in consultation with Councillors and the CEO. The structural changes to governance arrangements are the subject of another paper on today's agenda.

Councillors attended a workshop/training session on Council's Standing Orders to build greater confidence in members ability to participate in meetings and support their roles on reserve committees or other governance meetings they attend in their capacity as elected members.

### 3.2 Mayors Taskforce For Jobs (MTFJ)

#### **MTFJ Buller Coordinator Julie Moore & Pastoral Support Ruby Erickson comments:**

We continue to have in person Ministry of Social Development (MSD) work broker catch-ups at least fortnightly and regular emails.

This ensures work brokers and case managers from the Westport office have information how MTFJ can assist MSD clients. Many of the referrals we are getting are mostly long-term unemployed and we find it difficult to get them to engage with us, often there is little or no communication at all.

Employers we work with are always informed of MSD products that might be available to them such as MiM, Flexiwage or Apprenticeship Boost and then passed onto the work broker.

Ruby's pastoral care role continues to be in high demand particularly with continuing support for youth previously placed into work. Many are struggling with their work/life balance and needing extra outside support.

There has been good interest from businesses for our upcoming job expo, all are pleased we are focusing on local employment opportunities, not jobs or tertiary education out of the region.

Planned ITS courses are now on hold until we are confident of achieving our 38 sustainable outcomes within budget. We will now look at courses being held after the end of March.

We continue to have some great outcomes in using both MTFJ and MSD services. A recent example was an 18yr old male referred to us by Reefton Area School back in August. Ruby organised work experience for him where he proved himself a worthy employee in doing significant unpaid work.

We connected the employer with the support MSD was able to provide through the Mana in Mahi programme which enable them to offer him a permanent full-time position, which he has now started and thoroughly enjoying.

#### **Mayors Comment:**

I continue to meet regularly with the MTFJ Buller team to understand the challenges in the local employment scene. The team remain committed to working with all referrals, however some of these often have complex needs that make job placement difficult or unsustainable.

The district continues to be very busy over summer with strong visitor numbers driving demand in hospitality sector roles. Longer-term, there is extremely positive sentiment from the mining sector both in Westport and Reefton, this is likely to lead to development of new projects and



subsequent support industries also benefiting. It is essential that MTFJ remains able to support initiatives that may have a longer lead time on achieving sustainable outcomes.

It is perhaps shortsighted for the programme funding requirements to solely focus on short term outcomes without considering the significant “upfront” investment into young people moving into more complex jobs, especially if that is where the opportunities exist.

### **3.3 TUIA Mentoring Programme**

Council resolved at the November 2023 meeting to support on-going participation in the TUIA programme for 2024.

The opportunity was publicised via Council and MTFJ channels during December and January calling for expressions of interest from eligible residents throughout Buller. The Mayor also reached out to Iwi representative Ned Tauwhare, and Hinemoa Connor, Chairperson Ngati Apa ki te ra to, to ensure whanau were aware of the opportunity.

One application was received. The Mayor convened an interview panel to include Ned Tauwhare and Cr Annelise Pfahlert to interview the candidate via zoom to ensure they were an appropriate fit for the programme.

The panel were unanimous in approving Mr Matiu Manuel to participate in TUIA for 2024.

Matiu provided the following as his introduction:

*Ko Hikurangi te maunga  
Ko Waiapu te awa  
Ko Nukutere te waka  
Ko Ngāti Porou te iwi  
Ko Hine Rupe Ki Waiapu te hapū  
Ko Kaiwaka te marae  
Ko Manuera tōku whānau  
Ko Matiu tōku ingoa*

*I completed my secondary schooling and graduated in 2023 I was involved in as many Māori based events whilst managing my schoolwork as well. For the last two years I participated in the Manaaki Tapoi wananga at Whenua Iti. I was awarded the 2022 and 2023 student of the year for this course. I feel I thrived in the environment, and it made me a better person and also connected me with my culture. One of the biggest events in 2023 that took place was the kapa haka competition that was held in Reefton Area School for the first time. I was a part of the board of making it happen since it was the first time the school had hosted it. This was a big thing and took a lot of preparation, my main role in the event was being a MC up on stage where I would introduce teams and*

*keep the crowd entertained and informed of how the day was going to work. This year I am studying personal training and nutrition at the New Zealand Institute of Sport in Christchurch and hope to become a personal trainer.*

*I was born on the West Coast in Greymouth but I whakapapa to the East Cape of the North Island and my iwi is Ngāti Porou.*

*I am looking forward to TUIA because it gives me a chance to connect even more to my culture and visit other places and marae.*

*Matiu Manuel*

#### **4. EXTERNAL MEETINGS**

##### **4.1 Resilient Westport Steering Group (RWSG)**

The group met on 2 February at West Coast Regional Council's offices and 13 February via Zoom. The minutes of these meetings were not available prior to deadline of this report. The minutes from 8 December are included as Appendix 1.

##### **4.2 Mayors, Chairs & Iwi Forum (MCI)**

The forum was hosted and chaired by Grey District this quarter with a meeting held at Westland Recreation Centre 7 February 2024. Key matters discussed:

- The forum continued to discuss potential improvements to the way the forum itself operates. Members discussed a Terms Of Reference document and provided feedback on a draft document to be confirmed at a later date.
- A round table discussion on Council LTP progress and key drivers of budgets and rates pressures.
- Further opportunities for shared services amongst member Councils was also discussed. Staff are drafting consistent commentary to be included in each respective Councils' Long-Term Plan for consultation.
- Discussion on the recent Ombudsman's report on Council workshops. Buller is currently the only Council on the West Coast that has resolved to hold almost all workshops in public and advertise these. This provides a far greater level of transparency of governance decision making for our community.

##### **4.3 West Coast Emergency Management Joint Committee**

The West Coast Emergency Management Joint Committee met in Greymouth at the Westland Recreation Centre 7 February 2024. The full agenda is included as Appendix 2.

#### Key Points:

- Minister for Emergency Management Hon. Mark Mitchell visited the West Coast during the declaration of emergency in Westland 19 January. I attended a meeting with the minister via Zoom to discuss WCEM matters.
- The review of the 2016 WCEM Group Plan has started. This is a large piece of work that contains six project phases. The next steps involve online and workshop sessions in February and March to reassess the regions hazard / consequence profile. This involves input from a range of agencies and areas of expertise. We expect the work to be completed and a new plan submitted to the Minister by October 2024.
- The 2024 training plan was presented to the Coordination Executive Group in January. A significant resource is committed to the exercise programme. WCEM held three Exercises over 14 to 16 February on Incident Action Planning. EOC / ECC staff in the region, other agencies and EM staff from other groups also attended. WCEM and partner agencies will be fully participative in the national Exercise Rū Whenua on 12 and 26 June, and 10 July 2024.

#### 4.4 Te Tai o Poutini Plan (TTPP)

The committee met at the Grey District Council on 14 February. The full agenda can be found at

<https://tppp.nz/wp-content/uploads/2024/02/Agenda-Te-Tai-o-Poutini-Plan-Committee-14-February-2024.pdf>

Key topics discussed included:

- A variation to the TTPP to incorporate the latest and more accurate coastal hazard mapping. It is important to note that besides the TTPP this information will also be formally discharged by the West Coast Regional Council to District Councils who have obligations to share that via Land Information Memorandums (LIM) tagged to affected property across the district.
- A variation to the Activities on the Surface of Water. This chapter has rules that have had legal effect since notification of the Plan. An issue of whether the rules applied to an activity that was transporting mineral material to the Port was raised by consultant planners working on the West Coast.

This is because the Regional Coastal Plan defines the Coastal Marine Area as ending downstream of both Westport and Greymouth Ports. Legal advice was obtained which identified that transporting mineral material to the Port would not trigger TTPP rules but it was agreed that there is a degree of ambiguity on the applicability of these rules to the Ports, and that this should be clarified through a Variation.

## 5. LOCAL EVENTS & RELATIONSHIP MEETINGS

I have attended various local events and relationship meetings over the period.

Some highlights included:

- Hon Shane Jones, Regional Economic Development Minister, I met with the Minister in Greymouth for a high level discussion on funding requirements of Westport stormwater infrastructure as part of the Resilient Westport work package. Also discussed regional transport connectivity and growth opportunities for the District.
- Motor Caravan Association, I provided a welcome address to the national AGM of the MCA held in Reefton. This was a major regional event attended by 750-900 vehicles who parked up at the racecourse. Members attended various attractions over the weekend of activities and many continued their journey across the District and down the West Coast after the formal conference.
- Museum of Kawatiri, I attended the opening and rebranding of the former Coal Town Museum to include a new Pounamu Pathway experience. This was the culmination of a few years of planning and development by CoalTown Trustees. The addition of a Pounamu Pathway experience provides a linkage to the broader pathway branding and experience located in Greymouth and may help drive greater visitor numbers and improves the story told of Kawatiri history.
- Brian Rodden, Managing Director Siren Gold and his executive team. Siren has significant plans to mine gold and antimony in various areas around Reefton and the Lyell with their projects likely to develop over the next few years. Mining in Buller generally has a new impetus with a clear commitment from the National led government to enabling the sector through streamlined regulatory processes.
- Reefton for Mayor's Chats followed by the Inangahua Community Board meeting. It was encouraging to see a large turnout to public forum at the ICB as the community took the opportunity to get involved in local government decision making.

## 6. CORRESPONDENCE

For Council consideration (Appendix 3).

<b>Incoming Correspondence</b>		
12 December 2023	Min. Simeon Brown	Changes to LTR – Setting of Speed Limits 2022
13 December 2023	Hon Chris Bishop	Repeal Natural & Built Environment Act & Spatial Planning
14 December 2023	Min. Simeon Brown	New Direction - Water Services Delivery
14 December 2023	Gary Jeffery	Waste to Energy Plant
31 January 2024	Hon Chris Bishop	Changes to National Policy Statement - Freshwater Management
19 February 2024	Minister of Local Government	On Implementing Local Water Done Well
21 February 2024	Hon. Dr Shane Reti	Buller Health Services
<b>Outgoing Correspondence</b>		
6 December 2023	Minister Simeon Brown	Buller District update and invite to visit
8 December 2023	Hon. Mark Mitchell	Min. of Emergency Management and Recovery
11 December 2023	Hon. Shane Jones	Buller District update and invite to visit
15 December 2023	Jackie Mathers	Public Forum Response
18 December 2023	National Railway Museum of NZ	Letter of Response - Historic Steam Locomotive C 2
6 February 2024	Ministers Bishop, Symonds & Jones	“Functional Need” test in NES - Freshwater
15 February 2024	Hon. Dr Shane Reti	Buller Health Services
16 February 2024	Minister Shane Jones	Westport/Buller Opportunities & Critical Needs

**Draft****Resilient Westport Steering Group Minutes****Friday, 8 December 2023 10-11am (online)****Present:**

Mike Mendonça (Chair)

Darryl Lew, CEO WCRC

Peter Haddock, Chair WCRC

Steve Gibling CEO BDC

Jamie Cleine, Mayor BDC

Brett Cummings, Deputy Chair WCRC

Francois Tumahai, Ngāti Waewae

Simon Chambers, NEMA

Paul Barker, DIA

**In attendance:**

Maureen Pugh, MP

Penny Bicknell

Monica Rogers, DIA

Daniel Bellam, DIA

**1. Welcome and introduction**

François Tumahai opened the meeting with a karakia, and the Chair welcomed Steering Group members and Maureen Pugh, Member of Parliament for West Coast-Tasman.

**2. Briefing and discussion with Maureen Pugh, MP.**

Steering Group members provided a progress report to Ms Pugh, and an outline of the risks and potential strategic opportunities. Ms Pugh expressed general support for the program, and provided advice on how to sustain the profile of the program to give it every chance of successfully realising anticipated benefits.

**3. Apologies**

Apologies were accepted from Andrew Basher, Deputy Mayor BDC.

**4. Declarations of interest**

None

**5. Confirmation of minutes**

The minutes of the previous meeting (17 November 2023) were confirmed.

**6. Briefing to incoming minister update**

DIA provided an update on the briefing the incoming Minister of Local Government, confirming that a more detailed briefing would be provided to the Minister requesting further drawdowns for Resilient Westport early in the New Year. To inform DIA advice to the Minister, a paper summarising the key parameters for the refinements to the structural flood protection design will be presented to the Steering Group at the next meeting.

**7. Master planning future resourcing**

BDC provided an overview of challenges around communications, engagement and master planning. BDC signaled an intention to request a rebalancing of resources at the next meeting.

In the meantime, the Steering Group **approved**:

- Reprioritisation of \$0.25m funding from a Feasibility Study to communications and engagement implementation;
- Deploying resource to implement the communications and engagement strategy prior to the end of 2023, contingent on budget availability; and

- Extension of contracts for project and programme management to 30 April 2024 (funded via \$28,742 from within component budget).

The Steering Group **noted** that a report on future funding needs for the master planning work will be presented for discussion by BDC at the next meeting.

**8. Next meeting**

The Steering Group will next meet on 2 February, potentially at Arahura marae (to be confirmed).

**9. The meeting closed at 11am.**

## Joint Committee West Coast Emergency Management

Meeting Time: 9.00am – 10.30am Wednesday, 7 February 2024  
 Location: Emergency Coordination Centre, 83 High Street, Greymouth.  
 ZOOM Details: Meeting ID: 873 16163511  
 Passcode: 147591

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### Agenda

Joint Committee Chair – Mayor Jamie Cleine

1. Welcome and apologies.  
Apologies: Simon Bastion
2. Confirmation of the Minutes of last meeting held on Wednesday, 8 November 2023 **Pg. 2-3**  
Matters arising.
3. Group Manager Report - Claire Brown **Pg. 4-9**  
(Aso refer to the 'Partnership Agreement' attached)
4. Emergency Coordination Centre Facilities Update – Claire Brown **Pg. 10-11**
5. 'Resilient Westport' Programme Update – Claire Brown **Pg. 12-15**
6. National Emergency Management Agency (NEMA) Update – Oliver Varley **Pg. 16-18**
7. General Business
8. Meeting Close

**Next Meeting:**

Wednesday 8 May 2024, Westland District Council Chambers



**DRAFT MINUTES OF THE WEST COAST EMERGENCY MANAGEMENT JOINT COMMITTEE**
**Buller District Council Chambers  
8 November 2023, 0900am**

<b>Present:</b>		
Chair – Mayor Jamie Cleine and Steve Gibling (BDC), Mayor Tania Gibson and Paul Morris (GDC), Mayor Helen Lash and Simon Bastion (WDC), Francois Tumahai, Paul Madgwick, Chair Peter Haddock and Darryl Lew (WCRC), Claire Brown (WCEM), Simon Chambers (NEMA)		
<b>1. Welcome and apologies.</b>		
Mayor Jamie welcomed everyone and acknowledged the media presence. No apologies were received.		
<b>2. Confirmation of the Minutes of last meeting held on Friday, 1 September 2023.</b>		
Minutes confirmed no matters arising.		
<b>Moved</b>	Mayor Tania Gibson/ Mayor Helen Lash	<b>Carried</b>
<b>3. Group Manager Report - Claire Brown (online)</b> Report taken as read.		
P Madgwick asked why the pods of the Response Pods were not funded from NEMA resilience funding. S Chambers responded that the fund was oversubscribed for funding and the West Coast received funding for other projects. The group discussed the need for the pods to help build the resilience of the region.		
<b>Motion:</b>	For WCEM to reapply to NEMA resilience funding for the response pods with an expanded explanation as to the benefits of the Pods.	
<b>Moved</b>	Mayor Jamie Cleine/ Paul Morris	<b>Carried</b>
Mayor H Lash asked about the Franz item in the work programme and whether there was a focus on the south side. D Lew (WCRC) noted that there is a wide area that is potentially impacted and therefore a comprehensive plan of triggers and actions that encompasses the whole community is being developed. WCEM is working with our communities to build capabilities, resilience and empowering them to work independently and with EOC in an emergency through ongoing training and meetings.		
<b>Recommendation:</b> to receive the report and endorsed the WCEM work program		
<b>Moved</b>	Chair Peter Haddock/ Mayor Tania Gibson	<b>Carried</b>
<b>4. 'Resilient Westport' Programme Update – Claire Brown.</b> Report taken as read.		
Mayor J Cleine asked whether financial reporting on this project would be reported through Joint Committee. D Lew agreed and asked this to commence at the next meeting and also be given to CEG. S Gibling asked about the status of the position description for Resilient Westport. C Brown advised that this would be completed within two weeks.		
<b>Recommendation:</b> to receive the report		
<b>Moved</b>	Mayor Jamie Cleine / Mayor Tania Gibson	<b>Carried</b>
<b>5. Appointment of new Coordinating Executive Group Chair – Simon Bastion</b>		
S Bastion reminded the group of the agreement that the CEG Chair role rotates across the council Chief Executives at the last meeting of the calendar year. Given that, P Morris is the next incoming Chair of CEG.		
Mayor J Cleine thanked Simon for time and effort he put as Chair of CEG and welcomed Paul to the role.		
<b>Recommendation:</b> to endorse Paul Morris (GDC) as the incoming chair of the Coordinating Executive Group (CEG).		
<b>Moved</b>	Mayor Jamie Cleine / Chair Peter Haddock	<b>Carried</b>

**6. National Emergency Management Agency (NEMA) Update – Simon Chambers (online).** Report taken as read.

Emergency Management Bill

Mayor J Cleine said the Joint Committee submission has been submitted.

National Exercise Rū Whenua

C Brown said WCEM will be involved with the national exercise, she will send updates to the group though the agenda and minutes. She advised each Group across the country considers to what extent their communities, EOC and ECC will be involved.

**Recommendation:** to receive the report

**Moved** Mayor Helen Lash / Mayor Tania Gibson **Carried**

**7. Next Meeting:**

2024 Meeting schedule still to be confirmed.

Mayor J Cleine thanked the attendees and closed the meeting at 9:55am

**AGENDA ITEM THREE**

**Prepared for:** West Coast Emergency Management Joint Committee  
**Prepared by:** Claire Brown, Group Manager  
**Meeting Date:** 7 February 2024  
**Subject:** Group Manager Report

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**PURPOSE**

To update the West Coast Emergency Management (WCEM) Joint Committee on work progress, key projects, and highlights since the last meeting on 8 November 2023.

**EMERGENCY RESPONSE MONITORING AND ACTIVATION**

This following response activity occurred since the last meeting on 8 November:

- 18 – 20 January 2024. Red Rain Warning Westland (between 600 to 800mm), Orange Rain Warning Grey (200 to 300mm) and Buller (100 to 150mm). Preparations commenced from late Wednesday 17 January, with Westland EOC activated the morning of Friday 19 January. Significant planning and coordination of resources occurred across agencies. Support was received from other South Island Groups, with a focus on support into and across the Westland District. A state of emergency was declared on Friday 19 January at 2.37pm and terminated on Saturday 20 January at 10.55am.

The Minister for Emergency Management, Hon Mark Mitchell, visited the district and spent time at the EOC over two days.

Debrief sessions have or are occurring with agencies, communities, and Emergency Operation Centre (EOC) staff. The support and offers of assistance received from all five groups across the South Island, in addition to the NEMA and NZEMAT was greatly appreciated.

Along with MetService forecasts, NIWA flood forecasting was also utilised by WCRC technicians and engineers over this weather event. There is growing interest for how other forecast inputs are utilised and risk assessments fed back to the relevant agencies. WCEM will work with WCRC on amending the procedures accordingly.

**NEMA RESILIENCE FUND APPLICATION**

On 24 January 2024 the Coordinating Executive Group (CEG) agreed to submit applications to the NEMA Resilience fund for flood evacuation planning for Greymouth, Hokitika and Franz Josef for an estimated \$45k. It was understood that with additional funding there is an opportunity through the Resilient Westport evacuation planning to replicate or translate this work where possible to include Greymouth, Hokitika and Franz Josef.

The unsuccessful emergency cache application from last year will also be enhanced and re-submitted. Applications close on 19 February 2024.

**WCEM GROUP PLAN REVIEW HAS COMMENCED**

The review of the 2016 WCEM Group Plan has started. This is a large piece of work that contains six project phases (listed at Appendix One). The next steps involve online and workshop sessions in February and March to reassess the regions hazard / consequence profile. This involves input from a range of agencies and areas of expertise. We expect the work to be completed and with a new plan submitted to the Minister by October 2024.

**2022 FUNDERS PARTNERSHIP AGREEMENT**

The West Coast Emergency Management Group Partnership Agreement was endorsed by Joint Committee in May 2022. Given the current work on long-term plans across councils this document may

be utilised as a reminder of roles and responsibilities across the territorial and regional council. A copy of agreement attached for information.

#### **2024 TRAINING AND EXERCISES**

The 2024 training plan was presented to the Coordination Executive Group in January. Of note is the significant resource committed to the exercise programme. WCEM are holding three Exercises over 14 to 16 February on Incident Action Planning. Along with our EOC / ECC staff in the region, other agencies and EM staff from other groups will also be attending. WCEM and partner agencies will be fully participative in the national Exercise Rū Whenua on **12 and 26 June**, and **10 July 2024**. The NEMA Warning Order for this Exercise is at Appendix Two for information.

#### **WAIHO FUTURE MANAGEMENT STRATEGY**

At a meeting on 25 January WCEM agreed with the Franz Civil Defence group to resource work on compiling and reviewing the evacuation planning to be used by agencies and communities to prepare for and carry our evacuations.

#### **GROUP CONTROLLERS**

Consideration is required to appoint additional Group Controllers. We currently have only one appointed Group Controller, Te Aroha Cook from Westland District Council. Discussions are required to consider suitably qualified local Controllers and the Group Manager to also be appointed as Group Controllers. This provides greater flexibility for people to move across roles in response, without needing to seek Joint Committee's approval while in response.

#### **RECOMMENDATION**

That the West Coast Emergency Management Joint Committee:  
*receive* this report

Claire Brown  
**Group Manager**

## DEVELOPMENT OF WEST COAST CDEM GROUP PLAN – Toa Consulting

### Key project phases

The project has six main phases:

#### Phase 1 – Project setup

The first phase of the project will establish the scope of the plan review, key stakeholder groups, the development of a project plan and timeline and communication on the process with key partners and stakeholders.

#### Phase 2 – Review of the CDEM Group Hazards and consequences

The existing Group Plan hazards will be reviewed to determine if any new hazards exist, or if there have been significant changes to the hazards currently identified.

A scenario that can be used for the purposes of undertaking a risk analysis will be developed for each hazard. The NEMA hazard consequences table will be reviewed to ensure the consequences within each environment are suited to correctly assess the impacts to the region.

A workshop will be held with CDEM Partners, other key agencies, relevant experts and community members to review chosen hazard scenarios and determine the likely consequences to the region across the four environments.

The remaining hazard scenarios will be utilised to populate a hazards survey to identify priority hazards for full assessment at future workshops and inform the development of the Group Plan. Results from the workshop and hazard survey will be collated and finalised in the NEMA risk assessment spreadsheet and a final report developed with recommendations for further work. Hazard summaries will be created for each hazard utilising the NEMA template to accompany the report.

#### Phase 3 – Review of current Group Plan

This phase of the project will involve the assessment of the goals and objectives set out in the current group plan to determine what is still relevant and what has been achieved during the life of the plan. Potential gaps will be identified across the 4R's for inclusion in the new plan.

#### Phase 4 – Determine Vision, Goals and Objectives

The third phase will involve the engagement of stakeholders across the CDEM Group to review hazard consequences, identify capability gaps within the CDEM Group and prioritise outstanding critical work from the previous plan. Workshops will be utilised across sector groups to identify the objectives to address the above and ways in which these can be addressed within the plan.

#### Phase 5 – Collation and development of plan content

This phase will involve the collation of all relevant information to support the content development. Each section of the plan will be developed with input from key stakeholders throughout to ensure the plan meets the needs of the CDEM Group and this will be checked with NEMA to ensure it meets the requirements prior to full review.

The plan will be formatted in readiness for consultation to the stakeholders and the public.

#### Phase 6 – Plan Consultation and Review

The draft CDEM Group Plan will be provided to key stakeholders and the public to review and provide feedback. Issues raised in the consultation process will be reviewed by a group of key stakeholders to determine if amendments are required to the plan. Any changes required will be made before the plan is finalised for approval by CEG / Joint Committee and submitted to NEMA for approval.

## APPENDIX TWO



## EXERCISE RŪ WHENUA 2024 WARNING ORDER

The purpose of this warning order is to provide advance warning of Exercise Rū Whenua 2024, a Tier 4 (national) exercise under the National Civil Defence Emergency Management (CDEM) Exercise Programme and a national exercise on the Interagency National Exercise Programme (NEP). The exercise will be led by the National Emergency Management Agency (NEMA) and will be conducted over three dates in 2024 (12 June, 26 June and 10 July 2024), with accompanying lead-up activities taking place prior to the main exercise days. Your agency will be formally invited to participate in the main exercise later in 2023.

### 1.1 Overview

<b>Exercise need</b>	<p>Exercising is a core part of readiness and assists in identifying gaps and issues. The lessons identified are integrated into updated plans and procedures that improve the ability to respond to and recover from emergencies.</p> <p>The Alpine Fault is one of New Zealand's major fault lines and has the capability of generating a severe magnitude 8 earthquake. Planning for this risk has been a focus across the South Island emergency management sector and within NEMA in recent years.</p> <p>Despite being based on an earthquake scenario, the exercise will also be an opportunity to test or practice some of the lessons identified following the response to the January and February 2023 North Island severe weather events.</p> <p>The national Alpine Fault exercise will take place as an exercise under both the interagency National Exercise Programme (NEP) and the CDEM National Exercise Programme (CDEM NEP).</p>
<b>Exercise aim</b>	<p>The aim of Exercise Rū Whenua 2024 is to test New Zealand's arrangements for responding to and recovering from a significant Alpine Fault earthquake.</p> <p>Specific objectives are being developed and will be confirmed soon.</p>
<b>National exercise objectives</b>	<p>The exercise will also seek to meet the following National Exercise Programme objectives:</p> <ul style="list-style-type: none"> <li>• NO 1.0 Lead a coordinated interagency response to a significant incident or emerging threat that warrants an NSS activation.</li> <li>• NO 2.0 Support a coordinated interagency response to a significant incident or emerging threat that warrants an ODESC System activation.</li> <li>• NO 3.0 Enable high level all-of-government decision making through the ODESC System.</li> </ul>



- NO 4.0 Integrate recovery planning and arrangements into the response.
- NO 5.0 Situational awareness is established and maintained during the exercise.
- NO 6.0 Manage and deliver public information management to establish and maintain public assurance and confidence in the response.
- NO 8.0 Integrate previous lessons identified from interagency activities to engender a culture of continuous improvement.

**Exercise location** All of New Zealand.

**Exercise dates and type**

Phase 1 (Initial impact)	Phase 2 (Sustained response)	Phase 3 (Transition to recovery)
Wednesday 12 June 2024	Wednesday 26 June 2024	Wednesday 10 July 2024
<b>Functional:</b> Activation of NCMC, NCCs, ECCs, and EOCs. Data exchange and Common Operating Picture (COP), initial rapid support – including coordination of offshore support.	<b>Tabletop:</b> Discussion exercises across NEMA, and national agencies, CDEM Groups, and partner agencies. Examining sustained response operations. To incorporate a Watch Group and potentially ODESC simulated meeting(s).	<b>Tabletop:</b> Discussion exercises across NEMA, and national agencies, CDEM Groups, and partner agencies. Looking at long term national recovery implications.
Focus on initial decision making and establishing communications and situational awareness. <ul style="list-style-type: none"> <li>• Initial actions (Declaration)</li> <li>• Situational awareness and information flows</li> <li>• Controller’s objectives and Initial Action plans</li> <li>• Iwi/Māori response integration</li> <li>• Domestic emergency services coordination (triage)</li> <li>• Initial rapid relief</li> <li>• Initial international support</li> <li>• Group/regional expectations vs national.</li> </ul>	Focus on a deep dive into selected themes at a national level – based on Catastrophic Handbook development. <ul style="list-style-type: none"> <li>• Maintenance and dissemination of situational awareness information</li> <li>• Mass casualties and transport</li> <li>• Mass accommodation and welfare</li> <li>• Iwi/Māori sustained activation</li> <li>• Mass movement</li> <li>• Critical infrastructure coordination</li> <li>• Coordination of national/international support</li> <li>• Role of science (across all phases)</li> </ul>	Focus on what does recovery from this event look like at national/regional/local levels? <ul style="list-style-type: none"> <li>• Varied impacts across the affected region</li> <li>• Local vs national recovery coordination</li> <li>• Rapid policy advice</li> <li>• Lead agency changes</li> <li>• Local input</li> <li>• Iwi/Māori in recovery</li> </ul>



National Emergency  
Management Agency  
Te Kaitiaki Whakamaramatū



<b>Scenario</b>	The exercise will be based on the South Island Alpine Fault Earthquake Response (SAFER) Framework, which is a key output of AF8, a project to improve knowledge of readiness for, and resilience to a magnitude 8+ earthquake on the Alpine Fault. <a href="https://af8.org.nz/response-planning">https://af8.org.nz/response-planning</a>
<b>Participation</b>	Wide participation is expected from across the emergency management sector – led by NEMA and CDEM Groups, with support from agencies and organisations identified in the National CDEM Plan 2015 as providing support to a significant emergency response.
<b>Expectations of participating agencies</b>	Participating agencies will be expected to develop their own objectives for their roles in Exercise Rū Whenua 2024, and to determine their relevant National Objectives as well. All participating national agencies in support roles will be expected to exercise against NO 2.0 <i>Support a coordinated interagency response to a significant incident or emerging threat that warrants an ODESC System activation.</i>

## 1.2 Formal invitations and further information

<b>Formal invitations</b>	Formal invitations will be sent out to agencies later in 2023.
<b>Lead agency</b>	National Emergency Management Agency (NEMA)
<b>Exercise Director</b>	Derek Baxter (NEMA)
<b>Exercise Coordinator</b>	Sara Mitchell (NEMA)
<b>Exercise (Project) Sponsor</b>	John Price, Director CDEM, NEMA
<b>Steering Group</b>	The Steering Group will be primarily responsible for supporting exercise design, conduct and evaluation and will assist with the communication and implementation of exercise plans within and across agencies.  This group will be made up of representatives from NEMA, CDEM Groups, the Interagency NEP, Project AF8, and Ngai Tahu.
<b>Exercise enquiries</b>	<a href="mailto:exercises@nema.govt.nz">exercises@nema.govt.nz</a>



**AGENDA ITEM FOUR**

**Prepared for:** West Coast Emergency Management Joint Committee  
**Prepared by:** Claire Brown, Group Manager  
**Meeting Date:** 7 February 2024  
**Subject:** Emergency Coordination Centre Facilities

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**PURPOSE**

To update Joint Committee and seek endorsement to progress work on co-locating the WCEM group office and Emergency Coordination Centre (ECC), with Fire Emergency New Zealand (FENZ) at their expanding premises on High Street, Greymouth.

**BACKGROUND**

Each district and regional council is responsible for their respective EOC or ECC facility. Each of our three districts has a different EOC setup. Buller have a standalone facility, Westland utilise its council chambers, and Grey activate their EOC at the Westland Recreation Centre or set-up resources in another venue if an ECC is also required.

The Coordinating Executive Group (CEG) discussed this item when it last met in January and understood there were a number of aspects that needed to be worked through in terms of the cost implications and lease agreement. It was also understood that the any proposal would be required to fall within the current funding limits for ECC facilities.

**CURRENT ECC ARRANGMENT AND LEASE AGREEMENT**

WCEM lease the activity room at the Westland Recreation Centre from Grey District Council. This arrangement began in early 2020 when it was established in preparation for participating in a long-duration national response to Covid. The ECC was put together over a matter of weeks from what was an empty space at the time. This was done quickly to respond to the instruction of the national controller at the time, in full pandemic preparation mode. The use of the WCRC Council Chambers, which was typically set up as an ECC before Covid, was not deemed a suitable long-term option.

Since early 2020 WCEM has paid a monthly rental for the facility which is incorporated into the operational budget funded through the West Coast Regional Council. Grey District Council has remained cooperative since, accepting WCEM as a long-term lease holder. The use of the activity room has proven very valuable and was a good solution at the time.

**EMERGENCY COORDINATION CENTRE TO REMAIN BASED IN GREYMOUTH**

In early 2022 it was agreed by Joint Committee that the ECC remain based in Greymouth.

The activity room as been utilised as either a EOC for Grey District, or a ECC for the region, depending on the nature and impact of the event. It is clearly understood that if both a EOC and ECC is required these need to operate independent of each other in different locations. At present we have the resources to stand-up a second centre if need be.

**OPTION TO CO-LOCATE WITH FENZ**

Discussions began last year between WCEM and FENZ around the possibility of co-locating as work began on proposals to expand the current Greymouth FENZ facility.

There is significant benefit in a purpose build facility where our separate facility needs were met, and WCEM had a dedicated office space that could readily be scaled up into a ECC facility as required. The

increased collaboration opportunities with FENZ through co-locating is a real benefit for both agencies, and strong signal to the sector and the public around teaming-up.

**RECOMMENDATION**

That the West Coast Emergency Management Joint Committee:

*note* that the Emergency Coordination Centre (ECC) continues to be based in Greymouth,

*endorse* further work is carried out on the proposal to co-locate with FENZ and a more detailed project proposal is submitted to next Joint Committee for consideration.

Claire Brown  
**Group Manager, West Coast Emergency Management**

**AGENDA ITEM FIVE**

**Prepared for:** West Coast Emergency Management Joint Committee  
**Prepared by:** Claire Brown, Group Manager  
**Meeting Date:** 7 February 2024  
**Subject:** 'Resilient Westport' Programme Update

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**PURPOSE**

To update on the West Coast Emergency Management Joint Committee on WCEM aspects of the 'Resilient Westport' programme, as a standing agenda item as agreed at the 8 November 2023 meeting.

**BACKGROUND**

As a reminder the high-level work activities of this project are:

1. detailed evacuation planning for today (risk now), during works, after completion of works, that is scenario driven (including failure)
2. improvement in digital / IT systems and how these are linked and utilised in preparation and response (e.g. real-time monitoring or trigger levels)
3. improved community awareness and understanding of risk
4. greater critical infrastructure connection to all aspects of planning and response.

The first phase of this work is to engage a project lead to commence detailed project planning on:

- Stakeholder engagement and communication strategy
- Evacuation Planning
- Critical Infrastructure
- Planning and response tools and systems.

**REPORTING TO COORDINATING EXECUTIVE GROUP (CEG) AND JOINT COMMITTEE**

At the last Joint Committee meeting it was discussed providing financial reporting back to CEG and to the committee. This will be incorporated into project reports submitted by the Project Lead once appointed. At this stage only \$40,000 has been requested to be drawn down to commence the contract.

**RECRUITMENT**

A job description (see appendix one) and job sizing for the role has been completed. The position will be contracted and will be taken to market before the end of January.

**RECOMMENDATION**

That the West Coast Emergency Management Joint Committee:  
*receive* this report

Claire Brown  
**Group Manager**

## ‘Resilient Westport’ Project Lead

**Reporting to: Group Manager, West Coast Emergency Management**

**Date Reviewed: October 2023**

**Location: Resilient Westport Programme Office – Westport (*flexible work arrangements are considered*)**

### Our Purpose:

At the West Coast Regional Council, we are dedicated to establishing a reputation of service excellence, expert management, and promotion of our natural and physical resources. We are committed to innovating and leading with purpose, shaping our region into the premier destination for living, working, and recreation.

Central to realising this vision is our recognition of our people as our most valuable asset. Our diverse team, encompassing skilled hydrologists, water scientists, river engineers, accountants, planners, health and safety advisors, IT specialists, and many other professionals, is the cornerstone of our success. Each member brings unique expertise and a shared commitment to excellence, driving us forward in our mission to elevate the West Coast region.

### Position Purpose

The purpose of this role is to lead and coordinate a comprehensive program for emergency management planning in the Westport community, under the guidance of the West Coast Emergency Management (WCEM). This position is pivotal in implementing the PARA (protect, avoid, retreat, and adapt) framework, ensuring the development of robust strategies and responses. The role will work collaboratively with a multi-disciplinary team within the Resilient Westport Programme. The role will support the coordination across various project teams, ensuring effective community engagement, and will contribute to all phases of emergency management - preparation, response, and recovery.

### Functional Relationships

#### FUNCTIONAL RELATIONSHIPS

INTERNAL RELATIONSHIPS	EXTERNAL RELATIONSHIPS
<ul style="list-style-type: none"> <li>• Buller District Council elected members, and staff</li> <li>• WCEM staff</li> <li>• West Coast Regional Council Staff</li> <li>• Coordinating Executive Group (CEG) members</li> <li>• Operational Sub-committee (OSC) members</li> <li>• WCEM Joint Committee members</li> <li>• WCEM Controller network</li> <li>• ECC / EOC staff</li> <li>• Relevant staff across the other two West Coast territorial authorities</li> </ul>	<ul style="list-style-type: none"> <li>• National Emergency Management Agency (NEMA)</li> <li>• Range of other Government agencies (e.g. MSD, MPI, MBIE)</li> <li>• Contracted agencies involved across the programme of works, including construction, engineering, and flood modelling.</li> <li>• Critical infrastructure entities (Lifeline Utilities)</li> <li>• Mana Whenua</li> <li>• Emergency Services</li> <li>• Community sector organisations</li> <li>• Social sector and welfare support agencies</li> </ul>

	<ul style="list-style-type: none"> <li>• Emergency management volunteers and staff</li> <li>• Communication agencies and Media</li> </ul>
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### Limitations of Authority:

As defined in the Delegations Manual

### Key Tasks and Responsibilities

#### 1. Reporting and Relationships:

- Works with the Group Manager West Coast Emergency Management (WCEM) to fulfil responsibilities under the Civil Defence Emergency Management Act 2002.
- Supports the GM, WCEM to work in partnership with all three territorial authorities alongside a wide range of community groups and crown agencies to prepare for, respond and recover from emergencies.
- Works in partnership alongside the Resilient Westport Programme team to support progress of project strands, ensuring evaluation, planning arrangements and community engagement are aligned.
- Ensures strong partnering and relationships across the programme to support effectiveness and success of project delivery.
- Leads the recruitment for a fixed term, Senior Communications and Engagement Project Advisor and oversees the day-to-day leadership of this roles work programme

#### 2. Project Lead and Delivery

Lead and deliver on the project phases as set out below:

##### Phase One (three months) - Initiate

- Understand and establish links and mechanisms to remain strongly connected to the wider work programme.
- Detailed project planning to achieve the following:
  - enhanced evacuation arrangements
  - improved digital systems and tools for displaying and sharing data through GIS emergency response platform
  - how to strengthen coordinated planning across critical infrastructure agencies and emergency services, and
  - how to ensure community engagement and communications are addressed throughout
  - As a critical stakeholder understand and help implement support evacuation arrangements.
- Establish a clear and regular reporting mechanism through to the Steering Group.

##### Phase Two - Deliver

- Delivery of the project plan listed in phase one, with the aim to develop new and/or enhance existing evacuation arrangements that build in:
  - Digital systems and advanced warning tools
  - Critical infrastructure and other key stakeholder engagement/input
  - Community engagement, prioritising the role of our communities in the implementation.

### **Phase Three - Sustain**

- Identify tools and mechanisms to maintain arrangements going forward and a potential best-practice template for other parts of the region.
- Develop Long Term Planning proposals, in addition to a review of central government funding options.

### **3. Special Conditions**

In the event of a Westport flood related emergency event, this role will be asked to assist and support the response, particularly relating to the evacuation planning. The terms and conditions of this work may be negotiated at the time at the agreement by both parties.

### **Person Specification**

#### **Skills / Attributes**

- Experienced project lead who is community focused
- Experience working across multiple disciplines for future focussed programmes that build resilience under 'PARA' or a similar framework
- Understanding and experience of the Westport community and history of emergency response
- Understanding or experience of emergency management systems and structures, at a local, regional and national level
- Knowledge of critical infrastructure networks and roles that support the mitigation of risk, response to and recovery from emergency events
- Professional and seasoned communicator who is able to negotiate between various stakeholder demands and outcomes at a senior executive level.
- Motivated by delivering, finding opportunities and building relationships.

This job description gives a general outline of the duties and is not intended to be an inflexible or finite list of duties. It may therefore be amended from time-to-time following consultation with the incumbent. From time to time, you may be requested to perform duties outside of your normal responsibilities as needed.

This work is one of several strands of work of the 'Resilient Westport Package' announced by the Prime Minister in May 2023.

This role is a contracted position for a period of 24 months.

**AGENDA ITEM SIX**

**Prepared for:** West Coast Emergency Management Joint Committee  
**Prepared by:** Oliver Varley  
**Meeting Date:** 7 February November 2024  
**Subject:** National Emergency Management Agency (NEMA) Update

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## NEMA Updates

### 1. Minister for Emergency Management and Recovery

The Hon Mark Mitchell has been sworn into Parliament as the Minister for Emergency Management and Recovery. The previous Emergency Management and Cyclone Recovery Unit portfolios have been combined into a single portfolio. The Minister also holds the Corrections and Police portfolios.

NEMA's Briefing to the Incoming Minister (BIM) for Emergency Management and recovery has been proactively released on the DPMC website:

[Proactive Release: Briefing to the Incoming Minister for Emergency Management and Recovery \(NEMA\) \(Nov 2023\) | Department of the Prime Minister and Cabinet \(DPMC\)](#)

### 2. National Controller

Roger Ball resigned from his role as Manager National Operations and National Controller in October 2023. Wendy Wright, NEMA Strategic Programme Director has been formally appointed as National Controller. Ajay Makhija is the (Acting) Manager for National Operations. He will be in this role until February while NEMA advertise for a permanent National Operations Manager.

### 3. National Exercise Rū Whenua

On 12 October, NEMA issued a warning order to provide advance warning of Exercise Rū Whenua 2024, a Tier 4 (national) exercise under the National Civil Defence Emergency Management Exercise Programme and a national exercise on the Interagency National Exercise Programme. The exercise will be led by NEMA and will be conducted over three dates in 2024; 12 June, 26 June, and 10 July 2024, with accompanying lead-up activities taking place prior to the main exercise days. Your CDEM Group has been invited to participate in the main exercise.

### 4. Catastrophic Planning Update

NEMA have produced the first draft (the world according to us) of an operational, hazard-agnostic National Catastrophic Planning Handbook. This Handbook is a guide for the National Controller on how to coordinate response actions across government and stakeholders, in the event of a natural hazard catastrophic emergency.

This work has identified many readiness gaps which exist both for catastrophic events, but also for lower impact events. To address some of these gaps we have prioritised four areas of work that will be addressed in 2024:

- Rapid Relief – To develop a national rapid relief framework, population needs based assessment and options for mass shelter.

- Logistics – To develop a national movement Concept of Operations, including movement prioritisation across government.
- Intelligence – To develop a national information collection plan and improve reporting requirements in readiness and response.
- International Capabilities – To improve our integration of international teams including our national reception and departure centre capability.

NEMA will be engaging externally with the system and sector to gain multi-agency input to the prioritised work areas – which will result in a significantly more robust Handbook.

## CDEM Bill Update

5. Submissions on the Bill closed on 3 November 2023 and are able to be viewed on the [New Zealand Parliament Website](#)

Parliament has reinstated all Government bills that lapsed when the previous Parliament was dissolved before the election. The Bill now resumes at Select Committee stage. Information on the progress of the Bill is available on the Parliament website.

Further information and supporting resources about the Bill are available on the NEMA website.

## Inquiry and Review Updates

6. The Government Inquiry into the Response to the North Island Severe Weather Events provided its interim recommendations to the Minister in December 2023. The final report is due to the Minister by 26 March 2024.
7. The NEMA After Action Review Steering Group has endorsed the draft NEMA After Action Review (AAR) report and next steps. The Continuous Improvement Team is now working with Dave Gawn to obtain his approval and comfort with the approach to finalise the report and share with relevant stakeholders.

## National Recovery Practitioner's Hui

8. A cohort of regional and national recovery specialists met in mid-January for a National Recovery Practitioner's Hui held in Christchurch. The Hui consisted of representatives from NEMA, the Cyclone Recovery Unit and Group Recovery Managers from across the motu and was generously hosted by Canterbury CDEM.

This Hui was an important step in bringing together over thirty recovery practitioners to collectively discuss how to strengthen recovery capability and capacity, develop and enhance connections between recovery practitioners, and align our 2024 work programmes and priorities.

The first day of the Hui primarily aimed to increase understanding and promote collaboration and alignment of work programmes with the opportunity to test thinking and tease out critical issues / pinch points across three priority workstreams:

- Pre-Disaster Recovery Planning (PDRP)
- Recovery Capability Development
- Recovery Toolkit



The first day finished with a presentation on the Canterbury earthquakes and a walking tour of the CBD (by key ex Canterbury Earthquake Recovery Authority officials) to highlight scale, complexities, challenges and successes of recovery from a large event.

The second day primarily centred around sharing lessons and experiences from the past two years. It workshopped 'the good, the bad and the ugly,' including what worked, what we would do differently, what we need from others to perform better, and what we need to do now to be better prepared.

### **RECOMMENDATION**

That the West Coast Emergency Management Joint Committee:  
*receive* this report

**Oli Varley** | Regional Emergency Management Advisor  
**National Emergency Management Agency | Te Rākau Whakamarumarū.**

**Hon Simeon Brown**

MP for Pakuranga

Minister for Energy  
Minister of Local Government  
Minister of TransportMinister for Auckland  
Deputy Leader of the HouseJamie Cleine  
Buller District Council  
[jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

Dear Jamie,

As you will be aware, a new Government has taken office with a comprehensive transport programme that will see Kiwis get to where they want to go, quickly and safely. The Government is writing a new Government Policy Statement on Land Transport to focus on reducing travel times and to create a more productive and resilient transport network that drives economic growth to boost incomes and unlock land for houses.

I am writing to inform you of recent changes made to the Land Transport Rule: Setting of Speed Limits 2022 (the Rule).

I am aware Regional Transport Committees (RTCs) and Road Controlling Authorities (RCAs) are currently developing, or have developed, speed management plans in line with the Rule and deadlines set by the New Zealand Transport Agency Waka Kotahi (NZTA).

The Rule has been amended to revoke the deadlines set by the NZTA, including the 29 March 2024 deadline for submitting the final draft speed management plans for certification. The deadlines and targets for reviewing speed limits, including around schools, have also been revoked. The Rule no longer requires RTCs and RCAs to develop speed management plans, and instead allows them to choose to do so.

As part of the Government's 100-day commitments, I intend to replace the current Rule.

This new Rule will ensure that when speed limits are set, economic impacts – including travel times – and the views of road users and local communities are taken into account, alongside safety.

The new Rule will also implement requirements for variable speed limits on roads approaching schools during pick up and drop off times, rather than permanent reductions, to keep young New Zealanders safe when they are arriving at, or leaving, school.

I consider it is undesirable for RTCs and RCAs to apply public money and resources in developing speed management plans only to have to revisit the plans when the new Rule takes effect. Given this, if you have not already finalised your speed management plan, I encourage you to consider the new Rule before making final decisions.

I also note the policies within the previous Government's so-called 'Road to Zero' strategy, in relation to speed limits, are no longer the Government road safety strategy for the purpose of the Rule. The Government is committed to road safety and will be publishing new objectives for road safety along with the new Rule next year.

Private Bag 18041, Parliament Buildings, Wellington 6160 New Zealand  
+64 4 817 6804 | [s.brown@ministers.govt.nz](mailto:s.brown@ministers.govt.nz) | [www.beehive.govt.nz](http://www.beehive.govt.nz)

I am working with officials on the timeline for replacing the current Rule and I expect them to keep you updated on progress.

In addition, I understand that some local authorities have been developing programmes with NZTA and other stakeholders to reduce vehicle kilometres travelled (VKT) by the light vehicle fleet, using funding from the Climate Emergency Response Fund. I have given notice to NZTA to end its work on these programmes, and to not commit any further funding to local authorities (beyond existing contractual obligations) to develop these programmes.

Thank you for your understanding as we work through these changes.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Simeon Brown', with a stylized flourish at the end.

Hon Simeon Brown  
**Minister of Transport**

**Copy to:** Steve Gibling, [steve.gibling@bdc.govt.nz](mailto:steve.gibling@bdc.govt.nz)



13 December 2023

Tēnā koe,

## **Intention to repeal the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023 and replace the National Policy Statement for Freshwater 2020**

It is a privilege to be able to write to you as the new Minister Responsible for RMA Reform. I look forward to meeting with you in due course.

As you may be aware, the Government has set out its commitments for its first 100 days in office. These include changes to resource management legislation.

### *Repeal of Natural and Built Environment Act and the Spatial Planning Act*

Our first step is to repeal the Natural and Built Environment Act 2023 (NBA) and Spatial Planning Act 2023 (SPA) before Parliament rises at the end of 2023, a commitment made in the Government's coalition agreements. Once the repeal is finalised, legislation will revert to the Resource Management Act 1991 (RMA).

To avoid unnecessary disruption through the repeal, a limited number of NBA functions will be retained including the fast-track consenting process while the Government develops a replacement fast-track consenting regime. We will introduce this new regime within the first 100 days of taking office alongside other changes to make the RMA faster and easier to use.

The Government is committed to reforming the resource management system. Repealing the NBA and SPA is the first phase of this reform.

In the second phase of the reform, the Government will amend the RMA to make it easier to consent new infrastructure including renewable energy, allow farmers to farm, build more houses, and enable aquaculture and other primary industries.

The third phase of the reform will replace the RMA with new resource management laws based on the enjoyment of property rights.

The Government is committed to honouring the undertakings made by the Crown through Treaty of Waitangi settlements and other arrangements. Treaty settlement arrangements reached between iwi and the Crown will be protected through the repeal and any future resource management reform processes.

*Changes to the National Policy Statement for Freshwater Management*

We have also decided to review and replace the National Policy Statement for Freshwater Management 2020 (NPS-FM) in this term of Government, following normal RMA processes for national direction.

We will also use the repeal legislation mentioned above to extend the RMA's statutory deadline for notifying freshwater planning instruments to implement the NPS-FM by three years to 31 December 2027. This will allow time to replace and then implement a revised NPS-FM.

We intend to use the planned RMA amendment bill to progress changes to the application of the hierarchy of obligations contained in the Te Mana o te Wai provisions of the NPS-FM. Our intent is to clarify that consent applicants do not have to demonstrate how their individual activity adheres to the hierarchy, and to disapply the hierarchy from council consent decisions. We will undertake targeted engagement with iwi/ hapū/Māori on these matters before making final decisions.

I appreciate the expertise that local government holds and the key role you will continue to play in the resource management system. I acknowledge that over the last two years or more you may have committed significant time and resources into the broader resource management reforms.

I look forward to working with you and understanding your perspective as we move forward. Should you have any questions in the meantime, please contact [RM.reform@mfe.govt.nz](mailto:RM.reform@mfe.govt.nz).

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Bishop'.

Hon Chris Bishop  
**Minister Responsible for RMA Reform**

**Hon Simeon Brown****MP for Pakuranga**

Minister for Energy

Minister for Auckland

Minister of Local Government

Minister of Transport

Deputy Leader of the House



Mayor Jamie Cleine  
Buller District Council  
Email: mayor@bdc.govt.nz

cc. Chief Executive Steve Gibling  
Email: steve.gibling@bdc.govt.nz

Dear Mayor Cleine

**New direction for water services delivery**

This morning I announced that earlier this week Cabinet agreed to repeal the previous government's water services legislation. I also signalled next steps for implementing our plan for water services, Local Water Done Well.

I wish to provide you with further information about three key aspects of our plan, to ensure you have the clarity and certainty you need as you develop your council's 2024-34 long-term plan and prepare for your next financial year:

1. Repeal of the previous government's water services legislation
2. Options to help your council complete its 2024-34 long-term plan
3. Local Water Done Well – key principles of our future direction for water services.

I want to acknowledge that councils across the country are facing multiple challenges, including pressures with water infrastructure. I also want to acknowledge that many councils have done a good job of managing their water infrastructure, and that there is not a one size fits all solution to moving to more financially sustainable water services.

The Government is committed to addressing the longstanding challenges this country is facing with our water services infrastructure.

Our Local Water Done Well approach recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in future. We will do this while ensuring a strong emphasis on meeting rules for water quality and investment in infrastructure.

**1. Repealing the previous Government's water services legislation**

Cabinet has agreed to introduce a repeal bill that will restore council ownership and control of water infrastructure and services. The bill makes the following changes:

- All legislation relating to water services entities will be repealed (Water Services Entities Act 2022, Water Services Entities Amendment Act 2023, and Water Services Legislation Act 2023).

- Previous legislation related to the provision of water services will be reinstated (including local government legislation). This will restore continued council ownership and control of water services, and responsibility for service delivery.
- The Northland and Auckland Water Services Entity (the only entity that had been legally established under the Water Services Entities Act 2022) will be disestablished and any outstanding work on the entity's set-up will cease.
- Councils will need to add and integrate information about water services into their 2024 long-term plans. Some transitional support options are available to assist you (below).

The repeal bill is expected to be introduced in February 2024 and enacted as soon as possible.

## 2. Options to help your council complete its 2024-34 long-term plan

I have heard that councils are seeking legislative certainty for your 2024-34 long-term plan and are seeking direction and support for how to continue to plan for and finance water services.

I am also conscious that different councils will have different needs and preferences and will be at various stages of developing their long-term plans.

To provide flexibility for these local circumstances, Cabinet has agreed the repeal bill will include temporary modifications to local government legislation for the transitional period affecting the 2024 long-term plans. Once the bill is passed, these options will be available for councils to use, as appropriate.

I recognise a few councils are preparing an unaudited three-year plan, with a focus on cyclone recovery, rather than a standard 10-year plan. As such, some of the proposed modifications may be less relevant to you.

If your council is...	Options available
<p><b>Starting to prepare or consult on long-term planning material that includes water services information – ahead of the repeal bill being enacted</b></p>	<p><b>The enacted provisions clarify that the council can include water services material in the final plan, without re-consulting, but:</b></p> <ul style="list-style-type: none"> <li>• Must include new/updated information on water services in its final plan – to reflect the continuation of its responsibilities;</li> <li>• Must consider the views and preferences of affected and interested persons as it considers appropriate; and</li> <li>• Does not have to delay the adoption of its long-term plan past 30 June 2024 (in order to provide opportunities for public consultation on its revised proposals).</li> </ul> <p><b>Transitional provisions will also help ensure the risks of future legal challenge (associated with concerns about possible issues in process) will be minimised.</b></p>

If your council is...	Options available
<p><b>Needing more time to develop and consult on long-term planning material</b></p>	<p><b>The statutory deadline by which the 2024 long-term plan must be adopted will be extended by three months – to 30 September 2024.</b></p> <p>This flexibility may be desirable to smaller councils with fewer resources, or those councils that would prefer to wait until the repeal legislation is enacted before starting consultation.</p> <p>The deadline for adopting the 2023/24 annual reports will also be extended, to reflect the possible overlap in auditing processes if councils are taking longer than usual to finalise the long-term plan.</p>
	<p><b>Councils will be permitted to have unaudited long-term plan consultation documents.</b></p> <p>This would allow auditing of the final long-term plan to proceed in tandem with consultation, to help achieve statutory deadlines.</p>

### 3. Local Water Done Well – key principles of our future direction for water services

With Local Water Done Well we are going to do things in a way that recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in future. We will do this while ensuring a strong emphasis on meeting rules for water quality and investment in infrastructure.

We want to enable councils and communities to determine what works best for them, while establishing clear expectations and bottom lines.

Key principles of our future plan for the delivery of water services include:

- Introducing greater central government oversight, economic and quality regulation.
- Fit-for-purpose service delivery models and financing tools, such as improving the current council-controlled organisation model and developing a new class of financially separate council-owned organisation.
- Setting rules for water services and infrastructure investment.
- Ensuring water services are financially sustainable. Financial sustainability means revenue sufficiency, balance sheet separation, ring-fencing and funding for growth.



I intend to work with all councils on the development of our Local Water Done Well policy to ensure it reflects your local needs and circumstances.

I look forward to working with you in the New Year to refine our approach to water services delivery.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Simeon Brown". The signature is fluid and cursive, with the first name "Simeon" and the last name "Brown" clearly distinguishable.

Hon Simeon Brown  
**Minister of Local Government**

The Mayor  
Buller District Council

Dear Mr Cleine

I have been reading the latest Connect article, and once again a lot relates to how to deal with our town's rubbish.

Some time ago someone wrote to the NEWs about some similar sized towns in Europe use large enough incinerators to burn all the rubbish with sometimes also have a generator-to use the heat for electricity. I put a reminder letter into the BDC office- for you and Jai??(not correct spelling) to check on it, but nothing mentioned since then,

However perhaps a much better option, would be for the council to perhaps ask if Shane Jones, could find government funding to set up a full sized efficient Waste to Energy plant, able to perhaps take all the waste materials from the entire West Coast, as a trial for all of New Zealand to follow? John Hill as a trained British Industrial Chemist has already offered his expertise to Shane Jones, to present to the new Government as a positive contribution, to combat global warming.

You can no doubt visualise seeing all rubbish eliminated from New Zealand. The benefits would include -many new jobs producing very valuable export crops,, also the rain could be retained off the extensive horticultural houses and provide pure drinking water for the towns.

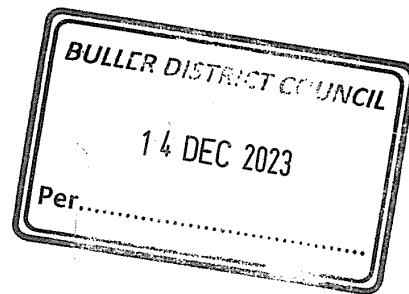
The electricity gained could go into the national grid, A valuable source of domestic income.

Many other benefits, including no more-inefficient recycling of materials very few really want now days.

The list goes on and on, limited only by the imagination of those involved at the time.

Yours

Gary Jeffery





31 January 2024

Tēnā koe

## **Development of fast-track consenting legislation and changes to the National Policy Statement for Freshwater Management**

I am writing to advise you of the Government's plans to develop fast-track consenting legislation and introduce changes to the National Policy Statement for Freshwater Management 2020 early this year.

This follows on from my 13 December 2023 letter confirming that the Government is committed to reforming the resource management system. This began with the repeal of the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023 and the retention of a temporary fast-track consenting regime.

The next phase is to introduce a permanent fast-track consenting process for locally, regionally and nationally significant infrastructure and developments. This was part of the Government's coalition agreement and will be delivered through a bill introduced in the Government's first 100 days in office, before 7 March 2024. We recognise how important these developments are for New Zealand's prosperity. That is why providing certainty and a faster consenting pathway for significant projects is a priority for us.

In the third phase of the reform, we will replace the Resource Management Act 1991 (RMA) with new resource management laws based on the enjoyment of property rights.

### **Proposed fast-track consenting bill**

I am proposing a new bill which draws on the previous fast-track regimes and that will reflect the following:

- The new fast-track process will be contained in a standalone Act with its own purpose statement.
- Locally, regionally and nationally significant infrastructure and development projects will be prioritised.
- There will be a process for the responsible minister to refer projects for acceptance into the fast-track process, and the bill will also contain a list of projects that will be first to have their approvals granted.
- Referred projects will go to an Expert Panel, which will have limited ability to decline a project once referred and will apply any necessary conditions to ensure adverse effects of the project are managed.

The proposed Bill would contain specific protections for Treaty settlements and other Treaty-related arrangements and commitments. Projects would be assessed for their compliance with these arrangements before being referred to the Expert Panel.

The proposed Bill will set out a 'one-stop shop' process for approvals under a range of legislation, including the RMA.

### **National Policy Statement for Freshwater Management (NPS-FM)**

In my 13 December 2023 letter, I advised we will review and replace the NPS-FM in this parliamentary term. This will be done through the RMA process for developing and amending national direction. This will take time, so we have extended the statutory deadline for councils to notify freshwater planning instruments to implement the NPS-FM by three years.

In the interim we intend to progress changes to how the hierarchy of obligations contained in Te Mana o te Wai provisions of the NPS-FM apply to consent applications and consent decisions. Our intention is that these changes will be made through a separate RMA amendment bill this year.

### **Next steps**

Details of the fast-track consenting regime and NPS-FM changes will be worked through over the coming weeks.

To inform this work, officials will carry out targeted engagement with groups representing Māori, local government, infrastructure, development, and environmental and commercial interests, as well as technical experts. This includes the Local Government Steering Group and local government peak bodies.

There will be an opportunity to provide feedback through a select committee process which is likely to commence in March, shortly after introduction of the fast-track consenting bill.

We will make more information available as work progresses. In the meantime, should you have any questions relating to the content of this letter, please contact [RM.Reform@mfe.govt.co.nz](mailto:RM.Reform@mfe.govt.co.nz).

Yours sincerely



Hon Chris Bishop  
**Minister Responsible for RMA Reform**



## Hon Simeon Brown

Minister for Energy  
Minister of Local Government  
Minister of Transport  
Minister for Auckland  
Deputy Leader of the House

To: All Council Mayors + GWRC Chair

Dear Mayor

### **Implementing Local Water Done Well**

Following my previous (December) letter, I'm pleased to provide you with an update on progress with implementing our plan for addressing New Zealand's long-standing water infrastructure challenges, Local Water Done Well (LWDW).

Last week the Prime Minister and I outlined the Government's plan for the next 12-18 months to implement LWDW. This included the repeal of the previous Government's three waters legislation, which was passed through Parliament last week.

This is a significant milestone, and I am energised about the work ahead of us. The Government is committed to enabling councils to determine water services infrastructure arrangements that work for them and their communities, while ensuring rules for water quality and long-term investment in infrastructure are met.

I understand that following my announcement last week the Department of Internal Affairs shared some detailed repeal bill information with council chief executives. I wanted to contact you directly to provide further information about:

- Our plan to implement LWDW through a three-stage legislative approach
- The establishment of a Technical Advisory Group to support the detailed design of LWDW policy.

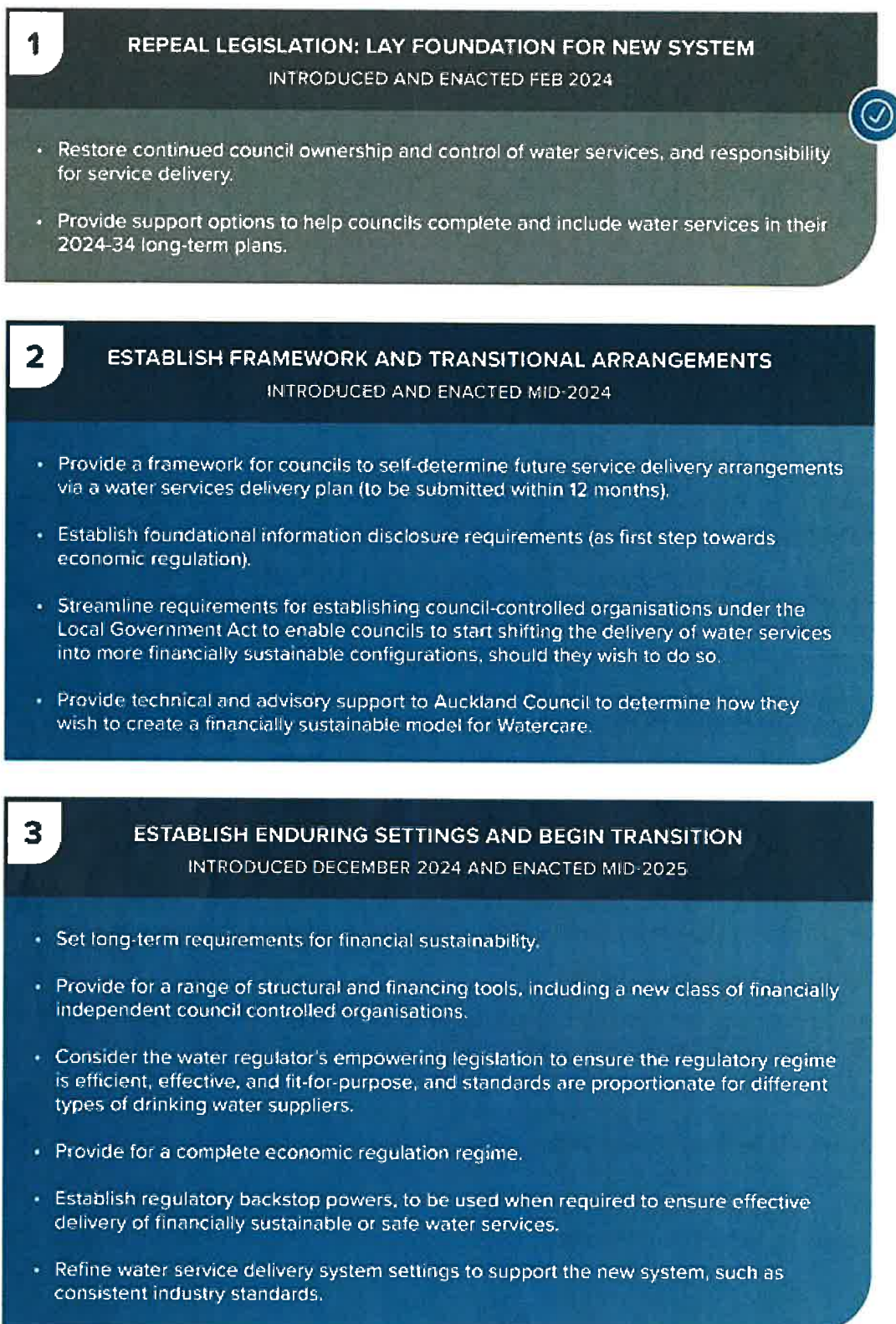
I also wanted to provide a contact at the Department of Internal Affairs should you wish to have any early discussions about possible future water service delivery arrangements.

### **Our plan to implement LWDW**

I am pleased we have been able to make good progress in our first 100 days in Government, with the repeal of the previous Government's legislation now complete.

Further legislation to implement LWDW will progress in two further stages. The first bill, which will establish the framework and transitional arrangements for the new water services system, will be passed by the middle of 2024. A second bill to provide for the long-term replacement regime will be introduced in December 2024.

Set out below is our three-stage legislative approach, and the different components expected to be included in each bill.



### Technical Advisory Group establishment

Last week I also announced the establishment of a Technical Advisory Group (TAG) to contribute specialist and technical expertise to myself and the Department as we develop policy and legislation to implement LWDW.

Leading experts in finance, infrastructure and local government will take on key roles as members of the TAG.

One of the key areas of focus for the TAG is providing advice and assurance on policy and legislative settings that will enable local councils to appropriately recover costs and access the long-term debt needed to fund the required investment in water infrastructure.

You can find more information about the TAG, including membership and Terms of Reference on the Department website, at: [www.dia.govt.nz/Water-Services-Policy-and-Legislation](http://www.dia.govt.nz/Water-Services-Policy-and-Legislation)

### Enabling councils to determine future water services arrangements

I recognise that councils will be at different stages in their thinking and readiness in determining their preferred future water services delivery model.


I also recognise that many councils are wanting to move quickly to put new arrangements in place and lead the way in developing local solutions to their water services challenges.

While our legislative plan provides certainty about our direction of travel, there are details to be worked through in the months ahead. We need to work together to ensure councils have the tools and information they need to support a smooth transition.

To this end, I have instructed officials at the Department to be available to assist with early discussions that councils may be having about their possible future service delivery arrangements.

Please contact Hamiora Bowkett, Executive Director, Water Services Policy, Legislation and Stewardship, by emailing [waterservices@dia.govt.nz](mailto:waterservices@dia.govt.nz), should your council wish to set up initial discussions with Department officials.

Yours sincerely,



Hon Simeon Brown  
**Minister of Local Government**



21 FEB 2024

Mayor Jamie Cleine  
Mayor, Buller District Council  
[jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

Maureen Pugh  
MP West Coast-Tasman  
[Maureen.pugh@parliament.govt.nz](mailto:Maureen.pugh@parliament.govt.nz)

Ref. SRC-953

Dear Ms Pugh & Mr Cleine

**Buller Health Services**

Thank you for your email of 15 February 2024 regarding Buller Health Services.

I acknowledge the points you raise in your letter, and I am advised that health care services remain available in Westport and wider Buller communities. As you are aware, due to staffing issues at Buller Health alternate arrangements for acute care may be necessary at times.

For emergency or urgent health needs people in Westport and the wider Buller communities should dial 111 and ask for an ambulance. Health New Zealand – Te Whatu Ora has advised;

- A PRIME-trained clinician will be available on-call to respond to community emergencies on these days.
- St John will continue to provide usual emergency response services.
- Anyone needing admission will be transferred to Greymouth's Te Nīkau Hospital.

Our health workforce is under pressure, but it is not an issue unique to the West Coast or New Zealand, we are experiencing a global health workforce crisis. I am advised that the current situation on the West Coast has been exacerbated because of unexpected leave in both Greymouth's Te Nīkau Hospital & Health Centre and Westport's Te Rau Kawakawa.

Health New Zealand - Te Whatu Ora has further advised that work is already underway to create a more robust service for Westport including using additional





Rural Generalist support from Te Nīkau, supported by Emergency Department (ED) telehealth services to add further robustness to the service. Additionally, there has been successful recruitment of Rural Generalists as well as a Nurse Practitioner returning to the Coast that will be supporting Westport in the coming months.

Recruitment efforts on the West Coast are ongoing and there has been success but there is still more work to do.

I hope this information is reassuring and I want to thank you for your on-going commitment to providing health care services for Westport and wider Buller community.

Thank you again for writing.

Sincerely

A handwritten signature in blue ink, appearing to be 'S. Reti', written over the typed name and title.

Hon Dr Shane Reti  
**Minister of Health**

**OFFICE OF THE MAYOR**  
Jamie Cleine

6 December 2023

Minister Simeon Brown  
Via email: [Simeon.Brown@parliament.govt.nz](mailto:Simeon.Brown@parliament.govt.nz)

Kia Ora Minister Brown,

Congratulations on your recent appointments as both Minister for Local Government and Minister of Transport. We are genuinely encouraged by your clear understanding of our sector, given your earlier visits to our District with colleagues Matt Doocey and Scott Simpson. We look forward to continuing this engagement and partnership approach with our District.

There is no doubt that the Buller 'punch above our weight' in terms of engagement and delivery. We have built up a strong relationship with the Crown and are incredibly proud of the strength of the partnership we have developed with a range of agencies. As a partner to the Crown, we have delivered on significant infrastructure projects that has given us a solid platform to develop from.

The challenge we face here is that the size of our problem is far greater than our community can affordably sustain when it comes to water. We met earlier in the year with your colleague Hon. Simon Watts, and were able to convey that whilst we disagreed with certain elements of the previous governments' three waters reform programme, there were significant benefits to our community through the development of an entity-based model for a small district like ours. We look forward to being able to share the issues we have with you at your earliest convenience.

We also wish to recognise that, thanks to existing partnerships with the Crown, the Westport Resilience work programme including the Local Adaptation Planning and Master Planning projects, have enabled us to begin taking a future focused approach to adaptation in the face of obvious climate related adversity. These partnerships are giving hope and choice to our community through clear and strategic long-term planning, utilising the suite of central and local government mechanisms to create a pathway for the future of our main township in Westport.

Our June 2022 business case for Westport Flood Resilience secured \$22.9 million in government funding. We are grateful for this investment which is currently being delivered. However, we do wish to alert you to the critical stormwater investment that although included in the business case, was unfunded by the crown. This \$12 million investment was referred to the proposed three waters entities for funding so is now extremely uncertain. The community lack the means to cover this essential cost and its completion is an integral part of the funded ring-bank flood protection scheme and is critical for the system to work effectively and safely. This is an urgent matter for your attention.

Finally, we wish to applaud the decision by Waka Kotahi to delay the transition to Council of the current Special Purpose Road to Karamea. We are unanimous in our view that the road should remain 100% funded from Waka Kotahi moving forward and will be ensuring that message remains well articulated throughout the coming triennial. We also strongly support NZTA funding for coastal shipping that has enabled opportunities like the Westland Mineral Sands venture to create a compelling new economic driver for our region. This has directly led to additional investment into our critical port infrastructure that in turn will create a stronger economy and a more resilient community.

We would welcome your visit to the region to show first-hand the relationship we have with Central Government and how we can work together in partnership over the coming years.

Yours faithfully



**Jamie Cleine**

Buller District Mayor  
Phone 027 423 2629 | Email [jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

cc: Maureen Pugh and Hon. Simon Watts



Appendix 3



8 December 2023

Hon Mark Mitchell  
Minister for Emergency Management and Recovery  
Parliament Buildings  
Private Bag 18888  
Wellington 6160  
Email: [mark.mitchell@parliament.govt.nz](mailto:mark.mitchell@parliament.govt.nz)

Dear Minister

Congratulations on your appointment as Minister for Emergency Management and Recovery. This portfolio has been a critical support in our region's navigation of climate related weather events over the past three years. The NEMA team has been instrumental in supporting the region in response and recovery to major floods in Buller in 2021 and 2022. South Westland has also borne the brunt of heavy rain events with flooding, road closures and evacuations over recent times.

The West Coast Emergency Management Group (WCEM) hold responsibility for the entire West Coast and anticipates on-going and frequent activations in response to the changing climate. We also have a key role in planning for and supporting community preparations for the inevitable Alpine Fault rupture that science tells us is 75% likely in the next 50 years.

WCEM is proud of our efforts to forge strong relationships across territorial and regional boundaries and the innovative ways we seek to lead an informed emergency management discussion with our communities. Our geography and resource constraints continue to present challenges to how we effectively manage our hazard risks and provide an equitable emergency management service to the region. This is an on-going and urgent concern that we will need to explore further with you.

We would welcome your visit to the region to show first-hand the relationship we have with NEMA and how that is supporting the on-going recovery work in Buller and the effort to build capacity in response across the region.

Yours Faithfully

Mayor Jamie Cleine - Buller District Council  
**Chair, West Coast Emergency Management Joint Committee**

Copy to:

Maureen Pugh, Member for West Coast – Tasman, National Party. Email: [Maureen.pugh@parliament.govt.nz](mailto:Maureen.pugh@parliament.govt.nz)  
Simon Chambers, Principal Advisor, NEMA. Email [simon.chambers@nema.govt.nz](mailto:simon.chambers@nema.govt.nz)

**OFFICE OF THE MAYOR**  
Jamie Cleine

11 December 2023

Minister Shane Jones  
Minister Regional Development

Via email: [shane.jones@parliament.govt.nz](mailto:shane.jones@parliament.govt.nz)

Kia Ora Minister Jones,

Congratulations on your return to government and appointment to the vital Regional Development Ministry.

Your previous reign in this portfolio via the Provincial Growth Fund has been instrumental in turning the dial of opportunity for the Buller District. One of my first jobs as Mayor in 2019 was to meet with you in Wellington and illustrate our strategic investment plan and where your funding support could provide leverage far beyond the initial funding available. The fantastic news is that four years on, almost all of your funded projects have been completed and are beginning to bear the fruit we both anticipated they could.

Investments into our port have enabled the new heavy mineral sands business to establish near Westport. This is using our port facility as a key part of their logistics to market. This is also enabling a new coastal shipping service to begin in early 2024 that will see transport of bulk goods to regional ports around the country becoming a reality. Our fishing industry is also bolstered with new modern berthing facilities making Westport a preferred port for larger vessels and growth in onshore in processing capacity.

Tourism is also stronger and the experience richer for our visitors and locals via your investments in the Kawatiri Coastal Trail - and the upgrades to the Oparara Basin in Karamea. The Kawatiri Coastal Trail construction continues to provide economic stimulus as the progressive opening of sections enables active recreation and visitor experiences for all of the community. The Pounamu Pathway and the Dolomite Point visitor centre in Punakaiki are almost complete and will add significant confidence to the tourism sector and grow the depth of cultural understanding in our community.

Reefton is enjoying a modern day gold rush via an initial PGF investment into Federation Mining and also the Reefton Distilling Company. The goldmining project is well underway with construction of a processing plant and production due to start next year. Other gold projects have gained the confidence off the back of your investment and vision.

Buller has delivered on significant infrastructure projects that you funded via the PGF and there are opportunities to continue our partnership approach via further investments into the practical completion of unfunded components of the Westport Resilience package with you and your team.

I would welcome your visit to Westport to view our progress and discuss how we work towards the next steps in your vision of regional development.

Yours faithfully



**Jamie Cleine**

Buller District Mayor  
Phone 027 423 2629 | Email [jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

cc: Maureen Pugh & Hon. Simons Watts



**OFFICE OF THE MAYOR**  
Jamie Cleine

15 December 2023

Jackie Mathers

Via email: [REDACTED]

Dear Jackie,

Thanks for speaking at public forum to provide further detail on the Ngakawau Hall agenda item. I trust you were pleased with the unanimous support of Council in agreeing the resolutions. You can expect further contact with CEO Steve Gibling and his team to action the steps required as resolved by Council.

Thanks for your various efforts on these matters.

Best Regards

**Jamie Cleine**

Buller District Mayor  
Phone 027 423 2629 | Email [jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

**OFFICE OF THE MAYOR**  
Jamie Cleine

18 December 2023

Alan Spooner  
Chairman  
The National Railway Museum of NZ

Via email: [chairman@nzrailmuseum.com](mailto:chairman@nzrailmuseum.com)

Dear Mr Spooner

Further to my letter to you of 29 November 2023, as promised this was discussed at full Council meeting on 13 December.

The Councillors agree that the historic Steam Locomotive C 2 is an important piece of Buller History to be preserved, however as Buller District Council are not the owner, it is not our decision to release the train.

The local Railway Preservation Society representative that Council staff have liaised with is Rob Stoddart - [REDACTED] so we suggest that you contact Rob to further this discussion with him and hope you achieve a favourable outcome.

Thank you for your interest in this matter.

Best Regards



**Jamie Cleine**

Buller District Mayor  
Phone 027 423 2629 | Email [jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)





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 The West Coast, New Zealand  
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 Toll free 0508 800 118  
 Facsimile (03) 768 7133  
 Email [info@wcrc.govt.nz](mailto:info@wcrc.govt.nz)  
[www.wcrc.govt.nz](http://www.wcrc.govt.nz)

6 February 2024

Hon Minister Chris Bishop - Minister for RM Reform  
 Hon Minister Penny Symonds - Minister for the Environment  
 Hon Minister Shane Jones – Minister for Regional Development  
 Parliament Buildings  
 Private Bag  
**Wellington 6160**

Dear Ministers Bishop, Symonds and Jones

**“Functional need” test in NES – Freshwater**

An issue has arisen for the West Coast Regional Council (WCRC or the Council) with implementing the Resource Management (National Environmental Standards for Freshwater) Regulations 2020 (NES-F) Regulation 45D(6), in relation to processing resource consent applications for mineral extraction which may affect a natural inland wetland.

Functional need test

Regulation 45D(6) of the NES-F sets out a threshold test that must be passed before a consent application can be considered for approval. This Regulation states:

- (6) *A resource consent for a discretionary activity under this regulation must not be granted unless the consent authority has first—*
- (a) *satisfied itself that the extraction of minerals will provide significant national or regional benefits; and*
  - (b) *satisfied itself that there is a functional need for the extraction of minerals and ancillary activities in that location; and*
  - (c) *applied the effects management hierarchy.*

All three elements of the test must be applied and passed before a resource consent can be considered for possible approval.

The issue specifically relates to the term “functional need” in clause (6)(b). Council has recently received consent applications for mineral extraction at two different sites, Barrytown and Mananui, both potentially affecting natural inland wetlands. Alternative planning/legal arguments have been put forward on whether there is a pathway to approve the consent under the “functional need”

test. There is a risk that the matter is going to be determined at hearings in the absence of definitive national direction, and the issue is too important not to have this direction.

Functional need is defined in the NPS-FM as: “...*the need for a proposal or activity to traverse, locate or operate in a particular environment because the activity can only occur in that environment.*”

The issue with the “functional need” test is that there are a potentially large number of wetlands on the West Coast that could meet the definition of “natural inland wetlands” in accordance with the NPS-FM and the NES-F. It is likely that many of the mining proposals, including all of the current mineral sands consent applications, that are looking to obtain consent in the West Coast Region will trigger the NPSFM wetland definition and the NES-F s45D(6)(b) “functional need” test, in order to have a consenting pathway.

Currently there is little case law available to assist in how to correctly apply the “functional need” test. The only case law that the applicant was able to supply was only partly applicable. While that case did help to clarify the functional needs test, it related to infrastructure and not minerals. Infrastructure has a potentially clearer path through the functional need test.

The Council is concerned that if consent Hearing Panels are not convinced that the functional need test can be met, and/or a wetland meets the definition of a “natural inland wetland”, there is no pathway to approve mineral extraction applications, including the two applications currently being processed for the Barrytown and Mananui sites. If multiple mining consent applications will be declined in future solely because of these factors, this raises issues around perverse impacts of these provisions on the social and economic wellbeing of West Coast communities. It has the potential to de-rail minerals applications that impact wetlands on the West Coast.

Regardless of whether the independent hearing commissioners approve or decline consent applications for mineral extraction based on the functional need test, the likely outcome of the current TIGA hearing is that there will be protracted appeals either by the applicant if the application is declined or by submitters including NGOs if the application is approved. Hence, a more definitive and clearer position of the functional need test is required in law via the NPS-FM and NES-F.

#### Changes sought

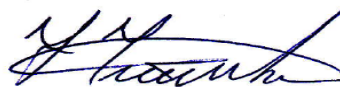
The Council seeks the removal of the functional need test, so an effects-based assessment of effects on wetlands can be undertaken that enables any adverse effects to be avoided, remedied or mitigated as part of the consent process.

The Council also has concerns about application of the “natural inland wetlands” definition in the NPS-FM 2020 which we will raise with you separately.

Yours faithfully,



Peter Haddock  
**Chair**  
**West Coast Regional Council**



Francois Tumahai  
**Chair**  
**Te Rūnanga o Ngāti Waewae**



Paul Madgwick  
**Chair**  
**Te Rūnanga o Makaawhio**



Jamie Cleine  
**Mayor**  
**Buller District Council**



Tania Gibson  
**Mayor**  
**Grey District Council**



Helen Lash  
**Mayor**  
**Westland District Council**

**From:** Mayor Jamie Cleine <jamie.cleine@bdc.govt.nz>  
**Date:** 15 February 2024 at 12:23:03 PM NZDT  
**To:** S.Ret@ministers.govt.nz  
**Cc:** Maureen Pugh <Maureen.Pugh@parliament.govt.nz>, Steve Gibling <Steve.Gibling@bdc.govt.nz>  
**Subject: Buller Health Services - Urgent**

Dear Minister Reti,

I wish to bring to your attention an urgent and unacceptable risk to health for residents of Buller District.

I have just been advised by Te Whata Ora that the brand new health facility in Westport, Te Rau Kawakawa will completely close from 8.30am Friday until 8.30am Mon due to unavailability of Doctors. This means current in-patients are being discharged or transferred to Te Nikau Hospital in Greymouth. It also means there is no acute stabilisation unit available to provide any kind of hospital based A&E/urgent care in Westport.

I understand and appreciate the efforts of local medical and management staff to avoid this critical gap in doctor coverage, they are dealing with a doctor resource that is spread too thin to maintain critical services. This must also put extreme pressure on nursing staff and St John's to provide services without the back-up of a doctor or access to acute stabilisation facilities.

Te Rau Kawakawa is an outstanding investment in terms of a facility but the Ministry of Health's inability to ensure adequate staff to provide the services is untenable for an isolated and vulnerable community.

The facility has been closed at weekends and overnight four times in the 9 months since opening in May 2023, due to either a nurse or doctor shortage. This has exposed the community to additional risk to health outcomes and erodes public confidence in the health services available in Buller.

Please advise how you can ensure urgent resource is made available to provide doctor coverage at Buller for this weekend.

Looking further ahead we need reassurance that there is adequate and equitable health care maintained for the residents of Buller District. The status quo is totally unacceptable.

Thank you for your urgent consideration of this issue.

Regards  
Jamie

**Jamie Cleine** | Mayor  
Mobile 027 423 2629 | Email [jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

**Buller District Council** | Phone 0800 807 239 | [www.bullerdc.govt.nz](http://www.bullerdc.govt.nz)  
PO Box 21 | Westport 7866

**Community Driven | One Team | Future Focused | Integrity | We Care**

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**OFFICE OF THE MAYOR**  
Jamie Cleine

16 February 2024

Minister Shane Jones  
Minister Regional Development

Via email: [shane.jones@parliament.govt.nz](mailto:shane.jones@parliament.govt.nz)

Kia Ora Minister Jones,

Thank you for taking the time to talk with us today about the opportunities and critical needs of Westport and the wider Buller District Community with a Regional Development lens.

We have a strong history of delivery with Crown investment and all of your previously funded projects have been completed and are beginning to bear fruit. Key examples include investment into our port enabling the new heavy mineral sands, coastal shipping and fishing businesses to establish and grow. Tourism is also stronger through your investments in the Kawatiri Coastal Trail, upgrades to the Oparara Basin and the Pounamu Pathway and the Dolomite Point visitor centre.

We have however a significant challenge as a community in Westport and a specific challenge around the level of investment needed for critical flood protection infrastructure, stormwater delivery and creating a new future for the community of Westport through master planning. These elements all underpin our regional economy and support Westport as the economic hub for many of the industries noted above.

We look forward to your next visit to our district and to progressing the key issues noted above and attached and would welcome your visit to Westport to discuss how we work towards the next steps in your vision of regional development.

Yours faithfully



**Jamie Cleine**

Buller District Mayor  
Phone 027 423 2629 | Email [jamie.cleine@bdc.govt.nz](mailto:jamie.cleine@bdc.govt.nz)

cc: Maureen Pugh

# BULLER DISTRICT COUNCIL

28 FEBRUARY 2024

AGENDA ITEM: 13

Prepared by Steve Gibling  
Chief Executive Officer

## CHIEF EXECUTIVE OFFICER'S REPORT

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### 1. REPORT SUMMARY

This report provides an overview of activities across the previous month and a 'horizon-scan' of upcoming strategic focus areas and opportunities.

### 2. DRAFT RECOMMENDATIONS

1. That the Council receive the Chief Executive Officers Report.
2. That the Council endorse the CEO action in signing the Infrastructure Acceleration Fund Delivery Plan in December 2023, noting the following:
  - 2.1. The Council's funding for this project, \$200,000, which funds initial development feasibility, the IAF application and activities to support the establishment of the future development
  - 2.2. The cost of infrastructure constructed is, \$13.6 million, plus the Council's cost of the supporting the development, \$200,000, will also be recovered over time by a development levy on subdivision activity

### 3. OVERVIEW OF INFORMATION

This report provides information on activity which has occurred over October 2023, and horizon scans matters of interest to Council.

#### 3.1 Long-Term Plan 2024-2034 Update

Council have held public workshops on the 31 January 2024 and the 14 February 2024. The following provides the update as to what has been discussed during the workshops:

- Draft Consultation topics
- Rates and borrowings update
- Progress since December 6th

- Consultation Communications Plan
- Ministerial Update
- Draft Budget Update
- Draft Policies
- Draft KPIs
- Draft Infrastructure Strategy
- Draft Financial Strategy

As we navigate the challenges in our long-term planning, it's imperative that we balance regulatory compliance with maintaining financial sustainability and affordability for Buller District Council. This is not helped by the level of uncertainty around the legislation being implemented and the impact this will have on our ability to forecast our critical infrastructure requirements.

### **3.2 Project Management Office Review**

The review is in the final stages of completion following a series of interviews with staff and key people in the previous two weeks. The final report will be presented to the March meeting of Council and will highlight the findings and any recommended next steps.

### **3.3 Infrastructure Acceleration Funding (IAF) Agreement**

The Council has completed the necessary steps to reach agreement with the Government on obtaining funding of \$13.6 million to design and construct infrastructure to facilitate housing development in Westport.

The infrastructure includes roading, water, stormwater and wastewater services. The infrastructure will enable up to 400 new homes to be built within the Alma Road development area over a 15–20-year period.

The Alma Road development area still awaits planning approval but is an area of new developable land at lower risk of flood and earthquake damage. With its naturally raised aspect, this location will provide the Westport community with increased future-proof housing options, away from existing flood-prone areas.

The funding allows the Council to develop the infrastructure needed for growth without having to borrow the funding and taking the development risk that is often associated with this type of work funded by Councils. The design phase is expected to be completed by the end of 2024. Subject to planning approval, the construction will commence on the first stage in 2025.



Future stages of construction will be undertaken as demand for subdivision activity requires. As the work is undertaken, design and construction funding is applied for by the Council to the Crown with payment based on funding conditions being met by Council.

The Council's funding for this project, \$200,000, which funds initial development feasibility, the IAF application and activities to support the establishment of the future development. The cost of infrastructure constructed is, \$13.6 million, plus the Council's cost of the supporting the development, \$200,000, will also be recovered over time by a development levy on subdivision activity. As development funds are recovered, they can be used by the Council to reinvest in future stages of development.

### **3.4 Airport Safety Audit Successfully Completed**

In late 2023, Westport Airport underwent a thorough audit of its safety systems, focussing on compliance with CAR Part 139/100 regulations. The audit, which included an on-site assessment of aerodrome facilities, was a significant step in ensuring the airport's commitment to safety and regulatory standards.

I'm pleased to report that Westport Airport emerged from this audit with positive feedback, demonstrating exemplary adherence to safety protocols and regulatory frameworks. Notably, the airport has successfully addressed all recommendations from a previous audit conducted in November 2021, demonstrating its dedication to continuous improvement. The audit also:

- reaffirmed that Westport Airport remains fully compliant with CAANZ requirements under Part 139/100/12 regulations, reflecting the airport's unwavering commitment to upholding industry standards and best practices.
- highlighted the exceptional dedication and expertise of Westport Airport's operational safety team. Their commitment to excellence and focus on safety have earned praise. With the recent addition of the Airport Operations Officer to the qualified CAANZ senior personnel status, Westport Airport has further strengthened its operational resilience and flexibility, ensuring that it continues to deliver safe and secure operations.

This positive outcome is a testament to the collective efforts of all Westport Airport employees who work hard every day to ensure a safe environment for all who travel through their doors.

### **3.5 Communications Strategy**

The Engagement Team are developing a communications strategy to ensure efficiency and effectiveness in both our internal and external communication. As part of this initiative, we're focusing on streamlining our processes to serve our community, stakeholders and staff better. By improving our media

engagement practices, community engagement practice and adhering closely to brand guidelines, we aim to maintain consistency and clarity in our messaging. This effort will strengthen our external communications and enhance our internal processes, enabling smoother coordination and more impactful outreach to our communities.

**BULLER DISTRICT COUNCIL**

**28 FEBRUARY 2024**

**AGENDA ITEM: 14**

**Reviewed by** Steve Gibling  
Chief Executive Officer

**VERBAL UPDATES FROM COMMITTEE CHAIRS**

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**1. REPORT SUMMARY**

A summary of updates is verbally provided by each of the Chairs and Council Representatives listed below.

**2. DRAFT RECOMMENDATION**

**That Council receive verbal updates from the following Chairs and Council Representatives, for information:**

- 1. Inangahua Community Board – Cr L Webb**
- 2. Ngati Waewae Representative – N Tauwhare**
- 3. Regulatory & Hearings Committee – Cr G Neylon**
- 4. Community, Environment & Services Committee – Cr J Howard**
- 5. Te Tai o Poutini Plan – Mayor J Cleine and Cr G Neylon**
- 6. Joint Committee Westport Rating District – Mayor J Cleine, Cr J Howard and Cr C Reidy**
- 7. WC Health Localities Project - Cr G Neylon**
- 8. Regional Transport Committee - Cr T O’Keefe**

# BULLER DISTRICT COUNCIL

28 FEBRUARY 2024

AGENDA ITEM: 15

Prepared by Steve Gibling  
Chief Executive Officer

## PUBLIC EXCLUDED

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### 1. REPORT SUMMARY

Subject to the Local Government Official Information and Meetings Act 1987 S48(1) right of Local Authority to exclude public from proceedings of any meeting on the grounds that:

### 2. DRAFT RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting:

Item No.	Minutes/Report of:	General Subject	Reason For Passing Resolution Section 7 LGOIMA 1987
PE 1	Steve Gibling - CEO	Confirmation of Previous Public Excluded Minutes	<b>(s 7(2)(j))</b> - Prevent the disclosure or use of official information for improper gain or improper advantage.
PE 2	Steve Gibling - CEO	CE Recruitment Update	<b>(s 7(2)(i))</b> - Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);  <b>(s 7(2)(a))</b> - To protect the privacy of natural persons, including that of deceased natural persons