



Agenda

**Notice is hereby given of
an Ordinary Council Meeting**

Tuesday 30 January 2024

9:30am

**Council Chamber
Waimate District Council
125 Queen Street
Waimate**

www.waimatedc.govt.nz

Notice is hereby given that a meeting of the Council will be held in the Council Chamber, Waimate District Council, 125 Queen Street, Waimate, on Tuesday 30 January 2024, commencing at 9:30am.

Elected Members

Craig Rowley	Chairperson
Sharyn Cain	Deputy Mayor
John Begg	Councillor
Peter Collins	Councillor
Sandy McAlwee	Councillor
Tom O'Connor	Councillor
Colin Pankhurst	Councillor
Lisa Small	Councillor
Rick Stevens	Councillor

Quorum – no less than five members

Significance Consideration

Evaluation: Council officers, in preparing these reports have had regard to Council's Significance and Engagement Policy. Council and Committee members will make the final assessment on whether the subject under consideration is to be regarded as being significant or not. Unless Council or Committee explicitly determines that the subject under consideration is to be deemed significant then the subject will be deemed as not being significant.

Decision Making

The Council, in considering each matter, must be:

- i. Satisfied that it has sufficient information about the practicable options and their benefits, costs and impacts, bearing in mind the significance of the decision;
- ii. Satisfied that it knows enough about and will give adequate consideration to the views and preferences of affected and interested parties bearing in mind the significance of the decisions to be made.

Stuart Duncan
Chief Executive

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OPENING

1 OPENING MEETING

CR LISA SMALL WILL OPEN THE MEETING.

2 PUBLIC FORUM

3 APOLOGIES

The Chair will call for any apologies.

4 VISITORS

5 CONFLICTS OF INTEREST

As per the Local Authorities (Members' Interests) Act 1968 (as below), the Chair will enquire if there are any Conflicts of Interest to be declared on any item on the agenda, and if so, for any member to declare this interest.

Local Authorities (Members' Interests) Act 1968

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

6 IDENTIFICATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

1. The Chair will call for any major (urgent business) or minor items not on the agenda to be raised according to Standing Orders, as below:

- a. **Standing Orders 3.7.5 – Major Items**

An item not on the agenda for a meeting may be dealt with at the meeting if the local authority by resolution so decides, and the presiding member explains at the meeting at a time when it is open to the public –

- i. The reason why the item was not listed on the agenda; and
 - ii. The reason why discussion of the item cannot be delayed until a subsequent meeting.

- b. **Standing Orders 3.7.6 – Minor Items**

An item not on the agenda for a meeting may be dealt with at the meeting if –

- i. That item is a minor matter relating to the general business of the local authority; and
 - ii. The presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - iii. No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

MINUTES**7 CONFIRMATION OF MINUTES****7.1 MINUTES OF THE COUNCIL MEETING HELD ON 12 DECEMBER 2023**

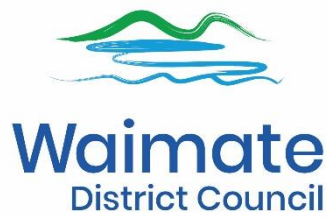
Author: Karalyn Reid, Committee Secretary and PA to the Mayor
Authoriser: Tina Stevenson, Corporate Services Group Manager
Attachments: 1. Minutes of the Council Meeting held on 12 December 2023

PURPOSE

To present the unconfirmed Minutes of the Council Meeting held on 12 December 2023 for confirmation.

RECOMMENDATION

That the Minutes of the Council Meeting held on 12 December 2023 be adopted as a true and correct record.



MINUTES

Ordinary Council Meeting

12 December 2023

**MINUTES OF WAIMATE DISTRICT COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, LOCAL GOVERNMENT CENTRE, 125 QUEEN STREET,
WAIMATE ON TUESDAY 12 DECEMBER 2023, COMMENCING AT 1:30PM**

PRESENT: Mayor Craig Rowley, Deputy Mayor Sharyn Cain, Cr John Begg, Cr Peter Collins, Cr Sandy McAlwee, Cr Tom O'Connor, Cr Colin Pankhurst, Cr Lisa Small, Cr Rick Stevens

APOLOGIES: Nil

IN ATTENDANCE: Stuart Duncan (Chief Executive), Michelle Jones (Executive Support Manager), Dylan Murray (Regulatory and Compliance Group Manager), Tina Stevenson (Corporate Services Group Manager)

Gus Patterson (Communications and Engagement Officer), Shey Taylor (Strategic Planner/Policy Advisor), Karalyn Reid (Committee Secretary)

PARTIAL ATTENDANCE: Emma Bush (Planner)

OPENING

1 OPENING

Deputy Mayor Sharyn Cain introduced Waimate High School student Georgia Soper (Head Prefect for 2024) to open the Council Meeting with a youth perspective of the district's buildings and events, participation and importance of the Anzac Civic Service, and potential for youth to be involved in future Council projects and community events.

2 PUBLIC FORUM

There were four speakers at the Public Forum:

- Nat Small, resident and landowner of the Hakataramea Valley, highlighted his concerns over carbon forestry consents being granted on neighbouring stations with no notification or opportunity to submit, pointing out a number of detrimental effects on the valley.
- Juliet Gray, resident and landowner in the Hakataramea and Chairperson of the Hakataramea Sustainability Collective (HSC) also spoke on the carbon forestry consents and lack of consultation with key stakeholders, neighbours, landowners and rūnanga pointing out the detrimental effect on waterways and land. She asked Council to investigate the process to ensure there is appropriate consultation and mitigations in place to ensure the catchment is protected. She tabled HSC's integrated catchment plan and was asked by the Chair to email both her presentation and the plan to be circulated to Council.
- Ken Bowmar, resident and landowner of the Hakataramea Valley also spoke on the carbon forestry consent outlining his environmental and aesthetic concerns and long term detrimental effect on the catchment and valley.
- Peter Cleave, resident and landowner of the Hakataramea Valley highlighted various roading issues in the Hakataramea highlighted in his email circulated to Council. He asked for a 12-month work plan for the valley to be made available including the gravel-status of roads.

3 APOLOGIES

Nil

4 VISITORS

Nil

5 CONFLICTS OF INTEREST

The Chair called for conflicts of interest. There were no conflicts of interest declared.

MOTION

RESOLUTION 2023/198

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr Tom O'Connor

That item 16.2 'Lease of Former Slink Skins Shed to Waimate Menzshed' be brought forward.

CARRIED

16.2 LEASE OF FORMER SLINK SKINS SHED TO WAIMATE MENZSHED

Council considered a request to lease part of the property formerly known as the Slink Skins shed located on Lot 2 DP 316267, McNamaras Road, Waimate to Waimate Menzshed.

The Chief Executive declared at the beginning of the discussion he has been involved in the setup of the Menzshed and has made application to be a trustee.

RESOLUTION 2023/199

Moved: Mayor Craig Rowley

Seconded: Deputy Mayor Sharyn Cain

1. That the Lease of the Former Slink Skins Shed to Waimate Menzshed report be accepted.
2. That Council authorise the Asset Group Manager to negotiate a long-term lease up to 10 years with a conditional right of renewal with Waimate Menzshed for use of the shed located on Lot 2 DP 316267, McNamaras Road, Waimate.
 - (a) That Council approves the annual payment for the lease between Waimate District Council and Waimate Menzshed to be set at \$5.00 per annum.
 - (b) That Council authorise the Asset Group Manager to negotiate with Waimate Menzshed to pay reasonable outgoing costs to cover their activities.
 - (c) That Council approves up to \$15,000 from the Alpine Energy Economic Development Fund to invest in the amenities of the shed.

CARRIED

6 IDENTIFICATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

There were no major/minor items identified.

MINUTES

7 CONFIRMATION OF MINUTES

7.1 MINUTES OF THE COUNCIL MEETING HELD ON 21 NOVEMBER 2023

RESOLUTION 2023/200

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr John Begg

That the Minutes of the Council Meeting held on 21 November 2023 be adopted as a true and correct record.

CARRIED

8 RECEIPT OF MINUTES

8.1 MINUTES OF THE WDC COMMUNITY AND SPORTS GRANTS COMMITTEE MEETING HELD ON 30 MAY 2023

RESOLUTION 2023/201

Moved: Cr Rick Stevens

Seconded: Cr Tom O'Connor

That the confirmed minutes of the WDC Community and Sports Grants Committee Meeting held on 30 May 2023 be received.

CARRIED

8.2 MINUTES OF THE LOWER WAITAKI SOUTH COASTAL CANTERBURY ZONE COMMITTEE MEETING HELD ON 8 NOVEMBER 2023

RESOLUTION 2023/202

Moved: Cr Tom O'Connor

Seconded: Cr Rick Stevens

That the unconfirmed minutes of the Lower Waitaki South Coastal Canterbury Zone Committee Meeting held on 8 November 2023 be received.

CARRIED

REPORTS

9 MAYOR'S REPORT

9.1 MAYOR'S REPORT

RESOLUTION 2023/203

Moved: Mayor Craig Rowley

Seconded: Cr Colin Pankhurst

That the Mayor's Report is accepted.

CARRIED

10 DEPUTY MAYOR'S REPORT

10.1 DEPUTY MAYOR'S REPORT

RESOLUTION 2023/204

Moved: Deputy Mayor Sharyn Cain

Seconded: Mayor Craig Rowley

That the Deputy Mayor's Report is accepted.

CARRIED

11 COUNCILLORS' REPORT

11.1 COUNCILLORS' REPORT

RESOLUTION 2023/205

Moved: Cr Tom O'Connor

Seconded: Cr John Begg

That the Councillors' Report is accepted.

CARRIED

Note:

Cr Rick Stevens submitted a verbal report:

15 November 2023: Pareora-Otaio-Makikihi Community Chat – Maungati

5 December 2023: Waimate District Resource Trust Meeting – Waimate

12 CHIEF EXECUTIVE'S REPORT

12.1 CHIEF EXECUTIVE'S ACTIVITY REPORT

RESOLUTION 2023/206

Moved: Mayor Craig Rowley

Seconded: Cr Peter Collins

That the Chief Executive's Activity Report is accepted.

CARRIED

Note:

Correction to 16 November: Meeting with Peter Burt from Environment Canterbury on Wastewater.

12.2 AFFIXING OF THE COMMON SEAL**RESOLUTION 2023/207**

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr Tom O'Connor

1. That the Affixing of the Common Seal report be accepted; and
2. That the following document be executed under the Common Seal of Council:
 - a. Warrant of Appointment: Dylan Murray – Regulatory and Compliance Group Manager.

CARRIED**13 COUNCIL ACTIONS REPORT****13.1 OUTSTANDING COUNCIL ACTIONS REPORT - PUBLIC****RESOLUTION 2023/208**

Moved: Cr Lisa Small

Seconded: Cr Tom O'Connor

That the Outstanding Council Actions Report – Public is accepted.

CARRIED**14 HUMAN RESOURCES REPORT****14.1 HUMAN RESOURCES REPORT****RESOLUTION 2023/209**

Moved: Cr Peter Collins

Seconded: Cr Rick Stevens

That the Human Resources Manager's report is accepted.

CARRIED**15 AUDIT AND RISK COMMITTEE REPORT****15.1 AUDIT AND RISK COMMITTEE CHAIR'S REPORT****RESOLUTION 2023/210**

Moved: Cr Peter Collins

Seconded: Cr Rick Stevens

That the Audit and Risk Committee Chair's Report is accepted.

CARRIED

16 GENERAL REPORTS**16.1 ADOPTION OF INTERIM SPEED MANAGEMENT PLAN FOR SUBMISSION TO NZTA WAKA KOTAHI**

Council considered feedback from the community on the recent public consultation on the interim speed management plan and endorse the plan for submission to NZTA Waka Kotahi.

Submissions were provided for the information of Council under separate cover.

SUBMISSION NUMBER	NAME	ALLOCATED TIME
8	Martyn Bennett	1:00pm
25	Kate Graham	1:05pm
36	Brenda Smith	1:10pm
38	Phil Wild	1:15pm
39	Rob Moffat	1:20pm

RESOLUTION 2023/211

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr John Begg

1. That the report Adoption of Interim Speed Management Plan for Submission to NZTA Waka Kotahi is accepted; and
2. That Council endorse the Waimate District Council Interim Speed Management Plan for submission to Waka Kotahi for approval as amended; and
3. That Council request NZTA Waka Kotahi for speed limit changes on State Highways in the Waimate District townships.

CARRIED**Note:**

Council agreed that the 30km/h proposed speed on Bluecliffs Road at St Andrews be from State Highway 1 to Kane Lane.

Cr Lisa Small voted against the motion.

Item - 16.2 Lease of Former Slink Skins Shed to Waimate Menzshed - has been moved to another part of the document.

16.3 306 DOG CONTROL POLICY

Council considered the reviewed 306 Dog Control Policy for adoption.

RESOLUTION 2023/212

Moved: Deputy Mayor Sharyn Cain

Seconded: Mayor Craig Rowley

1. That the 306 Dog Control Policy report is accepted; and
2. That Council adopts the 306 Dog Control Policy, as presented.

CARRIED

Cr Rick Stevens voted against the motion.

16.4 APPOINTMENT OF A CIVIL DEFENCE EMERGENCY MANAGEMENT LOCAL CONTROLLER

Council considered the appointment of Dylan Murray, Regulatory and Compliance Group Manager, as an additional Local Controller.

RESOLUTION 2023/213

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr Rick Stevens

1. That the Appointment of a Civil Defence Emergency Management Local Controller report be accepted, and
2. That Council approves the appointment of Dylan Murray as a Civil Defence Emergency Management Local Controller.

CARRIED

17 CONSIDERATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

Nil

PUBLIC EXCLUDED

18 EXCLUSION OF THE PUBLIC REPORT

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2023/214

Moved: Cr Rick Stevens

Seconded: Cr Tom O'Connor

That the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
18.1 - Public Excluded Minutes of the Council Meeting held on 21 November 2023	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
18.2 - Sale of Property	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

18.3 - Outstanding Council Actions Report - Public Excluded	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
18.4 - Alpine Energy Limited Group Half-Yearly Report 30 September 2023	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
CARRIED		

19 RE-ADMITTANCE OF THE PUBLIC REPORT

RESOLUTION 2023/215
<p>Moved: Mayor Craig Rowley Seconded: Cr Sandy McAlwee</p>
<p>That Council moves out of Closed Council into Open Council.</p>
CARRIED

MEETING CLOSURE

There being no further business, the Chair declared the meeting closed at 4:00pm.

The Minutes of this meeting are to be confirmed at the Ordinary Council Meeting scheduled on 30 January 2024.

.....
CHAIRPERSON

8 RECEIPT OF MINUTES**8.1 MINUTES OF THE ORARI-TEMUKA-OPIHI-PAREORA ZONE COMMITTEE MEETING HELD ON 6 NOVEMBER 2023**

Author: Karalyn Reid, Committee Secretary and PA to the Mayor
Authoriser: Tina Stevenson, Corporate Services Group Manager
Attachments: 1. Minutes of the Orari-Temuka-Opihi-Pareora Zone Committee Meeting held on 6 November 2023

PURPOSE

For the unconfirmed Minutes of the Orari-Temuka-Opihi-Pareora Zone Committee Meeting held on 6 November 2023 to be presented for the information of the Council, with the permission of the Chair.

RECOMMENDATION

That the unconfirmed Minutes of the Orari-Temuka-Opihi-Pareora Zone Committee Meeting held on 6 November 2023 be received.

MINUTES

Orari-Temuka-Opihi-Pareora Zone Committee Meeting

6 November 2023

**Minutes of Timaru District Council
Orari-Temuka-Opihi-Pareora Water Zone Committee Meeting
Held in the Council Chamber, Council Building, King George Place, Timaru
on Monday, 6 November 2023 at 1pm**

Present: Glen Smith (Chairperson), Chris Konings (Deputy Chairperson), Suzanne Eddington, John Henry, Michelle Pye, Deon Swiggs, Phillipa Guerin, Sharyn Cain, Rynnee de Garnham

In Attendance: Dave Moore (Zone Facilitator, Environment Canterbury), Rachel Scarlet (Governance Advisor, Timaru District Council), Jessica Kavanaugh (Corporate Planner, Timaru District Council) Kate Brown (Land Management Advisor, Environment Canterbury), Gina Snee (Southern Zone Delivery Lead, Environment Canterbury)

1 Opening Karakia

John Henry conducted the opening Karakia

2 Apologies

2.1 Apologies Received

Resolution 2023/35

Moved: Sharyn Cain

Seconded: Suzanne Eddington

That the apology of Bailey Lissington and the apology for the lateness of Deon Swiggs be received and accepted.

Carried

3 Public Forum

There were no public forum items.

4 Identification of Items of Urgent Business**4.1 Identification of Items of Urgent Business****Resolution 2023/43**

Moved: Sharyn Cain

Seconded: Clr Phillipa Guerin

Chairperson Glen Smith requested that the late funding application from Orari River Protection Group and an update from Living Landscapes be discussed.

Carried

5 Identification of Matters of a Minor Nature

No matters of a minor nature were raised.

6 Declaration of Conflicts of Interest

No conflicts of interest were declared.

7 Chairperson's Report**7.1 Presentation of Chairpersons Report****Resolution 2023/44**

Moved: Chris Konings

Seconded: John Henry

No report was provided by Chairperson Glen Smith. Deputy Chairperson Chris Konings provided an update on the Waitarakao Washdyke Catchment Strategy.

Carried

8 Confirmation of Minutes**8.1 Minutes of the Orari-Temuka-Opihi-Pareora Water Zone Committee Meeting held on 7 August 2023****Resolution 2023/45**

Moved: Chris Konings

Seconded: Clr Michelle Pye

That the Minutes of the Orari-Temuka-Opihi-Pareora Water Zone Committee Meeting held on 7 August 2023 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

9 Reports

9.1 Environment Canterbury Zone Priorities Presentation

Gina Slee (Environment Canterbury) provided the Orari Temuka Opihi Pareora Water Zone Committee with an update. The update included the following projects;

- Coastal Lagoon restoration
- Ohapi Creek willow control
- Horseshoe habitat sampling
- Surveying for phalaris at the Orari catchments
- Te Ahi Tarakihi
- Kakahu phosphorus management project
- Waitarakao project

It is requested that core samples be taken of the Waitarakao lagoon bottom. These are to provide historical data of what was there and create a historical benchmark along with the current data.

It was suggested that some way of capturing the progress made be thought of and installed, e.g. camera or live video stream, to monitor the progress made at the Lagoon over time for history and publicity purposes.

9.2 Orari Temuka Opihi Pareora Te Kopi-O-Te Opihi (Burkes Pass) Wetland and Riparian Restoration Funding Application

Dave Moore (Zone Facilitator, Environment Canterbury), spoke to the report to discuss with the committee the consideration of whether to recommend Action Plan funding for Te Kopi-O-Te Opihi (Burkes Pass) Wetland and Riparian Restoration and the amount.

The Committee discussed that there has been no allocation of the budget this financial year and if they could allocate some today and some in the future to this project. The field trip by the Committee highlighted the amount of work that has been undertaken to date.

Deon Swiggs arrived at 1.22pm.

There is further discussion on how projects in general are followed up after the funding has been allocated including ongoing maintenance. The lifespan of the Te Kopi-O-Te Opihi project is discussed and succession planning is to continue the maintenance of the project.

Phillipa Guerin expressed a conflict of interest in this item.

It is noted that the testing of the water from the beginning would have been beneficial to see the improvement. The committee discussed the priorities of this project including the mulching, the benefits of planning the right plants in the area, the biodiversity of the area,

There is an importance to link this project to the catchment group in Mackenzie. The committee agreed to focus on preserving the existing work undertaken on this project which includes release of the mulch and supplementary planting of grasses.

Resolution 2023/46

Moved: Sharyn Cain

Seconded: Chris Konings

That the OTOP Zone Committee receives this report.

That the OTOP Zone Committee recommends Action Plan funding for Te Kopi-O-Te Opihi (Burkes Pass) Wetland and Riparian Restoration to the expenses supplementary planting of grasses stage 1 and 2 for \$7,720 and release and mulch stage 0 and 1 \$4,620.

In Favour: Suzanne Eddington, John Henry, Glen Smith, Chris Konings, Michelle Pye, Deon Swiggs, Sharyn Cain and Rynee de Garnham

Against: Nil

Abstained: Phillipa Guerin

Carried 8/0

Carried

9.3 Orari River Protection Group (Urgent Business)

Chairperson Glen Smith spoke to this application on behalf of the Orari River Protection Group. It is noted that funding for education for children and adults would be beneficial.

The importance of the protection and the understanding of the species is important. Also, the use of Environment Canterbury communications to the public to highlight this project.

Resolution 2023/47

Moved: Sharyn Cain

Seconded: Cllr Deon Swiggs

That the OTOP Zone Committee recommends Action Plan funding for the Orari River Protection Group of \$4,850

Carried

Attachments

- 1 OTOP Funding for the Orari River Protection Group Long Tailed Bat Research

9.4 Living Landscapes South Canterbury Update

Michael Bennett spoke to the committee, to discuss the purpose of the Living Landscapes South Canterbury, which supports different catchment groups with the first project being supported by the Ministry of Primary Industries.

Chairperson Glen Smith noted a conflict of interest as the vice chair of the CCSC Group.

Discussion included the ability for catchment groups to be successful and the link between the OTOP Committee and the catchment groups. The future review of Zone Committees undertaken by the Mayoral forum. The collective management approaches that have previously been successful were discussed and the reason for their success was acknowledged.

9.2 Orari Temuka Opihi Pareora Water Zone Committee Update

Dave Moore spoke to the report to update the Committee on actions from the previous meeting, relevant information, and upcoming engagement opportunities.

Noted is the error in the 2024 meetings the 11 February should be the 12 February. The ability of the Environment Canterbury team to advertise the funding available from the Orari Temuka Opihi Pareora Water Zone Committee.

Importance of RPS consultation and ability to target the right mix of people to get involved in the public sessions.

Resolution 2023/48

Moved: Cllr Phillipa Guerin

Seconded: Suzanne Eddington

That the OTOP Zone Committee receives this report.

Carried

10 Consideration of Urgent Business Items

Urgent Business items were discussed in the reports section.

11 Consideration of Minor Nature Matters

No matters of a minor nature were raised.

12 Closure Karakia

John Henry conducted the closing Karakia

The Meeting closed at 2.50pm.

.....
Glen Smith
Chairperson

**8.2 MINUTES OF THE WAIMATE DISTRICT CIVIC AWARDS COMMITTEE MEETING
HELD ON 11 SEPTEMBER 2023**

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Tina Stevenson, Corporate Services Group Manager

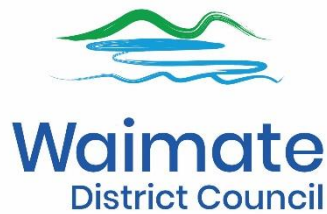
Attachments: 1. Minutes of the Waimate District Civic Awards Committee Meeting held on 11 September 2023

PURPOSE

For the confirmed Minutes of the Waimate District Civic Awards Committee Meeting held on 11 September 2023 to be presented for the information of the Council.

RECOMMENDATION

That the confirmed Minutes of the Waimate District Civic Awards Committee Meeting held on 11 September 2023 be received.



MINUTES

Waimate District Civic Awards Committee Meeting

11 September 2023

**MINUTES OF WAIMATE DISTRICT COUNCIL
WAIMATE DISTRICT CIVIC AWARDS COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, WAIMATE DISTRICT COUNCIL, 125 QUEEN STREET,
WAIMATE ON MONDAY 11 SEPTEMBER 2023, COMMENCING AT 11:00AM**

PRESENT: Community Representative (Chair) Janice Mehrtens, Mayor Craig Rowley, Service Club Representative Judy Clarke, Cr Peter Collins, Community Representative Lynda Holland, Iwi Representative Trudy Heath (via Microsoft teams)

APOLOGIES: Matt Simonsen (Service Club Representative)

IN ATTENDANCE: Karalyn Reid (Committee Secretary)

OPENING

1 APOLOGIES

COMMITTEE RESOLUTION 2023/7

Moved: Mayor Craig Rowley

Seconded: Cr Peter Collins

That an apology from Matt Simonsen be received and accepted.

CARRIED

2 VISITORS

Nil

3 CONFLICTS OF INTEREST

Nil

MINUTES

4 CONFIRMATION OF MINUTES

**4.1 MINUTES OF THE WAIMATE DISTRICT CIVIC AWARDS COMMITTEE MEETING
HELD ON 8 FEBRUARY 2023**

COMMITTEE RESOLUTION 2023/8

Moved: Chair Janice Mehrtens

Seconded: Lynda Holland

That the Minutes of the Waimate District Civic Awards Committee Meeting held on 8 February 2023 be adopted as a true and correct record.

CARRIED

REPORTS

5 GENERAL BUSINESS

5.1 WAIMATE DISTRICT CIVIC AWARDS COMMITTEE ELECTION OF CHAIR

COMMITTEE RESOLUTION 2023/9

Moved: Lynda Holland

Seconded: Mayor Craig Rowley

That Janice MEHRTENS be elected as Waimate District Civic Awards Committee's Chairperson for the 2024 Civic Awards selection process.

There were no other nominations, so Janice MEHRTENS was elected as Chair of the Waimate District Civic Awards Committee.

CARRIED

5.2 CORRESPONDENCE REPORT

COMMITTEE RESOLUTION 2023/10

Moved: Mayor Craig Rowley

Seconded: Chair Janice Mehrtens

That the correspondence is received.

CARRIED

5.3 ADOPTION OF WAIMATE DISTRICT CIVIC AWARDS CRITERIA

COMMITTEE RESOLUTION 2023/11

Moved: Chair Janice Mehrtens

Seconded: Trudy Heath

That the Waimate District Civic Awards Committee Criteria is adopted, as presented.

CARRIED

5.4 2024 CIVIC AWARDS PROGRAMME AND FUNCTION ARRANGEMENTS

COMMITTEE RESOLUTION 2023/12

Moved: Community Representative Janice Mehrtens

Seconded: Mayor Craig Rowley

That the below arrangements are accepted, and the promotion commences for the 2024 Civic Awards

- a. Nomination period opens Monday 11 September and closes at 12 noon on Friday 10 November 2023.
- b. Selection meeting is scheduled for Wednesday 15 November 2023, at 10:00am
- c. Function date and time: Wednesday 21 February 2024, 5.30pm
- d. Venue – Waimate Event Centre
- e. Catering: Inner Wheel to be approached.
- f. Flowers: Floral Art Group to be approached.
- g. Entertainment: Waimate Community Choir to be approached.
- h. Invited guests: Waitaki MP, Navy Representative Grant Finlayson.
- i. Photographer: Lindsay Willoughby to be approached
- j. Format: Same as previous years.

CARRIED

MEETING CLOSURE

There being no further business, the Chair closed the meeting at 11:20am.

The minutes are to be confirmed at the next meeting of the Waimate District Civic Awards Committee scheduled on 15 November 2024.

.....
CHAIRPERSON

REPORTS**9 MAYOR'S REPORT****9.1 MAYOR'S REPORT**

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments: Nil

EXTERNAL MEETINGS & FUNCTIONS ATTENDED BY THE MAYOR

Outside of Waimate District Council meetings and general business from 2 December 2023 to 19 January 2024.

Date	Meetings and Functions
4 December 2023	Inspection Tour of Waimate District's War Memorials with RSA
4 December 2023	Local Government New Zealand (LGNZ) Discussion: Next Steps with the new Government – where the Future by Local Government Process fits in) – via zoom
5 December 2023	Audit and Risk Committee Meeting – Council
6 December 2023	Alpine Energy Shareholder Joint Update with Mackenzie District Council – via zoom
6 December 2023	Waimate Main School Prizegiving – Waimate
7 December 2023	South Canterbury (SC) Mayors and Upper Waitaki, Lower Waitaki and Orari Temuka Opihi Pareora Zone Committees Chair and Deputy Chair Discussion – via Microsoft teams
11 December 2023	Monday Morning Meeting with Deputy Mayor and Chief Executive – Council
11 December 2023	Mayors Taskforce for Jobs Update with Coordinator – Council
11 December 2023	Waimate Parenting Hub visit – Waimate
11 December 2023	LGNZ Special General Meeting – via Zoom
12 December 2023	Powhiri and Citizenship Ceremony – Waihao Marae
13 December 2023	Newstalk ZB Radio Interview – via cell phone
15 December 2023	SC Mayors Zone Committees Discussion – Timaru
18 December 2023	Monday Morning Meeting with Deputy Mayor and Chief Executive – Council

RECOMMENDATION

That the Mayor's Report is accepted.

10 DEPUTY MAYOR'S REPORT**10.1 DEPUTY MAYOR'S REPORT**

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments: Nil



Citizenship Ceremony at Waihao Marae



Mrs Margaret Murphy



John Street Kindergarten 70th Jubilee



John Street Kindergarten 70th Jubilee

EXTERNAL MEETINGS & FUNCTIONS ATTENDED BY THE DEPUTY MAYOR

Outside of Waimate District Council meetings and general business from 2 December 2023 to 19 January 2024.

Date	Meetings and Functions
4 December 2023	Local Government New Zealand (LGNZ) Discussion: Next Steps with the new Government – where the Future by Local Government Process fits in) – via zoom
5 December 2023	Audit and Risk Committee Meeting – Council
6 December 2023	Alpine Energy Shareholder Joint Update with Mackenzie District Council – via zoom
7 December 2023	Submissions Hearing and deliberations for combined Local Alcohol Policy Joint Committee – Timaru District Council (as observer)
9 December 2023	Opened Strawberry Fare – Waimate
11 December 2023	Monday Morning Meeting with Mayor and Chief Executive – Council
11 December 2023	LGNZ Special General Meeting – via Zoom
12 December 2023	Powhiri and Citizenship Ceremony – Waihao Marae
18 December 2023	Monday Morning Meeting with Mayor and Chief Executive – Council
17 January 2024	Visit to Mrs Margaret Murphy for 100 th birthday – Waimate (on behalf of Mayor)
20 January 2024	Waimate John Street Kindergarten 70 th Jubilee Celebrations – Waimate (on behalf of Mayor)

RECOMMENDATION

That the Deputy Mayor's Report is accepted.

11 COUNCILLORS' REPORT**11.1 COUNCILLORS' REPORT**

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments: Nil

PURPOSE

To present for the information of Council a register of external meetings and functions attended by Councillors outside of Waimate District Council meetings and general business from 2 December 2023 to 19 January 2024.

Cr John Begg	
Date	Meetings and Functions
5 December 2023	Audit and Risk Committee Meeting – Council
11 December 2023	Waimate Cancer Support Group Christmas Afternoon Tea – Waimate
12 December 2023	Powhiri and Citizenship Ceremony – Waihao Marae

Cr Peter Collins	
Date	Meetings and Functions
5 December 2023	Audit and Risk Committee Meeting – Council
6 December 2023	Waimate Trackways – Garlands Track
12 December 2023	Powhiri and Citizenship Ceremony – Waihao Marae
9 January 2024	Waimate Trackways – Point Bush Visitor Centre

Cr Sandy McAlwee	
Date	Meetings and Functions
7 December 2023	Submissions Hearing and deliberations for combined Local Alcohol Policy Joint Committee – Timaru District Council
12 December 2023	Powhiri and Citizenship Ceremony – Waihao Marae

Cr Tom O'Connor	
Date	Meetings and Functions
17 January 2024	Ratepayers meeting re parking of stock trucks in village – St Andrews

Cr Lisa Small	
Date	Meetings and Functions
5 December 2023	Audit and Risk Committee Meeting – Council
6 December 2023	Alpine Energy Shareholder Joint Update with Mackenzie District Council – via zoom
7 December 2023	Submissions Hearing and deliberations for combined Local Alcohol Policy Joint Committee – Timaru District Council
12 December 2023	Powhiri and Citizenship Ceremony – Waihao Marae

RECOMMENDATION

That the Councillors' Report is accepted.

12 CHIEF EXECUTIVE'S REPORT

Nil

13 COUNCIL ACTIONS REPORT**13.1 OUTSTANDING COUNCIL ACTIONS REPORT - PUBLIC**

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments: 1. Outstanding Actions Report - Public [↓](#) 

PURPOSE

For the Outstanding Council Actions Report – Public to be presented for the information of Council.

RECOMMENDATION

That the Outstanding Council Actions Report – Public is accepted.

Meeting	Officer/Director	Section	Subject
Council 12-Dec-23	Duncan, Stuart	General Reports	Lease of Former Slink Skins Shed to Waimate Menzshed
RESOLUTION 2023/199			
1. That the Lease of the Former Slink Skins Shed to Waimate Menzshed report be accepted.			
2. That Council authorise the Asset Group Manager to negotiate a long-term lease up to 10 years with a conditional right of renewal with Waimate Menzshed for use of the shed located on Lot 2 DP 316267, McNamaras Road, Waimate.			
(a) That Council approves the annual payment for the lease between Waimate District Council and Waimate Menzshed to be set at \$5.00 per annum.			
(b) That Council authorise the Asset Group Manager to negotiate with Waimate Menzshed to pay reasonable outgoing costs to cover their activities.			
(c) That Council approves up to \$15,000 from the Alpine Energy Economic Development Fund to invest in the amenities of the shed.			
			CARRIED
Note:			
19 Jan 2024: In progress			

14 HUMAN RESOURCES REPORT

Nil

15 AUDIT AND RISK COMMITTEE REPORT

Nil

16 GENERAL REPORTS

16.1 QUARTERLY TREASURY DASHBOARD REPORT 31 DECEMBER 2023

Author: Tina Stevenson, Corporate Services Group Manager

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments: 1. Quarterly Treasury Dashboard Report 31 December 2023 [↓](#) 

PURPOSE

1. For Council to receive the Quarterly Treasury Dashboard for the period ended 31 December 2023.

BACKGROUND

2. Council's Long Term Plan 2021-31 forecast anticipating peak borrowings of \$15m in the year ended 30 June 2023 (year 2). In conjunction with Council joining the Local Government Funding Agency (LGFA) to provide for these borrowings, Bancorp Treasury Services Limited were engaged to provide ongoing treasury advisory services to Council.
3. Council Liability Management Policy states that Council does the following (section 3.4 e):
Monitors and reviews the ongoing treasury risk management performance of the Council to ensure that the treasury function is operating in such a way as to ensure that the Council's strategic objectives are being met.
4. Furthermore, the policy refers to a Quarterly Funding and Debt Profile Report in section 8.1, as follows:
This report forms the basis for the reporting of the Council's funding and associated interest rate risk management activity and provides the elected members and management with details about the Council's borrowing activities. The report shall contain the following:
 - a. Total debt facility utilisation, including any debt sourced from a bank, the capital markets and the LGFA.
 - b. Interest rate maturity profile against percentage hedging limits.
 - c. New hedging transactions completed - interest rate risk management.
 - d. Weighted average cost of funds.
 - e. Funding profile against the policy limits.
 - f. Liquidity profile against the policy limits.
 - g. Exception reporting as required.
 - h. Summary of any unresolved exception reports.
 - i. Statement of policy compliance.
 - j. Commentary on economic conditions and the debt markets.
5. As part of its service Bancorp prepares a quarterly report to Council that contains an outline of the financial markets and details the current funding, debt and hedging position of Council. A statement of policy compliance is also included. The Quarterly Treasury Dashboard to 31 December 2023 is attached.
6. Council's total current debt is \$3.5m which is held by the LGFA.
7. The LGFA borrowings are split as follows:
 - a. \$1.5m fixed interest rate 4.70%, maturity April 2027
 - b. \$2.0m floating interest rate, maturity April 2025.

8. Bank facility headroom and cash in bank was a comfortable \$5.15m as at the date of the report.
9. Council's compliance with its Liability Management Policy is summarised on page 4 of the report. As per recent reports and previous discussion with Council, Council is currently compliant with all but one aspect, being the fixed interest rate cover being within policy control limits.
10. The reason for the breach is due to the policy bands intention to suit the much larger anticipated debt, which could then be managed within the appropriate maturity terms and fixed interest proportions.
11. The risk exposure of the breach is viewed as low, due to Council currently having no net debt, and will be rectified with the future amendment to the policy to allow for situations with low debt levels.
12. As previously discussed, revision of the Liability Management Policy to adjust minimum threshold amounts for hedging bands to reflect low level of debt, will resolve this breach, with the following revision to be incorporated into the review of the Policy:
Section 4.1 Interest Rate Risk Management "Compliance with these parameters is not necessary if debt is less than \$3.0 million". It is recommended that this be changed from \$3m to \$5m.

PROPOSAL

13. That Council receive the Quarterly Treasury Dashboard for the period ended 31 December 2023.

ASSESSMENT OF SIGNIFICANCE

14. This matter is deemed to be of low significance under Council's Significance and Engagement Policy.

CONSIDERATIONS

Legislation and Policy

15. Local Government Act 2002
16. Liability Management Policy

RECOMMENDATION

That the Quarterly Treasury Dashboard Report for the period ended 31 December 2023 is received.



Quarterly Treasury Dashboard

31 December 2023

STRICTLY PRIVATE AND CONFIDENTIAL



Economic Commentary

2

Global (for the December 2023 quarter)

The December quarter saw what has been described as epic moves in the benchmark US 10-year Treasury bond. The markets started the quarter with expectations of one further rate increase as the Fed reiterated its commitment to fighting inflation, concerns about the ability of the market to attract sufficient buyers to purchase US bonds as a result of the ever-increasing US deficits and continuing fallout from Fitch's downgrade of the US credit rating in early August. These factors saw the 10-year yield hit 17-year highs, peaking at 5.02% on the 20th of October, however since then the fall in US bond yields has been startling, with the market moving from 'higher-for-longer' outlook, to one of 'we have seen the top and then to pricing in six rate cuts at one point', the US 10-year bond closed the year at 3.76%, which represented a remarkable 1.26% fall in 72 days.

The Fed released a dovish statement on the 13th of December, where it appeared to pivot from the prospect of raising rates in earlier statements to talk of three rate cuts in 2024, the market then seized on this statement and as indicated above moved to price into six rate cuts at one point. However, many commentators make a good argument that economic data has not yet validated these significant market moves, and it is premature given that the battle against inflation is far from won and that the concerns around government bond issuance and the possibility of further US credit rating downgrades continue.

Despite the above, from a global perspective, the US still stands out as one of the few bright lights as we enter 2024. China continues to struggle to recover from the lifting of its Covid-19 restrictions, with China consumer prices declining for a third month in December, highlighting persistent deflationary pressures. These factors remain a concern for global growth given China's standing as the world's second-largest economy.

European inflation has fallen significantly from the 10.6% highs seen in late 2022, November inflation had fallen to 2.4% (on an annual basis) but increased back to 2.9% in December after seven straight monthly declines as food prices rose and support for high energy bills ended in some countries. The rise in price levels fueled debate over how soon interest rate cuts could be expected from the European Central Bank.

Across the Tasman, the Reserve Bank of Australia continued to increase its cash rate to 4.35% in November. However, at its December meeting, it kept rates unchanged, stating that any further moves would be data-dependent, however, its tone was seen as relatively hawkish. There is a widely held perception that it sits six to twelve months behind the rest of the world in its inflation settings. Like New Zealand though it has high levels of immigration which has increased aggregate demand which may see inflation higher than it would be otherwise.

Geopolitical issues also weigh on the global economy with the Ukraine and Russian war dragging on and with the tragic events in Palestine spilling over into tensions in the Red Sea. The impact on the global economy is strained supply lines and higher shipping costs.

Economic Commentary

New Zealand (for the December 2023 quarter)

3

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
30 Sep 2023	5.50%	5.74%	5.72%	5.48%	5.22%	5.17%	5.18%
31 Dec 2023	5.50%	5.63%	4.64%	4.32%	4.09%	4.07%	4.14%
Change	+0%	-0.11%	-1.08%	-1.16%	-1.23%	1.10%	-1.04%

December was a significant quarter, with the shape of the new government being known, a continuing hawkish Reserve Bank of New Zealand (“RBNZ”), a market which is challenging the RBNZ’s stance by pricing in multiple rate cuts, poor economic data and a divergence in views amongst economists.

The new coalition government’s first piece of legislation was to change the RBNZ’s mandate back to a single mandate, requiring the RBNZ’s Monetary Policy Committee to target inflation, not price stability and “maximum sustainable employment”. The change is not expected to materially impact the RBNZ’s monetary policy settings.

On 29th November, the RBNZ’s *Monetary Policy Statement* stated that “*The Committee is confident that the current level of the OCR is restricting demand. However, ongoing excess demand and inflationary pressures are of concern, given the elevated level of core inflation. If inflationary pressures were to be stronger than anticipated, the OCR would likely need to increase (rates) further*”.

However, this statement was effectively ignored by the market, as it instead focussed on the sharp fall in US Treasury bonds and then the higher-than-expected local unemployment data (September quarter unemployment up from 3.60% to 3.90%). This was followed by the release in December of the shocking third quarter GDP data which saw GDP contract by 0.3% versus expectations of a 0.3% increase. Even worse Q2 GDP was revised downwards from 0.9% to 0.5%, occurring in a backdrop of soaring migration (at levels not seen since 1947) and the downward revision to the Q1 data once again put the country into recession for the six months ending 31st March 2023. The market then moved to a stance where it was pricing in 4-5 rate cuts in 2024.

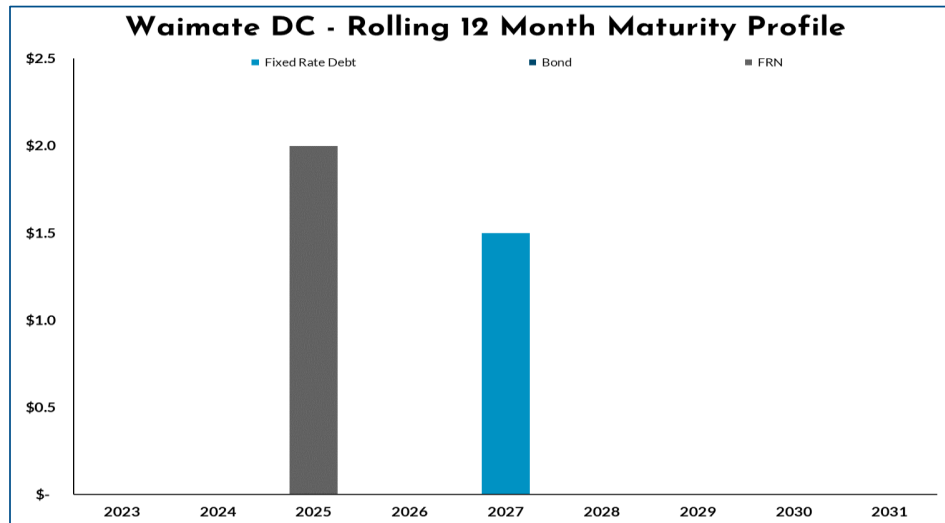
In looking at the bank’s economists’ views, we have a clear divergence in views, with some banks picking multiple rate cuts in 2024, with others such as Westpac and ANZ being much more cautious on the inflation outlook, particularly the sticky nature of non-tradeable inflation. By the end of December, the markets were pricing in the first OCR cut in May 2024 and for it to fall to 4.0% by May 2025.

Swap rates saw significant levels of volatility, with the reference 5-year swap rate peaking at 5.40% in early October and falling to a low of 4.06% in late December (in very thin trading). The downward momentum was initiated by falling US Treasury bond yields, a change to the Fed’s dot plots (which inferred 3 rate cuts in 2024 and then by the shocking NZ Q3 GDP data).

The new government’s policy agenda will be of interest with tax cuts potentially providing support to the economy which may see inflation remain higher for longer.

Liquidity and Funding

4



Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	No
Is the funding maturity profile within policy control limits?	Yes
Is liquidity within policy control limits?	Yes
Are term deposit counterparty exposures within policy control limits?	Yes

Debt

\$3.5m

External Council Drawn Debt

LGFA

\$3.5m

Funds Drawn from LGFA

Bank facility headroom + term deposits + cash in bank

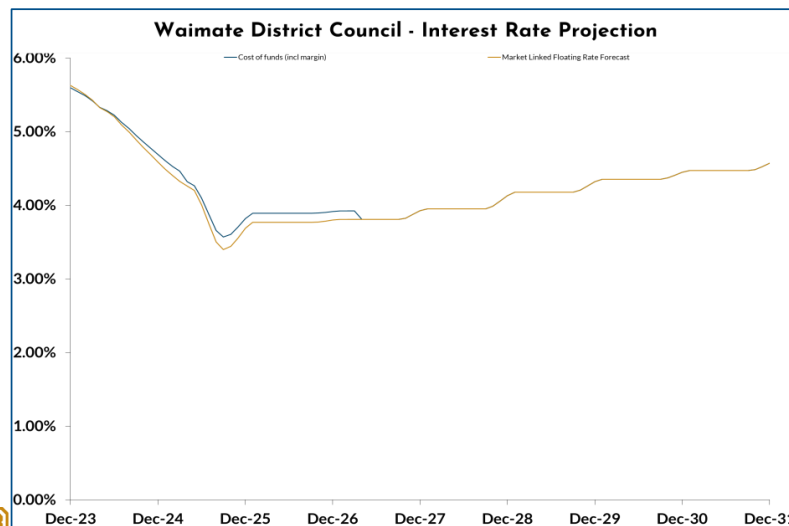
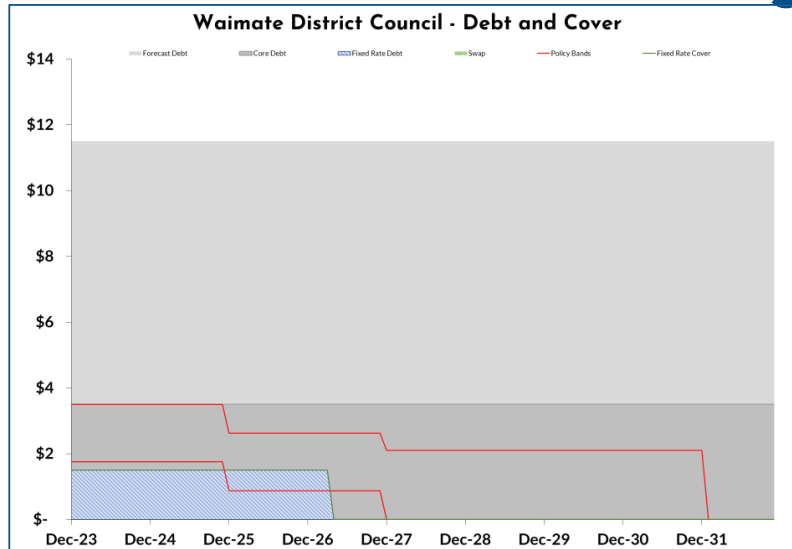
\$5.15m

Liquidity Ratio (LGFA minimum requirement 110%)

247.1%

Definition: (Cash Reserves + Lines of Credit + Drawn Debt)/Drawn Debt

Interest Rate Risk Management



 **BANCORP**

Current % of Debt Fixed	42.9%
Current % of Debt Floating	57.1%
Value of Fixed Rate (m)	\$1.5
Weighted Average Cost of Fixed Rate Instruments	4.70%
Weighted Average Cost of Fixed Rate Instruments (incl margin)	4.70%
Value of Forward Starting Cover	\$0.0
Value of Floating Rate (m)	\$2.0
Current Floating Rate	5.63%
All Up Weighted Average Cost of Funds Including Margin	5.60%
Total Facilities In Place	\$5.5

Policy Bands			
	Minimum	Maximum	(Policy
0 - 2 years	50%	90%	Breach
2 - 4 years	25%	75%	Breach
4 - 8 years	0%	60%	Compliant

 **Waimate**
District Council

LGFA Borrowing Rates

6

Listed below are the credit spreads and applicable interest rates as at the end of December for Commercial Paper ("CP"), Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), at which WDC could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Margin	FRN (or CP Rate)	FRB
3-month CP	0.20%	5.83%	N/A
6-month CP	0.20%	5.91%	N/A
April 2024	0.49%	6.12%	6.18%
April 2025	0.55%	6.18%	5.98%
April 2026	0.61%	6.24%	5.68%
April 2027	0.71%	6.34%	5.58%
May 2028	0.86%	6.49%	5.59%
April 2029	0.93%	6.56%	5.57%
May 2030	0.97%	6.60%	5.59%
May 2031	1.09%	6.72%	5.71%
April 2033	1.13%	6.76%	5.81%
May 2035	1.22%	6.85%	5.95%
April 2037	1.24%	6.87%	6.06%

LGFA borrowings

7

As of 31st December 2023, WDC had \$3.5 million of core debt, all of which is sourced from the LGFA using Floating Rate Notes (“FRNs”), and Fixed Rate Bonds (“FRBs”). WDC also has a bank facility with ANZ for \$2.0 million that matures in April 2025.

Details of WDC’s drawn debt as of 31st December is as follows:

Instrument	Maturity	Yield	Margin	Amount
LGFA FRN	15-Apr-25	6.21%	0.50%	\$2,000,000
LGFA FRB	15-Apr-27	4.70%	N/A	\$1,500,000

Disclaimer**IMPORTANT NOTICE**

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www.bancorp.co.nz

16.2 CIVIC FINANCIAL SERVICES - STATEMENT OF INTENT 2024

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments: 1. Civic Financial Services - Statement of Intent 2024 [↓](#) 

PURPOSE

1. For Council to receive and note the Civic Financial Services Ltd Statement of Intent for 2024.

BACKGROUND

2. Council holds 30,458 shares in Civic Financial Services Limited. This represents 0.27% of the issued share capital.
3. Council as a shareholder, should be assured that the company is taking appropriate steps to protect its investment in Civic Assurance and monitor its performance.
4. Also attached for the information of Council is a letter to the Chief Executive, dated 8 December 2023, which outlines:
 - a. Sources of income in 2024.
 - b. Reference to the continued approach and agreement that instead of providing dividends to shareholders, future surplus funds should be applied to reduce the administration fees for members of the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme.
 - c. Confirmation of the reduction in the schemes' base administration fee to apply from 1 April 2024, from 0.35% to 0.33% per annum.
 - d. An updated communication section in the Statement of Intent to illustrate changes implemented to improve information provided to members.

PROPOSAL

5. That Council receive and note the 2024 Statement of Intent for Civic Financial Services Ltd.

ASSESSMENT OF SIGNIFICANCE

6. This matter is deemed to be of low significance under Council's Significance and Engagement Policy.

CONSIDERATIONS

7. There are no known considerations.

FINANCIAL

8. There are no known budget considerations, and this matter does not require an allocation of any funds.

RECOMMENDATION

That the Civic Financial Services – Statement of Intent 2024 report is accepted.



8 December 2023

Stuart Duncan
Chief Executive
Waimate District Council
PO Box 122
WAIMATE7960
stuart.duncan@waimatedc.govt.nz

Kia ora Stuart

Civic Financial Services - Statement of Intent for 2024

Please find enclosed a copy of Civic's Statement of Intent for 2024.

The Company's major source of income in 2024 will come from providing superannuation administration services for the local government sector through the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme. Additional income will be derived from the services provided to the Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool.

The 2020 Special General Meeting of the Company agreed that instead of providing dividends to shareholders, future surplus funds should be applied to reduce the administration fees for members of the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme.

We are again pleased to announce that a further reduction in the schemes' base administration fee will apply from 1 April 2024, reducing the fee from the current rate of 0.35% per annum to 0.33% per annum.

We have updated the communication section incorporated in the Statement of Intent to keep you informed of the changes we have implemented as we strive to improve the information provided to our members.

Thanks for your continued support, I look forward to working with you in 2024.

Ngā mihi

Charlie Howe
Chief
Executive
Email: charlie.howe@civicfs.co.nz



Civic Financial Services Ltd Statement of Intent

For the year to 31 December 2024

Contents

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1.0 What we do

- 1.1 We provide superannuation services for the local government sector through our SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme.
- 1.2 We also provide high-quality, low-cost administration services to our client boards (Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool).

2.0 Mission Statement

- 2.1 Civic will be a trusted and preferred financial services provider to the local government sector:
 - Dedicated to our shareholders.
 - Committed to our members.
 - A sound and successful business.

3.0 Financial Projections

- 3.1 Our primary source of income in 2024 will come from fees for providing superannuation administration for the local government sector through the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme. We also receive fees from providing administration, accounting and other services to the Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool.
- 3.2 Our other source of income in 2024 will come from returns on our investments.
- 3.3 The Boards current policy is not to pay a dividend to our shareholders. It was agreed at the 2020 Special General Meeting that the funds which could otherwise be provided as dividends to shareholders should be used to reduce the administration fees applied to our two superannuation schemes.
- 3.4 Fee reduction: We will reduce the SuperEasy KiwiSaver Superannuation Scheme and Local Government Superannuation Scheme base administration fee from 0.35% per annum to 0.33% per annum from 1 April 2024.

3.5 Financial projections for the years 2024 to 2026 are:

	2024 \$000's	2025 \$000's	2026 \$000's
Administration Income	2,162	2,173	2,230
Investment Income	525	530	597
Total Revenue	2,687	2,703	2,827
Expenses	2,563	2,600	2,572
Surplus before tax	124	103	255
Surplus after tax	89	74	183

Note - these are projections, not firm predictions.

4.0 Performance Measures

- 4.1 We aim to provide superannuation and savings products and services to at least 90% of local authorities.
- 4.2 We plan to be retained as administration manager for the Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool.

5.0 Reporting to Shareholders

- 5.1 We will provide an audited report for the 2023 year by 30 April 2024. The report will contain a review of our operations during the year and audited annual accounts.
- 5.2 We will provide a report on the first half of 2024 by 30 September 2024. The report will contain a review of our operations during the half-year and unaudited half-yearly accounts.

6.0 Transactions with Related Parties

- 6.1 Civic has 73 shareholders, comprising 72 local authorities and TrustPower.
- 6.2 Local Government Superannuation Trustee Limited and Local Government Mutual Funds Trustee Limited are wholly owned subsidiaries of Civic. Because it is sharing management resources, the Local Authority Protection Programme, Riskpool, Civic Liability Pool and Civic Property Pool are also considered to be related parties to Civic..
- 6.3 Transactions with shareholder members include risk-financing services and superannuation and savings-related financial services.
- 6.4 Charges to and from shareholder members will be made for services provided as part of the normal trading activities of Civic and its subsidiaries. All transactions with shareholder members are made on a purely commercial basis.

7.0 Member Communication

- 7.1 We have developed strategies setting out the future direction of Civic which focus on three key areas; positioning, promoting and protecting our brand as a trusted and preferred superannuation provider to the local government sector. The strategies are underpinned by Civic's people-centric model, an approach that cares about its members and their whānau and aims to maximise their retirement funds.
- 7.2 This has involved reviewing Civic's processes and product information to ensure it follows the BRACS formula: Believable, Relevant, Actionable, Compelling and Simple.
- 7.3 More regular and informative newsletters have become an important part of Civic's member-centric approach. As part of this, we have created presentations that better describe our purpose and the superannuation product range. The website has also undergone a refresh, the content and navigation being revised to provide easy access to product information, including automated sign-up forms to ensure a more efficient and user-friendly service for members and potential members.
- 7.4 We will be conducting our second member survey early next year to continue to monitor ongoing member satisfaction and assess the opportunity for better provision of services. Regular and targeted communications will provide members with the information requested in the surveys.
- 7.5 We are also investing into a completely new Website for SuperEasy next year which will improve communicating to members.















(04) 978 1250 | admin@civicfs.co.nz

16.3 RISKPOOL: UPDATE ON WINDING UP

Author: Tina Stevenson, Corporate Services Group Manager

Authoriser: Tina Stevenson, Corporate Services Group Manager

Attachments:

1. Riskpool: Update on Winding Up 10 November 2023  
2. Riskpool: Update on Winding Up 5 September 2023  
3. Riskpool: Update on Winding Up 2 August 2023  
4. Riskpool: Update on Winding Up 7 June 2023  
5. Riskpool: Update on Winding Up 9 January 2023  
6. Riskpool: Update on Winding Up 15 December 2022  
7. Riskpool Call for 1 July 2019 - 12 October 2018  

PURPOSE

1. To brief Council on communications regarding Riskpool winding up progress and advice of a call on its members.

BACKGROUND

2. Several Riskpool communications are attached to this agenda item to provide detail of relevant history, which we recommend be considered in chronological order in conjunction with this agenda item.
3. Riskpool is a mutual liability fund that offered public liability and professional indemnity cover to its members from 1 July 1997 to 30 June 2017, a total of twenty years. At its peak, Riskpool provided cover to 82 out of a possible 85 district, unitary and regional councils.
4. Waimate District Council was a member of Riskpool to receive cover previously and subsequently provided by commercial liability insurers. Riskpool provided Public Liability and Professional Indemnity cover for its members. Riskpool operated on the basis that all members made an annual contribution, part of which was used to purchase re-insurance and this, along with the fund, provided cover for claims made against members.
5. Riskpool ceased to offer cover from 1 July 2017, as support from the sector had dropped, particularly from larger councils, and without good support Riskpool could not offer competitively priced cover and risk management services. Riskpool has now been in run-off mode for over 5 years. It is expected that Riskpool will remain in run off for a further 3-5 years.
6. Riskpool is governed by a trust deed, with cover provided for members via a series of pooled funds. Riskpool's trustee can call on its member councils for financial support for each of Riskpool's funds, commonly referred to as "calls". Riskpool members paid an interim call in July 2019 (Waimate District Council's call was \$26,116.70 excl. GST) with Riskpool then advising that it expected to make a final call prior to wind up.
7. To achieve final wind up, all claims must be settled and paid.
8. Proceedings were served on Riskpool by a member Council in June 2017 in relation to a liability claim which had previously been declined. The claim involved both weathertight and non-weathertight defects for a multi-unit apartment block and was declined in its entirety. The member Council accepted Riskpool was correct to decline cover for the weathertight defects, but claimed it was entitled to be covered for its liability in respect of the non-weathertight defects. In June 2021, the High Court found in Riskpool's favour that the member Council did not have a valid claim against Riskpool.
9. In September 2022 the Court of Appeal reversed that finding in favour of the member Council. Riskpool applied for leave to appeal to the Supreme Court for a final determination. On 1 August 2023 the Supreme Court issued its decision in which it dismissed Riskpool's appeal.

10. As a result, Riskpool had a liability for that member's claim in respect of the non-weathertight defects. Riskpool's reinsurers reserved their position regarding the claim, meaning a call to pay the claim would be required. The amount of the claim was quantified at a hearing in the High Court on 11 December 2023.
11. The 5 September 2023 communication attached provided comments which were incorporated into Council's 2023 Annual report. Note 23 - Contingencies of Council's Annual report provided the following disclosure:

Ongoing obligation relating to New Zealand Mutual Liability Riskpool scheme

Waimate District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call, in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

12. The 10 November 2023 communication attached only came to Council's attention on 22 December 2023. This letter provides a further update on the winding up process.
13. Riskpool advised that it has quantified its liability in relation to the Napier City Council claim.
14. In aggregate over all fund years, Riskpool has incurred more in claims and expenses than it has received from its members. The Riskpool Board has resolved to make a call on its members to pay a contribution to fund the deficits for Fund Years 7, 10, 11 and 12 totalling \$12.884 million.
15. The amount of the call attributed to Waimate District Council is \$57,346 excl. GST, which was due for payment by 20 December 2023.
16. This is an unbudgeted item that will be incurred in the 2023/24 year and will be funded by operational reserves and internal borrowings.
17. The 10 November 2023 communication provides a summary of the final process that will be followed before final windup, in particular:
 - Continue to operate Riskpool until all claims are settled.
 - Issuing further calls upon members for Fund Years still in deficit. The quantum of future calls depending on the outcome of the late notification issues in respect of outstanding mixed defect claims and reinsurers' position.
 - For Fund Years in surplus either:
 - returning the funds to members, or
 - offsetting against later Fund Years in deficit.
18. Other claims which involve the same issue, some involving Court proceedings, were waiting on the outcome of the Supreme Court decision. Many of these claims involved late notification issues (advised to Riskpool after members had left the scheme), and Riskpool intends applying to have those claims/proceedings struck out. Further information is being sought to assess anticipated liability for claims where late notification issues do not apply. This means that there may be a need to make a further call in the future in relation to these outstanding claims, as indicated above.
19. A further update will be provided to Council once Riskpool work through the remaining claims and provide advice to members on future calls.

PROPOSAL

20. That the Riskpool Update on Winding Up report and advice of the call is considered.

Options

21. There are no options available to Council other than to receive the advice and endorse payment of the call.

ASSESSMENT OF SIGNIFICANCE

22. This item is deemed to be of low significance under Council's Significance and Engagement Policy.

CONSIDERATIONS**Legislation**

23. There is no known legislation to be considered.

Risk

24. The on-going risk of further calls has been discussed within this agenda item.
25. There is no risk relating to Council receiving this report.

Other

26. Delegations Policy.
27. Compliance with the obligations from Council's former membership of Riskpool.

FINANCIAL**Budget**

28. The insurance budget did not provide for a call in the 2023/24 financial year, so this item effectively falls outside of Council's approved budget. Unbudgeted expenditure must be approved by the Chief Executive and will be reported to an ordinary meeting of Council along with all identified unbudgeted expenditure, as per Council's Delegations Policy.
29. The cost will be allocated on the same basis as our Public Liability and Professional Indemnity insurances, which is driven by identifying the areas of Council that have most potential for occurrences of property damage and personal injury or providing advice or professional duties.

Cost-effectiveness

30. Cost-effectiveness would have been considered with Council's membership of Riskpool. No further consideration to cost-effectiveness is required to receive this report.

RECOMMENDATION

1. That the Riskpool: Update on Winding Up report is received, and
2. That Council note the payment of an unbudgeted call of \$57,346 excl. GST.



10 November 2023

Stuart Duncan
Waimate District Council
PO Box 122
WAIMATE 7960 stuart.duncan@waimatedc.govt.nz

Riskpool: Update on Winding Up

Dear Stuart

On 2 August and 5 September 2023, we advised that we were still working through a complex pathway to understand what the future liability will be for Members following the Supreme Court's dismissal of Riskpool's appeal in the Napier Waterfront Apartments claim.

Since then, Riskpool has been able to quantify its liability in relation to that claim and has a better understanding of its potential liability in relation to other similar mixed defect claims. As previously advised, some of those claims involve late notification issues which have yet to be resolved. We are still waiting on confirmation from reinsurers that they will provide reinsurance cover for any of these claims.

In the meantime, Riskpool has carried out a review of its current and future liabilities, which has involved considering the deficits for previous Fund years.

By way of background, cover under the Riskpool Scheme was arranged on a Fund Year basis from 1 July to 30 June. Members made an initial contribution to cover estimated claims and expenses arising from the Fund Year, with any deficits to be funded by further calls upon Members in proportion to their initial contribution. Any surplus can either be returned to Members or rolled into a future Fund Year.

In aggregate, over all Fund years, Riskpool has incurred more in claims and expenses (before allowing for claims provisions) than has been received as contributions and calls from Members. This has been funded by a loan from Civic Financial Services. In addition, there is more to be paid in respect of currently open claims (including the Napier Waterfront Apartments claim) spread across a few different Fund Years.

The Board has resolved to make a call on Members to pay a contribution to fund the deficits for Fund years 7, 10, 11 and 12, being:-

- Fund Year 7 - \$6.166 million
 - Fund Year 10 - \$3.051 million
 - Fund Year 11 - \$1.126 million
 - Fund Year 12 - \$2.541 million
- Total \$12.884 million¹**

¹ Deficits have been calculated based on the deficit before allowance for claims provisions.

Riskpool's actuaries, Melville Jessup Weaver have calculated the required contribution from each Member for those Fund years.

The amount of the call for Waimate District Council will be \$57,346.00 (excl GST) as calculated in the table attached to this letter. This is payable on 20 December 2023 (or earlier if you wish). An invoice from Riskpool for this amount is attached.

Once Riskpool has met the short-term needs noted above there will be a process of finalising each Fund Year. This will entail:

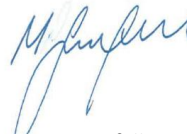
- Continuing to operate Riskpool until all claims are settled.
- Issuing further calls upon members for Fund Years still in deficit. The quantum of future calls will depend on the outcome of the late notification issues in respect of outstanding mixed defect claims and reinsurers' position.
- For Fund Years in surplus either:
 - Returning funds to members, or
 - Offsetting against later Fund Years in deficit.

If you have any questions, please contact Charlie Howe, phone (04) 978 1257.

Yours sincerely



Charlie Howe
CEO Civic Financial Services Ltd



Marty Grenfell
Chair of LGMFT (Riskpool)

Member	2003/04 Fund Year 7		2006/07 Fund Year 10		2007/08 Fund Year 11		2008/09 Fund Year 12		Total
	Initial Contribution	2023 call	Initial Contribution	2023 call	Initial Contribution	2023 call	Initial Contribution	2023 call	2023 call (excl GST)
Waimate District Council	\$30,910.00	\$29,258.00	\$34,098.56	\$12,084.00	\$35,800.00	\$5,250.00	\$26,000.00	\$10,754.00	\$57,346.00



PO Box 5521
Wellington 6140

Phone: 04 978 1250
Fax: 04 978 1260

TAX INVOICE

Waimate District Council
PO Box 122
WAIMATE 7960

GST No: 71-101-940
Invoice No: C0220
Order No:
Date: 10/11/2023

Client No: 0068

Call FY7 (2003/04), FY10 (2006/07), FY11 (2007/08), FY12 (2008/09)

Riskpool Call 2023

Contribution: \$57,346.00

Sub-total	57,346.00
GST	8,601.90
Total Due NZD	\$65,947.90

AMOUNT NOW DUE FOR PAYMENT
Please pay by 20.12.2023

Payment can be made by:

* **Direct Credit to our Bank Account: 01-0527-0061803-28**

* **Please ensure that the Invoice no: C0220 is quoted.**



5 September 2023

Stuart Duncan
Waimate District Council
PO Box 122
WAIMATE 7960 stuart.duncan@waimatedc.govt.nz

Riskpool: Update on Winding Up

Dear Stuart

On 2 August 2023, we confirmed that the Supreme Court had dismissed Riskpool's appeal, and we are still working through a very complex pathway to understand what the future liability will be for members. Given further legal action and uncertainty on the validity and scale of claims, this is likely to take some time.

We are aware members will be required to complete a disclosure statement in their Annual Reports about the current position of potential calls and the winding up of Riskpool.

We have prepared draft comments as a guide, should members wish to use it, as follows:

Waimate District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in *Napier City Council v Local Government Mutual Funds Trustee Limited*, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

We acknowledge there is ongoing uncertainty in respect of future calls and winding up of Riskpool. Members will be updated as information comes to hand.

Nga Mihi

Charlie Howe
Chief Executive, Civic Financial Services Ltd

Martin Grenfell
Chair, LGMFT (Riskpool)



2 August 2023

Stuart Duncan
Waimate District Council
PO Box 122
WAIMATE 7960 stuart.duncan@waimatedc.govt.nz

Riskpool: Update on Winding Up

Dear Stuart

On 7 June 2023 we wrote to members with an update on Riskpool's appeal to the Supreme Court regarding a liability claim concerning both weathertight and non-weathertight defects, where the member has sought to be covered for its liability for the non-weathertight defects.

On 1 August 2023, the Supreme Court issued its decision in which it has dismissed Riskpool's appeal.

The effect of the Court's decision is that Riskpool now has a liability for that member's claim in respect of the non-weathertight defects. At present, Riskpool's reinsurers have reserved their position regarding cover for the claim, which means that Riskpool may be required to make a call to pay that claim. Before that can occur, the amount of the claim (which is still in dispute between the parties) needs to be quantified. There is a hearing set down in the High Court on 11 December 2023 to resolve that issue. We are seeking advice from the member concerned as to the amount that they intend seeking at the hearing, which should enable Riskpool to advise all members of the likely maximum liability and therefore the likely level of the call that may need to be made. We hope to be in a position to provide further information regarding that within the next two to three weeks.

As also noted in our letter of 7 June 2023, there are a number of other claims, some involving Court proceedings, which involve the same issue and which have been waiting on the outcome of the Supreme Court decision. Many of those other claims involve late notification issues (that is, the claims were not notified to Riskpool until after the members had left the Scheme) and Riskpool intends applying to have those claims/proceedings struck out. For those claims which do not involve late notification issues, further information is being sought about the actual or anticipated liability of those members in respect of the non-weathertight defects. At present, Riskpool's reinsurers have also reserved their position regarding cover for these other claims which might mean that there is a need to make further calls in the future relating to these claims.

We welcome the Supreme Court decision which clarifies an important matter of law for our members. We also acknowledge there will be some uncertainty in respect of future calls and the path to winding up and we will continue to keep members updated as these matters progress.

If you have any questions please contact CEO, Charlie Howe.

Yours sincerely

Charlie Howe
CEO Civic Financial Services Ltd

Marty Grenfell
Chair of LGMFT (Riskpool)



7 June 2023

Stuart Duncan
Waimate District Council
PO Box 122
WAIMATE 7960 stuart.duncan@waimatedc.govt.nz

Riskpool: Update on Winding Up

Dear Stuart

In our letter of 9 January 2023, we advised that Riskpool's application for leave to appeal to the Supreme Court, in respect of a liability claim which had previously been declined, had been approved. The appeal was heard on 27 April 2023 and we are now waiting for a decision. The indicative guidelines issued by the Supreme Court suggest that a decision may be available by October this year.

There are a number of other claims, some involving court proceedings, which involve the same issue (that is, liability claims concerning both weathertight and non-weathertight defects where the member Councils are seeking to be covered for their liability for the non-weathertight defects) which are waiting on the outcome of the Supreme Court decision. Many of those other claims involve late notification issues (that is, the claims were not notified to Riskpool until after the members had left the Scheme) which are being considered by the Board.

At present, Riskpool's reinsurers have reserved their position regarding cover for any of these claims.

If Riskpool is unsuccessful in its appeal in the Supreme Court, then it will have an immediate liability for that member's claim which will require Riskpool to make a call to pay that claim. Depending on the outcome of the late notification issues in respect of the other similar claims and reinsurers' position, there may be a need to make further calls in the future.

We will update members once the Supreme Court decision is released.

Yours sincerely

Charlie Howe
CEO Civic Financial Services Ltd

Chair of LGMFT (Riskpool)



9 January 2023

Stuart Duncan
Waimate District Council
PO Box 122
WAIMATE 7960 stuart.duncan@waimatedc.govt.nz

Riskpool: Update on Winding Up

Dear Stuart

In our letter of 15 December 2022, we noted that legal proceedings had been served on Riskpool in relation to a liability claim which had previously been declined and that Riskpool had applied for leave to appeal to the Supreme Court for a final determination.

We have now been advised that our application has been approved by the Supreme Court and the hearing of our appeal is expected to take place in the second half of this year.

We will provide you with a further update as soon as we know the outcome of the hearing.

Yours sincerely

Charlie Howe
CEO Civic Financial Services Ltd

John Melville
Chair of LGMFT (Riskpool)



15 December 2022

Stuart Duncan
Waimate District Council
PO Box 122
WAIMATE 7960 stuart.duncan@waimatedc.govt.nz

Riskpool: Update on Winding Up

Dear Stuart

We are writing to provide you with an update on the progress being made with the winding up of Riskpool, the sector owned mutual liability fund that has been in run-off mode from 1 July 2017. In recent years, good progress has been made as we actively work towards winding up the scheme, but one claim has proved problematic.

By way of background, Riskpool is a mutual liability fund that offered public liability and professional indemnity cover to its member councils from 1 July 1997 to 30 June 2017, a total of twenty years. Riskpool is governed by a trust deed, with cover provided for members via a series of pooled funds. Riskpool's trustee is able to call on its member councils for financial support for each of Riskpool's funds, commonly referred to as "calls". Local Government Mutual Funds Trustee Limited (LGMFT) is the trustee of Riskpool. Civic Financial Services Ltd is the Fund Manager and Scheme Manager for Riskpool. Riskpool has collected a total of \$134.6 million in contributions from members, and as at 30 June 2022 it had paid its members \$171.2 million in claims.

As a result of reducing council support for Riskpool following the unprecedented financial impact of the leaky building crisis, and Councils increasingly being left as the last plaintiff standing in other litigation, it became difficult for Riskpool to offer its competitively priced cover and risk management services. Consequently, Riskpool decided to cease providing cover from 1 July 2017 and has now been in run-off mode for over 5 years. It is expected that Riskpool will remain in run off for a further 3 to 5 years. Riskpool members were given advance notice in October 2018 that an interim call of \$6 million would be needed on 1 July 2019. The interim call was duly paid by all members.

In the Riskpool Annual Reports for years ending 30 June 2020 and 2021, members were advised that Riskpool was expecting to make a final call prior to wind-up. This is still the intention and it is expected that this is all that will be required from members to complete an orderly wind-up of Riskpool. To achieve that, all claims must have been settled and paid and this is what Riskpool has been working towards since 1 July 2017. Good progress has been made, with only 6 open claims still on the books.

There is however one matter that may take some time to be finally resolved which could have a bearing on the timely wind-up of Riskpool and the quantum of any final call or calls that LGMFT will need to make. This involves proceedings served on Riskpool by a member Council in June 2017 in relation to a liability claim which had previously been declined. The claim involved both weathertight and non-weathertight defects for a multi-unit apartment block and was declined in its entirety. The member Council has accepted that Riskpool was correct to decline cover for the weathertight defects, but claims it is entitled to be covered for its liability in respect of the non-weathertight defects. Legal proceedings for this claim are still ongoing.

Riskpool and its legal advisors have always held a consistent view that the member Council does not have a valid claim against Riskpool. In June 2021 the High Court found in Riskpool's favour. In September 2022 the Court of Appeal reversed that finding in favour of the member Council. Riskpool has now applied for leave to appeal to the Supreme Court for a final determination. It may be several months before the Supreme Court decides whether or not to grant leave and, if leave is granted, the hearing of Riskpool's appeal may not take place until later in 2023 with a decision sometime in 2024. LGMFT's ability to wind up Riskpool and verify the quantum of any final call(s) is dependent on the conclusion of this process.

We will update members once we know the Supreme Court decision on Riskpool's application.

Yours sincerely

Charlie Howe
CEO Civic Financial Services Ltd

John Melville
Chair of LGMFT (Riskpool)



12 October 2018

Craig Rowley
Mayor of Waimate District Council
P.O. Box 122
Waimate 7961

Dear Craig

Riskpool Call for 1 July 2019

Riskpool offered public liability and professional indemnity cover for twenty years. The decision was made that new covers from Riskpool would not be offered from 1 July 2017. This was a difficult decision to make, but support from the sector had dropped, particularly from the larger Council's. Without support from the sector Riskpool could not offer the competitively priced cover it had been able to offer in the past.

Members were advised last year that further additional contributions from members (calls) would be required.

As at 30 June 2018, Riskpool's accounts show a deficit of \$7.4 million. The deteriorating claims experience in 2017-18 means that Riskpool needs to make at least one interim call before a final call is made on wind up. The call will be \$6 million payable on 1 July 2019, split \$3million each to fund years 7 and 10.

The amount of this call for Waimate District Council will be \$26,116.71 payable on 1 July 2019 (or earlier if you wish). An invoice from Riskpool for this amount will be sent to the Council in May 2019.

Another and hopefully final call from Riskpool is likely in 2022 or 2023. It is expected that the amount of that call will be less than this one.

Kind regards

A handwritten signature in black ink, appearing to read 'A. Marryatt'.

Tony Marryatt
Chairman of Riskpool

C/- Civic Financial Services Ltd (Funding and Scheme Manager)
04 978 1263
lan.brown@civicfs.co.nz

cc: Stuart Duncan, Chief Executive of Waimate District Council

**17 CONSIDERATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE
AGENDA**

Nil

PUBLIC EXCLUDED

18 EXCLUSION OF THE PUBLIC REPORT

RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
18.1 - Public Excluded Minutes of the Council Meeting held on 12 December 2023	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
18.2 - Outstanding Council Actions Report - Public Excluded	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

19 RE-ADMITTANCE OF THE PUBLIC REPORT
MEETING CLOSURE