

Notice is hereby given that an extraordinary meeting of the Gore District Council will be held in the Council Chambers, 29 Bowler Avenue, Gore, on Thursday 6 October 2016, at 5.00pm

A handwritten signature in black ink, appearing to read 'Stephen Parry', written over a horizontal line.

**Stephen Parry
Chief Executive**

3 October 2016

Agenda

1. Apologies
2. Declaration of Councillor conflict of interests
3. Gore District Council Mobile Trading Bylaw review
Pages 1-4
4. Cancellation of building line restriction – 86 Wentworth Street
Pages 5-8
5. Mataura Community Board report
Pages 9-12
6. Main Street Mataura beautification project
Page 13
7. Adoption of draft 2015-16 annual report
Pages 14-29
8. Triennium report of the Southland Heritage and Building Preservation Trust
Pages 30-33
9. Business to be considered pursuant to the Local Government Official Information and Meetings Act 1987:
 - Offer to purchase land
 - Performance appraisal

EXTRAORDINARY COUNCIL MEETING AGENDA

THURSDAY 6 OCTOBER 2016

1. GORE DISTRICT COUNCIL MOBILE TRADING BYLAW REVIEW

(Memo from Policy and Planning Officer – 29.09.16)

The Mobile Trading Bylaw was adopted on 2 November 2011 and came into force on 1 December 2011. Section 158(1) of the Local Government Act 2002 requires that this bylaw be reviewed no later than 5 years after the date on which the bylaw was made. Prior to undertaking any such review the Council must determine under section 155 whether a bylaw is the “appropriate way of addressing the perceived problem”.

↳ Legal advice from Anderson Lloyd dated 11 August 2015 (attached) states:

We advise that Council must decide (under section 155 LGA 2002) that a bylaw is the most appropriate way of addressing the problem, the most appropriate form and consider Bill of Rights implications prior to the five year period. Following that "review" the rest of the bylaw making process can follow after the five year "review" date....

Section 160 goes on to state that after the review, then Council must determine how it is to retain, amend or revoke the bylaw. We consider that the subsequent public notification and hearing process can validly continue after the five year review period. Essentially Council has a further two years to complete that public process relating to the bylaw prior to it being automatically revoked.”

The legal advice therefore establishes that the Council prior to 2 November 2016 must determine whether to review the Mobile Trading Bylaw, having regard to section 155(1) of the Local Government Act 2002. If a decision is made to review the bylaw, then it has 2 years within which to carry out the review.

The Mobile Trading Bylaw controls the operations of a hawker or mobile shop within our District by way of a licensing system, including retail displays on footpaths outside premises and advertising on streets and public places.

The Bylaw sets out limits on the distance from a specific business within which the licensee must not operate and that the Council has the power to impose conditions when issuing a licence. It also sets out the processes and timing for obtaining a licence and renewing the same from Council.

The Bylaw was originally introduced to overcome concerns raised with mobile traders and other itinerant vendors competing with commercial operators in the town centre; and signage on footpaths and other public spaces being a hazard for

the sight impaired or physically disabled. It was recognised that there was a lack of regulatory control for the Council to deal with these matters.

On average 10 mobile trading permits are issued annually under the Bylaw, typically associated with fruit vendors over the summer months.

The Bylaw provides a mechanism to move mobile vendors on to more appropriate locations or have signage removed when first encountered by Council staff which offers a quick resolution. The Bylaw provides a timely and cost effective approach for licencing of these matters. This ensures an appropriate balance is maintained between the interests of rate paying commercial operators in the town centre and the additional vibrancy that mobile traders bring to town.

The bylaw has been an effective tool in the past which has established general expectations for both permanent and mobile commercial operators. Further, the bylaw provides the community with the ability to raise complaints within the Council with the assurance that it has the power and mechanism to address such complaints. Having regard to these factors, it is considered that the Bylaw is still the “appropriate way of addressing the perceived problem”.

Some minor amendments to the Bylaw are necessary. For example the map needs to be revised to recognise that Ray White Real Estate is no longer located where indicated. Public consultation may also highlight that other amendments are also desirable.

RECOMMENDATION

THAT the Council determine that a Mobile Trading Bylaw is the most appropriate way of addressing the perceived problem,

AND THAT a review be undertaken of the Mobile Trading Bylaw.

11 August 2015

For: Steve Parry

Gore District Council
PO Box 8
GORE 9740

By email - sparry@goredc.govt.nz

Dear Steve

Bylaw Review

1. You asked us to advise on when the five year period for a review commences, i.e. when a bylaw is approved by Council, or when it is operative.
2. You also asked for advice on whether a review needs to be commenced prior to the five year cut-off, or completed.

Advice

3. We advise that a review must be commenced within five years of when a bylaw is "made" by Council. We conclude this five year period runs from when the Council resolve to make the bylaw (not when the bylaw comes into operation).
4. We advise that Council must decide (under section 155 LGA 2002) that a bylaw is the most appropriate way of addressing the problem, the most appropriate form and consider Bill of Rights implications prior to the five year period. Following that "review" the rest of the bylaw making process can follow after the five year "review" date.

Reasoning

5. Bylaws made under the LGA 2002 are required to be reviewed "*no later than 5 years after the date on which the bylaw was made*"¹.
6. Section 157 sets out some procedural requirements and relevantly states:

"(1) As soon as practicable after a bylaw is made, the local authority must give public notice of the making of the bylaw, stating—

(a) the date on which the bylaw will come into operation; and...
7. Section 157 distinguishes between when the bylaw is "made" and when it "comes into operation", which can be some time later. We conclude that the five year timeframe in section 158 to review a bylaw is linked to when the bylaw is "made". We consider that this statutory language is consistent and both sections refer to the same event, i.e. when the Council approve the bylaw and "make it". This can be different from when the bylaw comes into operation which could be some time later. We consider the focus of the review timeframe

¹ Section 158 LGA 2002



is on the Council's decision making function i.e. when it makes the bylaw, rather than the date that it is advertised in the newspaper as having effect.

8. Therefore we conclude that the five year time period runs from when the Council resolution is passed that "makes" the bylaw.

Review

9. The process for a review is described in section 160 as requiring Council to make the determinations required by section 155. This requires Council to determine whether a bylaw is the most appropriate way of addressing the problem, the most appropriate form and gives rise to any Bill of Rights implications.
10. The obligation is to "review" a bylaw no later than five years after the date specified above. We consider that Council needs to make the decisions under section 155 LGA 2002 prior to the five year cut-off date. Section 160 goes on to state that after the review, then Council must determine how it is to retain, amend or revoke the bylaw. We consider that the subsequent public notification and hearing process can validly continue after the five year review period. Essentially Council has a further two years to complete that public process relating to the bylaw prior to it being automatically revoked.
11. In summary, Council needs to make a decision under section 155 LGA 2002 that a bylaw is the most appropriate way of addressing the perceived problem within five years of having made the bylaw under the LGA 2002. Following that determination the bylaw remains valid for at least two years to enable the public process to continue to revoke, amend or retain the bylaw.

Yours faithfully
Anderson Lloyd



Michael Garbett
Partner
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2. CANCELLATION OF BUILDING-LINE RESTRICTION – 86 WENTWORTH STREET

(Memo from Resource Management Planner – 29.09.16)

The Council has received a request to remove a building-line restriction. This request relates to land at 86 Wentworth Street owned by JP Bristow, KE Bristow and JA Bristow. The site is legally described as Lot 5 Deposited Plan 5880 as set out in Computer Freehold Register SLA2/976 containing 862 square metres more or less.

This request also relates to land at 86A Wentworth Street owned by Barry Mervyn Perkins and Dianne Lorraine Perkins. The site is legally described as Lot 1 DP 14623 as set out in Computer Freehold Register SL11C/733 containing 16127 square meters more or less.

These sites are zoned Residential A in the Gore District Plan.

The request for the removal of the building-line restriction has been sought under Section 327A of the Local Government Act 1974, which reads:

327A Building-line restrictions

Where a building-line restriction has been imposed under this Act or any former enactment, and the council subsequently determines that the building-line restriction be cancelled, the council shall send notice of cancellation to the District Land Registrar or Registrar of Deeds, as the case may require, who shall amend his or her records accordingly.

Background

A building-line restriction was placed on 86 Wentworth Street as part of a subdivision in the 1960s. The Council was thinking ahead at the time and had the subdivision configured so that a legal road could be formed over the wide leg-in of 86A Wentworth Street to gain access to the bulk of the land at the rear. The building-line restriction allowed the Council to take a strip of land from 86 Wentworth Street to widen the leg-in to the size required for a legal road.

Further subdivision of 86A Wentworth Street has never happened, and there is now a dwelling and associated sheds situated on this property.

As the building-line restriction is still registered on the Computer Freehold Register for 86 Wentworth Street, the Council still has the ability to use that land to widen the leg-in should development occur on 86A Wentworth Street. It must be noted that there are no instruments on the Computer Freehold Register for 86A Wentworth Street which references the building-line restriction in any way.

Assessment

- ✚ There is still space for future development of 86A Wentworth Street as can be seen from the attached plan. However, the position of the dwelling and sheds do limit the access options to the rear of the site. The dwelling and sheds in their current configuration are set back approximately 12 metres from the northern boundary and

4 metres from the southern boundary. While the width of the access into 86A Wentworth Street is 15.25 metres wide, which would allow for a 20 lot subdivision, there is currently no room to create a road past the dwelling and sheds. All development accessed by the leg-in would need to take place in the east portion of the site or demolition of the dwelling and/or sheds would need to occur to allow access to the rear of the site.

The owners of 86A Wentworth Street also own adjoining land to the north (94A Wentworth Street) and access to the site can be obtained via a “paper” road. Given that there is an alternative to provide access to 86A Wentworth for further development, the removal of the building-line restriction can be justified.

If there was not additional access to the 86A Wentworth Street the building-line restriction removal would be limiting any future development of the site to a 20 lot subdivision when the site is of a size that would allow for a 40 lot subdivision should the dwelling and sheds be removed.

RECOMMENDATION

THAT the Council grant approval under Section 237A of the Local Government Act 1974, to allow the removal of the building-line restriction,

AND THAT the Chief Executive be authorised to sign a certificate cancelling the building-line restriction.



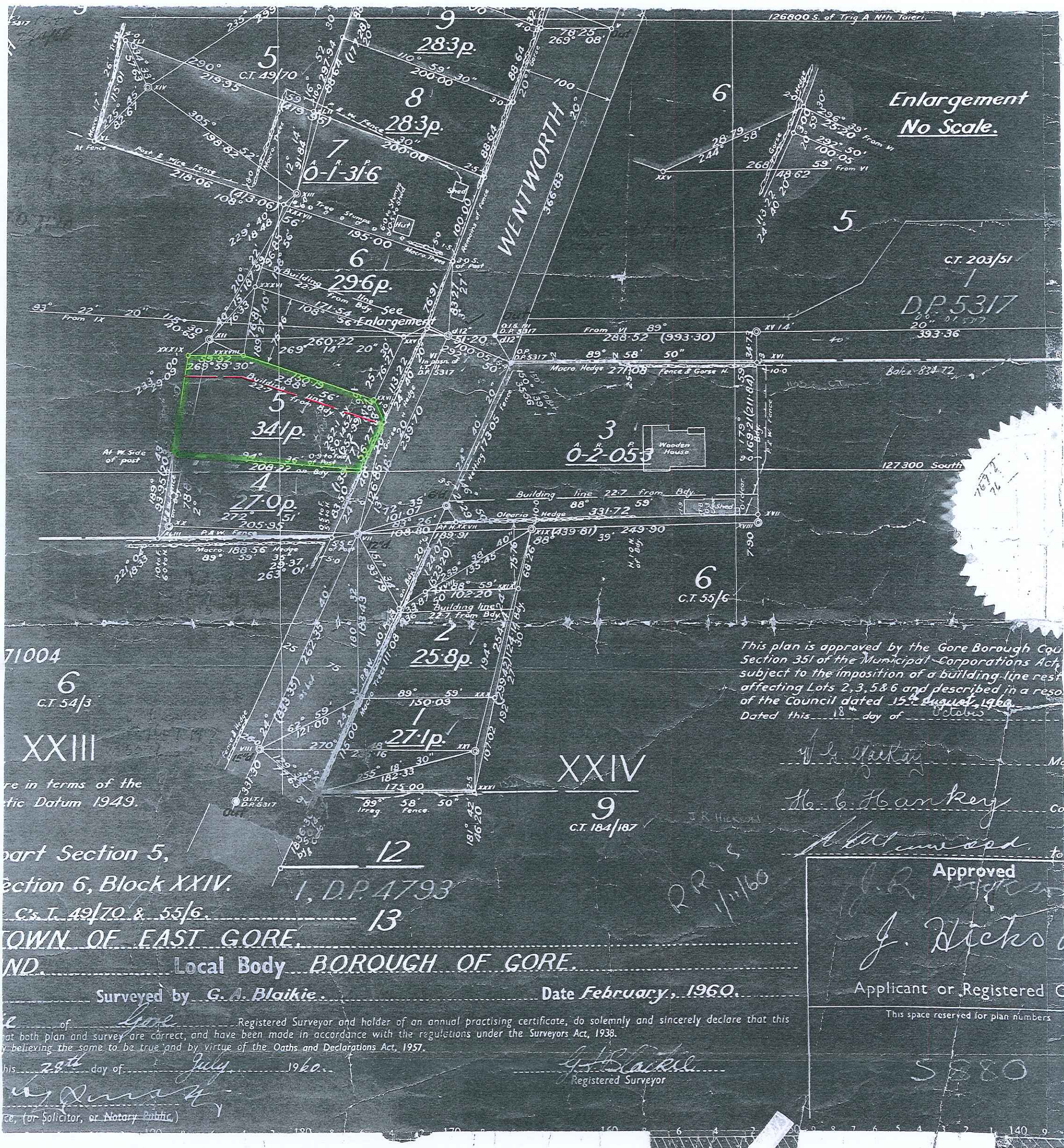
**86 - 86A & 94A WENTWORTH STREET
GORE**

Drawn:
SHEWLETT

Date: 27/09/2016
Scale 1:1750

GORE DISTRICT COUNCIL
PO Box 8, Gore
Ph (03) 209 0330
goredc.govt.nz
info@goredc.govt.nz





D.P. 5880

3. MATAURA COMMUNITY BOARD REPORT

(Memo from Administration Manager – 29.09.16)

- ✦ A copy of the report of the meeting of the Matura Community Board held on 19 September 2016 is attached.

RECOMMENDATION

THAT the report be received,

AND THAT the recommendations contained within the report be ratified.

RURAL CITY LIVING

Report of a meeting of the Mataura Community Board, held in the Mataura Community Centre, McQueen Avenue, Mataura, on Monday 19 September 2016, at 5.35pm.

Present	Alan Taylor (Chairman), Geoff Colvin and Cr Dixon.
In attendance	His Worship the Mayor (Mr Tracy Hicks JP), General Manager District Assets (Mr Paul Withers), Administration Manager (Susan Jones), and three members of the public.
Apologies	Barbara Cunningham, Linda Sinclair and Chris Duffy apologised for absence.

1. CONFIRMATION OF REPORT

RECOMMENDED on the motion of G Colvin, seconded by A Taylor, THAT the report of the ordinary meeting of the Mataura Community Board, held on Monday 20 June 2016 as circulated, be accepted and signed by the Chairman as a true and complete record.

2. PROGRESS REPORT – TULLOCH PARK REDEVELOPMENT (SC1547)

A memo had been received from the Parks and Recreation Manager reporting on progress to date about the Tulloch Park redevelopment. An invited tender process had been completed and several workstreams were being worked on concurrently, including concept plans, landscaping, specific project elements and a building assessment by Quantity Surveyors.

In response to Cr Dixon enquiring about the cost of the work, the General Manager District Assets advised the Quantity Surveyor would cost the works once the plans had been finalised.

His Worship added it was important the overall planning and costing process for the project was done properly.

RECOMMENDED on the motion of G Colvin, seconded by Cr Dixon, THAT the information be received.

3. MAIN STREET MATAURA BEAUTIFICATION PROJECT (SC1375)

A memo had been received from the General Manager District Assets advising that the detailed design drawings for the Main Street beautification project had been completed along with the estimate of cost. The estimated cost of \$74,299 was within budget and would be funded from reserves. A copy of the final plans and estimate of cost had been circulated with the agenda.

An NZTA safety review was to be undertaken and once that had been completed, the cost of plantings and maintenance of the plots could be considered.

The General Manager advised the safety review had been completed by NZTA but the final plantings plan had still to be submitted for approval. The planting design work was underway. He added plantings at the former Keystores site would be included.

In response to His Worship, the General Manager said it was intended the project would be completed within the 2016-17 construction season. He expected it would be endorsed by the Council at its December meeting.

His Worship suggested if the planting design work did not take too long then it should be considered by the Council at an extraordinary meeting that was scheduled for Thursday 6 October.

The Chairman noted the project had taken a long time to get to the current stage. The Community Board was doing its best to get things done.

His Worship said subject to the planting plan being approved, he would do his best to get it signed off by the Council before the end of its term.

RECOMMENDED on the motion of G Colvin, seconded by Cr Dixon, THAT the report be received,

AND THAT subject to the planting design and plan being signed off, the Board approve the overall plan so that construction can commence for the beautification project.

4. DATES OF NEXT MEETINGS

- Statutory meeting on Monday 7 November, at 5.30pm
- Ordinary meeting on Monday 21 November 2016, at 5.30pm

His Worship acknowledged the Board's efforts over the past three years.

G Colvin acknowledged and thanked Alan Taylor for his leadership and dedication to the role. It was very much appreciated.

The meeting concluded at 5.55pm

4. MATAURA BEAUTIFICATION PROJECT

(Memo from General Manager District Assets – 30.09.16)

The Council will note the Mataura Community Board's recommendation 'that subject to the planting design and plan being signed off, the Board approve the overall plans so that construction of the beautification project can commence.'

The Council staff can now advise that the planting design is approved. The cost of the plantings for the Main Street and the front of the Keystones sites total \$12,000.

This project is funded from the Mataura Beautification Reserve. The estimated cost of the project is \$99,163 which includes a contingency, and is well within the budget of \$208,600 held in the reserve.

Now that the necessary approvals and estimates have been obtained, the project can be let. It is envisaged the work could start nearer to Christmas, however this will depend on the availability of materials and resources.

RECOMMENDATION

THAT the report be received,

AND THAT provided the market price is within the estimate, the project proceed.

5. ADOPTION OF DRAFT 2015-16 ANNUAL REPORT

(Memo from Chief Financial Officer – 29.09.16)

The annual report for the year ended 30 June 2016 is enclosed for the Council's consideration and adoption.

The financial statements record a deficit of \$820,000 however, \$578,000 of this relates to the drop in value of the Council's interest rate swaps. The value has dropped due the current climate of super low interest rates. When the movement in the interest rate swaps is removed the underlying actual deficit the Council achieved is \$242,000 against a budget of \$203,000. This is a pleasing result given what has been achieved over the last 12 months.

The Council's land and building and infrastructure assets were revalued as at 30 June 2016. While the value of the assets rose by almost \$14million, the increase was less than forecast.

As signalled throughout the year in management reports, the delay in the Ajax pump station upgrade has had a significant effect on the overall result. Borrowings as at 30 June remain at \$12 million initially drawn down from the LGFA, against a budgeted figure of \$14.2 million. The lack of expenditure on the Ajax project has meant the Council failed to meet the essential services benchmark in the current year. If the project had progressed the Council would have met this benchmark as planned. Overall the Council met six of eight benchmarks; it had planned to meet seven of eight. The Council's auditors have drawn attention to this in their report which is also attached to this report.

As it is fitting for the Council of the day to adopt the annual report prior to the election, the timetable for the preparation of the report and the audit was tighter than usual. I regret that this item was not able to be provided sooner, however the Auditors were still making final changes at quarter to five on Friday 30 September. The finance team is proud of the fact the Audit went very smoothly and Deloitte's report to the Council does not have any significant issues to highlight other than the capital work underspend mentioned above. Deloitte has issued an unqualified opinion. The auditor's report will be referred to the next meeting of the Audit and Risk Committee for discussion.

Because of the way the document came together this year, we were able to get the final laid out versions of the annual report and the summary ready in time for adoption by the Council. It is pleasing to provide the opportunity for Councillors to sign off on the final finished product instead of the draft documents.

RECOMMENDATION

THAT the annual report for the year ended 30 June 2016 be adopted.



ANNUAL REPORT SUMMARY 2015/16

Welcome to the Gore District Council's Annual Report summary for the 2015/16 financial year.

Please note it is important to read the full Annual Report to get a complete picture of our performance. You can download the report from our website www.goredc.govt.nz or pick up a copy from our main office, in Gore.

**RURAL
CITY
LIVING**

The Highlights

It was a year where we managed to reach agreement over a couple of long running battles around water supply and wastewater. These were the Cooper's Wells designation and compensation to the Sharp Family Trust, and Ajax wastewater treatment pump station upgrade easement across land owned by the Grant family, respectively.

The Ajax easement agreement means we can now go ahead with the \$3 million upgrade, which has been in limbo for two years. The continued delays meant we did not do as much capital expenditure in 2015/16 as we had forecast in the Long Term Plan.

Economic Development

Economic development has been to the fore for us, and a key achievement has been the sign off by Matakura Valley Milk Ltd on a \$200 million milk powder manufacturing plant, at McNab. This is the culmination of months of negotiations and will be a major boost to our economy, with the creation of 80 new permanent jobs.

Gore's retail sector has continued to attract national attention courtesy of the Council-supported GoRetail group and it's Love Gore – Shop Local campaign. These have become an icon in resilience for provincial towns with other areas keen to emulate our town's success.

We have also invested in providing free Wi-Fi in the central business area as it is one of the keys to encouraging people to stop and spend time and money in the stores, cafes and restaurants.

Recycling

It appears we are becoming increasingly aware of the need to recycle with a significant drop in the amount of solid waste we are creating. In Gore, as with elsewhere in Southland, the aim is to have less than 650kg of waste a year per capita going into the landfill at Browns. This measure was comfortably surpassed, with an average of 481kg of waste a year per capita recorded last year.

Money Matters

We made a saving on our interest payments last year by refinancing our \$12 million in loans with the Local Government Funding Agency. This saw our interest rate drop, on average, to 4.7 percent.

Our books show an end-of-year loss of \$820,000, however, \$578,000 of this is due low interest rates over the last financial year eroding the value of our interest rate swaps.

It is important to understand this is not a cash shortfall and the loss does not have any impact on our cash position.

Without the write-down in the value of the swaps, we would have ended the year with a deficit of \$242,000, which compares quite favourably with our LTP forecast deficit of \$203,000.

MAYORAL AND EXECUTIVE FOREWORD

We are pleased to be able to provide a brief commentary on some of the more notable achievements and progress with key projects that occurred during the 2015/16 financial year. A full commentary and disclosure of the Council's financial and non-financial performance in the year under review can be found in the following pages. Some of the key milestones and issues during the year that we would like to draw readers' attention to are:



Financial Performance

The financial statements record an accounting deficit of \$820,000, which compares unfavourably to the forecasted deficit of \$203,000. It needs to be emphasised that the deficit is due to accounting treatment as opposed to a cash shortfall.

The prime contributor to this accounting deficit has been the diminution of value in respect of financial swaps or derivatives that the Council possesses. The incredibly low interest rate environment that

exists at present, which is at levels not seen in several decades at least, has meant the value of the swaps the Council has entered into to stabilise its debt servicing costs has eroded in value.

This deficit is a result of an accounting treatment as distinct from a cash loss. If the diminution in value in swaps was not included in the final result the deficit would have been \$242,000, or \$39,000 over that forecast. This represents 0.20% of operating revenue.

Water Supply

The long running saga of providing permanent land use controls for land surrounding Cooper's Wells, at Knapdale, was finally concluded in the year under review. Following the area of land around the wells being designated, which provides for a number of conditions designed to assist in protecting quality of water supply, negotiations were conducted with the effected land owner, the Sharp Trust.

Given the wide disparity in the respected views of the Trust and the Council, in terms of the quantum of compensation that should be paid to take account of the designation on the land concerned, the parties agreed to proceed to arbitration for a binding determination on the issues in contention. The arbitrator's decision was delivered in December 2015 and made provision for compensation in the sum of \$512,000 to be paid to the Sharp Trust. After execution of the necessary documentation, including easements and leases which

underpin the arbitrator's determination on compensation payable, settlement with the Sharp Trust occurred on 2 September 2016. This date, whilst outside the financial year under review, is included in this commentary due to the fact that it brings to an end this protracted yet very important strategic initiative by the Council.

Just prior to the Council adopting this financial report the township of Havelock North in the Hastings district was afflicted with bacteria thriving in its water supply and causing many in that community to fall very ill. The subsequent extensive publicity and heightened awareness of the need for territorial authorities to be vigilant in addressing and reducing risks to compromised water quality has, in our view, vindicated the Council's stance in opting to designate the land surrounding Cooper's Wells.

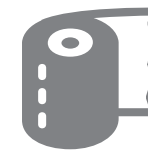


Wastewater

During the year a contract was let for the desludging of the Gore oxidation ponds. The ponds have not been the subject of any desludging since they were constructed back in the 1970s. This project is one of several the Council is embarking on to improve the capacity of its wastewater system.

The other major project the Council is very anxious to advance is the upgrade of the Ajax pump station and associated reticulation. This project has been in limbo for over two years due to negotiations with a land owner to secure an easement for a wastewater pipe proving very difficult. As reported in last year's annual report, the Council was forced to evoke the compulsory acquisition position provisions of the Public Works Act 1981 to advance this matter.

Ultimately the Council's actions were the subject of an appeal to the Environment Court, which in turn directed that the parties undertake mediation on the need for an easement, its proposed route and compensation payable. It is pleasing to report this mediation, which took place in February 2016, did result in agreement being reached with an alternative route for the wastewater pipe being negotiated together with compensation payable. This agreement has now cleared the way for the long awaited Ajax pump station upgrade to be implemented in earnest. It is sincerely hoped that we will be able to report on progress with this important project in the next Annual Report.



89%

satisfied with the
wastewater service



77%

satisfied with the
stormwater system



Tracy Hicks - Mayor



Stephen Parry - Chief Executive

Economic Development

The latter half of the year under review was notable for the rapid development and planning of a new infant formula plant by Mataura Valley Milk Limited. A large milk processing plant of some description has been in various stages of planning by MVM since 2008. However, in recent months the project, with a fresh impetus received from new personnel, has gained considerable momentum. The Council has been at the vanguard of negotiations with the company for the provision of water and wastewater treatment and disposal services, to enable this significant economic opportunity to be realised for the District.

At the time of writing it was very satisfying to be able to report that MVM had reached broad agreement with the Council on water and wastewater issues and had received Overseas Investment Office approval for the proposed foreign investment and ownership to enable the new plant to be established. With a capital investment of approximately \$200 million and the creation of 80 new permanent jobs, this project can be expected to reverberate in a positive economic manner for some years to come.

As a backdrop to the economic splash being created by MVM, the Council has also taken the opportunity to consider its role in economic development within the District. The first step in this process was to consider a range of options in how the Council can potentially be more hands-on and active as opposed to a passive bystander in respect of economic development. Further clarity around the Council's role in economic development, and what areas it may wish to try and have a more direct influence on producing favourable outcomes for the community, can be expected to become less amorphous after the forthcoming local authority elections.

Tracy Hicks (JP)
Mayor

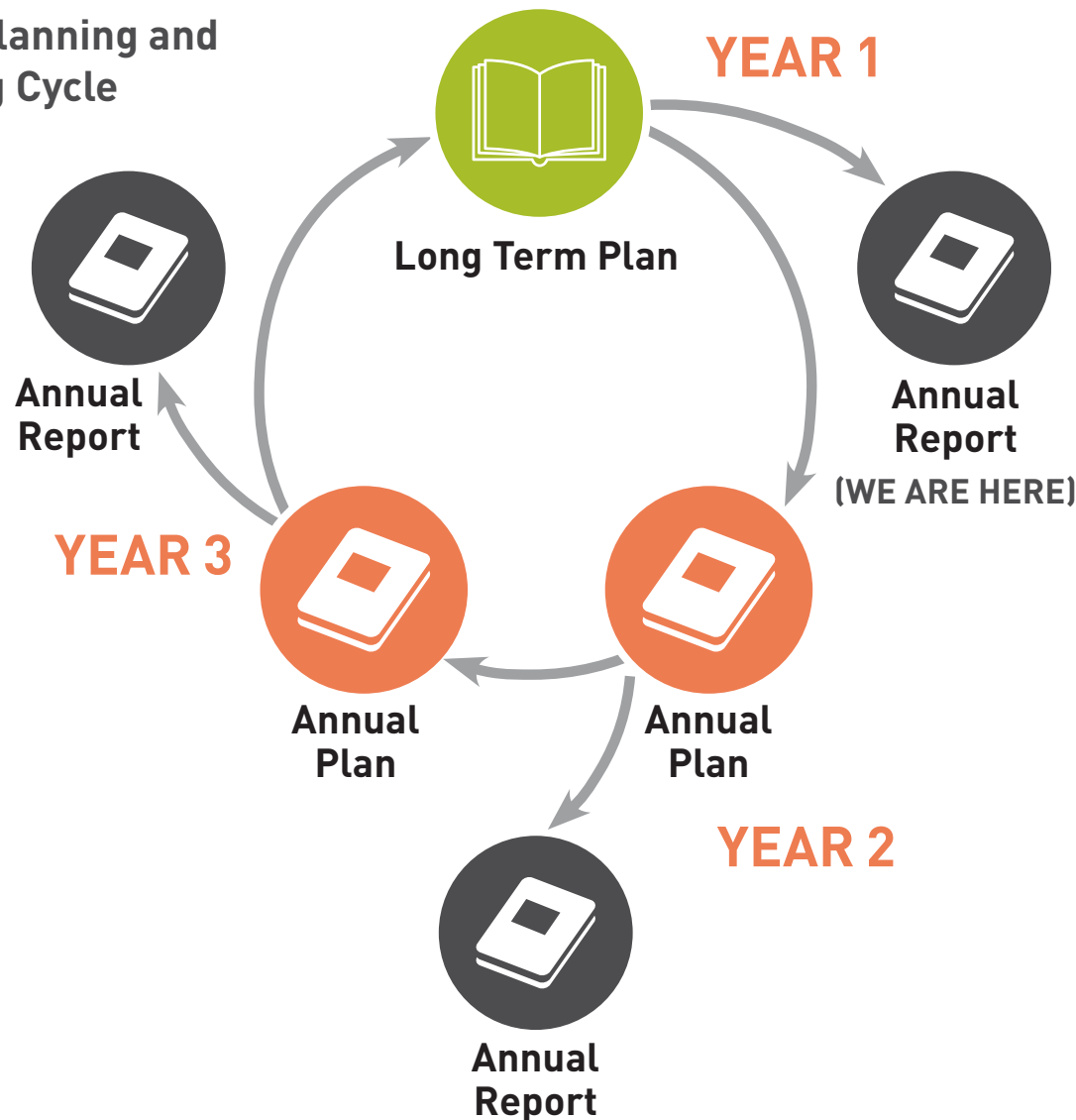
Stephen Parry
Chief Executive



 **80%** agreed there is a great sense of community where they live.

ABOUT THE ANNUAL REPORT

Council Planning and Reporting Cycle



What is an Annual Report?

As the name suggests, we produce an Annual Report every year. It is the document that lets you know if we are doing what we said we would in the Long Term Plan (LTP) and Annual Plan.

We let you know the key decisions we made, our financial performance and if we met our levels of service measures. This year's Annual Report covers the first year of our LTP 2015-25, which is the period from 1 July 2015 to 30 June 2016.

What are Long Term Plans and Annual Plans?

Every three years we develop a Long Term Plan (LTP) in consultation with the community. It sets our direction, budgets and work plans for the following 10 years. The LTP is our lead document. In the two years between adopting an LTP, we develop Annual Plans, also in consultation with the community. These are essentially an update to what was agreed to through the LTP, highlighting any changes to budgets and projects.

HOW THE COUNCIL PERFORMED

Each year we carry out a residents' survey to find out what you think about the services we offer, how you like to keep in touch with us, and what you think about the Gore District. A review of how we carry out the survey at the start of this year resulted in us getting a new company on board and a shorter, easier questionnaire going out. This saw an increase in the number of people taking part.



In the survey, you told us we continue to do a good job ensuring we have outstanding recreational facilities, and parks and reserves with:



 **100%**

satisfied with sports grounds



 **98%**

satisfied with Gore Aquatic Centre



 **97%**

satisfied with parks and reserves

In the survey, you told us The arts and heritage precinct is a very popular place with:



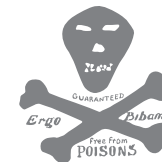
 **99%**

satisfied with Gore Library



 **99%**

satisfied with Eastern Southland Gallery



 **99%**

satisfied with Hokonui Moonshine Museum



 **96%**

satisfied with Gore Visitor Centre



Stormwater and Wastewater were areas you want us to improve on, with a small decline in the level of satisfaction with both of these. Fixing or clearing drains and gutters, and surface flooding were some of the hot topics.

Water

The reliability and quality of the town supply were again areas you wanted us to treat as high priorities. Satisfaction with both areas was only 79% and 78% respectively, which was a decrease on last year. That said there was good support for water restrictions.



 **79%**

satisfied with the **reliability** of town water supply

Roading

Roading and footpaths continue to be a priority for you. The level of satisfaction with our sealed roads and footpaths was down, while we missed our performance target of 78% satisfaction with unsealed roads.



 **69%**

satisfied with local gravel roads

Communication / Customer Service

The decline in face-to-face visits to our office and phone calls continued, although these are still the main ways of communicating with our staff. You are using online channels more and more though. Customer satisfaction levels were down across all communication methods, although only 1% saw improving our communication and Council transparency as a priority.



 **93%**

satisfied with **online** communication

Quality of life

We asked you what you thought about living in the Gore District. The percentage of you who agreed that it is a safe place to live, has good sporting and recreational facilities, promotes a sense of community pride, and is overall a great place to be was higher than national results from urban areas.

 **92%**

agreed the Gore District is a **great place to live**



SIGNIFICANCE PERFORMANCE MEASURES

We achieved all our
performance measures in:

Stormwater

Parks and Reserves

Aquatic Facilities

Solid Waste

Arts & heritage

Libraries

Democracy and Administration

Wastewater

We achieved 80% (eight out of 10) of our performance measures in wastewater. This was mainly due to a reported blockage turning out to be a collapsed wastewater main. It took two days to fix, which was outside our optimum response and resolution times.

Roading

In roading we achieved 71% (five out of seven) performance measures. The main issue was dissatisfaction with gravel roads among Mataura and rural residents.

“You raised concerns during the Long Term Plan about the quality of gravel used on the roads in our District, and we listened. During the year we completed a gravel trial, using gravel from quarries throughout and outside the District. The trial showed the gravel we have been using does not perform as well as the trial gravels. As a result, we are rolling out better performing gravel on our rural roads, accepting that differing conditions will require different blends of material.”



 **81%**

stated that they were
satisfied with the
performance of
Gore District Council.



Water

We achieved six out of the nine (67%) performance measures we have for our water activities. We did not make our target of no more than eight water quality complaints (14 complaints were received), or a 23% water loss from the reticulation network. Leak detection studies found water loss levels were around 66%.



We responded to urgent customer requests within 37 minutes on average (target 60 minutes), and fixed the problem in just under two hours (target eight hours).



Regulatory and planning

We achieved one of the two performance measures here. We were aiming to process all resource consents within 20 days but missed out on two applications.



We processed **345 building consents**, worth **\$27.5million**



We gave **\$610,044** to **37** different organisations, groups and events in our District, supporting everything from emergency housing for those in need to the Pakeke Lions Club's recycling services



The Eastern Southland Gallery hosted **11 exhibitions** and **10 performances** throughout the year



FREE WI-FI went live in the central business district

OUR ANNUAL INCOME

What was
our planned
Income?

We budgeted
for an income of
\$20.3 million

Why is there a difference?

The difference was due to the devaluation in our interest rate swaps resulting in our income being lower than budgeted.

What was
our actual
Income?

Our actual
income was
\$19.5 million

OUR ANNUAL SPEND

What did
we plan to
spend?

We planned
to spend
\$20.5 million

Why is there a difference?

The difference was due to:

- Lower finance costs from refinancing with the LGFA
- Less debt than expected
- Continuing delays with the Ajax wastewater treatment pump station upgrade

What did
we actually
spend

Our actual
spend was
\$20.4 million

OUR ASSETS

What was
our planned
Spend?

We planned
to spend
\$5.6 million

What was
our actual
Spend?

Our actual
spend was
\$4 million

Why is there a difference?

The difference was due to continuing delays with the Ajax wastewater treatment pump station upgrade.

How do we pay for our assets?

We borrow money to pay for large projects that provide services to the community for a long time. By borrowing the money over the long period, it means people who will benefit in the future also contribute to the cost.

OUR BORROWING

What was
our planned
Borrowing?

We planned
to borrow
\$14.2 million

What was
our actual
Income?

Our actual
borrowing was
\$12 million

Why is there a difference?

The difference was due to continuing delays with the Ajax wastewater treatment pump station upgrade.

SUMMARY FINANCIAL STATEMENTS

Operating revenue: This is day to day income received from things such as rates and fees and charges

Operating expenses: These are our day to day expenses such as the cost of collecting rubbish, mowing reserves and maintaining roads

Total comprehensive income: This is the difference between operating revenue and operating expenses for the current year i.e. more revenue = surplus
more expenses = (deficit)

Assets: The property we own

Liabilities: The amount we owe

Operating activities: The difference between operating revenue and operating expenses

Investing activities: The difference between buying and selling assets

Financing activities: The difference between borrowing and the repayment of loans

Cash held: Money in the bank

Summary statement of comprehensive revenue and expense for the year ended 30 June 2016	2016 \$000	BUDGET \$000	2015 \$000
Operating revenue	19,539	20,261	19,719
Finance costs	(625)	(787)	(666)
Other operating expenses	(19,734)	(19,677)	(19,424)
Total operating expenses	(20,359)	(20,464)	(20,090)
Net surplus/(deficit)	(820)	(203)	(371)
Other comprehensive revenue and expense	13,949	21,587	-
Total comprehensive revenue and expense	13,128	21,384	(371)
Summary statement of net assets/equity for the year ended 30 June 2016	2016 \$000	BUDGET \$000	2015 \$000
Balance at 1 July	363,356	363,568	363,727
Total comprehensive revenue and expense	13,128	21,385	(371)
Balance at 30 June	376,484	384,953	363,356
Equity represented by:			
Retained earnings	129,392	131,352	131,302
Reserves	247,092	253,601	232,054
Summary statement of financial position as at 30 June 2016	2016 \$000	BUDGET \$000	2015 \$000
Current assets	6,427	4,881	5,373
Non-current assets	385,907	396,912	372,618
Total Assets	392,334	401,793	377,991
Current Liabilities	8,614	2,373	2,298
Non-current Liabilities	7,236	14,467	12,337
Total Liabilities	15,850	16,840	14,635
Net assets/equity	376,484	384,953	363,356
Summary cash flow statement for the year ended 30 June 2016	2016 \$000	BUDGET \$000	2015 \$000
Net from operating activities	4,972	4,805	4,402
Net from investing activities	(4,132)	(5,611)	(4,360)
Net from financing activities	336	859	101
Net increase/decrease in cash held	1,176	53	143
Opening cash balance	1,947	1,791	1,804
Closing cash balance	3,123	1,844	1,947

Notes

1. Section 98 (4) (b) of the Local Government Act 2002 requires the Council to make publicly available a summary of the information contained in its Annual Report.
2. The specific disclosures included in the summary report have been extracted from the full financial report completed on 6 October 2016.
3. The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The full financial report dated 6 October 2016 has received an unqualified audit report. A full copy of the financial report may be obtained from the Council's offices or on its website (www.goredc.govt.nz).
4. This summary financial report has been examined by the auditor for consistency with the full financial report. An unqualified auditor's report is included with this summary.
5. The Council's full financial report has complied with NZ GAAP and Tier 1 Public Benefit Entity (PBE) standards.
6. The Summary Financial Report Complies With PBE FRS 43 Summary Financial Statements.
7. The presentation currency of the Summary Financial Statements is New Zealand dollars.
8. The Summary Financial Statements were authorised by the Council on 6 October 2016.

Explanation of major variances against budget

Explanation of major variations from Council's estimated figures in the 2015/2016 budget, as reflected in the Annual Plan, are as follows:

Statement of Comprehensive Revenue and Expense

- a) Other gains/ (losses) is lower than budget by \$488,000. This is due to the revaluation of the Council's interest rate swaps. The maturity profile of the swaps has been extended and the prevailing floating rates have fallen substantially; this has resulted in the downward movement.
- b) Employee benefits expense is higher than budget by \$170,000 due to a number smaller overspends in various departments. When a department overspends this is managed by reducing other costs. A higher than normal turnover at the pool meant there was a higher wage cost as these staff train by shadowing more experienced staff. Parks and reserves costs were higher due to the Council's participation in the velvet leaf response. This was recovered from Environment Southland. During the year a policy and planning officer was employed, this was an unbudgeted position but is included in the 2017 Annual Plan. Elected member honoraria were higher due to a higher than budgeted remuneration determination from the remuneration authority. Additionally Kiwisaver contributions were higher than expected due to staff opting in to Kiwisaver schemes.
- c) Finance costs are lower than budget by \$162,000 as the Council has obtained more competitive interest rates by financing through the New Zealand Local Government Funding Agency.
- d) Depreciation is lower than budget by 153k due to the Ajax wastewater pump station upgrade not being completed in the prior financial year.

Statement of Financial Position

- a) Current assets are higher than budget by \$1,546,000. This is due primarily to cash and cash equivalents bring \$1,279,000 more than budgeted due to timing of capital expenditure.
- b) Property, plant and equipment are lower than budget by \$11,135,000. The major contributor is the lower than expected revaluation from 30 June 2016, this results from the inflationary increases being lower than those foreseen when the Long Term Plan budgets were set. Additionally the Ajax capital project was not completed during the year and will be carried over to the 2016/2017 year.
- c) Borrowings are split between \$6,000,000 current and \$6,000,000 non-current. When the Council refinanced through the New Zealand Local Government Funding Agency it split its borrowings 50/50 between longer term floating rate notes and short term commercial paper. The commercial paper is on 90 day roll overs. Total borrowing is lower than budget due to projects like the Ajax wastewater pump station upgrade not being completed.

Statement of Cash Flows

- a) Cash flow from operating activities are higher than budget by \$167,000. The major contributor is the decrease in finance costs of \$186,000 due to refinancing at competitive rates through the New Zealand Local Government Funding Agency. Additionally the Council has borrowed less than planned due to delays with capital projects.
- b) Cash flow from investing activities are lower than budget by \$1,468,000. The major contributor is the \$1,448,000 less expenditure spent relating to purchase of property, plant and equipment due to delays in capital projects.
- c) Cash flow from financing activities is lower than budget by \$523,000 due to lower than budgeted borrowings because of the delay in capital projects.

ANY QUESTIONS:

Phone 03 209 0330 Email info@goredc.govt.nz Facebook facebook.com/GoreDC

INDEPENDENT AUDITOR'S REPORT



TO THE READERS OF GORE DISTRICT COUNCIL'S SUMMARY ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2016

The summary annual report was derived from the annual report of the Gore District Council (the District Council) for the year ended 30 June 2016. We have considered whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

The annual report included full audited statements, and the summary annual report includes summary statements. We have audited the following summary statements reported in the summary annual report on pages 6 to 13:

- the summary statement of financial position as at 30 June 2016;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended 30 June 2016;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance referred to as Significance Performance Measures of the District Council.

We expressed an unmodified audit opinion on the District Council's full audited statements in our report dated 6 October 2016.

Opinion

In our opinion:

- the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

INDEPENDENT AUDITOR'S REPORT

Deloitte.

Basis of Opinion

Our audit was carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand), and in particular with the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements. These standards require us to carry out procedures to confirm whether the summary annual report contains the information necessary, and at an appropriate level of aggregation, so as not to be misleading.

The summary statements do not contain all the disclosures required for full audited statements under generally accepted accounting practice in New Zealand. Reading the summary statements, therefore, is not a substitute for reading the full audited statements in the annual report of the District Council.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report so that it represents, fairly and consistently, the information regarding the major matters dealt with in the annual report. This includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements. The Council is also responsible for the publication of the summary annual report, whether in printed or electronic form.

We are responsible for expressing an opinion on whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interest in, the District Council.



B E Tomkins

Deloitte
On behalf of the Auditor-General
Dunedin, New Zealand
6 October 2016

6. TRIENNium REPORT OF THE SOUTHLAND HERITAGE AND BUILDING PRESERVATION TRUST

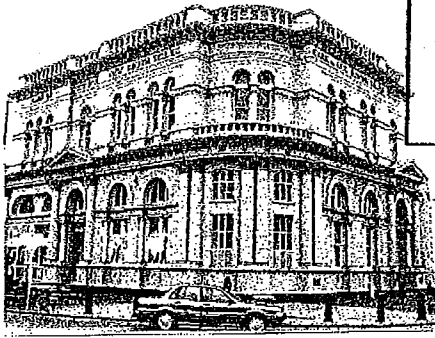
(Memo from Chief Executive – 30.09.16)

- ↳ Attached is a report of the Southland Heritage and Building Preservation Trust.

The report covers the activities of the Trust on which the Council is represented by Cr Highsted, over the past three years.

RECOMMENDATION

THAT the report be received.



RECEIVED
Gore District Council

21 SEP 2016

SCANNED

Southland Heritage

and Building

Preservation Trust

ENQUIRIES TO SECRETARY:

Miss Maree Fyffe
Environment Southland
Private Bag 90116
Invercargill 9840

Telephone: (03) 211 5115

Fax (03) 211 5252

E-mail: maree.fyffe@es.govt.nz

19 September 2016

Mayor Tracy Hicks & Chief Executive Steve Parry
Gore District Council
PO Box 8
Gore 9740

Dear Mayor Hicks & Mr Parry

Triennium Report of the Southland Heritage & Building Preservation Trust

Please find attached the report of our Trust's work over the past three years.

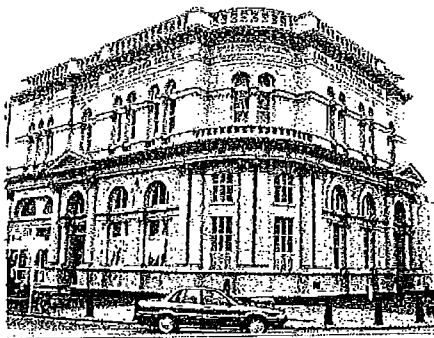
We would appreciate it if all of your councillors received a copy of this report before the end of this term of office. The Gore District Council representative is Cr Brett Highstead. Unfortunately Cr Highstead has not been able to attend our meetings over recent months. The Trust meets around five times each year.

We know that Gore District has several significant heritage buildings and feel that your council needs to be involved in discussions on the future of these properties. This week we have received information from the Ministry of Culture and Heritage with a proposal which sets out government funding to assist private owners to earthquake strengthen listed properties.

Should you have any queries about the above information please do not hesitate to contact us.

Yours sincerely

Cr Marion Miller
Chair



ENQUIRIES TO SECRETARY:

Miss Maree Fyffe
Environment Southland
Private Bag 90116
Invercargill 9840

Telephone: (03) 211 5115

Fax (03) 211 5252

E-mail: maree.fyffe@es.govt.nz

SOUTHLAND HERITAGE AND BUILDING PRESERVATION TRUST TRIENNIAL REPORT TO SOUTHLAND COUNCILS

The SH&BPT is an organisation which was set up by councils on 19 December 1996 with the purpose of encouraging owners of significant listed heritage properties to maintain and/or restore their properties. The Trust is made up of representatives from each of Southland's four councils.

It is a charitable trust and reports to the Charities commission on an annual basis.

Current trustees are:

- Maureen Fox, ex Southland Historic Places Trust - Founding Trustee
- Mick Hesselin, ex Southland Historic Places Trust - Founding Trustee
- Russell Beck, ex Southland Historic Places Trust - Founding Trustee
- Rachael Egerton, ex Southland Historic Places Trust
- Cr. Brent Goodwin or Graham Page, Gore District Council
- Cr. Paul Duffy, Southland District Council
- Cr. Lloyd Esler, Invercargill City Council
- Cr. Marion Miller (Chair) Environment Southland
- Co-opted treasurer - Rowena Batchem
- Secretary - Maree Fyffe - Environment Southland

During the last three years the SHBPT has incorporated what was formerly known as the Southland Historic Places Trust.

During this term 2013-2016 the Trust has been actively involved in the funding and organisation of maintenance of the following heritage buildings:

- Sinclair Cottage located in Nightcaps. There is a local committee who manage the property on a day to day basis (owned by SH&BPT).

- Kohi Kohi (Howell's Cottage) Riverton. We are working with local Aparima Runanga to restore this cottage in association with heritage architect Chris Cochran Wellington, and Dr Hayden Cawte Heritage Properties NZ Archeologist who oversee and monitored each phase of development. We are following the Conservation Report and specification for restoration plan. Stage one has been completed and we are ready to commence stage two. While this work is proceeding, the trustees are planning for stage three and the eventual completion and the day to day management of the project. Work is about to begin on a concept plan to guide the last stages of this important restoration.
- McCallum's shed - this building incorporated original wooden rails of the railway network which had a category one heritage protection on it. Many years of frustration negotiations took place prior to this building being finally dismantled. The wooden rails have now been removed and are currently in the safekeeping of the Winton Community Board of the SDC, until a suitable permanent location can be found for them.
- The SH&BPT has the capacity to make low interest secured loans to owners of listed heritage buildings in Southland which require aid over an agreed period of time.
- The Trust continues to advocate for the retention of significant listed heritage buildings in CBD of Invercargill.
- Currently the Trust is actively exploring the possibility of returning to local ownership of the former Dee St Hospital and Gatekeeper's building with the owners, the Ministry of Health.
- The SHBPT has been working closely with Venture Southland staff on several funding applications to advance the work at Kohi Kohi (Howell's Cottage).
- Our organisation actively networks with Heritage New Zealand and more recently the Ministry of Culture and Heritage to ensure local heritage building owners have the recently released information on funding commencing in 2017, for assist in earthquake strengthening of significant buildings in this region.

Yours sincerely



Cr Marion Miller
Chair

EXCLUSION OF THE PUBLIC

His Worship to move that the public be excluded from the following parts of the proceedings of this meeting, namely the items as listed below.

The general subject of each matter to be considered while the public is excluded, the reason for passing the resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for the passing of this resolution are as follows:

<u>General Subject Matter</u>	<u>Reason for passing this resolution in relation to each matter</u>	<u>Grounds under Section 48(1) for the passing of this resolution</u>
<u>Other Business</u>		
Offer to purchase land	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.	7 (2)(i)
Performance appraisal	Protect the privacy of natural persons, including that of deceased natural persons.	7 (2)(a)