COUNCIL

AGENDA

Meeting to be held

THURSDAY 15 SEPTEMBER 2016

8.30am

In the Manawatu District Council Chambers,
135 Manchester Street, Feilding

Dr Richard Templer
Chief Executive
MEMBERSHIP

Chairperson

Her Worship the Mayor, Mrs Margaret Kouvelis

Deputy Chairperson

Councillor Tony Jensen

Members

Councillor Steve Bielski
Councillor Barbara Cameron
Councillor Shane Casey
Councillor Wayne Ellery
Councillor Jo Heslop
Councillor Albert James
Councillor Andrew Quarrie
Councillor Alison Short
Councillor Howard Voss
ORDER OF BUSINESS

1. MEETING OPENING

Pastor Jocelyn Stephens of Lifepoint Church will open the meeting in prayer

2. APOLOGIES

3. REQUESTS FOR LEAVE OF ABSENCE

4. CONFIRMATION OF MINUTES

Draft resolution

That the minutes of the Council meeting held 18 August 2016 be adopted as a true and correct record.

5. DECLARATIONS OF INTEREST

Notification from elected members of:

5.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

5.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members’ Interests) Act 1968

6. PUBLIC FORUM

6.1 EMILY SHEARMAN

Recipient of a representative grant to represent New Zealand at the Junior World Track Cycling Championships held in Aigle, Switzerland on 20 July 2016.

6.2 NEON FUSION FEILDING HIGH SCHOOL JAZZ BAND

Recipients of a representative grant to attend the 50th Anniversary Montreux Jazz Festival held in Switzerland in July 2016.

6.3 DEVEN RAI

Deven Rai and colleagues from Bhutan will be in attendance to speak about the Bhutanese community issues and the challenges they face.

7. OBITUARY – FORMER COUNCILLOR BRIAN MEADS
8. NOTIFICATION OF LATE ITEMS

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

8.1 The Council by resolution so decides; and

8.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

9. OFFICER REPORTS

9.1 DRAFT ECONOMIC DEVELOPMENT STRATEGY


9.2 APPROVAL OF CONTRACT C4-1562 WELLINGTON STREET URBAN RECONSTRUCTION


9.3 APPROVAL OF CONTRACT – ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM


9.4 APPOINTMENT OF COMMISSIONERS FOR POST ELECTION PERIOD


9.5 ANNUAL REPORT – DELEGATION OF AUTHORITY TO SIGN


9.6 FOURTH QUARTER REPORT TO 30 JUNE 2016


9.7 APPLICATION OF THE COMMON SEAL

Report of the General Manager – Corporate and Regulatory dated 1 September 2016

10. CONSIDERATION OF LATE ITEMS
11. **PUBLIC EXCLUDED BUSINESS**

COUNCIL TO RESOLVE:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

a) Confirmation of Minutes  
b) Approve and Authorise Signing of CEDA Service Contract  
c) Manfeild Park Trust Loan  
d) Central Economic Development Agency Limited - Shareholder Resolution

That the general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<table>
<thead>
<tr>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Grounds under Section 48(1) for the passing of this resolution</th>
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</thead>
</table>
| a) Confirmation of minutes re Appointment of Independent Member to Audit and Risk Committee; Feilding Civic Centre Trust – Trustee Vacancies; Central Economic Development Agency Limited - Shareholder Resolution; and Strategic Property – Sanson | Section 7(2)(a) - protect the privacy of natural persons, including that of deceased natural persons.  
Section 7(2)(b)(ii) 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.  
Section 7(2)(h) Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.  
Section 7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). | Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987. |
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<td>As above</td>
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<td>As above</td>
<td></td>
</tr>
</tbody>
</table>

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

12. **MEETING CLOSURE**
Minutes of a meeting of the Council held on Thursday 18 August 2016, commencing at 8.30am in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Mayor Margaret Kouvelis (Chairperson)
Cr Steve Bielski
Cr Barbara Cameron
Cr Shane Casey
Cr Wayne Ellery
Cr Jo Heslop
Cr Tony Jensen
Cr Andrew Quarrie
Cr Alison Short
Cr Howard Voss

IN ATTENDANCE: Richard Templer (Chief Executive)
Shayne Harris (General Manager – Corporate and Regulatory)
Brent Limmer (General Manager – Community and Strategy)
Hamish Waugh (General Manager – Infrastructure)
Tracey Hunt (Strategy Manager)
Janine Hawthorn (Community Development Officer)
Darryl Black (Corporate Projects Adviser)
Rachelle Johnston (Consent and Monitoring Team Leader)
Paul Stein (Communications Adviser)
Doug Tate (Community Facilities Manager)
Cameron Brown (Cadet)
Allie Dunn (Business Support Team Leader)

MDC 16/397 MEETING OPENING
Wayne Jellyman of the Salvation Army opened the meeting in prayer.

MDC 16/398 APOLOGIES

RESOLVED

That the apology for lateness from Councillor Barbara Cameron be accepted.

Moved by: Councillor Alison Short
Seconded by: Councillor Wayne Ellery

CARRIED

MDC 16/399 REQUESTS FOR LEAVE OF ABSENCE

There were no requests for leave of absence.
MDC 16/400 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Council meeting held 21 July 2016, be adopted as a true and correct record.

Moved by: Councillor Tony Jensen
Seconded by: Councillor Jo Heslop
CARRIED

MDC 16/401 DECLARATIONS OF INTEREST

Councillor Alison Short declared an interest in items 8.1 Community Funding Subcommittee Private Cemetery Funding Application and 9.1 Partnership Fund Level of Funding Feilding and District Promotion Inc. It was agreed that item 8.2 would be taken prior to 8.1 to allow Councillor Short to leave the meeting for the duration of items 8.1 and 9.1.

MDC 16/402 PUBLIC FORUM – GARY BARNETT

Gary Barnett spoke about his concerns with the Feilding Library. His concerns included the numbers of young people gathering outside the library and within the library, concerns with takeaway food being consumed within the library and the mess being left in the library as a result.

Councillor Barbara Cameron joined the meeting at 8.44am.

MDC 16/403 PUBLIC FORUM – FEILDING HOST LIONS CLUB

Representatives of the Feilding Host Lions Club spoke about the Makino Xtreme Concept Design, the proposed relocation of the skatepark to the duck pond area and the location of the proposed walkway / cycleway. A copy of their submission was circulated to members.

MDC 16/404 NOTIFICATION OF LATE ITEMS

There were no late items notified for consideration.

MDC 16/405 RECOMMENDATION FROM NGĀ MANU TĀIKO MANAWATŪ DISTRICT COUNCIL - URUPĀ FUNDING APPLICATIONS FOR THE 2016/17 FINANCIAL YEAR

Report of the General Manager – Community and Strategy dated 10 August 2016 presenting for consideration and adoption recommendations of Ngā Manu Tāiko Manawatū District Council meeting held on 9 August 2016 that sought approval of the Urupā funding applications for the 2016/17 financial year.

RESOLVED

That the Council approves the following applications for funding under the Private Cemetery/Urupā criteria:
• Te Hiiri Marae Committee - $1,695.00

• Rongopai Cemetery Committee - $907.50

Moved by: Councillor Barbara Cameron
Seconded by: Councillor Albert James

CARRIED

MDC 16/406 RECOMMENDATION FROM THE COMMUNITY FUNDING SUBCOMMITTEE – PRIVATE CEMETERY FUNDING APPLICATION

Councillor Alison Short, having declared an interest, left the meeting at 9.17am.

Report of the General Manager – Community and Strategy dated 11 August 2016 presenting for consideration a recommendation from the Community Funding Subcommittee regarding a Private Cemetery application received from the Anglican Parish of the Oroua towards funding for maintenance of the private cemeteries located at St Michaels Anglican Church, Stanway and St Agnes Church, Kiwitea.

RESOLVED

That the Council grants $1,000.00 to the Anglican Parish of the Oroua towards the maintenance of the private cemeteries located at St Michaels Anglican Church, Stanway and St Agnes Church, Kiwitea.

Moved by: Councillor Barbara Cameron
Seconded by: Councillor Jo Heslop

CARRIED

MDC 16/407 PARTNERSHIP FUND – LEVEL OF FUNDING FEILDING AND DISTRICT PROMOTION INC

Report of the General Manager – Community and Strategy dated 9 August 2016 presenting for consideration a recommendation from the Community Funding Subcommittee regarding the level of funding to be allocated to Feilding and District Promotion Inc for 2016/2017 and 2017/2018 financial years from the Partnership Fund.

RESOLVED

That the Council allocates a grant of $165,273.89 per annum to Feilding and District Promotion Inc for 2016/17 and 2017/18 financial years.

That the Council redirects the following budgets for the first year of the grant:

<table>
<thead>
<tr>
<th>Budget</th>
<th>Allocation to Feilding and District Promotion Inc Partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Fund</td>
<td>$ 90,240</td>
</tr>
<tr>
<td>Representative Fund</td>
<td>$ 20,196</td>
</tr>
<tr>
<td>Community Committee Fund</td>
<td>$ 20,924</td>
</tr>
</tbody>
</table>
That the Council notes that for the second year of the grant it will need to address funding sources as part of the Draft Annual Plan 2017-18 deliberations.

Moved by: Councillor Wayne Ellery
Seconded by: Councillor Jo Heslop

CARRIED

_Councillor Alison Short returned to the meeting at 9.28am._

**MDC 16/408 CHANGE OF REPRESENTATIVES – NGA MANU TAIKO MANAWATU DISTRICT COUNCIL**


**RESOLVED**

That the Council notes and approves the change in representative on Nga Manu Taiko Manawatu District Council for Te Rangimarie Marae from Mary Jane Scott, to Wiremu Kingi Te Awe, with Rebecca Hunt and Trieste Te Awe appointed as alternates.

Moved by: Councillor Alison Short
Seconded by: Councillor Albert James

CARRIED

**MDC 16/409 ESTABLISHMENT OF A FEILDING COMMUNITY COMMITTEE**


**RESOLVED**

That the Council:

1. Confirms the establishment of a Community Committee for Feilding following the recommendation from the Feilding Working Group.

2. Calls a public meeting to appoint members on to the Feilding Community Committee in accordance with Council’s Community Committee Policy.
3. Appoints Councillor Tony Jensen as Liaison Councillor for the Feilding Community Committee.

4. Agrees to deviate from its Community Committee policy should a public meeting be held prior to 8 October 2016, to allow the Feilding Community Committee to continue beyond the 2016 Local Government Election, for a further three-year term thereby avoiding the need to hold a further public meeting to elect a new Committee.

Moved by: Councillor Jo Heslop
Seconded by: Councillor Wayne Ellery
CARRIED

MDC 16/410 APPLICATION OF THE COMMON SEAL

Report of the General Manager – Corporate and Regulatory dated 1 August 2016 informing Council of documents that had been sealed under the Common Seal under delegation since the last schedule was prepared.

RESOLVED

That the following schedule of Sealed Documents be received:

<table>
<thead>
<tr>
<th>Date</th>
<th>Document</th>
<th>Party to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>29/06/16</td>
<td>Warrants of authority for new Infrastructure officers and a contractor:</td>
<td>Warrants issued to officers</td>
</tr>
<tr>
<td></td>
<td>• David Rei Miller</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Rob Smith</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Aaron Hatfull</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Rochelle Waugh</td>
<td></td>
</tr>
<tr>
<td>08/07/16</td>
<td>Third variation of project agreement between PNCC, MDC, Vision Manawatu,</td>
<td>Project variation agreement copy 1, 2, 3 &amp; 4</td>
</tr>
<tr>
<td></td>
<td>Destination Manawatu</td>
<td></td>
</tr>
<tr>
<td>14/07/16</td>
<td>Warrant of authority for new Senior Animal Control Officer – Robert</td>
<td>Warrant issued to officer</td>
</tr>
<tr>
<td></td>
<td>Peterson</td>
<td></td>
</tr>
<tr>
<td>21/07/16</td>
<td>Warrants of authority for new Infrastructure Officers:</td>
<td>Warrants issued to officers</td>
</tr>
<tr>
<td></td>
<td>• Philippa Nidd</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Elysia Butler</td>
<td></td>
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<td></td>
<td>• Cameron Brown</td>
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</table>

Moved by: Councillor Tony Jensen
Seconded by: Councillor Albert James
CARRIED
MDC 16/411 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

The meeting adjourned for a tea break at 9.50am and resumed at 10.18am.

MDC 16/412 PUBLIC EXCLUDED BUSINESS

RESOLVED

That the public be excluded from the following parts of the proceedings of this meeting, namely:

a) Appointment of Independent Member to Audit and Risk Committee
b) Feilding Civic Centre Trust – Trustee Vacancies
c) Central Economic Development Agency Limited - Shareholder Resolution
d) Strategic Property – Sanson

That the general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

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 | who supplied or who is the subject of the information. | Section 7(2)(h) Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. | |
| Section 7(2)(h) | Section 7(2)(b)(ii) 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. | As above |
| Section 7(2)(i) | Section 7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). | |

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

Moved by: Councillor Alison Short

Seconded by: Councillor Albert James

CARRIED

*The meeting went into public excluded session at 10.18am and resumed open session at 11.22am. For items MDC 16/413 to MDC 16/418 refer to public excluded minutes.*
MDC 16/419 APPOINTMENT OF INDEPENDENT MEMBER TO AUDIT AND RISK COMMITTEE


RESOLVED

That Mr John Fowke be appointed as the Independent Member of the Audit and Risk Committee.

Moved by: Councillor Shane Casey

Seconded by: Councillor Albert James

CARRIED

MDC 16/420 FEILDING CIVIC CENTRE TRUST – TRUSTEE VACANCIES

Report of the General Manager – Community and Strategy dated 3 August 2016 seeking reappointment of Trustees to the Feilding Civic Centre Trust Board.

RESOLVED

That the Council:

1. Reappoints David Stroud, Pat Snoxell, Helen Worboys and John Gregory as Trustees to the Feilding Civic Centre Board for a further term of three years as per Council’s Appointment of Directors Policy, and

2. Extends the appointment of Trustee Allan Williams to 30 September 2019 to align with the other trustees.

Moved by: Councillor Howard Voss

Seconded by: Councillor Barbara Cameron

CARRIED

MDC 16/421 MEETING CLOSURE

Her Worship the Mayor declared the meeting closed at 11.23am.

Approved and adopted as a true and correct record:

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CHAIRPERSON                           DATE
Economic Development Strategy

Purpose
To present the Economic Development Strategy for adoption.

Significance of Decision
The Council's Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations
That the Council adopts the Economic Development Strategy.

Report prepared by:
Tracey Hunt
Strategy Manager

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
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2 Background

2.1 In 2014 Council initiated a review of its Economic Development activities. The review comprised two parts: consideration of service delivery, and development of an Economic Development Strategy.

2.2 It was envisioned the strategy would articulate the Council’s role in economic development and provide direction for Council’s investment in economic development.

2.3 With assistance from consultancy firm Morrison Low, a draft Economic Development Strategy was developed and presented to Council in June 2014. Council agreed that the draft strategy proceed to public consultation.

2.4 Community consultation was undertaken in July – August 2014 and 15 submissions were received. A submission summary, analysis and suggested changes were presented at a Council Workshop in September 2014. There was agreement to include reference and data on the visitor sector and the Regional Growth Study. Upon completion of these additions the strategy would proceed to the formal adoption stage.

2.5 However, formal adoption of the Economic Development Strategy was deliberately delayed to enable several influential economic development initiatives to be completed. These initiatives included the Regional Growth Study and Regional Development Strategy, establishment of Central Economic Development Agency (CEDA), and review of the Palmerston North City Council Economic Development Strategy. Delaying formal adoption provided opportunities to review and align the strategy with these initiatives.

2.6 In June 2016 the Draft Economic Development Strategy incorporating all changes was presented at a Council Workshop. Council were satisfied the strategy proceed to the formal adoption stage.

2.7 In August 2016 the Draft Economic Development Strategy was provided to CEDA to provide feedback. This feedback has been incorporated into the strategy document.

2.8 The Economic Development Strategy is now complete and presented to Council for adoption.

2.9 The strategy is scheduled for review late 2017. This relatively short review timeframe will provide an opportunity for Council to make any necessary amendments in the lead up to the 2018-28 Long Term Plan.


3 Discussion and Options considered

3.1 The Council may choose to adopt the Economic Development Strategy. This will confirm the Council’s role and direction for investment in economic development. Council currently invests $620,000 per annum and seeks to provide a leadership and facilitation role in economic development.

3.2 In addition to the Economic Development Strategy there is also an Economic Development Strategy Implementation Plan. The Implementation Plan is an operational document that provides further detail about the range of actions and activities required for implementation.

3.3 The Implementation Plan was developed in 2014 and is now dated and requires review. It is anticipated the review will be completed in conjunction with CEDA representatives to ensure there is clarity about expectation and roles. The Implementation Plan forms the basis of the Economic Development Adviser’s position.

3.4 The Council may choose not to adopt the Economic Development Strategy. This option would require further consultation, communication and cause further delay while the strategy is being revised. If this course of action is taken, the Economic Development Strategy would not be completed in this triennium.

4 Operational and Financial Implications

4.1 There are no operating or financial implications associated with adopting the Economic Development Strategy. Any costs associated with this strategy have been accommodated within existing budgets.

5 Statutory Requirements

5.1 There are no statutory requirements associated with the Economic Development Strategy.

6 Delegations

6.1 The Council has delegated authority to make a decision regarding this matter.

7 Consultation

7.1 Consultation on the Draft Economic Development Strategy occurred in July-August 2014. The Council received 15 submissions. The majority of the submitters requested that the economic development potential of the visitor sector should be recognised and included in the strategy and also reference to the Regional Growth Study. This has now been included.

7.2 Council also sought feedback on the strategy from recently established CEDA. A very small number of minor edits have been made to the strategy as a result of this feedback.

8 Cultural Considerations

8.1 While there are no specific cultural considerations associated with adopting this strategy, consideration of Maori development is included in the strategy.
9 Conclusion

9.1 Initiated in 2014, the Manawatu District Council’s first Economic Development Strategy is now presented to Council for final adoption.

9.2 The strategy articulates Council’s role in economic development and provides direction for Council investment in economic development.

10 Attachments

- The Economic Development Strategy.
Foreword

Economic growth and prosperity are the keys to shaping a better quality of life for the Manawatu community. The Manawatu district has outstanding attributes in its location, infrastructure and land – which when brought together with existing and future economic development opportunities will help to grow businesses and jobs.

Industry in the Manawatu is well positioned to participate in key growth sectors – education, agriculture, visitor and online retail – all of which harness innovation and technology. Within those sectors, we want to support the growth of ‘higher end’ jobs – those which require higher levels of qualifications and bring in a good, sustainable income for our families while continuing to support other jobs. Making best use of the array of education and training support in our region, we can bring this approach together.

The Manawatu District Council Economic Development Strategy – Growing Manawatu, defines the goals and actions necessary to shape the social and economic potential of the community.

Implementation requires that all stakeholders work cooperatively. A collaborative effort across central and local government, business and the community must be strongly pursued.

Growing Manawatu strategy provides the practical framework and necessary actions that will achieve a more prosperous future for our region in the next decade and beyond.

Margaret Kouvelis
Manawatu District Mayor
Manawatu District Council

Dr Richard Templer
Chief Executive
Manawatu District Council
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Manawatu District Council – Strategic Environment

Local government’s role in economic development is critical. Councils need to demonstrate vision, communication, partnership and alliance-building. Councils can do this by working with business and investors, engaging stakeholders and mobilising support from residents for change. Councils are well-placed to provide local leadership for cross-border and cross-sector collaboration strategies to encourage economic development.

– A Guide to Local Economic Leadership (Local Government NZ)

Overview and Context

The District is facing many challenges to its economic future, from changes in regional, national and international trends. The District is performing well and our residents are seeing improved recreational facilities, better infrastructure and new businesses providing additional employment opportunities. The pace of change however is increasing and all stakeholders need to work together to ensure that the District continues to be a great place to live for our residents.

Council is making a significant investment in economic development and seeks to provide a leadership and facilitation role in economic development. Central Economic Development Agency (CEDA) is a new organisation, set up in partnership with Palmerston North City Council, will deliver most of the services required to achieve our vision and strategic outcomes. In addition Council now has a new economic development staff member to manage the Implementation Plan that underpins this strategy.

We are focused on the key strategic outcomes identified in this strategy, and will work with our key stakeholders, including central government, to maximise the benefits of our investments.
Vision and Outcomes

The Manawatu District Council (MDC) has established a clear vision for the future, within which this economic development strategy is positioned.

The Council’s overarching vision is;

“Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand”.

Within this overarching vision, key community visions are further defined:

RURAL VISION
The food basket of New Zealand within a sustainable rural landscape that offers outstanding recreational opportunity.

VILLAGES’ VISION
Attractive and prosperous communities that offer lifestyle choices and business opportunities within a unique environment.

FEILDING VISION
A thriving community enjoying the most vibrant country town in New Zealand, servicing the regional rural sector.
Underpinning the vision statements, a set of outcomes was developed which show the priorities MDC is working towards:

1. Manawatu district will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.
2. The Manawatu district will attract and retain residents.
3. Manawatu district develops a broad economic base from its solid foundation in the primary sector.
4. Manawatu and its people are connected via quality infrastructure and technology.
5. Manawatu’s built environment is safe, reliable and attractive.
6. Manawatu District Council is an agile and effective organisation.

This clear articulation of the overarching strategic directions for the MDC community provides a strong basis and context for defining strategic economic development directions.
MDC’s Economic Development Strategy

Our Vision: “Growing Manawatu” – Location, Infrastructure, Land

The MDC’s ten year economic development vision is simple: “Growing Manawatu”.

The Vision for the future is for a connected, vibrant and thriving Manawatu, known to be the best rural lifestyle in New Zealand.

In 2025 the regional economy of Manawatu is prosperous and diverse, offering a high quality of life for all its residents.

It has achieved economic strength by building on the key assets of its land, location and infrastructure to deliver a regional economy that is broad, diverse, resilient, and sustainable for the long term.

Manawatu is known as a world centre for food innovation and security, whilst continuing its commitment to sustainability through its care of the rural landscape which the community values so highly. It is a hub for research and development, supported by dynamic private and public research institutes.

A diverse range of business and industry has located, invested and grown in Manawatu because it is a location that supports and sustains a range of enterprises, from small business through to large companies. This is because it is a region underpinned by strong business development and information support, as well as high quality social, technology and transport infrastructure, and business development and information.

A strong commitment to skills development and education of local residents has paid off – residents are accessing and benefiting from a range of employment and economic opportunities, and are able to continue to enjoy and contribute to their communities because they can work and live locally.

Manawatu’s young people are an important part of the regional economy, and are educated, motivated and skilled. They have access to a range of high quality learning and development opportunities, and are well supported by the community to reach their full economic and social potential.

Manawatu’s villages and town centres are thriving and engaging hubs of social and economic activity, enabling residents to enjoy lifestyles, strong community and business opportunities within a unique and desirable rural setting.

Our key economic attributes, location, infrastructure and land, position us well to drive this economic development vision.

- Our location supports our focus on the services and logistics sectors
Growing Manawatu - Location

The Manawatu district benefits from an accessible central location, providing a major hub with more than one million people within a three hour drive. Our location will allow us to drive growth in key sectors. As retail moves to online purchasing, a central location for distribution in New Zealand becomes a strength for the Manawatu.

In the context of economic development, the people in our communities have a desire to retain their rural setting and country town feel/lifestyle. Our focus is on the development of strong communities as we grow our economic opportunities.

We have a commitment to maintaining the match of local people into local jobs. We also want to focus on new and emerging industries that have the capacity to retain and attract higher skilled workers into our district.

Creating a desirable location for business and family life will ensure the willingness of key workers to live locally.

Strategic Outcome One

Our central location encourages and attracts business growth now and into the future. Maximising our location, we will grow businesses to service our local community, the broader region, New Zealand and international markets.

Growing Manawatu – Economic Development Infrastructure

Core infrastructure in key sectors can be leveraged in our economic development approach.
The region is home to a wide range of Government and privately funded educational institutions including early-childhood organisations, primary schools, secondary schools and tertiary providers. Leveraging off the education sector, research and development is important for achieving improvements in our quality of life and future prosperity.

The defence sector plays a major role in the local economy with two defence bases located in Palmerston North and Manawatu.

Technology and transportation infrastructure provides a strong platform for local economic development. Investment in a national fibre communication network is bringing opportunities for users to better connect to the market.

Government is also heavily investing in roads of national significance which will benefit our region and district, most notably the Northern Corridor linking Wellington to Levin.

**Strategic Outcome Two**

Our infrastructure enables and supports a wide range of economic activity.

Utilising our economic development infrastructure, we will develop businesses that improve quality of life and provide jobs that attract and retain residents who want to strengthen our communities.

**Growing Manawatu - Land**

Our land provides the foundation for growing opportunities through our focus on economic development and its availability is critical for business.

The New Zealand Government has food innovation as an important part of its framework for business growth, which is supporting our region’s emergence as a food innovation centre with considerable expertise in science, research and development.

The agricultural sector has traditionally provided the backbone of our local economy and will continue to do so into the future. Technological improvements are driving productivity gains in the farming industry, which while requiring less labour intensive farming practices are also providing opportunities for business development in local and international markets.

**Strategic Outcome Three**

Our land supports a diverse range of economic activity now and into the future.

Through strategic and sustainable initiatives, we will use our land to drive the development of innovative businesses that produce goods that are in demand across New Zealand and the world.
Our Target Sectors – Growing Business and Jobs

Our key attributes of location, economic development infrastructure and land and our desire to focus on the growth of businesses which offer ‘higher end’ jobs have supported the identification of six key sectors on which we will focus our efforts in the implementation of this strategy. The key features of these sectors provide a strategic advantage and can be well utilised to achieve our outcomes.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Key Attributes</th>
</tr>
</thead>
</table>
| Food     | • Developing expertise and growing capability  
          | • Support growth of value-add food processing  
          | • Leverage off global focus on security and sustainability |
| Agriculture | • High quality land supports growth in productivity  
               | • Focus on growing opportunities in agri-technology  
               | • Leverage off capability in agri-business to grow international markets |
| Defence  | • Leverage off core infrastructure for broader economic development  
          | • Support training pathways into technical occupations  
          | • Attract young men and women with young families |
| Education | • Maximising links between education, research and business  
               | • Sector underpins regional specialisation in food and agriculture  
               | • Range of education infrastructure to respond to local opportunities |
| Visitor  | • Attract more visitors to enjoy the outstanding rural landscape and the Country Road  
          | • Encourage development of additional visitor infrastructure |
| Services | • Centrally located to service broader region  
               | • Specialised services, including agricultural, manufacturing, engineering  
               | • Ability to leverage retail sector in town and neighbouring city |
| Logistics | • Access to people, ports, rail, roads and air services  
              | • Availability of land, property and services to grow the sector  
              | • Strong local capability to grow the sector |
Key Actions

With the target sectors providing the basis of MDC’s actions to implement this strategy, efforts will focus on growing business and growing skills and capability across those sectors.

The initiatives below will be driven out of core Council business:

- Leadership, including partnership and facilitation
- Spatial planning and infrastructure
- Regulation
- Services
- Business and industry development
- Social and community.

Growing Business and Jobs

Through our actions we aim to attract, retain and grow highly productive businesses

Key Initiatives

1. Building on existing initiatives, we will execute a planned, timely, systematic approach to business relocation and attraction activity, nationally and internationally
2. We will provide efficient and effective services to support business development, including suitably zoned land
3. We will help to facilitate business growth
   a. Focus on collaboration, productivity, best practice and entrepreneurialism
   b. Promote initiatives for start–up, incubation and attracting capital
4. We will co-ordinate and promote business support services
   a. Provision of economic and business information

Growing Skills and Capability

Through our actions we aim to attract, retain and grow highly productive and talented people

Key Initiatives

1. We will help to improve pathways to employment
   a. Focusing on education for young people
   b. Grow our human capital by targeting technical, semi-professional and professional local occupations
2. We will help to identify skill gaps and local labour market opportunities in region
   a. Promote local employment, education and training
   b. Attract qualified and skilled people into the district through recruitment support

All actions and initiatives developed through this strategy will be assessed on the extent to which they assist MDC to achieve its overarching vision and outcomes as detailed above. They will be integrated with existing and developing Council plans to ensure maximum benefit can be derived from any action taken.

Key Partners

We recognise that on our own, MDC cannot achieve the vision and strategic outcomes we strive for. As we implement the actions under this strategy, we aim to be collaborative and inclusive of all stakeholders across the district and broader region.
Our Economic Development Framework - Overview

Local access to world-class educational, research and business incubation facilities provides the Manawatu District and region with a deep and unique capability to support the growth in the target sectors in the most innovative ways possible. Innovation – the attempt to try out new or improved products, processes or ways to do things – must be an aspect of all economic activity in this strategy. Innovation must be used to drive and grow opportunities in our target sectors as we leverage off our key attributes.

VISION: GROWING MANAWATU

Strategic Outcomes

1. Maximising our location, we will grow businesses to service our local community, the broader region, New Zealand and international markets.

2. Utilising our economic development infrastructure, we will develop businesses that improve quality of life, attract visitors and provide jobs that attract and retain residents who want to strengthen our communities.

3. Through strategic and sustainable initiatives, we will use our land to drive the development of innovative businesses that produce goods and services that are in demand across New Zealand and the world.
Supporting Strategies and Frameworks

This economic development strategy will support, and be supported, by the range of strategies and plans under which the MDC is implementing and achieving its priorities.

Manawatu District Council Strategic Framework

The Regional Growth Study 2015

In July 2015, the Ministry for Primary Industries and the Ministry of Business, Innovation and Employment released a Regional Growth Study for Manawatu-Whanganui. The study focused on opportunities to:

- unlock productivity,
- utilise unused resources, and
- build on existing regional comparative advantage.

The study has now moved to implementing an Action Plan under the banner of Accelerate25.
to increase jobs, increase exports, increase GDP and be attractive to Maori investors or workers.

The study is consistent with the existing Manawatu Regional Development Strategy and both the Study and the RDS provide high level guidance for this Strategy. The future of the RDS will be assessed by the Manawatu District and Palmerston North City Councils once both CEDA and the Study are fully into operational mode.

The study provides an important foundation for investment decisions and economic development opportunities across the broader region, with Manawatu particularly interested in agri-business, food innovation and the visitor sectors.

The Regional Development Strategy 2011

The Manawatu Regional Development Strategy sets the common 10-year vision for Palmerston North City, the Manawatu District and other partners as “the best place to raise a family”. The five objectives behind this vision are:

- the safest city in New Zealand
- a world centre for food innovation underpinned by the region’s strength in primary production and agricultural research
- a significantly strengthened service hub for the North Island
- a leader in innovation and sustainable practice
- an economy that creates jobs and opportunities.

Three key sector based goals:

- A world centre for food innovation
- Lead environmental innovation and sustainable practice in NZ
- Maximise the strategic advantages of our central ‘hub’ location.

This strategy implicitly recognises that the future of the Manawatu District and of Palmerston North City is strongly inter-dependent, building on their complementary strengths as a production centre and a service and research centre.
The Manawatu District – Contextual Overview

The Manawatu district is predominately rural, with approximately 220,000 hectares of agricultural land\(^1\), or 1.5% of New Zealand total agricultural land, primarily used as grassland. Its location in the southern part of New Zealand’s North Island makes it within the reach of one million people within a three hour drive. The Manawatu district is well placed with fertile land, rivers and a well-connected transport network.

\(^1\) Estimate only based on data for Manawatu region (Manawatu District and Palmerston North City): 221,900 hectares
Key Indicators

Population

The Manawatu district is home to 27,500 people. Following a slow population growth during the 2001-2006 census period, the district grew by 5% between 2006 and 2013 censuses, adding a net 1,400 people to the area. This moderate growth is estimated to have increased in the last two years, including growth in the number of school children. This growth is mostly centred on the outskirts of the Feilding township, reflecting a trend towards urbanisation. The two most significant ethnic groups of population are European (77%) and Māori (15%).

Labour force and educational achievements

Labour force participation amongst those aged 15 and over is relatively high, at 69%, but has decreased slightly from the 2006 level of 72.4%.

The unemployment rate in the Manawatu district was 5.8% in 2013 and this is higher than it was in 2006 (5.6%).

Labour force status of those aged 15 and over - Manawatu District

Income

While growth in GDP has been variable in the Manawatu region over the last 6 years, personal incomes in the district are only slightly lower than the New Zealand average, and higher than those in Palmerston North City. This is partly explained by the high proportion of self-employed residents (mostly farmers) and by variable farm incomes, as a result of weather conditions and changing beef, wool and dairy commodity prices in recent years.

2 2013 Population Census, Statistics New Zealand, usually resident population count
3 Primarily in the Maewa area
4 2013 Census of Population, NZ Statistics – Note: Census information provides self-assessment based labour force status and therefore differs from data on registered beneficiaries provided by the Ministry of Social Development. It also differs from data published through the Household Labour Force Survey (HLFS), which is released every three months for the broader Manawatu-Whanganui region.
5 Statistics New Zealand 2013 Census
Average Personal income

<table>
<thead>
<tr>
<th></th>
<th>Manawatu District</th>
<th>Palmerston North</th>
<th>New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>$36,600</td>
<td>$35,000</td>
<td>$36,500</td>
</tr>
<tr>
<td>Female</td>
<td>$22,700</td>
<td>$22,300</td>
<td>$23,100</td>
</tr>
<tr>
<td>Average</td>
<td>$28,400</td>
<td>$27,000</td>
<td>$28,500</td>
</tr>
</tbody>
</table>

Source: 2013 Census of Population, NZ Statistics

Education

Education achievements of the resident population are below the New Zealand average, with 28% of those aged 15 and over having no formal qualification.

Highest qualification for those aged 15 and over

<table>
<thead>
<tr>
<th>Qualification</th>
<th>New Zealand</th>
<th>Manawatu District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 4 Certificate and above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level 3 Certificate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level 2 Certificate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level 1 Certificate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Qualification</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: 2013 Census of Population, Statistics New Zealand

However, school leavers in the district achieve a higher level of qualification in the district than in both Palmerston North City and New Zealand.

School leavers highest attainment 2014

Source: Ministry of Education
Key industry sectors

The economy is dominated by the primary sector, with agriculture estimated to account for 25% of the district GDP. The district has experienced a shift from beef and sheep to dairy farming driven by economic conditions. Downstream activities such as food product manufacturing also make a strong contribution to the regional GDP.

Other industry sectors significant to the Manawatu district economy include:

- Defence, with 900 staff stationed at the RNZAF Base in Ohakea, and another 1,850 in Linton (a suburb of Palmerston North City), the largest military camp in the country. Their combined total economic impact on the Manawatu region is estimated at $258m per annum. The two stations also provide training facilities.

- Logistics and supply chain – employment in logistics and distribution increased by 43% between 2000 and 2011. One in five new jobs in the Manawatu district during this period was in this sector. Employment in transport services has also increased significantly in the region, primarily in Palmerston North City.

Visitor Spending

The District has a growing visitor sector with total visitor spending at $73 million in the year to March 2015. The majority of this spending is by domestic visitors. There have been significant increases in both domestic and international visitor spending in the last few years.

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6 Mini Sector Profiles Manawatu region 2012 - Agriculture – Palmerston North City Council
7 Information based on Statistics New Zealand data, Mini Sectors Profiles Manawatu Region 2012, and Berl Ltd economics forecasts for Manawatu District
Global and National Influences – Location, Infrastructure and Land

The Manawatu District economy does not operate in isolation. A number of national and international trends are likely to influence its performance in the future.

Investment in a national fibre communication network is bringing unsurpassed opportunities for users to better connect to national and international markets. A new fibre network is available in the majority of the Feilding urban area. The government is currently assessing opportunities for an expansion of this fibre network. Council has invested in a roll-out of fibre in the industrial area of Feilding in order to ensure local businesses have access to fast internet.

The business environment is increasingly influenced by new technologies and communication channels, with both production and consumption being more mobile, and consumers and producers alike always being connected.

The Government is also heavily investing in roads of national significance, one of which is the Northern Corridor linking Wellington to Levin. Improving the freight transport link to the capital would significantly enhance the region’s position as a distribution and logistics centre. This also enhances the region’s attractiveness as a place of residence for commuters.

The Government leads a policy of responsible fiscal management, with impacts on public expenditure that may affect future employment in the public sector, in the defence sector notably.

The Government has put food innovation as a key part of its framework for business growth. The Food Innovation New Zealand network increases visibility of the country’s research and expertise in food science internationally.

Following the Free Trade Agreement signed in 2007 between China and New Zealand, China is now New Zealand’s single largest merchandise trade partner. China’s import of New Zealand milk products near doubled in 2013. Additional gains in market access will result from the recently agreed Trans Pacific Partnership Agreement if member countries ratify the agreement in 2016.

This strong demand for food products while still quite volatile, is a result of urbanisation, increasing living standards and change in diets in Asia.

World farm commodity prices have always been subject to cycles driven by political policy impacts and climatic impacts on supply. Currently dairy and sheep meat prices are low while wool and beef are experiencing strong returns. This results in a trend to diversify farm activities, such as farm tourism or land sub-division.
Climate change is causing more extreme weather events, and risks causing food production to significantly reduce in some parts of the world. New Zealand is expected to remain relatively unaffected to 2050, but issues with droughts and intense rainfall events are likely to become more common.

Technological improvements drive productivity gains in the farming industry, driving a trend towards less labour intensive farming practices and larger farm sizes.

Pressures for better environmental management are both regulatory driven and market driven. They impact on farming practices as well as bottom-lines. In New Zealand, the future environmental policy landscape remains uncertain.

The number of people approved for a temporary work visa in July-December 2014 increased by 10 percent from the same period in 2013. This is due to increases in the number of working holidaymakers, Essential Skills workers, and horticulture and viticulture seasonal workers.

Essential Skills temporary workers approved in July-December 2013 increased 19 percent from the same period in 2012. The increase in Essential Skills workers reflects the overall growth in labour demand in New Zealand and the rebuild in Canterbury, with one in five Essential Skills workers employed in the Canterbury region employed as Construction Trades Workers.

In July-December 2014, the number of international students approved to study in New Zealand (39,841 students) was up 22 percent from the same period in 2013. The number of new international students in July-December 2014 increased 42 percent from the same period in the previous year.
Manawatu District Economic Development Landscape

The Manawatu district economy is largely driven by the availability of agricultural land, coupled with labour and capital. There is a role for the Council, in line with its 2015-2025 Long-Term Plan, to ensure economic opportunities are accessible to all of its residents. This is likely to necessitate long-term interventions in skills development and education, which will require a collaborative commitment from a range of partners including central government agencies, local governments and education and training organisations. In addition, business development and investment attraction will be essential with a view to create jobs. The strong economic linkages with Palmerston North City and the potential associated with growing relationships across the broader region provide a strong rationale for collaborative arrangements.

Environmental pressures

The agricultural sector, cattle and dairy farming especially, is set to remain the main driver of the district’s economy. It is heavily reliant on the availability of suitable land and water, especially as more farms convert to dairy farming and adopt more intensive farming practices. This move to dairy farming is largely driven by economic considerations driven by world commodity prices. It may be constrained in the future by tighter water availability and water quality standards commenced as part of the Freshwater Reform 2013, as well as other regulatory pressures such as Horizons Regional Council One Plan. As an example the Government has announced that it will introduce new requirements to exclude dairy cattle from waterbodies by 1 July 2017. New Zealand’s already high bio-security standards need to be maintained to retain our brand reputation in overseas markets.

Innovation

Innovation, in the form of new or improved technologies and working practices, is a major driver of economic development. Strong potential exists in the Manawatu district for the primary sector to move up the value chain and diversify. The presence of a well-established research and development cluster in Palmerston North City, with a university and several major public and private research institutes, is at the nucleus of the region’s innovation system. Local organisations supporting business incubation play a role in information and technology transfer with local businesses, and support business start-ups, growth and investment. This local expertise in grassland, animal health, breeding and genomics, and food innovation to name only a few, provide Manawatu businesses with fantastic opportunities to adopt new technologies, but also invest in their own research and development. It is also a major draw card to new investors.9
Innovation has also the potential to better connect producers and manufacturers to the market, and to make more sustainable use of natural resources.

**Human capital**

The Manawatu district labour force has a relatively low skills profile. The ability to match people to jobs in the short-term is dependent on the creation of low to medium skilled jobs and/or the ability to train the existing labour force. As local enterprises operate in an increasingly connected and sophisticated environment, improving the population’s skills base is a prerequisite to ensuring access to jobs, and economic and social wellbeing. The presence of high quality tertiary education and training facilities provide a strong foundation for skills development and growth of human capital.

**Job creation**

Recorded employment growth\(^{10}\) in the Manawatu district between 2000 and 2015 was below New Zealand average, at 16.2% compared to 28.1%. Employment growth has been much stronger since 2012 in the Manawatu with a growth of 6.8% over the three years to 2015, compared to 6.0% for New Zealand. Four sectors stand out as strong performers in the Manawatu district:

- Employment in agriculture\(^{11}\) grew by 29.8% in the district over the period, compared to 9.7% in the whole of New Zealand.
- The wholesale trade sector also grew significantly faster than the national average in terms of employment (+43.5% compared to 18.1%).
- Health Care and Social Assistance employment grew by 67.6% (250 jobs) compared to 43.7% growth for New Zealand.
- Professional, Scientific and Technical Services grew by 111.1% (200 jobs) compared to 80.9% growth for New Zealand.

The ability to grow local entrepreneurs and attract new investment into the district will be critical for job creation.

**Maori development**

MDC is committed to supporting the development of Maori capacity to contribute to decision-making, including on Manawatu’s strategic economic priorities. Through Ngā Manu Taiko, Council will liaise and partner with local Maori to identify shared economic aspirations and associated actions to realise those aspirations.

Through this strategy Council recognises the opportunity to work with local Iwi to support the achievement of their economic development-related goals.

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\(^{10}\) Employee count at February - Statistics New Zealand

\(^{11}\) Employee count for ANZSIC A01 Agriculture - Statistics New Zealand
Opportunities for the Future:  
A SWOT Analysis

The Manawatu District Council has a role to play in fostering economic development for the wellbeing of its residents, rate payers and visitors. The analysis below highlights the district’s key strengths, weaknesses, threats and opportunities as they relate to economic development.

**Strengths**

- Relationship with the growing and dynamic city of Palmerston North – a source of employment, research and innovation, specialised services, retail and recreation opportunities as well as education
- Centrally located – within the catchment of 1 million people within three hour drive
- Well-maintained and reliable transport
- Strong education, training and research base easily accessible by resident population and businesses
- Natural resources – large area of grasslands and two important rivers
- Strong Māori heritage and culture
- Good lifestyle and easy living – no traffic congestion, good schools and low accommodation costs
- Infrastructure and land available

**Weaknesses**

- The district has a small population base and has grown relatively slowly by New Zealand standards over the last decade
- Job creation has been below the national average in the past years which leads to out-migration
- Defence jobs are a considerable part of the district’s employment but vulnerable to political and budgetary decisions made outside of the region
- Closures of the Manawatu Gorge on SH3 impact on freight costs to Tararua region and the Hawkes Bay
- The lack of international routes operating from Palmerston North airport might be an impediment in attracting foreign investment to the region
- The district has a variable environmental record - loss of much of the area’s indigenous habitat and degradation of water quality - albeit major investments have been made to improve the water quality of the Manawatu river
- Firms in the district tend to be of small size and consequently are less likely to engage in innovation and research and development

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Opportunities

- Engaging in higher-value economic activities – a strong resource base linked to a buoyant local innovation system offer opportunities for enterprises to engage in higher value production. Core opportunities are related to food processing and agriculture and leveraging off current successful export earners.

- Growing the logistics and distribution sector - large catchment and good infrastructure are a strong foundation for a stronger role as a distribution hub. The availability of land and labour is paramount to attracting medium-size distribution centres in Feilding.

- Future Iwi settlements provide opportunity for investment in productive assets in the district to achieve shared outcomes.

- Growing niche tourism - while of limited scale in the Manawatu district, has potential to be further developed, with area promotion such as “the country road”, as well as products development, such as farm tourism as part of a farm income diversification strategy.

- Opportunity for RNZAF Base at Ohakea to absorb Whenuapai airbase to become the largest Air Force base in New Zealand.

- Infrastructure, land and location.

Threats

- Uncertainty remains regarding the economic impacts of more stringent environmental regulations.

- The district would suffer reputation damage if it failed to address water quality issues.

- A cut in the defence budget could lead to Ohakea’s down-sizing or closure, with major impact for the local economy.

- A lack of collaboration between local firms and Palmerston North research and innovation institutes and failure to adopt new technologies.

- Perceived lack of succession planning for small to medium enterprises.

- Employment may decline as farming practices become more capital intensive.

- Lack of suitable business / commercial parcels to cater for large to medium-size food processing and distribution centres would undermine the potential growth in the economy, as would a failure to up-skill the population.
Key Accountabilities

The following measures and targets are indicative and will be reviewed once CEDA has been fully established and their accountability measures agreed between the shareholders and the CEDA Board.

Growing Business and Jobs

Through our actions we aim to attract, retain and grow highly productive businesses

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Measure</th>
<th>Target 2025</th>
<th>Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>The local economy is growing. People can access what they need</td>
<td>1. Adoption of smart practice with continuous improvement in productivity and sustainability</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. The region is resilient to climate change and takes advantage of business opportunities in the global marketplace.</td>
<td>Total Stock units $10%$ 1,500 jobs</td>
<td>Total stock units 2012 1,220 jobs 2015</td>
</tr>
<tr>
<td></td>
<td>a. Farm statistics (Agricultural Census SNZ)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Agricultural Employment (Business Demography SNZ)</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>3. Support functions in place to provide for economic specialisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Growth of new businesses starting and entering in region (Business demography SNZ)</td>
<td>Average 400 business births a year</td>
<td>Average 307 business births each year 2001-2015</td>
</tr>
<tr>
<td></td>
<td>5. Continuation of existing business (Business demography SNZ)</td>
<td>Average &lt;290 business deaths a year</td>
<td>291 Average deaths 2001 to 2015</td>
</tr>
<tr>
<td></td>
<td>6. Growth of existing business (Business demography SNZ)</td>
<td>Employment +2% a year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. Growth in new house consents (Council and SNZ)</td>
<td>10 year average &gt;140 a year</td>
<td>118 - Average number of new dwellings 2000 to 2015</td>
</tr>
<tr>
<td></td>
<td>8. Proportion of customers who are satisfied with economic development services</td>
<td>80%</td>
<td>63%</td>
</tr>
</tbody>
</table>

(SNZ = Statistics New Zealand)
**Growing Skills and Capability**
Through our actions we aim to attract, retain and grow highly productive and talented people

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Measure</th>
<th>Target 2025</th>
<th>Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are a variety of local jobs available</td>
<td>9. Youth employment statistics (Census SNZ and MSD)</td>
<td>&lt;10% unemployed &gt;2,000 employed</td>
<td>16.6% aged 15-24 unemployed 1,644 employed 2013 Census</td>
</tr>
<tr>
<td>There is a commitment to learning</td>
<td>10. Maori employment statistics (Census SNZ and MSD)</td>
<td>&lt;10% unemployed &gt;2,000 employed</td>
<td>14.2% unemployed 1,506 employed 2013 Census</td>
</tr>
<tr>
<td></td>
<td>11. Manawatu residents are working in the district (Census SNZ travel to work)</td>
<td>&gt;70% of employed residents work in the District</td>
<td>9,006 out of 13,665 residents work in the District (65.9%) 2013 Census</td>
</tr>
<tr>
<td></td>
<td>12. Increase in district median income (Census SNZ and SNZ Linked Employer Employee Database)</td>
<td>Increase &gt; than New Zealand</td>
<td>$28,400 2013 census</td>
</tr>
<tr>
<td></td>
<td>13. Proportion of residents with NCEA level 4 or higher qualification. (Census SNZ, Ministry of Education)</td>
<td>&gt;50%</td>
<td>40.9% of residents aged 15+ with level 4 or higher qualification 2013 Census</td>
</tr>
</tbody>
</table>

(MSD = Ministry of Social Development)
Council

Meeting of 15 September 2016

Business Unit: Infrastructure
Date Created: 06 September 2016

C4/1562 Wellington Street Urban Reconstruction, Feilding

Purpose

The purpose of this report is to seek approval to award Contract 1562 for the urban reconstruction of Wellington Street, Feilding.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That Contract 1562 for Wellington Street Urban Reconstruction, Feilding, Contract (East Street to Drake Street) be awarded to Higgins Contractors Ltd for the sum of Eight Hundred and Fifty Nine Thousand, Five Hundred Dollars and Five Cents excluding GST ($859,500.05 excl GST).

2. That the Council note that this amount includes a 10% contingency which can be utilised only upon the Engineer’s approval.

Report prepared by:
Brent Holmes
Roading Asset Engineer

Approved for submission by:
Hamish Waugh
General Manager – Infrastructure
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

**Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand**

<table>
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<tr>
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<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2 Background

2.1 This contract is for the Urban Reconstruction of Wellington Street, Feilding being a 400m length residential street running between East Street and Drake Street.

2.2 This Contract covers the construction of, but is not limited to:

**Stormwater:**
- Excavation for, supply, lay and backfill of 225mm sump connections, 300mm, 375mm, & 450mm RCRRI Class 4 pipe to upgrade drainage.
- Excavation for, supply, and construction of 1200mm and 1050mm Manholes
- Replace 110mm stormwater to kerb pipes.

**Roading:**
- Upgrade/Renewal of existing concrete kerbs, concrete vehicle crossings, concrete pram crossings and 1.5m wide concrete footpaths.
- Replacement of fungal affected trees with the planting of new cherry trees, for aesthetics
- Berm topsoil and sowing of grass seed.
- Reconstruction of road pavement, sealing and road-marking

**Other Works:**
Works negotiated and deferred to be carried out in conjunction with utility companies in collaboration on timing and cost share trenching with this contract are:

- **Downer** - Relocation of single poles to the inner berm on the south side on behalf of Spark and undergrounding of cable. UFB Fibre installation.
- **Downs Street Lighting** – Installation of street lights and cabling on the southern side and removal of the existing lights from the power poles on the northern side.

2.3 Contract C/4-1562 is a measure and value contract with an expiry date of 28 February 2016.

3 Discussion and Options considered

3.1 The Engineer’s Estimate totalled $806,974.58. For this amount exceeding $500,000, Councils’ procurement policy requires an open market competitive process.

3.2 Four contractors submitted tenders and were closed at the Manawatu District Council tender box on 7th July 2016. The four tenderers were Higgins Contractors Ltd, Fulton Hogan Ltd, Chris Gommans Contracting Ltd, and Wayne Aldridge Contracting Ltd.
Phase 1: Attributes

3.3 Submissions were evaluated by staff from Manawatu District Council in accordance with the Price Quality Method, as set out in the New Zealand Transport Agency Procurement Manual. The ratio is 60% price and 40% attribute weighting.

- Track Record (10%),
- Relevant Skills (15%),
- Methodology (15%)

Total Attributes (40%)

3.4 Evaluation of attributes were carried out by the Tender Evaluation Team (TET):

- John Jones (Roading Assets Team Manager and Qualified Tender Evaluator)
- Brent Holmes (Roading Assets Engineer)
- Shaun Edwards (Project Engineer – GHD Ltd).

This process was completed on 31st August 2016.

3.5 The tender secretary noted one of tenderers had neglected to submit the non-price attribute requirements. Following a phone call follow up with the tenderer it was revealed the tenderer had not understood the tender instructions and did not possess the necessary written information. The tenderer was disqualified from the tender process due to not having the required information for the tender evaluation team to assess.

3.6 Tenders were received from the following Contractors:

- Chris Gommans Contracting Ltd
- Fulton Hogan Ltd
- Higgins Contractors Ltd
- Wayne Aldridge Contracting Ltd

3.7 The non-price attribute scores ranged from:
Disqualified – 31.61% (out of a possible 40%)

3.8 The Supplier Quality Premium (SQM) equated to a Price Quality advantage range of:
Disqualified - $188,870.48

Phase 2: Price Submission

3.9 The submitted tender price envelopes opened by the Tenders Secretary at 4.15pm on 1st September 2016 gave the following range of tender prices;

$641,271.00 - $847,750.00

The Engineer’s Estimate was $806,974.58

Adjustments taking into account the Supplier Quality Premium (SQM) and subtracting all schedule fixed amounts resulted in a total overall Adjusted Evaluation Price.

Range: $609,497.81 - $658,879.52
3.10 In accordance with New Zealand Transport Agency Procurement Manual under the Price Quality Method, the preferred tenderer is Higgins Contractors Ltd. Their price of $781,364.18 is 3.3% under the Engineer’s Estimate of $806,974.58.

3.11 The total contract value will include a 10% contingency which will be added to the tendered price. This contingency sum will only be utilised only at the discretion of the Engineer to the Contract. The total amount for approval would be $859,500.05.

4 Operational Implications

4.1 There are no capital / operating expenditure implications or unbudgeted maintenance costs associated with this paper.

5 Financial Implications

5.1 The project was earmarked in the Long Term Plan for construction in the current 3 year funding block. It is funded predominantly from budgeted Unsubsidised Urban Reconstruction funding (69%) along with supplementary funding from the maintenance activity budgets.

5.2 The costs will be coded to the following GL codes.

<table>
<thead>
<tr>
<th>Council</th>
<th>Job Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>MDC</td>
<td>RD4021 001</td>
<td>Unsubsidised Urban Reconstruction - (69% of project value)</td>
</tr>
<tr>
<td>MDC</td>
<td>RD4032 001</td>
<td>Unsubsidised Roading Reconstruction (11% of project value)</td>
</tr>
<tr>
<td>MDC</td>
<td>RD1030 002</td>
<td>Subsidised Drainage Renewals (10% of project value)</td>
</tr>
<tr>
<td>MDC</td>
<td>ST10090074008</td>
<td>Utilities Stormwater Capital (10% of project value)</td>
</tr>
</tbody>
</table>

5.3 The majority of the work is unsubsidised. 10% of the contract value qualifies for the NZTA subsidy rate (Subsidised Drainage Renewals) at 54% for a value of $51,676.63 towards the project.

5.4 There is adequate capacity in the above budgets to accommodate the quoted price.

6 Statutory Requirements

6.1 There are no statutory requirements associated with this paper.

7 Delegations

7.1 The Council has authority to consider this matter.
8 Consultation

8.1 There are no community consultation matters associated with this paper.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this paper.

10 Conclusion

10.1 There is adequate capacity in the Council’s budget (predominant percentage is planned urban reconstruction) to accommodate the quoted price.

10.2 If approved, the work could begin in October 2016 enabling completion by February 2017.

11 Attachments

- Site Location Plan of Wellington Street Urban Reconstruction (East Street to Drake Street, Feilding)
Approval of Contract - Electronic Document and Records Management System

Purpose

To seek approval to award the contract for an electronic document and records management system to Information Leadership.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the contract for the Electronic Document and Records Management System be awarded to Information Leadership for the sum of $546,850

Report prepared by:
Vicky Honey
Corporate Services Manager

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

**Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand**

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2 Background

2.1 Council’s Vision as set out in the 2015–2025 Long Term Plan is – “A connected, thriving and vibrant Manawatu – the very best rural lifestyle in New Zealand”. Connectivity can be achieved by investing in an information management tool that has the capacity to allow external customers the ability to view information that currently requires manual searches and handling by internal staff.

2.2 Key aims of Manawatu District Council are to meet the following Council policies and goals in regards to its management of information:

- **Enable a connected and vibrant Manawatu through robust, cost effective, fit for purpose, accessible and agile Information Technology solutions (Manawatu District Council Information Management Strategy 2014)**

- **A connected, thriving and vibrant Manawatu – the very best rural lifestyle in New Zealand” (2015-2025 Long Term Plan)**

- **To be agile and responsive to the following key strategic drivers for change –**
  
  *Customer driven expectations in the way Manawatu District Council will interact and deliver services, including*

  a. being ‘easy to do business with’

  b. improving communications through the effective use of new technologies

  c. faster and greater access to Manawatu District Council information and people

2.3 Analysis of our current and operating environments has identified the following key issues for Council information:

- a. We are not meeting our obligations under the Public Records Act 2005 and this exposes us to potential litigation

- b. We need to improve effectiveness and efficiencies in how we manage and deliver information for both internal and external customers

- c. We have inconsistent management practices for our information and a lack of skills and training for record and information management.

2.4 It was imperative that any solution chosen by Manawatu District Council addressed the issues raised in clause 2.3.
A scoping study by external consultants (Allfields) was undertaken on the current state of the Manawatu District Council shared drives with the purpose of potentially implementing an Electronic Document and Records Management System (EDRMS).

Interviews conducted with other Councils within the region, who have already implemented a document management system, and with those that have not, provided Manawatu District Council with information to analyse and determine the best way forward for our Council.

The Manawatu District Council Information Management strategy, outlines the way forward for our information management and includes the recommendation for Manawatu District Council to purchase and implement an electronic document management system.

3 Discussion and Options considered

3.1 In developing the business case and analysing the market, Manawatu District Council undertook investigations into the Electronic Document and Records Management System (EDRMS) or Enterprise Content Management (ECM) installations being used in the region. Specific detailed research was undertaken and documented with Horowhenua, Tararua and Whanganui Councils. We did look at Palmerston North as a reference site, but investigations led us to a more future proofing model, and Whanganui's SharePoint installation with Information Leadership stood out as a leader in this area.

3.2 Subsequent to our investigations Lower Hutt has implemented the recommended solution, and due to the success of that implementation Information Leadership, the Supplier, won the Local Government ICT Vendor of the Year for 2016.

3.3 From our investigations we identified the need to liaise direct with Information Leadership meaning that we invoked Rule 11.1.c and 11.1.d of the Manawatu District Council procurement policy -

11.1.c Technical/functional specialist: Where a supplier is deemed to provide a unique or specialist service that is specific to the needs of Council. This may include a service that is not available from any other supplier or a preferred service from a specific supplier based on Council’s requirements. And;

11.1.d Proprietary technology: Where a supplier is the sole supplier and/or patent holder of a specific product that is required by Council. Council must be satisfied that the proprietary technology is the most appropriate for the needs of Council.

3.4 Consideration was also given to the direction in Council’s Information Management Strategy document that states: –

“Manawatu District Council is not a technology leader – it will not be the first to implement any solution of significance in terms of either cost, scope or impact on staff and customers”.

3.5 It follows from the above that any significant system to be procured should already be operating successfully in a similar environment and in procuring new systems, Manawatu District Council should focus on identifying successful implementations and applying lessons to be learned, to better achieve cost effective procurement and implementation.
3.6 Specific Requirements

The proposal is that Information Leadership will implement “iWorkplace SharePoint” for document management and intranet. This includes:

- An Electronic Document Management system (EDRMS) for all business activities
- Intranet for news, calendar, referencing key information and links, contacts
- SharePoint will be reliable, fast and easy to use
- Manawatu District Council content will be secured as needed, with permissions set for sensitive material
- Staff will be able to file and find documents, important emails, diagrams, photos and multimedia
- iWorkplace SharePoint will be integrated with Outlook to ensure better management of emails

3.7 These requirements have been endorsed by key stakeholders in MDC during:

- Meetings with the Executive Team,
- Site visits to Whanganui District Council to view the product in action
- Discussions with Whanganui District Council staff at all levels to gauge opinions on implementation and ease of use
- At a facilitated workshop held by Information Leadership at Manawatu District Council various members of staff who have made site visits to Tararua, Horowhenua and Whanganui

4 Operational Implications

4.1 Electronic document management increases operational efficiency by:

- Reducing the reliance on paper records
- Enabling staff to view, read or share information simultaneously from their desktops, no matter where they are situated
- Improves the retrieval of, and access to, information by using a central store of digital records
- Reduced duplication by capturing information only once
- Facilitates sharing and reuse of information across work groups
- Streamlines and automates work practices and business processes

4.2 Electronic document management reduces risk to Manawatu District Council by:

- Ensuring information is reliable and the latest version is available
- Proves greater securing and access control to reduce the risk of digital information being inappropriately accessed, altered or deleted
- Audit trails are in place to prove who had access to information and what they did with it
- Able to prove the integrity of information in any legal proceedings
- Improves decision making through access to the latest, most comprehensive information
- Better ability to service Local Government Information and Meetings Act (LGOIMA) requests in a comprehensive, accurate and timely fashion

4.3 There will be an impact on staff during both the project and moving forward to business as usual.
4.4 Staff will be changing the way that they work, and ongoing training and support will be needed to ensure the success of the installation, and ensuring the success of the project.

5 Financial implications

5.1 The sum of $615,423 was approved by Council in the 2015/2025 Long Term Plan.

6 Statutory Requirements

6.1 Our core responsibilities in respect of information fall under the following legislation:

- Public Records Act 2005 – how we keep and store information
- Local Government Official Information and Meetings Act 1987 (LGOIMA) - providing access to official information held by Council
- Building Act 2004
- Privacy Act 1993
- Electronic Transaction Act 2002
- Local Government Act 2002
- Local Government Rating Act 2002

6.2 Analysis of our current and anticipated operating environment has identified the following key issues for Council information:

1. We are not meeting our obligations under the Public Records Act 2005 and this exposes us to potential litigation
2. We need to improve effectiveness and efficiencies in how we manage and deliver information for both internal and external customers
3. We have inconsistent management practices for our information and a lack of skills and training for record and information management.

6.3 The proposal will allow better management of our information in a more robust, structured and legally compliant manner, therefore reducing risk to Council.

7 Delegations

7.1 Approval is sought to enter into the contract with Information Leadership directly from Council.

7.2 The Delegations Manual 16 June 2016 delegates Authority to enter into any lump sum purchase over $500,000 to the Strategic Planning and Policy Committee or direct to Council.

8 Conclusion

8.1 Exhaustive investigations have been undertaken to ensure we have the best product and best solution for Manawatu District Council in terms of its document management.

8.2 We are confident that the SharePoint system implemented by Information Leadership is the best fit for purpose system for Manawatu District Council and ask that Council approve its purchase.
9 Attachments

1. Managing Manawatu District Council Information – Business Case
Managing Manawatu District Council Information

Author: Vicky Honey
Date: June 2016
EXECUTIVE SUMMARY

Introduction

This Single Stage Business Case seeks formal approval to invest up to $615,000 in 2016/17 to purchase the Information Leadership Enterprise Content Management SharePoint solution.

The business case process is organised around a five case structure designed to systematically ascertain that the investment proposal:

- is supported by a compelling case for change - the 'strategic case'
- optimises value for money - the 'economic case'
- is commercially viable - the 'commercial case'
- is financially affordable - the ‘financial case', and
- is achievable - the 'management case'.

The purpose of this Single Stage Business Case is to:

- confirm the strategic context of the organisation and how the proposed investment fits within that strategic context
- confirm the need to invest and the case for change
- determine the preferred option which optimises value for money, by undertaking a detailed analysis of the costs, benefits and risks of the selected option
- prepare the proposal for procurement
- plan the necessary funding and management arrangements for the successful delivery of the project, and

In late 2014, the Manawatu District Council Executive Team adopted an Information Management strategy that was prepared by Morrison Low. Manawatu District Council has a vision of “A connected, thriving and vibrant Manawatu – the very best rural lifestyle in New Zealand”. The Morrison Low strategy identifies that in order to achieve our vision, we need to be an agile IT organisation, dedicated to enabling the business to meet changing needs, particularly:

- Changing customer expectations in the way Council interacts and delivers services
- Expectations that Council is easy to do business with and does ‘better with less’
- Demands for greater and faster sharing of information and knowledge internally and externally

This business case primarily focuses on one of the four recommended development streams (p1 - Introduce EDRMS – for electronic access to records and information), and in particular to part seven of the strategy – EDRMS Strategic Project. With the implementation of an EDRMS, this will enable us to also support and enhance two other development streams:

- Enable the customer and staff online through website and mobile development; within the context of an overall channel strategy
- Enhance the intranet to improve relevance, ease of use and increase ‘first time’ resolution of decision making; also in the context of a channel strategy.
The strategic document also advised on steps required to start the EDRMS journey, and move from concept to business case. The steps were:

‘7.1’ A scoping study will be commissioned, with the following characteristics:

- **It will be carried out by an individual(s) with personal experience of a comprehensive EDRMS implementation in local government in New Zealand**
- **Only solutions modelled on existing, successful local government implementations should be considered**
- **The study should identify a reference site that can be used as a model for MDC and in particular is open to sharing experience and lessons learned with MDC**

These steps were followed. Allfields, a technology consultancy with experience in both Local and Central Government, spent time in MDC having discussions with staff and looking at the way we work today, and how we can work in the future.

Meetings were held with our neighbouring Councils in the Horizon region and a report with research undertaken at three Councils that had recently implemented an EDRMS or ECM, those Councils being Horowhenua, Tararua and Wanganui.

The Allfields document recommended we look at Palmerston North as our reference site, but investigations led us to a more future proofing model, and Wanganui stood out as a leader in this area. Subsequent to our investigations Lower Hutt has implemented the recommended solution, and due to the success of that implementation Information Leadership, the Supplier, won the Local Government ICT Vendor of the Year for 2016.
STRATEGIC CASE

Manawatu District Council Overview

The key aims of the Manawatu District Council are to –

- Enable democratic local decision making and action by, and on behalf of, communities
- Meet the current and future needs of communities for good-quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for households, and businesses (Local Government Act 2002, section 10 (1)).

The core activities of Manawatu District Council are defined under section 11A of the Local Government Act 2002 and our Council the are –

- Community Services
- Environmental Services
- Infrastructure Services

MDC employs 150 full-time equivalent staff, has annual expenditure of $44m.

Alignment to existing strategies

Council’s Vision as set out in the 2012–2022 Long Term Plan is – “A connected, thriving and vibrant Manawatu – the very best rural lifestyle in New Zealand”. This business case will demonstrate how connectivity can be achieved by investing in an information management tool that has the capacity to allow external customers the ability to view information that currently requires manual searches and handling by internal staff.

Key aims of MDC are to meet the following Council policies and goals in regards to its management of information:

- Enable a connected and vibrant Manawatu through robust, cost effective, fit for purpose, accessible and agile IT solutions (MDC IT Strategy 2014)
- A connected, thriving and vibrant Manawatu – the very best rural lifestyle in New Zealand“ (2012-2022 Long Term Plan)
- To be agile and responsive to the following key strategic drivers for change –
  
  Customer driven expectations in the way MDC will interact and deliver services, including
  
  a. being ‘easy to do business with’
  b. improving communications through the effective use of new technologies
  c. faster and greater access to MDC information and people

Our core responsibilities in respect of information fall under the following legislation:

- Public Records Act 2005 – how we keep and store information
- Local Government Official Information and Meetings Act 1987 (LGOIMA) - providing access to official information held by Council
- Building Act 2004
- Privacy Act 1993
- Electronic Transaction Act 2002
- Local Government Act 2002
- Local Government Rating Act 2002
Analysis of our current and anticipated operating environment has identified the following key issues for Council information:

1. We are not meeting our obligations under the Public Records Act 2005 and this exposes us to potential litigation
2. We need to improve effectiveness and efficiencies in how we manage and deliver information for both internal and external customers
3. We have inconsistent management practices for our information and a lack of skills and training for record and information management.

The investment proposal aligns to the above direction by enabling better management of our information in a more robust, structured and legally compliant manner.

The indicative business case dated 15 September 2015 outlined the following strategic context and investment objectives for the proposed investment -

Traditionally, Council have had various independent filing systems, ranging from paper-based to various electronic media. The ability to control these systems has been minimal in the absence of a formal file classification system. This lack of control has resulted in situations where information cannot be located when it is required, for example when creating a LIM or completing a Request for Information (RFI), thereby potentially exposing the council to liability. Staff are increasingly searching for documents in vain, as they have either been misplaced or saved in locations where there is either limited access or where they cannot be found. MDC has a large amount of knowledge tied up in many structured, semi structured and unstructured information sources.

As recommended in the Information Technology Strategy document a scoping study was undertaken by external consultants (Allfields) on the current state of the Manawatu District Council (MDC’s) share drives with the purpose of potentially implementing an Electronic Document and Records Management System (EDRMS). Previous attempts have been made with regard to implementing an EDRMS at MDC; however, these have not eventuated to the system selection or rollout.

The indicative business case was prepared recommending that Council purchase and install Information Leadership’s (IL) iWorkplace SharePoint software. This product is an Enterprise Content Manager (ECM), rather than an Electronic Document Management System (EDRMS), and will better enable Council to achieve its information technology strategy goals.
The Case for Change

Table 1: The case for change is summarised for each investment objective below.

<table>
<thead>
<tr>
<th>Investment Objective One</th>
<th>To be 100% compliant with the Public Records Act 2005 by 2021</th>
</tr>
</thead>
</table>
| **Existing Arrangements** | • Council currently have various independent filing systems ranging from paper-based to various electronic media  
• A lot of information is paper based and sits on people’s desks and in store rooms  
• Council has no formal file classification system.  
• Staff struggle at times to locate important information required for LGOIMA and customer requests  
• MDC has a large amount of knowledge tied up in many structured, semi structured and unstructured information sources. |

**Business Needs**

There are seven principles to meet in achieving 100% compliance with the Public Records Act 2005. Those Principles are:

1. Create and maintain records ✓
2. Classify and organise records
3. Assign records management metadata to records and aggregations ✓
4. Provide access to records
5. Appraise records and dispose of them appropriately ✓
6. Maintain the integrity of records ✓
7. Manage records systematically

MDC currently partially complies with four of the 7 principles.

To meet legal compliance, reduce litigation impact, reduce document loss and achieve our vision, we must move towards 100% compliance. We need an investment that can assist MDC in meeting the seven principles, and enable information to be shared in a way that will meet the expectations of our internal and external customers by being easy to do business with and provide faster and greater access to MDC information.

**Minimum Scope**

*Maintain status quo* – To make no change will mean MDC will be open to litigation, be non-compliant and face a loss of reputation should we fail in our duties under the Act. It is therefore untenable to continue with the status quo.
Intermediate Scope

**Implement a new file classification structure** - MDC currently uses a structure that was created by a former employee and is not compliant with the Public Records Act. Councils within the region use the Association of Local Government Information Management (ALGIM) Model Business Classification Scheme. This scheme defines, describes and aggregates records in order to organise and control information and facilitate access to and retrieval of information. The organisation of our records to an agreed, understood and consistently used classification scheme will enhance and facilitate the capacity of MDC to share information and knowledge. This intermediate option would involve a project team, change management and staff training on both records management and how to use the file classification structure.

Another intermediate change would be the lock down of the desktop and I drives. Currently many staff save documents to their C drive (Desktop). This drive does not get backed up and results in duplicate documents in both the C and J drives.

Scanning our current and future data but not our historical data.

**Maximum Scope**

- Develop a strategic records and information management plan.
- Having all our current and historical data scanned and available for electronic access.
- Undertake a risk analysis and audit of our current environment

Invest in a solution that will provide the following:

- Assist with legislative compliance
- Enhance the secure and systematic management of unstructured or semi-structured information, such as emails, documents and image-based files
- Reduce duplication of electronic information in network drives
- Reduce risk of not being able to locate electronic objects
- Improve security and minimise unauthorised access to information
- Enhance MDC’s ability to know what electronic records and paper-based records from within one system
- Ensure that the integrity and authenticity of records held within our uncontrolled shared drives

Enable us to become more agile and responsive in customer requests

Potential Benefits

- We will reduce our exposure to litigation and comply with the Public Records Act 2005.
- We will have an auditable and evidentiary trail to prove that we are complying with the Act, and our staff will have the confidence to know that they are not exposing Council or themselves to litigation.
- Our decision making will be based on accurate information sourced in a timely manner
- Decisions will not be delayed due to a lack of information
Potential Risks

Council staff are at risk of poor decision making due to the inability to ensure that they have all information on hand when that decision making occurs. This puts the reputation of both the Council and their staff on the line, when something is missed, and is likely to be missed given the current state in which we operate our business.

MDC do not have a strategic records and information management plan. A strategic records and information management plan will provide us with a roadmap of strategic direction for our recordkeeping for the immediate and long term. This plan should include direction on how we are going to manage our historical data, that is currently in paper form, and how we are going to manage the migration of our existing electronic data.

We have not undertaken a risk analysis and audit of the current recordkeeping environment at MDC. The Allfields document “Reviewing the requirement for Manawatu District Council to implement an EDRMS” covered this analysis and audit on a high level and one of the recommendations was to review the current records classification structure and implement any changes of this before invest in a solution. This has not occurred.

Business as usual clashing with implementation. The recent changes in WHS and the desire to introduce new procedures and policies in that space, including a Business Continuity Plan, will impact on the time staff have to learn a new technology.

The timing of any implementation may impact on other projects, financial and governance reporting periods.

Constraints and Dependencies

- Records and Information Strategy
- Records and Information Audit
- Adoption of ALGIM Business Classification
- Back scanning strategy
**Investment Objective Two**

**Increase online customer and mobile staff content access by 15% per annum to achieve 100% access by 2021**

**Existing Arrangements**

As at today’s date MDC has approximately 25% of its records scanned and available for potential online access. This means that if a customer phones or emails for a property file, for instance, it is likely that the records staff will have to scan that file, rather than it being available to be sent to our customer.

As a consequence of our documents not being readily available, there are costs associated with the officer having to take the time to:

1. scan a document in order to provide digital access
2. scan a document, place on to a CD and either arrange the posting of the CD or placement at front of house for collection and payment
3. front of house receive a request from a customer to view the file and either the front of house or records officer retrieve the file, provide this to the customer and then return to the file room.

This low capture of digital documents means that our workforce in the field are not able to access all of the information that they require to effectively undertake their roles.

Neither our internal or external customers are able to have the most up to date information 24/7 as we don’t have control of the current information we hold. We don’t know if we are providing the latest version of a document, if it is still current and factual, unless we spend time researching and eliminating any older and outdated versions of information held.

**Business Needs**

MDC is wanting a future whereby access to our information by customers is easy and convenient, available at all times and support as many activities, enquiries and transactions as possible. Expectation from our customers is increasing and we are expected to have all information relating to both property and customer available online. We also want to reduce the time it takes to seek content, and improve our customer service response times.

In its strategy document, MDC also identified that it needs to be agile and responsive and created change drivers to enable this. The following change drivers are relevant to this investment objective:
### Business Needs

Customer driven expectations in the way MDC will interact and deliver services, including:

- Being ‘easy to do business with’
- Improving communications through the effective use of new technologies
- Faster and greater access to MDC information and people

Pressure on local government to do ‘better with less’ with responses, including:

- Innovative and informed adoption of technology
- Making optimal use of all resources
- Conducting business improvement

This also extends to our decision making, and by having information available at our fingertips, rather than spending time looking in various locations, our ability to be an agile and responsive Council would be increased.

In order to meet these objectives we need the technology to provide a repository to store our active and historic information and enable our community and staff to access that information in a technology driven world and enable us to improve our customer service level by doing better with less.

### Potential Scope

#### Minimum Scope

**Maintain status quo** – Continue to scan documents and files in the current manner, and provide information via telephone, counter and email requests, as soon as business as usual allows.

#### Intermediate Scope

Undertake a back scanning project to capture all of MDC information digitally. This intermediate option will be labour intensive during the scanning phase, but will enable MDC to reduce the amount of time it takes to find information, and to ensure it is accurate when we do.
## Maximum Scope

Back scanning project to determine the level of back scanning (e.g. 1970 onwards), and how we manage this – in-house or external company.

Invest in a solution that will provide the following:

- Assist with legislative compliance
- Enhance the secure and systematic management of unstructured or semi-structure information, such as emails, documents and image based files
- Reduce duplication of electronic information in network drives
- Reduce risk of not being able to locate electronic objects
- Improve security and minimise unauthorised access to information
- Enhance MDC’s ability to know what electronic records and paper-based records from within one system
- Ensure that the integrity and authenticity of records held within our uncontrolled shared drives

Enable us to become more agile and responsive in customer requests

## Potential Benefits

We will reduce our exposure to litigation and comply with the Public Records Act 2005.

We will become agile and responsive to meet our customer’s needs by increasing our response time to information requests.

We will meet the demand for greater and faster sharing of information and knowledge internally and externally.

We will reduce the incorrect access of information (staff having access to documents that should have a security level attached to them).

## Physical vs Digital

<table>
<thead>
<tr>
<th>PHYSICAL</th>
<th>DIGITAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search computer files</td>
<td>Search</td>
</tr>
<tr>
<td>Check building department</td>
<td>Print, email or save to disc</td>
</tr>
<tr>
<td>Check desks of any staff who may have a physical file</td>
<td></td>
</tr>
<tr>
<td>Check papers are correct and relate to property requested</td>
<td></td>
</tr>
<tr>
<td>Remove staples and repair any damage cause by previous over-handling</td>
<td></td>
</tr>
<tr>
<td>Copy or scan</td>
<td></td>
</tr>
<tr>
<td>Re-staple</td>
<td></td>
</tr>
<tr>
<td>Return files</td>
<td></td>
</tr>
</tbody>
</table>
ECONOMIC CASE

The short-listed options and preferred way forward were recommended in the indicative business case and subsequently agreed by the Executive Team in December 2015.
## FINANCIAL CASE

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>iWorkplace</td>
<td>45,500.00</td>
<td>15,000.00</td>
<td>15,000.00</td>
<td>15,000.00</td>
<td>15,000.00</td>
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<tr>
<td>Harmon.ie.</td>
<td>13,941.00</td>
<td>13,941.00</td>
<td>13,941.00</td>
<td>13,941.00</td>
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<tr>
<td>Nintex</td>
<td>29,400.00</td>
<td>5,300.00</td>
<td>5,300.00</td>
<td>5,300.00</td>
<td>5,300.00</td>
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</tr>
<tr>
<td>SharePoint Server 2013</td>
<td>6,814.00</td>
<td>4,259.00</td>
<td>4,259.00</td>
<td>1,704.00</td>
<td>1,704.00</td>
<td>1,704.00</td>
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<tr>
<td>SQL Server CoreProc</td>
<td>3,594.00</td>
<td>2,246.00</td>
<td>2,246.00</td>
<td>898.00</td>
<td>898.00</td>
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<tr>
<td>Enterprise Design and Build</td>
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<td>61,000.00</td>
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<tr>
<td>Design and build of digital workspaces</td>
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<td></td>
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<td></td>
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<td>250,000.00</td>
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<tr>
<td>Migration Support</td>
<td>27,000.00</td>
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<tr>
<td>Intranet design and build</td>
<td>44,000.00</td>
<td></td>
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<tr>
<td>Training</td>
<td>45,000.00</td>
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<tr>
<td>Project setup and coordination</td>
<td>35,000.00</td>
<td></td>
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<tr>
<td>Technical Support</td>
<td>7,500.00</td>
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<tr>
<td>Disbursements for IL Project Team</td>
<td>18,000.00</td>
<td></td>
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<tr>
<td>Technical Project Manager (6 months)</td>
<td>14,000.00</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>600,749.00</td>
<td>40,746.00</td>
<td>40,746.00</td>
<td>36,843.00</td>
<td>36,843.00</td>
<td>36,843.00</td>
<td>36,843.00</td>
<td>36,843.00</td>
<td>36,843.00</td>
<td>36,843.00</td>
<td>940,142.00</td>
</tr>
</tbody>
</table>
The sum of $615,423 has been approved by Council in the 2015/2025 Long Term Plan. There is a high expectation that the costs allocated in the design and build of the digital workspaces will be reduced considerably by the appointment of a SharePoint expert by MBS. This employee is included in our annual contract rate, and has already undertaken like projects that involved the iWorkplace product and Information Leadership.

The ongoing Annual costs have been included in our budget from 2016/2017 until 2024/2025 in the amount of $55,000, and this will allow for an increases over that time period.
COMMERCIAL CASE

The procurement strategy took the following position and approach to the market:

In developing the business case and analysing the market, MDC undertook investigations into any EDRMS or ECM installations within its MW Lass region. Specific detailed research was undertaken and documented with Horowhenua, Tararua and Wanganui Councils. The Allfields document recommended we look at Palmerston North as a reference site, but investigations led us to a more future proofing model, and Wanganui’s SharePoint installation with Information Leadership stood out as a leader in this area.

Subsequent to our investigations Lower Hutt has implemented the recommended solution, and due to the success of that implementation Information Leadership, the Supplier, won the Local Government ICT Vendor of the Year for 2016.

From our investigations we identified the need to liaise direct with Information Leadership meaning that we invoked Rule 11.1.c and 11.1.d of the Manawatu District Council procurement policy -

11.1.c
Technical/functional specialist: Where a supplier is deemed to provide a unique or specialist service that is specific to the needs of Council. This may include a service that is not available from any other supplier or a preferred service from a specific supplier based on Council’s requirements. And;

11.1.d
Proprietary technology: Where a supplier is the sole supplier and/or patent holder of a specific product that is required by Council. Council must be satisfied that the proprietary technology is the most appropriate for the needs of Council.

Consideration was also given to the direction in the IM Strategy document in 5.2.2 –

MDC is not a technology leader – it will not be the first to implement any solution of significance in terms of either cost, scope or impact on staff and customers

It follows from the above that any significant system to be procured should already be operating successfully in a similar environment and

In procuring new systems, MDC should focus on identifying successful implementations and applying lessons to be learned, to better achieves cost effective procurement and implementation.

Specific Requirements

The required goods and services for the contract are:

Information Leadership will implement iWorkplace SharePoint for document management and intranet for internal use. This includes:

- EDRMS for all business activities
- Intranet for news, calendar, referencing key information and links, contacts
- SharePoint will be reliable, fast and easy to use
- MDC content will be secured as needed, with permissions set for sensitive material
- Staff will be able to file and find documents, important emails, diagrams, photos and multimedia
- iWorkplace SharePoint will be integrated with Outlook
- MDC will have a product that has mobile use via smartphones and tablets using web browsers and Harmonie add-in
These requirements have been endorsed by key stakeholders in MDC during:

- Meetings with the Executive Team,
- Site visits to Wanganui to view the product in action
- Discussions with Wanganui staff at all levels to gauge opinions on implementation and ease of use and
- At a facilitated workshop held by Information Leadership at MDC

**Potential Risk Allocation**

Key procurement risk allocation has not been undertaken at this stage of the approval process.

**Potential Payment Mechanisms**

The proposed payment approach is as follows:

$45,500 paid to IL on the signing of this document. (This is to cover iWorkplace software for 1 year)

Time and materials will be charged on a monthly basis, with payment due by the 20th of the following month. This will include payment for the following:

- Server Design
- Taxonomy
- Information Architecture
- Information Architecture built
- File migration workshop
- Intranet
- Seven training courses and end user training materials
- Workplaces – designed, built and go-live
- Technical Support
- iWorkplace software assurance, paid on the anniversary of the initial payment
Contractual and other issues

Type of contract

Information Leadership have provided a detailed EDRMS Statement of Work (attached), which outlines the scope, benefits, product and specific contract conditions.

The timeframes for delivery are as follows:

- IL visit before end of June to determine server meets requirements for SharePoint
- July 2016 – Server Build by IL and Administration Training Initiation Workshop to be held
- September 2016 –
  - Taxonomy – top 2 tiers created
  - Discovery workshop for core team and key SME’s. This is an introduction to SharePoint workshop
  - Design Wiki Workshops
  - Branding Workshop
  - Engagement Workshop
  - Purchase Licences
- Intranet Go-Live October 2016
- Go Live iWorkplace progressively until completion in March 2017

Specific reporting requirements will be monthly updates from IL to MDC Project Manager

Payment will be based on the supplier’s successful completion of milestones as detailed in the contract.

New intellectual property (reports and other deliverables created or developed by IL) arising as a result of the contract will be the property of MDC from the date they are created or developed provided that IL retains all rights to its know-how, intellectual property, methodologies, processes and development tools used in performing the services which are based on trade secrets or proprietary information of IL, or are developed or created by IL without reference to or use of the intellectual property of MDC, or otherwise are loaned or licensed by IL.

Variations to contract will be in writing and signed by both parties. Variations involving an increase in price must only be made within the limit of the financial delegated authority.

Contract management

The responsibility for managing delivery under the contract as well as supplier relationship management will pass to Vicky Honey, Business and Information Manager on the signing of the contract. This person will develop a contract and relationship management plan in consultation with the successful supplier.

The supplier’s performance will be reviewed monthly upon receipt of the supplier’s monthly report.

Accountancy treatment

It is envisaged that the assets underpinning delivery of the services will be on the MDC balance sheet as an intangible asset.
MANAGEMENT CASE

The management case confirms that the proposal is achievable and details all the arrangements needed to both ensure successful delivery and to manage project risks.

Project Management

Project management arrangements

In the event that this business case receives formal approval, a project will be established to deliver the required services. The project will be managed using the PMI PMBOK project management methodology. The relevant project management arrangements are proposed to be as follows:

Project governance

The proposed key governance roles, responsibilities and reporting arrangements are outlined in the following organisation chart:
Project Timeline

The following chart aligns the staged approach to the timelines supplied by Information Leadership. The project management plan is attached in the IL SOW and Pricing document page 9.

June 16
- Contract Signed
- Ian Morrish site visit

July 16
- Server Design
- Hardware purchase & install
- Buy Harmonie licenses

Aug 16
- Initiation Workshop & Planning
- Server Build
- Systems Admin Training

Sept 16
- Taxonomy Top 2 Tiers
- Discovery 1 day Workshop
- Buy/Install iWorkplace & Nintex licenses
- Design Wiki Workshops
- Branding Design & Build
- Engagement 1 Day Workshop

Oct-Nov 16
- Create User Training
- Analysis, Options & Workshop
- Intranet Design Workshop
- Expo for Staff
- IA/search onto server
- Intranet content review

Dec – Feb 17
- Initial Business Activities
- Intranet Go Live

Mar – May 17
- Complete Business Activities
Change Management

In consultation with the Project Manager, the Communications Advisor will be providing a communication plan, with key dates that are aligned to the Project Timeline.

Information Leadership will deliver a one day engagement workshop with the Project Team and key managers in September to go through its engagement methodology as input to our change and governance programmes. This includes a comprehensive workbook.

An Expo will be held in late October with Information Leadership in attendance to educate staff on the new product. All staff will be invited to attend and spend 15-30 minutes, and key managers and SME’s around one hour.

At this stage the Change Manager will be our General Manager of People and Culture, given this specialty usually sits within this role. However due to the savings expected on the design and build stage of the project, we will be able to employ this role. Master Business Systems (our current IT Contractor) have employed a SharePoint expert who has worked on like implementations with Information Leadership before.

Benefits Management

Benefit register

The following register details the significant expected benefits and indicates how the benefits are to be realised.

<table>
<thead>
<tr>
<th>Benefit ID</th>
<th>Benefit Title</th>
<th>KPI</th>
<th>Target Value</th>
<th>Date</th>
<th>Achievement level</th>
<th>Date</th>
<th>Achievement level</th>
<th>Date</th>
<th>Achievement level</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Email Management</td>
<td>Manage mail more effectively as records</td>
<td>100%</td>
<td>Dec 16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Centralised Storage</td>
<td>Provide a central store for staff to capture their digital documents and information, instead of in uncontrolled shared drives, email folders or network drives</td>
<td>100%</td>
<td>Jun 17</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Retention and Disposal</td>
<td>Manage lawful destruction or retention of records</td>
<td>100%</td>
<td>Jun 17</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Faster Access</td>
<td>Facilitate better retrieval of, and access to, information through greater consistency in naming and titling</td>
<td>100%</td>
<td>Dec 16</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Duplication</td>
<td>Reduce duplication by capturing information only once</td>
<td>100%</td>
<td>Jun 17</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Automation</td>
<td>Streamline and automate work practices and business processes</td>
<td>100%</td>
<td>Dec 17</td>
<td></td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
Risk Management

The strategy, framework and plan for dealing with the management of risk are as follows:

RISK REGISTER

<table>
<thead>
<tr>
<th>Risk ID</th>
<th>Risk Statement</th>
<th>Probability</th>
<th>Impact</th>
<th>Risk Ranking</th>
<th>Response (Avoid/Transfer/Mitigate/Accept)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Limited availability of resources which requires careful balancing of aspirations against capacity to deliver</td>
<td>Moderate</td>
<td>M</td>
<td>High</td>
<td>In terms of the project team, and in particular our records and information team we can mitigate this by using a contract staff member during periods when our records and information team are required for Project work, and backfill their business as usual tasks. We have been using the services of a temp in the records and information area and this person would be utilized to undertake the BAU work. This would mean there would be no impact to costs of the project.</td>
</tr>
<tr>
<td>2</td>
<td>Business as usual clashing with implementation</td>
<td>Moderate</td>
<td>M</td>
<td>High</td>
<td>The rollout will be timed to cause the least impact to each business unit. Given each will have their own specific workload peaks, the project plan will be flexible in order to meet the majority of staff</td>
</tr>
<tr>
<td>3</td>
<td>Timing of implementation may impact on other projects and financial and governance reporting periods</td>
<td>Moderate</td>
<td>M</td>
<td>Medium</td>
<td>As above the implementation is a staged rollout and given the importance of the project to the business, implementation will need to move forward. Frankly there will be no perfect time for everyone.</td>
</tr>
<tr>
<td>4</td>
<td>Lack of governance to guide actions</td>
<td>Moderate</td>
<td>M</td>
<td>Medium</td>
<td>Governance will be set up at the beginning of the project and will plan to transform into Business as Usual at completion</td>
</tr>
<tr>
<td>5</td>
<td>Migration is complex</td>
<td>Low</td>
<td>M</td>
<td>Medium</td>
<td>Staff will have 1-2 weeks prior to their workplace roll-out to place documents in an area</td>
</tr>
</tbody>
</table>
where it will be uploaded into the new workplace structure.

We will then move all remaining content to SharePoint in read only libraries for browsing and search.

|   | Customisation could lead to budget blowout | Low | M | Medium |
|   | Lack of buy-in created for staff early on in the project leading to apathy in participating in critical workshops | Medium | H | High |
|   | MDC is not currently complying with the Public Records Act 2005 | High | H | High |
|   | Incorrect profiling of documents | High | H | High |

A clear policy will be in place at the beginning of the project to avoid staff pushing for further customization of the product. Tight budget control will be in place for each workplace rollout.

A clear change management plan will be in place to create buy in. The Expo will be a compulsory attend for staff and Champions Group will be formed at the beginning of the project to energize staff. At this stage it is envisioned that the new General Manager People and Culture will fill the Change Manager role, given this expertise usually sits within this role. If not then we will need to resource externally. The cost for this would be taken from the savings made in the design and build phase of the project. Savings are expected due to the employment by MBS of a SharePoint expert who has worked on like implementations with Information Leadership.

Implementation of a legally compliant document management system will provide us with an auditable and evidentiary trail to prove we are complying with the Public Records Act 2005 and give confidence to our staff that they are not exposing the Council or themselves to litigation.

Staff education with be imperative. SME will be our Senior Information Officer, and she has already prepared a records management training session for new staff, which will be enhanced and be provided as part of the rollout.

Contract Management

Over the life of the service contract it is possible that there will be some significant change that is unforeseen and falls outside routine contract management. The strategy for contract management is to include contract
management in the Project Manager’s portfolio of duties. The Project Manager will manage the relationship with the Information Leadership over the term of the contract.

Areas of responsibility include:

- Service Delivery Management - ensuring the services contracted for are being delivered to the agreed level of performance
- Relationship Management - a partnership type arrangement where open communication will contribute to successful outcomes for both parties, and
- Contract Administration - ensuring the on-going consistency and currency of the formal contract
- documentation as the implementation proceeds.

**Post Project Evaluation Arrangements**

A post implementation review is planned for June 2017, and ongoing project evaluation reviews are planned at monthly intervals, commencing July 2016.

The Key Project Status Report template will be used to report to Executive Team each month during the term of the project and three monthly reviews will be undertaken by the Project Auditor Michael Hawker.

**Next Steps**

This Business Case seeks formal approval from Executive Team/Council to finalise the contract arrangements with the Information Leadership.
Appointment of Commissioners for Post-Election Period

Purpose

The purpose this report is to ensure that the Manawatu District Council have the ability to address Hearing Committee matters during the election period when the current Hearings Committee ceases on 8 October 2016.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That pursuant to Section 34A of the Resource Management Act 1991 (RMA) and Clause 32(5) of Schedule 7 of the Local Government Act 2002 (LGA) that Councillors Voss, Jensen, and Casey be appointed as Hearing Commissioners.

The Hearing Commissioners will have full delegated authority as specified for the Council Hearing Committee outlined in Council’s Delegation Manual Version 003.1/2016.

Report prepared by:
Wendy Thompson
Principal Planning Adviser

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

**Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand**

<table>
<thead>
<tr>
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</tbody>
</table>

2 Background

2.1 The Council elections are scheduled for 8 October 2016 with the first Council meeting scheduled for the end of October after the election.

2.2 In the intervening period there could be a situation where a decision of the Hearings Committee is required to progress a matter in the area of regulatory responsibilities delegated to the Hearings Committee.

3 Discussion and Options considered

3.1 The present membership of the Hearings Committee ceases upon the election of the new Council with the new Hearings Committee likely to be appointed early November 2016 at the earliest.

3.2 To ensure that such matters can be progressed there is provision in the Resource Management Act to appoint Commissioners which could have the powers of the hearings Committee for resource management matters as currently delegated by the Council.

4 Operational Implications

4.1 There are no operational implications.

5 Financial implications

5.1 There are no financial implications.

6 Statutory Requirements

6.1 The RMA requires all commissioners, whether elected or independent to be accredited commissioners. All of the candidates meet this criteria.

7 Delegations

7.1 The Council has delegated authority to decide matters relating to the appointment of Hearing Commissioners.
8 Consultation

8.1 There is no consultation required.

9 Cultural Considerations

9.1 There are no cultural considerations.

10 Conclusion

10.1 To enable the ability of regulatory matters to be heard by Council during the period when the current Hearings Committee ceases on 8 October 2016 until a new Committee is appointed, it is recommended that Council appoints some of the current Hearings Committee members as Commissioners under Section 34A of the RMA and schedule 7 of the LGA for other Committee regulatory matters.
Annual Report - Delegation of Authority to Sign

Purpose
To seek delegation of authority for the signing of the Annual Report, subject to audit changes.

Significance of Decision
The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations
That the Mayor and Chief Executive be delegated authority to sign the Annual Report for the year ending 30 June 2016.

Report prepared by:
Allie Dunn
Business Support Team Leader - Corporate

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

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</table>

2 Background

2.1 Each year the Council is required to report against its key performance indicators, financial projections and projects set in the Annual Plan and the Long Term Plan.

2.2 The 2016 Annual Report is proposed to be presented to Council for adoption at its meeting on 6 October 2016.

3 Discussion and Options considered

3.1 The Annual Report compares the actual activities and the actual performance of the Council during the year with the intended level of performance as set out in respect of the year in the long term plan and the annual plan. It also promotes the Council’s accountability to the community for the decisions made by the Council throughout the year.

3.2 The draft Annual Report was reviewed by Council’s Audit and Risk Committee at its 1 September 2016 meeting. Prior to being presented for adoption by Council, the Annual Report will be subject to audit by Audit New Zealand. Audit New Zealand will prepare a report on behalf of the Auditor-General for inclusion in the Annual Report.

3.3 The Annual Report to be presented to Council at its 6 October meeting will contain a Statement of Compliance and Responsibility, that confirms that the Council and the management of the Manawatu District Council have complied with all the statutory requirements of section 98 of the Local Government Act 2002, and accepts responsibility for the preparation of the Financial Statements, the Statements of Service Performance and the judgements used in them.

3.4 Council is asked to delegate authority to the Mayor and the Chief Executive to sign the Statement of Compliance and Responsibility that will be contained within the Annual Report.

3.5 The final Annual Report, including the Auditor’s report, will then be presented to Council for adoption at its 6 October 2016 meeting.

4 Operational Implications

4.1 There are no capital / operating expenditure implications or maintenance costs associated with this paper.
5 Financial implications

5.1 There are no financial implications associated with this paper.

6 Statutory Requirements

6.1 Sections 98 and 99 of the Local Government Act 2002 set out the requirements relating to the preparation, adoption and audit of the Council’s Annual Report.

7 Delegations

7.1 The Council has the authority to delegate the signing of the Statement of Compliance and Responsibility to the Mayor and Chief Executive. The adoption of the Annual Report cannot be delegated.

8 Consultation

8.1 There are no community consultation requirements associated with this matter.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this paper.

10 Conclusion

10.1 Delegating authority to the Mayor and the Chief Executive to sign the Statement of Compliance and Responsibility will enable the final Annual Report to be presented to Council’s October meeting for adoption.

11 Attachments

- Draft Annual Report to 30 June 2016
Fourth Quarter Report to 30 June 2016

Purpose

To provide a summary to 30 June 2016 of the Council’s performance against the first year of the 2015/25 Long Term Plan.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Council receives the Fourth Quarter Report to 30 June 2016.

Report prepared by:
Colleen Morris
Chief Finance Officer

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

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</tr>
</thead>
</table>

2 Background

2.1 Quarterly governance reports provide interim updates towards end of year results to be published in the Annual Report 2015/16. The Annual Report accounts for how Council performed against the first year of the Long Term Plan 2015/16, including the Council’s financial performance and position, progress on major projects, levels of service performance and reasons for significant differences from what was planned.

3 Discussion and Options considered

3.1 This report is for information purposes. Any matters that require resolution would be reported separately to Council. The Council’s Audit and Risk Committee reviewed this report at its meeting held 1 September 2016.

3.2 The new Health and Safety at Work Act came into force on 4 April 2016. Considerable time and effort has been put into educating staff, managers and contractors on their duties and responsibilities under the reformed legislation.

3.3 A complete review of our current health and safety system has been undertaken. A new ‘Contractors’ module has been implemented that provides updated forms and processes to improve communication and knowledge of health and safety requirements across all duty holders when engaging contractors.

3.4 Implementation of a revised risk module and a reporting module are planned over the coming months.

3.5 Regulations on worker engagement and participation were released in February 2016. These provided further information and assistance on what is required to meet the legal requirements of the Health and Safety at Work Act.

4 Operational Implications

4.1 There are no capital or operating expenditure implications, or maintenance costs associated with this paper.

5 Financial implications

5.1 Any financial implications would be reported separately to Council.
6 Statutory Requirements

6.1 Quarterly governance reports provide an overview of results towards the Annual Report, which is audited against requirements of the Local Government Act 2002.

7 Delegations

7.1 The Council has authority to consider this matter.

8 Consultation

8.1 There are no consultation requirements associated with this matter.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this report.

10 Conclusion

10.1 The quarterly reports are a mechanism of transparently reporting against progress towards achieving targets set in the Long Term Plan.

11 Attachments

- Quarter Four Report
- Capital Expenditure Report
Key Indicators
For the period ended 30 June 2016

**Capital Expenditure**
- $16.4m
- $8.2m
- $2.4m
- $0.0m

**Loans Raised**
- $7.7m
- $3.9m
- $0.0m
- $0.0m

**Total External Debt**
- $29.2m
- $14.6m
- $0.0m
- $0.0m

**Total Operating Revenue**
- $4.7m
- $7.1m
- $11.3m
- $22.6m

**Total Operating Expenses**
- $11.0m
- $3.9m
- $0.0m
- $0.0m

**Key Performance Indicators**

<table>
<thead>
<tr>
<th>Category</th>
<th>Annual Plan</th>
<th>YTD Budget</th>
<th>On Track</th>
<th>Needs Monitoring</th>
<th>Not Achieving</th>
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</thead>
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<td>Community Facilities</td>
<td>10</td>
<td>4</td>
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<td>Environmental Services and...</td>
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<td>7</td>
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<tr>
<td>Roading</td>
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<td>Wastewater</td>
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<td>Water Supply</td>
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<tr>
<td>Total Council</td>
<td>45</td>
<td>30</td>
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</tr>
</tbody>
</table>

Key:
- Annual Plan
- YTD Budget
- Actual - On Track
- Actual - Needs Monitoring
- Actual - Not achieving
Overall Council Summaries
For the period ended 30 June 2016

Operating Revenue - by activity

Operating Revenue - by type

Operating Expenditure - by activity

Operating Expenditure - by type

Key
- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - within ±5% of budget
- YTD Actual - between ±5-15% of budget
- YTD Actual - greater than ±15% of budget

Page 2 of 15
Overall Council Summaries
For the period ended 30 June 2016

Comments:
In April 2016 we borrowed $2m short term from the BNZ. This was repaid May after rates had been received.

$10m was borrowed from the LGFA in June 2016 for a term of nine years. This is to fund the capital programme for the year. Until then cash investments were used to fund the capital expenditure.

Cash investments were higher than expected as year end capital expenditure was not at the forecasted level. The reduction in the community loans was the writting down of the loan to Manfield Park Trust, subject to a Council decision in September 2016.
Revenue has increased over the fourth quarter.

Higher income than projected at the MAC and Library for the first three quarters.

MAC revenue budget was very conservative due to the capital project. The Makino was closed for the fourth quarter.

Expenditure is below budget for all activities.

Due to impact of delays in the Capital programme, loan servicing is lower than budgeted.

Expenditure is slightly down in the property and parks activities, due to low staffing for the year, however operating expenses were delivered on budget.

Scoping work is being carried out for many of the projects and physical work will commence once scoping has been completed.

The MAC redevelopment is on target to be completed in July 2016.

Strengthening work on the Community Centre is complete.

Kimbolton toilets have been completed and the Vinegar Hill toilets were completed in May.

No work has been planned for the South Street/Kawakawa Road land development (budget $459k).

The Capital Expenditure report contains a detailed list of the progress of projects.

Libraries - Issues for the year were 291,431, representing 10.23 issues per capita (Target 11). E-book issues are recorded in this measure for the first time, however Community library loans are no longer included in this measure.

The shortfall of 116 events against the target of 480 was partly caused by the late recruitment of key personnel and not having effective event programmes in place.

Continued on page 15.
District Development
For the period ended 30 June 2016

Income is primarily from rates.

The budget included a grant from the Ministry of Youth Affairs (MYA) for youth related projects. No grant has been received from MYA this year.

Expenditure for the implementation of the village community plans has been prioritised and a portion has been carried forward to next year. Other projects linked to the completion of a Spatial Plan will also be carried forward. The budget over run based on the Annual Plan ($130k) in the Economic Development activity relates to costs associated with the Central Economic Development Agency. This additional expenditure has been approved by Council.

There is no capital expenditure for this activity.

Public Voice June survey showed respondents 70% satisfied with Economic development services (Target 80%), and 51% satisfied with Community Funding and Development services (Target 90%).

These figures exclude the 46% replied ‘don’t know/didn’t use’ Economic Development and 20% for Community Funding and Development.
Income is primarily received through rates. Rural cost recoveries totalling $36k were recovered for the Taikorea Road, Kakariki Road and Reu Reu Road fires.

An additional $91k of expenditure for Civil Defence is for costs associated with the June 2015 flooding.

There was an additional cost of $24k in relation to Fire Service assistance for the Kellow Road fires.

Capital expenditure for the year is $5k, for equipment renewals which have been completed and were under budget.

Public Voice May 2016 survey showed 53% respondents satisfied with civil defence information services (Target 90%), and 48% satisfied with rural fire risk information services (Target 90%).

24% replied 'don't know/didn't use' civil defence information services and if these respondents are excluded satisfaction rate would be 53%. 26% replied 'don't know/didn't use' rural fire information services and if these respondents are excluded satisfaction rate would be 65% .

There has been 100% response to rural fire callouts for the year to date.
Environmental Services and Monitoring
For the period ended 30 June 2016

Building Control revenue is greater than anticipated as a result of on-charging consultants costs to customers. There is a timing difference between when the costs are incurred and when they are billed to the customer. The increase in revenue also reflects the increase in building activity in the district.

Dog registration fees are $55k lower than budgeted. The budget was over optimistic and registrations in the later part of the year were not as high as expected.

Building Control expenditure is higher than the budget for consultants. Consultant fees are on-charged to customers. Additional costs were incurred due to a weathertight home claim.

Staff costs are lower than budgeted for Environmental Health and Monitoring and District Planning due to staff vacancies. Positions have now been filled.

$151k of the District Plan budget was brought forward from the 2016/17 year. This was underspent by $70k and will now be requested to carry forward.

There is no capital expenditure planned for this activity.

The replacement of the roof at the pound was carried forward from last year and was completed at a cost of $4k.

Animal Control - The target not met related to response times for routine (next working day) animal control issues with 77% responded to within the timeframe set (90% target). Delays in response time relate to difficulties in contacting (or being able to make appointments with) the dog owners (47%) and staff having to visit locations over a period of days to in an attempt to locate barking dogs (25%).

Building Control - 350 fixed fee building consents were issued, of which 92% were issued within the 10 working day timeframe. 636 building consents have been processed during the year and 94% were issued within the target timeframe. The primary reason for not meeting timeframes was due to staffing constraints and the increasing number of building consents received.

Continued on page 15.

Key

1. Annual Plan
2. Year End Forecast
3. YTD Budget
4. YTD Actual - within ± 5% of budget
5. YTD Actual - between ± 5-15% of budget
6. YTD Actual - greater than ± 15% of budget

Key

1. On Track
2. Needs Monitoring
3. Not achieving
Governance and Strategy
For the period ended 30 June 2016

Income is received through rates.

There was an additional $80k expenditure for grants funded from the Mayoral Relief Fund and the Regional Distaster Trust. This is offset by under expenditure in the election costs to date and support services costs.

The only capital expenditure planned for the year is $51k for upgrade to the Council wing. To date $38k has been spent with additional furniture arriving in July 2016 (the new financial year).

There have been no breaches of the rating or debt levels set in the financial strategy.

The Public Voice survey in June 2016 showed 48% were satisfied with the opportunity to participate in decision making. 18% replied 'don't know/didn't use' and if these respondents are excluded satisfaction rate would be 58%.
Roading
For the period ended 30 June 2016

Revenue is received through rates and NZTA subsidy.

Additional subsidy was received to fund flood related costs. However, as the flood work has impacted on the capital work programme the associated subsidy is below budget.

NZTA claims for flooding are at a higher rate than the normal funding assistance rate.

$79k received from Central Energy Trust for street lighting for the CBD redevelopment (not included in budget).

The total flood damage was budgeted for $6.1m of which $2m has been carried forward to 2016/17 and the budget figure has been amended to include this. Expenditure for the year was $2.9m for flood repairs.

This year’s CBD redevelopment project has been deferred to align it with the Makino Precinct Project. As a result, the interest expenditure is below budget.

Flood repairs have taken priority and the capital programme has not progressed as planned. Projects are now underway.

The Capital Expenditure report contains a detailed list of the progress of projects.

The Public Voice survey in May 2016 showed 85% were satisfied that roads will get them safely to their destination (target 90%).

The survey in May also showed 76% were satisfied that roads are in good condition and quality of ride is what they expect (target 90%).

86% were satisfied with road signage and ease of navigation (target 90%).

The four targets relating to response times were not met as we were not received and/or recorded from the contractor. Change in reporting occurred in May 2016.
Solid Waste
For the period ended 30 June 2016

Council is accepting Budget Waste refuse (approximately 110 tonnes per month), increasing the gate takings at the refuse stations.

Budget Waste's refuse is now being received at the Transfer Station. There is an additional cost of disposing of this waste, which is offset by the additional revenue.

Feilding kerbside recycling costs are slightly lower than budget as less staff time was charged to this activity than anticipated.

The only capital expenditure for this activity is new recycling bins.

All targets have been met.
Stormwater
For the period ended 30 June 2016

All revenue is sourced from rates.

Interest costs are below budget as a number of growth projects were carried forward to 2015/16 and the loan has not been raised yet.

Physical works for Precinct 4 (Pharazyn Street and Port Street) are due to start. Additional work is currently being designed for Root Street. Work is now completed on stormwater pipe laying, road reinstatement to follow.

The Capital Expenditure report contains a detailed list of the progress of projects. There are carry forwards for 2016/17 of $900k

All targets have been met. There were no calls relating to flooding this quarter.
Wastewater
For the period ended 30 June 2016

Revenue is from rates, tradewaste charges and volumetric charges.

Rates revenue is slightly higher than budgeted as additional properties have connected between confirming the rate and year end.

Volumetric charges and trade watse are slightly higher than expected.

Delays in the capital programme has impacted on the level of loans raised an consequently interest expense is below budget.

Savings were possible in the summer months due to fine weather and reduced overflow volumes.

The final stages of the Feilding WWTP upgrade is underway.

Work has been completed on desludging oxidation ponds in Rongotea and Halcombe. Sanson will commence in 2016/17.

The Halcome and Cheltenham WWTP discharge consent has been lodged, now going through extra consultation.

The reticulation renewal programme is complete, using pipe lining techniques rather than full replacement.

The Capital Expenditure report contains a detailed list of the progress of projects.

Target for median attendance to sewerage overflows is within two hours. There were 15 overflows during year. Accurate data only available for three instances with a median resolution time 53 minutes.

Target for median resolution of blockage or other faults is within five hours. There were 15 overflows during year. Accurate data only available for eight instances with a median resolution time 23 hours.

Key Performance Indicators

Key

- Annual Plan
- Year End Forecast
- YTD Budget
- YTD Actual - within ±5% of budget
- YTD Actual - between ±5-15% of budget
- YTD Actual - greater than ±15% of budget

Key

- On Track
- Needs Monitoring
- Not achieving
Revenue is from rates and metered water. Water by meter revenue is (extraordinary and volumetric) $66k higher than budget.

Expenditure is on track to date. Delays in the capital programme have impacted on the level of loans raised and consequently interest expense is below budget.

More electricity is being used, as bore water is being used in preference to extracting from the river in low flow.

Some physical work has commenced in the fourth quarter. Note carry forwards in 2016/17.

We had technical non compliance for bacteria levels as we did not complete the required number of samples. All samples tested complied.

Urgent request response and resolution times were not accurately recorded for the first nine months and consequently we are unable to confirm compliance (four measures).
Health and Safety
For the period ended 30 June 2016

Events reported

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<tr>
<td>Accident</td>
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<td>7</td>
<td>5</td>
<td>4</td>
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<td>Incident</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
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<tr>
<td>Near Miss</td>
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Hazards and injuries

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<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<tbody>
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Injuries sustained

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<tr>
<th></th>
<th>Q1</th>
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<td>Serious</td>
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<td>Minor</td>
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</table>

Notifiable events this quarter
Notifiable: 0  Not Notifiable: 12

Training this quarter
No training has been carried out this quarter

Policy and procedures this quarter
No new policies or procedures were introduced this quarter

Wellness initiatives this quarter
These initiatives are designed to support staff and promote wellness in the workplace.
Initiatives undertaken:
- Hepatitis vaccinations for Infrastructure staff
- Drug and Alcohol checks
- Workstation Assessments
- Flu vaccinations

Inductions this quarter
No inductions were carried out this quarter

Lost time (days) this quarter

Communication and education this quarter
- Health and Safety Committee members elections
Comments Continued

Community Facilities (from page 4)

Parks and sports grounds - There have been two incidents during the year (target nil), both relating to assets at Kowhai Park. Following these incidents the bridge has been removed and rotten sections of the boardwalk have been repaired.

Public Conveniences - 45 complaints have been received (target less than 35). Since the new open spaces contract was let, there has been a dramatic reduction in the number of complaints (three in the last quarter of the year compared with 21 in the first quarter). The three complaints related to taps and water that will be addressed with more proactive maintenance of assets. This contrasts with early in the year where complaints were largely due to poor cleaning by the previous contract provider.

Environmental Services and Monitoring (from page 7)

Environmental Health and Monitoring - The targets not achieved relate to the response time for food hygiene complaints.

Of the 125 registered food premises, 114 inspections (91.2%) have been completed (Target 100%).

Of the nine complaints received where there were issues relating to endangering public health, six were responded to within one day and three (66%) responded to within two days. (Target one day).

Two of these complaints were responded by staff in lieu of an appointed EHO and one complaint was referred to Mid Central Health for investigation and advice.

The Environmental Health Officer (EHO) appointed in March has inspected all high risk premises.

447 other requests for service were received and 82.2% were responded to within the required 48 hours (Target 90%).

District Planning and Policy - All targets have been met.

Support Services (from page 2)

Support services expenditure is $2m greater than budget due to the impairment of the Manfeild Park Trust Loan. This is as a result of past decisions that have extended the interest and principal holiday of the loan.
<table>
<thead>
<tr>
<th>Community Facilities</th>
<th>Actual YTD $000</th>
<th>Budget YTD $000</th>
<th>Variance YTD $000</th>
<th>Variance %</th>
<th>Annual Plan 2016 $000</th>
<th>Annual Plan Used %</th>
<th>Commitments $000</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Feilding Cemetery Extension</td>
<td>11</td>
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<td>308%</td>
<td>275</td>
<td>4%</td>
<td>27</td>
<td>Design in progress. Works proposed to be bundled with the Timona Park and Kowhai Park carpark projects to obtain project management and procurement efficiencies in the 2016/17. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Halcombe Cemetery Extension Ground Works</td>
<td>15</td>
<td>44</td>
<td>(29)</td>
<td>-66%</td>
<td>44</td>
<td>35%</td>
<td>0</td>
<td>The roadway formed. A carry over has been approved for the balance of funds to allow sealing once the ground has consolidated.</td>
</tr>
<tr>
<td>Cemetery Renewal Works</td>
<td>8</td>
<td>10</td>
<td>(2)</td>
<td>-20%</td>
<td>10</td>
<td>81%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Feilding Little Theatre - Roof</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
<td>20</td>
<td>0%</td>
<td>0</td>
<td>To be done in conjunction with the earthquake strengthening project on the Theatre. A revised seismic assessment showed strengthening work required is not as significant as initially proposed. Completion of the project in the 2016/17 financial year is dependent on the Theatre sourcing additional external funding. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Library Collection Purchases</td>
<td>190</td>
<td>193</td>
<td>(3)</td>
<td>-2%</td>
<td>193</td>
<td>98%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Library Review</td>
<td>314</td>
<td>303</td>
<td>12</td>
<td>4%</td>
<td>348</td>
<td>90%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Makino Redevelopment</td>
<td>4,782</td>
<td>5,764</td>
<td>(982)</td>
<td>-17%</td>
<td>5,362</td>
<td>89%</td>
<td>979</td>
<td>The balance of unspent funds carried over as part of the Annual Plan to 2016/17. The project is due for completion in July 2016.</td>
</tr>
<tr>
<td>MAC Outdoor Play Equipment</td>
<td>30</td>
<td>34</td>
<td>(4)</td>
<td>-12%</td>
<td>13</td>
<td>233%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>MAC General Renewals</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>0%</td>
<td>8</td>
<td>99%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Public Conveniences Renewals</td>
<td>26</td>
<td>25</td>
<td>1</td>
<td>4%</td>
<td>25</td>
<td>102%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Kimbolton Public Toilets</td>
<td>72</td>
<td>51</td>
<td>21</td>
<td>41%</td>
<td>51</td>
<td>140%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Strengthen Earthquake Prone Buildings</td>
<td>140</td>
<td>276</td>
<td>(136)</td>
<td>-49%</td>
<td>459</td>
<td>30%</td>
<td>59</td>
<td>Strengthening of the Feilding Community Centre is complete. The balance of funds relates to the Feilding Theatre. A seismic assessment review showed the extent of strengthening work is not as significant as initially proposed. Completion of this project in the 2016/17 financial year will be dependent on the Theatre sourcing additional third party funding. Balance of funds carried over as part of the Annual Plan to 2016/17.</td>
</tr>
<tr>
<td>Manfield Park Development</td>
<td>0</td>
<td>8</td>
<td>(8)</td>
<td>-100%</td>
<td>428</td>
<td>0%</td>
<td>3</td>
<td>Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Property Renewal Projects</td>
<td>0</td>
<td>25</td>
<td>(25)</td>
<td>-98%</td>
<td>36</td>
<td>0%</td>
<td>0</td>
<td>The general property project portion is complete. CBD lighting works have been scoped and is to be bundled together with additional funding proposed for the 2016/17 financial year. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>View Shafts on South Street</td>
<td>16</td>
<td>20</td>
<td>(5)</td>
<td>-25%</td>
<td>20</td>
<td>77%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Property - Feilding Depot</td>
<td>0</td>
<td>5</td>
<td>(5)</td>
<td>-98%</td>
<td>5</td>
<td>9%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Vinegar Hill Toilets Renewal</td>
<td>127</td>
<td>121</td>
<td>6</td>
<td>5%</td>
<td>158</td>
<td>81%</td>
<td>0</td>
<td>Project complete. The balance of funds are carried over towards a new project for the replacement of toilets at Raumai Reserve.</td>
</tr>
<tr>
<td>Parks and Reserves - Kowhai Park</td>
<td>11</td>
<td>15</td>
<td>(5)</td>
<td>-32%</td>
<td>127</td>
<td>9%</td>
<td>8</td>
<td>Work has commenced on carpark design. Works are proposed to be bundled and completed in the 2016/17 financial year with the Timona Park carpark and Feilding Cemetery development projects to obtain project management and procurement efficiencies. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Parks and Reserves - New Projects</td>
<td>36</td>
<td>57</td>
<td>(21)</td>
<td>-37%</td>
<td>77</td>
<td>46%</td>
<td>0</td>
<td>Project covers renewal of Bartlett's Ford Toilets. Mt Stewart works, and supporting the implementation of Community Planning Projects. The Bartlett's Ford Toilets completed. It was confirmed as part of the Annual Plan that unspent funds of $20.9k are carried forward and reallocated to a new project being the replacement of toilets at Raumai Reserve, where there are significant issues with water supply and the standard of toilets. Mount Stewart work is complete. The funding for community planning relates to signage for Himatangi Beach, that was expected to be completed by 30 June 2016. The funds require a carry over approval from the General Manager for Community and Strategy has been given.</td>
</tr>
<tr>
<td>Parks and Reserves - Refurbish Victoria Park</td>
<td>28</td>
<td>1</td>
<td>27</td>
<td>2430%</td>
<td>31</td>
<td>93%</td>
<td>0</td>
<td>The project is waiting on Makino Rotary to undertake their contribution to the project, being the replacement equipment. Ground works are ready for the new equipment installation. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Parks and Reserves - Timona Park</td>
<td>7</td>
<td>1</td>
<td>6</td>
<td>811%</td>
<td>176</td>
<td>4%</td>
<td>3</td>
<td>Works are for the installation of a new carpark at Timona Park. Work has commenced on the design. Works are proposed to be bundled with the Kowhai Park carpark and Feilding Cemetery development projects and completed in the 2016/17 financial year to obtain project management and procurement efficiencies. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Parks and Reserves - Walkway / Linkages</td>
<td>56</td>
<td>31</td>
<td>25</td>
<td>81%</td>
<td>176</td>
<td>32%</td>
<td>2</td>
<td>Lethbridge Reserve walkway connection pathway is installed. The bridge is ordered and installation is waiting on receipt of consents. Reserve planting is planned for August 2016. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Parks and Reserves - Playgound Renewal</td>
<td>0</td>
<td>8</td>
<td>(8)</td>
<td>-105%</td>
<td>8</td>
<td>0%</td>
<td>0</td>
<td>Project complete.</td>
</tr>
<tr>
<td>Feilding CBD Park Benches</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/a</td>
<td>20</td>
<td>0%</td>
<td>0</td>
<td>A schedule of replacement priorities has been identified. It is proposed that this work will be bundled with additional funding proposed in the 2016/17 year to obtain project management efficiencies. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
<tr>
<td>Kitchener Park Capital Works</td>
<td>54</td>
<td>52</td>
<td>2</td>
<td>4%</td>
<td>105</td>
<td>51%</td>
<td>0</td>
<td>The project is comprised of a grant for $56k to the Trust for flood protection and $56k for the replacement of the northern section of the boardwalk. The grant is yet to be uplifted by the Kitchener Park Trust and the Trust met with Horizons seeking a short-term solution to flooding issues. The replacement of the northern section of boardwalk is complete. Balance of funds are carried over as part of the Annual Plan for 2016/17.</td>
</tr>
</tbody>
</table>
Budget YTD has been reduced to reflect the amount carried forward to 2016/17 in the annual plan.

The project is on hold with the work being bundled as a complete package of works to obtain project management and procurement efficiencies. The work will be undertaken in conjunction with additional funding available in 2016/17. Balance of funds are carried over as part of the Annual Plan for 2016/17.

Growth Precinct 4 (Pharazyn Street) physical work was not completed as expected. Growth Precinct 5 (Turners Road) in 56% not achieved due to delays, project has been deferred. Carry over to be requested for 2016/17.

Projects deferred. $000

Sub Sealed Road Metalling 386 519 (132) -26%
Sub Sealed Road Resurfacing 0 1,899 (73) -4%
Sub Cycle Facilities 0 2 (2) -100%
Sub Minor Improvements 0 51 (51) -100%
Roading Growth 89 580 (491) -45%
Sub Drainage Renewals 466 290 176 61%
Sub Structures Renewals 233 282 (49) -17%
Sub Traffic Services Renewal 81 231 (150) -65%
Sub Associated Improvements 12 51 (39) -76%
Sub Pavement Rehabilitation 1,577 2,374 (797) -34%
Sub Minor Improvement New 1 270 (269) -100%
Non-Sub Cycle Lane/Fac Renew 0 0 0 n/a
Non Sub Environmental Renewals 0 0 0 n/a
Non Sub Road Reconstruction 31 0 31 n/a
Non Sub Seal Extension 75 80 (5) -6%
Non Sub Roading New Footpaths 51 50 1 3%
Non Sub Footpath Renewals
Non Sub Drainage Renewals
Non Subsidised Roading Renewal
Total Roadway

Rising main replacement in Rongotea was affected by poor ground conditions and delayed the project. A slightly smaller New Inlet screen installed and modifications made to inlet channels, duplicate sedimentation tanks in design phase for Urban renewal projects (Wellington St and Seddon St). Carry over of balance to be requested for 2016/17.

Additional wheelie bins from inventory to serve new properties.

Physical works completed in Pharazyn Street and Port Street but road reinstatement and subsequent phases of work in Urban renewal projects (Wellington St and Seddon St). Carry over of balance to be requested for 2016/17.

Replacement culvert in West Street delayed while design options priced by suppliers. Projects relating to stormwater improvements following the 2015 floods have been designed and are weather dependent. It is proposed to adjust the 2016/2017 to carry over to match actual spend.

Replacement culvert in West Street delayed while design options priced by suppliers. Projects relating to stormwater improvements following the 2015 floods have been designed and are weather dependent. It is proposed to adjust the 2016/2017 to carry over to match actual spend.

Additional wheelie bins from inventory to serve new properties.

Used for new developments to connect.

Development of the new treatment plant (large capacity). It is requested that $250k of the remaining budget be carried over to 2016/2017 year to cover the contract.
Budget YTD has been reduced to reflect the amount carried forward to 2016/17 in the annual plan.

**Water**

Feilding Water Supply Growth

Feilding Water Pressure Zones

Feilding Water Metering/Backflow

Almadale WTP Optimisations

Water Supply New Connections

Himatangi Water Asset Renewals

Himatangi Water Supply New Work

Sanson Water Asset Renewal

Sanson WTP New Works

Rongotea Water Scheme

WS Unplanned Renewals - Villages

Stanway/Halcombe WTP New Works

Stanway/Halcombe RWS Renewals

Stanway/Halcombe RWS Intake and Capacity Improvements

Waituna West RWS Renewals

**Total Water**

**Support Services and Other**

Administration Building New Assets

Motor Vehicle Purchases

Hardware

Software - Document Management

Other Information Management Renewal Projects

Other Information Management New Projects

Software Replacement

Establishment of the Three Waters Reticulation Team

General Renewals

General New Assets

**Total Support Services and other**

**TOTAL CAPITAL EXPENDITURE**

---

**Key:**
- Greater than 15% of budget
- Between 5-15% greater than budget
- Less than 5% greater than budget

---

**Annual Plan Used**

**Commissions**

**Notes**

**Mains in South Street and West Street have been replaced with larger sized mains to provide for growth. Water main in West Street currently being installed. Balance of growth budget requested to be carried forward to 2016/2017.**

**Design delays mean the pressure zone improvements are yet to be procured. An additional $140k is requested for carry over to 2016/2017, to cover construction costs (estimated at $240k).**

**Physical works on the UV system are complete, procurement underway for pH correction systems.**

**No budget included. The works are funded from connection fees received.**

**Rongotea water scheme project complete.**

**Improvements to bore underway with variable speed drives (VSD's) to be fitted in pumps in 2016/2017 to improve flows.**

**Ministry of Health funding for new supply approved in December 2015. Site of new treatment plant identified beside Waituna West Water Scheme. Application drafted for resource consent for proposed reservoir. All remaining budget requested to be carried over so that the new bore, reservoir and connecting pipework can be constructed in 2016/2017.**

**Consent renewal process initiated. The balance of the renewal budget (approximately $150k) will be requested to be carried forward to 2016/2017.**

**The project was reviewed to ensure telemetry fits with the overall telemetry strategy in development. It is requested that $50k of the remaining budget be carried over to 2016/2017, to allow for the telemetry strategy to be implemented for wastewater pump stations.**

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**Between 5-15% greater than budget**

---

**Less than 5% greater than budget**

---

**Total Waste**

** قائمة**

---

**Waste**

---

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**Waituna West RWS Renewals**

**Stanway/Halcombe RWS Intake and Capacity Improvements**

**Waituna West RWS Renewals**

**Sanson Water Asset Renewal**

**Sanson WTP New Works**

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**TOTAL CAPITAL EXPENDITURE**
Application of the Common Seal

Purpose
To inform Council of documents that have been sealed under the Common Seal under delegation since the last schedule was prepared.

Significance of Decision
The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations
That the following schedule of Sealed Documents be received:

<table>
<thead>
<tr>
<th>Date</th>
<th>Document</th>
<th>Party to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/08/16</td>
<td>Warrant of authority for new Infrastructure officer:</td>
<td>Warrant issued to officer</td>
</tr>
<tr>
<td></td>
<td>• Elysia Butler</td>
<td></td>
</tr>
<tr>
<td>04/08/16</td>
<td>Warrant of authority for new Building Officer:</td>
<td>Warrant issued to officer</td>
</tr>
<tr>
<td></td>
<td>• Ian Culver</td>
<td></td>
</tr>
</tbody>
</table>

Report prepared by:
Raewyn Halls
Business Support Officer

Approved for submission by:
Shayne Harris
General Manager - Corporate and Regulatory
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

2 Background

2.1 The Mayor and Chief Executive have delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.

3 Discussion and Options considered

3.1 A list of documents to which the common seal has been affixed is reported for information to the Mayor and Councillors on a regular basis.

4 Operational Implications

4.1 There are no financial implications associated with this matter.

5 Financial implications

5.1 There are no financial implication associated with this matter

6 Statutory Requirements

6.1 There are not statutory requirements associated with this matter

7 Delegations

7.1 The following delegations apply to the use of Council seal and authority to sign.

“The Chief Executive will be responsible for custody of the Council’s seal. The seal may be attached to all documents which record the disposal or exchange of an interest in land (with the exception of residential tenancies) or other documents where it is appropriate to do so. It will be attached, however, only when:

- The Council or a committee has authorised the transaction involved; or
- The transaction involved has been authorised by an officer under delegated authority.
The Mayor and Chief Executive have delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.

8 Consultation

8.1 There are no consultation requirements associated with this matter.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this matter.

10 Conclusion

10.1 A list of the documents to which the Common Seal has been affixed since the last report to Council is presented to Council for receipt.

11 Attachments

- None