



STRATEGIC PLANNING AND POLICY COMMITTEE

AGENDA

Meeting to be held

THURSDAY 15 OCTOBER 2015

8.45am

(or following the conclusion of the preceding Council meeting)

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

A handwritten signature in black ink, appearing to read "L. Vincent", is positioned above the name of the Chief Executive.

Lorraine Vincent
Chief Executive

MEMBERSHIP

Chairperson

Councillor Tony Jensen

Deputy Chairperson

Councillor Howard Voss

Members

Her Worship the Mayor, Margaret Kouvelis

Councillor Steve Bielski

Councillor Barbara Cameron

Councillor Shane Casey

Councillor Wayne Ellery

Councillor Jo Heslop

Councillor Albert James

Councillor Andrew Quarrie

Councillor Alison Short

ORDER OF BUSINESS

PAGE

1. MEETING OPENING

2. APOLOGIES

3. REQUESTS FOR LEAVE OF ABSENCE

4. CONFIRMATION OF MINUTES

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Draft resolution

That the minutes of the Strategic Planning and Policy Committee meeting held 20 August 2015 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. 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:

6.1 The Council by resolution so decides; and

6.2 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.

7. PRESENTATIONS

9.00am MANAWATU COMMUNITY TRUST

Representatives from Manawatu Community Trust will be in attendance to present their 12-Month Report to 30 June 2015.

9.30am SPORT MANAWATU

Representatives from Sport Manawatu will be in attendance to present their 12-Month Report to 30 June 2015.

8. MINUTES OTHER COMMITTEES

There are no recommendation reports from other committees for consideration.

9. OFFICER REPORTS**9.1 MANAWATU COMMUNITY TRUST – TWELVE MONTH REPORT TO 30 JUNE 2015 8**

Report of the General Manager – Community and Strategy dated 29 September 2015

9.2 SPORT MANAWATU – TWELVE MONTH REPORT TO 30 JUNE 2015 37

Report of the General Manager – Community and Strategy dated 29 September 2015

9.3 STAGE 2 PHARAZYN STREET RECONSTRUCTION 56

Report of the General Manager - Infrastructure dated 2 October 2015

9.4 DELEGATIONS OF RESOURCE MANAGEMENT ACT 1991 FUNCTIONS TO HEARINGS COMMISSIONERS 63

Report of the General Manager - Business dated 30 September 2015

10. AUDIT AND RISK

There is no report for consideration

11. CONSIDERATION OF LATE ITEMS**12. MEETING CLOSURE**

MINUTES	MEETING	TIME
STRATEGIC PLANNING AND POLICY COMMITTEE	THURSDAY 20 AUGUST 2015	9.41 AM

Minutes of a meeting of the Strategic Planning and Policy Committee held on Thursday 20 August 2015, commencing at 9.41am in the Manawatu District Council Chambers, 135 Manchester Street, Feilding.

PRESENT:	Cr Tony Jensen Mayor Margaret Kouvelis Cr Steve Bielski Cr Barbara Cameron Cr Shane Casey Cr Jo Heslop Cr Albert James Cr Andrew Quarrie Cr Alison Short	(Chairperson)
LEAVE OF ABSENCE:	Cr Wayne Ellery Cr Howard Voss	
IN ATTENDANCE:	Lorraine Vincent Shayne Harris Brent Limmer Michael Hawker Wendy Thompson Wayne Keightley Rachelle Johnston Janine Hawthorn Joanna Saywell Paul Stein Tineke Naylor Allie Dunn Sandra de Figueiredo Sonya Stevens	(Chief Executive) (General Manager - Business) (General Manager - Community & Strategy) (Project Delivery Manager) (Principal Planning Adviser) (Roading Asset Manager) (Team Leader Consents & Monitoring) (Roading Asset Manager) (Utility Asset Manager) (Communications Adviser) (Executive Officer to the Mayor) (Business Support Team Leader) (Business Support Officer) (Business Support Officer)

SPP 15/046 APOLOGIES

There were no apologies received.

Councillor Barbara Cameron joined the meeting at 9.42am.

SPP 15/047 REQUESTS FOR LEAVE OF ABSENCE

There were no requests for leave of absence.

SPP 15/048 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Strategic Planning and Policy Committee meeting held 16 July 2015 be adopted as a true and correct record.

Moved by: Cr Alison Short

Seconded by: Cr Steve Bielski

CARRIED

MINUTES	MEETING	TIME
STRATEGIC PLANNING AND POLICY COMMITTEE	THURSDAY 20 AUGUST 2015	9.41 AM

SPP 15/049 DECLARATIONS OF INTEREST

Councillor Alison Short declared a conflict of interest in item 8.2 Private Cemetery Funding Application.

SPP 15/050 NOTIFICATION OF LATE ITEMS

There were no notifications of late items.

SPP 15/051 PRESENTATIONS

There were no presentations.

SPP 15/052 MINUTES OTHER COMMITTEES – COMMUNITY FUNDING SUBCOMMITTEE - DELEGATIONS

Consideration and adoption of a recommendation of the Community Funding Subcommittee meeting held on 4 August 2015 regarding a review the delegations of the Community Funding Subcommittee as a result of changes made to Community Funding policies.

RESOLVED

That the following recommendation of the Community Funding Subcommittee meeting held on 4 August 2015 be adopted:

That the delegations passed down to the Community Funding Subcommittee by the Strategic Planning and Policy Committee be amended as follows:

- 1. Approve applications under the Community Development Funding and Regional Events Policy up to a value of \$10,000.00.**
- 2. Approve applications for Representative Grants up to a value of \$2,000.00.**

Moved by: Cr Barbara Cameron

Seconded by: Cr Shane Casey

CARRIED

SPP 15/053 MINUTES OTHER COMMITTEES – COMMUNITY FUNDING SUBCOMMITTEE – PRIVATE CEMETERY APPLICATIONS

Consideration and adoption of the recommendation of the Community Funding Subcommittee meeting held 4 August 2015 regarding private cemetery funding applications received from the Anglican Parishes of the Oroua seeking funding for maintenance of the private cemeteries located at St Michaels Anglican Church, Stanway and St Agnes Church, Kiwitea.

RESOLVED

That the following recommendations of the Community Funding Subcommittee meeting held on 4 August 2015 be adopted:

MINUTES	MEETING	TIME
STRATEGIC PLANNING AND POLICY COMMITTEE	THURSDAY 20 AUGUST 2015	9.41 AM

That a grant of up to \$1,000.00 be approved to Anglican Parishes of the Oroua for the private cemeteries located at St Michaels Anglican Church, Stanway and St. Agnes Church, Kiwitea towards the cost of cemetery maintenance; to be funded from the Private Cemetery/Urupā Fund.

Moved by: Cr Barbara Cameron

Seconded by: Cr Jo Heslop

CARRIED

Councillor Alison Short, having declared a conflict of interest, did not participate in the discussion or vote.

SPP 15/054 PROPOSED ROAD STOPPING – FRECKLINGTON AND BAILEY ROADS, OHAKEA

Consideration of the report of the General Manager – Business seeking approval to proceed with the road stopping under the Public Works Act 1981.

RESOLVED

That the Strategic Planning and Policy Committee accepts the request from the New Zealand Defence Force to stop an unformed portion of Frecklington Road and an unformed portion of Bailey Road, Ohakea under the Public Works Act 1981 to enable the closed sections of road to be amalgamated with the adjoining New Zealand Defence Force public works land.

Moved by: Cr Shane Casey

Seconded by: Cr Albert James

CARRIED

SPP 15/055 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

SPP 15/056 MEETING CLOSURE

The meeting closed at 9.52am.

Approved and adopted as a true and correct record:

CHAIRPERSON

DATE

Strategic Planning and Policy Subcommittee

Meeting of 15 October 2015

Business Unit: Community and Strategy
Date Created: 29 September 2015



Manawatu Community Trust - 12-month Report to 30 June 2015

Purpose

To present for consideration the Manawatu Community Trust's 12-month Report for the year ending 30 June 2015.

Significance of Decision

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

Recommendations

That the Strategic Planning and Policy Committee receives the Manawatu Community Trust's 12-month Report for the year ending 30 June 2015.

Report prepared by:
Janine Hawthorn
Community Development Adviser

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

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

2 Background

2.1 The Manawatu Community Trust was established in July 2008. The Trust operates as a Council Controlled Organisation (CCO) – an organisation in which the Council owns or controls at least 50 percent of the voting rights or has the right to appoint at least 50 percent of the directors or trustees. CCOs operate at arm's length from the Council.

3 Discussion and Options considered

3.1 Every year the Manawatu Community Trust provides the Council with a completed Statement of Intent. The Statement of Intent sets out Manawatu Community Trust's:

- Vision
- Mission
- Overall objectives, including:
 - The promotion of any purpose or purposes within the Manawatu District for the relief of poverty and for the benefit of the residents of the Manawatu District.
 - The promotion and provision of housing for the elderly and disabled residents of the Manawatu District.
 - The promotion of health services for the residents of the Manawatu District.
 - The promotion of wellbeing services for residents of the Manawatu District – these services shall include services promoting the improvement of the lifestyle, health and welfare of residents in the Manawatu District and creating a sense of community for the benefit of the residents of the Manawatu District.
 - To accept gifts and grants of whatever description, provided that any private benefit conferred on any individual is incidental to the above purposes.
- Membership of the Trust
- Performance targets and other measures by which the performance of the Trust may be judged in relation to its objectives, including:

- A housing portfolio that provides a modern, healthy living environment for the elderly and the disabled.
- Be responsive to urgent maintenance requirements or resident health and safety needs.
- Maintain a high occupancy level.
- Facilitate the construction of the Integrated Family Health Centre complex in Feilding
- The Manawatu Community and Development Research Project funded by the Department of Internal Affairs is managed by the Trust.
- The Trust will comply with current accounting policies.

3.2 The 12-month report reports against the performance measures and targets as set out in the Statement of Intent.

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 There are no financial implications.

6 Statutory Requirements

6.1 There are no statutory requirements associated with this paper.

7 Delegations

7.1 The Strategic Planning and Policy Committee has delegated authority to receive the 12-month report from Sport Manawatu.

8 Consultation

8.1 There is no consultation required for this paper.

9 Cultural Considerations

9.1 There is no cultural consideration required for this paper.

10 Conclusion

10.1 A copy of the Trust's Annual Report for the year ending 30 June 2015 is attached for the Committee's information.

- 10.2 Representatives from Manawatu Community Trust will be in attendance at the meeting on 15 October 2015 to speak further to their report.

11 Attachments

- Manawatu Community Trust Annual Report to 30 June 2015
- Manawatu Community Trust Auditor's Report

Manawatu Community Trust

Annual Report
For the year ended 30 June 2015

11.07

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MANAWATU COMMUNITY TRUST

ANNUAL REPORT 30TH JUNE 2015

On behalf of my fellow Trustees I have pleasure in presenting the annual report of the Manawatu Community Trust.

The highlight of the year has been the commencement of the construction process for the long awaited integrated family health centre. Some six plus years ago the Trust was asked to investigate the feasibility of co-locating the Feilding doctors. This subsequently became the establishment of an integrated health centre. Construction work commenced on the 13th April 2015.

The major upgrade of the four remaining Argyle Flats in Cargill Avenue has been completed. Funding for this has come from Trust funds set aside for the purpose.

The three year community development project has continued. This project is fully funded by the Department of Internal Affairs.

Housing

The Trust has continued with its policy to lift the overall standard of its housing stock. Those flats that meet the A rating (the highest level) have increased from 21% (44 flats) to 25.3% (52 flats). No flats fall into the lowest D rating. As well as the upgrade of the four Argyle flats three other flats were refurbished bringing them up to the A rating. The demand for pensioner accommodation remains very strong.

Rental policy

During the year the Trust carried out its annual review of rentals for the flats. As a result it was agreed not to raise rentals for the 2015/2016 year. The refurbished flats which have a higher rental continue to have a strong demand for them. In recent years the Trust has received very few complaints about rent increases from tenants but numerous supportive comments for the refurbished and upgraded flats.

The rental policy adopted by the Trust has been most successful in increasing the funds available for refurbishment although major capital works are still an issue. This has been accentuated over the past two years by the requirement of the Trust to provide initial funding for the development of the health centre.

The Trust has made no further changes to its rental policy, which bases rentals on the lower 50% of market rates.

Staff

Albert Dodunski has continued in his role as the fulltime Trust Manager. On the 1st July 2014 Judi Stout commenced duties in the Tenancy Support position which was created May 2014. This position continued to be part funded through a two year lottery grant of \$15,000 and a three year Community Development grant from MDC of \$5,000 and the balance from Trust income. In November Krystina Vuleta resigned her accounts administrator position and Aitziber Polo was appointed. This position when advertised indicated that the Trust wished to appoint with the view of undertaking self management of the Trust's accounts.

The recruitment of both Judi and Aitziber completed the successful restructure of staffing responsibilities. This restructuring was designed to enhance the management of the Trust's day to day business.

The staffing restructure has created a greater level of efficiency, better distribution of responsibilities and professional delivery of services.

On 1st January 2015 the trust accounts management was transferred from MDC to the Trust office. This has created a higher level of day to day efficiency in managing the Trust accounts. The Trust also appointed BDO as the Trust accountants to provide advice on financial matters and financial reporting requirements.

Trustees

John Culling	Chairman	Term expires 30 th June 2017
Mary Ann Baskerville		Term expires 30 th June 2017
Dave Broderick		Term expires 30 th June 2016
Colin McJannett		Term expires 30 th June 2018
Rod Titcombe		Term expires 30 th June 2016

Colin McJannett's term expired on 30th June 2015 and he has been re-appointed for a further three year term expiring on 30th June 2018.

Financial

The Trust has continued to have a strong cash flow and rental housing income has increased slightly. Rental income however has been affected by having the four Argyle units empty awaiting refurbishment. This refurbishment has now been completed. With the commencement of the health centre construction and the agreement between the Trust and MidCentral DHB the Trust has leased back to the DHB the Clevely wing so that the existing tenants at Duke Street can be accommodated until the new and refurbished buildings are completed. This has provided some unbudgeted income for the Trust.

With the decision by the Trust to take financial services "in house" I would like to again thank Manawatu District Council, especially Colleen Morris and her team for the services provided

since the inception of the Trust. This has been particularly helpful to the Trust during its establishment years.

Feilding Integrated Family Health Centre

After the frustrations of the previous year progress on the health centre project has been positive and rewarding. Once the Trust made the decision to proceed with working drawings the various decisions that were required to make the project happen began to be worked through. Agreements with the DHB on the land lease and the building purchase, the arranging of commercial loans with both the Manawatu District Council and the ANZ Bank, the completion of a head lease with Feilding Health Care, and the acceptance by the Trust of a fixed price tender from Colspec Construction saw on site work commence on the 13th April 2015. Completion of the construction phase of the project is set for the end of February 2016. As at 30th June 2015 work was progressing on time and on budget.

Community Wellbeing.

The Trust collaborates with and supports community groups that enhance the wellbeing of residents in the Manawatu District.

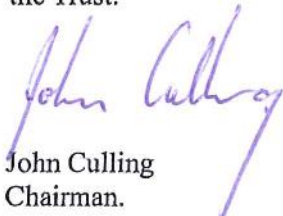
During the past year, the Trust has continued to host and supervise a Community Needs Research and Community Work project funded by the Department of Internal Affairs. We have submitted a year two report and will complete the project and reporting by the end of January 2016.

In collaboration with the Social Issues Network Council of Social Services, four training seminars were offered free of charge to social and community workers in the District.

Conclusion

The past 12 months has been extremely satisfying for the Trust. The Trust's determination to see the health centre happen has taken a great deal of the Trust's time. I would like to acknowledge the work of the Trust's staff and the major contribution they have made. Our thanks also go to those involved with the health centre project. While progress was at times slow the current position sees all those involved enthusiastic about the new era that awaits primary health care for Feilding and the Manawatu District.

Finally I would like to thank my fellow Trustees for their continued input and commitment to the Trust.


John Culling
Chairman.



Entity Information

For the year ended 30 June 2015

Legal Name

The Manawatu Community Trust (the Trust).

Type Of Entity And Legal Basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by The Manawatu District Council as a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's Purpose Or Mission

The primary objective of the Trust is to promote and provide housing, health and wellbeing services that are relevant and meet the long term needs of the community.

Structure Of The Trust's Operations, Including Governance Arrangements

The Trust comprises a Board of five Trustees who oversee the governance of the Trust, a Chief Executive/Trust Manager Albert who is responsible for the day to day management of the Trusts business and all reporting requirements of the trust which includes reporting to the Trust Board. The trust also employs three other people with particular responsibilities in housing, accounts administration and a casual to provide for cover for leave. The Trust is the lead organisation for a Community research and development project funded by Department of Internal Affairs as a three year contract. This is a full time position which concludes in January 2016. The Trustees are appointed by Manawatu District Council for a three year term. The Trust produces an annual Statement of Intent which is approved by the Manawatu District Council the trust reports to Manawatu District Council 6 monthly.

Main Sources Of The Trust's Cash And Resources

Rental and lease receipts received from tenants of the residential and commercial properties are the primary sources of funding to the Trust.

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Manawatu Community Trust
Statement of Financial Performance
For the year ended 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Revenue			
Residential rents received		1,224,725	1,187,419
Commercial lease receipts		26,945	-
Interest revenue		13,015	10,310
Council funding		2,501	5,000
Central government funding		101,432	74,140
Grants and Donations	2	7,413	-
Other revenue		5,448	3,384
Total Revenue		1,381,478	1,280,253
Expenses			
Employee benefit expenses	3	200,359	175,619
Advertising and marketing costs		5,232	112
Fundraising expenses		1,801	3,891
Depreciation of property, plant and equipment	8	423,978	353,817
Costs of providing goods and services	4	633,387	529,400
Trustee fees	17	94,000	94,000
Interest on borrowing		81,249	77,778
Net losses on disposal of property plant and equipment	8	-	141,978
Loss on revaluation of land and buildings	8	-	355,548
Total Expenses		1,440,007	1,732,143
Surplus/(deficit)		(58,528)	(451,890)

The accompanying notes and policies form part of these financial statements.

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Manawatu Community Trust
Statement of Financial Position
as at 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Assets			
Current assets			
Bank accounts and cash	5	2,419,632	220,211
Debtors and prepayments	6	93,375	9,777
Investments	7	-	257,068
Total current assets		2,513,007	487,056
Non-current assets			
Property, Plant & Equipment	8	13,570,937	12,354,018
Total non-current assets		13,570,937	12,354,018
Total Assets		<u>16,083,944</u>	<u>12,841,074</u>
Liabilities			
Current liabilities			
Creditors and accrued charges	9	462,303	180,331
Employee costs payable	12	18,932	13,086
Current Portion Loan from MDC	10	212,724	67,387
Total current liabilities		693,959	260,804
Non-current liabilities			
Loan from MDC	10	3,468,950	1,190,707
MidCentral Health Board - Deferred Settlement	11	590,000	-
Total non-current liabilities		4,058,950	1,190,707
Total Liabilities		<u>4,752,909</u>	<u>1,451,511</u>
Total assets less total liabilities		<u>11,331,035</u>	<u>11,389,563</u>
Trust Equity			
Contributed capital	13	10	10
Accumulated surpluses/(deficits)	13	11,331,025	11,389,553
Total Trust Equity		<u>11,331,035</u>	<u>11,389,563</u>


John Culling
Chairman


~~Dave Broderick~~ **Red Tifcombs**
Trustee

The accompanying notes and policies form part of these financial statements.

Manawatu Community Trust
Statement of Cash flows
For the year ended 30 June 2015

	Note	30 June 2015 \$	30 June 2014 \$
Cash flows from operating activities			
Receipts from residential rents		1,245,729	1,189,005
Receipts from commercial lease		28,650	-
Receipts from council funding		2,501	5,000
Receipts from central government funding		101,417	183,251
Interest receipts		14,301	752
Donations, fundraising and other similar receipts		12,861	58,093
Net GST movement		(43,555)	9,068
Payments to suppliers and employees		(710,986)	(793,634)
Interest paid		(81,249)	(77,778)
<i>Net cash from operating activities</i>		569,669	573,757
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(1,050,897)	(478,614)
Payments to acquire investments		257,068	(36,005)
<i>Net cash from investing activities</i>		(793,829)	(514,619)
Cash flows from financing activities			
Proceeds from loans (MDC)		2,500,000	-
Repayments of loans		(76,420)	(81,906)
<i>Net cash from financing activities</i>		2,423,580	(81,906)
Net (decrease)/increase in cash for the year		2,199,421	(22,768)
Add opening bank accounts and cash		220,211	242,979
Closing bank accounts and cash	5	2,419,632	220,211

The accompanying notes and policies form part of these financial statements.

Manawatu Community Trust

Notes to the Financial Statements

For the period ended 30 June 2015

1. Statement of Accounting Policies

Basis Of Preparation

The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

Goods And Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST. Transactions in relation to the Trust's supplies exempt for GST purposes are disclosed inclusive of GST.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Donated assets

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

Interest

Interest revenue is recorded as it is earned during the year.

Employee Related Costs

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Advertising, Marketing, Administration, Overhead, And Fundraising Costs

These are expensed when the related service has been received.

Lease Expense

Lease payments are recognised as an expense on a straight-line basis over the lease term.

Bank Accounts And Cash

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Investments

Investments comprise investments in term deposits with banks, listed bonds, and listed shares.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

Property, Plant And Equipment

Property, plant and equipment consist of rental accommodation available for the elderly and disabled and an integrated health centre in Feilding. The Trust also provides a community health centre. This has been classified as property plant and equipment rather than investment property as it is held to meet service delivery objectives rather than to earn rentals or for capital appreciation.

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses

Revaluation

Land and buildings (operational) that are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from the assets' fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

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Revaluations of property, plant, and equipment are accounted for on a class –of-asset basis.

The net revaluation results of revaluing are credited or debited to the asset revaluation reserve in equity. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the Statement of Financial Performance.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the asset will provide future economic benefits or service potential to the Trust and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Financial Performance.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which is not depreciated), at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The residual value and useful life of an asset is reviewed and adjusted, if applicable, at each financial year end.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings	5 to 100 years	(1%-20%)
Plant and equipment	3 to 10 years	(10-33%)

Impairment Of Assets

Property, plant, and equipment assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicated that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the Statement of Financial Performance. The reversal of an impairment loss is recognised in the Statement of Financial Performance.

Creditors And Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

Employee Costs Payable

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

Income Tax

The Manawatu Community Trust has been granted charitable status by the Inland Revenue Department, and therefore is exempt from income tax.

Tier 2 PBE Accounting Standards Applied

The Trust has applied tier 2 PBE IPSAS 17, property, plant and equipment standard for the 2015 year. No other Tier 2 Accounting Standards were applied in the preparing its financial statements.

Changes In Accounting Policies And Transition To The New PBE SFR-A (PS) Standard

This is the first set of financial statements prepared using the new PBE SFR-A (PS) standard, and comparative information for the year ended 30 June 2014 has been restated to comply with the new standard. The significant adjustments arising on transition to the new standard are provided in note 21.

Notes to the Financial Statements For the year ended 30 June 2015

2. Grants and Donations

	30 June 2015	30 June 2014
	\$	\$
Capital Contribution - Conservatory	3,089	-
Fellding & Districts Community Health Group	2,819	-
Anonymous	1,505	-
Total Donations	7,413	-

3. Employee-related costs

	30 June 2015	30 June 2014
	\$	\$
Staff Related Expenses	190,135	171,744
Superannuation Contributions	6,084	6,162
Increase/(Decrease) in Employees' Annual Leave	4,141	(2,287)
Total Employee Costs	200,359	175,619

Employer contributions to defined contribution plans include contributions to Kiwisaver.

4. Costs of providing goods and services

	30 June 2015	30 June 2014
	\$	\$
Housing		
Cleaning	1,498	667
Rubbish removal	9,146	8,991
Electricity	2,279	2,005
Property Insurance	83,389	83,686
Rates	185,095	176,383
Volumetric water charges	37,440	38,628
Maintenance	179,973	133,236
Major maintenance	27,999	14,718
General expenses	9,274	8,490
Bad debts	-	414
	536,094	467,218
Administration		
Office expenses	3,619	2,749
Postage & stationery	1,970	1,121
Telephone & tolls	3,458	3,777
Trustee expenses	2,910	3,190
Non property insurances	2,150	2,594
Audit fees	15,740	8,921
Accounting fees	26,723	13,800
Legal fees	3,352	833
Bank charges	8,636	963
Vehicle expenses	4,918	3,083
FIFHC expenses	13,464	10,254
Project Mobility expenses	-	235
Research and Development (other than employee related costs)	10,353	10,662
	97,293	62,182
Total Other Expenses	633,387	529,400

5. Cash and Cash Equivalents

	30 June 2015	30 June 2014
	\$	\$
Cash at bank and in hand		
Petty cash	113	200
BNZ Current Account	-	191,522
BNZ On Call Account	-	17,934
ANZ - Health Centre Account	45,858	10,555
ANZ - Health Centre savings account	2,035,360	-
ANZ - Health Centre fundraising account	7,690	-
ANZ - MCT cheque account	98,069	-
ANZ - MCT savings account	232,179	-
ANZ - MCT renovations account	363	-
Total cash and cash equivalents	2,419,632	220,211

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value

6. Trade and Other Receivables

	30 June 2015	30 June 2014
	\$	\$
Trade receivables	10,434	7,547
Prepayments	21,830	927
Sundry revenue accrual	-	1,287
GST Refund	61,095	-
Other receivables	16	16
Total Trade and Other Receivables	93,375	9,777

The carrying value of trade and other receivables approximates their fair value. The trade receivables have been individually assessed as impaired where the tenant has vacated the premises and management have concluded that it is remote that the overdue amounts will be recovered. The amount of trade receivables written off during the period was nil (30 June 2014: \$414).

The trust holds no collateral as security against these financial assets.

7. Investments

	30 June 2015	30 June 2014
	\$	\$
Current portion		
Term deposits	-	257,068
Total Trade and Other Receivables	-	257,068

8. Property Plant and Equipment

	Land	Buildings & Improvements	Work in Progress	Plant & Equipment	Vehicles	Total
	\$	\$	\$	\$	\$	\$
Cost						
Opening Cost 1 July 2014	3,385,000	8,809,900	140,681	16,922	15,360	12,367,863
Opening Accumulated Depreciation	-	-	-	(10,752)	(3,093)	(13,845)
Opening Carrying Amount	3,385,000	8,809,900	140,681	6,170	12,267	12,354,018
Additions	-	317,663	1,323,234	-	-	1,640,897
Work in progress transferred to capital	-	-	-	-	-	-
Depreciation Expense	-	(418,448)	-	(2,458)	(3,072)	(423,978)
Disposals at cost	-	-	-	-	-	-
Accumulated depreciation on disposal	-	-	-	-	-	-
Revaluation - movement	-	-	-	-	-	-
Closing Cost 30 June 2015	3,385,000	9,127,563	1,463,915	16,922	15,360	14,008,760
Closing Accumulated Depreciation	-	(418,448)	-	(13,210)	(6,165)	(437,823)
Carrying amounts						
As at 30 June 2015	3,385,000	8,709,115	1,463,915	3,712	9,195	13,570,937
Cost						
Opening Cost 1 July 2013	3,122,000	9,954,931	357,715	16,922	12,447	13,464,015
Opening Accumulated Depreciation	-	(656,623)	-	(7,890)	(4,548)	(669,061)
Opening Carrying Amount	3,122,000	9,298,308	357,715	9,032	7,899	12,794,954
Additions	-	620,806	403,772	-	8,408	1,032,986
Work in progress transferred to capital	-	-	(620,806)	-	-	(620,806)
Depreciation Expense	-	(348,055)	-	(2,862)	(2,900)	(353,817)
Disposals at cost	-	(155,355)	-	-	(5,495)	(160,850)
Accumulated depreciation on disposal	-	12,744	-	-	4,355	17,099
Revaluation - movement	263,000	(618,548)	-	-	-	(355,548)
Closing Cost 30 June 2014	3,385,000	8,809,900	140,681	16,922	15,360	12,367,863
Closing Accumulated Depreciation	-	-	-	(10,752)	(3,093)	(13,845)
Carrying amounts						
As at 30 June 2014	3,385,000	8,809,900	140,681	6,170	12,267	12,354,018

The land and buildings situated at 100 Awahuri Road Feilding, with a valuation of \$2.15m as at 30 June 2015 (30 June 2014: \$2.15m) is pledged as a security for the loan advanced by Manawatu District Council to the Trust (refer to Note 10 for more information on loan). There are no other restrictions over the title of the Trust's property, plant and equipment, nor is any property plant and equipment pledged as security for liabilities.

Losses on disposals of assets and revaluation movement:

	30 June 2015	30 June 2014
	\$	\$
Losses/(gains) on disposals of assets replaced following refurbishment	-	142,610
Losses/(gains) on sale of motor vehicles	-	(632)
Revaluation Increment (decrement) through Surplus and Deficit	-	355,548
	-	497,526

9. Trade and Other payables

	30 June 2015	30 June 2014
	\$	\$
Trade Creditors	294,611	72,831
GST Payable	-	11,009
Other Creditors	61,168	15,172
Tenancy Bonds held	396	410
Income in Advance	106,128	80,909
Total Trade and Other Payables	462,303	180,331

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value. The income in advance as at 30 June 2015 includes \$61,627 (30 June 2014: \$53,602) grant received from the Department of Internal Affairs during the period and not spent as at 30 June 2015.

10. Borrowings

	30 June 2015	30 June 2014
	\$	\$
Manawatu District Council loans A & B		
Opening balance	1,258,094	1,340,000
Loan drawn-down during the period	-	-
Loan repaid during the period	(67,388)	(81,906)
Closing balance	1,190,706	1,258,094

The term of the loan is 15 years from the date of first drawing (23 December 2011) and interest is incurred at the Council's borrowing rate of 5.96% p.a. for the twelve months ended 30 June 2015 (interest rate of 5.96% p.a. for year ended 30 June 2014). The loan was granted to partially re-finance the \$540,000 principal owed to Manawatu District Council as at 30 June 2011 and for re-development of property owned by the Trust.

The loan from Manawatu District Council is secured by way of registered first mortgage over the land owned by the Trust at 100 Awahuri Road Feilding.

Manawatu District Council - Feilding Integrated Family Health Centre

Opening balance	-	-
Loan drawn-down during the period	2,500,000	-
Loan repaid during the period	(9,032)	-
Closing balance	2,490,968	-
Total loans from MDC	3,681,674	1,258,094

represented by:

Current portion	212,724	67,387
Non-current portion	3,468,950	1,190,707
	3,681,674	1,258,094

During the 2015 year an additional loan was advanced by the Council for \$2,500,000 to assist the development of the Feilding Integrated Family Health Centre, an initiative being undertaken by the Trust. The term of the loan is 15 years from the date of the first drawing (30th April 2015). The interest rate at 30 June 2015 was 5.00%. The Manawatu District Council are only charging 50% of the 5.00% interest during the period. No security is held for this loan.

11. MidCentral Health Board - Deferred Settlement

	30 June 2015	30 June 2014
	\$	\$
Opening balance	-	-
Advance during the period	678,500	-
Repaid during the period	(88,500)	-
Closing balance	590,000	-
represented by:		
MidCentral Health Board - Deferred Settlement		
Current portion	-	-
Non-current portion	590,000	-
	590,000	-

The term of the advance is until April 2020. The MidCentral Health Board have delayed the settlement to assist the transition for the Trust and the setup of the Feilding Integrated Family Health Centre.

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12. Employee costs payable	30 June 2015	30 June 2014
	\$	\$
Annual Leave	10,280	5,609
Salary and Wage accrual	8,652	7,477
Total Employees' Entitlements	18,932	13,086

There has been no provision for sick leave or long service leave allowed.

13. Equity	30 June 2015	30 June 2014
	\$	\$
Contributed capital		
Balance at 1 July	10	10
Balance at 30 June	10	10
Accumulated surplus/(deficit) for the year		
Balance at 1 July	11,389,553	11,841,443
Surplus/(deficit) for the year	(58,528)	(451,890)
Balance at 30 June	11,331,025	11,389,553
Total equity	11,331,035	11,389,563

14. Statement of Commitments

Operating Lease Commitments

The Manawatu Community Trust entered into a 60 month photocopier lease on 28 November 2014. The amounts payable as operating commitments are as follows:

	30 June 2015	30 June 2014
	\$	\$
<i>Photocopier lease</i>		
Not later than one year	2,633	2,258
Later than one year and not later than five years	9,086	2,822
Later than five years:	-	-
	11,719	5,080

Capital Commitments

The Manawatu Community Trust gave approval in June 2014 to begin the drawings works for the Feilding Integrated Family Health Centre. Colspec Construction Limited have been awarded the contract to complete the construction of the Feilding Integrated Healthcare Centre. The capital commitments are as following:

	30 June 2015	30 June 2014
	\$	\$
Not later than one year		
Feilding Integrated Family Health Centre	5,223,056	-
Argyle flats upgrade	-	83,625
	5,223,056	83,625

Land lease for Feilding Integrated Family Health Centre

The Manawatu Community Trust has entered into a lease of the land to operate the Feilding Health Centre from. The amounts payable as operating commitments are as follows:

	30 June 2015	30 June 2014
	\$	\$
Not later than one year	30,000	-
Later than one year and not later than five years	120,000	-
Later than five years:	890,446	-
	1,040,446	-

All commitments are stated exclusive of GST except for the photocopier commitment relating to the supply of residential accommodation.

15. Statement of Contingent Liabilities

The Manawatu Community Trust is not aware of any contingent liabilities as at 30 June 2015 (30 June 2014: nil).

16. Related party transactions

The Manawatu Community Trust is a Council Controlled Organisation of Manawatu District Council. The related party transactions are within a normal supplier or client/recipient relationship on terms and conditions no more favourable or less favourable than those that is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances, except for the \$2,500,000 loan from the Manawatu District Council that interest is only charged on 50% of the outstanding loan balance.

The following transactions were carried out with related parties:

	30 June 2015	30 June 2014
	\$	\$
Loans granted by MDC during the period	2,500,000	-
Loan repaid during the period	(67,388)	(81,906)
Rates to MDC	176,711	167,570
Volumetric water charges by MDC	37,440	38,629
Services provided by MDC	80,347	97,486
Interest to MDC	77,283	77,778
Grants provided by MDC	2,501	5,000

Amounts owing at balance date are shown in Trade and Other Payables in the Statement of Financial Position:

Manawatu District Council	31,491	37,970
Loan outstanding to MDC at period end	3,681,674	1,258,093
Interest payable at period end	4,123	6,276

No provision has been required, nor any expense recognised, for the impairment of receivables from related parties.

Rod Titcombe is a Trustee of both the Manawatu Community Trust and the Central Energy Trust, whom provided a grant to the Manawatu Community Trust. Rod was excluded from the approval process for the grant. The Central Energy Trust have approved a grant of up to \$726,873 to cover electrical and mechanical components of the Feilding Integrated Health Centre.

The Trustees are considered key management personnel. Other than fees in note 17 there were no other benefits paid to Trustees.

17. Trustee Fees

	30 June 2015	30 June 2014
	\$	\$
John Culling (Chairman)	24,000	24,000
Mary Ann Baskerville	17,500	17,500
Richard Bowling	-	17,500
Dave Broderick	17,500	17,500
Colin McJannett	17,500	17,500
Rod Titcombe	17,500	-
	94,000	94,000

Additional payments were made to Trustees to reimburse for costs incurred such as travel.

18. Services provided in kind.

During the 2015 year the Manawatu Community Trust received free services from the Universal College of Learning (UCOL) to assist with the building of fences for flats owned by the Trust.

19. Events after balance sheet date

There were no significant events after the balance date.

20. Capital Management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets. The Trust deed requires the Trustees to manage all aspects of the business prudently. The Trust's equity is largely managed as a by product of managing all financial dealings. The objective of managing the Trust's equity is to ensure the Trust effectively achieves its objectives and purpose, whilst remaining a going concern.

21. Significant adjustments arising on the transition of the new PBE SFR-A standard.

The main adjustments due to the transition to the new PBE SFR-A standards are around the disclosure of grant income from the Manawatu District Council and Central Government funding. Previously these figures were aggregated under Grants and Donations classification.

Expenditure has also been reclassified for fundraising, marketing and advertising and Trustees fees, as these need to be separated out under the new framework. Accordingly costs of providing goods and services has been reduced by \$98,033 and shown on the Statement of Financial Performance under the respective headings.

Minor adjustments have been made to the various titles in both the Statement of Financial Performance and Statement of Financial Position to align with the updated PBE standards.

An investment of \$257,068 was disclosed as cash and cash equivalents in the 30 June 2014 comparatives and needed to be re-classified to investments to reflect the change in reporting framework.

STATEMENT OF INTENT REPORTING

Manawatu Community Trust

YEAR ENDING 30 JUNE 2015

Performance targets and other measures by which the performance of the Trust may be judged in relation to its objectives

The Trust will meet the following outcomes:

1. Housing Provision

Provide affordable and sustainable housing to residents who meet the eligibility criteria set.

Management comment: A full rent review was completed on 14 April 2015. The CPI to year end 31 December 2014 was 0.76%.

- a. *It was agreed that rents for MCT flats would not be increased for the 2015 – 2016 rent year. The main reason for no increase was that the CPI was for the year was very low.*

2. Housing Maintenance

Apply the criteria used to assess units to a standard appropriate for housing the elderly and disabled.

Continue to identify and prioritise the need for refurbishments and upgrades of the housing stock.

Be responsive to urgent maintenance requirements or resident health and safety needs.

Management comment Upgraded and refurbished MCT flats have been reassessed against the Manawatu Community Trust standards for housing for the elderly and disabled and included in the overall rating which provides the trust with a warrant of fitness on each flat.

25.3% – 52 (2014: 21.4% & 44) flats have an A rating overall (highest level)

15.6% - 32 (2014: 15.6% & 32) flats have a B rating overall

59% - 121 (2014: 62.9% & 129) flats have a C rating overall

0% - 0 (2014: 0% & 0) flats have a D rating overall

In the last year 7 Flats have been upgraded and 1 flat has been refurbished.

Identified housing stock which requires a major upgrade include:

Elizabeth flats 1 – 7,

Rawhiti Flats 1 – 6,

Rangimarie Flats 1 – 12, 14, 15.

Requests for maintenance are received and responded to by the office on a daily basis. This year the monthly average of maintenance requests was 24.5. Last year the monthly requests averaged 22.4

3. Housing Occupancy

Maintain a high occupancy level.

Keep a waiting list when housing is fully tenanted.

Management comment: For the year ended the average occupancy level over the year was 94%. This was 1% higher than the previous year but below the targeted level of 95%. Alexandra complex had an average occupancy level of 98.7%. We had 3 Flats upgraded in the first half of the year and 4 Flats in Cargill Ave upgraded during the last 4 months of the year in addition 1 other flat was refurbished. In January and June a larger than normal number of flats were vacated. Deaths and movement to rest homes were the two reasons for this occurring. Both Sanson and Rongotea flats experienced a stable occupancy level of 83% and 100% respectively.

4. Health

Lead and facilitate the development and establishment of an Integrated Family Health Centre in Feilding.

Carry out the construction and ownership of the facility.

Management comment: During the first 8 months of the year work continued in finalising the necessary lease agreements between the principal parties and negotiating finance arrangements with commercial lenders. Final tenders were called in February 2015. On 6 March 2015 a final tender price was received from Colspec Construction and accepted by MCT on March 10 2015. Agreement to lease between MCT and Feilding Health Care Property Management Ltd was signed on 11 March 2015. On 18 March 2015 a commercial Loan agreement was signed with Manawatu District Council for \$2.5m. On 13 April 2015 Construction of the Feilding health care facility commenced. Completion date was agreed to be 26 February 2016. On 4 June 2015 confirmation was received that a grant of \$726,873 was approved by Central Energy Trust towards the electrical and mechanical components of the project.

5. Community Wellbeing

The Trust will collaborate with and/or support community groups that enhance the wellbeing of the residents of the Manawatu District.

Manage the Manawatu Community, Development and Research project funded by Internal Affairs

Management comment:

- A. *The two year report was submitted to the Department of Internal Affairs and funding was granted for year three of the project. Surveys of all parts of the Manawatu District have been completed and a draft report produced for editing.*

- B. Four training seminars for social service groups were offered in conjunction with the Social Issues Network Council of Social Services (SINCOSS).

5. Finance

The Trust will comply with current accounting policies.

Management comment: The Trust has complied with current finance and investment policies and achieved its planned performance indicators.

Ensure that a positive financial return on investment in line with the nature and condition of the housing portfolio is achieved for re-investment in housing and repayment of Capital Loan.

Management comment:

- 41% of rental income for the year ending 30 June 2015 was spent on capital improvements and major maintenance

Provide Financial Reporting to the Manawatu District Council as required.

Management comment: The Trust presented the 12 monthly report as at 30 June 2014 to Manawatu District Council on 24 September 2014. The six monthly report as at 31 December 2014 was presented to MDC on 19 March 2015

Maintain the ratio of consolidated trusts funds to total assets to be no less than 60:40. At 30 June 2014, this ratio was 71:29

Management comment: Refer Final Accounts

Signed.....

John Culling Chairperson



Independent Auditor's Report

To the readers of Manawatu Community Trust's financial statements and performance information for the year ended 30 June 2015

The Auditor-General is the auditor of Manawatu Community Trust (the Trust). The Auditor-General has appointed me, Phil Kennerley, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on her behalf.

Opinion on the financial statements and the performance information

We have audited:

- the financial statements of the Trust on pages 5 to 17, that comprise the statement of financial position as at 30 June 2015, the statement of financial performance and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 18 to 20.

In our opinion:

- the financial statements of the Trust:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2015; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with the Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) standard.
- the performance information of the Trust presents fairly, in all material respects, the Trust's achievements measured against the performance targets adopted for the year ended 30 June 2015.

Our audit was completed on 28 September 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and in the performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Trust's financial statements and performance information in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Trustees;
- the adequacy of the disclosures in the financial statements and in the performance information; and
- the overall presentation of the financial statements and the performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the performance information. Also, we did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Trustees

The Trustees are responsible for the preparation and fair presentation of financial statements for the Trust that comply with generally accepted accounting practice in New Zealand. The Trustees are also responsible for preparation of the performance information for the Trust.

The Trustees' responsibilities arise from the Local Government Act 2002 and the Trust Deed.

The Trustees are responsible for such internal control as it determines is necessary to enable the preparation of financial statements and performance information that are free from material misstatement, whether due to fraud or error. The Trustees are also responsible for the

publication of the financial statements and the performance information, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and the performance information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with, or interests in, the Trust.

A handwritten signature in dark ink, appearing to read 'Phil Kennerley', with a stylized, flowing script.

Phil Kennerley
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Strategic Planning and Policy Subcommittee

Meeting of 15 October 2015

Business Unit: Community and Strategy
Date Created: 29 September 2015



Sport Manawatu 12-month Report

Purpose

To present for consideration Sport Manawatu's 12-month Report for the year ending 30 June 2015.

Significance of Decision

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

Recommendations

That the Strategic Planning and Policy Committee receives Sport Manawatu's 12-month Report for the year ending 30 June 2015.

Report prepared by:
Janine Hawthorn
Community Development Adviser

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

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

2 Background

2.1 Sport Manawatu's 1 July 2013 to 30 June 2016 Service Agreement with the Manawatu District Council and the Palmerston North City Council outlines a number of targets that are reported against annually. The report is a form of accountability for the base funding that both Councils provide Sport Manawatu.

3 Discussion and Options considered

3.1 The 12-month report reports against the following targets as set out in the Service Agreement:

- People are more active more often.
- The Councils are able to work collaboratively with Sport Manawatu to help achieve the Council's strategic aspirations.
- The sport sector is able to build its capacity and capability whilst becoming more self-sustaining.
- The sport sector has access to up to date, specialist, relevant, information and advance.
- Arena Manawatu is the City hub for indoor community sport.
- Manawatu is the best place in New Zealand to ride a bike.
- There are 10 national secondary schools sports tournaments held in the Manawatu each year aiming with high night stays.
- The Manawatu economy benefits from sporting events that attract visitors to the region.
- There is a joined-up programme of community and high-performance cycling events in the Manawatu.

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 The operational grant made to Sport Manawatu as part of the Service Agreement is in accordance with existing budgetary allocation.

6 Statutory Requirements

- 6.1 There are no statutory requirements associated with this paper.

7 Delegations

- 7.1 The Strategic Planning and Policy Committee has delegated authority to receive the 12-month report from Sport Manawatu.

8 Consultation

- 8.1 There is no consultation required for this paper.

9 Cultural Considerations

- 9.1 There is no cultural consideration required for this paper.

10 Conclusion

- 10.1 Representatives from Sport Manawatu will be in attendance at the meeting on 15 October 2015 to speak further to their 12-month report to 30 June 2015.

11 Attachments

- Sport Manawatu 12 month report July 2014-June 2015



2014/2015 MANAWATU DISTRICT COUNCIL 12 MONTH REPORT



INTRODUCTION

Sport Manawatu's role is to help the Manawatu to achieve its vision of having a connected, vibrant and thriving region, through the medium of sport. This report presents our progress over the last twelve months, highlighting specific outcomes for the Manawatu District Council.

HIGHLIGHTS

- Sport Manawatu is continuing to deliver the SportStart programme – which will dramatically improve the physical literacy teaching in our primary schools
- 253 Manawatu district kids and their teachers have received cycle safety training from Sport Manawatu and Bike NZ. Programmes have been delivered across the rural spread of the Manawatu district, including Kairanga, Colyton, Kimbolton and Manchester Street schools.
- Major sporting events such as the Secondary Schools Cycling Nationals, have delivered an economic impact of over \$500.000 to the region.
- The Whanau Tri programme was delivered in Feilding, with 48 Feilding participants linking in with 654 other participants from around the region to complete the Whanau Tri event on March 29 2015.
- Directly working alongside the Feilding Moa Harrier club, Sport Manawatu effected a 300% increase in participation for the 60th Feilding Marathon, going from 125 participants in 2013 to 502 in 2014
- A new kids touch rugby competition held at Victoria Park attracted over 450 participants
- Working alongside the Manawatu Blokart Club and Lawn Mower Racing Club assisting with the organising of the Sanson Domain re-opening
- Working in conjunction with the Makino Rotary Club for the 'Have A Go Day'.



KIDS ARE MORE ACTIVE, MORE OFTEN

Feilding Junior Touch: 457 participants in a new event.

Sport Manawatu has led the revival of a touch module in Feilding. Thursday nights at Victoria Park saw 457 players (47 teams) participate. Sport Manawatu has collaborated with Touch Manawatu to successfully launch the competition and recruit a strong group of local volunteers to help organise and referee matches.

SportStart: A world class physical literacy programme in Manawatu Schools.

This professional development and resource package is really starting to gain traction in the Manawatu District. Kimbolton School now has the programme running through the entire school juniors year 1 – year 8. Hiwinui School and Tangimoana School start in term 3 2015, Colyton are starting in term 1 2016. Lytton Street School will be on board in term 4 2015.

Shaun Whenuaroa has sat down with Hiwinui School to help plan the entire school year, ensuring that Sportstart is embedded into the curriculum and support is ongoing.

Primary School development: Direct engagement with over 500 primary school children.

Sport Manawatu has identified that many primary school teachers are not overly confident in the delivery of physical education and sports in primary schools. The team at Sport Manawatu are increasingly focused on assisting primary schools to develop plans to ensure that school children in the Manawatu have access to quality sporting opportunities through their schools. Some examples of this work includes:

- Sport Manawatu once again ran the successful Run, Ride n' Slide kids triathlon at Timona Park, which provided the opportunity for a small number of Manawatu kids to take part in their first triathlon event and act as a precursor to the bigger Weetbix Triathlon.
- Sport Manawatu partnered with Apiti School to assist four young boys deliver a fitness and training programme at the school.

School Leaders Coaching Course: Feilding High School.

Sport Manawatu delivered two Grassroots Coaching courses to 25 senior students at Feilding High School. The course gives students the skills and confidence to coach junior sports teams within the school, which in turn allows more junior school students to enjoy sports under the supervision of well trained and enthusiastic coaches.

ADULTS ARE MORE ACTIVE, MORE OFTEN

Whanau Tri comes to Feilding.

The Whanau Tri encourages and supports Maori who are at risk of developing a chronic health condition, into the sport of triathlon. In January 2015, 48 enthusiastic individuals from the Manawatu and wider began a journey to complete their first triathlon under the supervision of local Feilding based coaches Shane and Tammy Reed (Shane Reed being a former Olympic triathlete). The participants engaged in a 10 week training programme covering off everything they needed to know to get to the finish line with a smile on their face, as well as receiving healthy nutritional and lifestyle education.

On the day of the Whanau Tri event participants joined 654 others from around the region for a celebration of sport and health at the Lido Aquatic Centre in Palmerston North. Sport Manawatu is currently working with MidCentral District Health Board to ensure that the Whanau Tri returns for 2016, and are confident of engaging up to 60 Manawatu based participants for the event.



Green Prescription: Getting Manawatu Active!

The Green Prescription programme or (GRx) is about engaging those most in need into sustainable physical exercise and giving them the skills and educational advice to make healthy nutrition and lifestyle choices. Community classes are offered in Feilding which run for four 10 week cycles throughout the year.

Some facts about GRx in the Feilding:

- In this reporting period, the Manawatu District supported 91 GRx participants, linking many of them into sustainable physical activity.
- Manawatu District participants continue to benefit from health education and nutritional guidance via GRx Phone-support.
- Sport Manawatu continues to link participants in with Evolve Gym and the Makino Aquatic Centre to deliver the GRx programme.

One component of the GRx programme is to support sustained positive health outcomes for participants upon graduation from the programme. Education on the opportunities available in the community is the key to supporting this outcome and is achieved through collaboration with local health agencies, sports clubs and recreation providers. Promotion of local sports clubs and local parks and reserves including walk, tramp and cycle tracks throughout the district is a continued focus.

Green Prescription Success Story: Grace Guo.

When first presented with the opportunity to get involved with the GRx programme Grace was very reluctant: “I was scared of being bossed around, but I was assured by my GP (Pip Clearwater at Feilding Medical Centre) that would not be the case and that nice and supportive people coordinated the programme”.

“I was conscious of the fact that I needed to change my lifestyle habits and re-engage with physical activity, so with the doctor’s recommendation I agreed to go to the GRx classes held in Feilding”.

Before accepting her referral to the GRx programme Grace had “not been doing any exercise for a long time”. As a result, combined with some not so good nutritional habits, Grace learnt from her GP that “I had been sick for a long time but did not realise until positive blood tests revealed that I had diabetes and a mild/high risk of Cardio Vascular Disease (CVD)”.



From a quiet, apprehensive participant at the start of the programme to then getting involved with several sporting events Grace has definitely blossomed within a short period of time. “I now exercise three times per week, which I am enjoying cycling with my son the most. As a result of my changes I have noticed that I have more energy, sleeping better, but most importantly being able to do exercise with my son, which we are both enjoying”.

The weekly classes have made Grace more confident in her knowledge of how she can better her health. It has also given her the confidence to set herself realistic goals and strategies on how to achieve them.

When asked what she liked best about her involvement on the programme she replied: “Having a professional person to help me get back on track with my health and being amongst a lovely supportive group environment”.

“Grace has grown so much confidence during her time on the programme. She has challenged herself with her goals and has successfully achieved them with her son by her side. Well done Grace; I am extremely proud of how far you have come” Katrina Gemmell Green Prescription Co-ordinator.

MANAWATU IS THE BEST PLACE IN NEW ZEALAND TO RIDE A BIKE

Learn to Ride: Giving kids the skills to cycle safely in the Manawatu.

In an effort to ensure the Manawatu is New Zealand’s best place to ride a bike, Sport Manawatu partners with Bike NZ to deliver Learn to Ride skills sessions in Manawatu Schools. Recreation Advisor Shaun Whenuaroa partners with Sport Manawatu’s Active Transport Co-ordinator to deliver these sessions.

In the past financial year over 250 Manawatu kids and their teachers have received cycle safety instruction including helmet fitting, cycling skills, the cycling road code, and practical safety when riding on the road. Schools worked within the last year include; Kimbolton, Manchester Street, Colyton and Kairanga. Watch out for more Manawatu schools and students to receive this important training in the year to come.

New Zealand Schools Cycling Championships.

This annual event based in the Manawatu hosted over 1210 riders, coaches and supporters from throughout New Zealand, boosting a total direct economic impact to the region of over \$500,000.

Some highlights include:

- 25% increase in individual entries from 2013.
- 15% increase in team time trial entries from 2013.
- A festival atmosphere at the final day hosted by Manfeild racing circuit.

Bike Manawatu Novice Tour.

Sport Manawatu supported Bike Manawatu to deliver the 2014 National Novice Tour in the Manawatu. 151 cyclists from all over New Zealand attended this tour which featured some of the world class road riding available to cyclists in our region. Sport Manawatu partnered with Bike Manawatu to assist with the organising of the 2014 event.

Manfeild six hour cycle challenge AND the Feilding Festival of Cycling.

Sport Manawatu once again supported Bike Manawatu in the running of this popular event. Over 275 participants gathered at Manfeild on 10 May to take part in the unique and high quality event.

The Manawatu Recreation Advisor was also able to assist with the organising of the Feilding Festival of Cycling held in September. The event is always a popular event for graded and novice cyclists.



THE SPORT SECTOR IS ABLE TO BUILD ITS **CAPACITY AND CAPABILITY** WHILST BECOMING MORE **SELF-SUSTAINING**.

Clubs and Sport Providers: Liaising with clubs who deliver to over 1500 local sports enthusiasts.

A major focus in the past twelve months has been to improve the consistency in which we meet local sporting clubs and groups. Since July 2014, the Manawatu Recreation Advisor has carried out club visits within the Manawatu District. Sport Manawatu uses these visits as an opportunity to analyse any challenges the club may be facing, provide appropriate advice as well as access the clubs participation numbers. Some of the clubs we have been working closely with include:

- | | |
|-----------------------------------|---|
| ○ Touch Manawatu | Feilding Old Boys Oroua Netball and Rugby |
| ○ Manawatu Lawn Mower Racing Club | Feilding Gymnastics |
| ○ Feilding Golf Club | Feilding Amateur Athletics Club |
| ○ Feilding Moa Harrier Club | St. Bridget's Indoor Bowls |
| ○ Manawatu BloKart Club | Feilding Football Club |
| ○ Feilding Saturday Morning Rugby | Feilding Cricket Club |
| ○ Feilding Tennis Club | Feilding Junior Netball |

Creating Quality Coaches: Grassroots Coaching Courses.

In the past 12-months Sport Manawatu has rebranded the Generic Entry Level Coaching course as the “Grassroots Coaching Course”. This aims to form a stronger brand and increase the uptake of the course among new and current coaches. Courses facilitated to date:

- Sport Manawatu ran a Grassroots Coaching Course in April 2015 for 25 volunteers from Feilding High School.
- Sport Manawatu ran a Grassroots Coaching Course in May 2015 for 16 volunteers from the Feilding Junior Rugby Club.

Coach Development.

Sport Manawatu works directly with over 30 Regional Sports Organisations and Clubs to develop coaches who can improve the quality of sport for participants, and make it more likely for children to stay involved in sport as they grow older. There are a number of standard areas where we support all of the sports with coach development. These include: promotion of courses, use of venue and equipment, along with guidance and advice. But with each of the sports or clubs we are working with, we also have specific areas of support regarding coaches and volunteers.

- Grassroots Coaching Courses: Four Grassroots Coaching courses have been run in the Manawatu District and were attended by 59 coaches in 2015. The course is aimed at beginner or inexperienced coaches and have been run within the clubs and schools around the region.
- CoachPlus Newsletters: Four CoachPlus newsletters were distributed to 380 coaches on the Sport Manawatu database – providing topical information to up-skill the coaches in our region including links to the latest research and trends in coaching. The newsletter also includes a profile of a local community coach in the coach of the quarter section.

CoachPlus Lunch Meetings: Our CoachPlus networking group provides an opportunity for coaching coordinators and other influential coaches from different sports codes to meet, upskill, discuss common challenges and hear about different initiatives that are happening in sport. It is pleasing to see 13 different sports have been represented at the lunches in the last 12 months.

Capability Work with Clubs and Sport Providers.

Advice and guidance is offered to all sports clubs in our region along with other forms of support. Sport Manawatu encourages clubs to undertake a Warrant of Fitness (WoF) to assess their strengths and weaknesses. The Club WoF asks a number of questions within six broad areas of club capability; Leadership, Planning, Customer focus, Sport delivery, People management and Sport management. The community sport team then provide recommendations for the club to increase their capability and guide the club through implementing these recommended changes.

Examples of work completed in this area include:

- In March 2015 Sport Manawatu ran a Club WOF (Warrant of Fitness) with Feilding Saturday Morning Rugby. A Club WOF is a 'health' check or a snapshot of a sports club. It highlights the areas where the club is doing well and the areas where it needs to work on.
- Having identified areas to work on, Sport Manawatu can now go about assisting Feilding Saturday Morning Rugby. Coaching was one of the areas identified and therefore Sport Manawatu was in a position to run one of their Grassroots Coaching courses. 18 coaches

attended and reports back from the participants were extremely positive. There were other areas highlighted in the WOF, and Sport Manawatu will be working through those areas with the club to enhance what they do already.

Educator Forums: Up-skilling Coaching Educators.

The structure of these forums has changed over 12 months as Sport Manawatu look to grow the people and sports involved. Rather than a lunch with a presenter held at Sport Manawatu, sessions are now hosted at different sporting venues with the host organisation facilitating a short presentation followed by a workshop type opportunity where ideas can be shared in a structured format.

Sessions have been held at Manawatu SquashGym and Manawatu Golf Club and attended by 11 and 13 influential coaches and coach educators respectively. Planning is underway for a group session to be held in the Manawatu District within the next 6 months.

Feilding Moa Harrier Club: 60th Feilding Marathon.

Feilding Moa continues to grow, with 2014 marking its sixth year in a row with increased membership. Working alongside Sport Manawatu 2014 saw a focus on increasing participation. With assistance from the Manawatu's Recreation Advisor the club increased participation for the event by over 300%. The increases over the last three years are shown below:



This year saw Sport Manawatu lead the way again with a 'Running 101 Master's' programme, with the focus being on the over 35 years of age bracket. The programme attracted over 84 participants with the targeted event being the Feilding Marathon. Of the 84, 36 ran the full marathon with the rest either running the half or the 10 km.

Volunteer Recognition: Acknowledging those at the heart of sport in the Manawatu.

Sport in New Zealand relies on over 750,000 volunteers who work a combined total of 50 million hours to help make sport accessible and affordable for all. A big part of what we do at Sport Manawatu is based around helping these “Sport Makers” continue to do what they do, but we also play an important role in recognising and rewarding these important members of our community. Some examples of this include:

- In June Sport Manawatu staff delivered over 500 muffins to volunteer coaches and referees at local sports parks as a way to say ‘thank you’ for the countless hours they put into youth sport in our region. Some of the facilities covered in the Manawatu region were Timona Park (Junior Soccer), Victoria Park (Junior Rugby) and Feilding High School (Junior Netball).
- Sport Manawatu organises the Annual Grassroots Sports Awards to recognise the very best volunteers in our region. In 2014 the following Manawatu region volunteers and clubs were recognised:
 - Zoe Waldman – Feilding Gymnastics
 - Angela Shailer – Feilding Gymnastics
 - Kim Fenn – Feilding Gymnastics and Junior Netball



APPENDIX OF ADDITIONAL INFORMATION

MANAWATU SPORTSPERSON OF THE YEAR.

The Central Energy Trust Manawatu Sportsperson of the Year Awards is organised by Sport Manawatu and is one of the biggest events on the Manawatu sporting calendar. The awards recognise the achievements of athletes, coaches, officials and administrators and encompass all sports, ranging from the local sporting hero to the elite professional in the Manawatu region.

A new format was adopted this year creating a grandstand effect with the audience looking down on the nominees as they walked up onto the stage. The awards were announced first then everyone sat down for a meal and were able to socialise at the same time.

- 2014 Manawatu Sportsperson of the Year** – Selica Winiata (Rugby)
- 2014 Manawatu Sportsman of the Year** – Aaron Smith (Rugby)
- 2014 Manawatu Sportswoman of the Year** – Selica Winiata (Rugby)
- 2014 Manawatu Junior Sportsman of the Year** – Luke Mudgeway (Cycling)
- 2014 Manawatu Junior Sportswoman of the Year** – Emily Fraser (Equestrian)
- 2014 Masters Sportsperson of the Year** – Cheryl Hirschberg (Triathlon)
- 2014 Manawatu Official of the Year** – Greg Busch (Badminton)
- 2014 Manawatu Administrator of the Year** – Shona Hendra (Special Olympics)
- 2014 Manawatu Coach of the Year** – Mike McRedmond (Cycling)
- 2014 Disabled Sportsperson of the Year** – Barry Winks & Mark Noble (Lawn Bowls)
- 2014 Manawatu Team of the Year** – Manawatu/ Whanganui Mens Golf Team
- 2014 Manawatu Personality of the Year** – Neil Hood (Pods)
- 2014 Legend of Sport Inductee** – Warren Banks (Hockey)



SECONDARY SCHOOL SPORTS AWARDS

The Secondary School Sports Awards were held at Awapuni Race course on 29 October. At the awards 102 students from 39 sporting codes, with 67 New Zealand representatives being recognised in total.

The Supreme winners were Emily Fraser from FAHS and Luke Mudgway from PNBHS.

2013 Supreme Male Sportsperson – Luke Mudgway (Palmerston North Boys' High School, Cycling)

2013 Supreme Female Sportsperson – Emily Fraser (FAHS, Equestrian)

2013 Official of the Year – Aleisha Cotton (FAHS, Netball Umpire)

2013 Team of the Year – Palmerston North Boys High School Cycling Team

Sport Manawatu Grassroots Sports Awards 2014

The 2014 Sport Manawatu Grassroots Sports Awards continues to be a fantastic initiative. Although down in numbers of club nominations (36 compared to 52 in 2013), we gathered 340 volunteer nominations which is nearly double last year's total of 181. 1243 volunteer Thank You e-cards were also sent out during the nomination period to recognise people who give their time voluntarily to grassroots sport in our region.

Category winners are listed below:

2014 Sports Club of the Year:

2014 Sport Maker of the Year (regional winner):

2014 Sport Volunteer – Behind the Scenes Award:

2014 Sport Volunteer – Frontline Award:

2014 Sport Volunteer – All Rounder Award:
Club)

2014 Club Event of the Year Winner:

2014 Participation Initiative of the Year:

2014 Athlete Development of the Year:

2014 Fundraising Initiative of the Year:

2014 Best Presented Club of the Year:

2014 Sports Partner of the Year:

Manawatu Golf Club

Phil Riley (Hokowhitu Junior Football)

Murry Matthews (Manawatu Tri Club)

Phil Riley (Hokowhitu Junior Football)

Martin Hazelton (Ruahine Amateur Football

Manawatu Triathlon Club

Manawatu Golf Club

Manawatu Golf Club

Meehans Boxing Gym

Marist Rugby Club

Inspirenet



THE DISTRICT COUNCIL IS ABLE TO ACHIEVE ITS STRATEGIC ASPIRATIONS BY **WORKING COLLABORATIVELY WITH THE SPORTS SECTOR THROUGH ONE REPRESENTATIVE ORGANISATION.**

Sport Manawatu is committed to working closer with council to better understand its aspirations and to identify opportunities to collaborate and leverage the resources of both organisations. More than ever sport and recreation is an essential part of making the Manawatu a great place to live, and Sport Manawatu is well placed to assist council in developing action plans to utilise the power of sport to improve the wellbeing of our community.

Short Sport Reports

Each month Sport Manawatu compiles a “Short Sport Report” to council outlining all relevant activity that Sport Manawatu has been a part of within the district. The report provides brief snippets of our activities and wider issues so council staff and councillors have an overview of what is happening in regards to Sport and Recreation within their community, and the on-going work that Sport Manawatu is involved in.

Regular Networking

As a cornerstone stakeholder we value our relationship with council staff immensely. Sport Manawatu staff regularly interact with a number of council staff both formally and informally. The relationship has progressed significantly in the past year, with the new Manawatu Recreation Advisor Shaun Whenuaroa developing good relationships with both council staff and councillors.

Presentation to Council

Sport Manawatu enjoys the opportunity offered by council to present and speak to our reporting, as well as our submissions to draft annual plans. We enjoy being able to directly communicate with council on matters of importance and hope that the information we submit is of use to the council in its decision making processes.

Regional Development Strategy

Sport Manawatu is taking a lead on two of the sixteen goals in the Regional Development Strategy, namely being the best place to ride a bike in New Zealand, and having the highest involvement in Sport and Active Recreation in New Zealand.

Leisure and Recreation Action Plan

Sport Manawatu appreciates the opportunity to collaborate with Manawatu District Council in developing the Leisure and Recreation Action Plan (Parks and Sports Grounds project). We view this project as a great way to better engage with the community and prioritise the best use and maintenance of the region's leisure and recreational assets.

Community Facility Strategy

Sport Manawatu propose to lead and co-ordinate the development of a Regional Sports Facilities Plan and wish to partner with our respective local authorities, including Manawatu District Council.

The Regional Sport Facility Plan will provide a framework for Councils as well as regional and local sporting organisations. At a recently held forum involving Presidents and CEOs from Regional Sporting Organisations the general consensus was that there is a real need for work to be done in this area to provide sound rationale for decision making.

The purpose of a regional plan is to:

- Enable better decision making about sport facilities, spaces and places.
- Provide rationale for investment into priority facility projects to renew, replace and replenish facilities so they are future-proofed, fit for purpose and well-used.
- Foster local collaboration between private providers, community and schools to ensure planning and development is coordinated and aligned.
- Support better use of facilities, spaces and places through the provision of great sporting opportunities.

Sport Manawatu is looking forward to developing this strategic project alongside Manawatu District Council with the intention of future proofing sport and active recreation opportunities for community in our region.

THE SPORT SECTOR HAS ACCESS TO UP TO DATE, SPECIALIST, RELEVANT, INFORMATION AND ADVICE.

Sport Manawatu is open from 8am to 5pm weekdays providing somewhere that people can go for advice and information related to the sports sector. The Sport Manawatu website also has an abundance of useful information.

Our organisation provides relevant training and development opportunities for those working in the sector (both paid and volunteer) through specialist workshops, forums and e-newsletters. The Regional Sports Conference held in May at the Sport and Rugby Institute is an example of Sport Manawatu bringing together a number of expert presenters on a variety of topics and making them accessible to those involved in the sports sector in Palmerston North for minimal cost. We also hold regular forums for coach development officers and workshops on other relevant topics throughout the year.

Did you know?

- The Sport Manawatu website receives over 6000 hits each month.
- Sport Manawatu produces a quarterly e-newsletter that is distributed to 102 key administrators in clubs around our region and provides relevant information on club development.
- Sport Manawatu regularly meets with regional coaching coordinators and paid administrators to up-skill and advise them.
- Our CoachPlus newsletter provides the latest coach development information to over 400 grassroots coaches around the Manawatu.

www.sportmanawatu.org.nz

The Sport Manawatu website is the go to place for clubs and other sporting organisations looking for information on what's happening in sport in the region, and resources to improve their capability. The website contains a "resources for running sport" section which contains relevant advice specially put together by our community sport team to enable clubs to operate effectively and efficiently.

Strategic Planning and Policy Committee

Meeting of 15 October 2015



Business Unit: Infrastructure
Date Created: 2 October 2015

Pharazyn Street Reconstruction, Stage 2 – Tender Recommendation

Purpose

The purpose of this report is to recommend the award of the Pharazyn Street Reconstruction, Stage 2 Contract to Higgins Contractors Ltd in the sum of \$1,972,985-82 (excl. GST), inclusive of a 10% Contingency Sum.

Tenders were evaluated using Land Transport New Zealand's Price Quality Methodology for tender evaluation. The following attribute weightings were used:

- Relevant Experience 15%
- Relevant Skills 20%
- Resources 5%
- Methodology 20%
- Price 40%

Significance of Decision

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

Recommendations

- 1 That the Pharazyn Street Reconstruction, Stage 2 Contract be awarded to Higgins Contractors Ltd in the sum of \$1,972,985-82 (excl. GST), inclusive of a 10% Contingency Sum.

Report prepared by:
Ian Steer
Senior Project 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

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

2 Background

2.1 The Feilding Residential Growth Area (Precinct 4) is scheduled for development / reconstruction. The section of Pharazyn Street, from Arnott Street to Roots Street, is 560 meters in length and the scope of the contract works includes, but is not limited to the construction of:

- A new stormwater main, 560m meters in length, along Pharazyn Street between Arnott Street and Roots Street. Pipe sizes range from 375mm to 1200mm diameter.
- A new 750mm diameter stormwater main, 282 meters in length along Port Road East, connecting to a manhole at the intersection with Pharazyn Street.
- Drainage structures in both Pharazyn Street and Roots Street, that include sumps, double sumps, sump laterals and manholes.
- A new 63mm OD medium density polyethylene (MDPE) rider main along Pharazyn Street between (approximately) Arnott Street and Accolade Grove, a distance of approximately 345 meters.
- Street lighting ducts along Pharazyn Street between Arnott Street and Roots Street. The installation of cables within the ducts and the installation of street lighting columns and connections to the electrical circuits will be completed undertaken a separate contract using specialist and accredited contractors. The estimated cost of this work (\$110,000 (excl. GST)) is not included in the Higgins Contractors Ltd contract.
- New or relocated underground services, e.g. telecommunications, gas, power.
- Concrete kerb and channel, vehicle crossings, pram crossings and footpaths, and the formation of grassed berms.
- The lowering of the existing road and the construction of a new road pavement and the sealing of the new road surface. A geo-synthetic textile fabric will be laid over the clay subgrade to provide support to the new road pavement and improve its performance. The installation of the stormwater pipelines in Pharazyn Street and the section in Port Road East, are required to cater for stormwater flows generated from surrounding land and the ongoing residential housing development in the local area.

- 2.2 The requirement for the construction of a new road pavement is reflective of the changing use of Pharazyn Street. When it was constructed Pharazyn Street serviced isolated houses in what was a rural area and also served as a through road. It has now become a feeder route for residential developments in the local area and the road pavement is showing signs of distress due to this increased usage. The installation of the stormwater mains, with excavations of up to 4.2 meters depth, will remove any residual strength from the old road, hence a new pavement, supported with a geo-synthetic textile fabric, is required.
- 2.3 Attached is the cover sheet from the stormwater set of drawings titled “Pharazyn Street Stormwater Extension”, showing the location of the proposed works in Pharazyn Street and Port Road East.

3 Discussion and Options considered

- 3.1 For a contract of this size and complexity and one that involves trenching to depths of greater than 4m, it is imperative that the successful contractor is able to fulfil their contractual obligations safely, that they adhere to environmental regulations, and meet budget and quality requirements, and achieve completion by the end of May 2016. The nature of the underlying soils in Pharazyn Street indicate that it may not be possible to undertake any work involving drainage or road pavement construction during winter, hence the project must be completed before May 2016, generally accepted as the end of the construction season.
- 3.2 Critical in the consideration of the tenders received was the evaluation of each tenderers non-price attributes. While tender price is important, the ability of the contractor to perform its contractual obligations is equally, if not more important. This importance was reflected in the weighting of 60% for non-price attributes and 40% for price.
- 3.3 The evaluation of non-price tender attributes, among other things, enables contractors to be assessed on their ability to manage risk and unforeseen difficulties that may arise during a project. This assessment falls under the attributes Relevant Skills and Relevant Experience. Relevant Skills considers practical experience as well as formal training and qualifications and is a measure of a contractors job based and theoretical knowledge and skills.
- 3.4 On a project such as Pharazyn Street, where drains are being laid at depths of over 4 meters in blue puggy clay, it is imperative that the contractor be very experienced and able to manage risks such as the ingress of groundwater and ground movement, and that they be comfortable working at such depths. The evaluation of a contractor's Relevant Experience on like or similar projects and discussion with those who have had direct involvement with the contractor provides a good basis on which to assess their ability to operate under contract specific site conditions.
- 3.5 In addition to the above, the evaluation included consideration of the tenderers:
- Company systems and structure
 - Management and construction teams proposed
 - Resources, plant and labour
 - Relevant work history
 - H&S / Quality systems

- Methodology and programme
 - Environmental compliance systems
 - Liaison with Council / Public (communication)
 - Identification of risks and proposed management and mitigation measures
- 3.6 The recommendation to include a Contingency Sum reflects prudent contractual management, plus a recognition of the complexity of this project with the ground conditions being poor and there being some uncertainty about the works required to relocate services and service connections.
- 3.7 The Engineers estimate for this project is \$2,100,000 (excl. GST). This is within the approved budget for this project in the 2015/2016 financial year.
- 3.8 When the Price Envelopes were opened Higgins Contractors Ltd was placed second based on price with Tenderer D's price of \$1,659,995-90 (excl. GST), being ranked first. However, when the non-price attributes were factored into the evaluation Higgins Contractors Ltd was ranked first with a Supplier Quality Premium of \$1,391,222-51 over Tenderer D. That is, to achieve the quality that Higgins Contractors Ltd can be expected to deliver, Council could expect to pay a premium of \$1,391,222-51 (exc. GST) over Tenderer D's price. The actual price differential between Higgins Contractors Ltd and Tenderer D is \$133,627-57 (excl. GST). This indicates there is a significant benefit to Council in accepting Higgins Contractors Ltd price over that of Tenderer D.
- 3.9 The preferred tenderer, Higgins Contractors Ltd, is a nationally recognised company with a reputation for delivering large scale civil engineering projects to standard, to time and to budget. Higgins Contractors Ltd local branch, its head office, is well resourced with both the plant and engineering expertise to successfully complete this project. Higgins Contractors Ltd also has considerable experience working in Feilding and the surrounding region.
- 3.10 This experience includes knowledge of the soils that will be encountered in Pharazyn Street and how to construct pipelines in such conditions where excavation depths will often be greater than 4 meters. This local knowledge has been reflected in the Contractor's work programme that tends to be somewhat conservative in terms of the time anticipated for completion as compared to those of a number of the other tenderers.
- 3.11 As befits a company with considerable experience in the construction of roads, Higgins Contractors Ltd tender was well structured in its description of the methodology to be used for the construction of the full range of "associated works". These include the construction of a new road pavement, grass berms and footpaths, a rider main for the water supply system, and the installation of street lighting ducting and the relocation and/or installation of underground services.

4 Operational Implications

- 4.1 This project combines utilities, services and roading under one project. Projects of this type are often tendered and managed as separate contracts. However, given the size and complexity of the project and the need for co-ordination of the various components, it was deemed critical that it be tendered as a single contract and that it be managed by one contractor with the appropriate mix of skills and experience to ensure a successful outcome. This will help to ensure, as far as is possible, that the project is run smoothly and

that it achieves the specified quality and completion date, and that it remains within budget.

4.2 The following timeline for completion is anticipated:

- Request for tender issued: Monday 31st August 2015
- Tenders Closing Date: Wednesday 23rd September 2015
- Advice on Recommended Tenderer 19th October 2015
- Anticipated Completion Date 30 May 2016

4.3 The completion date for this contract is achievable provided the contractor can establish on site and commence work in early November 2015.

5 Financial Implications

5.1 To recommend the award of the Pharazyn Street Reconstruction Contract to Higgins Contractors Ltd in the sum of \$1,972,985-82 (excl. GST), inclusive of a 10% Contingency Sum.

5.2 The Engineer's estimate for this project is \$2,100,000 (excl. GST).

5.3 The range of prices received was between \$1,659,995-90 and \$2,297,297-38 (all excl. GST and Contingency Sum).

5.4 Due to the commercial sensitivity around pricing and attribute scoring, the names of all tenderers with the exception of Higgins Contractors Ltd, the preferred tenderer, are confidential. The prices received, exclusive of the 10% Contingency Sum, are detailed in Table A below.

Table A – Tender Prices Received

Tenderer	Tender Price (all excl. GST and Contingency Sum)	Ranking After Tender Evaluation
Higgins Contractors Ltd	\$1,793,623-47	1
Tender A	\$2,139,619.55	2
Tender B	\$2,192,914-20	3
Tender C	\$2,297,297-38	4
Tender D	\$1,659,995-90	5

6 Statutory Requirements

6.1 There are no statutory requirements associated with this report.

7 Delegations

7.1 The Strategic Planning and Policy Committee has delegated authority to award this contract.

8 Consultation

- 8.1 This work and budgets contained therein were publically consulted on during the consultation process for the 2015-25 Long Term Plan.
- 8.2 Directly effected residents will be consulted with prior to and during construction works.

9 Cultural Considerations

- 9.1 No cultural considerations are specifically relevant for this project.

10 Conclusion

- 10.1 Tenders were evaluated using the Price Quality Method (60% non-price & 40% price).
- 10.2 Non-price attributes were evaluated individually by a team of three people who then collaboratively agreed on a score for each tenderer. All scores were based on the attribute information supplied by each tenderer.
- 10.3 The evaluation of the non-price attributes was undertaken prior to the opening of the submitted tender prices.
- 10.4 In summary Higgins Contractors Ltd has the skills and experience together with the background on like or similar works to successfully undertake a project the size of the Pharazyn Street project. It is therefore recommended that Council accepts Higgins Contractors Ltd tender in the sum of \$1,972,985-82 (excl. GST), inclusive of a 10% Contingency Sum.

Attachments

- The cover sheet from the stormwater component of the project titled “Pharazyn Street Stormwater Extension” showing the location of the proposed works.

MANAWATU DISTRICT COUNCIL

PHARAZYN STREET STORMWATER EXTENSION



FEILDING

LOCALITY PLAN

DRAWING LIST

DRG No.	DRAWING TITLE
51-33090-G001	COVER SHEET
51-33090-W001	PLAN AND LONGITUDINAL SECTION
51-33090-W002	PLAN AND LONGITUDINAL SECTION
51-33090-W003	PORT STREET EAST - PLAN AND LONGITUDINAL SECTION
51-33090-W004	TYPICAL CROSS SECTIONS AND MANHOLE DETAILS
51-33090-W005	MANHOLE CONSTRUCTION DETAILS
51-33090-W006	MANHOLE CONSTRUCTION DETAILS
51-33090-W007	MANHOLE CONSTRUCTION DETAILS

TENDER

1	ALL LEVELS CHANGED TO WELLINGTON VERTICAL DATUM	LSW			19/06/15
0	ISSUED FOR TENDER	LW	BH	*AMC	11/05/15
No	Revision	Note: * indicates signatures on original issue of drawing or last revision of drawing	Drawn	Job Manager	Project Director



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DO NOT SCALE	Drawn LSW	Designer BH,CA
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	Approved (Project Director) A. CHISHOLM	Date 11/05/15
	Scale AS SHOWN	This Drawing must not be used for Construction unless signed as Approved

Client	MANAWATU DISTRICT COUNCIL
Project	PHARAZYN STREET STORMWATER EXTENSION
Title	COVER SHEET
Original Size	A1
Drawing No:	51-33090-G001
Rev:	1

Strategic Planning and Policy Subcommittee

Meeting of 15 October 2015



Business Unit: Business

Date Created: 30 September 2015

Delegations of Resource Management Act 1991 Functions to Hearings Commissioners

Purpose

To add a Hearings Commissioner to the existing schedule of Hearings Commissioners that are available to hear and decide on matters raised under the Resource Management Act 1991 (RMA).

Significance of Decision

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

Recommendations

That Mr Mark Ashby be added to the existing schedule of Hearings Commissioners.

Report prepared by:

Lynette Baish

Senior Consents Planner

Approved for submission by:

Shayne Harris

General Manager - Business

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

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

2 Background

- 2.1 The authority to hear and determine certain matters under the Resource Management Act 1991 has been delegated to Council's Hearing Committee.
- 2.2 A schedule of Hearings Commissioners was approved by Council in April 2008. From time to time Council may need to add or subtract from this schedule in response to the changing availability of people on it. There may be occasions when Council needs to appoint people to meet particular circumstances of a resource consent or plan change application. In these situations, further reports to Council will be required to include those with a suitable skill set in the schedule of Hearings Commissioners.
- 2.3 One potential Hearings Commissioner wishes to be added to the existing schedule of Hearings Commissioners, Mr Mark Ashby.
- 2.4 The power to appoint a Hearings Commissioner is delegated to Council. Council uses Hearings Commissioners for between two and five hearings per year. A Hearings Commissioner will typically sit alongside members of Council's Hearings Committee.

3 Discussion and Options considered

- 3.1 That the candidate, Mr Mark Ashby, be appointed as Hearings Commissioner with delegated authority to hear and decide on resource management matters.
- 3.2 Mark has over 25 years' experience in planning and resource management and has completed the Making Good Decisions course. He has acted as an expert witness at council hearings and the Environment Court. Projects that Mark has worked on in the past include acquiring consents for prisons, youth justice facilities, wind farms and central city office developments. Please see attached Appendix for Mr Ashby's biography.

4 Operational Implications

- 4.1 The appointment of Mr Ashby will assist the Environmental and Regulatory services team within the Business Group to meet the District Planning objectives under the LTP in respect of the provision of a responsive and accessible planning service with the capacity for making decisions in respect of complex resource management issues affecting the natural and built resources and environmental quality in the Manawatu District.

4.2 Long Term Plan (LTP)

Environmental and Regulatory Management

Environmental and Regulatory Services includes management and control of activities that have adverse effects on the environment and people. It includes five activities: animal control, building control, environmental health, liquor licensing and district planning.

District Planning

- A responsive District Planning Services where resource consent applications are processed in a timely manner.
- A quality District Planning service where environmental policy, regulations and the District Plan are reviewed to ensure that the natural environment is protected.

- An accessible District Planning service where opportunities are provided for involvement in decision making.

5 Financial implications

- 5.1 There is no financial resource impact.

6 Statutory Requirements

- 6.1 Section 34A of the Resource Management Act provides for the delegation of functions, powers and duties. In particular, the Council may delegate to a Hearings Commissioner appointed by the local authority, functions, powers or duties under the Resource Management Act 1991.

7 Delegations

- 7.1 If approved the Delegation – Hearing Commissioners Policy will need to be updated.

8 Consultation

- 8.1 There are no requirements for consultation.

9 Cultural Considerations

- 9.1 There are no cultural considerations associated with this report.

10 Conclusion

- 10.1 It is recommended that Mr Mark Ashby is added to Council's existing schedule of Hearings Commissioners to hear and determine matters under Section 34A of the Resource Management Act 1991.

11 Attachments

- Biography Mr Mark Ashby

MARK BELIEVES THE KEY TO COMING UP WITH AN EFFECTIVE SOLUTION IS TO THOROUGHLY UNDERSTAND THE CLIENT'S POINT OF VIEW

Mark is responsible for growing our Wellington office and building relationships with our clients. He has 25+ years' experience gained in consulting and local, regional and central government. Mark's skills include impact assessment, district and regional planning and preparing and presenting expert evidence.

He still has direct input to some of our clients' projects where his background in working on extremely complicated consent acquisition projects is invaluable. Major projects that Mark has worked on in the past include acquiring consents for prisons, youth justice facilities, wind farms and central city office developments.

An important part of Mark's role as a professional planner involves him acting as an expert witness at council hearings and the Environment Court. Keen to keep himself on the cutting edge, Mark has completed the Ministry for the Environment sponsored "Making Good Decisions" programme, which certifies him as an independent hearings commissioner.

Mark was a member of the NZ Wind Energy Association Board from 2004-2007, and received an award from the Resource Management Law Association (RMLA) for policy work in relation to planning for wind energy. He is a longstanding member of the Wellington Branch committee of the New Zealand Planning Institute (NZPI), and also a regular member of interview panels for planners seeking full membership of the Institute. He has recently joined the Wellington Branch committee of the RMLA, helping to act as a bridge between the activities of the RMLA and NZPI.