



AGENDA | 2023

Notice is hereby given that an Ordinary Meeting of the 11th triennium (2022-2025) Chatham Islands Council will be held on:

Date: 27 April 2023
Time: 1.30pm
Location: Council Chambers
Tuku Road
Waitangi
Chatham Islands

MEMBERSHIP

CHAIRPERSON

Mayor, Monique Croon

DEPUTY MAYOR

Keri Lea Day

MEMBERS

Steve Joyce

Greg Horler

Judy Kamo

Graeme Hoare

Amanda Seymour

Celine Gregory-Hunt

Nigel Ryan

Owen Pickles
Chief Executive



Karakia

Kia hora te marino
Kia whakapapa pounamu te moana
Hei huarahi ma tatou I te rangi nei
Aroha atu, aroha mai
Tatou I a tatou katoa
Hui e! Taiki e!

*May peace be widespread
May the sea be like greenstone
A pathway for us all this day
Let us show respect for each other
For one another
Bind us all together!*

AGENDA
Meeting Held 27 April 2023

- 2. Democracy**
 - 2.1 Minutes from Ordinary Meeting 23 March 2023 P 1-5
 - 2.1b Minutes from Ordinary Meeting 29 March 2023 P 6-9
 - 2.2 CEO Report P 10-11
 - 2.3 Leave of Absence – Cr G Horler P 12-13

- 3. Finance**
 - 3.1 Financial Report March 2023 P 14-18
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- 4. Works & Services**
 - 4.1 Stantec Engineering Report March 2023 P 180-190
 - 4.2 Fulton Hogan Road Maintenance Contract P 191-205
 - Monthly Report March 2023
 - 4.3 Fulton Hogan Water & Wastewater Contract P 206-213
 - Monthly Report March 2023
 - 4.4 Fulton Hogan Waste Management Report March 2023 P 214-218
 - 4.5 Three Waters Reform P 219-228

- 6. Regulatory**
 - 6.1 ECan Activity Report P 229-308
 - 6.2 Resource Management Report for CIC/2023/002 P 309-316
 - 6.3 Changes to the CIRMD to give effect to the NPS-FM P 317-358

- 9. Chatham Islands**
 - 9.1 Chatham Islands Investment Strategy P 359-369
 - 9.2 Letter - MABx Rēkohu Wharekauri Apiculture Collective P 370-372

Public Excluded Agenda

P 373

2. Democracy

2.1 Minutes of an Ordinary Meeting 23 March 2023

Date of meeting	27 April 2023
Agenda item number	2.1
Author/s	Jo Guise – Executive Assistant

Purpose

For the Council to receive and confirm the minutes of the Ordinary Meeting of Council held on 23 March 2023.

Recommendations

- 1. THAT the minutes from the Ordinary meeting of the Chatham Islands Council held on 23 March 2023 be a true and accurate record.**

CHATHAM ISLANDS COUNCIL

Minutes of the Ordinary Meeting of the Chatham Islands Council, held in the Council Chambers, Tuku Road, Chatham Islands on Thursday 23 March 2023, commencing at 1.30pm

- Present:** Her Worship the Mayor, M Croon
Deputy Mayor, K Day
Cr G Horler
Cr RS Joyce
Cr J Kamo
Cr G Hoare
Cr N Ryan
Cr A Seymour
Cr C Gregory-Hunt
- Management & Officers:** Chief Executive, Mr Owen Pickles
Operations Manager, Colette Peni
Executive Assistant, Jo Guise
- Attendees:** Ms Tanya Clifford (ECan) via Zoom at 1.30pm to 2.58pm
Mr Nigel Lister (Stantec) via Zoom at 2.00pm to 2.18pm
Mr Andrew Wong via Zoom 2.00pm to 2.23pm
Ms Kirsten Norquay via Zoom 2.00pm to 2.23pm
Mr Phil Holt (Fulton Hogan)

Mayor Croon opened the meeting and acknowledged the passing of Ramona Williams and offered councils condolences to the Day whanau.

2. DEMOCRACY

2.1 Minutes from Ordinary meeting 23 February 2023

RESOLVED:

THAT the minutes from the Ordinary meeting of the Chatham Islands Council held on Thursday 23 February 2023 be adopted as a true and accurate record.

KL DAY / J KAMO / CARRIED

2.2 CEO Report

The CE advised that the Whangamoe culvert works can now progress. There was a condition from the landowner representatives that someone be onsite in case of koiwi discovery.

RESOLVED:

THAT the Chatham Islands Council receives the report.

CARRIED

2.3 LATE ITEM – PARC Meeting Minutes 17 March 2023

RESOLVED:

THAT the report 'PARC Meeting Minutes 17 March 2023' be considered a late item.

C GREGORY-HUNT / G HOARE / CARRIED

RESOLVED:

THAT the PARC meeting minutes from the meeting held on 17 March 2023 be received.

G HOARE / KL DAY / CARRIED

3. FINANCE

3.1 Financial Report

Ms Tanya Clifford gave an update on financial performance.

RESOLVED:

THAT the Council receive the financial report for January 2023.

KL DAY / RS JOYCE / CARRIED

3.2 Rates Review

Council were required to set their rates annually based on expected funding requirements for the period, with the level of Council's rating requirements usually considered as part of an annual budget review.

The higher levels of inflation predicted for the 2023/24 financial year had caused Council to seek direction on whether a cost adjustor of 4.95% (being the historic application of forecast CPI plus a Chatham Islands adjustment factor) would cause undue financial hardship to the community.

The paper had been to the PAR Committee who recommended a 3% increase in rates.

RESOLVED:

THAT Council after considering the various rating increase options, agreed to a 3% increase.

J KAMO / RS JOYCE / CARRIED

3.3 Budget Review

Under the Local Government Act 2002, Council needed to consider whether there was a material or significant difference between what was proposed in the budget and what was expected, to that estimated in the 2021-31 LTP for that year.

Nothing new or unexpected was in the budget. Council noted it was not obligated to engage with the public, however it would be useful if an engagement document be prepared to outline Council's funding position.

RESOLVED:

That the Council:

1. has considered that the changes to the draft 2023-24 proposed budget are not significantly or materially different to that estimated in the 2021-31 LTP for that year.

2. provide an engagement document to outline Councils funding position.

RS JOYCE / J KAMO / CARRIED

4. Works & Services

4.1 Stantec Monthly Report

Mr Nigel Lister joined the meeting from 2.00pm to 2.18pm

Mr Andrew Wong joined the meeting from 2.05pm to 2.23pm

Ms Kirsten Norquay joined the meeting from 2.00pm to 2.23pm

Mr Lister clarified a letter would be drafted to the Tuku Gully landowners to advise the gate across the public part of the road would be opened seasonally, along with the erection of signage outlining when the gate would be opened and closed.

Mr Wong gave a summary on current water and wastewater activities.

Ms Norquay gave a summary on Three Waters activities.

RESOLVED:
THAT the report be received.
G HOARE / RS JOYCE / CARRIED

4.2 Fulton Hogan Road Maintenance Reports – February 2023

Mr Phil Holt gave an update on the road maintenance contract.

RESOLVED:
THAT the Chatham Islands Council receive the report.
G HOARE / N RYAN / CARRIED

4.3 Fulton Hogan Water & Wastewater Operation Contract Reports – February 2023

Mr Phil Holt gave an update on the water and wastewater maintenance contract.

RESOLVED:
THAT the Chatham Islands Council receives the report.
J KAMO / A SEYMOUR / CARRIED

4.4 Fulton Hogan Waste Management Contract Reports – February 2023

RESOLVED:
THAT the Chatham Islands Council receives the report.
C GREGORY-HUNT / A SEYMOUR / CARRIED

8. GOVERNMENT

8.1 Representation Review

RESOLVED:
1. THAT the Chatham Islands Council operates its elections under the First Past the Post (FPP) electoral system;
2. THAT the Chatham Islands Council retain the number of Elected Members to 9 (Mayor and 8 Councillors); and
3. THAT the Chatham Islands Council not establish Maori Wards for the next local election cycle.
N RYAN / G HORLER / CARRIED

8.2 Heartland Services Contract

RESOLVED:
THAT the information be received.
G HOARE / N RYAN / CARRIED

RESOLVED:
That the meeting moves in to Public Excluded.
M CROON / J KAMO / CARRIED

The Meeting moved in to Public Excluded at 3.00pm and out at 3.40pm.

MEETING CLOSURE

After consideration of the Public Excluded Agenda, and there being no further business, the meeting was declared closed at 3.40pm.

CONFIRMED THIS 27th DAY OF APRIL 2023

MAYOR

2. Democracy

2.1b Minutes of an Ordinary Meeting 29 March 2023

Date of meeting	27 April 2023
Agenda item number	2.1b
Author/s	Jo Guise – Executive Assistant

Purpose

For the Council to receive and confirm the minutes of the Ordinary Meeting of Council held on 29 March 2023.

Recommendations

1. **THAT the minutes from the Ordinary meeting of the Chatham Islands Council held on 29 March 2023 be a true and accurate record.**

CHATHAM ISLANDS COUNCIL

Minutes of the Ordinary Meeting of the Chatham Islands Council, held in the Council Chambers, Tuku Road, Waitangi, on Wednesday 29 March 2023, commencing at 10.00am

Present: Her Worship the Mayor, M Croon
Deputy Mayor, K Day
Cr G Horler
Cr RS Joyce
Cr J Kamo
Cr G Hoare
Cr N Ryan
Cr A Seymour
Cr C Gregory-Hunt

Management & Officers: Chief Executive, Mr Owen Pickles
Executive Assistant, Jo Guise

Attendees: Mr Phil Landmark (Stantec NZ) via Zoom
Ms Kelly Bombay (ECan) via Zoom
Mr Jase Seymour (ECan)

3. FINANCE

3.1 LATE ITEM – Exemption of Council CCO

RESOLVED:

THAT the report ‘Exemption of Council CCO’ be considered a late item.

G HORLER / J KAMO / CARRIED

RESOLVED:

THAT the Council exempt the Chatham Islands Museum Trust from the requirements of being a Council Controlled Organisation (CCO) from 2010 to 2015 and 2018 to 2019 in accordance with s7(3) Local Government Act 2002.

RS JOYCE / C GREGORY-HUNT / CARRIED

4. WORKS & SERVICES

4.1 Draft Waste Management and Minimisation Plan 2023 and Statement of Proposal

Mr Phil Landmark and Ms Kelly Bombay were both present to answer any questions Council had.

RESOLVED:

1. THAT the reports be received;

2. THAT the waste Management and Minimisation Plan and Bylaw be approved for public consultation.

C GREGORY-HUNT / KL DAY / CARRIED

6. REGULATORY

6.1 ECan Activity Report

RESOLVED:
THAT the report be received.
J KAMO / A SEYMOUR / CARRIED

8. GOVERNMENT

8.1 Policy Updates

RESOLVED:
THAT having considered and reviewed by the PARC, the Council adopts the Sensitive Expenditure Policy and the Delegations Policy.
J KAMO / NC RYAN / CARRIED

The Meeting moved in to Public Excluded at 10.30am.

Council staff left the meeting and the minutes were continued by Environment Canterbury staff.

Meeting Date	Meeting Item #	Task	Owner	Status	Date / Updated	Comments
21 October 2021	2.1a	Rateable value Maori Land – Clarify updated figure	OM	Active		Available after 1 July 2022
15 September 2022	2.3	Discuss with Tourism Manager - the board at the Waitangi West toilet – a gate would be more suitable	CE	Active		In process
15 September 2022	4.7	WMMP – Councils comments be provided before public consultation	OM	Active		In process
10 November 2022	3.1	Financial Report – Reporting changes				In process
23 February 2023	8.1	- Have discussion re stock on South Coast (no fencing)	CE			In process
23 March 2023	3.3	Prepare public engagement document for the Annual Plan budget	CE			In process

2. Democracy

2.2 CEO Report

Date of meeting	27 April 2023
Agenda item number	2.3
Author/s	Owen Pickles, Chief Executive

Purpose

This report is to provide an update on activities the Chief Executive has been involved with since the last Council meeting.

Recommendations

THAT the Chatham Islands Council receives the report.

Meetings

Name	Organisation	Topic	Date
Brendan Mc Innes Craig Cottrill	St John FENZ	New yard discussions	15 March
Julian Tan Debbie Bradfield	Director Audit NZ Manager Audit NZ	Audit matters	16 March
Kirsten Norquay	Stantec	3 waters reforms	16 March
Colin Crampton Ian McSherry	Entity C CEO National Transition unit	3 Waters reforms	17 March/19 March
Philip Jones	PARC Chairman	Audit matters	20 March
Andy Boakes	Beca Engineer	Airport exit meeting	20 March
Tiriana Smith	CI DOC Manager	Predator Free continuance	20 March
Roanna Grover Jodie Cayford	DIA	CIC funding and other matters	21 March
Julian Tan	Audit Director	Audit matters	22 March
Hon Kieran McAnulty	Minister of Local Government	3 Waters reforms Minister for Chatham Islands	22 March
Jackie Gurden	Tourism Chatham Islands	Island projects	23 March
Ben Clarke Eamon Coulter	Public Service leads	Chatham Islands projects	23 March
Colin Crampton	Entity C CEO	3 Waters	23 March
Toby Kemp	Port Manager	Catch up	24 March

Paul Eagle and Brian Dawson	MP	Catch up	24 March
Julian Brown	Kauri Advisors	Introduction/Iwi Housing Projects	27 March
Lisa Ratima-Livesley	Cancer Society	Chatham Islands support	28 March
Rata Foundation		Chatham Islands funding support	30 March
Ian Martin Kirsten Norquay	3 waters transition unit	Capital projects 30 year forecast	30 March
Paul Eagle/ Brian Dawson		Weekly Catch up	31 March
David Johnson	Massy University	Sea level rise potential project	03 April
Craig Emeny and Author	Air Chathams	Book research	03 April
Stephen Walker Julian Tan	Audit NZ	Annual report/ Audit	03 April
Philip Jones	PARC Chair	Audit matters	03 April
Leith Weitzel	Builder	Hall report briefing	04 April
Tanya Clifford	Accountant	Audit Progress	06 April
E.Can Steering Group			11 April
Hon Kieran McAnulty	Minister of Local Government	3 waters reset	13 April
Paul Eagle/Brian Dawson		Weekly catch up	14 April
Cornellia Vervoorn Nathan McNally	DOC Predator Free 2050 Ltd	Predator Free update	17 April
LGNZ Zone 5 & 6	Queenstown		19-20 April

Audit

Under the direction of Julian Tan, the audits of 20/21 and 21/22 years commenced on 7th February with the intention of having final audited reports available for adoption on 27th April.

We have found the audit to be very time demanding which can be detrimental to business as usual

3 Waters Better Off Funding Tranche One - \$2,200,000

Contractual arrangements for this fund are now finalized with the first deposit payment of \$220,000 having been released for payment. It was received in February

All projects are progressing well with Kaingaroa Wharf make safe, and the Waste Management projects nearing completion. Work on the community houses is well advanced. The claims portal opened on 11 April

Petrol

A local business is progressing towards the establishment of a petrol service.

2. Democracy

2.3 Leave of Absence – Cr G Horler

Date of meeting	27 April 2023
Agenda item number	2.3
Author/s	Chief Executive, Owen Pickles

Purpose

For the Council to consider a request for a Leave of Absence from Cr G Horler.

Recommendations

1. **THAT the request for a Leave of Absence from Cr Greg Horler be approved.**

Background

Attached to this report is a request for a Leave of Absence from Cr Greg Horler from 1 May 2023 to 31 August 2023.

To The Mayor

Chatham Islands Council .

I am writing to inform you of my intention to travel overseas and I wish to apply for a leave of absence from the 1st may 2023 until the 31st August 2023.

Regards

Greg Horler

(Councillor Chatham Islands Council)

3. Finance

3.1 Financial Report to March 2023

Date of meeting	27 April 2023
Agenda item number	3.1
Author/s	Tanya Clifford, Environment Canterbury

Purpose

To present to Council the financial report to March 2023.

Recommendations

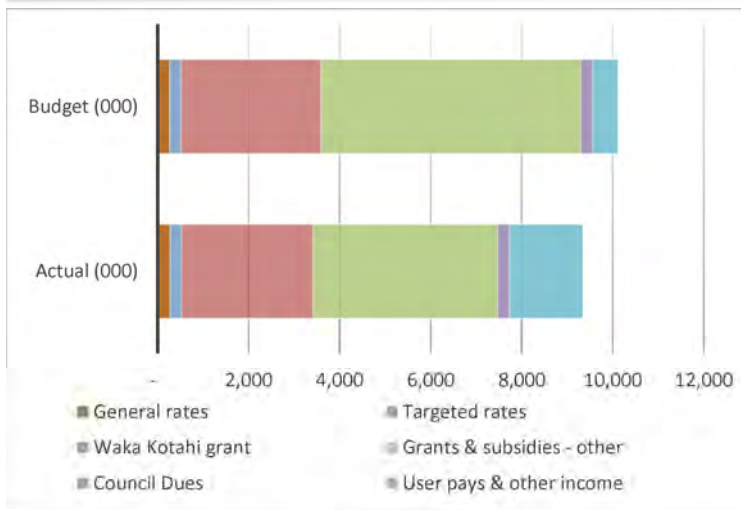
THAT the Financial Report to March 2023 be received.

Graphical Financial Information



as at 31 March 2023

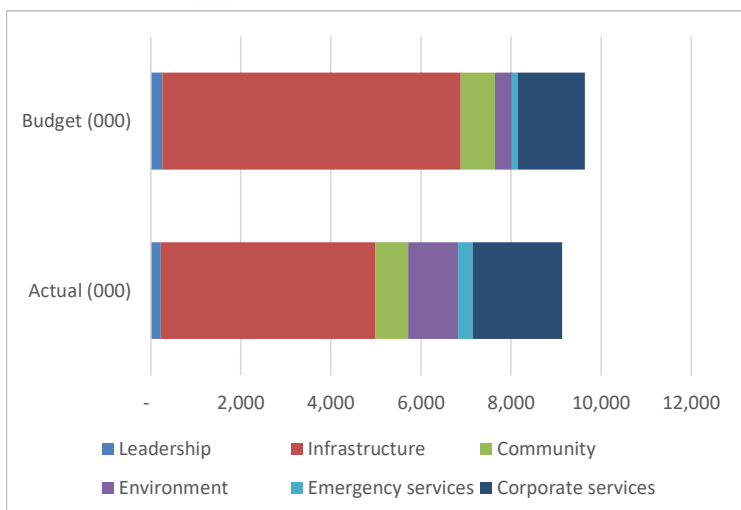
Revenue



No significant items of concern related to revenue items. However, it is worth noting:

- * Waka Kotahi, NZTA subsidy is driven by actual expenditure on roading works. The grant includes capital and operating expenditure.
- * Council has received a number of unbudgeted grants, primarily from civil defence (for water tanks) and related to the three waters project.
- * Other income has also increased from the Council taking over petrol operations on the island.

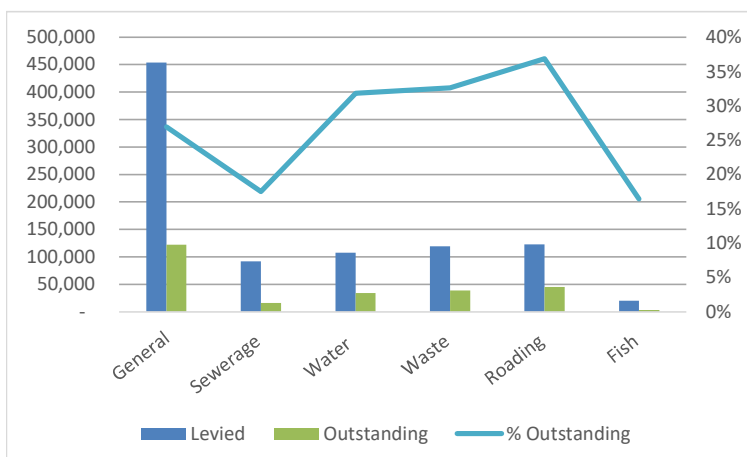
Operating & Capital Expenditure



No significant items of variance related to expenditure.

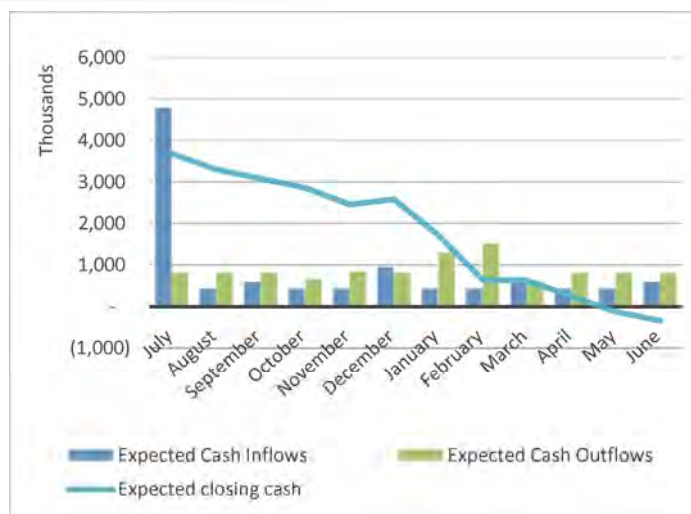
- * Waka Kotahi/NZTA funded roading projects are slightly behind budget due to issues sourcing material and other operational delays, as this is the first year of a three year funding cycle, any unspent funds will be transferred to the 2023 financial year.
- * Community expenditure includes costs related to the purchase and supply of petrol to the island. Minor variances due to allocation changes between groups of activities, for more information refer to the more detailed report.

Revenue rates collectability

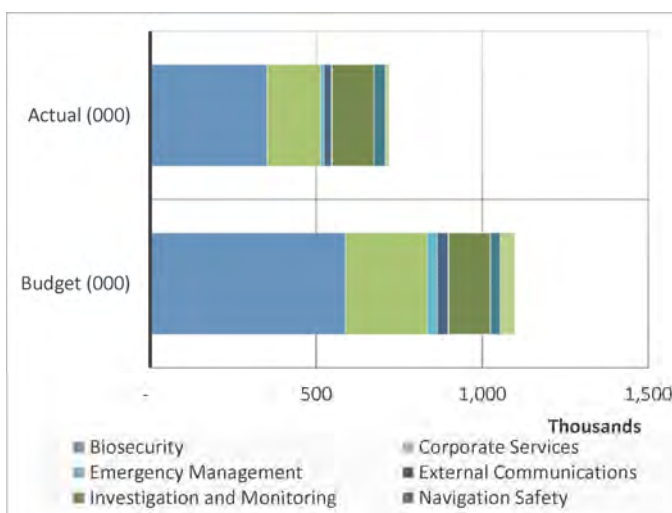


The third rate instalment was due on 15 February. This is the second year where Council will have four rate instalments during the year. The last rate instalment is due on 15 June. The graph indicates for the total rates levied for the year, 33% of rates remain outstanding. If the remaining instalment is excluded, the outstanding balance would be approximately 9%. A significant portion of the outstanding balance relates to rates that were due in prior to 1 July 2022. A focus on collecting long outstanding rate balances is recommended to ensure the outstanding balance remains reasonable and collectable by year end.

Cashflow Forecast

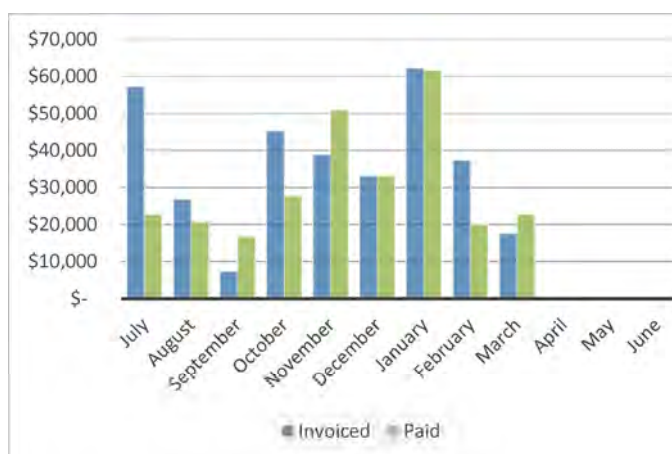


ECan Operational Expenditure



Actual expenditure reflects year to date spend, compared with the budgeted contract value. Biosecurity expenditure is lower than budget, with a deferment to the helicopter programme due to cost constraints. ECan continues to operate within the overall budgetary constraints of the contract. Budget is likely to be fully allocated by year-end.

Revenue Council dues collectability



Note: The current outstanding Council Dues balance for March is \$49k (including rolled forward balance from 2022). Current trends are reflective of steady repayments being made. However, amounts have historically not always been repaid within a month of invoicing. Delays in collecting Council Dues, increases the risk of funds not being collected.

Statement of Comprehensive Revenue and Expense

as at 31 March 2023



	Actual (000) \$000	Budget (000) \$000	Variance	Note Ref
Revenue				
General rates	273	260	13	1
Targeted rates	253	255	(2)	1
Grants & subsidies - Waka Kotahi NZTA	2,884	3,074	(190)	2
Grants & subsidies - other	4,062	5,709	(1,647)	2
Council Dues	257	252	5	
User pays, fees & charges and other income	1,611	559	1,052	2
Total revenue	9,340	10,109	(769)	
Expenditure				
Leadership and community partnerships	226	254	(28)	
Transportation, roading and coastal networks	1,338	3,297	(1,959)	3
Three waters - water	244	484	(240)	3
Three waters - wastewater & stormwater	108	113	(4)	3
Waste management and minimisation	690	425	266	3
Environmental management, protection and monitoring	721	761	(40)	
Community services	1,109	374	736	4
Emergency management	330	134	195	5
Corporate services	1,731	1,496	236	5
Total expenditure by activity	6,497	7,337	(839)	
Total surplus/(loss)	2,843	2,773	70	

Variance explanations:

- 1 Rates are invoiced based on the Council approved rates strike. A minor difference has occurred, with revision to targeted rates and in year penalty payments.
- 2 Roading subsidy based on 88% of actual expenditure (operational and capital). Historically, roading projects are slow to start in the first year of a funding round. The negative variance in revenue is matched against the negative variance with roading capital and operational expenditure. For the remaining grants and other income, Council has received an unbudgeted civil defence grant of \$537k for water tanks and is expecting to receive other funds related to the three waters project. The User pays, fees & charges and other income variance has increased with Council taking on the supply of petrol on the island (also contra increase in community services expenditure - below).
- 3 Infrastructure projects - primarily relate to the Stantec/Fulton Hogan roading, water, wastewater and waste management contracts. Three waters work has accelerated, with the budget reflecting higher levels of grant funding and expenditure related to this programme, expenditure in 2023 has focused on providing information as part of the 'request for information' packages as opposed to actual 'maintenance' work being completed. The budget for waste management may not have incorporated the full value of the contract for service. No other significant areas of variance to note, with contract for services operating within agreed deliverables.
- 4 Community service expenditure primarily relates to the Council now supplying petrol for the island (further review to come at a later date). The budget incorrectly included grant and expenditure related to the museum, now constructed - this has been removed from both revenue and expenditure; Council to follow up any excess expenditure on the museum building from the 2022 financial year.
- 5 No notable areas of variance - significant movements relate primarily to the approach of allocating the ECan contract in budget and actuals. Otherwise, only notable area of increase to budget is with insurance payments within Corporate services.

Note depreciation expense (actual and budget) not included

Capital expenditure summary	Actual \$000	Budget \$000	Variance	Note Refere
Sources of capital funding				
Subsidies and grants for capital expenditure	1,844	2,100	(256)	a
Total sources of capital funding	1,844	2,100	(256)	
Application of capital funding				
Roading works	2,096	2,308	(212)	a
Three waters - water*	-	3,450	(3,450)	
Three waters - wastewater & stormwater*	-	1,125	(1,125)	
Waste management and minimisation*	292	1,409	(1,117)	
Other	251	-	251	
Total application of capital funding	2,638	8,292	(5,654)	
Movement in reserves	(794)	(6,192)	5,398	

* Desired projects in the 2022/23 budget, removed due to lack of funding support

Variance explanations:

- a** Capital expenditure not included in budget, therefore The grant figure primarily relates to the Waka Kotahi budget, which is reflective of 88% of actual costs incurred. Actual expenditure behind expected budgeted levels, with work subject to timing fluctuations.

Note, budget figures are allocated on an equal monthly apportionment

3. Finance

3.2 Annual Report 2021 & 2022

Date of meeting	27 April 2023
Agenda item number	3.2
Author/s	Tanya Clifford, ECan

Purpose

To present Council with its Annual Report for the year ended 30 June 2021 and 30 June 2022, with a recommendation that they both be adopted.

Recommendations

That the Council for the 2020/21 Annual report and summary:

1. **Receives the draft Annual Report and Annual Report summary for 2020/21**
2. **receives the Audit New Zealand Audit opinion for the 2020/21 financial year**
3. **Adopts the Audited Annual Report and Annual Report summary for 2020/21**
4. **Approve the publication of the Annual Report and Annual Report summary for 2020/21 (both in print and online)**
5. **Delegate to the Chief Executive to approve minor editorial changes**

That the Council for the 2021/22 Annual report and summary:

6. **Receives the draft Annual Report and Annual Report summary for 2021/22**
7. **receives the Audit New Zealand Audit opinion for the 2020/21 financial year**
8. **Adopts the Audited Annual Report and Annual Report summary for 2021/22**
9. **Approve the publication of the Annual Report and Annual Report summary for 2021/22 (both in print and online)**
10. **Delegate to the Chief Executive to approve minor editorial changes**

Background information

The Council is required by the Local Government Act 2002 to prepare and adopt an Annual Report. This report must include a number of mandatory disclosures (including compliance with the financial reporting standards) and be adopted usually by 31 October in that year – for the 2021 and 2022 financial years, this was extended to 31 December due to COVID-19 disruptions.

Unfortunately, due to shortages in auditor availability affected the capacity of Audit New Zealand to complete a review and therefore, the Annual Reports were unable to be audited within these reporting deadlines. An impact of not meeting the reporting deadline, is this non-compliance needs to be disclosed in the Annual Reports and it may be reported as part of the Office of the Auditor-General non-compliant councils.

Discussion

The purpose of the Annual Report is to:

- compare the actual activities and the actual performance of the local authority in the year with the intended activities and the intended level of performance as set out in respect of the year in the long-term plan and the annual plan; and

- promote the local authority's accountability to the community for the decisions made throughout the year by the local authority.

A copy of the draft Annual Report for the years ended 30 June 2021 and 2022 (and summaries), both proposed for adoption are attached. The Annual Report outlines the achievements of Council and the financial and non-financial performance against the comparative years of the Council's Long Term Plan.

The Annual Reports have been reviewed by Audit New Zealand, who are expected to issue an unmodified audit opinion as to the fair presentation in all material respects of matters presented and disclosed in the Annual Report. The audit report will include an emphasis of matter paragraph on the Three Waters reforms and late adoption of the Annual Reports. The purpose of an emphasis of matter paragraph is to draw the reader's attention to this matter and be mindful of it when reading the Annual Report.

Attachments

1. 2020/21 Chatham Islands Council Annual Report
2. 2020/21 Chatham Islands Council Annual Report - summary
3. 2021/22 Chatham Islands Council Annual Report
4. 2021/22 Chatham Islands Council Annual Report - summary



Chatham Islands Council

Annual Report 2020/21

Our people, our Islands, our future



chatham islands council

Profile of the Chatham Islands

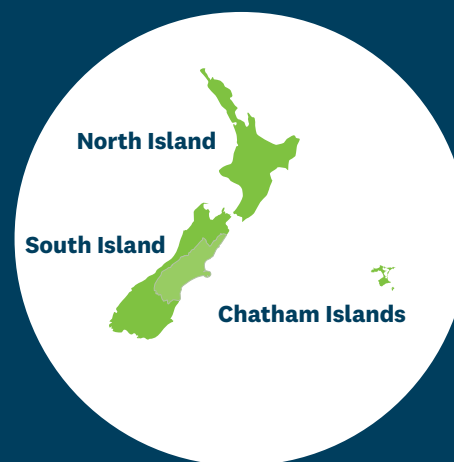
The Chatham Islands and its people are a unique community, isolated by 800 kilometres of ocean from mainland New Zealand.

The Chatham Islands consist of two main inhabited islands, Chatham Island and Pitt Island. Pitt Island lies 23km south east of Chatham Island and both islands are surrounded by a number of smaller islands, all within a radius of approximately 50km. The main island, Chatham, has an area of 90,000 hectares. Pitt Island has an area of 6,300 hectares.

The Islands were formed by a volcanic up-thrust and the land surface is predominantly flat with a number of peaks, the largest peak rising to 188 metres. A significant landmark of Chatham Island is 'Te Whanga' which is a large lagoon that covers approximately 20,000 hectares or about one-fifth of the Island. There are five settlement areas on the main Island – Waitangi, Te One, Owenga, Port Hutt and Kaingaroa.

The 'livelihood' for the majority of Islanders is dependent on fishing and farming. Their continued welfare and the Islands' viability are linked with the sustainable management of the natural and physical resource base.

Chatham Islands Council is the smallest local authority in New Zealand. It has both district and regional council responsibilities.



The Islands at a glance

Usually 660 people live in the Chatham Islands.

Its population is the smallest in size out of the 78 Councils in New Zealand.

In total, 57% of households have access to the Internet, compared with 79% of households throughout New Zealand.

In the Chatham Islands, 5% of households have access to a cellphone, compared with 85% for New Zealand. This is because there is no cell phone coverage on the Chatham Islands.

Among households in private occupied dwellings, 38% own the dwelling, with or without a mortgage; the equivalent figure is 44% for New Zealand as a whole.

The unemployment rate in Chatham Islands territory is 1.6% for people aged 15 years and over, compared with 4.0% for all of New Zealand.

Source: Statistics New Zealand 2018 Census Data

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The Council's vision

The Council is working towards creating a resilient and sustainable community that embraces diversity and builds growth for our people, our Islands and our future.

These are the Council's priorities for ensuring that:

- We lead with integrity and respect.
- We work collectively for the greater good of the community to achieve community aspirations.
- We strive towards a sustainable future and actively pursue opportunities that can enhance the wellbeing and prosperity of our community.
- We are accountable to our community and transparent in our decision-making.

Mayor and Chief Executive's report

Kioranga, kia ora, greetings,

It is with pleasure that we present the 2020/21 Annual Report for the Chatham Islands Council, thank you for taking the time to read it. The audit of this Annual Report was initially delayed because of an auditor shortage in New Zealand. The audit has now been completed. Your interest in the position of the Chatham Islands means a lot to us.

Once again, the Chatham Islands Council has done its best to provide a great service to its community in the face of many challenges. We are grateful that we have all worked together in the Islands amidst a global pandemic to keep our population safe. Alongside the challenges that COVID-19 presented, a lack of funding continues to be an ongoing barrier to offering comparable experiences to that of mainland New Zealand.

As always, our Council relies heavily on funding from central government to operate, as we do not have the population to fund our work through rates. We are careful to not unfairly burden our ratepayers, but in doing so, our funding situation remains unpredictable and may delay desired projects, including infrastructural upgrades.

As such, the work we have been able to achieve, and have not been able to achieve, over the last year, is largely due to external constraints and limited funds. It is important to us that our roading, water and wastewater networks and other facilities are fit for purpose, and that we can afford to pay for them, so we have continued to lobby government for further funding to enable us to meet our goals.

We acknowledge the frustration at not being able to work in a way that is fully reflective of our community's voiced desires. Included in this is the delay in upgrading our Three Waters infrastructure, and extending our waste management and minimisation facilities.

Despite the challenges we've faced, we are proud of what we have achieved. The Chatham Islands Council is pleased to have a continuing strong standard of navigational safety, especially given the importance of maritime activities to the Islands.

Additionally, we're pleased that the results of our annual residents and ratepayers survey shows our residents feel confident in their preparedness in case of an emergency. Having robust plans and procedures in place to deal with disaster is important to us, and we're glad that is reflected in how the residents feel.

A key focus for Council has been engaging with the community, both through receiving submissions on our Long-Term Plan, and our annual residents and ratepayers survey. The more we listen to and understand our community, the better we can work together, and we aim to further develop our engagement and implement more opportunities for residents to be better informed and to have a say.

We have continued to build relationships with our regional partners including the Chatham Islands Enterprise Trust, Hokotehi Moriori Trust, Ngati Mutunga o Wharekaui Iwi Trust and other central government agencies.

This year has seen a lot of hard work go into delivering the Long-Term Plan 2021-31, as well as other important strategic documents including the Regional Land Transport Programme 2021-31, Pest Management Strategy, and the Navigational Safety Bylaws. Thanks to all involved for their mahi on these important documents.

The year to come will bring further changes and uncertainties as central government introduces new reforms, including a review of the Resource Management Act 1991, and Local Government 2002, as well as changes in the water space, with the Three Waters reforms and the Essential Freshwater package. We will continue to do our best to navigate these changes, effectively communicate impacts and bring positive outcomes for our community.

Finally, a heart-felt thank you to all the members of Council, staff, and external supporters who have worked hard over the last year to serve the community. We greatly appreciate the dedication and support of all those who work for and with the Council, including the various Government agencies for their ongoing financial assistance.



Monique Croon
Mayor



Owen Pickles MNZM JP
Chief Executive

Introduction

Our 2020/21 Annual Report is an account of Chatham Islands Council's financial and service performance in the year from 1 July 2020 to 30 June 2021. The Annual Report outlines what we committed to achieving in the 2018-28 Long-Term Plan for the year and describes how we delivered it.

The report can be divided into four sections:

1. The overview, including a summary of our strategic approach, function and highlights of the year.
2. Financial statements, detailing the Council's position and performance in financial terms.
3. Service performance summaries, which detail the work completed in each major area of Council activities.
4. Financial accountability at an activity level is detailed in our funding impact statements in Appendix 1.

The Chatham Islands Council's key financial accountability documents are as follows:

The Long-Term Plan and Annual Plan

The Long-Term Plan and the Annual Plan are forward-looking documents, detailing how the Council plans to manage its finances and infrastructural programmes. They also cover what projects are to be undertaken or prioritised and how this is to be funded. These plans also document how the Council consults with its community including Moriori and Māori. It identifies the Council's plans for the medium and long-term, including coping with uncertainty and changing circumstances along with any assumptions they have made in creating the plan.

Annual Report

The Annual Report is a reflective document, detailing what was achieved compared with what was intended with the objectives set in the Long-Term Plan or Annual Plan. It is the Council's key financial accountability document. It also provides ratepayers and other interested parties with a report on how well the Council's assets are being looked after and how well the Council is performing as an organisation. The Annual Report informs readers about the Council's progress towards achieving its vision.

Moriori and Māori engagement

The Council has an obligation to take into account the principles of the Treaty of Waitangi/Te Tiriti o Waitangi – and to recognise and provide for the special relationship between and with Moriori, Māori, their culture, traditions, land and miheke or taonga.

The obligation to consult includes recognising those who hold t'chakat henu or mana whenua or ancestral rights of land ownership. Within the Chatham Islands, the Council recognises the t'chakat henu and Hokotehi Moriori Trust and Ngāti Mutunga o Wharekauri Iwi Trust as groups that represent mana whenua within the territory.

The Council recognises the obligation to actively promote Moriori and Māori participation in the decision-making process.

The key goals of the Council in progressing relationships with imi/iwi are:

- Working towards formalising working relationships.
- Building capacity to enhance participation in the decision-making process.
- Providing information to assist Moriori and Māori to effectively contribute to the decision-making process.
- Providing education and raising awareness among staff and elected members so that they can gain an appreciation of the Moriori and Māori values and traditions in relation to the Local Government Act 2002 and the Resource Management Act 1991.
- Consulting with Moriori and Māori on key decisions.

The Council also recognises an obligation to the Chatham Islands community under the Long-Term Plan 2018-28 in enhancing and acknowledging the importance of t'chakat henu/tangata whenua.



2020/21 in review

The 2020/21 financial year was one of change and uncertainty, not only for the Council, but around the world.

Sustainable water and wastewater

As a result of aging infrastructure, and partially due to legislative changes, Council's water and wastewater schemes all currently require significant upgrades. The purpose of the water upgrades is to address issues of non-compliance with minimum water standards, while responding to community concerns on the impacts of water quality on health and safety. Council has been working to secure funding from central government to support water scheme upgrades for Waitangi and Te One in particular, to remedy disparities in our current services.

Council has estimated the cost of providing these upgrades for the purposes of updating the Long-Term Plan 2021-31, with costs ultimately excluded due to funding for the projects being yet unsecured. Council received \$553 thousand from the Ministry of Health and the Department of Internal Affairs (as part of the Three Waters programme) allowing us to fund prioritised maintenance repairs.

If the Three Waters reforms proceed, it is likely four publicly-owned water services entities will be created, with the Chatham Islands Council encompassed in an entity including the Wellington, Hawkes Bay, Tasman, Nelson and Marlborough regions. These legislatively formed services entities will take over the responsibilities for the service delivery and infrastructure of our Three Waters assets. These responsibilities are likely to transfer from our Council from 1 July 2024, although the exact size, shape and design of these entities remains unclear.

Waste management strategy and progress

Managing our waste material effectively continues to be a focus for the Council as the Waste Management Strategy is substantially operative. Council remains focused on establishing greater efficiencies with the Waste Management Strategy, including contracting out these services.

The sanitary landfill is expected to become operative in the latter half of 2021. The sanitary landfill was constructed in 2014 as part of the strategy at a cost of just over \$1 million. The first cell is expected to last 7 to 10 years when the construction of a second cell will be required. This will require significant capital funding to make happen. The process will then be repeated every 7 to 10 years.

Council is exploring the viability of incineration as a waste disposal means. The original intentions were to export recyclable products. However, with there being no markets and shipping costs being high, incineration is looking to be a more financially attractive option.

Roading programme of works

Roading works have progressed in accordance with our asset management plan. Roothing is the Council's largest area of expenditure with an approved programme of approximately \$4 million annually. Roothing is supported by Waka Kotahi as part of the Land Transport Programme, with a financial assistance rate of 88%.

Council office

The Ngati Mutunga O Wharekauri Iwi Trust Asset Holding Company started construction on the new Council office and museum space in December 2020, with expectation that the building will be completed late in 2021. It is likely other Island entities will join in renting this space once completed. The Museum section of the building has been funded by grants from the Ministry of Arts, Culture and Heritage and New Zealand Lotteries Commission.

Predator free 2050

Council has been working with other Island stakeholders to establish a predator free 2050 programme, focusing on the eradication of possums, rats, and cats from the Island. Council has employed one staff member to coordinate this initiative. Additional funding as part of the COVID-19 stimulus package (Jobs for Nature) has been provided, with focus attributed to cat trapping works.

Community programmes

Funding has been provided allowing us to commence some exciting community projects:

- The Provincial Growth Fund supported the refurbishment of the Town Hall frontage and the Squash Court building on the Norman Kirk Memorial Reserve.
- Mayor's Task Force for Jobs provided funding to employ a coordinator, and to support a project which enabled Chatham Islanders to travel to New Zealand to take driver's licence testing.
- Funding from Ministry of Business, Innovation and Employment as part of a tourism infrastructure grant fund, has allowed for the purchase and installation of green waste toilets on the Island.
- Increased funding in the 2020/21 budget for Heartlands project has been particularly welcome given the COVID-19 response resulted in a large community demand for this service.



Statutory documents

Progress by Council on our key documents:

- Council's Resource Management Document was approved by Hon. Eugene Sage on 10 June 2020. The Government has proposed new changes to our Resource Management Document with the introduction of National Policy Statements. The full impact of these changes has not been assessed, but if compliance is required, it is likely additional costs will be incurred to meet requirements.
- The Long-Term Plan 2021-31 was audited and adopted within statutory timeframes, without qualification. Two particular matters were noted: uncertainty over the Three Waters reforms and Council's reliance on the Crown appropriation and other Government funding.
- Legislation has been passed to support Council's regional maritime safety activities. The Navigation Safety Bylaw document has since been reviewed and updated.

Other Island infrastructure

The Council has been working with other Island groups and Government to upgrade the airport runway, improve broadband and mobile telephone services and to find a sustainable and affordable source of electricity. These projects were supported with grants from the Government's Provincial Growth Fund.

Council is now the owner of the Kaingaroa wharf following a ceremonial handover from the Hokotehi Moriori Trust. A committee has been formed to evaluate engineering advice, with a view to forming an agreed preference to an affordable wharf structure on the Islands. Council will begin looking for funding opportunities to either repair or replace this facility with urgency as the Kaingaroa community is reliant on having a functioning wharf.

Improving Owenga wharf with a loading ramp was raised with Waka Kotahi NZ Transport Agency. A ramp is required to enable the loading of the barge that carries freight between Chatham and Pitt Islands. Funding was initially declined, and therefore Council is considering other funding opportunities.

Resilience and climate change

As a group of islands, we are increasingly vulnerable to the impacts of climate change. Any changes to the land or water level pose a threat to our way of life for current and future generations. Council is committed to taking a collaborative approach to addressing any identified local causes and impacts of climate change, which includes strategically varying our core Council infrastructure and internal policies to reduce or mitigate any greenhouse gas emissions. We are also working to protect and enhance our natural environment to ensure we meet our obligations. We take these steps to enable our community to remain buoyant in response to any climate changes.

Looking forward

Over the next ten years Council will endeavour to progress current projects that contribute to enhancing the wellbeing of the community and realising the community outcomes.

Key projects include:

- The completion of a water project that provides a sustainable and compliant water supply for Te One, Owenga, Kaingaroa and Waitangi.
- A new Emergency Management Operations Centre.
- An extension to the new Council office and museum facility, with a community complex.
- Roading projects.
- The implementation of the Islands' Housing Solutions project.

Overview of our financial performance

Our aim, as part of our financial strategy is to ensure Council can continue to provide effective services now and into the future by:

- Managing funds in a financially prudent manner with the aim of achieving a balanced budget each year, and ensuring projected operating revenues are at a level sufficient to meet that year's projected operating expenses.
- Advocating for sustainable and committed funding from the Government and to fully utilise available subsidies and, where possible, searching for alternative sources of funding through user pays or other partnerships.
- Ensuring rates and council dues are affordable by limiting rates increases to align with expected rates of inflation and not adjusting council dues charges.
- Maintaining current levels of service provided, with an expectation that service levels will only increase where external support is provided.
- Focusing on maintaining core services and infrastructure as cost-effectively and efficiently as possible, ensuring that funding efficiencies remain of paramount importance.
- Developing Council's capacity and capability to build, maintain and renew assets by limiting expenditure to where it is reasonable and economic to do so. Council interprets this as only progressing projects which are fully funded either by way of capital grant or where Council has an ability to borrow and repay debt. Such an approach may defer projects, which may result in a higher risk of asset failure and the asset deteriorating at a faster rate over time.

Our financial performance

This overview provides a summary of our results for the 2020/21 financial year. Further details are outlined later in our financial statements, supporting notes and our service performance summaries.

Our focus during the year has been on managing our finances prudently and operating within the confines of our financial assistance packages provided by the Crown and rates received from our community. This is also known as achieving a balanced budget. With a recognised net surplus of \$1.3 million, Council has achieved that balanced budget for the year.

The Council's financial result is also better than initially forecast in the 2020/21 Annual Plan, which estimated a surplus of \$0.5 million. This achievement is largely in part due to the advocacy work completed by the Council, which has resulted in an increase to the Crown's annual appropriation and several grants provided to the Council to enhance and support our community and environmental objectives.

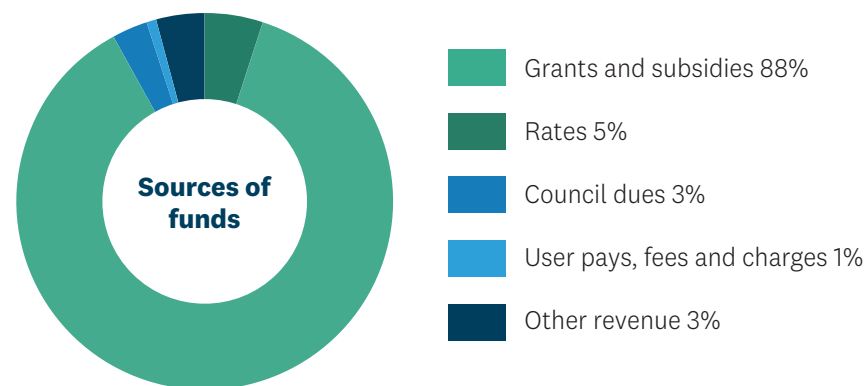
Our Council rates remain in line with inflationary movements and council due charges remain unchanged for the year. Council remains committed to ensuring rates paid by our community remain affordable and comparable with other similar Councils.

The Council ended the year with an improved cash position, moving from an overdraft of \$0.4 million in 2019/20, to an overdraft of \$0.3 million, which was consistent with the closing cash position expected in the 2020/21 Annual Plan. This has been achieved, due to Council's prudent approach to cash management.

Our sources of funds

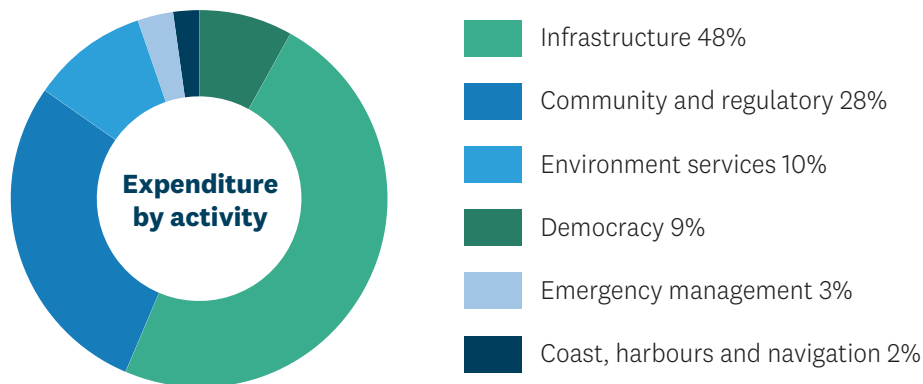
Council receives income from a range of sources but is primarily reliant on central government grants to remain operational. The budget assumed funding would be provided during the year to support on-Island projects, including infrastructural development integral to improving facilities for our community.

A summary of our funding sources for the year is detailed in the graph below:



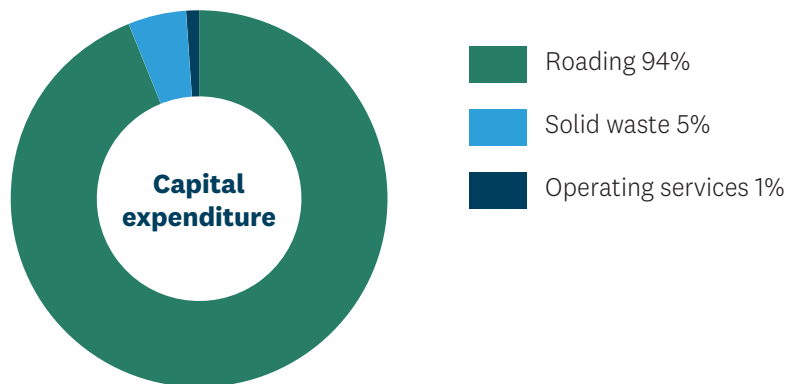
Our allocation of funds

Operating expenditure by activity is summarised in the graph below; the largest portion of expenditure relates to on-island infrastructure works, particularly the roading network.



Our capital expenditure

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.



Our assets and capital works programme

Council holds long-term assets of \$84.6 million, including operational and infrastructure assets. When investing in infrastructure, we consider affordability to the Council and ratepayers, electing to defer capital works until funding can be secured. This means our financial position remains healthy and debt low. However, the cost to the community is that critical work where funding cannot be secured, such as with our water and

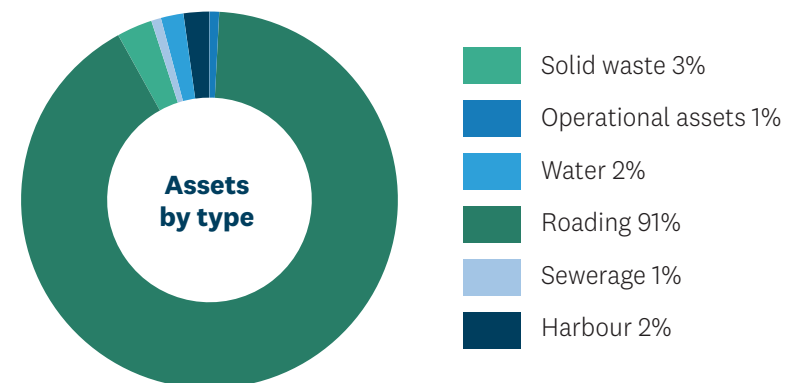
wastewater infrastructure is often delayed, with levels of service experienced by our community being below expectation.

Our 2018-28 Long-Term Plan highlighted \$1.2 million in critical repairs required to our assets over the 10-year period of the plan. The level of assessed critical repairs assumed a proposed \$3 million upgrade to the Waitangi water treatment plant would be completed. With no external funding commitment, Council was unable to invest in these improvements, resulting in the upgrade at Waitangi being further deferred. Consequently, the assessed critical repairs to our infrastructure are likely to be higher with additional expenditure in other areas being required to retain a status quo level of service.

The assessed level of investment excluded potential ramifications arising from the Havelock North gastroenteritis outbreak of 2016, resulting in a higher level of compliance being set, with the Three Waters reforms. This has resulted in additional costs to meet statutory compliance levels, which will require additional support from central government for Council to meet.

With the Council unable to invest in infrastructure outside of roading works, asset quality is likely to deteriorate over time. In addition, this reduces the quality of service that we can offer to our residents and increases the risk of asset failure. Our last infrastructural asset revaluation in 2018 identified several water and wastewater assets with an assessed life expectancy of one year. Due to lack of funds, Council has been unable to repair or replace these assets in the year, and therefore the risk of these assets failing is assessed as high. Council continues to work with central government agencies to secure funding to address these concerns, reflecting budgeted minimal requirements.

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.



Independent Auditor's report



Independent Auditor's report

Financial statements

Statement of compliance and responsibility

Compliance

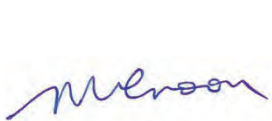
Councillors and management of Chatham Islands Council confirm the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with during the year, with the following exception:

- Under section 98(7) of the Local Government Act 2002, Council is required to complete and adopt its Annual Report prior to 31 December 2021. The accounts were unable to be audited prior to this date due to COVID-19 restrictions causing an auditor shortage

Responsibility

Councillors and management of Chatham Islands Council accept responsibility for the preparation of the annual financial statements and the judgements used in them. They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and service performance reporting.

In the opinion of the Councillors and management of Chatham Islands Council, the financial statements fairly reflect the financial position of the Council as at 30 June 2021, and the results of its operations, cash flows and the service performance achievements for the year ended on that date.



Monique Croon
Mayor



Owen Pickles MNZM JP
Chief Executive

XX April 2023

Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2021

	Note	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Revenue				
Rates	2	625	577	592
Grants & subsidies	2,18	10,626	7,412	7,133
Council dues		307	265	268
User pays, fees and charges		114	143	110
Interest		28	60	55
Other revenue		431	229	116
Share of surplus of associate		118	-	67
Total revenue	1	12,249	8,686	8,341
Expenditure				
Depreciation and amortisation	8	2,587	2,292	2,353
Personnel costs	3	1,037	1,054	973
Financial costs		11	24	7
Other expenditure	4	7,296	4,799	4,738
Total expenditure	1	10,931	8,169	8,071
Total surplus/deficit		1,318	517	270
Comprehensive revenue and expense				
Increase/(decrease) in revaluation reserve	8, 13	-	-	-
Total other comprehensive revenue and expense		-	-	
Total comprehensive revenue and expense		1,318	517	270

Statement of changes in equity for the year ended 30 June 2021

	Note	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Equity at the start of the year		82,398	84,683	82,128
Total comprehensive revenue and expense		1,318	517	270
Equity at the end of the year	13	83,716	85,200	82,398

Statement of financial position as at 30 June 2021

	Note	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Current assets				
Cash & cash equivalents	5	27	-	32
Cash funds held in trust	5	4	36	19
Cash investments	6	178	284	1,472
Current trade and other receivables	7, 18	1,563	745	967
Total current assets		1,772	1,065	2,490
Non-current assets				
Non-current trade and other receivables	7	-	-	-
Investment in associate		184	-	67
Property, plant and equipment	8, 18	84,482	86,926	83,991
Total non-current assets		84,666	86,926	84,058
Total assets		86,437	87,991	86,548

These statements should be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.



Statement of financial position as at 30 June 2021 (continued)

	Note	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Current liabilities				
Bank overdraft	5	292	575	442
Trade and other payables	9, 18	2,108	1,843	3,331
Personnel cost liabilities	10	112	88	111
Current portion of provisions	12	25	25	45
Current portion of borrowings	11	28	260	39
Total current liabilities		2,565	2,791	3,968
Non-current liabilities				
Non-current portion of borrowings	11	156	-	182
Total non-current liabilities		156	-	182
Total liabilities		2,721	2,791	4,150
Net assets		83,716	85,200	82,398
Public equity				
Accumulated funds and reserves	13	83,716	85,200	82,398
Total public equity		83,716	85,200	82,398

Statement of cash flows for the year ended 30 June 2021

	Note	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Cash flow from operating activities				
Receipts from rates revenue		585	568	626
Receipts from grants and subsidies		10,730	7,393	6,826
Receipts from Council dues		292	263	322
Interest received		28	64	55
Receipts from other revenue		(100)	365	277
Payments made to employees		(1,035)	(1,016)	(950)
Interest paid		(11)	(24)	(7)
Other payments to suppliers		(8,334)	(4,805)	(4,515)
Net cash flow from operating activities		2,155	2,807	2,634
Cash flow from investing activities				
Purchase of fixed assets		(3,282)	(2,538)	(2,806)
Sale/(purchase) of other assets		1,294	-	(33)
Net cash flow from investing activities		(1,988)	(2,538)	(2,839)
Cash flow from financial activities				
Loans raised		-	-	-
Repayment of loans		-37	(62)	(39)
Net cash flow from financial activities		-37	(62)	(39)
Increase/(decrease) in cash held		130	207	(244)
Opening cash balance		(391)	(462)	(147)
Closing cash balance	5	-261	(255)	(391)

Goods and Services Tax: The GST component of operating activities reflects the net GST paid to and received from Inland Revenue. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information.

These statements should be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

Financial statements

Statement of accounting policies

For the year ended 30 June 2021

Reporting entity

Chatham Islands Council is a Unitary Local Authority under the Chatham Islands Council Act 1995 and the Local Government Act 2002 and is domiciled and operates in New Zealand. Chatham Islands Council has designated itself as a public benefit entity for financial reporting purposes. The primary objective of the Council is to provide goods and services for community or social benefit rather than to make a financial return. The financial statements of Chatham Islands Council are for the year ended 30 June 2021. The financial statements were authorised by Council for issue on 27 April 2023.

Basis of preparation

The financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which requires information to be prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). This includes preparing the accounts on a going concern basis. Refer to note 17 in the financial statements for further details on our going concern assumption.

The Local Government Act 2002 also requires Council to complete and adopt its Annual Report prior to 31 December 2021. Council was unable to comply with this requirement for the year ended 30 June 2021 due to COVID-19 restrictions causing an auditor shortage.

Changes in accounting policies

Standards and amendments issued but not yet effective where Council has elected not to early adopt include: *PBE IPSAS 41 Financial Instruments*, which supersedes *PBE IPSAS 9 Financial Instruments* and *PBE IPSAS 29 Financial Instruments*. The new standard is effective for annual periods beginning on or after 1 January 2022. The Council has elected to not early adopt this standard, there is expected to be no significant change from applying the new standard.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand (\$000). The functional currency of Chatham Islands Council is New Zealand dollars.

Critical financial assumptions, judgements and estimations

The financial statements require management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. These estimates and the associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and, if applicable, future periods if the revision affects both current and future periods.

Budget figures

The budget figures in the financial statements are those approved by Chatham Islands Council as part of the annual planning process. The Council has approved no additional expenditure outside the planning process.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of these financial statements.

The following accounting policies, which materially affect the measurement of results and financial position, have been applied.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. The recognition criteria for specific revenue items are described below:

- Rates revenue is recognised when it is levied. General rates and targeted rates are non-exchange transactions.
- The Waka Kotahi NZ Transport Agency roading subsidies are recognised when the conditions pertaining to eligible expenditure have been fulfilled. These subsidies and grants are non-exchange transactions.
- Government assistance and grants are recognised when eligibility is established. Grants are non-exchange transactions.
- Other grants and bequests are recognised when control over the asset is obtained. Grants are non-exchange transactions.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Chatham Islands Council does not have any finance leases.

Taxation

Chatham Islands Council is a public authority and consequently is exempt from the payment of income tax, except for income derived from Council Controlled Organisations.

Goods and services tax

All amounts in the financial statements are exclusive of GST, except for debtors and creditors, which are shown inclusive of GST. The net amount of GST recoverable from or payable to the IRD is included as part of receivables or payables in the Statement of Financial Position.

The net amount of GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.



Trade and other receivables

Trade and other receivables are measured at cost, less any provision for impairment.

A provision for impairment is established when there is evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the amounts expected to be collected.

Other financial assets

Financial assets are initially recognised at fair value through surplus or deficit plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Cash investments include investments in bank with maturities exceeding three months. They are initially measured at the amount invested, adjusted for interest received.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Investment in an associate

Associates are entities over which the Council has significant influence but not control. Investments in associates are accounted for using the equity method. The Council has a 25% interest in the Chatham Islands Housing Partnership Trust. The purpose of the Charitable Trust is to relieve hardship caused through isolation and reduced access to housing.

The reporting date of the Chatham Islands Housing Partnership Trust is 31 March. There are no significant restrictions on the ability of the associate to transfer funds to the Council in the form of cash dividend or similar distributions, or to repay loans or advances.

The Council's share of an associate's profits or losses is recognised in the surplus or deficit.

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Property, plant and equipment

The initial or subsequent cost of an item of property, plant and equipment is recognised as an asset where it is probable that future economic benefits or service potential will flow to the Council. Costs that do not meet these criteria are expensed. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially recognised at fair value.

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

Asset classes that are revalued are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. The valuation cycle for revalued asset classes is normally five years. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation, this balance is expensed in the statement of comprehensive revenue and expense.

The Council has the following classes of assets:

Operational assets

Land and buildings were valued at deemed cost by way of Government Valuation, as at 1 July 1989. Subsequent additions are valued at cost. All other operational assets are valued at cost less accumulated depreciation.

Infrastructure assets

Roading: Roothing assets (excluding land under roads) were revalued by Stantec Ltd (Registered Engineers) at depreciated replacement cost, as at 30 June 2018. Subsequent additions are included at cost. Land under roads is recorded at cost and is not depreciated.

Storm water and sewerage reticulation: The reticulation systems were valued by Stantec Ltd (Registered Engineers) as at 30 June 2018. The valuation provided is depreciated replacement cost. Subsequent additions are included at cost.

Solid waste: Solid waste assets were valued by Stantec Ltd (Registered Engineers) as at 30 June 2018. The valuation provided is depreciated replacement cost. Subsequent additions are included at cost.

Water: The reticulation systems were valued by Stantec Ltd at depreciated replacement cost as at 30 June 2018. Subsequent additions are included at cost.

Harbour: Harbour assets were valued by Stantec Ltd at depreciated replacement cost as at 30 June 2018. Subsequent additions are included at cost.

Depreciation

Depreciation is provided on a straight-line basis on all assets. Rates are calculated to allocate the asset's cost or valuation less estimated residual value over their estimated useful life, as follows.

Asset	Years
Operational assets	
Vehicles	5-10 years
Furniture/fittings	5-10 years
Buildings	5-50 years
Office equipment	5 years
Parks and reserves	25 years
Asset	Years
Infrastructure assets	
Roothing	
Top surface (seal)	10 years
Pavement (base course) Sealed Unsealed	60 years Not depreciated
Pavement Unsealed (wearing course)	8 years
Sub-base and formation	Not depreciated
Culverts	70-75 years
Footpaths and kerbs	35 years
Signs	8 years
Retaining walls	60-120 years
Bridges	60-75 years

Asset	Years
Water reticulation	
Pipes, valves, hydrants	30-70 years
Pump stations	5-35 years
Tanks	33-50 years
Sewerage reticulation	
Pipes and other reticulation assets	25-80 years
Solid waste	
Landfill, transfer stations and other assets	5-35 years
Storm water system	
Pipes	40-60 years
Harbour	
Owenga wharf	50 years

Intangible assets

Intangible assets are primarily the costs associated with acquiring computer software, which is valued at cost less accumulated amortisation.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows.

Asset	Years
Computer software	5 years



Impairment of property, plant and equipment and intangible assets

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive revenue and expense.

Trade and other payables

Short-term payables are recorded at their face value.

Personnel cost liabilities

Provision has been made in respect of the Council's liabilities for annual leave, at balance date. This has been calculated on an actual entitlement basis. Chatham Islands Council does not recognise a liability for sick leave.

Provisions

Chatham Islands Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event; in such cases, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the future expected expenditure.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

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Public equity

Equity is the community's interest in Chatham Islands Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings.
- Restricted reserves.
- Asset revaluation reserves.

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Chatham Islands Council. Restricted reserves are those subject to specific conditions accepted as binding by Chatham Islands Council and that may not be revised by Chatham Islands Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Council Controlled Organisations

The Council has one Council Controlled Organisation, the Chatham Islands Mayoral Disaster Relief Fund Trust, as a body to receive grants to respond to emergency events on the Chatham Islands. For the year ended 30 June 2021, the entity was dormant and had no assets or liabilities, nor did the entity make any transactions during the year. Therefore, the parent and group accounts are the same. The Council has exempted this organisation from reporting under Section 7 of the Local Government Act 2002.

Notes to the financial statements

Note 1: Summary of revenue and expenditure by activity

The cost of service for each of the Council's activities has been derived by allocating revenue and expenditure items directly to each activity statement, where directly attributable. Other indirect items (overheads), are those that cannot be identified in an economically feasible manner to an activity. These items are allocated to each activity using cost drivers. This may result in disproportionate gains or losses at an activity level where revenue and expenditure categories are matched.

There has been no changes in the allocation methodology during the year.

	Actual 2020/21 \$000	Actual 2019/20 \$000
Revenue by activity		
Democracy	1,522	1,247
Infrastructure	5,006	4,374
Community and regulatory	4,495	1,752
Environment	454	278
Emergency services	340	349
Coast, harbours and navigation	432	341
Total revenue	12,249	8,341
Expenditure by activity		
Democracy	925	862
Infrastructure	5,290	4,650
Community and regulatory	3,086	921
Environment	1,051	960
Emergency services	311	452
Coast, harbours and navigation	268	227
Total expenditure	10,931	8,072
Net surplus/(deficit)	1,317	269



Note 2: Revenue

Rates is further broken down in the table below:

Rates revenue	Actual 2020/21 \$000	Actual 2019/20 \$000
General rates	311	305
Targeted rates		
Roading	58	56
Solid waste	71	70
Water	74	69
Sewerage	80	66
Total targeted rates	283	261
Rates penalties	32	26
Total rates revenue	626	592

Rating base information

The following rating base information is disclosed using rating base information at the end of 30 June 2020.

	30 June 2020
The number of rating units	674
The total land value of rating units	87,092,800
The total capital value of rating units	216,712,100

Grants and subsidies is further broken down in the table below:

Grants and subsidies	Actual 2020/21 \$000	Actual 2019/20 \$000
Department of Internal Affairs	4,096	3,206
Waka Kotahi NZ Transport Agency roading subsidy	3,853	3,829
Ministry of Culture & Heritage	969	-
New Zealand Lotteries Commission	1,000	-
Department of Conservation	98	-
Ministry of Business, Innovation & Employment	187	-
Ministry of Health	156	-
Other	266	97
Total grants & subsidies	10,626	7,132

For the Council, the principal grants and reimbursements are from the following sources:

- The Department of Internal Affairs provides an annual contribution to meet the Council's statutory obligations. The Crown's annual contribution is for \$3.2 million per annum, this level of financial support is committed for the foreseeable future. The Crown's contribution is enough to cover our operating requirements but does not cover depreciation of infrastructure assets; which means we are unable to effectively plan for or invest in infrastructural development. Council made an application for additional support for an investment programme and funding required for identified areas of financial shortfall. An additional \$570,000 was received to assist with financial viability in 2020/21.
- The Waka Kotahi NZ Transport Agency reimburses part of the Council's costs for maintaining the local roading infrastructure. The reimbursement from Waka Kotahi is for costs already incurred, with no unfulfilled conditions or other contingencies relating to the reimbursements. The current level of support provided by Waka Kotahi is at 88% of actual costs incurred. There is a shortfall of approximately \$500,000 per annum related to roading works and the Waka Kotahi subsidy received. Council currently fund the Waka Kotahi shortfall from reserves; which further draws on Council's cash liquidity.

Financial statements

Note 3: Expenditure – personnel costs

Key management personnel of the Council include the Mayor, Councillors and the Chief Executive. The assessed total full time equivalent of the key management personnel is assessed as 10 for the year ended 30 June 2021 (as at 30 June 2020, 10). Due to the difficulty in determining the full time equivalent figure for the Mayor and Councillors, the figure is based on head count.

Mayoral and Councillor remuneration

The following people held office as elected members of the Council's governing body, receiving the following levels of remuneration during the reporting period:

Name	Position	Actual 2020/21	Actual 2019/20
Monique Croon	Mayor	54,675	41,309
Alfred Preece	Mayor - until October	-	17,067
Gregory Horler	Deputy Mayor	23,236	15,041
Jeffery Clark	Deputy Mayor - until October	-	7,141
Keri Day	Councillor	17,393	16,276
Celine Gregory-Hunt	Councillor	17,393	10,919
Graeme Hoare	Councillor	17,393	10,919
Richard Joyce	Councillor	17,393	16,382
Oscar Nilsson	Councillor	17,393	10,919
Amanda Seymour	Councillor	17,393	10,919
Jason Seymour	Councillor	17,393	16,285
Eoin Chisholm	Councillor - until October	-	-
Nigel Ryan	Councillor - until October	-	5,460
Eva Tuck	Councillor - until October	-	5,463
Total Honoraria		199,663	184,101

The Remuneration Authority is responsible for setting the remuneration levels for elected members. The elected members receive an annual salary, as opposed to a combination of meeting fee payments and annual salary. Elected members receive no other non-monetary benefits. Furthermore, there have been no appointments of elected members to other boards, with the purpose of representing Council's interests. Related party transactions are disclosed as part of note 16.

Chief Executive remuneration

The total remuneration of the Chief Executive for the year ended 30 June 2021 was \$205,061 (as at 30 June 2020 \$196,003).

Severance payments

For the year ended 30 June 2021, the Council made no severance payments outside normal contractual terms (for the year ended 30 June 2020, \$nil)

Other employee numbers and remuneration bands:

As at 30 June 2021, the Council employed 12 full time and two full time equivalent employees (as at 30 June 2020, the comparative figures of employment were six full time and five full time equivalent employees). The table below identifies the number of people employed by the Council at the end of the financial year and identifies the breakdown of remuneration levels of employees into bands. Where a band contains less than five staff members, the band is combined with the next highest band.

Band	Actual 2020/21	Band	Actual 2019/20
< \$59,999	6	< \$59,999	6
\$60,000-\$99,999	4	\$60,000-\$99,999	7
\$100,000-\$219,999	5	\$100,000-\$219,999	2
Total	15	Total	15



Note 4: Expenditure – other significant items

Included within expenditure are the following notable items:

Other expenses	Actual 2020/21 \$000	Actual 2019/20 \$000
Audit fees - financial statement	80	76
Audit fees - other	52	-
Donations	132	135
Bad debts	-	-
Lease expense	43	43

Note 5: Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the statement of cash flows.

	Actual 2020/21 \$000	Actual 2019/20 \$000
Cash at bank and on hand	27	32
Funds held in trust	4	19
Bank overdraft	(292)	(442)
Total cash and cash equivalents	(261)	(391)

The funds in trust represent money transferred to the Council from the Chatham Islands Radio Society (now ceased). The Council utilises these funds to support television reception services and running a radio service for the Island.

The Council's 2020/21 Annual Plan forecasted a net closing cash overdraft (including investments and funds held in trust) of \$255,000. The Council's deteriorating cash position is primarily a result of Council electing to fund the difference between roading works and the Waka Kotahi NZ Transport Agency's 88% subsidy from cash reserves. The Council has an overdraft arrangement in place with its on-Island banking facility to cover the forecast overdraft, which includes the ability to provide adequate security against any required

short-term borrowing or increased overdraft limit.

Whilst additional funding support has been forthcoming in the 2020/21 financial year, Council remains reliant on external funding to meet operating requirements and the asset upgrade programme, therefore Council's operating cash facility is likely to remain in overdraft.

Note 6: Other financial assets

The Council's investment programme is limited to holding term deposits with the on-Island ANZ bank. Where the investment term exceeds three months, the investment is classified as a cash investment.

Note 7: Trade and other receivables

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms. Therefore the carrying value of debtors and other receivables approximates their fair value.

	Actual 2020/21 \$000	Actual 2019/20 \$000
Rates	122	82
Other debtors ¹	1,441	862
Warm Homes loans advanced current	-	23
Total current trade and other receivables	1,563	967
Warm Homes loans advanced non-current	-	-
Total non-current trade and other receivables	-	-
Consisting of:		
Receivables from non-exchange transactions ²	1,563	944
Receivables from exchange transactions ²	-	23

¹ Council has no impairment provision. The movement in the provision for the impairment of trade and other receivables for 2020/21 was nil (2019/20 nil).

² Non-exchange transactions includes outstanding amount for rates, grants, infringements, and fees and charges that are partly subsidised by rates. Exchange transactions includes outstanding amounts for commercial sales, and fees and charges that have not been subsidised by rates.

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Note 8: Property, plant and equipment

Movements for each class of property, plant and equipment are as follows.

Actual 2020/21	Opening cost/ revaluation \$000	Accumulated depreciation \$000	Carrying value at the start of the year \$000	Additions/ transfers \$000	Impairment/ disposals at cost \$000	Depreciation \$000	Revaluation \$000	Closing accumulated depreciation \$000	Carrying value at the end of year \$000
Operational assets									
Land	278	-	278	-	-	-	-	-	278
Buildings	1,451	(815)	636	36	-	-31	-	-846	641
Furniture and fittings	129	(118)	11	-	-	-2	-	-120	9
Plant and office equipment	268	(195)	73	8	-	-18	-	-213	63
Vehicles	314	(158)	156	-	-	-24	-	-182	132
Parks and reserves	99	(81)	18	-	-	-4	-	-85	14
Total operational assets	2,538	(1,367)	1,172	44	-	-79	-	-1,446	1,137
Infrastructural assets									
Roading	80,214	(3,841)	76,373	2,891	-	(2,219)	-	(6,060)	77,045
Solid waste	2,672	(239)	2,434	142	-	(141)	-	(380)	2,434
Stormwater	14	(11)	3	-	-	-	-	(11)	3
Sewerage	1,089	(121)	968	-	-	(58)	-	(179)	910
Water	1,723	(99)	1,624	-	-	(41)	-	(140)	1,583
Harbour	1,491	(73)	1,418	-	-	(48)	-	(121)	1,370
Total infrastructural assets	87,203	(4,384)	82,820	3,033	-	(2,508)	0	(6,891)	83,345
Work in progress	-	-	-	-	-	-	0	-	-
Property, plant and equipment	89,742	(5,750)	83,991	3,077	-	(2,587)	0	(8,337)	84,481

Core assets 2020/21

Included within the infrastructure assets are the following core Council assets.

Actual 2020/21	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Water				
Treatment plants and facilities	348	-	-	603
Other assets	1,235	-	-	1,697
Sewerage				
Treatment plants and facilities	409	-	-	1,175
Other assets	500	-	-	992

Actual 2020/21	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Stormwater				
Storm drainage	3	-	-	13
Roads and footpaths				
Roads and footpaths	77,046	2,892	-	100,963
TOTAL	79,541	2,892	-	107,997



Movements for each class of property, plant and equipment are as follows.

Actual 2019/20	Opening cost/ revaluation \$000	Accumulated depreciation \$000	Carrying value at the start of the year \$000	Additions/ transfers \$000	Impairment/ disposals at cost \$000	Depreciation \$000	Revaluation \$000	Closing accumulated depreciation \$000	Carrying value at the end of year \$000
Operational assets									
Land	278	-	278	-	-	-	-	-	278
Buildings	1,490	(783)	707	2	(41)	(32)	-	(815)	636
Furniture and fittings	129	(116)	13	-	-	(2)	-	(118)	11
Plant and office equipment	261	(177)	84	7	-	(18)	-	(195)	73
Vehicles	314	(131)	183	-	-	(27)	-	(158)	156
Parks and reserves	99	(77)	22	-	-	(4)	-	(81)	18
Total operational assets	2,571	(1,284)	1,287	8	(41)	(83)	-	(1,367)	1,172
Infrastructural assets									
Roading	77,329	(1,841)	75,488	2,885	-	(2,000)	-	(3,841)	76,373
Solid waste	2,652	(117)	2,535	20	-	(122)	-	(239)	2,434
Storm water	14	(11)	3	-	-	-	-	(11)	3
Sewerage	1,089	(61)	1,028	-	-	(61)	-	(121)	968
Water	1,723	(49)	1,674	-	-	(49)	-	(99)	1,624
Harbour	1,491	(37)	1,454	-	-	(37)	-	(73)	1,418
Total infrastructural assets	84,298	(2,115)	82,183	2,905	-	(2,268)	-	(4,384)	82,820
Work in progress	-	-	-	-	-	-	-	-	-
Property, plant and equipment	86,869	(3,399)	83,470	2,914	(41)	(2,351)	-	(5,750)	83,991

Core assets 2019/20

Included within the infrastructure assets are the following core Council assets.

Actual 2019/20	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Water				
Treatment plants and facilities	357	-	-	603
Other assets	1,267	-	-	1,697
Sewerage				
Treatment plants and facilities	435	-	-	1,175
Other assets	532	-	-	992

Actual 2019/20	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Storm water				
Storm drainage	3	-	-	13
Roads and footpaths				
Roads and footpaths	76,373	2,885	-	100,963
TOTAL	78,968	2,885	-	105,443

Financial statements

Note 8: Property, plant and equipment (continued)

Insurance of assets	Actual 2020/21 \$000	Actual 2019/20 \$000
Total value of assets covered by insurance contracts	2,635	2,658
The maximum amount to which assets are insured under Council insurance policies	6,942	6,429

The Council is not covered by any financial risk sharing arrangements in relation to its assets.

The Council self-insures a portion of its assets. The majority of Council's self insured assets are roading infrastructural assets; they are not insured as any remedial work required will be carried out through the Waka Kotahi NZ Transport Agency funded roading programme. No property, plant and equipment is pledged as security for liabilities. There are no restrictions over the title of these assets.

Asset investment

Our 2018-28 Long-Term Plan highlighted \$1.2 million in critical repairs required to our assets over the 10-year period of the plan. The level of assessed critical repairs assumed a proposed \$3 million upgrade to the Waitangi water treatment plant would be completed. With no external funding commitment, Council was unable to invest in these improvements, resulting in the upgrade at Waitangi being further deferred. Consequently, the future repairs to our infrastructure are likely to be higher, to retain a status quo level of service. With the Council unable to invest in on-Island infrastructure, the asset quality is likely to deteriorate over time. In addition, this reduces the quality of service that we can offer to our residents and increases the risk of asset failure.

Note 9: Trade and other payables

The Council's trade and other payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value, these are summarised in the table below:

	Actual 2020/21 \$000	Actual 2019/20 \$000
Payables under exchange transactions		
General creditors	1,814	2,206
Payables under non-exchange transactions		
Revenue in advance	294	2206
Total payables	2,108	2,206

The Council received a grant from the Ministry of Culture and Heritage of \$1 million dollars to assist in funding construction of the museum area within the new Council office and community complex, held as revenue in advance until required. The grant will be applied to fund the museum part of the proposed complex.

Note 10: Personnel cost liabilities

A provision for personnel cost liabilities (holiday leave and outstanding remuneration) is recognised as a liability when benefits are earned but not paid, this includes the following items:

	Actual 2020/21 \$000	Actual 2019/20 \$000
Annual leave	82	66
Accruals for personnel costs	30	45
Total personnel cost liabilities	112	111

Council does not provide any retirement or long service leave benefits to staff.

Note 11: Borrowings

The Council maintains a prudent borrowings position in relation to our equity and annual revenue. Council will enter into borrowing arrangements where there is sufficient assurance that additional funding assistance can be obtained to repay borrowings.

Council's current borrowings have supported upgrades to Council's buildings and the on-Island Warm Homes loan scheme. Interest costs associated with the Council's borrowings is disclosed in note 4.

The Council received a 20-year suspensory loan of \$90,000 from Housing New Zealand that must be repaid if the Council does not meet the conditions of the loan prior to 2029. Due to the uncertain nature of this suspensory loan, the Council will not recognise the loan as revenue until it is certain the funding conditions will be met.

The carrying amount of term liabilities repayable within one year approximates their fair value, as the effect of discounting is not significant.



Note 12: Provisions

A provision for the future costs of closing our landfills sites was historically estimated based on expected costs to remediate the site and land. These landfills are now closed, with sites remediated. The full landfill provision has now been recognised. Additional future remediation on monitoring may be required, such costs are estimated to be minimal and will be recognised as an expense when incurred.

A provision has also been made for the estimated refund of one year of Council Dues to the Pitt Island Barge Society. Council Dues are repayable on the production of audited accounts by the Pitt Island Barge Society on an annual basis.

A summary of our provisions, including movements in material provisions above are summarised below:

	Actual 2020/21 \$000	Actual 2019/20 \$000
Landfill post closure costs		
Opening balance	20	88
Movement in provision	(20)	(68)
Closing balance	-	20
Consisting of:		
Current	-	20
Non-current	-	-
Pitt Island Barge Society	25	25
Total provisions	25	45

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Note 13: Equity

The Local Government Act 2002 requires the Council to manage its finances prudently and in a manner that promotes the current and future interests of the community. Our general funds are largely managed as a derivative of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Local Government Act 2002 and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets but does not expect them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, the Council has asset management plans in place for major classes of assets, detailing renewal and programmed maintenance. These plans ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Local Government Act 2002 requires the Council to make adequate and effective provision in its Long-Term Plan to meet the expenditure needs identified in those plans. The Local Government Act 2002 sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's Long-Term Plan.

Chatham Islands Council has the following reserve funds:

- **General Funds** – Revenue appropriation account to fund future development.
- **Emergency Services Reserve** - Funds are set aside for emergency events such as natural disasters.
- **Mayoral Relief Reserve** – Funds are set aside for emergency relief.
- **Asset Revaluation Reserve** – Reserves generated by revaluations in property, plant and equipment and other assets.

Equity reserves include the following notable funds:

	Actual 2020/21 \$000	Actual 2019/20 \$000
General funds		
Opening balance	17,084	16,814
Plus net surplus for the year	1,318	270
Adjust for transfer (to)/from other reserves	-	-
Closing balance	18,402	17,084
Emergency services reserve		
Opening balance	250	250
Adjust for transfer (to)/from other reserves	-	-
Closing balance	250	250
Mayoral relief reserve		
Opening balance	25	25
Adjust for transfer (to)/from other reserves	-	-
Closing balance	25	25
Assets revaluation reserve		
Opening balance	65,039	65,039
Revaluation/(impairments)	-	-
Closing balance	65,039	65,039
Total equity at end of year	83,614	82,398



Note 14: Statement of commitments

Contract commitments	Actual 2020/21 \$000	Actual 2019/20 \$000
Not later than 1 year	45	43
Between 1 and 5 years	194	181
More than 5 years	391	393
	630	617

The Council has no contractual commitments for the acquisition of property, plant and equipment as at 30 June 2021 (as at 30 June 2020, nil).

The Council has in place a number of contracts with external service providers to provide engineering services on infrastructural assets. The scope of future work is dependent on organisational priorities, funding availability, and due to these uncertainties, no disclosure has been made.

Note 15: Statement of contingencies

Council has changed how vehicles are used by staff, which may result in staff receiving a personal benefit. If so, Council may be required to pay Fringe Benefit Tax (FBT) to the IRD. We are in the process of seeking advice on the matter, and if the qualifying criteria is met, Council will make a voluntary disclosure to the IRD. Such a payment may cover current and previous periods, with potentially interest and penalty payments applied.

With this exception, the Council is not aware of any other contingent assets or liabilities as at 30 June 2021, for Council or any associates, as at 30 June 2020, nil.

Note 16: Related party transactions

Related parties comprise of entities Council has control or significant influence over and key management personnel, including the Mayor, Councillors and the Chief Executive.

Council has entered into transactions with related entities during the year. These transactions were part of a normal supplier relationship and on terms and conditions no more or less favourable than those reasonable to expect the Council would have adopted in dealing with the party on an arm's length basis in the same circumstances.

In addition to the information disclosed above, the Council also provides accommodation to one staff member, at a market based rental rate as approved by Council.

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Note 17: Going concern

Chatham Islands Council is the smallest council in New Zealand, with less than one thousand residents and rateable units. This makes the Council unique in that funding sources available to other councils, such as rate increases, growth, or debt are not considered financially sustainable options for the Chatham Islands Council, as this would unfairly burden our ratepayers. Consequently, there is a significant reliance on external support from the Government in the form of the annual Crown contribution and the roading subsidy from Waka Kotahi NZ Transport Agency to ensure the Council remains operating one year after the annual report is signed, also known as the going concern assumption.

Council has a commitment from the crown to receive financial assistance from the Government in the form of a Crown contribution to meet its statutory obligations and operational costs. In 2020/21, the Council received additional funding from the Crown contribution to assist with its financial viability. In 2021/22, Council again expects to receive additional funding of \$1.1 million. This additional contribution will assist with funding our roading works programme along with contracting out our waste management function and funding the rental costs of our Council building.

There is likely to be a significant amount of policy review with regards to meeting our legislative obligations under the new National Policy Statement on Freshwater Management and reforms to the Resource Management Act 1991, meaning our cash resources may remain insufficient to fund desired capital investment projects in the 2021/22 financial year. By deferring our capital projects, this may result in a higher risk of asset failure or further asset deterioration over time.

The Waka Kotahi subsidy rate remains set at 88% of roading expenditure. Historically, the Council has self-funded this difference of approximately \$500,000 per annum as the funding from the Crown's annual appropriation was insufficient to cover this shortfall, leading to a deteriorating cash position. In the current and future reporting years, there is an indication of additional funding being forthcoming, although this is not confirmed until May each year as part of the appropriation process.

At this stage, it is assumed going forward, there will be sufficient funding to cover our operating requirements including our financial strategy of maintaining a balanced budget. However, given Council's historic approach of funding the Waka Kotahi shortfall, the Council's overall cash position may not move out of overdraft in the foreseeable future. It may also mean extending creditor repayment terms. Council remains in a position where these funding options remain open to Council.

Council has achieved a positive cash movement for the year and also recognised a small surplus. Therefore, the accounts have been prepared on a going concern basis as there are currently overdraft facilities in place with the Island bank to cover expected cash movements for the 2021/22 financial year and Council is expected to receive greater levels of financial support. Council will continue to work with central government agencies to negotiate additional financial support and improve our cash position.

Given the above, the going concern assumption has been considered in preparing the financial statements for the year ended 30 June 2021 and is assessed as appropriate. The financial statements have therefore been prepared using the going concern assumption.

Note 18: Explanation of major variances against budget

Explanations for major variations from the Council's budget figures in its 2020/21 Annual Plan are as follows:

Statement of comprehensive revenue and expense

Council has been fortunate to receive an additional \$3.1 million in grants and subsidies during the year to support our commitment to the community and the environment.

Support of \$2 million has been recognised from the Ministry of Arts, Culture & Heritage and New Zealand Lotteries Commission to fund the museum element of our council office space. This funding is correlated with an increase in expenditure of \$2 million on our community buildings.

Grants of \$0.5 million have also been received from the Department of Internal Affairs to support work related to the three water reforms and the Department of Health to make critical maintenance repairs to Council's three waters infrastructure.

Our roading subsidy provided by Waka Kotahi NZ Transport Agency has also increased by \$0.4 million, with the Council aiming to complete works carried over from previous periods as part of the agreed 2018-21 roading programme. These works were delayed primarily due to Council awaiting materials to arrive from overseas. Our current subsidy received is 88% of actual costs incurred by the Council.

Minor other grants have been received from Ministry of Business and Innovation & Employment, Department of Conservation of \$0.3 million to support the purchase and installation of green waste toilets on the Island, refurbishment of the Town Hall frontage and squash court building on the Norman Kirk Memorial reserve and to support a project which enables Chatham Islanders to travel to New Zealand to take driver's license testing.

Statement of financial position

The majority of the variances to the 2020/21 Annual Plan budget in the Statement of Financial Position, relate to the budget figures for the period being driven by the closing balances as at 30 June 2019, adjusted by expected changes for the 2019/20 financial year, to create an expected opening position as at 1 July 2020. Property, plant and equipment figures are lower than budget by \$2.4 million due to asset additions expected to occur in 2019/20, being deferred due to lack of funding.

Similarly, trade receivables and payables are based on the closing balances as at 30 June 2019. With an unexpected increase in both revenue and expenditure transactions during the year, there is likely to be a interrelated increase in the year-end trade receivables and payables balances.

Note 19: Subsequent events after the end of the reporting period

The Water Services Entities Act 2022 received royal assent on 14 December 2022. The Act establishes four publicly owned water services entities to take over responsibilities for three waters service delivery and infrastructure from local authorities from 1 July 2024, or earlier by Order in Council. In December 2022, the Government introduced two additional water services Bills, one of which will enable the transfer of three waters related assets and liabilities to the water services entities. Until the Bills receive royal assent, the financial impact of the transfer on the Chatham Islands Council remains uncertain.

With this exception, there are no other events after the end of the reporting period that require adjustment to the financial statements or the notes to the financial statements.

Note 20: Non-compliance with Local Government Act

Under section 98(3) of the Local Government Act 2002, the Council is required to complete and adopt its Annual Report prior to 31 December 2021. Council was unable to comply with this requirement for the year ended 30 June 2021, due to COVID-19 restrictions causing an auditor shortage. The Annual Report and Summary Annual Report were not adopted until 27 April 2023



Financial statements

Financial prudence graphs

Annual Report disclosure statement for the year ended 30 June 2021

What is the purpose of this statement?

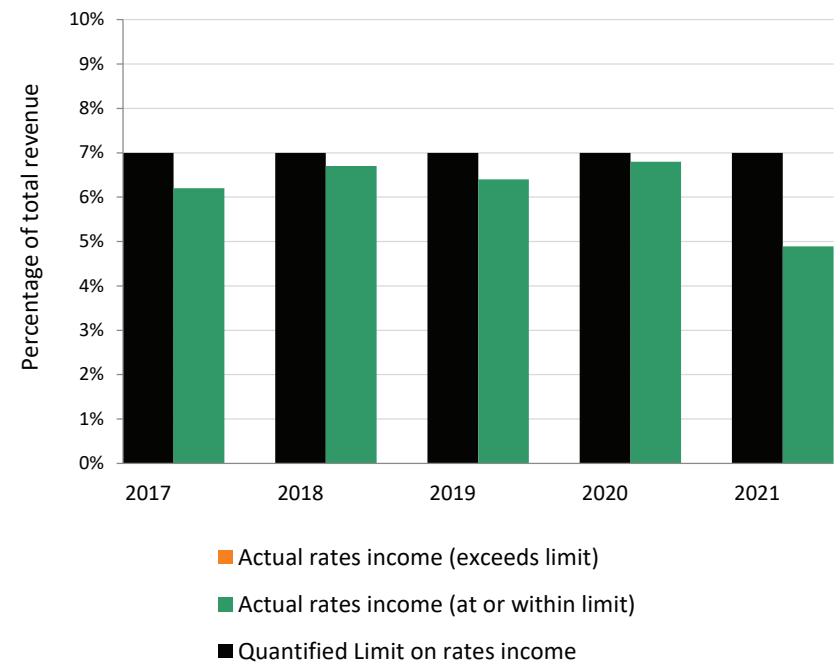
The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings. The Council is required to include this statement in its Annual Report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

The Council meets the rates affordability benchmark if: its actual rates income equals or is less than each quantified limit on rates and its actual rates increases equal or are less than each quantified limit on rates increases.

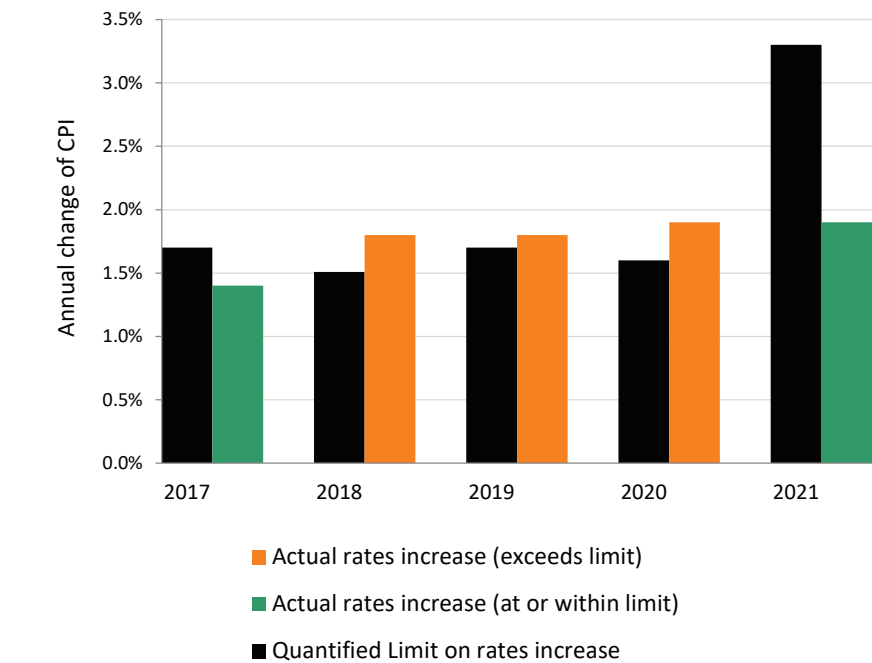
Rates (income) affordability

The following graph compares the Council's planned rates income with a quantified limit on rates contained in the financial strategy included in the 2018-28 Long-Term Plan. The quantified limit is 7% of total revenue.



Rates (increases) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's Long-Term Plan. The quantified limit is that rates will not exceed the rate of inflation.

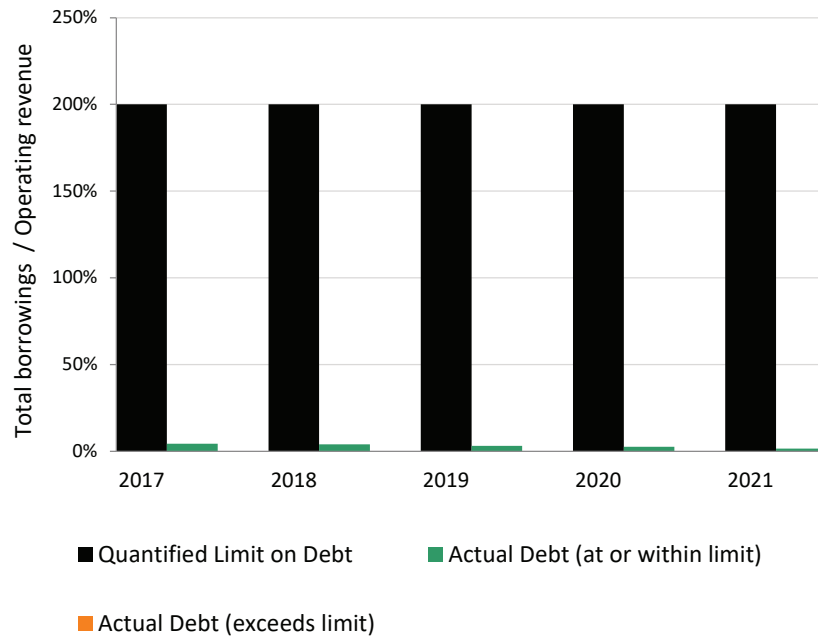




Debt affordability benchmark

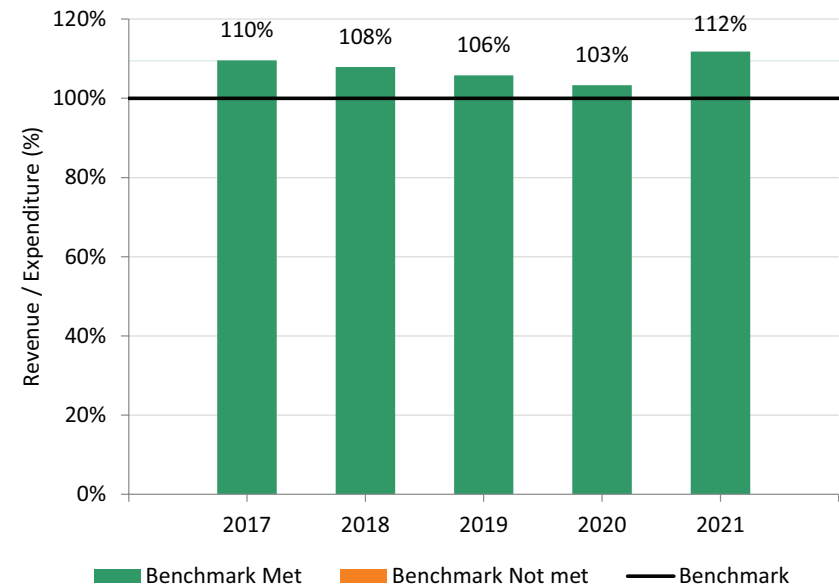
The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long-Term Plan 2018-28. The quantified limit is that total borrowings will not exceed 200% of operating revenue.



Balanced budget benchmark

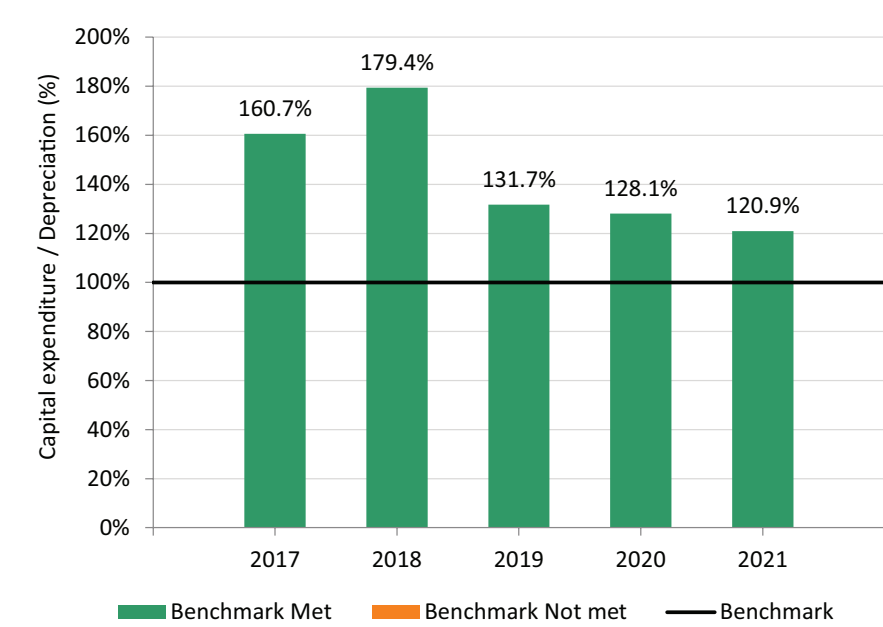
The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



Financial statements

Essential services benchmark

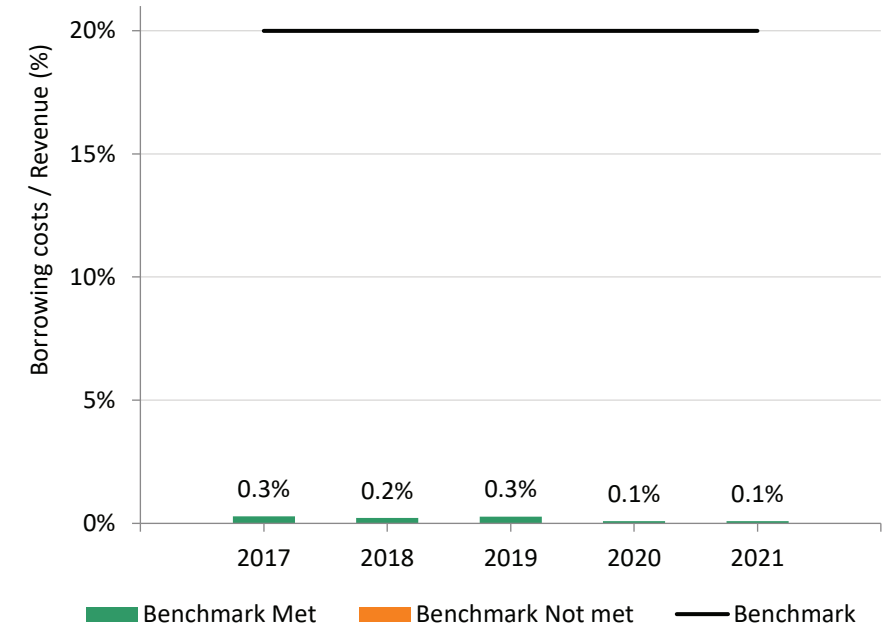
The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment).

A local authority meets the debt servicing benchmark for a year if its borrowing costs for the year equal or are less than 20% of its revenue defined as above.

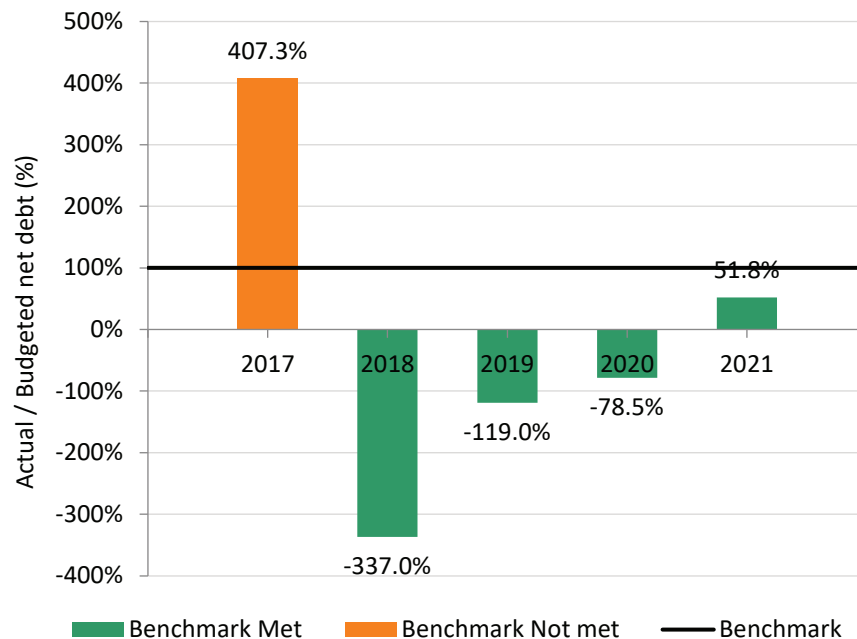




Debt control benchmark

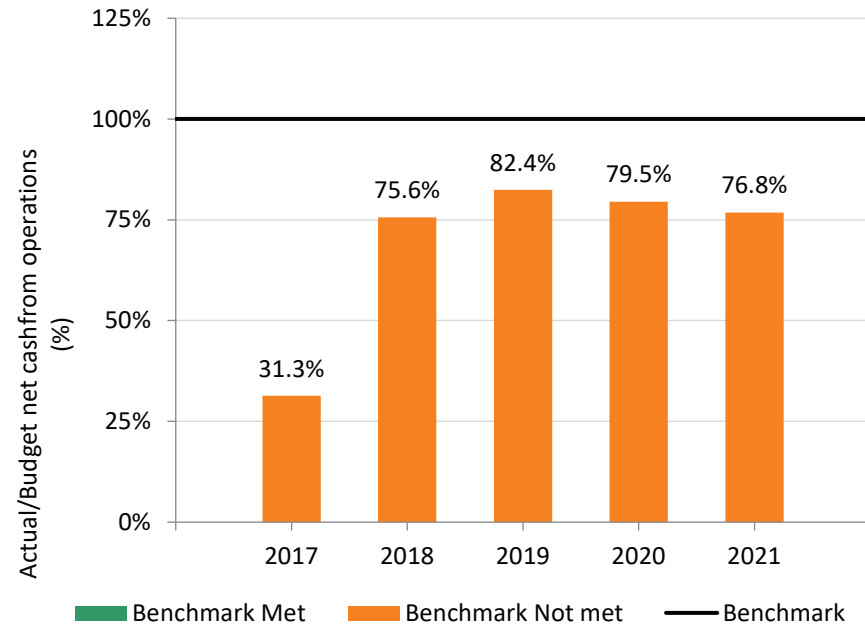
The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement net debt means financial liabilities less financial assets (excluding trade and other receivables).

The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations control benchmark

This graph displays the Council's actual net cash flows from operations as a proportion of its planned net cash flow from operations. The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



The operations control benchmark shows whether actual net operating cash flow is equal to or less than planned. The above graph reflects the reality of funding issues faced by the Council over the years. It is impossible for the Council to meet its legislative obligations and to operate in a self-sufficient manner without support from central government, given the small ratepayer base and a lack of investments. Many projects that were budgeted had to be postponed due to lack of funding.

Service performance summaries

Democracy services

We aim to meet our statutory responsibilities and provide effective governance and leadership

This activity includes planning and support for the Council and its committees, the provision of information regarding Council business, and the general oversight of the processes that underpin representative local government in the Chatham Islands territory. This includes elections and consultation with the community.

Key activities for democracy services

- **Governance:** It is recognised that a collaborative approach to addressing the Islands' issues is essential to community wellbeing.
- **Partnership:** The Council will work with its key partners in central government and other Island agencies to promote the interests of the Islanders. It will seek to do this in a manner that is clearly defined and is transparent to Chatham Islands residents.
- **Community representation:** Elected Councillors provide a vital link with individuals and the community. Democratic processes allow the opportunity for the public to have their say. The Council is accountable to the community.
- **Community liaison:** The Council acknowledges and values the importance of t'chakat henu/tangata whenua as an integral part of our community.

Community outcomes

Our Long-Term Plan 2018-28 identified the following aspirations for our democratic functions:

- **Economic wellbeing, growth builders:** A community that promotes economic development for its fishing, farming and tourism industries.
- **Environmental wellbeing, sustainable action:** An enterprising and innovative community that promotes partnerships with leading organisations.
- **Cultural wellbeing, embracing diversity:** A culturally enriched community that acknowledges and values the importance of t'chakat henu/tangata whenua as an integral part of our community.

Effects that our democracy services activity has had on our wellbeings

Economic – development of a sustainable Council: Fundamental to sustaining financial viability, the Council places reliance on external funding sources to ensure it meets the legislative level of service requirements. The primary reason for this reliance is that the Council does not have an investment portfolio or the population base to support required levels of service unless core funding from central government is secured. The desire to build a strong economic foundation for the Islands, drove for the creation of the Chatham Islands Stakeholders Group, which is formed of representatives from government agencies with Chatham responsibilities along with partner entities on the Island. This group is responsible for developing the Chatham Islands Investment Strategy.

Economic – building partnerships: The Council continues to maintain a sound working relationship with the Chatham Islands Enterprise Trust, Hokotehi Moriori Trust and Ngati Mutunga O Wharekauri Iwi Trust and employs a collective Island approach to finding solutions to addressing the sustainability of our Island along with other government departments.

Cultural – recognition of imi/iwi: The establishment of a working relationship with imi/iwi continues. It is envisaged that protocols for a working relationship between the Council and imi/iwi will be developed and formalised. These protocols will assist in progressing matters relating to resource management and the recognition of imi/iwi and their relationship with their accustomed environments.

Cultural – acknowledging and valuing the importance of tangata whenua: Ensuring the principles of Te Riti o Waitangi/Treaty of Waitangi are recognised, strengthened and maintained.

Social – engaging and informing our community: The Council undertakes the local authority elections, runs decision-making processes such as Council meetings, and informs and engages with our community. The last local election was held in October 2019.

During this year, the Council adopted the Long-Term Plan 2021-31. The Long-Term Plan 2021-2031 represents a three-yearly review of our Council activities. It's been developed in response to your community views, legislative changes from central government, and work required to achieve our environmental, social, economic and cultural wellbeings. We remain reliant on external support from central government. Operating within these funding constraints, impacts on our ability to delivery expected services to our community. Furthermore, we have no certainty of future support, limiting our ability to invest in our infrastructural assets. Our plan is to advocate the government for additional funding, which would allow us to invest in our core infrastructure for the

Islands. Otherwise, these assets are likely to deteriorate faster over time and the risk of asset failure for these assets is assessed as high.

The Council informs the community about our decision-making and activities through our website and other publications such as Council agendas, the monthly Council e-newsletter, notices in the Chatham Community Focus Trust weekly newsletter, and Annual Plan/Annual Report summary documents.

The challenges we face delivering our democratic functions

- We rely on Government assistance to meet the Council's current statutory responsibilities. Securing continued funding support remains uncertain and failing to do so could potentially affect the Council's ability to deliver and maintain the required level of service in the future.
- We need to engage with the community in ways that the community find meaningful. A lack of effective engagement could potentially affect participation and make it more difficult to bring together skills, experiences and knowledge to promote a collective approach to finding solutions.
- We need to increase the community's understanding of Council decision-making processes and opportunities for input. A lack of understanding of the decision-making processes could potentially result in adverse reactions to Council decisions and inhibit opportunities for input.

A funding impact statement for the democracy group of activities is disclosed in Appendix 1.



Service performance summaries

Performance assessment

We aim to enable residents to be well informed and engaged in decision-making. To assess our performance, we ask for the community's views in relation to whether they believe Council decisions are made in the best interests of the community and on the advocacy provided by the Mayor and Councillors.

We also record levels of participation in elections and monitor the performance of our legislative requirements for governance, reporting and planning.

Democracy services

Targets	Measure	Result for 2020/21
Residents feel confident that Council decisions are made in the best interests of the community. NOT ACHIEVED X	85% of residents are confident or very confident* that Council decisions are made in the best interests of the community.	In 2020/21, the Annual Public satisfaction survey showed 59% of the respondents agreed or strongly agreed that the Council decisions were made in the best interest of the community, an improvement on last year's 54%. This year's survey highlighted that better communication, through meetings and hui along with an increase in transparency is desired by our residents. Despite this result, Council believes appropriate decisions are made in the best interests of the community, allowing for community feedback because: <ul style="list-style-type: none">• Council makes meeting agendas publicly available five days before the meeting date – allowing public to be informed and participate in decisions, where there is interest.• Information is provided to the community through various media sources and formally as part of our Long-Term and Annual Plan consultation process.• Public meetings are advertised in our local media.• Council maintains a complaints and enquiries register. Based on the resident's survey, we will look to hold Community consultation afternoons and Q&A segments in our monthly e-newsletter.

*measured by annual survey, on a scale of very confident, confident, unconfident, very unconfident.

Targets	Measure	Result for 2020/21
Council engages and connects with the communities it serves. NOT ACHIEVED X	80% of residents consider the information supplied by Council to be sufficient (i.e. enough or more than enough) as measured by the annual residents' survey.	In 2020/21, the Annual Public satisfaction survey showed 53% of the respondents agreed or strongly agreed, that the information provided by Council to be sufficient. This was slightly down from the 2019/20 result of 54%. The results of the survey have shown that respondents would like to see Council engage more with the community with a greater physical presence – including hui and through various media. Statistics regarding the Council's e-newsletter have remained well above industry standard. Council will continue to find other methods to reach out to those residents not connected to the internet such as information afternoons and newsletter drop to mailboxes to better inform the community on issues impacting Council.

Council received only 30 responses for the 2020/21 residents survey. These response rates are low and therefore may not provide an accurate reflection of the community's view on our services provided. Results should be viewed as indicative, but not statistically accurate. Council will be reviewing how it collects information going forward to encourage a greater response from the community.

Looking ahead – key projects

- The Council will continue to work with central government to secure future funding support so that the Council can meet its statutory responsibilities, further enabling a sustainable future for our Island community.
- The Council will continue to take a collective approach to upgrading on-Island infrastructure and promoting the interests of our Islanders. We will maintain working relationships with central government and the Chatham Islands Enterprise Trust to assist with development.
- The Council acknowledges the importance of Moriori and Māori in the decision-making process; and developing a sound platform for building a working relationship in which a pathway to the sustainable management of Island resources is effectively followed.



Infrastructure services

We aim to meet our statutory responsibilities and provide access to quality infrastructure services

The Council is responsible for all public roads and service infrastructure on the Chatham Islands. As owner of these networks, the Council has a legal requirement to provide infrastructure to a certain standard.

Key activities of infrastructure services

- **Roading:** The Council plans for movement of people and goods within the territory, providing public roads and roading-related infrastructure and promoting road safety.
- **Solid waste:** The Council provides waste management services for public health reasons and to protect the environment.
- **Water supply:** Operating a public water supply that services the Waitangi township and Kaingaroa; and providing firefighting capability in part of Waitangi township.
- **Storm water:** The Council minimises damage to property from flooding and reducing erosion and water pollution.
- **Sewerage:** The Council provides for the collection, treatment and disposal of wastewater in Waitangi.

Community outcomes

Our Long-Term Plan 2018-28 identified the following aspirational outcomes for infrastructure services:

- **Economic wellbeing, growth builders:** An enterprising and innovative community that promotes economic development for its fishing, farming and tourism industries and has access to reliable transportation services.
- **Environmental wellbeing, sustainable action:** An environmentally conscious community that protects, sustains and enriches the environment for future generations.

Effects that our infrastructure services activity has had on our wellbeings

Economic – access to quality infrastructure: The Waste Management Strategy has been completed with the establishment of the waste recovery and processing building. This year focused on providing further education about waste sorting and closing/rehabilitation of the old dump sites.

Social – reliable transportation services: The Council's implementation of the Chatham Islands Land Transport Strategy continues. The Strategy sets out the features of the current land transport system and strategies for meeting the Islands' needs. The road maintenance programme has been adhered to over the year. Road safety and compliance remain a key focus of the roading programme.

Environmental – a safe and secure community: Water scheme upgrades for, Waitangi, Kaingaroa and Te One are a key priority. These will address issues of non-compliance with minimum water standards and respond to community concerns about the impacts on health and safety. To provide sustainable and reliable water sources for these townships, the Council has been working with government agencies to provide financial support for these developments. The Council throughout the period has continued to work to find solutions to supply issues for Waitangi, Kaingaroa and Te One.

Environmental – protecting our environment: The Council continues to manage storm water assets and to minimise the damage to property from flooding, erosion and water pollution. The Waitangi sewerage systems continue to operate to compliance. This also ensures that the Moriori/Māori relationship with their accustomed environment is not affected by any adverse effects the wastewater system may have on the environment.

The challenges we face delivering our infrastructure service functions

There is uncertainty over the level of grants for roading, and other central government support that is the subject of a government review. This in turn could affect our ability to maintain and sustain a viable and compliant Council.




A funding impact statement for the group infrastructure services of activities is disclosed in Appendix 1.




Service performance summaries

Performance assessment

We aim to meet our statutory responsibility with the provision of our infrastructure services. To assess our performance, we ask for the community's views on their levels of satisfaction in relation to the overall extent and safety of our road network and our other infrastructure schemes. We also assess our performance by the number of complaints received and responded to within specified timeframes, and the level of compliance with resource management conditions and New Zealand Standards relating to roading and water.

Roading

Targets	Measure	Result for 2020/21
Residents are satisfied with the standard of chip-sealed road network. NOT ACHIEVED 	75% of residents are satisfied or very satisfied* with chip-sealed road network.	The Annual satisfaction survey for 2020/21 showed 73% of respondents were either satisfied or very satisfied with the chip-sealed roads. This result is up from the 2019/20 percentage of 55%. Council also monitors satisfaction with our roads by: <ul style="list-style-type: none"> Maintaining a complaints and enquiries register. Receiving monthly reports from its roading contractor and roading engineers. Any updates or important information regarding our roading network is communicated through social media and newsletters.
Residents are satisfied with the standard of the unsealed road network. NOT ACHIEVED 	75% of residents are satisfied or very satisfied* with the unsealed road network.	The annual satisfaction survey for 2020/21 year had 33% of respondents expressing satisfaction or were very satisfied with the unsealed road network. This is down from the 2019/20 result of 46%. Council will continue to work on increasing the level by working closely with our roading contractor and roading engineers to monitor the road condition, addressing concerns within a timely manner.
Roads are safe. ACHIEVED 	Less than two fatalities or serious injury crashes on the road network per year.	No fatal or serious injury crashes were reported to the police during 2020/21. This is consistent with the past two years which have had no motor vehicle incidents causing death or serious injury.

Targets	Measure	Result for 2020/21
Quality road condition. ACHIEVED 	The average quality of ride on the sealed network and unsealed network to be less than 105 and 160 roughness respectively, as per the NAASRA ¹ Road Classification System.	The ride quality was rated as "good" with the average NAASRA ¹ Road Classification System rating in the 2020/21 year assessed as 52 for sealed roads and 80 for unsealed roads. The NAASRA measures the roughness of the gravel on the road. The 2019/20 year had a rating of 70 for sealed roads and 85 for unsealed. The improvements are due to better grading techniques, ongoing pavement rehabilitations and improved roadside drainage in parts of the network.
Sufficient road maintenance. NOT MEASURED	The percentage of the sealed local road network that is resurfaced, is above 5% of the sealed networks.	The 2020/21 was not a year scheduled for sealing work to occur on the network. The last sealing and rehabilitation year was in 2019/20, where 53% of the sealed network received either a new coat or was recoated. Looking forward, given the resealing work occurs in three yearly cycles, a revised assessment criteria was approved as part of the 2021-31 Long-Term Plan, comparing work expected to be completed as part of the Roading Asset Management Plan with roading project work completed.
Footpaths are maintained. ACHIEVED 	100% of footpaths are maintained in accordance with the roading maintenance contract specifications.	All footpaths were maintained in accordance with the Council's roading and maintenance specifications. This is consistent with the level of service achieved in the 2019/20 financial year.
Respond to service requests in a timely manner. ACHIEVED 	Council will respond to 100% of customer service requests relating to roads and footpaths within five working days.	All 29 customer service requests (or 100%) relating to roads and footpaths on Chatham Island were responded to within three days or less. There remains one request to improve the status of the road on Pitt Island, which the contractor has been unable to address as they have been unable to mobilise plant for this work, due to the barge not operating for a period of time. This compares favourably to 2019/20 when all customer service requests were responded to within five working days.

*measured by annual survey, on a scale of very satisfied, satisfied, dissatisfied, very dissatisfied

¹ National Association of Australia State Road Authorities



Solid waste management and minimisation

Targets	Measure	Result for 2020/21
Respond to written requests or complaints in a timely manner. ACHIEVED ✓	100% of complaints are responded to within five working days of notification.	In the 2020/21 financial year, 31 complaints or enquiries were received by Council, with 99% responded to within two working days and all within five working days. In the 2019/20 financial year, two complaints were received. Both complaints were addressed within five working days.
Residents are satisfied with the landfill and recycling service and ease of use. NOT ACHIEVED ✗	75% of residents are satisfied or very satisfied* with the landfill and recycling service and ease of use.	In the 2020/21 financial year, 33% of the respondents who completed the annual satisfaction survey were either satisfied or very satisfied with the Council's waste management services (including landfill and recycling services). The result has decreased from the 2019/20 result of 54%. Feedback from the survey suggested respondents were unhappy with the perceived level of waste being recycled on the Island. Following a visit to the island by Ministry for the Environment, Council has been alerted to various grants available to support the purchase of equipment to assist with weighing and measuring waste, as well as funding to assist in upgrading the current recycling facility. Council anticipates investigating further into the suitability of these items in order to improve the waste management facilities on the Island.
Waste minimisation activities and services are effective. NOT MEASURED	There is a reduction in waste going to landfill per annum.	With the landfill commissioning in Owenga delayed until Christmas 2021, the facilities to accurately measure a baseline of waste quantities has not yet been established and therefore this target is unable to be measured. A new volume-based measuring system is expected to be implemented to coincide with Fulton Hogan assuming responsibility for managing the solid waste facility. Our residents will see a decrease in plastic rubbish bags at the current refuse site. The ability to separate waste types such as tins, aluminium, and to put plastic into bails is helping to minimise our waste footprint. Being able to ship large amounts of metal off the Island is still a key strategy for Council to minimise waste.

*measured by annual survey, on a scale of very satisfied, satisfied, dissatisfied, very dissatisfied

Targets	Measure	Result for 2020/21
Residents are aware of waste management services provided by Council and how to use them. ACHIEVED ✓	Minimum of quarterly communication and engagement activities relating to waste management.	Regular communications relating to solid waste management and minimisation activities and projects are circulated in the Chatham Islands Community Focus Trust weekly newsletters, the monthly Council newsletter and on our Facebook page. The Te One Transfer station has a staff member stationed there to help residents unload rubbish and educate them on the significance of separating recyclables. The Kaingaroa Transfer Station is unmanned but a repurposed shipping container has been situated at Kaingaroa with fadges for recyclables. This communication is consistent with 2019/20.

Water supply

Targets	Measure	Result for 2020/21
Residents connected to a water scheme are satisfied with the service. NOT ACHIEVED ✗	80% of residents connected to a water scheme are satisfied or very satisfied* with the service.	The 2020/21 annual satisfaction survey shows only 27% of respondents who are connected to a water scheme are satisfied or very satisfied with the water scheme. This result is a decrease compared to the 2019/2020 result of 36%. This year Council secured funding to address the most urgent issues with its water schemes, which may improve the residents' level of satisfaction with the service. See target "Water is safe to drink".
Water is potable. ACHIEVED ✓	No temporary advisory notices issued to boil water – as issued in consultation with the Ministry of Health.	No temporary boil water notices were issued in 2020/21. This is an improvement on 2019/20, where two notices were issued.

Service performance summaries

Water supply continued

Targets	Measure	Result for 2020/21
The reticulation network is maintained. ACHIEVED ✓	The percentage of real water loss from the Council's networked reticulation system does not exceed 20%.	Information not collected this year. However, no incidences of water loss were reported that exceeded 20%. This is consistent with the 2019/20 financial year's result.
Respond to faults in a timely manner. ACHIEVED ✓	<p>Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:</p> <ul style="list-style-type: none"> Attendance for urgent call-outs: the time from when the Council receives notification to when service personnel reach the site does not exceed two hours. Resolution of urgent call-outs: the time from when the Council receives notification to when service personnel confirm resolution of the fault or interruption does not exceed eight hours. Attendance of non-urgent call-outs: the time from when the Council receives notification to when service personnel reach the site does not exceed two hours. Resolution of non-urgent call-outs: the time from when Council receives notification to when service personnel confirm resolution of the fault or interruption does not exceed eight hours. 	<p>The following median response times were measured in 2020/21:</p> <ul style="list-style-type: none"> All issues (three in total) were resolved within eight hours. No urgent call-outs had occurred during the year. No non-urgent call-outs were received. No resolution to non-urgent call-outs required. <p>This is generally consistent with the 2019/20 financial year.</p>

Targets	Measure	Result for 2020/21
Water is safe to drink. NOT ACHIEVED ✗	<p>Council's drinking water complies with:</p> <ul style="list-style-type: none"> Part 4 of the drinking water standards (bacteria compliance criteria). Part 5 of the drinking water standards (protozoal compliance criteria). 	<p>In 2020/21 water supplies were non-compliant with drinking water standards, primarily due to inadequate treatment. Distribution zone compliance was achieved. This is generally consistent with 2019/20.</p> <p>This year Council received Ministry of Health funding to address urgent issues with both water schemes in Waitangi and Kaingaroa. This work was largely completed by the end of 2020/21 and will improve compliance.</p> <p>Council is participating in the Three Waters Reform Programme, this year signing the Memorandum of Understanding and receiving funding for projects due for completion in 2021/22. Water projects are aimed at improving safety and resilience.</p>
Residents are satisfied with drinking water. ACHIEVED ✓	<p>The total number of complaints received by Council about any of the following:</p> <ul style="list-style-type: none"> Drinking water clarity. Drinking water taste. Drinking water odour. Drinking water pressure or flow. Continuity of supply. <p>Does not exceed five complaints per year nor will the number of complaints received exceed 5% of properties connected (a percentage has been used as the scale of the Council coverage (the number of connections) is below the per 1,000 mandatory measure).</p>	<p>One complaint was received in the 2020/21 financial year related to drinking water taste, colour and supply disruption. This has been resolved through planned upgrade works. See target "Water is safe to drink".</p> <p>Many residents also expressed concern about water shortages during dry summer periods that risked water conservation measures being put in place. However, no official complaints were received. This is consistent with 2019/20.</p> <p>Funding received in 2020/21 was limited and so Council continues to seek funding to improve the reliability of its drinking water supply in terms of quantity and quality. Given Council's financial position, Council is unable to guarantee continuity of water supply and the level of service experienced by our residents is unlikely to improve. The trend of increasing summer tourist numbers puts further pressure on the water supply.</p>
Demand is managed. ACHIEVED ✓	The average consumption of drinking water per day per resident, within the territorial authority district, is less than 500L/person/day.	<p>Average annual usage in 2020/21 was 320L/person/day in Waitangi and 200L/person/day in Kaingaroa.</p> <p>This is similar to 2019/20, where usage was 340L/person/day in Waitangi and 230L/person/day in Kaingaroa.</p>



Storm water

Targets	Measure	Result for 2020/21
Storm water management is adequate. ACHIEVED ✓	The number of flooding events that occur in a territorial authority district does not exceed two per year. For each flooding event, the number of habitable floors affected does not exceed two per year. And 5% of properties connected (a percentage has been used as the scale of the Council coverage (the number of connections) is below the per 1,000 mandatory measure).	No flooding events occurred during the year. This is consistent with that of the 2019/20 financial year.
Storm water discharge is compliant with our Resource Management Plan. ACHIEVED ✓	Compliance with Council's resource consents for discharge from its storm water management is measured by the number of: <ul style="list-style-type: none"> Abatement notices Infringement notices Enforcement orders Convictions Non-compliance reports These should not exceed three events per year.	No discharge notices issued, or other noncompliance event identified in 2020/21 financial year. This is consistent with that of the 2019/20 financial year.
Respond to flooding events in a timely manner. ACHIEVED ✓	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that the service personnel reach the site, will not exceed two hours.	Not applicable, no flooding events occurred in the 2020/21 financial year. This is consistent with that of the 2019/20 financial year.
Residents are satisfied with storm water management. ACHIEVED ✓	The number of complaints received by Council about the performance of its storm water management does not exceed five per year. 5% of properties connected (a percentage has been used as the scale of the Council coverage (the number of connections) is below the per 1,000 mandatory measure).	No complaints were received in 2020/21. A joint committee must now agree to open Te Whanga as set out in the Chatham Islands Resource Management document.

Sewerage

Targets	Measure	Result for 2020/21
Residents are satisfied with the wastewater system. NOT ACHIEVED ✗	75% of residents are satisfied or very satisfied* with the wastewater system.	In 2020/21, 27% of the residents who responded to the annual satisfaction survey are satisfied with the wastewater system. This is a decrease from the result in 2019/20, where 40% of residents were satisfied with the wastewater system. Of the respondents, recommendations focused on Council beautifying the sewage treatment area through planting and painting. Council monitors satisfaction with our wastewater system by: <ul style="list-style-type: none"> Maintaining and monitoring a complaints and enquiries register. Receiving monthly reports on its wastewater system from its environmental engineers, with need to urgently carry out various remedial works as funding allows. Monthly reports on wastewater system are in the monthly council meeting agenda which are available on Council's website. Council is participating in the Three Waters Reform Programme, this year signing the Memorandum of Understanding and receiving funding for projects due for completion in 2021/22. Funding from the Ministry of Health has also been received during the year. Wastewater projects are aimed at improving, or designing improvements to, the wastewater system.
Residents are satisfied with the wastewater system. ACHIEVED ✓	The total number of complaints received by Council about any of the following: <ul style="list-style-type: none"> Sewage odour. Sewerage system faults. Sewerage system blockages does not exceed 2% of properties connected*. 	One complaint regarding the sewerage system received in 2020/21. This is one more than 2019/20. Council continues to seek funding to carry out remedial works to maintain an appropriate level of service.

*measured by annual survey, on a scale of very satisfied, satisfied, dissatisfied, very dissatisfied

^ a percentage has been used for the scale of the Council coverage as the number of connections are below the mandatory measure scale of 1,000 connections

Service performance summaries

Sewerage continued

Targets	Measure	Result for 2020/21
System is adequate. ACHIEVED ✓	The number of dry-weather sewerage overflows from the sewerage system is less than five per year. 5% of properties connected.	In 2020/21 there were no dry weather sewerage overflows; or 0% of properties connected. This is consistent with 2019/20.
Wastewater discharge is compliant. NOT MEASURED Auditors have recommended this target be changed to achieved. Staff recommendation is that it remains as not measured because Council is unable to test compliance. The commentary reflects this position.	Compliance with resource consents for discharge from sewerage system as measured by the number of: <ul style="list-style-type: none"> Abatement notices Infringement notices Enforcement orders Convictions These should not occur more than twice per year.	<p>The Chatham Islands Resource Management document has historically assessed the Waitangi wastewater discharge system as non-compliant. The wastewater infrastructure requires repair and upgrading. Weaknesses in the wastewater settling tank have been observed, with temporary remedial works completed to address these observed issues.</p> <p>One complaint was received about run-off from the land disposal. Council addressed this with remedial works being completed in 2020/21 and the land disposal area will be extended in 2021/22 to further mitigate the issue.</p> <p>Soil and groundwater sampling data to assess compliance with resource management conditions is incomplete and therefore Council is unable to determine compliance with resource consent conditions for the 2020/21 financial year.</p> <p>In 2020/21 there were no notices or orders issued. This is consistent with the 2019/20.</p>

Targets	Measure	Result for 2020/21
Respond to faults in a timely manner. ACHIEVED ✓	Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median response times are measured: Attendance time: The time when the Council receives notification to when the service personnel reach the site does not exceed 12 hours. Resolution time: The time from when the Council receives notification to when the service personnel confirms resolution of the blockage or other fault does not exceed 24 hours.	Two incidences of blockages or faults occurred in 2020/21, which were responded to within 12 hours and rectified within 24 hours. There were no incidences in 2019/20.

Looking ahead – key projects

- Continue to work towards sustainable and reliable water sources for the townships of Waitangi, Kaingaroa and Te One.
- Continue to provide a safe, smooth, well-maintained and managed road network.

The Government has launched the Three Waters Reform Programme, which is expected to review how local government delivers these service delivery arrangements. It is expected the reform proposals will involve the legislative creation of four publicly-owned water services entities for all of New Zealand, who will be responsible for the service delivery and infrastructure of these assets. These reforms are likely to transfer responsibility from Council from 1 July 2024, although the exact size, shape and design of these entities remains unclear. A consequence of these reforms is that services Council provides on the Island may change as a result of this programme including our three waters projects.

Community and regulatory services

We aim to promote community development and provide regulatory services that meet the community's needs

The Council seeks to promote community development through recreation, the arts and cultural heritage and to enhance the health and safety of the community through an effective and reliable administration of relevant legislation.

Key activities of community and regulatory services

- **Providing services to the community:** Chatham Islands Council considers social and community development to be a cornerstone of the wellbeing of the Chatham Islands community. It views recreation, arts and culture as essential to the health and wellbeing of society and believes that a strong community is knowledgeable of its heritage, and preserves and respects achievements of the past.
- **Processing building consents:** This service is contracted to Wellington City Council, which is responsible for ensuring properties on the Chatham Islands are in compliance with the New Zealand Building Code.
- **Processing alcohol and food premise licensing:** The responsibility for the administration and the compliance component of this service is contracted out to a Licensing Inspector. Chatham Islands Council has the responsibility to protect and promote public health by undertaking the licensing and inspection of premises to ensure compliance with the Health Act 1956, Sale and Supply of Alcohol Act 2012, Local Government Act 2002 and Council bylaws.
- **Waka Kotahi NZ Transport Agency licensing services:** Processing of drivers licenses are performed by Council on behalf of the agency.
- **Dog and animal control:** The Council carries out animal control functions in accordance with the Dog Control Act 1996, the Impounding Act 1955 and animal control bylaws.

Community outcomes

Our Long-Term Plan 2018-28 identified the following outcomes as aspirations for community and regulatory services:



- **Economic wellbeing, growth builders:** An enterprising and innovative community that promotes economic development for its fishing, farming and tourism industries.
- **Cultural wellbeing, embracing diversity:** A culturally enriched community that protects and values the Chatham Islands way of life and traditions, that values and supports the arts as a means of sustaining our heritage and that values its miheke, taonga and treasures.

Effects that our community and regulatory services activity has had on our wellbeings

- **Social – access to education opportunities for all ages:** The Council, together with Wellington City Council library provides a library service that enables access to knowledge.
- **Environmental – a safe and secure community:** A level of compliance is maintained through the administration of liquor licensing, health registrations and dog and animal control in order to reduce the impact of alcohol, health and animal related harm. A Liquor Ban Bylaw is in place.
- **Social – access to recreation and sports facilities:** The Council maintains a good working relationship with the Norman Kirk Memorial Reserve committee that oversees the Council's recreational asset, providing a sports and recreation facility for the community. The Council continues to administer the Sport NZ funding.
- **Economic – a community that promotes economic development for its fishing, farming and tourism industries:** The Council continues to provide community support by way of in-kind contributions to the Chatham Islands Visitor Industry Group.
- **Cultural – a community that values the Chatham Islands way of life and traditions:** The Council is currently responsible for maintaining and sustaining a morgue, public cemeteries and a burial register, with responsibility to transfer to another Island entity from next year. Having the ability to comply with the requirements of the Health Act 1956 and to provide a qualified mortician remains challenging. The Council currently does not comply with this Act. However, the provision of public cemeteries and the acknowledgement of the Chatham Islands' burial traditions are important for Islanders. In these ways, the relationship between the Council and its community on matters of cultural sensitivity can be realised.

Service performance summaries

- **Cultural – a community that values and supports the arts as a means of sustaining our heritage:** The Council provides grants and donations that enables participation in the arts through administering the Creative Communities Scheme and in-kind contributions.
- **Cultural – a community that values its miheke, taonga and treasures:** The Council over the year has continued to support The Chatham Islands Museum & Cultural Heritage Charitable Trust.

The challenges we face delivering our community and regulatory services functions





- The Council's housing stock and Council buildings require on-going maintenance; without such maintenance, the assets could degrade significantly. Maintenance of the Council's community flats continues.
- While conditions on liquor licences and health registrations may constrain individuals' choices or actions, benefits accrue to the wider community and the environment from having such conditions.
- The Council continues to be non-compliant with the Health Act 1956, while there is no qualified on-Island mortician.

A funding impact statement for the community and regulatory services group of activities is disclosed in Appendix 1.

Performance assessment

We aim to meet our statutory responsibility with the provision of our community and regulatory services. To assess our performance, we ask for the community's views on their levels of satisfaction in relation to community and regulatory services. We also assess our performance on compliance with New Zealand Standards, processing within statutory timeframes, frequency of inspections and by the number of complaints received and responded to within specified timeframes.

Community and regulatory services

Targets	Measure	Result for 2020/21
Residents are satisfied with community services, including library and dog and animal control services. NOT ACHIEVED 	85% of residents are satisfied or very satisfied* with community services.	In 2020/21, the Annual Public satisfaction survey showed 78% of the respondents were satisfied or very satisfied with community services, including library and dog and animal control services. In 2019/20, this question was excluded from the survey in favour of evaluating satisfaction with various areas of community services, the assessed level of satisfaction with these services on average was 68%. Respondents particularly highlighted their appreciation of the work provided by the dog and stock control office and the library service provided in conjunction with Wellington City Library. Council will continue to work on improving these services with the funding it has.
Respond to complaints about operations and facilities, and remedy faults in a timely manner. ACHIEVED 	100% of complaints about operations and facilities are investigated within 12 hours, with minor faults remedied within 24 hours of notification.	In the 2020/21 financial year, four complaints/enquiries were received in relation to community and regulatory services. All (100%) were responded to within 24 hours of notification. No complaints were received during the 2019/20 financial year.
Liquor licensing applications to be processed within statutory timeframes. ACHIEVED 	95% of liquor licensing applications are processed within statutory timeframes.	All (100%) of all applications were processed within the statutory timeframes. There was one liquor licence renewal, one manager renewal, eight new manager applications, and one special licence application issued during the 2020/21 financial year. This is consistent with 100% of liquor licensing applications processed within statutory time frames in the 2019/20 financial year.
Food premises are compliant. ACHIEVED 	No issues of non-compliance identified or reported.	There were no issues of non-compliance identified or reported in the 2020/21 year. This is consistent with 2019/20.

Community and regulatory services continued

Targets	Measure	Result for 2020/21
Island-wide dog inspections (including Pitt Island) carried out. NOT ACHIEVED ✗	At least one inspection annually to ensure dogs are registered, and to check animal welfare.	All areas of the Islands with the exception of part of North Road and Pitt Island were inspected during 2020/21 financial year. Staff were unable to complete dog inspections in 2019/20 during the COVID pandemic.

**measured by annual survey, on a scale of very satisfied, satisfied, dissatisfied, very dissatisfied*

Looking ahead – key projects

- **Staff housing on-Island:** The Chatham Islands Housing Partnership Trust (CIHPT) was established in 2017 under the administration of the Ngati Mutunga O Wharekauri Iwi Trust. CIHP draws its members from Hokotehi Moriori Trust and Ngāti Mutunga o Wharekauri, Chatham Islands Council and Chatham Islands Enterprise Trust. The CIHP Trust was established with a \$2 million government grant, with the aim of assisting the community with the provision of a wide range of housing initiatives, including social housing.
- **Morgue:** The Council continues to look at ways to address issues relating to the morgue and appropriate mortician services. Discussions with Canterbury District Health Board and Manaaki Whanau O Wharekauri are ongoing with a view to address ways to better operate this service.
- **Council office and museum complex:** The new purpose-built Council offices and museum are under construction. Funding constraints have resulted in the initial concept of a community complex being revised and downsized. The building is expected to house the offices of the Chatham Islands Council, and Heartlands among other entities. The construction of the museum facility has largely been supported by grants received from New Zealand Lotteries Commission and the Ministry of Culture and Heritage. If funding allowed, the building could be extended in the future to incorporate an indoor sports stadium, library and additional meeting room space.



Service performance summaries

Environmental services

We aim to maintain, sustain and protect our natural resources now and for future generations

The Council seeks to maintain and sustain natural resources in order to promote a sound resource base and to protect the environment from threats that could be detrimental to the needs of the community now and in the future.

Key activities of environmental services

- **Managing the community's resources:** The Council is responsible for the monitoring and reporting on the state of the Chatham Islands environment – its land, air, water and coastal resources and compliance with the requirements of the Resource Management Act 1991.
- **Biosecurity control:** The Council carries out work under the Biosecurity Act 1993; this is to ensure the economic and ecological sustainability of the territory. The Council will carry out pest management in accordance with National and Regional Pest Management Strategies.
- **Water quality and hydrology:** The Council monitors and reports on the Chatham Islands environment to identify water quality, river flows and rainfall trends.
- **Protection of historic places:** The Council ensures compliance with the Heritage New Zealand Pouhere Taonga Act 2014 to protect historic areas and wāhi tapu on the Islands. There are 11 registered historic places on the Islands.

Community outcomes

Our Long-Term Plan 2018-28 identified the following as aspirational outcomes for environmental services:

- **Economic wellbeing, growth builders:** An enterprising and innovative community that promotes economic development for its fishing, farming and tourism industries.
- **Environmental wellbeing, sustainable action:** An environmentally conscious community that protects, sustains and enriches the environment for future generations and promotes a safe, healthy and secure community.
- **Cultural wellbeing, embracing diversity:** A culturally enriched community that

acknowledges and values the importance of t'chakat henu/tangata whenua as an integral part of our community and values its miheke/taonga.

Effects that our environmental services activity has had on our wellbeings

- **Economic – a community that promotes economic development for its fishing, farming and tourism industries:** Through its contract with Environment Canterbury, the Council monitors any changes in government policy, such as aquaculture reforms, that may have an impact on the Chatham Islands. The Council also continues to implement the Chatham Islands Pest Management Strategy in compliance with the Biosecurity Act 1993.
- **Cultural – a community that protects, sustains and enriches the environment for future generations:** The Council promotes the importance of maintaining and sustaining the Chatham Islands' natural environment through informing the community.
- **Environmental – A safe, secure and healthy community:** The Council maintains a contract with Environment Canterbury, which oversees the Council's regional resource management responsibilities.
- **Cultural – A community that acknowledges and values the importance of t'chakat henu and tangata whenua as an integral part of our community:** The Council engages with imi/iwi on matters relating to resource management. This enables the relationship between the Council, the community and Moriori/Māori on matters of natural resources and the environment to be realised.
- **Cultural – A community that values its miheke, taonga and treasures:** The Council works towards gathering baseline information and monitoring water quality in order to maintain, sustain and protect natural resources and the environment.

The challenges we face delivering our environmental services functions

- The introduction and spread of new plant and animal pests poses a significant risk to the Chatham Islands.




A funding impact statement for the environmental services group of activities is disclosed in Appendix 1.

Performance assessment

We aim to meet our statutory responsibility with the provision of our environmental services. To assess our performance, we measure compliance, the maintenance of water quality and frequency of inspections. We also assess our performance on maintaining internal border control.



Environmental services

Targets	Measure	Result for 2020/21
Resource consents processed within statutory timeframes. NOT ACHIEVED 	100% of resource consents processed within statutory timeframes.	In the 2020/21 financial year 93% of resource consents were processed within statutory timeframes. Eight subdivision applications, and six resource land use consent applications were received in the 2020/21 financial year. In 2019/20 all resource consents were processed within statutory timeframes.
Respond to and initiate investigations in a timely manner for: <ul style="list-style-type: none"> Breaches of the Resource Management Act. Breaches of consent conditions. NOT ACHIEVED 	Any breach to the Resource Management Act 1991 or consent conditions responded to within one hour of notification.	Council, through their contractor has monitored 23 sites for permitted activity compliance with the Resource Management Act 1991, with 13 sites having one or more assessments of non-compliances against permitted activity rules. Much of this revolved around permitted activity of hazardous substance storage or discharge of contaminants. In relation to the four Resource Consents monitored (including the wastewater treatment plant), two were compliant and two were non-compliant with one or more consent conditions. Investigations into non-compliance, has resulted in recommendations being made by the contractor to Council in relation to the observed issues of non-compliance with both the Resource Management Act 1991 and consent conditions, with the expectation that these will be implemented within the 2021/22 financial year, where agreed. No breaches of the Resource Management Act 1991 or consent conditions were reported in 2019/20.
Sample and analyse water quality. ACHIEVED 	Sample and analyse water quality for all sites on the Chatham Islands four times per year. State of the environment water quality monitoring programme maintained at current level (all sites are monitored).	All sites monitored and data stored in database (fully available on request) as well as displayed on Council's website. This is consistent with that of the 2019/20 financial year.

Targets	Measure	Result for 2020/21
The Chatham Islands Resource Management Document is compliant. ACHIEVED 	The Chatham Islands Resource Management Document is made fully operative and steps are taken to update the document as required by nationally set direction.	The Chatham Islands Resource Management Document was approved in June 2020 and made fully operative in the 2020/21 year. Prior to this date, the document was partially operative awaiting formal approval from the Department of Conservation. The Chatham Islands Resource Management Document was updated during the year for new requirements set by the National Environmental Standards for Plantation Forestry to include specific provisions relating to the planting, maintenance, and harvesting of trees for commercial purposes. Looking forward, the document will need further updates by 2024 to give effect to the Essential Freshwater Package. This will involve making changes to the document through the freshwater planning process to include objectives, policies and rules required to meet the requirements of the new national direction on freshwater management. Based on the indicated future funding assistance package, there is insufficient funding to complete this expected work by 2024. Negotiations between the Council and the Department of Internal Affairs are currently underway, where if increased funding for the 2022/23 year and beyond is successful, it will ensure that the Chatham Islands Resource Management Document is able to be fully compliant with all legal obligations by 2024. Effective Freshwater policies are a priority for the Council and an area of special interest for imi and iwi. Council plan to work in co-operation with interested parties to ensure mutually beneficial outcomes are achieved.
River flows and Te Whanga level monitored and data made publicly available. ACHIEVED 	Monitor and record river flows, lagoon level and rainfall on Chatham Island. All sites are monitored, with data recorded and available to the public e.g. on the website.	Continuous monitoring of flows and levels at four river hydrometric sites, and two Te Whanga sites have been maintained over 2020/21 financial year with results archived. In 2019/20 all sites were monitored with data stored and made available on the Council's website.

Environmental services continued

Targets	Measure	Result for 2020/21
<p>Water quality and hydrology data is available to the public.</p> <p>NOT ACHIEVED</p> <p>✗</p>	<p>A summary report (including river flow, lagoon level, and rainfall data) is available by the end of August for the previous financial year (report provided to Council and then available via the website).</p>	<p>A summary report analysing the past two years of water quality data has been prepared summarising data up until the end of June 2021 and is available on the Councils website.</p>
<p>Pest inspections conducted.</p> <p>ACHIEVED</p> <p>✓</p>	<p>Two inspections undertaken per financial year. No new pest incursions found at risk sites (results of inspection will be published on the Council website).</p>	<p>In the 2020/21 financial year, quarterly site inspections were completed, this compares favourably with the previous year, when only two annual inspections occurred. Based on inspections completed, no new pest incursions were found at these sites.</p> <p>However, a hive of German Wasps was identified at Waitangi wharf in March 2020, which was treated and eradicated. Ongoing surveillance has occurred during the year, ensuring no resurgence of this pest.</p> <p>In addition, a single German wasp was found in a consignment of lettuces from New Zealand during the year. The Wasp was destroyed and is not believed to be associated with the previous incursion.</p> <p>Our rat dog 'Moki' and its handler assisted the Department of Conservation with outer Island surveillance, to ensure no rats were present after an unauthorised boat landing.</p>
<p>Internal borders between Chatham Island, Pitt Island, and New Zealand are maintained.</p> <p>ACHIEVED</p> <p>✓</p>	<p>At least one training session to be provided to freight handlers at major ports supplying the Chatham Islands. Partnership to be established with Biosecurity NZ to develop a marine biosecurity plan as part of the internal border protection.</p>	<p>Annual freight handler training sessions have occurred in year with SPS Biosecurity, and regular refresher training has been provided on an as required basis.</p> <p>In addition, four staff have been trained and equipped to carry out marine pest surveillance surveys, in partnership with Biosecurity NZ. Our dive team has now completed four surveys of all four ports, with no incursion occurrences identified. Crab "potting" has also occurred to identify potential invasive crab presence, with no issues noted.</p>



Service performance summaries

Environmental services continued

Targets	Measure	Result for 2020/21
Landowners and occupiers do not introduce, sell, propagate or distribute pest species. NOT APPLICABLE	80% of plans implemented.	This measurement is not applicable because no plans were implemented during the year, consistent with the 2019/20 financial year. The level of plant pest awareness from landowners has significantly increased over the past few years; with regular pest awareness campaigns occurring and our two biosecurity staff on the Islands have also contributed to this success. There have been numerous cases where landowners have proactively contacted our Regional Council service provider, Environment Canterbury, to address pest issues because of their increased level of awareness and concern. The recent German Wasp incursion notification was an example of this higher level of awareness and action.
Landowners carry out control of gorse and feral goats. NOT APPLICABLE	80% of plans implemented.	This measurement is not applicable because there were no plans implemented during the year, consistent with the 2019/20 financial year. The feral goat population has been eradicated from one geographical area, leaving approximately 40-50 goats left in another separate area. The number has not significantly reduced from the prior year, due to the difficult terrain inhabited by the goats. Control work will be on going. For the past eight years, the Chatham Islands Council has approved an annual helicopter gorse spraying budget of up to \$150,000. Landowners are invited to participate in the scheme on a dollar-for-dollar basis. To date, the subsidised programme has resulted in over 1,800 hectares of gorse being sprayed.

Targets	Measure	Result for 2020/21
Monitor invasive marine pests that are present in New Zealand or are likely to arrive from other destinations. ACHIEVED ✓	An annual underwater surveillance programme to be undertaken on all ports on Chatham and Pitt islands, and the Ministry for Primary Industries to be notified of pest incursions.	The dive team has conducted twice annual surveys of Waitangi, Port Hutt, Kaingaroa and Owenga ports to assess pest incursions. Crab potting has also occurred at all four ports twice during the 2020/21 financial year. No invasive marine species detected to date, consistent with the 2019/20 financial year. The Chatham Islands has a unique environment, with multiple boats visiting our ports. It is crucial that monitoring of our ports occur for any organisms that are on the Ministry for Primary Industries unwanted list to ensure the marine environment remains pristine.
Residents are aware of and follow pest management practices. ACHIEVED ✓	Minimum of quarterly communication and engagement activities relating to pest management, including marine pests.	Regular communications relating to biosecurity activities and projects are circulated on our website and through other publications such as the monthly Council e-newsletter, notices in the Chatham Community Focus Trust weekly newsletter and our Facebook page. This is consistent with communications in 2019/20.

Looking ahead – key projects

- The Council will continue to authorise the use of natural and physical resources and respond to breaches of the Resource Management Act 1991.
- The Council will continue to maintain the water quality programme of Chatham Islands' streams, rivers and lakes, the water quality monitoring programme in the Chatham Islands and the water quality of Te Whanga.
- The Council will continue to prevent the arrival and establishment of new pests and monitor progress with operational and property plans according to the Chatham Islands Pest Management Strategy.
- The Resource Management Act 1991 is expected to be repealed and replaced with new legislation, the full impact is yet to be determined, but may impact on future projects.



Emergency management

We aim to provide emergency management that responds effectively to the needs of the community

The Council seeks to provide an efficient and effective system of emergency management that minimises the potential effect of all hazards on the community and the environment.

Key activities of emergency management

- **Civil Defence:** The Civil Defence Emergency Management Act 2002 imposes statutory obligations on the Council to carry out hazard-based risk management in four areas: reduction of risk, readiness for events, response and recovery after an event.
- **Marine oil spill response:** The Maritime Transport Act 1994 requires the Council to prepare, maintain and review regional marine oil spill contingency plans.

Community outcomes

Our Long-Term Plan 2018-28 identified the following aspirational outcomes for emergency management:

- **Social wellbeing, resilient community:** A safe and secure community.
- **Environmental wellbeing, sustainable action:** An environmentally conscious community that protects, sustains and enriches the environment for future generations.

Effects that our emergency management services activity has had on our wellbeings

Environmental – a safe and secure community: The Council continues to progress the Emergency Management Operations Centre project. With the challenges associated with isolation and remoteness, it is necessary to establish a resourced facility that supports, enables and strengthens community resilience in times of threat. This facility is significant and fundamental to New Zealand's most isolated community and continued community wellbeing. Land for the facility has been secured. No funding for this project has been secured as yet. However, the Council continues to actively pursue funding options. It is important for Council to have the ability to respond to and recover from the impact of all hazards by promoting readiness and preparedness through the community through education.

Economic – promoting economic development and enriching the environment for future generations:

Our vulnerability and the impact of disasters on the environment is reduced through the provision of appropriate planning and long term strategies. Through the Civil Defence Emergency Management (CDEM) Group plan, we have an operative hazard risk plan and analysis in place. This will assist organisations, agencies and groups to better plan for their needs and allows for a provision of support and assistance for the regeneration of the economy in the event of a disaster.

Cultural – a community that acknowledges and values the importance of t'chakat henu and tangata whenua as an integral part of our community:

The Council continues to ensure emergency management is proactive in understanding and protecting community values and the natural environment, taking a collective approach to our emergency management response on the Island.

The challenges we face delivering our emergency management functions

A significant emergency could potentially affect the Chatham Islands economically as well as both short-term and long-term quality of life. Many emergency management functions are highly reliant upon contributions made by volunteers. Council needs to ensure the Islands are able to remain self-sufficient until further assistance is forthcoming.



A funding impact statements for the emergency management group of activities is disclosed in Appendix 1.



Service performance summaries

Performance assessment

We aim to meet our statutory responsibility with the provision of emergency management. To assess our performance, we measure the community's readiness and the effectiveness of recovery. We also assess our performance by the time taken to respond to events.

Emergency management

Targets	Measure	Result for 2020/21
Residents consider they are prepared and know what to do in an emergency. ACHIEVED 	75% of residents are well-prepared or prepared* and know what to do in an emergency.	In 2020/21 80% of the residents who completed the annual satisfaction survey felt they were prepared or well prepared for an emergency. A significant improvement on the 51% of residents who thought they were sufficiently prepared for an emergency in 2019/20. The results of the survey however did indicate that there is some confusion over who the area coordinators are. Area coordinators have been proactive in contacting residents in their area and sending information, which has been prepared by Emergency Management out via various media formats such as Facebook messenger during the pandemic lockdowns The Council remains focused on prioritising emergency management preparedness due to the importance of the Island being ready for any emergency, this is especially important given the Island's level of isolation.
Residents are aware of emergency management procedures. ACHIEVED 	Minimum of quarterly communication and engagement activities relating to emergency management.	Regular communications relating to emergency management activities and projects were circulated on our website and through other publications such as the monthly Council e-newsletter, notices in the Chatham Community Focus Trust weekly newsletter and our Facebook page. Emergency Management have composed daily updates to Area Coordinators through email and Area Coordinators have used Facebook Messenger as a means to communicate with residents. Regular meetings with area coordinators have also resulted in updated area maps and more frequent communication with residents.

Targets	Measure	Result for 2020/21
The Emergency Management Operations Centre is always ready to respond. ACHIEVED 	Including staff and volunteers, emergency management equipment, control facilities, and communication systems. <ul style="list-style-type: none">Annual emergency event training exercise held.All staff and volunteers participate in at least one skills training session per annum.Emergency management equipment tested quarterly.	Emergency management tested the Emergency Operation Centre (EOC) with training/exercise held in May 2021 with Emergency Management Training Centre. All Council staff participated EOC training. Area coordinators undertook radio training held in July 2021. In 2019/20, Council was unable to hold training sessions as scheduled, due to the COVID-19 lockdown response. All emergency equipment is tested quarterly to confirm readiness.
The marine oil spill plan is current and compliant. ACHIEVED 	At least one water equipment deployment exercise conducted annually.	One Oil Spill Training exercise was held in November 2020. In 2019/20, a water equipment deployment exercise was unable to be completed due to the COVID-19 impact.

**measured by annual survey, on a scale of well-prepared, prepared, not well-prepared.*

Looking ahead – key projects

The Emergency Management Operations Centre project employs a collective approach to addressing the need for a unified Island Civil Defence and Emergency Management centre that can respond to the needs of the community. The Council's overarching objective for the centre is to provide an efficient and effective system of emergency management that minimises the potential effect of all hazards on the community and the environment. This project has been delayed, awaiting funding support.



Coasts, harbours and navigation

We aim to promote, maintain and sustain a safe environment for both commercial and recreational maritime activities

Harbour control is undertaken primarily to ensure safety in the territory's waterways. The Chatham Islands has approximately 360 kilometres of coastline that is used extensively for commercial fishing, some recreational purposes and potential aquaculture industries.

Key activities of coasts, harbours and navigation

- **Ensuring navigational safety:** The Council is tasked with the responsibility of addressing matters of navigation and safety within this area as required by the Local Government Act 2002 and the Maritime Transport Act 1994.

The Council seeks to promote, maintain and sustain a safe environment for both commercial and recreational maritime activities.

Community outcomes

Our Long-Term Plan 2018-28 identified the following aspirational outcomes for coasts, harbours and navigation:

- **Social wellbeing, resilient community:** A safe, healthy and secure community with access to quality infrastructure services.
- **Economic wellbeing, growth builders:** An enterprising and innovative community that promotes economic development for its fishing, farming and tourism industries and provides access to reliable and affordable transportation services.
- **Environmental wellbeing, sustainable action:** An environmentally conscious community that protects, sustains and enriches the environment for future generations.

Effects that our coasts, harbours and navigation services activity has had on our wellbeings

Economic – access to quality infrastructure: The Council continues to recognise the need to play both a facilitating and a leading role in working with others to address barriers to social and economic development that are constraints on community wellbeing.

Economic – promoting economic development: The Owenga Wharf assists the development of the fishing industry. The coasts, harbours and navigation activity assumes that the resources from the sea continue to be a major part of the Chatham Islands economy.

Economic – reliable transportation services: During the year, the Council continued to maintain the 'lifeline' from Chatham Island to Pitt Island through the provision of the Owenga Wharf, which enables the movement of stock and goods.

Environmental – protecting our environment: The Council continues to implement the Navigation Safety Bylaw and Regional Maritime Oil Contingency plans. During the year a review of the Navigation Safety Bylaw was undertaken and further training in oil spill response was undertaken.

The challenges we face delivering our coasts, harbours and navigation functions

- The ongoing maintenance costs of Owenga Wharf are funded through Waka Kotahi NZ Transport Agency.



A funding impact statement for the coasts, harbours and navigation group of activities is disclosed in Appendix 1.

Service performance summaries

Performance assessment

We aim to meet our statutory responsibility with the provision of our coasts, harbours and navigation services. To assess our performance, we ask for the community's views on their levels of satisfaction in relation to the administration of the bylaw, the availability of the wharf and frequency of inspections. We also assess our performance by the number of complaints received and responded to within specified timeframes.

Coasts, harbours and navigation

Targets	Measure	Result for 2020/21
Navigation safety is managed in accordance to best practice. ACHIEVED 	Use of a safety management system modelled on the New Zealand Port and Harbour Safety code, reviewed every three years.	The Maritime Transport Act 1994 was recently amended, primarily conferring powers on Council to appoint a Harbourmaster and review the Navigation Safety Bylaw. The Council approved the Navigation Safety Bylaw in June 2021. Our Navigation Safety Bylaws are available on the Council's website. In addition, a review of the Navigation Safety risk assessment and the Safety Management System were undertaken in November 2020, these were last reviewed in 2019 as part of an internal review process. Our navigational safety documents remain up to date and in line with leading practice, they reflect the appropriate needs of the Islands and have been reviewed within cyclical timeframes.
Owenga Wharf is available for safe and efficient movement of people, stock, and goods. ACHIEVED 	No instances of the wharf being unavailable during suitable sea and weather conditions.	There were no instances of Owenga Wharf being unavailable for Navigation Safety reasons in the 2020/21 year. This is consistent with the 2019/20 year.

Looking ahead – key projects

- The Council will ensure the community receives a service that meets its needs for safety, including by ensuring navigational aids are maintained in proper working order and lifeline access are provided between Chatham and Pitt islands.
- The Council will work with its key partners to promote the interests of Islanders in relation to the Waitangi Wharf upgrade.
- The Council will work with the community of Kaingaroa to either repair or replace the wharf facilities and has formed a committee with representatives of the Kaingaroa community to work through options related to the future wharf facilities.



Council funding impact statement

The Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 require the Council to adopt a Funding Impact Statement both for the Council and for each group of activities. The objective of the policy makers is to provide information that is more easily understood. The Funding Impact Statement must identify: the sources of funding to be used, the amount of funds expected to be produced from each source, and how the funds are to be applied.

Revenue and expenditure in the Funding Impact Statements are recognised on a basis consistent with the financial statements. However, transactions with no funding impact, such as depreciation, have been removed. The regulations also require the Funding Impact Statement for each group of activities to disclose internal charges and cost allocation and not eliminate these as required by Generally Accepted Accounting Practice (GAAP).

The Revenue and Financing Policy contained in the Long-Term Plan 2018-28 sets out Chatham Islands policies with respect to which funding mechanisms are to be used to finance the operating and capital expenditure.

Reconciliation of operating funding to statement of comprehensive revenue and expense	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000	Annual plan 2019/20 \$000
Surplus/(deficit) of operating funding	1,242	570	17	-40
Subsidies and grants for capital expenditure	2,545	2,239	2,539	3,403
Less depreciation	2,587	2,292	2,353	2,074
Plus investment in associate	118	-	69	-
Statement of total comprehensive and income	1,318	517	272	1,289

COUNCIL	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000	Annual plan 2019/20 \$000
Source of operating funding				
General rates, uniform annual charge, rates penalties	343	311	331	305
Targeted rates	208	266	192	261
Subsidies and grants for operating purposes	5,673	5,173	4,594	4,556
Fees and charges	74	71	69	70
Local authorities fuel tax, fines, infringement fees, and other receipts	3,287	626	549	414
Total operating funding	9,585	6,447	5,735	5,606
Applications of operating funding				
Payments to staff and suppliers	6,579	4,090	4,135	4,629
Financial costs	11	24	7	19
Other operating funding applications	1,752	1,763	1,576	998
Total application of operating funding	8,343	5,877	5,718	5,646
Surplus/(deficit) of operating funding	1,242	570	17	(40)
Source of capital funding				
Subsidies and grants for capital expenditure	2,545	2,239	2,539	3,403
Increase/(decrease) in debt	(39)	138	(39)	138
Total source of capital funding	2,506	2,377	2,500	3,541
Application of capital funding				
Capital expenditure				
- to improve the level of service	145	-	23	-
- to replace existing assets	2,933	2,544	2,892	3,970
Increase/(decrease) in reserves	670	403	(398)	(469)
Total applications of capital funding	3,748	2,947	2,517	3,501
Surplus/(deficit) of capital funding	(1,242)	(570)	(17)	40
Funding balance	-	-	-	-

Appendix 1 – Funding impact statements

DEMOCRACY	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1,299	1,125	1,009
Local authorities fuel tax, fines, infringement fees, and other receipts	183	104	102
Total operating funding	1,482	1,229	1,111
Applications of operating funding			
Payments to staff and suppliers	309	322	322
Financial costs	-	-	-
Internal charges and overheads applied	603	629	544
Total application of operating funding	912	951	866
Surplus (deficit) of operating funding	570	278	245
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	-	-	-
Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	-
- to replace existing assets	11	-	35
Increase (decrease) in reserves	558	278	210
Total applications of capital funding	570	278	245
Surplus (deficit) of capital funding	(570)	(278)	(245)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>13</i>	<i>5</i>	<i>5</i>

INFRASTRUCTURE SERVICES – ROADING	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	58	56	55
Subsidies and grants for operating purposes	1,309	1,444	1,427
Local authorities fuel tax, fines, infringement fees, and other receipts	9	-	-
Total operating funding	1,375	1,500	1,482
Applications of operating funding			
Payments to staff and suppliers	1,444	1,597	1,576
Financial costs	-	-	-
Internal charges and overheads applied	-	-	-
Total application of operating funding	1,444	1,597	1,576
Surplus (deficit) of operating funding	(69)	(97)	(94)
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	2,545	2,582	2,589
Increase (decrease) in debt	-	-	-
Total Source of capital funding	2,545	2,582	2,589
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	869	105
- to replace existing assets	2,892	1,713	2,483
Increase (decrease) in reserves	(416)	(97)	(94)
Total applications of capital funding	2,475	2,485	2,494
Surplus (deficit) of capital funding	69	97	94
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>2,219</i>	<i>2,011</i>	<i>1,948</i>

INFRASTRUCTURE SERVICES – SEWERAGE	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	80	69	68
Subsidies and grants for operating purposes	102	116	108
Local authorities fuel tax, fines, infringement fees, and other receipts	14	8	8
Total operating funding	196	193	184
Applications of operating funding			
Payments to staff and suppliers	137	100	97
Financial costs	-	9	8
Internal charges and overheads applied	47	49	43
Total application of operating funding	184	158	148
Surplus (deficit) of operating funding	12	35	36
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	-	71	174
Total Source of capital funding	-	71	174
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	-
- to replace existing assets	1	112	238
Increase (decrease) in reserves	11	(6)	(28)
Total applications of capital funding	12	106	210
Surplus (deficit) of capital funding	(12)	(35)	(36)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>59</i>	<i>52</i>	<i>42</i>

INFRASTRUCTURE SERVICES – SOLID WASTE	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	71	68	67
Subsidies and grants for operating purposes	68	383	377
Local authorities fuel tax, fines, infringement fees, and other receipts	62	15	14
Total operating funding	202	466	458
Applications of operating funding			
Payments to staff and suppliers	524	377	367
Financial costs	-	-	-
Internal charges and overheads applied	32	33	28
Total application of operating funding	556	410	395
Surplus (deficit) of operating funding	(354)	56	63
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	658	-
Increase (decrease) in debt	-	-	-
Total Source of capital funding	-	658	-
Application of capital funding			
Capital expenditure			
- to improve the level of service	142	-	-
- to replace existing assets	1	658	-
Increase (decrease) in reserves	(497)	56	63
Total applications of capital funding	(354)	714	63
Surplus (deficit) of capital funding	354	(56)	(63)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>142</i>	<i>115</i>	<i>112</i>

Appendix 1 – Funding impact statements

INFRASTRUCTURE SERVICES – WATER	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	-	71	70
Subsidies and grants for operating purposes	571	519	505
Fees, charges and targeted rates for water supply	74	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	13	18	18
Total operating funding	658	608	593
Applications of operating funding			
Payments to staff and suppliers	588	266	257
Financial costs	-	137	79
Internal charges and overheads applied	44	46	40
Total application of operating funding	632	449	376
Surplus (deficit) of operating funding	26	159	217
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	-	(222)	3,274
Total source of capital funding	-	(222)	3,274
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	3,070
- to replace existing assets	1	163	314
Increase (decrease) in reserves	25	(226)	107
Total applications of capital funding	26	(63)	3,491
Surplus (deficit) of capital funding	(26)	(159)	(217)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>42</i>	<i>81</i>	<i>75</i>

INFRASTRUCTURE SERVICES – STORMWATER	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	19	15	15
Fees, charges and targeted rates for water supply	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	1	1
Total operating funding	22	16	16
Applications of operating funding			
Payments to staff and suppliers	0	-	-
Financial costs	-	-	-
Internal charges and overheads applied	9	9	8
Total application of operating funding	9	9	8
Surplus (deficit) of operating funding	13	7	8
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	-	-	-
Total source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	13	9	8
Total applications of capital funding	13	7	8
Surplus (deficit) of capital funding	(13)	(-)	(8)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>1</i>	<i>-</i>	<i>-</i>

COMMUNITY AND REGULATORY SERVICES	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	343	301	297
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1,315	1,256	1,233
Local authorities fuel tax, fines, infringement fees, and other receipts	2,796	301	296
Total operating funding	4,455	1,858	1,826
Applications of operating funding			
Payments to staff and suppliers	2,428	506	491
Financial costs	11	16	19
Internal charges and overheads applied	594	618	536
Total application of operating funding	3,033	1,140	1,046
Surplus (deficit) of operating funding	1,422	718	780
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	(39)	(62)	(84)
Total Source of capital funding	(39)	(62)	(84)
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	-
- to replace existing assets	19	-	-
Increase (decrease) in reserves	1,364	655	696
Total applications of capital funding	1,383	655	696
Surplus (deficit) of capital funding	(1,422)	(717)	(780)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>53</i>	<i>46</i>	<i>45</i>

ENVIRONMENTAL SERVICES	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	367	229	226
Local authorities fuel tax, fines, infringement fees, and other receipts	78	25	24
Total operating funding	445	254	250
Applications of operating funding			
Payments to staff and suppliers	913	900	973
Financial costs	-	-	-
Internal charges and overheads applied	135	141	122
Total application of operating funding	1,048	1,041	1,095
Surplus (deficit) of operating funding	(603)	(787)	(845)
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	-	-	-
Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	-
- to replace existing assets	3	-	-
Increase (decrease) in reserves	(606)	(787)	(845)
Total applications of capital funding	(603)	(787)	(845)
Surplus (deficit) of capital funding	603	787	845
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>3</i>	<i>1</i>	<i>1</i>

Appendix 1 – Funding impact statements

EMERGENCY MANAGEMENT	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	283	418	307
Local authorities fuel tax, fines, infringement fees, and other receipts	48	22	22
Total operating funding	331	440	329
Applications of operating funding			
Payments to staff and suppliers	176	177	172
Financial costs	-	18	-
Internal charges and overheads applied	131	137	119
Total application of operating funding	308	332	291
Surplus (deficit) of operating funding	23	108	38
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	875	-
Increase (decrease) in debt	-	777	-
Total Source of capital funding	-	1,652	-
Application of capital funding			
Capital expenditure			
- to improve the level of service	3	1,750	250
- to replace existing assets	3	-	-
Increase (decrease) in reserves	18	10	(212)
Total applications of capital funding	23	1,760	38
Surplus (deficit) of capital funding	(23)	(108)	(38)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>3</i>	<i>27</i>	<i>9</i>

COASTS, HARBOURS AND NAVIGATION	Actual 2020/21 \$000	Long- Term Plan 2020/21 \$000	Long- Term Plan 2019/20 \$000
Source of operating funding			
General rates, uniform annual charge, rates penalties	-	-	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	340	268	264
Local authorities fuel tax, fines, infringement fees, and other receipts	81	34	34
Total operating funding	421	302	298
Applications of operating funding			
Payments to staff and suppliers	59	53	52
Financial costs	-	-	-
Internal charges and overheads applied	158	165	142
Total application of operating funding	217	218	194
Surplus (deficit) of operating funding	204	84	104
Source of capital funding			
Subsidies and grants for operating purposes for capital expenditure	-	-	-
Increase (decrease) in debt	-	-	-
Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
- to improve the level of service	-	-	-
- to replace existing assets	3	-	-
Increase (decrease) in reserves	201	84	104
Total applications of capital funding	204	84	104
Surplus (deficit) of capital funding	(204)	(84)	(104)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>51</i>	<i>1</i>	<i>1</i>



Appendix 2 – Glossary of terms

These definitions are intended to define terms in this Annual Report in plain English. For legal definitions, refer to the Local Government Act 2002.

Activity

Groups of related services, projects or goods provided by or on behalf of the Council are combined into an activity. These activities are then put into groups of activities.

Annual Plan

The Annual Plan is produced in the intervening years between Long-Term Plans. It includes an updated budget and explains variations to the Long-Term Plan. It also confirms arrangements for raising revenue for the next financial year. The community must be consulted on the Annual Plan if the Annual Plan indicates significant or material differences from the content of the Long-Term Plan.

Annual Report

The Annual Report reports on the performance of the Council against the objectives, policies, activities, performance measures, indicative costs, and sources of funds outlined in the Annual Plan and the Long-Term Plan.

Asset

Something of value that the Council owns on behalf of the people of the Chatham Islands, such as roads, drains, parks and buildings.

Asset management plan

A long-term plan for managing an asset to ensure that its capacity to provide a service is maintained and costs over the life of the asset are kept to a minimum.

Capital costs

These include transactions that have an effect on the longer-term financial position of the Council. Items include transfer of funds to reserve accounts, and the purchase or construction of assets.

Capital value

Value of land including improvements.

Community outcomes

A set of statements that describe the vision the Chatham Islands has for its future. The community outcomes of the Chatham Islands are outlined in the Long-Term Plan. The Council seeks to contribute to these outcomes through its various activities.

Current assets

Assets that can be readily converted to cash, or will be used up during the year. These include cash and debtors.

Current liabilities

Creditors and other liabilities due for payment within the financial year.

Depreciation and amortisation

Depreciation and amortisation are accounting concepts that recognise the consumption or loss of economic benefits embodied in items of property, plant and equipment or intangible assets. Depreciation and amortisation spread the cost of property, plant, equipment, software, etc. over their useful lives as an operating expense.

Group of activities

Council groups all its services into categories of activities (which equates to group activities in the Local Government Act 2002).

Imi/Iwi

People or tribe.

Infrastructure assets

Infrastructure assets are utility service networks i.e. water, sewerage, storm water and roading. They also include associated assets such as water pump outlets, sewage treatment plant, street lighting, and bridges.

Land value

Value of land excluding improvements.

Local Government Act 2002

The Local Government Act 2002 is the primary legislation that governs the Council's operations and actions.

Long-Term Plan (LTP)

A 10-year plan that sets out the Council's response to community outcomes and how the Council will manage its finances and the community's resources.

Operating expenditure

Expenditure through the Council's activities on such items as salaries, materials and electricity.

Operating revenue

Money earned through the activities in return for a service provided, or by way of a grant or subsidy to ensure particular goods or services are provided. Examples include subsidies, rental revenue, permits, fees and council dues.

Operating surplus/(deficit)

Operating surplus and operating deficit are accounting terms meaning the excess of revenue over expenditure and excess expenditure over revenue respectively. Revenue and expenditure in this context exclude capital items such as the cost of capital works. An operating surplus/(deficit) is inclusive of non-cash items such as revenue and expenditure owing but not paid (debtors and creditors) and depreciation.

Performance measures

These have two parts: first, a simple explanation of the measure by which performance will be assessed; and second, performance targets. The Council uses these measures when reporting on how it has performed in its various activities.

Property, plant, equipment and intangible assets

These consist of software, hardware, land and buildings and infrastructure assets including sewerage and water systems, and roading. They are sometimes referred to as fixed assets and or capital assets.

Public equity

Public equity represents the net worth of Chatham Islands Council if all the assets were sold for the values recorded and the liabilities were extinguished.

Regulatory role

The Council has a regulatory role as it operates under and enforces a range of legislation.

Resources

These are the assets, staff and funds needed to contribute to the activities of the Council including goods, services and policy advice.

Service provider

The Council provides services as required by law (e.g. sewerage services) or by community mandate (e.g. playgrounds).

Significance

Significance means the degree of importance of the issue, proposal or decision of matter before the Council in terms of its likely impact on or consequences for the current and future social, economic, environmental and cultural wellbeing.



Significance policy

This policy sets out the way in which the Council determines how significant a project or decision is and therefore the level of consultation and analysis required.

Statement of cash flows

This describes the cash effect of transactions and is broken down into three components: operating, investing and financing activities.

Statement of comprehensive revenue and expense

This can also be referred to as the profit and loss statement. It shows the financial results of the various Chatham Islands Council activities at the end of each period as either a surplus or a deficit. It does not include asset purchases or disposals.

Statement of financial position

This shows the financial state of affairs at a particular point in time. It can also be referred to as the Balance Sheet.

Sustainable development

Sustainable development is generally defined as development that meets the needs of the present without compromising the capacity of future generations to meet their own needs.

Wellbeing

In this document, wellbeing includes the social, economic, cultural and environmental aspects of a community. The community outcomes are factors of wellbeing.

The organisation

Council

Mayor

Monique Croon

Deputy Mayor

Greg Horler

Councillors

Keri Lea Day

Celine Gregory-Hunt

Graeme Hoare

Amanda Seymour

Steve Joyce

Oscar Nilsson

Jason Seymour

Council Staff

Chief Executive

Owen Pickles

owen@cic.govt.nz

Operations Manager

Colette Peni

operations@cic.govt.nz

Emergency Manager/Controller

Rana Solomon

rana@cic.govt.nz

Engineers

Stantec Ltd (Christchurch)

Nigel Lister, Shaun Bosher, Ali Siddiqui

Bryan Peters – Roads and bridges

Richard Bennett, Kristen Norquay –

Water and wastewater

Phil Landmark –

Waste management and minimisation

Contractors

Environment Canterbury

Fulton Hogan Ltd

Resource management

Beca Ltd

Solicitors

Wynn Williams

Bankers

ANZ (Waitangi – Chatham Islands)

Auditors

Audit New Zealand

(on behalf of the Auditor-General)





chatham islands council

Chatham Islands Council
PO Box 24
Tuku Road
Waitangi
Chatham Islands

Ph: (03) 3050 033
(03) 3050 034
Fax: (03) 3050 044
Email: info@cic.govt.nz
Web: www.cic.govt.nz
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Chatham Islands Council

Summary Annual Report 2020/21

Our people, our Islands, our future



chatham islands council

Profile of the Chatham Islands

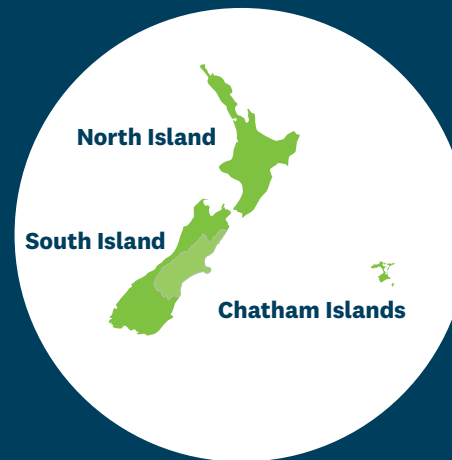
The Chatham Islands and its people are a unique community, isolated by 800 kilometres of ocean from mainland New Zealand.

The Chatham Islands consist of two main inhabited islands, Chatham Island and Pitt Island. Pitt Island lies 23km south east of Chatham Island and both islands are surrounded by a number of smaller islands, all within a radius of approximately 50km. The main island, Chatham, has an area of 90,000 hectares. Pitt Island has an area of 6,300 hectares.

The Islands were formed by a volcanic up-thrust and the land surface is predominantly flat with a number of peaks, the largest peak rising to 188 metres. A significant landmark of Chatham Island is 'Te Whanga' which is a large lagoon that covers approximately 20,000 hectares or about one-fifth of the Island. There are five settlement areas on the main Island – Waitangi, Te One, Owenga, Port Hutt and Kaingaroa.

The 'livelihood' for the majority of Islanders is dependent on fishing and farming. Their continued welfare and the Islands' viability are linked with the sustainable management of the natural and physical resource base.

Chatham Islands Council is the smallest local authority in New Zealand. It has both district and regional council responsibilities.



The Islands at a glance

Usually 660 people live in the Chatham Islands.

Its population is the smallest in size out of the 78 Councils in New Zealand.

In total, 57% of households have access to the Internet, compared with 79% of households throughout New Zealand.

In the Chatham Islands, 5% of households have access to a cellphone, compared with 85% for New Zealand. This is because there is no cell phone coverage on the Chatham Islands.

Among households in private occupied dwellings, 38% own the dwelling, with or without a mortgage; the equivalent figure is 44% for New Zealand as a whole.

The unemployment rate in Chatham Islands territory is 1.6% for people aged 15 years and over, compared with 4.0% for all of New Zealand.

Source: Statistics New Zealand 2018 Census Data

Mayor and Chief Executive's report

Kioranga, kia ora, greetings,

It is with pleasure that we present the 2020/21 Annual Report for the Chatham Islands Council, thank you for taking the time to read it. Our auditors have deferred the audit, because of an auditor shortage in New Zealand as a result of COVID-19 border restrictions. This delay has resulted in the Council being unable to meet its statutory reporting deadline of 31 December 2021. Your interest in the position of the Chatham Islands means a lot to us.

Once again, the Chatham Islands Council has done its best to provide a great service to its community in the face of many challenges. We are grateful that we have all worked together in the Islands amidst a global pandemic to keep our population safe. Alongside the challenges that COVID-19 presented, a lack of funding continues to be an ongoing barrier to offering comparable experiences to that of mainland New Zealand.

As always, our Council relies heavily on funding from central government to operate, as we do not have the population to fund our work through rates. We are careful to not unfairly burden our ratepayers, but in doing so, our funding situation remains unpredictable and may delay desired projects, including infrastructural upgrades.

As such, the work we have been able to achieve, and have not been able to achieve, over the last year, is largely due to external constraints and limited funds. It is important to us that our roading, water and wastewater networks and other facilities are fit for purpose, and that we can afford to pay for them, so we have continued to lobby government for further funding to enable us to meet our goals.

We acknowledge the frustration at not being able to work in a way that is fully reflective of our community's voiced desires. Included in this is the delay in upgrading our Three Waters infrastructure, and extending our waste management and minimisation facilities.

Despite the challenges we've faced, we are proud of what we have achieved. The Chatham Islands Council is pleased to have a continuing strong standard of navigational safety, especially given the importance of maritime activities to the Islands.

Additionally, we're pleased that the results of our annual residents and ratepayers survey shows our residents feel confident in their preparedness in case of an emergency. Having robust plans and procedures in place to deal with disaster is important to us, and we're glad that is reflected in how the residents feel.

A key focus for Council has been engaging with the community, both through receiving submissions on our Long-Term Plan, and our annual residents and ratepayers survey. The more we listen to and understand our community, the better we can work together, and we aim to further develop our engagement and implement more opportunities for residents to be better informed and to have a say.

We have continued to build relationships with our regional partners including the Chatham Islands Enterprise Trust, Hokotehi Moriori Trust, Ngati Mutunga o Wharekaui Iwi Trust and other central government agencies.

This year has seen a lot of hard work go into delivering the Long-Term Plan 2021-31, as well as other important strategic documents including the Regional Land Transport Programme 2021-31, Pest Management Strategy, and the Navigational Safety Bylaws. Thanks to all involved for their mahi on these important documents.

The year to come will bring further changes and uncertainties as central government introduces new reforms, including a review of the Resource Management Act 1991, and Local Government 2002, as well as changes in the water space, with the Three Waters reforms and the Essential Freshwater package. We will continue to do our best to navigate these changes, effectively communicate impacts and bring positive outcomes for our community.

Finally, a heart-felt thank you to all the members of Council, staff, and external supporters who have worked hard over the last year to serve the community. We greatly appreciate the dedication and support of all those who work for and with the Council, including the various Government agencies for their ongoing financial assistance.



Monique Croon
Mayor



Owen Pickles MNZM JP
Chief Executive

2020/21 in review

The 2020/21 financial year was one of change and uncertainty, not only for the Council, but around the world.

Sustainable water and wastewater

As a result of aging infrastructure, and partially due to legislative changes, Council's water and wastewater schemes all currently require significant upgrades. The purpose of the water upgrades is to address issues of non-compliance with minimum water standards, while responding to community concerns on the impacts of water quality on health and safety. Council has been working to secure funding from central government to support water scheme upgrades for Waitangi and Te One in particular, to remedy disparities in our current services.

Council has estimated the cost of providing these upgrades for the purposes of updating the Long-Term Plan 2021-31, with costs ultimately excluded due to funding for the projects being yet unsecured. Council received \$553 thousand from the Ministry of Health and the Department of Internal Affairs (as part of the Three Waters programme) allowing us to fund prioritised maintenance repairs.

If the Three Waters reforms proceed, it is likely four publicly-owned water services entities will be created, with the Chatham Islands Council encompassed in an entity including the Wellington, Hawkes Bay, Tasman, Nelson and Marlborough regions. These legislatively formed services entities will take over the responsibilities for the service delivery and infrastructure of our Three Waters assets. These responsibilities are likely to transfer from our Council from 1 July 2024, although the exact size, shape and design of these entities remains unclear.

Waste management strategy and progress

Managing our waste material effectively continues to be a focus for the Council as the Waste Management Strategy is substantially operative. Council remains focused on establishing greater efficiencies with the Waste Management Strategy, including contracting out these services.

The sanitary landfill is expected to become operative in the latter half of 2021. The sanitary landfill was constructed in 2014 as part of the strategy at a cost of just over \$1 million. The first cell is expected to last 7 to 10 years when the construction of a second cell will be required. This will require significant capital funding to make happen. The process will then be repeated every 7 to 10 years.

Council is exploring the viability of incineration as a waste disposal means. The original intentions were to export recyclable products. However, with there being no markets and shipping costs being high, incineration is looking to be a more financially attractive option.

Roading programme of works

Roading works have progressed in accordance with our asset management plan. Roothing is the Council's largest area of expenditure with an approved programme of approximately \$4 million annually. Roothing is supported by Waka Kotahi as part of the Land Transport Programme, with a financial assistance rate of 88%.

Council office

The Ngati Mutunga O Wharekauri Iwi Trust Asset Holding Company started construction on the new Council office and museum space in December 2020, with expectation that the building will be completed late in 2021. It is likely other Island entities will join in renting this space once completed. The Museum section of the building has been funded by grants from the Ministry of Arts, Culture and Heritage and New Zealand Lotteries Commission.

Predator free 2050

Council has been working with other Island stakeholders to establish a predator free 2050 programme, focusing on the eradication of possums, rats, and cats from the Island. Council has employed one staff member to coordinate this initiative. Additional funding as part of the COVID-19 stimulus package (Jobs for Nature) has been provided, with focus attributed to cat trapping works.

Community programmes

Funding has been provided allowing us to commence some exciting community projects:

- The Provincial Growth Fund supported the refurbishment of the Town Hall frontage and the Squash Court building on the Norman Kirk Memorial Reserve.
- Mayor's Task Force for Jobs provided funding to employ a coordinator, and to support a project which enabled Chatham Islanders to travel to New Zealand to take driver's licence testing.
- Funding from Ministry of Business, Innovation and Employment as part of a tourism infrastructure grant fund, has allowed for the purchase and installation of green waste toilets on the Island.
- Increased funding in the 2020/21 budget for Heartlands project has been particularly welcome given the COVID-19 response resulted in a large community demand for this service.



Statutory documents

Progress by Council on our key documents:

- Council's Resource Management Document was approved by Hon. Eugene Sage on 10 June 2020. The Government has proposed new changes to our Resource Management Document with the introduction of National Policy Statements. The full impact of these changes has not been assessed, but if compliance is required, it is likely additional costs will be incurred to meet requirements.
- The Long-Term Plan 2021-31 was audited and adopted within statutory timeframes, without qualification. Two particular matters were noted: uncertainty over the Three Waters reforms and Council's reliance on the Crown appropriation and other Government funding.
- Legislation has been passed to support Council's regional maritime safety activities. The Navigation Safety Bylaw document has since been reviewed and updated.

Other Island infrastructure

The Council has been working with other Island groups and Government to upgrade the airport runway, improve broadband and mobile telephone services and to find a sustainable and affordable source of electricity. These projects were supported with grants from the Government's Provincial Growth Fund.

Council is now the owner of the Kaingaroa wharf following a ceremonial handover from the Hokotehi Moriori Trust. A committee has been formed to evaluate engineering advice, with a view to forming an agreed preference to an affordable wharf structure on the Islands. Council will begin looking for funding opportunities to either repair or replace this facility with urgency as the Kaingaroa community is reliant on having a functioning wharf.

Improving Owenga wharf with a loading ramp was raised with Waka Kotahi NZ Transport Agency. A ramp is required to enable the loading of the barge that carries freight between Chatham and Pitt Islands. Funding was initially declined, and therefore Council is considering other funding opportunities.

Resilience and climate change

As a group of islands, we are increasingly vulnerable to the impacts of climate change. Any changes to the land or water level pose a threat to our way of life for current and future generations. Council is committed to taking a collaborative approach to addressing any identified local causes and impacts of climate change, which includes strategically varying our core Council infrastructure and internal policies to reduce or mitigate any greenhouse gas emissions. We are also working to protect and enhance our natural environment to ensure we meet our obligations. We take these steps to enable our community to remain buoyant in response to any climate changes.

Looking forward

Over the next ten years Council will endeavour to progress current projects that contribute to enhancing the wellbeing of the community and realising the community outcomes.

Key projects include:

- The completion of a water project that provides a sustainable and compliant water supply for Te One, Owenga, Kaingaroa and Waitangi.
- A new Emergency Management Operations Centre.
- An extension to the new Council office and museum facility, with a community complex.
- Roading projects.
- The implementation of the Islands' Housing Solutions project.

Overview of our financial performance

Our aim, as part of our financial strategy is to ensure Council can continue to provide effective services now and into the future by:

- Managing funds in a financially prudent manner with the aim of achieving a balanced budget each year, and ensuring projected operating revenues are at a level sufficient to meet that year's projected operating expenses.
- Advocating for sustainable and committed funding from the Government and to fully utilise available subsidies and, where possible, searching for alternative sources of funding through user pays or other partnerships.
- Ensuring rates and council dues are affordable by limiting rates increases to align with expected rates of inflation and not adjusting council dues charges.
- Maintaining current levels of service provided, with an expectation that service levels will only increase where external support is provided.
- Focusing on maintaining core services and infrastructure as cost-effectively and efficiently as possible, ensuring that funding efficiencies remain of paramount importance.
- Developing Council's capacity and capability to build, maintain and renew assets by limiting expenditure to where it is reasonable and economic to do so. Council interprets this as only progressing projects which are fully funded either by way of capital grant or where Council has an ability to borrow and repay debt. Such an approach may defer projects, which may result in a higher risk of asset failure and the asset deteriorating at a faster rate over time.

Our financial performance

This overview provides a summary of our results for the 2020/21 financial year.

Our focus during the year has been on managing our finances prudently and operating within the confines of our financial assistance packages provided by the Crown and rates received from our community. This is also known as achieving a balanced budget. With a recognised net surplus of \$1.3 million, Council has achieved that balanced budget for the year.

The Council's financial result is also better than initially freecast in the 2020/21 Annual Plan, which estimated a surplus of \$0.5 million. This achievement is due in part to the advocacy work completed by the Council, which has resulted in an increase to the Crown's annual appropriation and several grants provided to the Council to enhance and support our community and environmental objectives.

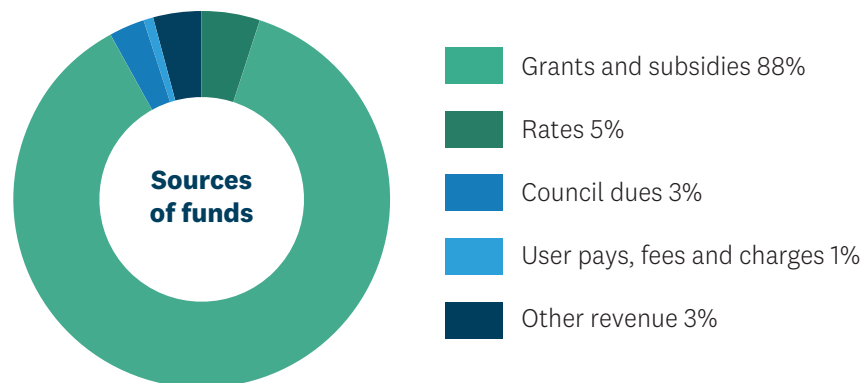
Our Council rates remain in line with inflationary movements and council due charges remain unchanged for the year. Council remains committed to ensuring rates paid by our community remain affordable and comparable with other similar Councils.

The Council ended the year with an improved cash position, moving from an overdraft of \$0.4 million in 2019/20, to an overdraft of \$0.3 million, which was consistent with the closing cash position expected in the 2020/21 Annual Plan. This has been achieved, due to Council's prudent approach to cash management.

Our sources of funds

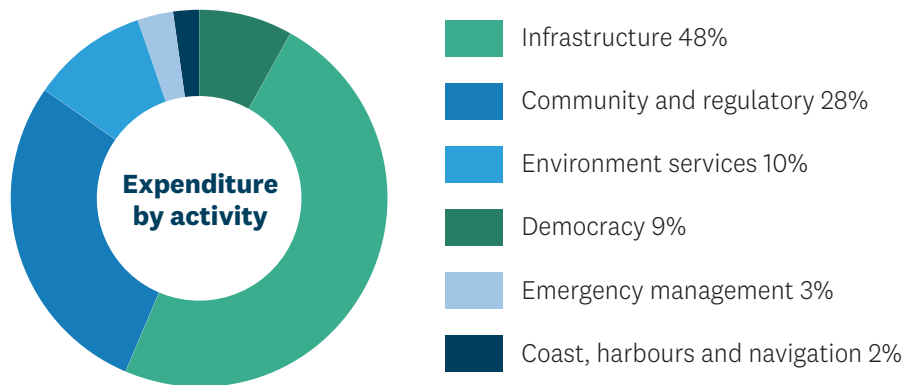
Council receives income from a range of sources but is primarily reliant on central government grants to remain operational. The budget assumed funding would be provided during the year to support on-Island projects, including infrastructural development integral to improving facilities for our community.

A summary of our funding sources for the year is detailed in the graph below:



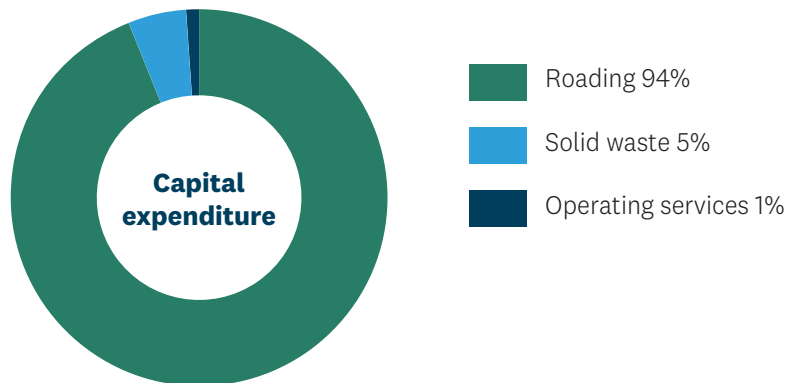
Our allocation of funds

Operating expenditure by activity is summarised in the graph below; the largest portion of expenditure relates to on-island infrastructure works, particularly the roading network.



Our capital expenditure

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.



Our assets and capital works programme

Council holds long-term assets of \$84.6 million, including operational and infrastructure assets. When investing in infrastructure, we consider affordability to the Council and ratepayers, electing to defer capital works until funding can be secured. This means our financial position remains healthy and debt low. However, the cost to the community

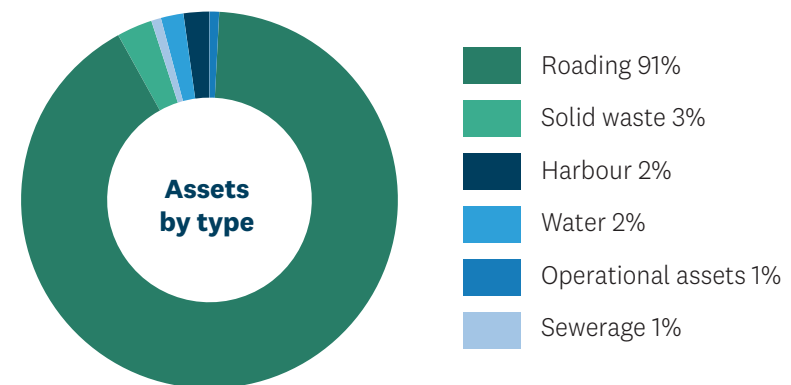
is that critical work where funding cannot be secured, such as with our water and wastewater infrastructure is often delayed, with levels of service experienced by our community being below expectation.

Our 2018-28 Long-Term Plan highlighted \$1.2 million in critical repairs required to our assets over the 10-year period of the plan. The level of assessed critical repairs assumed a proposed \$3 million upgrade to the Waitangi water treatment plant would be completed. With no external funding commitment, Council was unable to invest in these improvements, resulting in the upgrade at Waitangi being further deferred. Consequently, the assessed critical repairs to our infrastructure are likely to be higher with additional expenditure in other areas being required to retain a status quo level of service.

The assessed level of investment excluded potential ramifications arising from the Havelock North gastroenteritis outbreak of 2016, resulting in a higher level of compliance being set, with the Three Waters reforms. This has resulted in additional costs to meet statutory compliance levels, which will require additional support from central government for Council to meet.

With the Council unable to invest in infrastructure outside of roading works, asset quality is likely to deteriorate over time. In addition, this reduces the quality of service that we can offer to our residents and increases the risk of asset failure. Our last infrastructural asset revaluation in 2018 identified several water and wastewater assets with an assessed life expectancy of one year. Due to lack of funds, Council has been unable to repair or replace these assets in the year, and therefore the risk of these assets failing is assessed as high. Council continues to work with central government agencies to secure funding to address these concerns, reflecting budgeted minimal requirements.

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.



Council performance during 2020/21

The Council has six groups of activities, over which we set our desired performance targets to the community. The summary of our level of service performance against these targets, is included below:

Democracy services

0 of 2 targets met

We aim to meet our statutory responsibilities and provide effective governance and leadership

- All annual planning, reporting and Council meeting responsibilities were met.
- Our 2020/21 survey highlighted that better communication, through meetings and hui along with an increase in transparency is desired by our residents. Based on this feedback, next year we will look to hold community consultation afternoons and other engagement opportunities.

Community and regulatory services

3 of 5 targets met

We aim to promote community development and provide community and regulatory services that meet the community's needs

- We are processing liquor licences within statutory timeframes and are monitoring and enforcing compliance with liquor licence conditions. There were no issues of non-compliance identified with our food premises for the year.
- Our 2020/21 survey highlighted residents appreciation of the work provided by the dog and stock control officer and the library service provided in conjunction with Wellington City Library. Council will continue to work on improving these services with the funding it has.

Infrastructure services

18 of 27 targets met

We aim to meet our statutory responsibilities and provide access to quality infrastructure services

- All roading and footpath projects were maintained in accordance with the Council's roading and maintenance specifications as set out in the three year roading strategy.
- The condition of our roads is assessed as "good".
- Our waste management strategy has been completed. However, the landfill commissioning in Owenga has been delayed until Christmas 2021.
- Water supplies were not fully compliant with the drinking water standards for the 2020/21 year. Council are considering sustainable solutions to mitigate or resolve the issues associated with water shortages. This year Council received Ministry of Health funding to address urgent issues with both water schemes in Waitangi and Kaingaroa and to improve the reliability of its drinking water supply in terms of quantity and quality. Given Council's financial position, Council is unable to guarantee continuity of water supply.
- The level of service experienced by our residents is also unlikely to improve. The trend of increasing summer tourist numbers puts further pressure on the water supply.
- Council is participating in the Three Waters Reform Programme, receiving funding for projects due for completion in 2021/22. Funding from the Ministry of Health has also been received during the year. Wastewater projects are aimed at improving, or designing improvements to, the wastewater system.

Environmental services

6 of 12 targets met

We aim to maintain, sustain and protect our natural resources now and for future generations

- We are effectively monitoring the water quality and hydrology of Chatham Islands waterways, with results displayed on our website:
- Our Chatham Islands Resource Management Document is fully operative and was updated during the year for new requirements set by the National Environmental Standards. Looking forward, the Resource Management Document will need further updates by 2024 to give effect to the Essential Freshwater Package. Based on the indicated future funding assistance package, there is currently insufficient funding to complete this expected work by 2024. Negotiations between the Council and the Department of Internal Affairs to support this project are ongoing. Effective Freshwater policies are a priority for the Council and an area of special interest for imi and iwi. Council plan to work in co-operation with interested parties to ensure mutually beneficial outcomes are achieved.
- We have proactively managed on-Island and marine pest threats, focusing on quarterly site visits to at risk sites on land and twice annual surveys of island ports to maintain an internal border between Chatham Island, Pitt Island and mainland New Zealand. Public education and regular training of SPS Biosecurity staff has also minimised the threat of pest outbreak.

Emergency management

4 of 4 targets met

We aim to provide emergency management that responds effectively to the needs of the community

- All emergency management plans are up to date and were completed within statutory timeframes.
- Our 2020/21 survey highlighted 80% of the residents who completed the annual satisfaction survey felt they were prepared or well prepared for an emergency. The Council remains focused on prioritising emergency management preparedness due to the importance of the Island being ready for any emergency, given the Island's level of isolation.

Coasts, harbours and navigation

2 of 2 targets met

We aim to promote, maintain and sustain a safe environment for both commercial and recreational maritime activities

- Our navigational safety documents remain up to date and in line with leading practice, they reflect the appropriate needs of the Islands and have been reviewed within cyclical timeframes.
- Owenga Wharf, which provides lifeline access to Pitt Island from Chatham Island, remained open with no safety or inefficiency complaints received.

Financial overview



The full financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which requires information to be prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP), and comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). The Chatham Islands Council has elected to prepare the financial statements in accordance with Tier 2 PBE accounting standards as it is not publicly accountable or large. The summary financial statements are for the year ended 30 June 2021 and are presented in New Zealand dollars with all values rounded to the nearest thousand (\$000). The summary financial statements comply with PBE FRS-43. The financial statements were authorised for issue by Council on 27 April 2023.

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2021

	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Rates	625	577	592
Grants & subsidies	10,626	7,412	7,133
Other revenue	998	697	616
Total revenue	12,249	8,686	8,341
Financial costs	11	24	7
Other expenditure	10,920	8,145	8,064
Total expenditure	10,931	8,169	8,071
Total surplus/(deficit)	1,318	517	270
Increase/(decrease) in revaluation reserve	-	-	-
Total Comprehensive Revenue and Expense	1,318	517	270

Statement of Changes in Equity for the year ended 30 June 2021

	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Equity at the start of the year	82,398	84,683	82,128
Total comprehensive revenue and expense	1,318	517	270
Equity at the end of the year	83,716	85,200	82,398

Statement of Financial Position as at 30 June 2021

	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Current assets	1,772	1,065	2,490
Non-current assets	84,665	86,926	84,058
Total assets	86,437	87,991	86,548
Current liabilities	2,565	2,791	3,968
Non-current liabilities	156	-	182
Total liabilities	2,721	2,791	4,150
Net assets	83,716	85,200	82,398
Total public equity	83,716	85,200	82,398

Statement of Cash Flows for the year ended 30 June 2021

	Actual 2020/21 \$000	Annual plan 2020/21 \$000	Actual 2019/20 \$000
Net cash flow from operating activities	2,155	2,807	2,634
Net cash flow from investing activities	(1,988)	(2,538)	(2,806)
Net cash flow from financing activities	(37)	(62)	-
Increase/(decrease) in cash held	130	207	(172)
Opening cash balance	(391)	(462)	1,024
Closing cash balance	(261)	(255)	852

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. A copy of the full 2020/21 Annual Report can be found on our website or at our office.

The organisation

Council

Mayor

Monique Croon

Deputy Mayor

Greg Horler

Councillors

Keri Lea Day

Celine Gregory-Hunt

Graeme Hoare

Amanda Seymour

Steve Joyce

Oscar Nilsson

Jason Seymour

Council Staff

Chief Executive

Owen Pickles

owen@cic.govt.nz

Operations Manager

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(on behalf of the Auditor-General)





chatham islands council

Chatham Islands Council
PO Box 24
Tuku Road
Waitangi
Chatham Islands

Ph: (03) 3050 033
(03) 3050 034
Fax: (03) 3050 044
Email: info@cic.govt.nz
Web: www.cic.govt.nz
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Chatham Islands Council

Unaudited Annual Report

2021/22



chatham islands council

Our people, our Islands, our future

Profile of the Chatham Islands

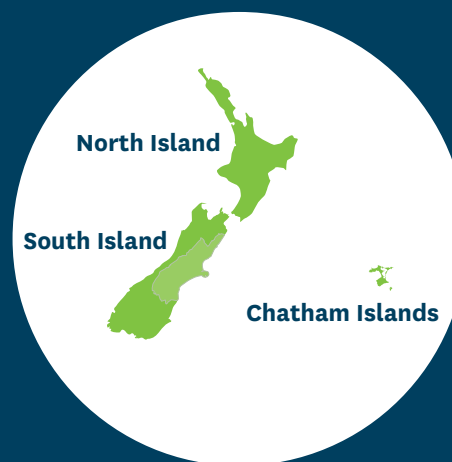
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The Islands at a glance

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The unemployment rate in Chatham Islands territory is 1.6% for people aged 15 years and over, compared with 4.0% for all of New Zealand.

Source: Statistics New Zealand 2018 Census Data

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The Council's vision

The Council is working towards creating a resilient and sustainable community that embraces diversity and builds growth for our people, our Islands and our future.

These are the Council's priorities for ensuring that:

- We lead with integrity and respect.
- We work collectively for the greater good of the community to achieve community aspirations.
- We strive towards a sustainable future and actively pursue opportunities that can enhance the wellbeing and prosperity of our community.
- We are accountable to our community and transparent in our decision-making.

Mayor and Chief Executive's report

Kioranga, kia ora, greetings,

It is with pleasure that we present the 2021/22 unaudited Annual Report for the Chatham Islands Council. Thank you for taking the time to read it. Our auditors have deferred the audit, because of an auditor shortage in New Zealand as a result of COVID-19 border restrictions. This delay has again resulted in the Council being unable to meet its statutory reporting deadline of 31 December 2022.

Council has elected to publish an unaudited version in the intervening period, to ensure transparency and accountability to its community in a timely manner. Your interest in the Chatham Islands Council means a lot to us.

Once again, the Chatham Islands Council has done its best to provide a great service to its community in the face of many challenges. We are grateful that we have all worked together in the Islands amidst a global pandemic to keep the population safe. Our weekly regional leadership group meetings allowed us to be adequately informed and to respond as needed. We thank all of those involved.

Alongside the challenges that COVID-19 presented, a lack of funding continues to be an ongoing barrier to offering comparable services to that of mainland New Zealand. As always, the Council relies heavily on funding from central government to operate, as we don't have the population to fund our work through rates. We are careful to not unfairly burden our ratepayers, but in doing so our funding situation remains unpredictable and may delay desired projects, including infrastructure upgrades.

Government reforms have been plenty, all providing different challenges for the community. Reforms in the Resource Management space and as a response to climate change have been both challenging and costly while other reforms like the Three Waters proposals have provided the Council with additional funds to enable infrastructure upgrades to occur. The "better off" allocation will provide the Council with approximately \$9m to spend on community good projects in the years ahead.

A highlight has been the relocation of the Council office in January 2022 into the new building. This was built by Ngati Mutunga O Wharekauri Iwi Trust and leased to the Council. It is pleasing to see the meeting facilities being well used by the community.

We were also pleased to see the RB2 completed delivering the Islands cell phone coverage and improved broadband facilities. With these services going live in December 2021 it completed nearly 10 years of lobbying efforts.

We have continued to build relationships with our regional partners including Hokotehi Moriori Trust, Ngati Mutunga O Wharekauri Iwi Trust, and Chatham Islands Enterprise Trust. We also continue to maintain good relationships with the Government and its officials and acknowledge local MP Paul Eagle for his assistance with this. There are many changes being imposed by the Government that will affect the way the Council operates that flow into the community. We continue to advocate for the Islands interests where we can.

Finally, we thank councillors, staff and our external support providers. All have worked hard for the betterment of the Chatham Islands community. We greatly appreciate the dedication and support of all.

Monique Croon
Mayor

Owen Pickles MNZM JP
Chief Executive

Introduction

Our 2021/22 Unaudited Annual Report is an account of Chatham Islands Council's financial and service performance in the year from 1 July 2021 to 30 June 2022. The document has not been audited as the work has been deferred, because of an auditor shortage in New Zealand as a result of COVID-19 border restrictions. The Annual Report outlines what we committed to achieving in the 2021-31 Long-Term Plan for the year and describes how we delivered it.

The report can be divided into four sections:

1. The overview, including a summary of our strategic approach, function and highlights of the year.
2. Financial statements, detailing the Council's position and performance in financial terms.
3. Service performance summaries, which detail the work completed in each major area of Council activities.
4. Financial accountability at an activity level is detailed in our funding impact statements in Appendix 1.

The Chatham Islands Council's key financial accountability documents are as follows:

The Long-Term Plan and Annual Plan

The Long-Term Plan and the Annual Plan are forward-looking documents, detailing how the Council plans to manage its finances and infrastructural programmes. They also cover what projects are to be undertaken or prioritised and how this is to be funded. These plans also document how the Council consults with its community including Moriori and Māori. It identifies the Council's plans for the medium and long-term, including coping with uncertainty and changing circumstances along with any assumptions they have made in creating the plan.

Annual Report

The Annual Report is a reflective document, detailing what was achieved compared with what was intended with the objectives set in the Long-Term Plan or Annual Plan. It is the Council's key financial accountability document. It also provides ratepayers and other interested parties with a report on how well the Council's assets are being looked after and how well the Council is performing as an organisation. The Annual Report informs readers about the Council's progress towards achieving its vision.

Moriori and Māori engagement

The Council has an obligation to take into account the principles of the Treaty of Waitangi/ Te Tiriti o Waitangi – and to recognise and provide for the special relationship between and with Moriori, Māori, their culture, traditions, land and miheke or taonga.

The obligation to consult includes recognising those who hold t'chakat henu or mana whenua or ancestral rights of land ownership. Within the Chatham Islands, the Council recognises the t'chakat henu and Hokotehi Moriori Trust and Ngāti Mutunga o Wharekaui Iwi Trust as groups that represent mana whenua within the territory. The Council recognises the obligation to actively promote Moriori and Māori participation in the decision-making process.

The key goals of the Council in progressing relationships with imi/iwi are:

- Working towards formalising working relationships.
- Building capacity to enhance participation in the decision-making process.
- Providing information to assist Moriori and Māori to effectively contribute to the decision-making process.
- Providing education and raising awareness among staff and elected members so that they can gain an appreciation of the Moriori and Māori values and traditions in relation to the Local Government Act 2002 and the Resource Management Act 1991.
- Consulting with Moriori and Māori on key decisions.

The Council also recognises an obligation to the Chatham Islands community under the Long-Term Plan 2021-31 in enhancing and acknowledging the importance of t'chakat henu/ tangata whenua.



2021/22 in review

The 2021/22 financial year was another impacted by the uncertainties generated by COVID-19 where virtual meeting became normal. It was also an exciting time for the Council as it moved into its new accommodation.

Sustainable water and wastewater

The proposed Government Three Waters Reform progressed with the Chatham Islands being included in Entity C. Lots of information requests were responded to as the new entity started to gain an understanding of commitments and responsibilities that will transfer to it.

As part of the Reforms some funding in the form of the Three Waters Stimulus Fund became available. This together with a grant from the Ministry of Health enabled the Council to complete urgently required upgrades to its water and wastewater networks which was most appreciated.

There is still much to be done to address source and capacity issues in Waitangi which will become a task for the new entity.

Waste management strategy and progress

In August 2021 the Council contracted Fulton Hogan Ltd to operate its waste management activities.

Working closely with Fulton Hogan, Council's engineers Stantec, and the Ministry for the Environment, the waste management activity made substantial progress during the year under review. Funding for a weigh bridge facility and a new waste recovery building was secured. The sanitary landfill began to receive waste.

Roading programme of works

Roading works have progressed in accordance with our asset management plan. Roothing is the Council's largest area of expenditure with an approved programme of approximately \$4m annually. Roothing is supported by Waka Kotahi as part of the land transport programme with a financial assistance rate of 88%.

Council office

The Ngati Mutunga O Wharekauri Iwi Trust Asset Holding Company funded new office facility was completed in December 2021 with the Council moving into the facility in January 2022.

The building along with the adjoining museum were officially opened by the Prime Minister Rt Hon Jacinda Aderon on 25 November 2022.

Communications upgrade

In December 2021 cell phone coverage went live on the Chatham Islands as part of the Government's RB2 project which also provided improved broadband services.

While not funded by the Council, the completion of this project was the result of nearly 10 years of lobbying, so it was very satisfying to see this finally happen.

Climate change

As a group of islands, we are increasingly vulnerable to the impacts of climate change. Any changes to the land or water level poses a threat to our way of life for current and future generations. Council is committed to taking a collaborative approach to addressing and identifying local causes and impacts of climate change, which includes strategically varying our core Council infrastructure and internal policies to reduce or mitigate any greenhouse gas emissions. We are working to protect and enhance our natural environment to ensure we meet our obligations. We take these steps to enable our community to remain buoyant in response to any climate changes.

Looking Forward

Over the next ten years the Council will endeavour to progress current projects that contribute to enhancing the wellbeing of the community and realizing community outcomes.

Key projects include:

- Making safe repairs to Kaingaroa wharf
- Repairs to Owenga wharf
- Community housing upgrades
- A new emergency management operations centre
- Roothing projects



Overview of our financial performance

Overview of our financial performance

Our aim, as part of our financial strategy, is to ensure Council can continue to provide effective services now and into the future by:

- Managing funds in a financially prudent manner with the aim of achieving a balanced budget each year, and ensuring projected operating revenues are at a level sufficient to meet that year’s projected operating expenses.
- Advocating for sustainable and committed funding from the Government and to fully utilise available subsidies and, where possible, searching for alternative sources of funding through user pays or other partnerships.
- Ensuring rates and council dues are affordable by limiting rates increases to align with expected rates of inflation and not adjusting council dues charges.
- Maintaining current levels of service provided, with an expectation that service levels will only increase where external support is provided.
- Focusing on maintaining core services and infrastructure as cost-effectively and efficiently as possible, ensuring that funding efficiencies remain of paramount importance.
- Developing Council’s capacity and capability to build, maintain and renew assets by limiting expenditure to where it is reasonable and economic to do so. Council interprets this as only progressing projects which are fully funded either by way of capital grant or where Council has an ability to borrow and repay debt. Such an approach may defer projects, which may result in a higher risk of asset failure and the asset deteriorating at a faster rate over time.

Our financial performance

This overview provides a summary of our unaudited results for the 2021/22 financial year. Our focus during the year has been on managing our finances prudently and operating within the confines of our financial assistance packages provided by the Crown and rates received from our community. This is also known as achieving a balanced budget. With a recognised net surplus of \$0.03 million, Council has achieved that balanced budget for the year.

The Council’s unaudited financial result is unfavourable compared with the 2021/22 year of the 2021-31 Long-Term Plan, which estimated an operating surplus of \$1.88 million. This is due in part to the additional non-capital elements of expenditure related to the Museum community complex costs, increased expenditure on Insurance which is reflective of the higher risk of natural disaster

and the enhanced repair costs, and lastly, increased travel expenditure related to the Kiwi Can Do programme.

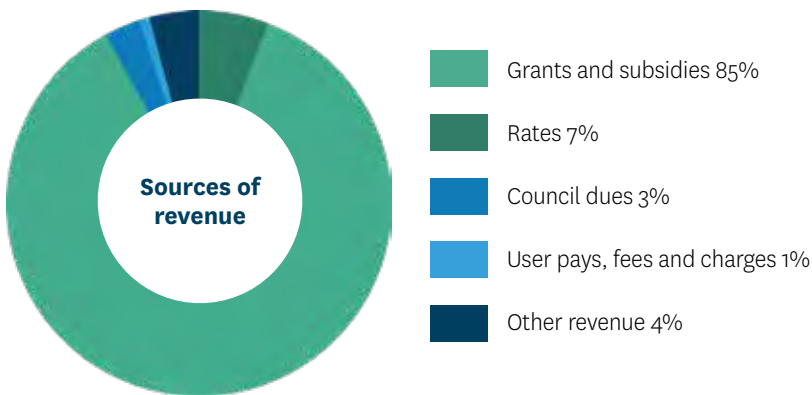
Our Council rates remain in line with inflationary movements and council due charges remain unchanged for the year. Council remains committed to ensuring rates paid by our community remain affordable and comparable with other similar Councils.

The Council ended the year with an improved cash position, moving from an overdraft of \$0.26 million in 2020/21, to a positive balance of \$0.05 million, which was below the closing cash position expected in the 2021/22 year of the 2021-31 Long-Term Plan.

Our sources of funds

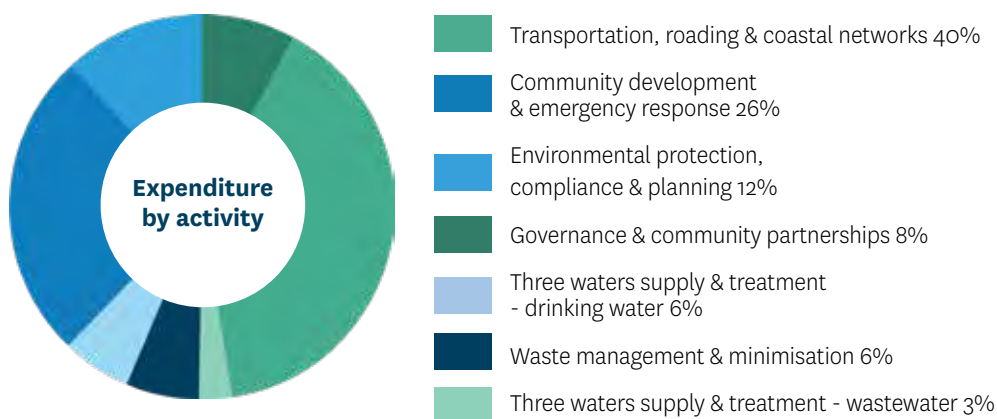
Council receives income from a range of sources but is primarily reliant on central government grants to remain operational. The budget assumed funding would be provided during the year to support on-Island projects, including infrastructural development integral to improving facilities for our community.

A summary of our funding sources for the year is detailed in the graph below:



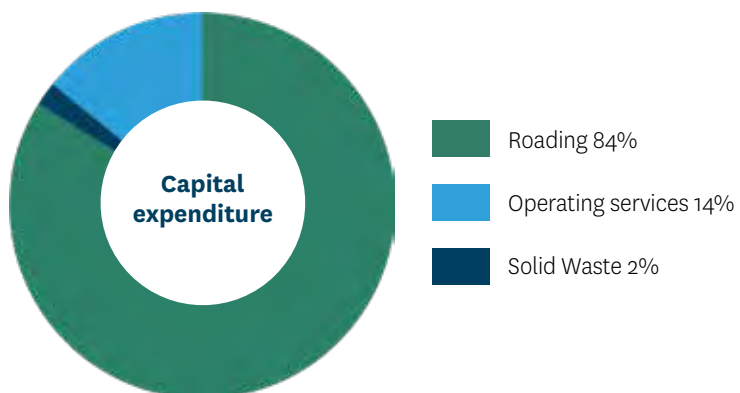
Our allocation of funds

Operating expenditure by activity is summarised in the graph below; the largest portion of expenditure relates to on-island transportation, roading and coastal networks, with particular emphasis on the roading network.



Our capital expenditure

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.

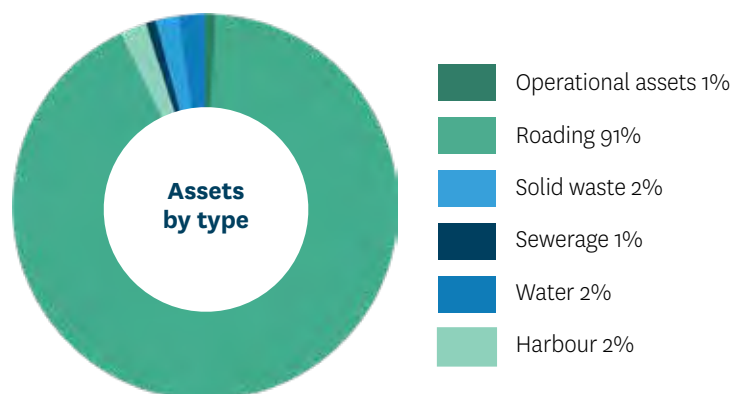


Our assets and capital works programme

Council holds long-term assets of \$98.7 million, including operational and infrastructure assets. When investing in infrastructure, we consider affordability to the Council and ratepayers, electing to defer capital works until funding can be secured. This means our financial position remains healthy and debt low. However, the cost to the community is that critical work where funding cannot be secured, such as with our water and wastewater infrastructure is often delayed, with levels of service experienced by our community being below expectation.

With the Council unable to invest in infrastructure outside of roading works, asset quality is likely to deteriorate over time. In addition, this reduces the quality of service that we can offer to our residents and increases the risk of asset failure. Infrastructural assets were revalued as at 30 June 2022, with an increase in value of \$14.2 million recognised.

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure



Financial statements

Statement of compliance and responsibility

Compliance

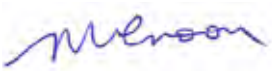
Councillors and management of Chatham Islands Council confirm the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with during the year, with the following exception:

- Under section 98(7) of the Local Government Act 2002, Council is required to complete and adopt its Annual Report prior to 31 December 2022. Council was unable to comply with this requirement for the year ended 30 June 2022 due to COVID-19 restrictions causing an auditor shortage.

Responsibility

Councillors and management of Chatham Islands Council accept responsibility for the preparation of the annual financial statements and the judgements used in them. They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and service performance reporting.

In the opinion of the Councillors and management of Chatham Islands Council, the financial statements fairly reflect the financial position of the Council as at 30 June 2022, and the results of its operations, cash flows and the service performance achievements for the year ended on that date.



Monique Croon
Mayor



Owen Pickles MNZM JP
Chief Executive

Thursday 15th December 2022



Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2022

	Note	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000
Revenue				
Rates	2	708	631	625
Grants & subsidies	2	9,031	9,421	10,524
Council dues		325	265	307
User pays, fees and charges		100	108	114
Interest		1	56	28
Other revenue		407	357	431
Share of surplus of associate		(4)	133	118
Total revenue	1	10,568	10,971	12,147
Expenditure				
Depreciation and amortisation	8	2,748	2,857	2,587
Personnel costs	3	1,134	1,036	1,037
Financial costs		9	6	11
Other expenditure	4	6,647	5,187	7,296
Total expenditure	1	10,538	9,086	10,931
Total surplus/deficit		30	1,885	1,216
Comprehensive revenue and expense				
Increase/(decrease) in revaluation reserve	8, 13	14,207	-	-
Total other comprehensive revenue and expense		14,207	-	-
Total comprehensive revenue and expense		14,237	1,885	1,216

Statement of changes in equity for the year ended 30 June 2022

	Note	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000
Equity at the start of the year		83,614	84,683	82,398
Total comprehensive revenue and expense		14,237	1,885	1,216
Equity at the end of the year	13	97,851	86,568	83,614

Statement of financial position as at 30 June 2022

	Note	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000
Current assets				
Cash & cash equivalents	5	44	512	27
Cash funds held in trust	5	4	-	4
Cash investments	6	179	-	178
Current trade and other receivables	7	671	1,272	1,563
Total current assets		898	1,784	1,772
Non-current assets				
Non-current trade and other receivables	7	-	477	-
Investment in associate		180	200	184
Property, plant and equipment	8	98,675	85,548	84,482
Total non-current assets		98,855	86,225	84,666
Total assets		99,753	88,009	86,438

These statements should be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.



Statement of financial position as at 30 June 2022 (continued)

	Note	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000
Current liabilities				
Bank overdraft	5	-	-	292
Trade and other payables	9	1,622	1,694	2,211
Personnel cost liabilities	10	92	88	112
Current portion of provisions	11	25	25	25
Current portion of borrowings	12	23	67	28
Total current liabilities		1,762	1,875	2,668
Non-current liabilities				
Non-current portion of borrowings	12	140	567	156
Total non-current liabilities		140	567	156
Total liabilities		1,902	2,442	2,824
Net assets		97,851	85,567	83,614
Public equity				
Accumulated funds and reserves	13	97,851	85,567	83,614
Total public equity		97,851	85,567	83,614

Statement of cash flows for the year ended 30 June 2022

	Note	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000
Cash flow from operating activities				
Receipts from rates revenue		702	587	585
Receipts from grants and subsidies		9,628	9,038	10,628
Receipts from Council dues		341	248	292
Interest received		1	56	28
Receipts from other revenue		792	381	(100)
Payments made to employees		(1,154)	(1,036)	(1,035)
Interest paid		(9)	(6)	(11)
Other payments to suppliers		(7,236)	(5,038)	(8,231)
Net cash flow from operating activities		3,065	4,231	2,156
Cash flow from investing activities				
Purchase of fixed assets		(2,733)	(3,895)	(3,283)
Sale/(purchase) of other assets		(1)	119	1,294
Net cash flow from investing activities		(2,734)	(3,776)	(1,989)
Cash flow from financial activities				
Loans raised		-	-	-
Repayment of loans		(21)	(34)	(37)
Net cash flow from financial activities		(21)	(34)	(37)
Increase/(decrease) in cash held		310	421	130
Opening cash balance		(261)	91	(391)
Closing cash balance	5	49	512	(261)

Goods and Services Tax: The GST component of operating activities reflects the net GST paid to and received from Inland Revenue. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information.

These statements should be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

Financial statements

Statement of accounting policies

For the year ended 30 June 2022

Reporting entity

Chatham Islands Council is a Unitary Local Authority under the Chatham Islands Council Act 1995 and the Local Government Act 2002 and is domiciled and operates in New Zealand. Chatham Islands Council has designated itself as a public benefit entity for financial reporting purposes. The primary objective of the Council is to provide goods and services for community or social benefit rather than to make a financial return. The financial statements of Chatham Islands Council are unaudited and for the year ended 30 June 2022. The unaudited financial statements were authorised by Council for issue on Thursday 15 December 2022.

Basis of preparation

The financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which requires information to be prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). This includes preparing the accounts on a going concern basis. Refer to note 18 in the financial statements for further details on our going concern assumption.

The Local Government Act 2002 also requires Council to complete and adopt its Annual Report prior to 31 December 2022. Council was unable to comply with this requirement for the year ended 30 June 2022 due to an auditor shortage at Audit NZ.

Changes in accounting policies

Standards and amendments issued but not yet effective where Council has elected not to early adopt include: PBE IPSAS 41 Financial Instruments, which supersedes PBE IPSAS 9 Financial Instruments and PBE IPSAS 29 Financial Instruments. The new standard is effective for annual periods beginning on or after 1 January 2022. The Council has elected to not early adopt this standard, there is expected to be no significant change from applying the new standard.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain infrastructural assets.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand (\$000). The functional currency of Chatham Islands Council is New Zealand dollars.

Critical financial assumptions, judgements and estimations

The financial statements require management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. These estimates and the associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and, if applicable, future periods if the revision affects both current and future periods.

Budget figures

The budget figures in the financial statements are those approved by Chatham Islands Council as part of the annual planning process. The Council has approved no additional expenditure outside the planning process.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the Council for the preparation of these financial statements.

The following accounting policies, which materially affect the measurement of results and financial position, have been applied.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. The recognition criteria for specific revenue items are described below:

- Rates revenue is recognised when it is levied. General rates and targeted rates are non-exchange transactions.
- The Waka Kotahi NZ Transport Agency roading subsidies are recognised when the conditions pertaining to eligible expenditure have been fulfilled. These subsidies and grants are non-exchange transactions.



- Government assistance and grants are recognised when eligibility is established. Grants are non-exchange transactions.
- Other grants and bequests are recognised when control over the asset is obtained. Grants are non-exchange transactions.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Chatham Islands Council does not have any finance leases.

Taxation

Chatham Islands Council is a public authority and consequently is exempt from the payment of income tax, except for income derived from Council Controlled Organisations.

Goods and services tax

All amounts in the financial statements are exclusive of GST, except for debtors and creditors, which are shown inclusive of GST. The net amount of GST recoverable from or payable to the IRD is included as part of receivables or payables in the Statement of Financial Position.

The net amount of GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Trade and other receivables are measured at cost, less any provision for impairment.

A provision for impairment is established when there is evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the amounts expected to be collected.

Trade and other receivables

Trade and other receivables are measured at cost, less any provision for impairment.

A provision for impairment is established when there is evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the amounts expected to be collected.

Other financial assets

Financial assets are initially recognised at fair value through surplus or deficit plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Cash investments include investments in bank with maturities exceeding three months. They are initially measured at the amount invested, adjusted for interest received.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial statements

Investment in an associate

Associates are entities over which the Council has significant influence but not control. Investments in associates are accounted for using the equity method. The Council has a 25% interest in the Chatham Islands Housing Partnership Trust. The purpose of the Charitable Trust is to relieve hardship caused through isolation and reduced access to housing.

The reporting date of the Chatham Islands Housing Partnership Trust is 31 March. There are no significant restrictions on the ability of the associate to transfer funds to the Council in the form of cash dividend or similar distributions, or to repay loans or advances.

The Council's share of an associate's profits or losses is recognised in the surplus or deficit.

Property, plant and equipment

The initial or subsequent cost of an item of property, plant and equipment is recognised as an asset where it is probable that future economic benefits or service potential will flow to the Council. Costs that do not meet these criteria are expensed. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially recognised at fair value.

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

Asset classes that are revalued are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. The valuation cycle for revalued asset classes is normally five years. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation, this balance is expensed in the statement of comprehensive revenue and expense.

The Council has the following classes of assets:

Operational assets

Land and buildings were valued at deemed cost by way of Government Valuation, as at 1 July 1989. Subsequent additions are valued at cost. All other operational assets are valued at cost less accumulated depreciation.

Infrastructure assets

Roading: Roothing assets (excluding land under roads) were revalued by Stantec Ltd (Registered Engineers) at depreciated replacement cost, as at 30 June 2022. Subsequent additions are included at cost. Land under roads is recorded at cost and is not depreciated.

Storm water and sewerage reticulation: The reticulation systems were valued by Stantec Ltd (Registered Engineers) as at 30 June 2022. The valuation provided is depreciated replacement cost. Subsequent additions are included at cost.

Solid waste: Solid waste assets were valued by Stantec Ltd (Registered Engineers) as at 30 June 2022. The valuation provided is depreciated replacement cost. Subsequent additions are included at cost.

Water: The reticulation systems were valued by Stantec Ltd at depreciated replacement cost as at 30 June 2022. Subsequent additions are included at cost.

Harbour: Harbour assets were valued by Stantec Ltd at depreciated replacement cost as at 30 June 2022. Subsequent additions are included at cost.



Depreciation

Depreciation is provided on a straight-line basis on all assets. Rates are calculated to allocate the asset's cost or valuation less estimated residual value over their estimated useful life, as follows.

Asset	Years
Operational assets	
Vehicles	5–10 years
Furniture/fitings	5–10 years
Buildings	25–50 years
Office equipment	5 years
Parks and reserves	25 years
Asset	Years
Infrastructure assets	
Roading	
Top surface (seal)	10 years
Pavement (base course)	
Sealed	60 years
Unsealed	Not depreciated
Pavement	
Unsealed (wearing course)	8 years
Sub-base and formation	Not depreciated
Culverts	70–75 years
Footpaths and kerbs	35 years
Signs	8 years
Retaining walls	60 years
Bridges	60 years

Asset	Years
Water reticulation	
Pipes, valves, hydrants	25 years
Pump stations	5–35 years
Tanks	80 years
Sewerage reticulation	
Pipes and other reticulation assets	60–80 years
Solid waste	
Landfill, transfer stations and other assets	5–35 years
Storm water system	
Pipes	40–60 years
Harbour	
Owenga wharf	50 years

Intangible assets

Intangible assets are primarily the costs associated with acquiring computer software, which is valued at cost less accumulated amortisation.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows.

Asset	Years
Computer software	5 years

Financial statements

Impairment of property, plant and equipment and intangible assets

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive revenue and expense.

Trade and other payables

Short-term payables are recorded at their face value.

Personnel cost liabilities

Provision has been made in respect of the Council's liabilities for annual leave, at balance date. This has been calculated on an actual entitlement basis. Chatham Islands Council does not recognise a liability for sick leave.

Provisions

Chatham Islands Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event; in such cases, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the future expected expenditure.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Public equity

Equity is the community's interest in Chatham Islands Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings.
- Restricted reserves.
- Asset revaluation reserves.

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Chatham Islands Council. Restricted reserves are those subject to specific conditions accepted as binding by Chatham Islands Council and that may not be revised by Chatham Islands Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Council Controlled Organisations

The Council has one Council Controlled Organisation, the Chatham Islands Mayoral Disaster Relief Fund Trust, as a body to receive grants to respond to emergency events on the Chatham Islands. For the year ended 30 June 2022, the entity was dormant and had no assets or liabilities, nor did the entity make any transactions during the year. Therefore, the parent and group accounts are the same. The Council has exempted this organisation from reporting under Section 7 of the Local Government Act 2002.



Notes to the financial statements

Note 1: Summary of revenue and expenditure by activity

The cost of service for each of the Council's activities has been derived by allocating revenue and expenditure items directly to each activity statement, where directly attributable. Other indirect items (overheads) are those that cannot be identified in an economically feasible manner to an activity. These items are allocated to each activity using cost drivers. This may result in disproportionate gains or losses at an activity level where revenue and expenditure categories are matched.

There has been no changes in the allocation methodology during the year.

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Revenue by activity		
Leadership & community partnerships	1,622	1,522
Transportation, roading & coastal networks	3,767	5,007
Three waters supply & treatment - wastewater	239	4,443
Three waters supply & treatment - drinking water	627	403
Waste management & minimisation	214	340
Community development & emergency response	2,945	-
Environmental protection, compliance & planning	1,154	432
Total revenue	10,568	12,147
Expenditure by activity		
Leadership & community partnerships	801	925
Transportation, roading & coastal networks	4,241	5,290
Three waters supply & treatment - wastewater	295	3,086
Three waters supply & treatment - drinking water	628	1,051
Waste management & minimisation	645	311
Community development & emergency response	2,699	-
Environmental protection, compliance & planning	1,229	268
Total expenditure	10,538	10,931
Net surplus/(deficit)	30	1,216

Note 2: Revenue

Rates are further broken down in the table below:

Rates revenue	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
General rates	328	311
Targeted rates		
Roading	92	58
Solid waste	97	71
Water	74	74
Sewerage	89	80
Total targeted rates	352	283
Rates penalties	28	32
Total rates revenue	708	626

Rating base information

The following rating base information is disclosed using rating base information at the end of 30 June 2021.

	30 June 2021
The number of rating units	639
The total land value of rating units	98,009,250
The total capital value of rating units	248,927,000

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Grants and subsidies is further broken down in the table below:

Grants and subsidies	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Department of Internal Affairs	4,355	4,096
Waka Kotahi NZ Transport Agency roading subsidy	3,233	3,853
Ministry of Culture & Heritage	309	969
New Zealand Lotteries Commission	-	1,000
Department of Conservation	-	98
Ministry of Business, Innovation & Employment	-	136
Ministry of Health	-	156
Other	1,134	215
Total grants & subsidies	9,031	10,523

For the Council, the principal grants and reimbursements are from the following sources:

- The Department of Internal Affairs provides an annual contribution to meet the Council's statutory obligations. The Crown's annual contribution was for \$4.4 million for 2021/22. This level of financial support is committed for the foreseeable future. The Crown's contribution is enough to cover our operating requirements but does not cover depreciation of infrastructure assets; which means we are unable to effectively plan for or invest in infrastructural development. Council made an application for additional support for an investment programme and funding required for identified areas of financial shortfall.
- The Waka Kotahi NZ Transport Agency reimburses part of the Council's costs for maintaining the local roading infrastructure. The reimbursement from Waka Kotahi is for costs already incurred, with no unfulfilled conditions or other contingencies relating to the reimbursements. The current level of support provided by Waka Kotahi is at 88% of actual costs incurred. Council currently fund any Waka Kotahi shortfall from reserves; which further draws on Council's cash liquidity.

Note 3: Expenditure – personnel costs

Key management personnel of the Council include the Mayor, Councillors and the Chief Executive. The assessed total full time equivalent of the key management personnel is assessed as 14 for the year ended 30 June 2022 (as at 30 June 2021, 10). Due to the difficulty in determining the full time equivalent figure for the Mayor and Councillors, the figure is based on head count.

Mayoral and Councillor remuneration

The following people held office as elected members of the Council's governing body, receiving the following levels of remuneration during the reporting period:

Name	Position	Unaudited actual 2021/22	Unaudited actual 2020/21
Monique Croon	Mayor	55,350	54,675
Gregory Horler	Deputy Mayor	25,154	23,236
Keri Day	Councillor	18,917	17,393
Celine Gregory-Hunt	Councillor	18,917	17,393
Graeme Hoare	Councillor	18,917	17,393
Richard Joyce	Councillor	18,917	17,393
Oscar Nilsson	Councillor	8,828	17,393
Amanda Seymour	Councillor	18,917	17,393
Jason Seymour	Councillor	18,917	17,393
Nigel Ryan	Councillor	9,674	-
Total Honoraria		212,509	199,663

The Remuneration Authority is responsible for setting the remuneration levels for elected members. The elected members receive an annual salary, as opposed to a combination of meeting fee payments and annual salary. Elected members receive no other non-monetary benefits. Furthermore, there have been no appointments of elected members to other boards, with the purpose of representing Council's interests. Related party transactions are disclosed as part of note 16.



Chief Executive remuneration

The total remuneration of the Chief Executive for the year ended 30 June 2022 was \$207,071 (as at 30 June 2021 \$205,061).

Name	Position	Unaudited actual 2021/22	Unaudited actual 2020/21
Owen Pickles	CE	207,071	205,061
Total		207,071	205,061

Staffing levels and remuneration

Name	Unaudited actual 2021/22	Unaudited actual 2020/21
Short term employment benefits	419,580	404,725
Total compensation of key management personnel	419,580	404,725

Other employee numbers and remuneration bands:

As at 30 June 2022, the Council employed nine full time and two full time equivalent employees (as at 30 June 2021, the comparative figures of employment were 12 full time and two full time equivalent employees). The table below identifies the number of people employed by the Council at the end of the financial year and identifies the breakdown of remuneration levels of employees into bands. Where a band contains less than five staff members, the band is combined with the next highest band.

Band	Unaudited actual 2021/22	Unaudited actual 2020/21
< \$59,999	8	6
\$60,000 - \$219,999	6	8
Total	14	10

Name	Position	Unaudited actual 2021/20	Unaudited actual 2020/21
Full time staff and FTE			
Full time staff		9	12
FTE equivalent for part time staff		2	2

Severance payments

For the year ended 30 June 2022, the Council made no severance payments outside normal contractual terms (for the year ended 30 June 2021, \$nil).

Note 4: Expenditure – other significant items

Included within expenditure are the following notable items:

Other expenses	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21
Audit fees - financial statement	52	80
Audit fees - other	-	52
Donations	411	132
Bad debts	-	-
Lease expense	45	43
Interest expense	9	11

Depreciation expenditure separately disclosed as part of activity statements.

Financial statements

Note 5: Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the statement of cash flows.

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Cash at bank and on hand	44	27
Funds held in trust	4	4
Bank overdraft	-	(292)
Total cash and cash equivalents	48	(261)

The funds in trust represent money transferred to the Council from the Chatham Islands Radio Society (now ceased). The Council utilises these funds to support television reception services and running a radio service for the Island.

The Council's 2021-31 Long-Term Plan forecasted a net closing cash balance (including investments and funds held in trust) in 2021/22 of \$512,000. The Council's cash position is primarily a result of increased expenditure costs caused by higher than expected inflation and unbudgeted Chatham Community Complex Expenditure. The Council has an overdraft arrangement in place with its on-Island banking facility to cover any overdrafts, which includes the ability to provide adequate security against any required short-term borrowing or increased overdraft limit. Whilst additional funding support has been forthcoming in the 2021/22 financial year, Council remains reliant on external funding to meet operating requirements and the asset upgrade programme.

Note 6: Other financial assets

The Council's investment programme is limited to holding term deposits with the on-Island ANZ bank.

Where the investment term exceeds three months, the investment is classified as a cash investment.

Name	Unaudited actual 2021/22	Unaudited actual 2020/21
Investments	179	178

Note 7: Trade and other receivables

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms. Therefore, the carrying value of debtors and other receivables approximates their fair value.

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Rates	128	122
Other debtors ¹	543	1,441
Warm Homes loans advanced current	-	-
Total current trade and other receivables	671	1,563
Warm Homes loans advanced non-current	-	-
Total non-current trade and other receivables	-	-
Consisting of:		
Receivables from non-exchange transactions ²	671	1,563
Receivables from exchange transactions ²	-	-

¹ Council has no impairment provision. The movement in the provision for the impairment of trade and other receivables for 2021/22 was nil (2020/21 nil)

² Non-exchange transactions includes outstanding amount for rates, grants, infringements, and fees and charges that are partly subsidised by rates. Exchange transactions includes outstanding amounts for commercial sales, and fees and charges that have not been subsidised by rates.

Note 8: Property, plant and equipment

Movements for each class of property, plant and equipment are as follows.

Unaudited actual 2021/22	Opening cost/ revaluation \$000	Accumulated depreciation \$000	Carrying value at the start of the year \$000	Additions/ transfers \$000	Impairment/ disposals at cost \$000	Depreciation \$000	Revaluation \$000	Closing accumulated depreciation \$000	Carrying value at the end of year \$000
Operational assets									
Land	278	-	278	-	-	-	-	-	278
Buildings	1,487	(846)	641	235	-	(32)	-	(878)	844
Furniture and fittings	129	(120)	9	-	-	(2)	-	(122)	7
Plant and office equipment	275	(213)	63	117	-	(17)	-	(230)	163
Vehicles	314	(182)	132	-	-	(23)	-	(205)	109
Parks and Reserves	99	(85)	14	-	-	(1)	-	(86)	13
Total operational assets	2,583	(1,446)	1,137	353	-	(76)	-	(1,522)	1,413
Infrastructural assets									
Roading	83,106	(6,060)	77,046	2,052	-	(2,386)	13,354	(8,446)	90,066
Solid waste	2,814	(380)	2,434	49	-	(141)	(68)	(521)	2,274
Stormwater	14	(11)	3	-	-	-	-	(11)	3
Sewerage	1,089	(179)	910	279	-	(58)	-	(237)	1,131
Water	1,723	(140)	1,583	-	-	(38)	738	(178)	2,283
Harbour	1,491	(121)	1,370	-	-	(48)	183	(169)	1,505
Total infrastructural assets	90,237	(6,891)	83,346	2,380	-	(2,672)	14,207	(9,563)	97,261
Work in progress	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	92,819	(8,337)	84,482	2,733	-	(2,748)	14,207	(11,085)	98,675

Core assets 2021/22

Included within the infrastructure assets are the following core Council assets.

Unaudited actual 2021/22	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Water				
Treatment Plants and Facilities	502	-	-	
Other Assets	1,781	-	-	
Sewerage				
Treatment Plants and Facilities	509	-	-	
Other Assets	622	-	-	

Unaudited actual 2021/22	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Stormwater				
Storm Drainage	3	-	-	
Roads and Footpaths				
Roads and Footpaths	90,066	2,052	-	105,569
TOTAL	93,483	2,052	-	105,569

Financial statements

Unaudited actual 2020/21	Opening cost/ revaluation \$000	Accumulated depreciation \$000	Carrying value at the start of the year \$000	Additions/ transfers \$000	Impairment/ disposals at cost \$000	Depreciation \$000	Revaluation \$000	Closing accumulated depreciation \$000	Carrying value at the end of year \$000
Operational assets									
Land	278	-	278	-	-	-	-	-	278
Buildings	1,451	(815)	636	36	-	(31)	-	(846)	641
Furniture and fittings	129	(118)	11	-	-	(2)	-	(120)	9
Plant and office equipment	268	(195)	73	8	-	(18)	-	(213)	63
Vehicles	314	(158)	156	-	-	(24)	-	(182)	132
Parks and Reserves	99	(81)	18	-	-	(4)	-	(85)	14
Total operational assets	2,538	(1,367)	1,172	44	-	(79)	-	(1,446)	1,137
Infrastructural assets									
Roading	80,214	(3,841)	76,373	2,892	-	(2,219)	-	(6,060)	77,046
Solid waste	2,672	(239)	2,434	142	-	(141)	-	(380)	2,434
Stormwater	14	(11)	3	-	-	-	-	(11)	3
Sewerage	1,089	(121)	968	-	-	(58)	-	(179)	910
Water	1,723	(99)	1,624	-	-	(41)	-	(140)	1,583
Harbour	1,491	(73)	1,418	-	-	(48)	-	(121)	1,370
Total infrastructural assets	87,203	(4,384)	82,820	3,034	-	(2,508)	-	(6,891)	83,346
Work in progress	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	89,742	(5,750)	83,991	3,078	-	(2,587)	-	(8,337)	84,482

Core assets 2020/21

Included within the infrastructure assets are the following core Council assets.

Unaudited actual 2020/21	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Water				
Treatment Plants and Facilities	348	-	-	603
Other Assets	1,235	-	-	1,697
Sewerage				
Treatment Plants and Facilities	409	-	-	1,175
Other Assets	500	-	-	992

Unaudited actual 2020/21	Closing book value \$000	Additions \$000	Vested \$000	Replacement cost \$000
Stormwater				
Storm Drainage	3	-	-	13
Roads and Footpaths				
Roads and Footpaths	77,046	2,892	-	103,517
TOTAL	79,541	2,892	-	107,997



Note 8: Property, plant and equipment (continued)

Insurance of Assets

Included within the infrastructure assets are the following core Council assets.

Insurance of assets	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Total value of assets covered by insurance contracts	2,635	2,635
The maximum amount to which assets are insured under Council insurance policies	6,942	6,942

The Council is not covered by any financial risk sharing arrangements in relation to its assets.

The Council self-insures a portion of its assets. The majority of Council's self-insured assets are roading infrastructural assets; they are not insured as any remedial work required will be carried out through the Waka Kotahi NZ Transport Agency funded roading programme. No property, plant and equipment is pledged as security for liabilities. There are no restrictions over the title of these assets.

Note 9: Trade and other payables

The Council's trade and other payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value, these are summarised in the table below:

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Payables under exchange transactions		
General creditors	1,622	1,815
Payables under non-exchange transactions		
Revenue in advance	-	396
Other	-	-
Total non-exchange transactions	-	396
Total payables	1,622	2,211

Note 10: Employment Entitlement Liabilities

A provision for personnel cost liabilities (holiday leave and outstanding remuneration) is recognised as a liability when benefits are earned but not paid, this includes the following items:

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Employment benefit liabilities		
Annual leave	88	82
Accruals for employment benefits	4	30
Total Employment Benefit Liabilities	92	112

See also note 3 for payroll rate information.

Council does not provide any retirement or long service leave benefits to staff.

Financial statements

Note 11: Borrowings

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Term liabilities		
Current portion of term liabilities	23	28
Non-current Portion of term liabilities	140	156
Total term liabilities	163	184

The Council maintains a prudent borrowings position in relation to our equity and annual revenue. Council will enter into borrowing arrangements where there is sufficient assurance that additional funding assistance can be obtained to repay borrowings.

Council's current borrowings have supported upgrades to Council's buildings and the on-Island Warm Homes loan scheme. Interest costs associated with the Council's borrowings is disclosed in note 4.

The Council received a 20-year suspensory loan of \$90,000 from Housing New Zealand that must be repaid if the Council does not meet the conditions of the loan prior to 2029. Due to the uncertain nature of this suspensory loan, the Council will not recognise the loan as revenue until it is certain the funding conditions will be met.

The carrying amount of term liabilities repayable within one year approximates their fair value, as the effect of discounting is not significant.

Note 12: Provisions

A provision for the future costs of closing our landfills sites was historically estimated based on expected costs to remediate the site and land. These landfills are now closed, with sites remediated. The full landfill provision has now been recognised. Additional future remediation on monitoring may be required, such costs are estimated to be minimal and will be recognised as an expense when incurred.

A provision has also been made for the estimated refund of one year of Council Dues to the Pitt Island Barge Society. Council Dues are repayable on the production of audited accounts by the Pitt Island Barge Society on an annual basis.

A summary of our provisions, including movements in material provisions above are summarised below:

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Landfill post closure costs		
Opening balance	-	20
Movement in provision	-	(20)
Closing balance	-	-
Consisting of:		
Current	-	-
Non-current	-	-
Pitt Island Barge Society	25	25
Total provisions	25	25

Note 13: Equity

The Local Government Act 2002 requires the Council to manage its finances prudently and in a manner that promotes the current and future interests of the community. Our general funds are largely managed as a derivative of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Local Government Act 2002 and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets but does not expect them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, the Council has asset management plans in place for major classes of assets, detailing renewal and programmed maintenance. These plans ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Local Government Act 2002 requires the Council to make adequate and effective provision in its Long-Term Plan to meet the expenditure needs identified in those plans. The Local Government Act 2002 sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's Long-Term Plan.



Chatham Islands Council has the following reserve funds:

- **General Funds** – Revenue appropriation account to fund future development.
- **Emergency Services Reserve** - Funds are set aside for emergency events such as natural disasters.
- **Mayoral Relief Reserve** – Funds are set aside for emergency relief.
- **Asset Revaluation Reserve** – Reserves generated by revaluations in property, plant and equipment and other assets.

Assets revaluation reserve		
Opening balance	65,039	65,039
Revaluation/(impairments)	14,207	-
Closing balance	79,246	65,039
Total equity at end of year	97,852	83,615

Equity reserves include the following notable funds:

	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
General funds		
Opening balance	18,301	17,084
Plus net surplus for the year	30	1,217
Adjust for transfer (to)/from other reserves	-	-
Closing balance	18,331	18,301
Emergency services reserve		
Opening balance	250	250
Adjust for transfer (to)/from other reserves	-	-
Closing balance	250	250
Mayoral relief reserve		
Opening balance	25	25
Adjust for transfer (to)/from other reserves	-	-
Closing balance	25	25

Financial statements

Note 14: Statement of commitments

The Council has no contractual commitments for the acquisition of property, plant and equipment as at 30 June 2022 (as at 30 June 2021, nil).

The Council has in place a number of contracts with external service providers to provide engineering services on infrastructural assets. The scope of future work is dependent on organisational priorities, funding availability, and due to these uncertainties, no disclosure has been made.

Contract commitments	Unaudited actual 2021/22 \$000	Unaudited actual 2020/21 \$000
Not later than 1 year	46	45
Between 1 and 5 years	201	194
More than 5 years	338	391
	585	630

Note 15: Statement of Contingencies

The Council has in place a number of contracts with external service providers to provide engineering services on infrastructural assets. The scope of future work is dependent on organisational priorities, funding availability, and due to these uncertainties, no disclosure has been made.

Council is not aware of any contingent assets or liabilities as at 30 June 2022, for Council or any associates, (as at 30 June 2021, nil).

Note 16: Related party transactions

Related parties comprise of entities Council has control or significant influence over and key management personnel, including the Mayor, Councillors and the Chief Executive.

Council has entered into transactions with related entities during the year. These transactions were part of a normal supplier relationship and on terms and conditions no more or less favourable than those reasonable to expect the Council would have adopted in dealing with the party on an arm's length basis in the same circumstances.

In addition to the information disclosed above, the Council also provides accommodation to one staff member, at a market based rental rate as approved by Council.

Note 17: Going concern

Chatham Islands Council is the smallest council in New Zealand, with less than one thousand residents and rateable units. This makes the Council unique in that funding sources available to other councils, such as rate increases, growth, or debt are not considered financially sustainable options for the Chatham Islands Council, as this would unfairly burden our ratepayers. Consequently, there is a significant reliance on external support from the Government in the form of the annual Crown contribution and the roading subsidy from Waka Kotahi NZ Transport Agency to ensure the Council remains operating one year after the annual report is signed, also known as the going concern assumption.

The Waka Kotahi subsidy rate remains set at 88% of roading expenditure. Historically, the Council has self-funded the difference as the funding from the Crown's annual appropriation was insufficient to cover this shortfall, leading to a deteriorating cash position. In the current and future reporting years, there is an indication of additional funding being forthcoming, although this is not confirmed until May each year as part of the appropriation process. At this stage, it is assumed going forward, there will be sufficient funding to cover our operating requirements including our financial strategy of maintaining a balanced budget.



Council has achieved a positive cash movement for the year and also recognised a small operating surplus. Therefore, the accounts have been prepared on a going concern basis as there are currently overdraft facilities in place with the Island bank to cover expected cash movements for the 2022/23 financial year and Council is expected to receive greater levels of financial support. Council will continue to work with central government agencies to negotiate additional financial support and improve our cash position.

Given the above, the going concern assumption has been considered in preparing the financial statements for the year ended 30 June 2022 and is assessed as appropriate. The financial statements have therefore been prepared using the going concern assumption.

Note 18: Explanation of major variances against budget

Explanations for major variations from the Council's budget figures in its 2021-31 Long-Term Plan are as follows:

Statement of comprehensive revenue and expense

Council has been fortunate to receive an \$9.0 million in grants and subsidies during the year to support our commitment to the community and the environment.

Department of Internal Affairs contribution was \$4.4 million, an increase of \$0.6 million from 2020/21. Our roading subsidy provided by Waka Kotahi NZ Transport Agency has decreased by \$0.6 million, as a direct result of decreased roading expenditure. Our current subsidy received is 88% of actual costs incurred by the Council.

Increased expenditure costs were caused by higher than expected inflation and unbudgeted Chatham Community Complex Expenditure.

Statement of financial position

The majority of the variances to the 2021/22 of the Long-Term Plan budget in the Statement of Financial Position, relate to the budget figures for the period being driven by the closing balances as at 30 June 2020, adjusted by expected changes for the 2020/21 financial year, to create an expected opening position as at 1 July 2021.

Note 19: Subsequent events after the end of the reporting period

Under section 98(7) of the Local Government Act 2002, the Council is required to complete and adopt its Annual Report prior to 31 December 2022. Council was unable to comply with this requirement for the year ended 30 June 2022 due to the effects of COVID-19.

With these exceptions, there are no other events after the end of the reporting period that require adjustment to the unaudited financial statements or the notes to the financial statements.

Financial statements

Financial prudence graphs

Annual Report disclosure statement for the year ended 30 June 2022

What is the purpose of this statement?

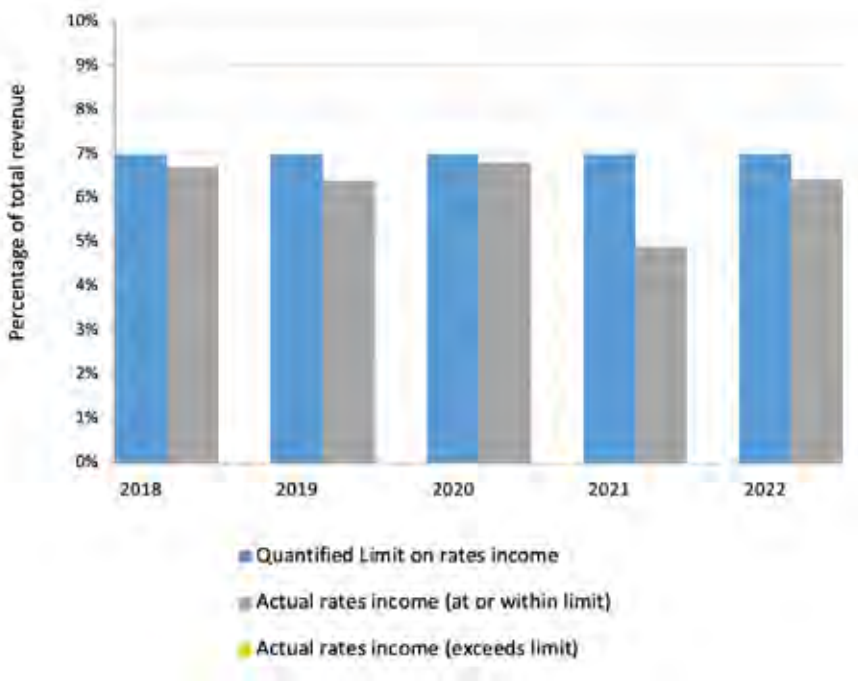
The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings. The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

The Council meets the rates affordability benchmark if: its actual rates income equals or is less than each quantified limit on rates and its actual rates increases equal or are less than each quantified limit on rates increases.

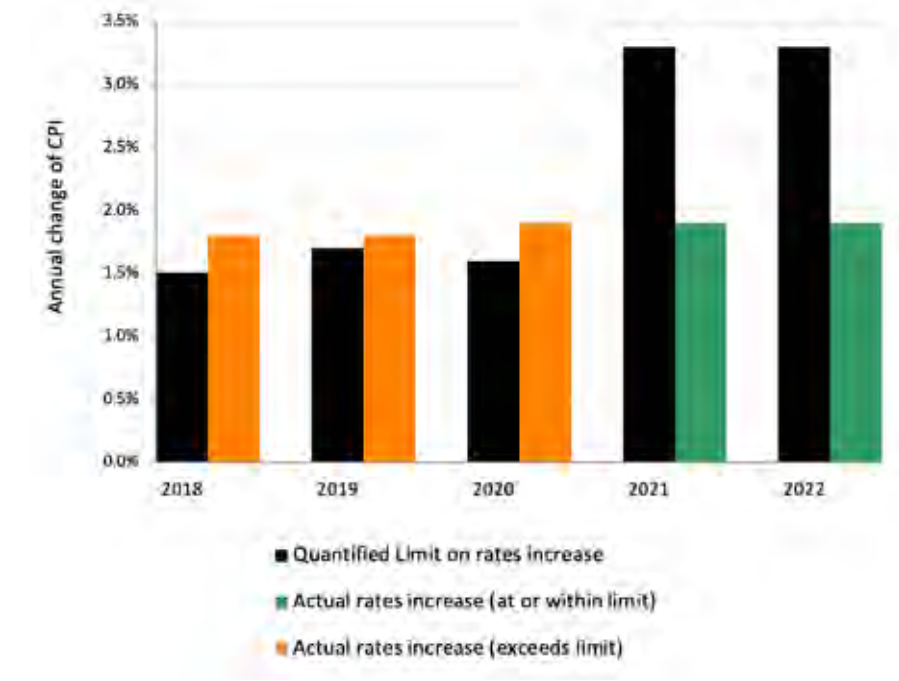
Rates (income) affordability

The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit is total rates equates to approximately 7% of total revenue in any given year.



Rates (increases) affordability

The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is the annual inflation rate.

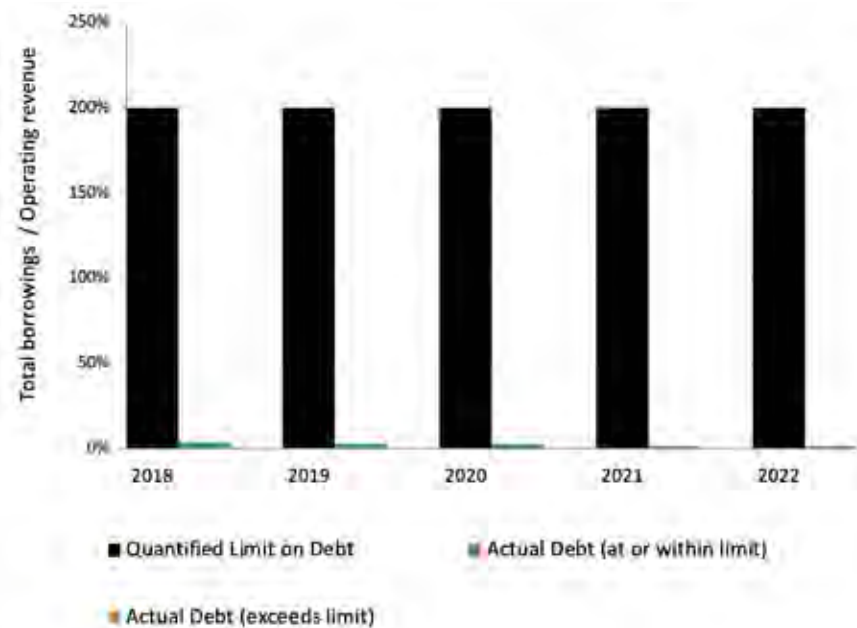




Debt affordability benchmark

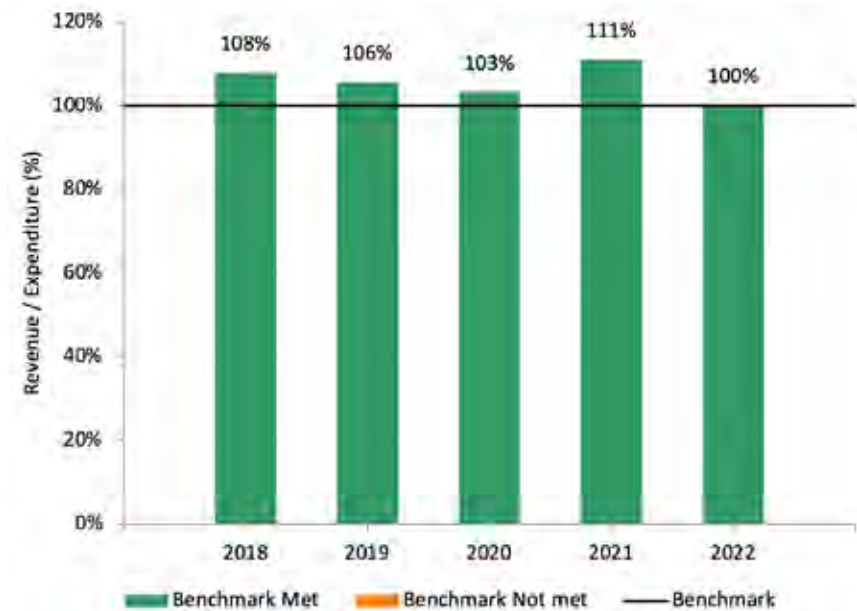
The council meets its debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The following graph compares the councils actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long term plan.



Balanced budget benchmark

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment). The council meets this benchmark if its revenue equals or is greater than its operating expenses.



Financial statements

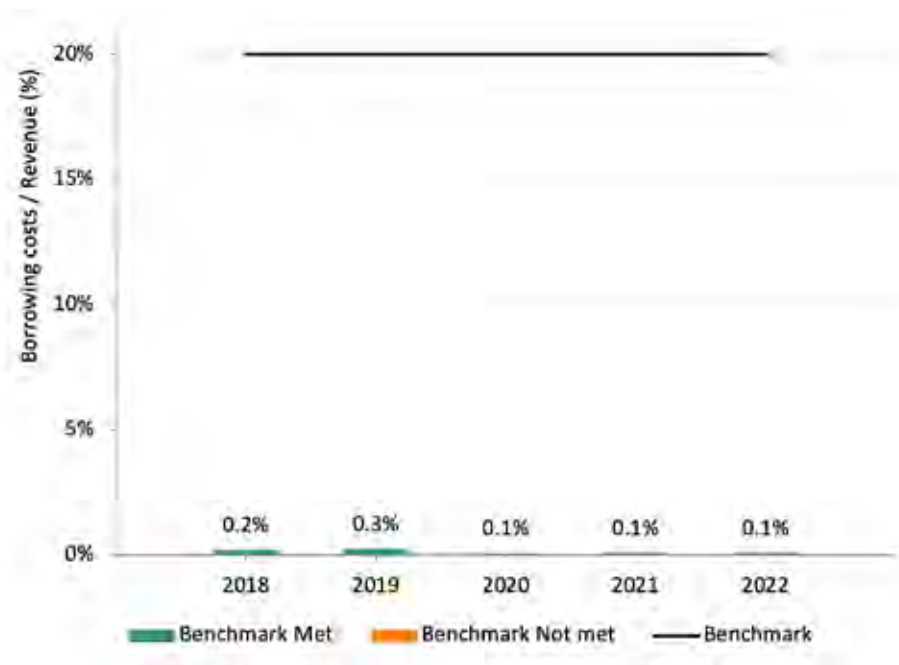
Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment). A local authority meets the debt servicing benchmark for a year if its borrowing costs for the year equal or are less than 10% of its revenue defined as above.

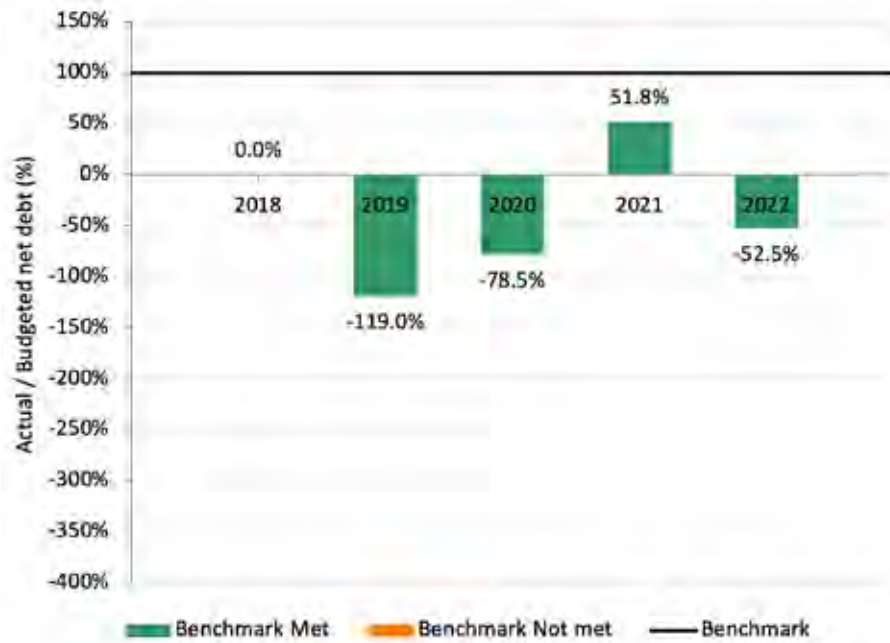




Debt control benchmark

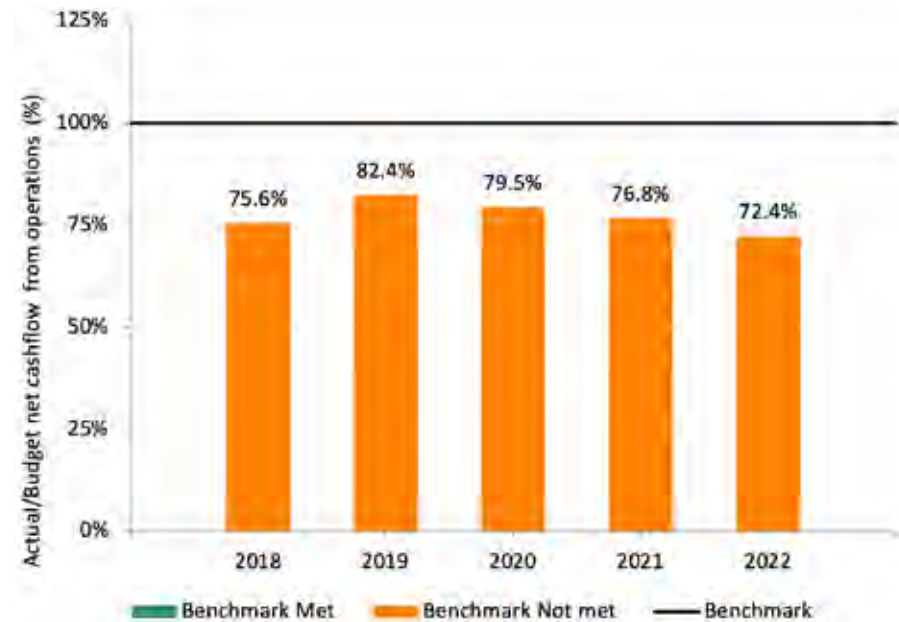
The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement net debt means financial liabilities less financial assets (excluding trade and other receivables).

The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations control benchmark

This graph displays the council's actual net cash flows from operations as a proportion of its planned net cash flow from operations. The council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



The operations control benchmark shows whether actual net operating cash flow is equal to or less than planned. The above graph reflects the reality of funding issues faced by the Council over the years. It is impossible for the Council to meet its legislative obligations and to operate in a self-sufficient manner without support from central government, given the small ratepayer base and a lack of investments. Many projects that were budgeted had to be postponed due to lack of funding.

Service performance summaries

Leadership and Community Partnerships

We aim to meet our statutory responsibilities and provide effective governance and leadership

Our leadership and governance function comprises of elected representatives from the Island. They are provided with guidance and other support to enable them to carry out their legislative responsibilities, making informed decisions on behalf of our people.

Key activities and rationale for providing the service

- **Informing residents about issues or challenges and listening to residents' views and other feedback.**
- **Making decisions on behalf of our community.**
- **Managing partnerships with t'chakat henu, tangata whenua and other groups.**
- **Producing agendas and minutes for Council and other meetings.**
- **Managing local elections.**



These activities enable the interests of our Islanders to be represented in a fair and equitable manner and provides opportunities for the community to partner in our decision-making processes.

Community outcomes

Leadership and community partnerships contribute to the resilient community and embracing diversity community outcomes by ensuring the principles of the Te Tiriti o Waitangi/Treaty of Waitangi are recognised, and that relationships with Moriori and Māori are strengthened and maintained.

These areas also contribute to the building growth community outcome by advocating for funding or other contributions from the Government to benefit the Island, and fostering strong relationships with the Chatham Islands Enterprise Trust and other organisations to provide development opportunities on-Island.

Ensure Council decision-making is informed by community participation

Targets	Measure	Unaudited result for 2021/22
Engage with and provide opportunities for community voices to be heard ACHIEVED 	Survey residents annually on whether the information supplied by Council was sufficient 2021/22: 60% 2022/23: 63% 2023/24 and ongoing years: 66% Survey residents annually on whether they know how to contact the Council and Councillors (80% know how to contact the Council and Councillors) Publish Council agendas and meeting information at least three working days before a meeting, with key stakeholder organisations contacted and asked to participate in significant discussions.	75% of residents who responded to the Residents Survey are confident that the decisions made by Council in 2021/2022 are in the best interest of the community.
Ensure residents are confident that Council decisions are well-informed and made in the best interests of the community ACHIEVED 	Survey residents annually on whether they are confident that Council decisions are made in the best interests of the community, including consideration of imi and iwi matters. 2021/22: 60% confident or very confident 2022/23: 63% confident or very confident 2023/24 and ongoing years: 66% confident or very confident Establish a hui with Council, imi and iwi at least three times a year, to provide opportunities for imi and iwi to contribute to the decision-making processes of the Council (target for 2021/22) Identify and appoint a staff member to engage with imi and iwi and develop relationships (target for 2021/22) Develop and implement processes for imi and iwi to be supported to participate in Council decision-making (ongoing target)	Of the residents who responded to the Residents Survey 95% felt that Council captures the voice of the community when making decisions. With 77% receiving their updates via Council's monthly e-newsletter.

<p>Enable Moriori and Māori to participate in Council decision-making</p> <p>ACHIEVED</p> <p>✓</p>	<p>Establish a hui with Council, imi and iwi at least three times a year, to provide opportunities for imi and iwi to contribute to the decision-making processes of the Council (target for 2021/22).</p> <p>Identify and appoint a staff member to engage with imi and iwi and develop relationships (target for 2021/22)</p>	<p>Council, Iwi, Imi and Chatham Islands Enterprise Trust meet monthly as part of a “Four Entities” forum to discuss current island wide issues and to update each other regarding projects each entity is engaged in.</p> <p>The Chatham Islands Council Chief Executive has been appointed to engage with Imi and Iwi and this meeting occurs once a month.</p>
<p>Maintain and build strong relationships with Government and Island partners to advocate for opportunities and outcomes that benefit the Chatham Islands</p> <p>ACHIEVED</p> <p>✓</p>	<p>Engage with one or more Government agencies at least annually, to advocate for funding allocation or other benefits for imi, iwi and other Island communities</p>	<p>Council, Imi, Iwi and Chatham Islands Enterprise Trust engage with Government departments and other entities at least twice a year as part of a Stakeholders Forum which discusses island wide issues.</p>



Service performance summaries

Transportation, roading and coastal networks

The aim of the transportation, roading and coastal networks group of activities is to link our populated communities and Islands, keep our people connected, safe and active, and contribute to the sustainability and growth of our local economy.

Harbour control is undertaken primarily to ensure safety in our waterways. The Chatham Islands have approximately 360km of coastline that is used extensively for commercial fishing, along with some recreational and aquaculture industries.

Key activities and rationale for providing the service

- **A core function of Council is the maintenance and management of the local roading network (there are no State Highways), including street lighting, footpaths, and signage. A well-planned, safe, and integrated network for walking contributes to our communities' quality of life.**
- **Council is required to address matters of navigation and safety including the preparation, maintenance, and review of regional marine oil spill contingency plans. The Chatham Islands' area of responsibility extends to the 12 nautical mile territorial boundary.**





Community outcomes

The transportation, roading and coastal networks activity contributes to the resilient community, embracing diversity sustainable action and building growth community outcomes as these services and assets enhance community and economic wellbeing.

Our transportation infrastructure enables goods to reach markets and people to travel to work, providing vital connections for economic growth and greater access and mobility.

Council is also able to respond and recover from the impact of all marine hazards, ensuring maritime management protects and reduces the impact of harm to the environment and supporting the economic development and sustainability of the fishing industry.

Operate and maintain a safe and reliable roading network that is in good condition and fit for purpose

Targets	Measure	Unaudited result for 2021/22
Ensure residents are satisfied with the quality and safety of the sealed road network NOT ACHIEVED 	Survey residents annually on whether they are satisfied with the quality and safety of the sealed road network (60% of residents satisfied or very satisfied)	53% of residents who responded to the Residents Survey are satisfied with the chip-sealed roading.
Ensure residents are satisfied with the quality and safety of the unsealed road network NOT ACHIEVED 	Survey residents annually on whether they are satisfied with the quality and safety of the unsealed road network (60% of residents satisfied or very satisfied)	Of the residents who responded to the Residents Survey 43% are satisfied with the unsealed road network with comments such as "Gravel roads have improved on last year" and "Well done to all involved. Roads are very well maintained and a huge improvement on roads."
Ensure there are low levels of serious harm on our road network ACHIEVED 	Ensure the number of fatal or serious injury crashes on the road network does not exceed two per year	One serious injury crash.
Ensure the road roughness is at an acceptable level ACHIEVED 	Ensure the average smooth travel exposure (roughness) on the sealed and unsealed network is rated at or below 70 and 120 respectively on the National Association of Australia State Road Authorities (NAASRA) road classification system	Average Sealed NAASRA: 52 Average Unsealed NAASRA: 88



<p>Ensure there is sufficient road and footpath maintenance that aligns with the roading asset management plan, ensuring the roads are maintained to a safe standard</p> <p>NOT ACHIEVED</p> <p>✗</p>	<p>Complete 95% of the annual roading programme as originally planned, while considering the safety of road users and maintenance staff for all activities</p>	<p>Council's sealed road resurfacing programme is not conducted on an annual basis as it is not cost effective to relocate materials and equipment to the island for short periods of work. 21/22 was not a sealing season, and none of the sealed network was resurfaced.</p> <p>21% of the sealed network is planned to be resurfaced in the 22/23 financial year.</p> <p>All footpaths were maintained to the required specification.</p>
<p>Respond in a timely manner to customer service requests</p> <p>ACHIEVED</p> <p>✓</p>	<p>Ensure Council staff respond to all customer service requests relating to the road or footpath network within five working days</p>	<p>100% of customer requests were forwarded to the relevant contractor within five working days.</p>
<p>Identify, preserve, protect, and conserve the cultural heritage of the Islands, and respond appropriately to the discovery of human remains</p> <p>ACHIEVED</p> <p>✓</p>	<p>Ensure legislative requirements are followed (Coroners Act 2006 and Heritage New Zealand Pouhere Taonga Act 2014) Consult imi and iwi to identify any matters of cultural significance prior to completing major earthworks outside of the existing road corridor</p>	<p>A heritage assessment was undertaken prior to Realignment works carried out on North Road, and Iwi and Imi representatives were consulted before the Culvert replacements on Waitangi Wharf – Owenga Road. All other works were maintenance of existing roads with no excavations outside of road corridors.</p>

Enable safe navigation for vessels in the coastal area

Targets	Measure	Unaudited result for 2021/22
<p>Manage navigation safety in accordance with leading practice</p> <p>ACHIEVED</p> <p>✓</p>	<p>Apply a safety management system consistent with the New Zealand Port and Harbour Marine Safety Code (the Code) and conduct an internal annual review</p> <p>Conduct an external review by a Code panel every three to four years, with the next review expected in 2023</p>	<p>The Safety Management System is up to date and consistent with the Port and Harbour Marine Safety code. A review has recently been conducted.</p>
<p>Ensure Owenga wharf is available for safe and efficient movement of people, stock, and goods</p> <p>ACHIEVED</p> <p>✓</p>	<p>Ensure there are no instances of the wharf being unavailable while sea and weather conditions are suitable</p>	<p>A heritage assessment was undertaken prior to Realignment works carried out on North Road, and Iwi and Imi representatives were consulted before the Culvert replacements on Waitangi Wharf – Owenga Road. All other works were maintenance of existing roads with no excavations outside of road corridors.</p>

Service performance summaries

Three Waters Supply and Treatment

Safe drinking water and appropriate collection, treatment and disposal of wastewater are essential to the health and wellbeing of our people and our environment. The Government has launched the Three Waters Reform programme, which is expected to review how local government delivers its Three Waters service delivery arrangements. The review is expected to be completed by 2023 and is likely to transfer some obligations to a small number of multi-regional entities. The exact size, shape and design of these entities remains unclear. For the purposes of this Long-Term Plan, it is assumed that the responsibility for managing the Three Waters programme (including providing levels of service, collection of rates, and payment of operating and capital expenditure – including any associated debt repayment), will rest with the Council.

Key activities and rationale for providing the service

- **Potable water supply:** Council is responsible for the treatment and distribution of water through our reticulated water schemes. It is Council's responsibility to ensure firefighting performance standards are met in urban water supply areas.
- **Wastewater:** Council manages and maintains reticulated sewerage schemes and services for the treatment and disposal of waste. We monitor maintenance requirements of onsite wastewater disposal systems. Water and wastewater assets consist of treatment plants, reservoirs, pipeline reticulation, and pump stations.
- **Storm water:** Council undertakes to minimise damage to property from flooding of buildings and property from surface run-off, as well as reduced erosion and water pollution. The main risk is mitigated by controlling the levels at Te Whanga lagoon by opening the Hikurangi Channel as and when required. This is necessary to protect land around Te Whanga lagoon from inundation and to maintain the balance of marine life. There are no other flood protection or control assets.

Community outcomes

The Three Waters supply and treatment activity contributes to the resilient community and sustainable action community outcomes as these services and assets enhance community wellbeing.

Provide portable water supply that meets the needs of our community now and into the future

Targets	Measure	Unaudited result for 2021/22
<p>Ensure residents connected to a Council water scheme are satisfied with the service</p> <p>NOT ACHIEVED</p> <p>✗</p>	<p>Survey residents annually on whether they are satisfied with the service (50% of residents satisfied or very satisfied)</p>	<p>The 2021/22 Residents Survey shows only 40% of residents who are connected to a water scheme are satisfied.</p> <p>In 2020/21, 27% of residents expressed satisfaction.</p> <p>Funding secured from the Ministry of Health and DIA was spent over the last two financial years (2020/21-2021/22) to address the most urgent issues with its water schemes. See target "Water is safe to drink".</p>
<p>Ensure water supplied by Council water schemes is potable i.e. safe to drink</p> <p>NOT ACHIEVED</p> <p>✗</p>	<p>Ensure it is not necessary to issue any temporary advisory notices to boil water – as determined in consultation with the Ministry of Health</p> <p>Ensure Council's potable water complies with Part 4 of the Ministry of Health's NZ Drinking Water Standards (bacteria compliance criteria)</p> <p>Ensure Council's potable water complies with Part 5 of the Ministry of Health's NZ Drinking Water Standards (protozoal compliance criteria)</p>	<p>A temporary boil water notice was issued in the 2021/22 for the Kaingaroa Water Supply Scheme from February to March 2022. This BWN was prolonged in part due to COVID-19 restrictions at the time.</p> <p>Improvements have been through the Three Waters reform programme to help mitigate further boil water notices</p> <p>The Waitangi water supply was non-compliant with the drinking water standards primarily due to inadequate monitoring. The Kaingaroa water supply was non-compliant due to inadequate treatment. Distribution zone compliance was achieved. This is generally consistent with 2020/21.</p> <p>Funding received by Council was to address urgent issues with both water schemes. This work will improve compliance.</p> <p>Council has been participating in the Three Waters reform programme. Water projects were aimed at improving safety and resilience.</p>





<p>Ensure the percentage of real water loss from Council's networked reticulation system is managed at an acceptable level</p> <p>ACHIEVED</p> <p>✓</p>	<p>Ensure the percentage of real water loss from the Council's networked reticulation system does not exceed 20%</p>	<p>Information was not collected this year. However, no incidences of water loss were reported that exceeded 20%. This is consistent with 2020/21.</p>
<p>Respond in a timely manner to reports of faults</p> <p>ACHIEVED</p> <p>✓</p>	<p>Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:</p> <ol style="list-style-type: none"> 1. Attendance for urgent call-outs: the time from when the Council receives notification to when service personnel reach the site does not exceed two hours. 2. Resolution of urgent call-outs: the time from when the Council receives notification to when service personnel confirm resolution of the fault or interruption does not exceed eight hours. 3. Attendance of nonurgent call-outs: the time from when the Council receives notification to when service personnel reach the site does not exceed two hours. 4. Resolution of non-urgent call-outs: the time from when Council receives notification to when service personnel confirm resolution of the fault or interruption does not exceed eight hours. 	<p>The following median response times were Measured in 2021/22:</p> <ul style="list-style-type: none"> • All issues were resolved within eight hours. • No urgent call-outs had occurred during the year. • No non-urgent call-outs were received. • No resolution to non-urgent call-outs required. <p>This is generally consistent with 2020/21.</p>

<p>Ensure the percentage of real water loss from Council's networked reticulation system is managed at an acceptable level</p> <p>NOT ACHIEVED</p> <p>✗</p>	<p>Ensure the total number of complaints received about any of the following:</p> <ul style="list-style-type: none"> • Drinking water clarity • Drinking water taste • Drinking water odour • Drinking water pressure or flow • Continuity of supply • Council's response to any of these issues does not exceed 2% of properties connected (or approximately two complaints for all connected properties) 	<p>One complaint was received in the 2021/22 financial year related to the drinking water taste at Kaingaroa. This has been resolved through a full investigation. No corrective actions or improvements were identified through the investigation.</p> <p>Council continues to seek funding to improve the reliability of its drinking water supply in terms of quantity and quality. Given Council's financial position, Council is unable to guarantee continuity of water supply and the level of service experienced by our residents is unlikely to improve. The trend of increasing summer tourist numbers puts further pressure on the water supply.</p>
<p>Manage demand for potable water</p> <p>ACHIEVED</p> <p>✓</p>	<p>Ensure the average consumption of drinking water per day per resident, within the territorial authority district, is less than 500L/person/day</p>	<p>Average annual usage in 2021/22 was 260L/person/day in Waitangi and 225L/person/day in Kaingaroa.</p> <p>This is similar to 2020/21, where usage was 320L/person/day in Waitangi and 200L/person/day in Kaingaroa.</p>

Service performance summaries

Provide a well-managed wastewater system to protect public health and the physical environment

Targets	Measure	Unaudited result for 2021/22
<p>Ensure residents are satisfied with the wastewater system</p> <p>ACHIEVED</p> 	<p>Survey residents annually on whether they are satisfied with the wastewater system (50% of residents satisfied or very satisfied) Ensure the number of complaints received about any of the following:</p> <ul style="list-style-type: none"> • Wastewater odour • Sewerage system faults • Sewerage system blockages <p>Council's response to any of these issues does not exceed 2% of properties connected (or approximately two complaints for all connected properties)</p>	<p>In 2021/22, 75% of the residents who responded to the Residents Survey are satisfied with the wastewater system. Council monitors satisfaction with our wastewater system by:</p> <ul style="list-style-type: none"> • Maintaining and monitoring a complaints and enquiries register. • Council receives monthly reports on its wastewater system from its environmental engineers, with need to urgently carry out various remedial works as funding allows. Monthly reports on wastewater system are in the monthly council meeting agenda which are available on Council's website. Funding received from the Ministry of Health and the Government's Three Waters reform programme has been used to carry out urgent capital works on the wastewater system. <p>The aim of the wastewater projects that were completed were to improve or design improvements to the wastewater system.</p> <p>No complaints regarding the sewerage system received in 2021/22. This is consistent with 2020/21 when no complaints were received.</p> <p>Council continues to seek funding to carry out remedial works to maintain an appropriate level of service.</p>
<p>Ensure the sewerage system meets community requirements</p> <p>ACHIEVED</p> 	<p>Ensure the number of dry-weather wastewater overflows from the sewerage system is less than five per year, or does not exceed 2% of properties connected (or approximately two complaints for all connected properties)</p>	<p>In 2021/22 there were no dry weather sewerage overflows; 0% of properties connected. This is consistent with 2020/21.</p>

<p>Comply with our Resource Management Document regarding wastewater discharge</p> <p>ACHIEVED</p> 	<p>Ensure two or fewer reports of non-compliance with resource consent conditions (annually) for discharge from Council's sewerage system, measured by the number of:</p> <ul style="list-style-type: none"> • Abatement notices • Infringement notices • Enforcement orders • Convictions 	<p>In 2021/22 there were no notices or orders issued. This is consistent with the 2020/21.</p>
<p>Respond in a timely manner to reports of faults</p> <p>ACHIEVED</p> 	<p>Meet the following median response times when attending wastewater overflows resulting from a blockage or other fault in the Council's sewerage system:</p> <p>Attendance time is the time from when the Council receives notification to when the service personnel reach the site does not exceed 12 hours</p> <p>Resolution time: the time from when the Council receives notification to when the service personnel confirms resolution of the blockage or other fault does not exceed 24 hours</p>	<p>No incidences of blockages or faults occurred in 2021/22.</p>



Manage storm water to minimise and manage flood events

Targets	Measure	Unaudited result for 2021/22
Ensure storm water management is adequate for flood risk management ACHIEVED 	Ensure the number of flooding events does not exceed two per year Ensure that for any flooding event, the number of habitable floors affected does not exceed 2% of properties connected (or approximately two complaints for all connected properties) All decisions to open Te Whanga lagoon will be made in consultation with imi and iwi	No flooding events occurred. This is consistent with that of the 2021/22 financial year.
Ensure storm water discharge is compliant with our Resource Management Document ACHIEVED 	Ensure three or fewer reports of non-compliance with resource consent conditions, annually, for discharge from Council's storm water system each year, measured by the number of: <ul style="list-style-type: none"> • Abatement notices • Infringement notices • Enforcement orders • Convictions 	No discharge notices issued, or other noncompliance event identified in 2021/22 financial year. This is consistent with that of the 2020/21 financial year.
Respond in a timely manner to flooding events ACHIEVED 	Meet a median response time of no more than two hours when attending a flooding event, measured from the time that Council receives notification to the time that the service personnel reach the site	No flooding events occurred in the 2021/22 financial year. This is consistent with that of the 2020/21 financial year..
Ensure residents are satisfied with storm water management ACHIEVED 	Ensure the number of complaints received about the performance of storm water management does not exceed 2% of properties connected (or approximately two complaints for all connected properties)	No complaints were received in 2021/22. A joint committee must agree to open Te Whanga as set out in Section 4.2.2.1(iii) of the Chatham Islands Resource Management document. This compares to three complaints received in the 2020/20 financial year relating to the high levels of Te Whanga.

Waste Management and Minimisation

Waste management facilities provide refuse and recycling services to protect the health of our communities and our environment.

Key activities and rationale for providing the service

The Council provides waste management and minimisation services to meet the needs and expectations of our people. Council is required to have strategies in place to reduce the amount of waste directed to landfill and increase the amount that is recycled. Council also maintains closed landfills and responds to illegal dumping incidents.

Community outcomes

Waste management and minimisation contributes to the embracing diversity and sustainable action community outcomes. Our solid waste and minimisation structure allows material delivered to Council facilities to be processed or disposed of in an appropriate and sustainable manner. These activities will be managed to minimise the impact on the environment.

Service performance summaries

Provide efficient and effective waste management activities and services

Targets	Measure	Unaudited result for 2021/22
Respond in a timely manner to written requests or complaints regarding waste management NOT ACHIEVED 	Ensure Council staff respond to all complaints within five working days of receipt	There were 4 requests or complaints received during 2021/22. 98% of these were not responded to within 5 working days.
Ensure storm water discharge is compliant with our Resource Management Document ACHIEVED 	Survey residents annually on whether they are satisfied with the landfill and recycling service and ease of use (65% of residents satisfied or very satisfied)	Of the residents who responded to the Residents Survey 66% were satisfied with Waste Management Services.
Ensure waste minimisation activities and services are effective NOT MEASURED	Measure the volume of waste to landfill once commissioned and in use (target 2021/22) Establish a benchmark for annual volume of waste to landfill (target 2022/23) Ensure the amount of waste going to landfill is less than benchmark volume (target 2023/24 and ongoing years)	Waste disposal at Owenga Landfill started in July 2022, so there is minimal data available to determine if there is a reduction in waste going to landfill.
Ensure residents are aware of waste management services provided by Council and how to use them ACHIEVED 	Ensure communication and engagement activities relating to waste management are undertaken at least quarterly Regular messages about waste management and minimisation activities and projects are circulated in our monthly Council e-newsletter, the Chatham Islands Community Focus Trust weekly newsletters, on our website, and on our Facebook page The Te One transfer station has employees available to help residents unload rubbish and educate them on the significance of separating recyclables	Council provides a monthly newsletter which gives residents information on waste management services. Additionally, signs have recently been installed at the transfer stations to assist residents with understanding what materials can be recycled and where they need to be deposited. A sign has also been placed at Owenga Landfill entrance advising residents conditions of entry.

Ensure all landfill activities, facilities and services comply with resource consent conditions, landfill management plans (developed in partnership with imi and iwi), and appropriate legislative requirements NOT ACHIEVED 	Respond to identified non-compliance issues within five working days Ensure the landfill management plan addresses potential impacts on imi and iwi mahi kei/mahinga kai	The Landfill site was not operational until July 2022 and as such no activities took place during the 2021/2022 period. The Landfill Management Plan does not specifically mention addressing those potential impacts. It does however address environmental impacts and environmental monitoring is set up to monitor the effects on surface water and on groundwater.
Ensure availability of adequate landfill space permitted for the disposal of municipal solid waste to ensure sustainability of waste disposal services NOT MEASURED	Ensure sufficient landfill space permitted for the disposal of municipal solid waste for at least one year (current requirements are approximately 1,000 cubic metres)	Disposal in the new landfill cell commenced in July 2022. The cell has an approximate life of 5 years, at a disposal rate of about 1,000m3 per year, so would be expected to be available until June 2027.
Ensure available landfill space is optimised by compaction of waste NOT MEASURED	Ensure that from 2022/23, waste compaction density, measured by survey, is greater than 0.6 tonnes/m3 (can be measured once annual volume of waste to landfill is established)	This measure can only be determined once a full year of waste disposal has occurred at the landfill. This will happen at the end of June 2023, and every year thereafter.
Ensure landfill activity is provided in a safe manner, with all health and safety risks to nearby residents managed and mitigated NOT MEASURED	Ensure there are no reports of injury or illness attributable to the use of the facilities	The Landfill site was not operational until July 2022 and as such no activities took place during the 2021/2022 period.



Community services and emergency management

Council provides facilities for the enjoyment and use of our community, including community housing, parks and reserves, sports fields, the library, and emergency management services. These contribute to the development of a healthy, active, functioning community.

Council also seeks to provide an efficient and effective system of emergency management response and planning that minimises the potential effect of all hazards on the community and the environment.

Key activities and rationale for providing the service

- **Community services:** Council aims to ensure that parks and reserves meet community expectations and encourages community involvement. The Council seeks to promote community development through recreation, the arts, and encourages sharing of heritage, as it believes this will build a strong community while preserving and respecting achievements of the past. The Council seeks to promote, maintain and sustain a safe environment for both commercial and recreational maritime activities.
- **Emergency management:** This activity allows the Council to carry out hazard-based risk management in four areas: reduction of risk, readiness for events, and response and recovery after an event.

Community outcomes

Community services contribute to the resilient community and embracing diversity community outcomes by providing material and experiences to increase local historical/cultural information and connection.

Emergency management services also contribute to the resilient community, sustainable action and building growth community outcomes by promoting readiness and preparedness through community education and providing suitable response training for staff and volunteers.



Provide services to the communities we serve, including library and dog and animal control services



Targets	Measure	Unaudited result for 2021/22
Ensure residents are satisfied with community services, including library and dog and animal control services NOT ACHIEVED ✗	Survey residents annually on whether they are satisfied with community services (70% of residents satisfied or very satisfied)	65% of residents who responded to the Residents Survey are either satisfied or very satisfied with Council's community services with Permits, food & alcohol licensing and recycling and rubbish services being the services residents understood were services residents most identified with Council.
Respond in a timely manner to complaints about operations and facilities ACHIEVED ✓	Investigate all complaints about operations and facilities within 24 hours, with minor faults remedied within 24 hours of notification.	There was one complaint registered during the 2021/22 period. This was responded to in a timely manner.
Ensure residents are aware of Council community services provided NOT ACHIEVED ✗	Survey residents annually on how many key community services they can identify that are provided by Council (75% of residents are able to identify at least three key areas e.g. dog/ animal control, library, and recreational services)	82% of residents who responded to the Resident Survey were able to identify two key areas. Permits, food & alcohol licensing and recycling or rubbish services. While 73% of residents who responded to the Residents Survey could identify a third area (Planning, resource and building consent).

Service performance summaries

Emergency Management

Provide information and advisory services to enable people to understand risks and make informed decisions, and enable emergency management as required

Targets	Measure	Unaudited result for 2021/22
Ensure residents feel prepared and know what to do in an emergency ACHIEVED 	Survey residents annually on whether they feel prepared and know what to do in an emergency (75% of residents feel prepared or well-prepared)	76% of residents who responded to the Residents Survey feel they are prepared and know what to do in an emergency.
Ensure residents are aware Sustainable action of emergency management procedures NOT ACHIEVED 	Ensure communication and engagement activities relating to emergency management are undertaken at least quarterly Regular messages about emergency management are circulated in our monthly Council e-newsletter, the Chatham Islands Community Focus Trust weekly newsletters, on our website, and on our Facebook page(s)	Lack of emergency management staff meant we were unable to get as much communication out to the community as we would have liked but all-important information was put out during the COVID situation. New directives focus on the COVID information out to the community.

Ensure the Emergency Management Operations Centre can respond in the event of an emergency, including deployment of staff and volunteers, availability of emergency management equipment, control facilities, and communication systems NOT ACHIEVED 	Hold an annual emergency event training exercise Ensure all staff and volunteers participate in at least one skills training session annually Test emergency management equipment quarterly	Staff are new to this role and have undergone training and this will continue - 45% ready. Annual exercise held once a year. All staff will participate in exercise per year and any training that is provided during the year. Equipment has not been tested quarterly due to under staffing in emergency management office. This has been rectified with the added part time staff employed for EM Readiness.
Maintain current marine oil spill response preparedness and response capability, which is compliant with the Maritime Transport Act 1994 NOT ACHIEVED 	Ensure at least one water equipment deployment exercise is conducted annually	The plan is current. No deployment exercise was conducted in the financial year.

Environmental management, protection and monitoring

Council has responsibilities under legislation to safeguard public health, safety, and welfare. Biodiversity, biosecurity and regulatory activities, such as the identification and management of pests, issue of consents, the enforcement of bylaws, and the provision of liquor licenses are undertaken for the benefit of our communities and to ensure that everyone enjoys our Islands.

The Chatham Islands' isolation has meant that many of the animal and plant pests common in New Zealand are not present on the Islands. We are also fortunate to have many indigenous plants and native animals on the Islands. Many of our flora and fauna species and ecosystems are endemic to the Chatham Islands and if adversely affected by pests, could disappear from their natural habitats.

Key activities and rationale for providing the service

Council seeks to sustain natural resources to maintain a sound resource base and protect the environment from risks that could be detrimental to the needs of our community. We also endeavour to protect our environment from unwanted plant and animal pests. Many of Council's policies and plans are statutory documents or processes required under legislation.

Council's state of the environment monitoring and information work tracks progress against agreed environmental outcomes, identifies new issues, and provides information of use to the public. Council processes resource consent applications and undertakes compliance activities to reduce the impact of human activity on other people and the environment.

Community outcomes

This work contributes to our sustainable action and embracing diversity community outcomes by planning, promoting, regulating and monitoring the use and development of our natural and physical resources, considering the impacts of climate change and aiming to retain our unique island culture, heritage and biodiversity.

These activities also contribute to our resilient community outcome by working with the community on initiatives to protect and restore the environment.



These activities also contribute to our building growth community outcome. We work with landowners to enhance the prosperity and security of their land by developing plans to managing pests that threaten our environment. By protecting our unique environment, we will provide future opportunities for growth within our community, particularly related to tourism.






Service performance summaries

Community outcomes

Ensure the efficient and effective delivery of consenting and compliance services to achieve the sustainable management of natural resources and provision of compliant community services

Targets	Measure	Unaudited result for 2021/22
Process resource consents within statutory timeframes ACHIEVED 	Process all resource consents within statutory timeframes Imi and iwi cultural matters are considered as part of the resource consents decision-making process	All processed within stat timeframes.
Respond in a timely manner to breaches of the Resource Management Act 1991 and breaches of resource consent conditions, including initiation of investigations when required ACHIEVED 	Assess the risk of all notifications of breaches of the Resource Management Act 1991 or resource consent conditions as soon as practicable and investigate within five working days, seeking assistance when required	<p>Council, through their contractor has not monitored sites due to covid-19 restrictions for the 2021 – 2022 reporting year. A biennial compliance audit against the CIRMD and the RMA is scheduled for 2023.</p> <p>In relation to the Resource Consents monitoring. Monitoring of the Chatham Islands Tuuta Airport Longer and Stronger Project has been undertaken remotely with teams meeting and photographic evidence supplied by the contractor and consultant. No non-compliance's were identified during this process. However, a number of recommendations were made around good management practice. No other monitoring was undertaken due to covid restrictions.</p> <p>No breaches of the Resource Management Act 1991 or consent conditions were reported in 2021/2022 to their contractor to investigate further.</p>

Process liquor licence applications within statutory timeframes ACHIEVED 	Process all liquor licence applications within statutory timeframes	100% within statutory timeframes.
Maintain compliance of food premises ACHIEVED 	Ensure no issues of non-compliance are identified or reported in connection with food premises	No issues identified.
Ensure all dogs are registered and well cared for ACHIEVED 	Undertake at least one inspection annually of all dogs to ensure they are registered, and to check animal welfare	One dog inspection occurred during May/ June 2022. This did not include Pitt Island.

Environmental protection


Work in partnership with the community to protect the Islands from environmental and economic damage from pest species

Targets	Measure	Unaudited result for 2021/22
Prevent incursions and establishment of new terrestrial pest species ACHIEVED ✓	Undertake two inspections at identified risk sites for pests annually, with no new pests becoming established (with results of inspections published on our website)	Inspections on-going. No new pests found as a result of these inspections although we have had "new" pest reports coming in from the community which are all investigated, and we still pick up the odd incursion in freight.
Reduce animal and plant pest populations in identified sites and/ or geographic areas to minimise impacts on primary industry, human health and indigenous biodiversity ACHIEVED ✓	<p>Ensure gorse infestation does not increase from the baseline figures captured in 2012</p> <p>Reduce the trend in the coverage of eradication pest plants at known sites*</p> <p>Reduce the number of Canada geese from the baseline level of 36</p> <p>Reduce the number of feral goats from the baseline level of 109</p> <p>*Eradication pest plants are those with limited distribution or density. The eventual goal is eradication at known sites on the Island, although 'zero density' is more practical to achieve in some cases. This includes pests referenced in Council's pest management plan, such as Chilean rhubarb, banana passionfruit, and broom glyseria maxima</p>	<p>Landowner initiated control supported through a \$30,000 "Chemical Contestable Fund" annually.</p> <p>Endeavour to provide a annual helicopter service to the Island and spray a minimum of 180 hectares of Gorse in partnership with Landowners.</p> <p>All known sites inspected at least once annually and any plants found are controlled.</p> <p>Reduce the known population by 75% each year with eradication being the goal.</p> <p>Work with Landowners to reduce the known population by 50% annually.</p> <p>Collaborate with all stakeholders to contain any invasive pest species.</p>






Service performance summaries

<p>Maintain biosecurity of internal borders between Chatham Island, Pitt Island, and mainland New Zealand</p> <p>ACHIEVED</p> 	<p>Provide at least one training session to freight handlers at major ports supplying the Chatham Islands</p> <p>Establish a partnership with Biosecurity NZ to develop a marine biosecurity plan as part of the internal border protection (by 30 June 2024) or formalise a working partnership</p>	<p>SPS Biosecurity have fulfilled this training role.</p> <p>The Marine Biosecurity partnership on-island is working well but the National input / response could be improved especially once Unwanted Organism presence is detected and confirmed.</p>
<p>Monitor for invasive marine pests that are present in mainland New Zealand or are likely to arrive from other destinations</p> <p>ACHIEVED</p> 	<p>Undertake an underwater surveillance programme on all ports on Chatham and Pitt Islands, notifying the Ministry for Primary Industries of any pest incursions</p>	<p>All four Chathams Ports are dived twice annually by our resident Dive Team.</p> <p>They also found the recent presence of Mediterranean Fanworm which was promptly dealt with. A joint on-going surveillance plan is currently being developed in association with MPI including partial funding for 4 dives over the next 2 years.</p>
<p>Ensure landowners, occupiers and other residents are aware of and follow pest management practices, including the requirements that recognised pest species are not to be introduced, sold, propagated or distributed</p> <p>ACHIEVED</p> 	<p>Ensure communication and engagement activities relating to pest management, including marine pests, are undertaken at least quarterly</p> <p>Regular messages about pest management are circulated in our monthly Council e-newsletter, the Chatham Islands Community Focus Trust weekly newsletters, on our website, and on our Facebook page, and other promotional opportunities are utilised where available</p>	<p>Most incursions (or pest queries) are now being reported to our resident Biosecurity staff rather than us finding them. This is a direct reflection of the communities increased awareness of Biosecurity. Very encouraging outcome.</p> <p>We have addressed the odd instance where incoming freight (plants and animals) could constitute a risk. This could be because the “medium” i.e Soil, accompanying the plants is the risk.</p>

<p>Work in partnership with others including imi, iwi and Department of Conservation to undertake pest management as an integral part of enhancing biodiversity</p> <p>ACHIEVED</p> 	<p>Undertake pest management at restoration project sites in conjunction with imi, iwi and Department of Conservation</p>	<p>Collaborate with all stakeholders to maximize “pest free” initiatives on a site by site basis.</p>
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Monitoring

Monitor and provide accurate and timely water quality and quantity data, for use by the community and decision-makers

Targets	Measure	Unaudited result for 2021/22
Sample and analyse water quality and quantity ACHIEVED 	Sample and analyse water against agreed water quality and quantity standards at the locations and frequency as listed in the monitoring plan, developed in consultation with imi and iwi Hold community meetings with interested parties, including imi and iwi	The water quality monitoring programme of 13 stream and 8 lake and Te Whanga lagoon sites have been sampled quarterly (4 times per year) in 2021-22.
Monitor river flows and Te Whanga lagoon level with data provided to imi and iwi and made publicly available ACHIEVED 	Monitor and continuously record river and lagoon water levels and rainfall data on Chatham Island at all sites listed on the monitoring plan, with all sites telemetered and data available on our website Record and report regular (at least quarterly) validation/calibration visits	Hydrometric recording sites for rivers, lake levels and climate (rainfall) were operated and data loaded onto the Council website from at least 6 regular visits in 2021-22. Site visits assured sites were maintained and calibrated to required quality standards.
Ensure water quality and hydrology data is available to the public NOT ACHIEVED 	Publish a summary report of the state and performance of the hydrometric network (telemetered data), and the water quality network monitoring, by the end of August for the previous financial year (report provided to Council and then made available on our website)	Report has not been completed by the end of August due to staff availability and health issues. Report will be provided to Council and be available on the website early in the new year (January 2023).



Council funding impact statement

The Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 require the Council to adopt a Funding Impact Statement both for the Council and for each group of activities. The objective of the policy makers is to provide information that is more easily understood. The Funding Impact Statement must identify: the sources of funding to be used, the amount of funds expected to be produced from each source, and how the funds are to be applied.

Revenue and expenditure in the Funding Impact Statements are recognised on a basis consistent with the financial statements. However, transactions with no funding impact, such as depreciation, have been removed. The regulations also require the Funding Impact Statement for each group of activities to disclose internal charges and cost allocation and not eliminate these as required by Generally Accepted Accounting Practice (GAAP).

The Revenue and Financing Policy contained in the Long-Term Plan 2021-31 sets out Chatham Islands policies with respect to which funding mechanisms are to be used to finance the operating and capital expenditure.

Reconciliation of operating funding to statement of comprehensive revenue and expense	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000	Annual Plan 2020/21 \$000
Surplus/(deficit) of operating funding	840	1,181	1,140	570
Subsidies and grants for capital expenditure	1,942	3,428	2,545	2,239
Less depreciation	2,748	2,857	2,587	2,292
Plus investment in associate	(4)	133	118	-
Statement of total comprehensive and income	30	1,885	1,216	517

COUNCIL	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Unaudited actual 2020/21 \$000	Annual Plan 2020/21 \$000
Source of operating funding				
General rates, uniform annual charge, rates penalties	356	318	343	311
Targeted rates	352	313	208	266

Subsidies and grants for operating purposes	6,444	5,993	5,622	5,173
Fees and charges	100	102	74	71
Interest and Dividends from Investments	1	56	-	60
Local authorities fuel tax, fines, infringement fees, and other receipts	1,377	628	3,236	566
Total operating funding	8,630	7,410	9,483	6,447
Applications of operating funding				
Payments to staff and suppliers	5,620	6,223	6,579	4,090
Financial costs	9	6	11	24
Other operating funding applications	2,161	-	1,752	1,763
Total application of operating funding	7,790	6,229	8,343	5,877
Surplus/(deficit) of operating funding	840	1,181	1,140	570
Source of capital funding				
Subsidies and grants for capital expenditure	1,942	3,428	2,545	2,239
Gross proceeds from sale of assets	-	119	-	-
Increase/(decrease) in debt	-	(67)	(28)	138
Total source of capital funding	1,942	3,480	2,517	2,377
Application of capital funding				
Capital expenditure				
- to improve the level of service	2,378	1,634	145	-
- to replace existing assets	355	2,261	2,933	2,544
Increase/(decrease) in reserves	49	766	579	403
Total applications of capital funding	2,782	4,661	3,657	2,947
Surplus/(deficit) of capital funding	(840)	(1,181)	(1,140)	(570)
Funding balance	-	-	-	-



Appendix 1 – Funding impact statements

LEADERSHIP & COMMUNITY PARTNERSHIPS	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates	-	-	-
Subsidies and Grants for Operating Purposes	1,391	908	1,332
Fees and Charges	-	-	-
Internal Charges and Overheads Recovered	1	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	124	239	42
Total operating funding	1,516	1,148	1,373
Applications of operating funding			
Payments To Staff And Suppliers	36	303	292
Finance Costs	-	-	-
Internal Charges and Overheads Applied	743	612	607
Other Operating Funding Applications	-	-	-
Total application of operating funding	779	915	899
Surplus (deficit) of operating funding	737	233	474
Source of capital funding			
Subsidies and Grants for Capital Expenditure	107	-	-
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross proceeds from sale of assets	-	119	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Source of capital funding	107	119	-
Application of capital funding			
Capital expenditure			

-- to meet additional demand	-	-	-
-- to improve the level of service	-	-	-
-- to replace existing assets	122	-	-
Increase (Decrease) in Reserves	722	352	474
Increase (Decrease) of investments	-	-	-
Total applications of capital funding	844	352	474
Surplus (deficit) of capital funding	(737)	(233)	(474)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>13</i>	<i>17</i>	<i>20</i>



TRANSPORTATION, ROADING & COASTAL NETWORKS	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates	92	78	57
Subsidies and Grants for Operating Purposes	1,790	2,133	1,600
Fees and Charges	2	11	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	49	41	42
Total operating funding	1,933	2,263	1,699
Applications of operating funding			
Payments To Staff And Suppliers	1,609	1,534	1,544
Finance Costs	-	-	-
Internal Charges and Overheads Applied	194	160	159
Other Operating Funding Applications	-	-	-
Total application of operating funding	1,803	1,694	1,703
Surplus (deficit) of operating funding	130	569	(4)
Source of capital funding			
Subsidies and Grants for Capital Expenditure	1,834	3,428	2,239
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Source of capital funding	1,834	3,428	2,239
Application of capital funding			
Capital expenditure			

-- to meet additional demand	-	-	-
-- to improve the level of service	2,052	1,634	-
-- to replace existing assets	32	2,261	2,544
Increase (Decrease) in Reserves	(120)	102	(309)
Increase (Decrease) of investments	-		
Total applications of capital funding	1,964	3,997	2,235
Surplus (deficit) of capital funding	(130)	(569)	4
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>2,438</i>	<i>2,562</i>	<i>1,993</i>

Appendix 1 – Funding impact statements

THREE WATERS SUPPLY & TREATMENT - PORTABLE WATER	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates	74	73	71
Subsidies and Grants for Operating Purposes	544	215	97
Fees and Charges	-	-	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	9	9	3
Total operating funding	627	297	171
Applications of operating funding			
Payments To Staff And Suppliers	535	219	191
Finance Costs	-	-	-
Internal Charges and Overheads Applied	54	44	44
Other Operating Funding Applications	-	-	-
Total application of operating funding	589	263	235
Surplus (deficit) of operating funding	38	33	(64)
Source of capital funding			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			

-- to meet additional demand	-	-	-
-- to improve the level of service	-	-	-
-- to replace existing assets	9	-	-
Increase (Decrease) in Reserves	29	33	(64)
Increase (Decrease) of investments	-	-	-
Total applications of capital funding	38	33	(64)
Surplus (deficit) of capital funding	(38)	(33)	64
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>39</i>	<i>44</i>	<i>42</i>



THREE WATERS SUPPLY & TREATMENT - WASTEWATER	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates	89	68	66
Subsidies and Grants for Operating Purposes	139	121	124
Fees and Charges	-	-	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	12	11	4
Total operating funding	240	200	194
Applications of operating funding			
Payments To Staff And Suppliers	166	120	119
Finance Costs	-	-	-
Internal Charges and Overheads Applied	69	57	56
Other Operating Funding Applications	-	-	-
Total application of operating funding	235	177	175
Surplus (deficit) of operating funding	5	23	18
Source of capital funding			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			

-- to meet additional demand	-	-	-
-- to improve the level of service	279	-	-
-- to replace existing assets	11	-	-
Increase (Decrease) in Reserves	(286)	23	18
Increase (Decrease) of investments	-	-	-
Total applications of capital funding	5	23	18
Surplus (deficit) of capital funding	(5)	(23)	(18)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>60</i>	<i>60</i>	<i>60</i>

Appendix 1 – Funding impact statements

WASTE MANAGEMENT & MINIMISATION	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates	97	95	72
Subsidies and Grants for Operating Purposes	98	666	416
Fees and Charges	1	2	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	19	12	16
Total operating funding	215	776	504
Applications of operating funding			
Payments To Staff And Suppliers	464	688	516
Finance Costs	-	-	-
Internal Charges and Overheads Applied	39	32	32
Other Operating Funding Applications	-	-	-
Total application of operating funding	503	720	548
Surplus (deficit) of operating funding	(289)	56	(44)
Source of capital funding			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	-	-

Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
-- to meet additional demand	-	-	-
-- to improve the level of service	47	-	-
-- to replace existing assets	6	-	-
Increase (Decrease) in Reserves	(342)	56	(44)
Increase (Decrease) of investments	-	-	-
Total applications of capital funding	(289)	56	(44)
Surplus (deficit) of capital funding	289	(56)	44
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>142</i>	<i>118</i>	<i>118</i>



COMMUNITY DEVELOPMENT & EMERGENCY RESPONSE	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	356	318	311
Targeted Rates	-	-	-
Subsidies and Grants for Operating Purposes	1,482	695	1,296
Fees and Charges	45	50	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	1,062	301	176
Total operating funding	2,945	1,365	1,783
Applications of operating funding			
Payments To Staff And Suppliers	1,928	610	420
Finance Costs	-	6	-
Internal Charges and Overheads Applied	720	592	587
Other Operating Funding Applications	-	-	-
Total application of operating funding	2,648	1,208	1,007
Surplus (deficit) of operating funding	297	157	776
Source of capital funding			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	(67)	-
Gross proceeds from sale of assets	1	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Source of capital funding	-	(67)	-

Application of capital funding			
Capital expenditure			
-- to meet additional demand	-	-	-
-- to improve the level of service	-	-	-
-- to replace existing assets	118	-	-
Increase (Decrease) in Reserves	179	90	776
Increase (Decrease) of investments	-	-	-
Total applications of capital funding	297	90	776
Surplus (deficit) of capital funding	(297)	(157)	(776)
Funding balance	-	-	-
<i>Excludes depreciation</i>	<i>51</i>	<i>49</i>	<i>51</i>

Appendix 1 – Funding impact statements

ENVIRONMENTAL PROTECTION, COMPLIANCE & PLANNING	Unaudited actual 2021/22 \$000	Long Term Plan 2021/22 \$000	Annual Plan 2020/21 \$000
Source of operating funding			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates	-	-	-
Subsidies and Grants for Operating Purposes	999	1,255	612
Fees and Charges	52	39	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	102	69	112
Total operating funding	1,154	1,363	724
Applications of operating funding			
Payments To Staff And Suppliers	881	971	1,031
Finance Costs	-	-	-
Internal Charges and Overheads Applied	341	281	279
Other Operating Funding Applications	-	-	-
Total application of operating funding	1,223	1,252	1,310
Surplus (deficit) of operating funding	(69)	111	(586)
Source of capital funding			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (Decrease) in Debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-

Total Source of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
-- to meet additional demand	-	-	-
-- to improve the level of service	-	-	-
-- to replace existing assets	56	-	-
Increase (Decrease) in Reserves	(125)	111	(586)
Increase (Decrease) of investments	-	-	-
Total applications of capital funding	(69)	111	(586)
Surplus (deficit) of capital funding	69	(111)	586
Funding balance	-	-	-
<i>Excludes depreciation</i>	6	8	8



Appendix 2 – Glossary of terms

These definitions are intended to define terms in this Annual Report in plain English. For legal definitions, refer to the Local Government Act 2002.

Activity

Groups of related services, projects or goods provided by or on behalf of the Council are combined into an activity. These activities are then put into groups of activities.

Annual Plan

The Annual Plan is produced in the intervening years between Long-Term Plans. It includes an updated budget and explains variations to the Long-Term Plan. It also confirms arrangements for raising revenue for the next financial year. The community must be consulted on the Annual Plan if the Annual Plan indicates significant or material differences from the content of the Long-Term Plan.

Annual Report

The Annual Report reports on the performance of the Council against the objectives, policies, activities, performance measures, indicative costs, and sources of funds outlined in the Annual Plan and the Long-Term Plan.

Asset

Something of value that the Council owns on behalf of the people of the Chatham Islands, such as roads, drains, parks and buildings.

Asset management plan

A long-term plan for managing an asset to ensure that its capacity to provide a service is maintained and costs over the life of the asset are kept to a minimum.

Capital costs

These include transactions that have an effect on the longer-term financial position of the Council. Items include transfer of funds to reserve accounts, and the purchase or construction of assets.

Capital value

Value of land including improvements.

Community outcomes

A set of statements that describe the vision the Chatham Islands has for its future. The community outcomes of the Chatham Islands are outlined in the Long-Term Plan. The Council seeks to contribute to these outcomes through its various activities.

Current assets

Assets that can be readily converted to cash, or will be used up during the year. These include cash and debtors.

Current liabilities

Creditors and other liabilities due for payment within the financial year.

Depreciation and amortisation

Depreciation and amortisation are accounting concepts that recognise the consumption or loss of economic benefits embodied in items of property, plant and equipment or intangible assets. Depreciation and amortisation spread the cost of property, plant, equipment, software, etc. over their useful lives as an operating expense.

Group of activities

Council groups all its services into categories of activities (which equates to group activities in the Local Government Act 2002).

Imi/Iwi

People or tribe.

Infrastructure assets

Infrastructure assets are utility service networks i.e. water, sewerage, storm water and roading. They also include associated assets such as water pump outlets, sewage treatment plant, street lighting, and bridges.

Land value

Value of land excluding improvements.

Local Government Act 2002

The Local Government Act 2002 is the primary legislation that governs the Council's operations and actions.

Long-Term Plan (LTP)

A 10-year plan that sets out the Council's response to community outcomes and how the Council will manage its finances and the community's resources.



Operating expenditure

Expenditure through the Council's activities on such items as salaries, materials and electricity.

Operating revenue

Money earned through the activities in return for a service provided, or by way of a grant or subsidy to ensure particular goods or services are provided. Examples include subsidies, rental revenue, permits, fees and council dues.

Operating surplus/(deficit)

Operating surplus and operating deficit are accounting terms meaning the excess of revenue over expenditure and excess expenditure over revenue respectively. Revenue and expenditure in this context exclude capital items such as the cost of capital works. An operating surplus/(deficit) is inclusive of non-cash items such as revenue and expenditure owing but not paid (debtors and creditors) and depreciation.

Performance measures

These have two parts: first, a simple explanation of the measure by which performance will be assessed; and second, performance targets. The Council uses these measures when reporting on how it has performed in its various activities.

Property, plant, equipment and intangible assets

These consist of software, hardware, land and buildings and infrastructure assets including sewerage and water systems, and roading. They are sometimes referred to as fixed assets and or capital assets.

Public equity

Public equity represents the net worth of Chatham Islands Council if all the assets were sold for the values recorded and the liabilities were extinguished.

Regulatory role

The Council has a regulatory role as it operates under and enforces a range of legislation.

Resources

These are the assets, staff and funds needed to contribute to the activities of the Council including goods, services and policy advice.

Service provider

The Council provides services as required by law (e.g. sewerage services) or by community mandate (e.g. playgrounds).

Significance

Significance means the degree of importance of the issue, proposal or decision of matter before the Council in terms of its likely impact on or consequences for the current and future social, economic, environmental and cultural wellbeing.

Significance policy

This policy sets out the way in which the Council determines how significant a project or decision is and therefore the level of consultation and analysis required.

Statement of cash flows

This describes the cash effect of transactions and is broken down into three components: operating, investing and financing activities.

Statement of comprehensive revenue and expense

This can also be referred to as the profit and loss statement. It shows the financial results of the various Chatham Islands Council activities at the end of each period as either a surplus or a deficit. It does not include asset purchases or disposals.

Statement of financial position

This shows the financial state of affairs at a particular point in time. It can also be referred to as the Balance Sheet.

Sustainable development

Sustainable development is generally defined as development that meets the needs of the present without compromising the capacity of future generations to meet their own needs.

Wellbeing

In this document, wellbeing includes the social, economic, cultural and environmental aspects of a community. The community outcomes are factors of wellbeing.

The organisation

Council

Mayor

Monique Croon

Deputy Mayor

Keri Lea Day

Councillors

Celine Gregory-Hunt

Graeme Hoare

Greg Horler

Richard Joyce

Judy Kamo

Nigel Ryan

Amanda Seymour

Council Staff

Chief Executive

Owen Pickles

owen@cic.govt.nz

Operations Manager

Colette Peni

operations@cic.govt.nz

Emergency Manager/Controller

Rana Solomon

rana@cic.govt.nz

Engineers

Stantec Ltd (Christchurch)

Nigel Lister, Shaun Boshier, Ali Siddiqui

Bryan Peters – Roads and bridges

Richard Bennett, Kristen Norquay –

Water and wastewater

Phil Landmark –

Waste management and minimisation

Contractors

Environment Canterbury

Fulton Hogan Ltd

Resource management

Beca Ltd

Solicitors

Wynn Williams

Bankers

ANZ (Waitangi – Chatham Islands)

Auditors

Audit New Zealand

(on behalf of the Auditor-General)





chatham islands council

Chatham Islands Council
PO Box 24
Tuku Road
Waitangi
Chatham Islands

Ph: (03) 3050 033
(03) 3050 034
Fax: (03) 3050 044
Email: info@cic.govt.nz
Web: www.cic.govt.nz
R22/9

Independent Auditor's report

To the readers of Chatham Islands Council's annual report for the year ended 30 June 2021

The Auditor-General is the auditor of Chatham Islands Council (the Council). The Auditor-General has appointed me, Julian Tan, using the staff and resources of Audit New Zealand, to report on the information in the Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Council has complied with the requirements of schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 16 December 2021. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 13 to 30:
 - > present fairly, in all material respects:
 - » the Council's financial position as at 30 June 2020; and
 - » the results of its operations and cash flows for the year ended on that date; and
 - > comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime.
- the funding impact statement on page 54, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the Council's annual plan;

- the statement of service performance summaries on pages 35 to 53:
 - > presents fairly, in all material respects, the Council's levels of service for each group of activities for the year ended 30 June 2021, including:
 - » the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - » the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - > complies with generally accepted accounting practice in New Zealand.
- the statement about capital expenditure for each group of activities on pages 55 to 59, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the Council's long-term plan; and
- the funding impact statement for each group of activities on pages 55 to 59, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the Council's long-term plan.

Report on the disclosure requirements

We report that the Council has:

- complied with the requirements of schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 32 to 34, which represent a complete list of required disclosures and accurately reflects the information drawn from the Council's audited information and, where applicable, the Council's long-term plan and annual plans.

Emphasis of matter – Impact of COVID-19

- Without modifying our opinion, we draw attention to the disclosures about the impact of COVID-19 on the Council set out in note 18 to the financial statements.



Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the Council or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service performance summaries, as a reasonable basis for assessing the levels of service achieved and reported by the Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's report

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 8, 12 and 61 to 63, but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit and our report on the disclosure requirements, we have no relationship with or interests in the Council.



Julian Tan

Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand



Chatham Islands Council

Unaudited Summary Annual Report

2021/22

Our people, our Islands, our future



Profile of the Chatham Islands

The Chatham Islands and its people are a unique community, isolated by 800 kilometres of ocean from mainland New Zealand.

The Chatham Islands consist of two main inhabited islands, Chatham Island and Pitt Island. Pitt Island lies 23km south east of Chatham Island and both islands are surrounded by a number of smaller islands, all within a radius of approximately 50km. The main island, Chatham, has an area of 90,000 hectares. Pitt Island has an area of 6,300 hectares.

The Islands were formed by a volcanic up-thrust and the land surface is predominantly flat with a number of peaks, the largest peak rising to 188 metres. A significant landmark of Chatham Island is 'Te Whanga' which is a large lagoon that covers approximately 20,000 hectares or about one-fifth of the Island. There are five settlement areas on the main Island – Waitangi, Te One, Owenga, Port Hutt and Kaingaroa.

The 'livelihood' for the majority of Islanders is dependent on fishing and farming. Their continued welfare and the Islands' viability are linked with the sustainable management of the natural and physical resource base.

Chatham Islands Council is the smallest local authority in New Zealand. It has both district and regional council responsibilities.



The Islands at a glance

Usually 660 people live in the Chatham Islands.

Its population is the smallest in size out of the 78 Councils in New Zealand.

In total, 57% of households have access to the Internet, compared with 79% of households throughout New Zealand.

In the Chatham Islands, 5% of households have access to a cellphone, compared with 85% for New Zealand. This is because there is no cell phone coverage on the Chatham Islands.

Among households in private occupied dwellings, 38% own the dwelling, with or without a mortgage; the equivalent figure is 44% for New Zealand as a whole.

The unemployment rate in Chatham Islands territory is 1.6% for people aged 15 years and over, compared with 4.0% for all of New Zealand.

Source: Statistics New Zealand 2018 Census Data

Mayor and Chief Executive's report

Kioranga, kia ora, greetings,

It is with pleasure that we present the 2021/22 unaudited Annual Report for the Chatham Islands Council. Thank you for taking the time to read it. Our auditors have deferred the audit, because of an auditor shortage in New Zealand as a result of COVID-19 border restrictions. This delay has again resulted in the Council being unable to meet its statutory reporting deadline of 31 December 2022.

Council has elected to publish an unaudited version in the intervening period, to ensure transparency and accountability to its community in a timely manner. Your interest in the Chatham Islands Council means a lot to us.

Once again, the Chatham Islands Council has done its best to provide a great service to its community in the face of many challenges. We are grateful that we have all worked together in the Islands amidst a global pandemic to keep the population safe. Our weekly regional leadership group meetings allowed us to be adequately informed and to respond as needed. We thank all of those involved.

Alongside the challenges that COVID-19 presented, a lack of funding continues to be an ongoing barrier to offering comparable services to that of mainland New Zealand. As always, the Council relies heavily on funding from central government to operate, as we don't have the population to fund our work through rates. We are careful to not unfairly burden our ratepayers, but in doing so our funding situation remains unpredictable and may delay desired projects, including infrastructure upgrades.

Government reforms have been plenty, all providing different challenges for the community. Reforms in the Resource Management space and as a response to climate change have been both challenging and costly while other reforms like the Three Waters proposals have provided the Council with additional funds to enable infrastructure upgrades to occur. The "better off" allocation will provide the Council with approximately \$9m to spend on community good projects in the years ahead.

A highlight has been the relocation of the Council office in January 2022 into the new building. This was built by Ngati Mutunga O Wharekauri Iwi Trust and leased to the Council. It is pleasing to see the meeting facilities being well used by the community.

We were also pleased to see the RB2 completed delivering the Islands cell phone coverage and improved broadband facilities. With these services going live in December 2021 it completed nearly 10 years of lobbying efforts.

We have continued to build relationships with our regional partners including Hokotehi Moriori Trust, Ngati Mutunga O Wharekauri Iwi Trust, and Chatham Islands Enterprise Trust. We also continue to maintain good relationships with the Government and its officials and acknowledge local MP Paul Eagle for his assistance with this. There are many changes being imposed by the Government that will affect the way the Council operates that flow into the community. We continue to advocate for the Islands interests where we can.

Finally, we thank councillors, staff and our external support providers. All have worked hard for the betterment of the Chatham Islands community. We greatly appreciate the dedication and support of all.



Monique Croon
Mayor



Owen Pickles MNZM JP
Chief Executive

2021/22 in review

The 2021/22 financial year was another impacted by the uncertainties generated by COVID-19 where virtual meeting became normal. It was also an exciting time for the Council as it moved into its new accommodation.

Sustainable water and wastewater

The proposed Government Three Waters Reform progressed with the Chatham Islands being included in Entity C. Lots of information requests were responded to as the new entity started to gain an understanding of commitments and responsibilities that will transfer to it.

As part of the Reforms some funding in the form of the Three Waters Stimulus Fund became available. This together with a grant from the Ministry of Health enabled the Council to complete urgently required upgrades to its water and wastewater networks which was most appreciated.

There is still much to be done to address source and capacity issues in Waitangi which will become a task for the new entity.

Waste management strategy and progress

In August 2021 the Council contracted Fulton Hogan Ltd to operate its waste management activities.

Working closely with Fulton Hogan, Council's engineers Stantec, and the Ministry for the Environment, the waste management activity made substantial progress during the year under review. Funding for a weigh bridge facility and a new waste recovery building was secured. The sanitary landfill began to receive waste.

Roading programme of works

Roading works have progressed in accordance with our asset management plan. Roothing is the Council's largest area of expenditure with an approved programme of approximately \$4m annually. Roothing is supported by Waka Kotahi as part of the land transport programme with a financial assistance rate of 88%.

Council office

The Ngati Mutunga O Wharekauri Iwi Trust Asset Holding Company funded new office facility was completed in December 2021 with the Council moving into the facility in January 2022.

The building along with the adjoining museum were officially opened by the Prime Minister Rt Hon Jacinda Adern on 25 November 2022.

Communications upgrade

In December 2021 cell phone coverage went live on the Chatham Islands as part of the Governments RB2 project which also provided improved broadband services.

While not funded by the Council, the completion of this project was the result of nearly 10 years of lobbying, so it was very satisfying to see this finally happen.

Climate change

As a group of islands, we are increasingly vulnerable to the impacts of climate change. Any changes to the land or water level poses a threat to our way of life for current and future generations. Council is committed to taking a collaborative approach to addressing and identifying local causes and impacts of climate change, which includes strategically varying our core Council infrastructure and internal policies to reduce or mitigate any greenhouse gas emissions. We are working to protect and enhance our natural environment to ensure we meet our obligations. We take these steps to enable our community to remain buoyant in response to any climate changes.

Looking forward

Over the next ten years the Council will endeavour to progress current projects that contribute to enhancing the wellbeing of the community and realizing community outcomes.

Key projects include:

- Making safe repairs to Kaingaroa wharf
- Repairs to Owenga wharf
- Community housing upgrades
- A new emergency management operations centre
- Roothing projects



Overview of our financial performance

Our aim, as part of our financial strategy, is to ensure Council can continue to provide effective services now and into the future by:

- Managing funds in a financially prudent manner with the aim of achieving a balanced budget each year, and ensuring projected operating revenues are at a level sufficient to meet that year's projected operating expenses.
- Advocating for sustainable and committed funding from the Government and to fully utilise available subsidies and, where possible, searching for alternative sources of funding through user pays or other partnerships.
- Ensuring rates and council dues are affordable by limiting rates increases to align with expected rates of inflation and not adjusting council dues charges.
- Maintaining current levels of service provided, with an expectation that service levels will only increase where external support is provided.
- Focusing on maintaining core services and infrastructure as cost-effectively and efficiently as possible, ensuring that funding efficiencies remain of paramount importance.
- Developing Council's capacity and capability to build, maintain and renew assets by limiting expenditure to where it is reasonable and economic to do so. Council interprets this as only progressing projects which are fully funded either by way of capital grant or where Council has an ability to borrow and repay debt. Such an approach may defer projects, which may result in a higher risk of asset failure and the asset deteriorating at a faster rate over time.

Our financial performance

This overview provides a summary of our unaudited results for the 2021/22 financial year. Our focus during the year has been on managing our finances prudently and operating within the confines of our financial assistance packages provided by the Crown and rates received from our community. This is also known as achieving a balanced budget. With a recognised net surplus of \$0.03 million, Council has achieved that balanced budget for the year.

The Council's unaudited financial result is unfavourable compared with the 2021/22 year of the 2021-31 Long-Term Plan, which estimated an operating surplus of \$1.88 million. This is due in part to the additional non-capital elements of expenditure related to the Museum community complex costs, increased expenditure on Insurance which is reflective of the higher risk of natural disaster and the enhanced repair costs, and lastly, increased travel expenditure related to the Kiwi Can Do programme.

Our Council rates remain in line with inflationary movements and council due charges remain unchanged for the year. Council remains committed to ensuring rates paid by our community remain affordable and comparable with other similar Councils.

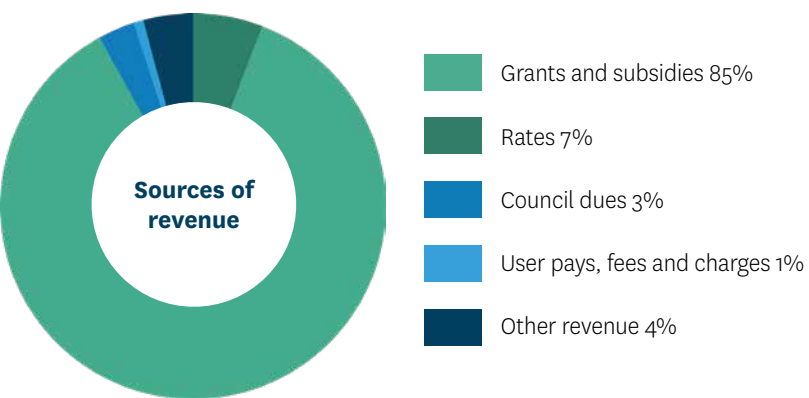
The Council ended the year with an improved cash position, moving from an overdraft of \$0.26 million in 2020/21, to a positive balance of \$0.05 million, which was below the closing cash position expected in the 2021/22 year of the 2021-31 Long-Term Plan.

Overview of our financial performance

Our sources of funds

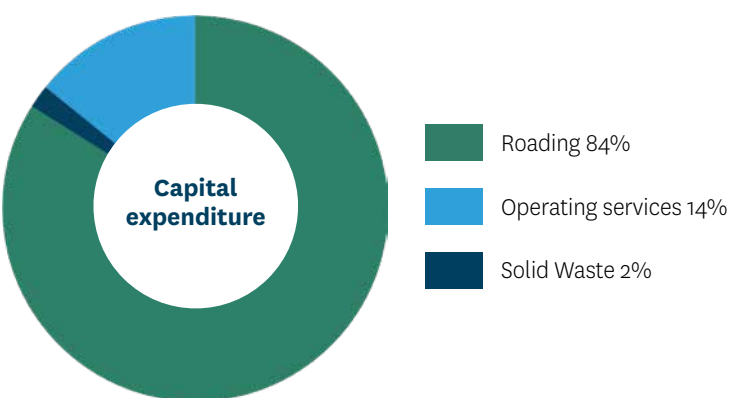
Council receives income from a range of sources but is primarily reliant on central government grants to remain operational. The budget assumed funding would be provided during the year to support on-Island projects, including infrastructural development integral to improving facilities for our community.

A summary of our funding sources for the year is detailed in the graph below:



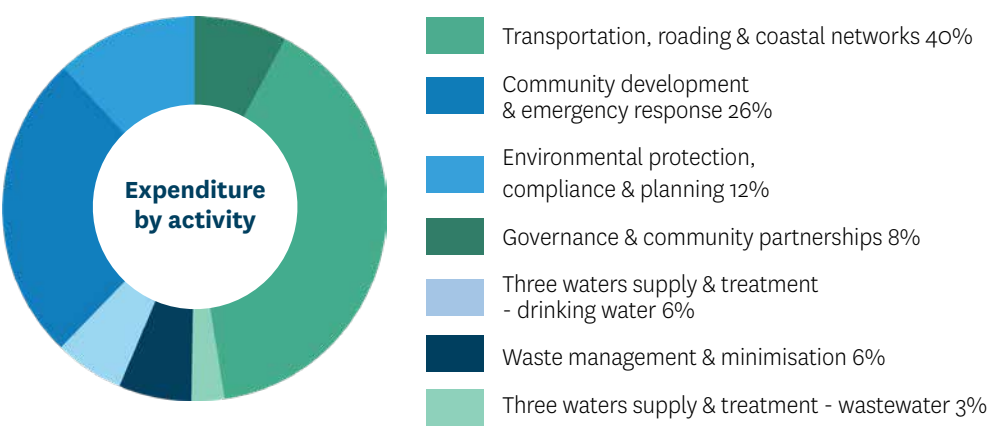
Our capital expenditure

The graph below summarises the Council’s capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.



Our allocation of funds

Operating expenditure by activity is summarised in the graph below; the largest portion of expenditure relates to on-island transportation, roading and coastal networks, with particular emphasis on the roading network.



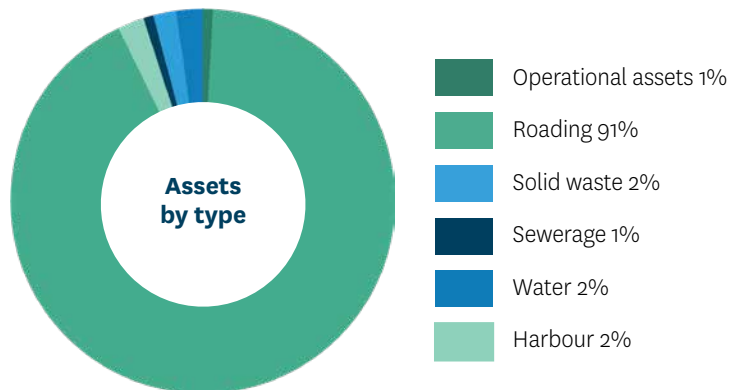
Council performance during 2021/22

Our assets and capital works programme

Council holds long-term assets of \$98.7 million, including operational and infrastructure assets. When investing in infrastructure, we consider affordability to the Council and ratepayers, electing to defer capital works until funding can be secured. This means our financial position remains healthy and debt low. However, the cost to the community is that critical work where funding cannot be secured, such as with our water and wastewater infrastructure is often delayed, with levels of service experienced by our community being below expectation.

With the Council unable to invest in infrastructure outside of roading works, asset quality is likely to deteriorate over time. In addition, this reduces the quality of service that we can offer to our residents and increases the risk of asset failure. Infrastructural assets were revalued as at 30 June 2022, with an increase in value of \$14.2 million recognised.

The graph below summarises the Council's capital expenditure programme by area. Our capital expenditure primarily relates to maintaining and improving our roading infrastructure.



The Council has six groups of activities, over which we set our desired performance targets to the community. The summary of our unaudited level of service performance against these targets, is included below:

Leadership and Community Partnerships

4 of 4 targets met

Our leadership and governance function comprises of elected representatives from the Island. They are provided with guidance and other support to enable them to carry out their legislative responsibilities, making informed decisions on behalf of our people. These activities enable the interests of our Islanders to be represented in a fair and equitable manner and provides opportunities for the community to partner in our decision-making processes.

- All annual planning, reporting and Council meeting responsibilities were met.
- Our 2021/22 survey highlighted that enhanced communication to residents was received throughout the financial year. Residents felt council decisions captured the voice of the community during the decision-making process.

Transportation, roading and coastal networks

4 of 7 targets met

The aim of the transportation, roading and coastal networks group of activities is to link our populated communities and Islands, keep our people connected, safe and active, and contribute to the sustainability and growth of our local economy. Harbour control is undertaken primarily to ensure safety in our waterways. The Chatham Islands have approximately 360km of coastline that is used extensively for commercial fishing, along with some recreational and aquaculture industries. A core function of Council is the maintenance and management of the local roading network (there are no State Highways), including street lighting, footpaths, and signage. A well-planned, safe, and integrated network for walking contributes to our communities' quality of life.

- Low levels of harm were experienced on the roads in the financial year.
- The road roughness was maintained at an acceptable level per the standards on the NAASRA road classification system.
- Council staff responded to all customer service requests relating to the road or footpath network within five working days.
- There were no instances of the Owenga wharf being unavailable during suitable sea and weather conditions.

Council performance during 2021/22 (continued)

Three Waters Supply and Treatment

11 of 14 targets met

Safe drinking water and appropriate collection, treatment and disposal of wastewater are essential to the health and wellbeing of our people and our environment. The Government has launched the Three Waters Reform programme, which reviews how local government delivers its Three Waters service delivery arrangements. The Three Waters supply and treatment activity contributes to the resilient community and sustainable action community outcomes as these services and assets enhance community wellbeing.

- The Council responded in a timely manner to reports of faults or unplanned interruption to its networked reticulation system. Resolution of urgent callouts were all completed within the desired timing of 8 hours. In addition, no reports of faults were noted for the wastewater system.
- Residents were satisfied with the storm water management with no complaints received.
- A temporary boil water notice was issued in the 2021/22 financial year for the Kaingaroa Water Supply Scheme from February to March 2022. This boil water notice was prolonged in part due to COVID-19 restrictions at the time.
- The majority of surveyed residents noted that they were satisfied with the wastewater system. There were no complaints received regarding the sewerage system in the financial year. The Council continues to seek funding to carry out remedial works to maintain an appropriate level of service.
- Storm water discharge remained compliant with the Resource Management Document. No discharge notices issued, or other noncompliance event identified in the financial year.

Waste Management and Minimisation

2 of 8 targets met

Waste management facilities provide refuse and recycling services to protect the health of our communities and our environment. Waste management and minimisation contributes to the embracing diversity and sustainable action community outcomes. Our solid waste and minimisation structure allows material delivered to Council facilities to be processed or disposed of in an appropriate and sustainable manner. These activities will be managed to minimise the impact on the environment.

- Surveyed residents noted that 66% of respondents were generally satisfied or very satisfied with the landfill and recycling service, and associated ease of use.
- Ensured communication and engagement activities were undertaken regularly with the Council providing a monthly newsletter which gave residents information on waste management services. Additionally, signs have recently been installed at the transfer stations to assist residents with understanding what materials can be recycled and where they need to be deposited.

Community Services and Emergency Management

2 of 7 targets met

Council provides facilities for the enjoyment and use of our community, including community housing, parks and reserves, sports fields, the library, and emergency management services. These contribute to the development of a healthy, active, functioning community. Council also seeks to provide an efficient and effective system of emergency management response and planning that minimises the potential effect of all hazards on the community and the environment.

- Our 2021/22 survey highlighted 76% of the residents who completed the annual satisfaction survey felt they were prepared or well prepared for an emergency. The Council remains focused on prioritising emergency management preparedness due to the importance of the Island being ready for any emergency, given the Island's level of isolation.
- All complaints about operations and facilities were investigated and responded to in a timely manner.

Environmental management, protection and monitoring

13 of 14 targets met

Council has responsibilities under legislation to safeguard public health, safety, and welfare.

Biodiversity, biosecurity and regulatory activities, such as the identification and management of pests, issue of consents, the enforcement of bylaws, and the provision of liquor licenses are undertaken for the benefit of our communities and to ensure that everyone enjoys our Islands. The Chatham Islands' isolation has meant that many of the animal and plant pests common in New Zealand are not present on the Islands. We are also fortunate to have many indigenous plants and native animals on the Islands. Many of our flora and fauna species and ecosystems are endemic to the Chatham Islands and if adversely affected by pests, could disappear from their natural habitats.

- No breaches of the Resource Management Act 1991 or consent conditions were reported in 2021/2022 to investigate further.
- We are processing liquor licences within statutory timeframes. There were no issues of non-compliance identified with our food premises for the year.
- The Council has undertaken the underwater surveillance programme on all ports on Chatham and Pitt Islands, notifying the Ministry for Primary Industries of any pest incursions.

Financial overview



The full financial statements are prepared in accordance with the requirements of the Local Government Act 2002, which requires information to be prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP), and comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). The Chatham Islands Council has elected to prepare the financial statements in accordance with Tier 2 PBE accounting standards as it is not publicly accountable or large. The summary financial statements are for the year ended 30 June 2022 and are presented in New Zealand dollars with all values rounded to the nearest thousand (\$000). The summary financial statements comply with PBE FRS-43, but not the Local Government Act 2002, which requires the Annual Report and Summary Annual Report to be audited. The financial statements were authorised for issue by Council on 15 December 2022.

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2022

	Unaudited actual 2021/22 \$000	Long term plan 2021/22 \$000	Unaudited 2020/21 \$000
Rates	708	631	625
Grants & subsidies	9,031	9,421	10,524
Other revenue	829	919	998
Total revenue	10,568	10,971	12,147
Financial costs	9	6	11
Other expenditure	10,529	9,080	10,920
Total expenditure	10,538	9,086	10,931
Total surplus/(deficit)	30	1,885	1,216
Increase/(decrease) in revaluation reserve	14	-	-
Total Comprehensive Revenue and Expense	14,237	1,885	1,216

Statement of Changes in Equity for the year ended 30 June 2022

	Unaudited actual 2021/22 \$000	Long term plan 2021/22 \$000	Unaudited 2020/21 \$000
Equity at the start of the year	83,614	84,683	82,398
Total comprehensive revenue and expense	14,237	1,885	1,216
Equity at the end of the year	97,851	86,568	83,614

Statement of Financial Position as at 30 June 2022

	Unaudited actual 2021/22 \$000	Long term plan 2021/22 \$000	Unaudited 2020/21 \$000
Current assets	898	1,784	1,772
Non-current assets	98,855	86,225	84,666
Total assets	99,753	88,009	86,438
Current liabilities	1,762	1,875	2,668
Non-current liabilities	140	567	156
Total liabilities	1,902	2,442	2,824
Net assets	97,851	85,567	83,614
Total public equity	97,851	85,567	83,614

Statement of Cash Flows for the year ended 30 June 2022

	Unaudited actual 2021/22 \$000	Long term plan 2021/22 \$000	Unaudited 2020/21 \$000
Net cash flow from operating activities	3,065	4,231	2,156
Net cash flow from investing activities	(2,734)	(3,776)	(1,989)
Net cash flow from financing activities	(21)	(34)	(37)
Increase/(decrease) in cash held	310	421	130
Opening cash balance	(261)	91	(391)
Closing cash balance	49	512	(261)

The summary unaudited financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. A copy of the full 2021/22 Annual Report can be found on our website or at our office.

The organisation

Council

Mayor

Monique Croon

Deputy Mayor

Keri Lea Day

Councillors

Celine Gregory-Hunt

Graeme Hoare

Greg Horler

Richard Joyce

Judy Kamo

Nigel Ryan

Amanda Seymour

Council Staff

Chief Executive

Owen Pickles

owen@cic.govt.nz

Operations Manager

Colette Peni

operations@cic.govt.nz

Emergency Manager/Controller

Rana Solomon

rana@cic.govt.nz

Engineers

Stantec Ltd (Christchurch)

Nigel Lister, Shaun Boshier, Ali Siddiqui

Bryan Peters – Roads and bridges

Richard Bennett, Kristen Norquay –

Water and wastewater

Phil Landmark –

Waste management and minimisation

Contractors

Environment Canterbury

Fulton Hogan Ltd

Resource management

Beca Ltd

Solicitors

Wynn Williams

Bankers

ANZ (Waitangi – Chatham Islands)

Auditors

Audit New Zealand

(on behalf of the Auditor-General)





chatham islands council

Chatham Islands Council
PO Box 24
Tuku Road
Waitangi
Chatham Islands

Ph: (03) 3050 033
(03) 3050 034
Fax: (03) 3050 044
Email: info@cic.govt.nz
Web: www.cic.govt.nz
R22/9

4. Works & Services

4.1 Stantec Engineering Report – March 2023

Date of meeting	27 April 2023
Agenda item number	4.1
Author/s	Shaun Bosher - Stantec New Zealand

Purpose

To update and inform Council about its Engineering Services contract.

Recommendations

THAT the reports be received.

Background

Members from the Stantec team will teleconference in to the meeting to give a verbal report on monthly activities.

Attachments

1. Stantec Monthly Report March 2023

CIC Engineering Services Contract: Monthly Report

Financial update – March 2023

Financial Position: Roothing

The roading budget allocated for the 2022/23 financial year approved by Waka Kotahi is \$4.67M.

The approved Maintenance, Operations and Renewals (MOR) budget is \$3.52M (including carry-over from 21/22), and \$1.14M of Low Cost, Low Risk (LCLR) funding.

The March claim totalled \$276k. We have now spent approximately 62% of the annual budget and are 75% of the way through the year.

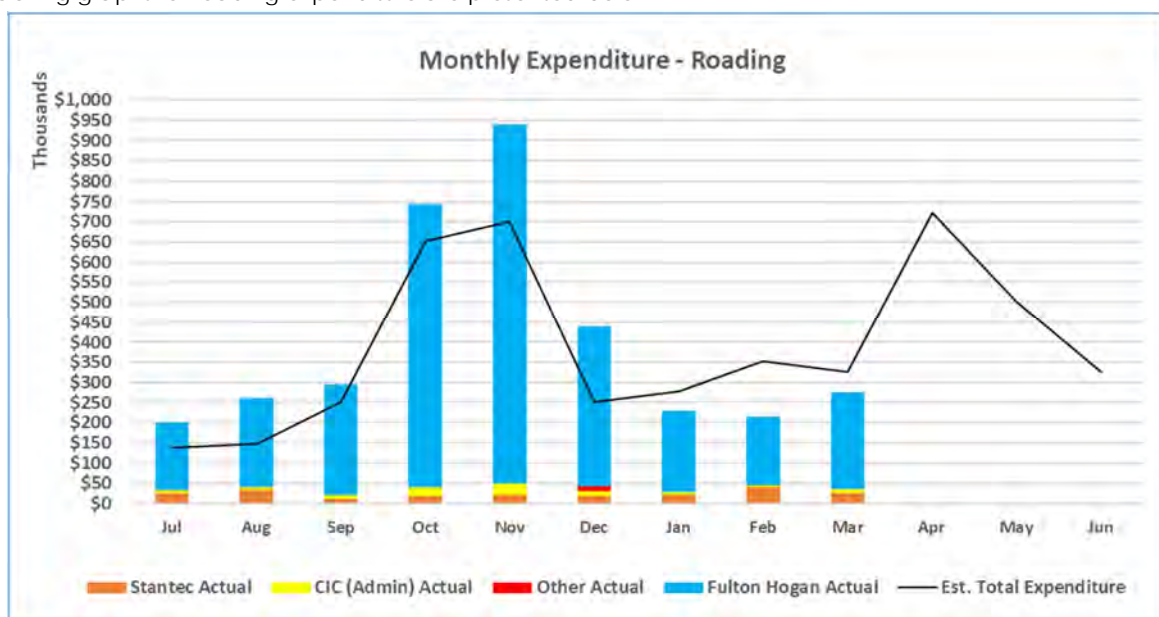
Expenditure of the core Maintenance, Operations, and Renewals (MOR) work has exhausted 89% of the FY 22/23 MOR budget.

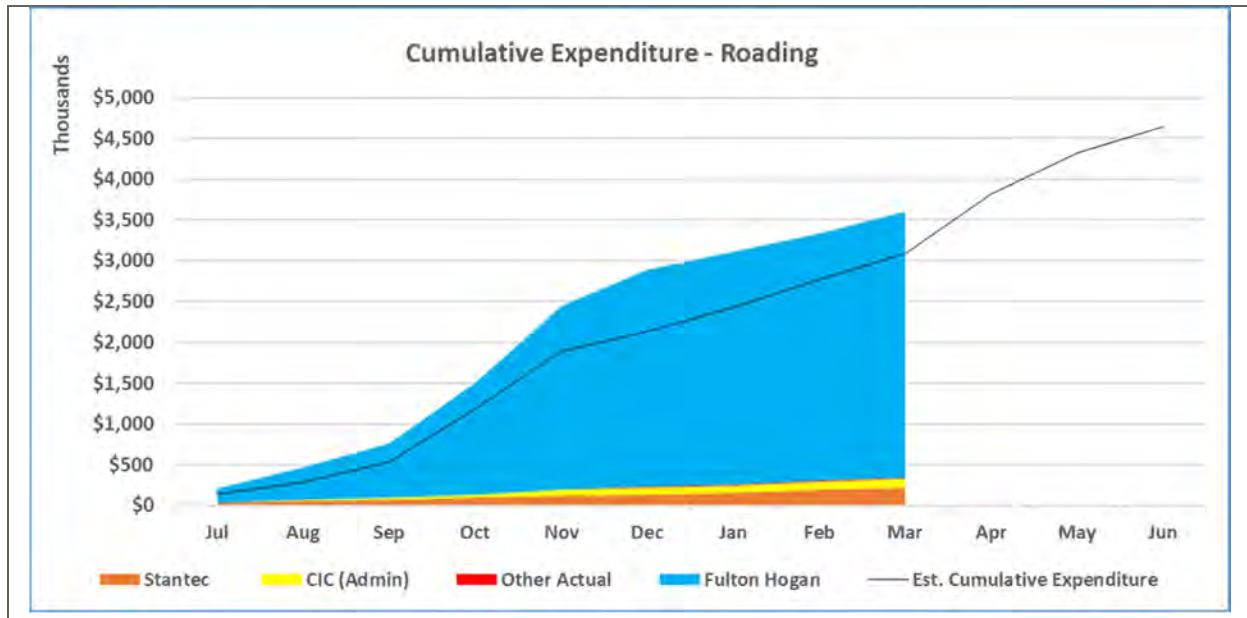
The eagle-eyed councillor may notice these percentages are lower than last months', this is because an error was identified in the calculations used for this reporting previously.

The largest individual construction cost was for the Tuku Road water tables. The Largest engineering cost was the ongoing responses to Audit New Zealand.

Expenditure Tracking of Waka Kotahi Funding

Tracking graphs for roading expenditure are presented below.





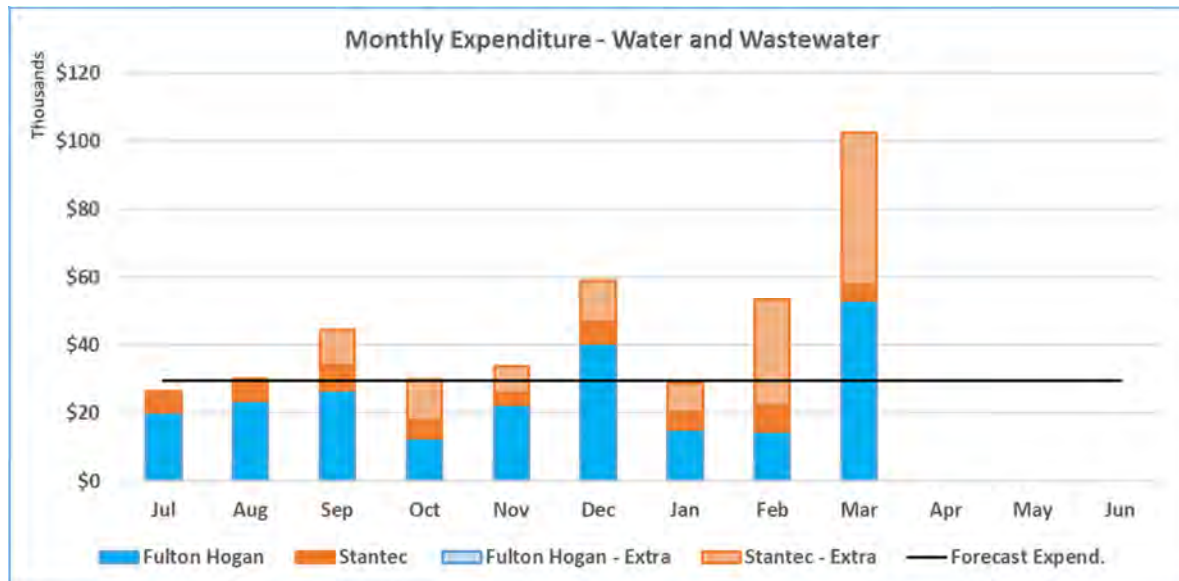
Financial Position: Water and Wastewater

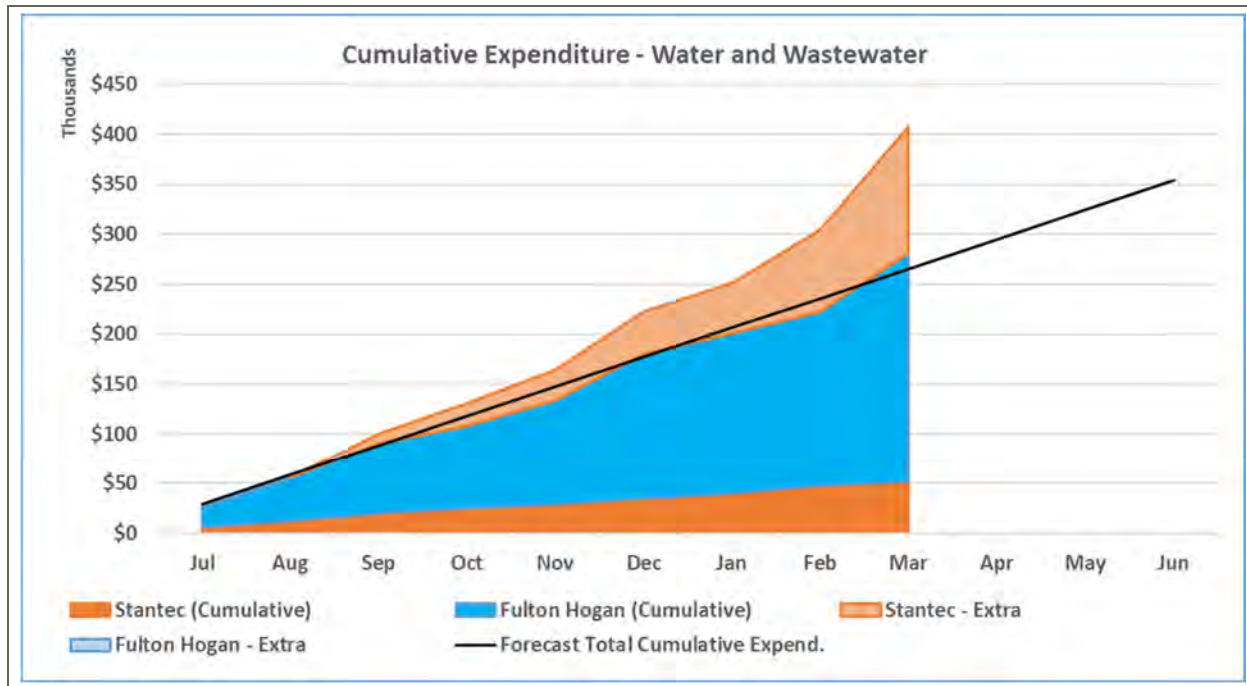
The operational expenditure for W+WW allocated in the 2021-31 LTP for 2022/23 is \$354,000.

The March claim totalled \$102.3k. The main construction costs were for the new raw water intake for Kaingaroa, and the main engineering costs were from the additional support for the on-going Three Water Reform.

Expenditure Tracking of Water & Wastewater Funding

Tracking graphs for the W+WW expenditure are presented below.





Roading Update – March 2023

Short-Term Roothing Forward Work Programme	
Renewals	<ul style="list-style-type: none"> Unsealed pavement strengthening works on North and Airbase Road to progress when funding becomes available now that the airport hauling has finished
Drainage	<ul style="list-style-type: none"> Further drainage renewal works are planned for Tuku Road still subject to confirmation of the locations of underground electricity services in the area
Professional Services	<ul style="list-style-type: none"> Ongoing monitoring for programme adjustments if inflation continues to increase
Whangamoe Bridge Design (LCLR)	<ul style="list-style-type: none"> Physical works to begin imminently. Stantec to begin the process of correcting the alignment of the legal road
Mid-Term Roothing Forward Work Programme (approx. 2-6 months)	
Road Safety Inspection	<ul style="list-style-type: none"> Stantec plan to undertake the deferred road safety inspection in April/May 2023 when hours of darkness are longer
Whangamoe Bridge Design (LCLR)	<ul style="list-style-type: none"> Finalise legal boundaries and apply to Māori Land Court to lodge new titles for adjacent parcels and road. Will require a cadastral survey of the road alignment following fence construction.
Owenga Loading Facility Design (LCLR)	<ul style="list-style-type: none"> Produce a design based on consultation with the barge society/barge designer and builder to ensure proposed loading facility will work well with the barge operations Undertake a consent needs assessment and archaeological assessment in advance of physical works once design form and dimensions are confirmed
Network & Asset management	<ul style="list-style-type: none"> Identify quantum of work required in next 3 year NLTP cycle, and begin planning the NLTP / RLTP 24-27 Bid in earnest Progress preliminary design works on Maipito Bridge replacement for inclusion in the next NLTP investment cycle Identify additional possibilities for minor Low Cost / Low Risk projects
Long Term Roothing Forward Work Programme	
Owenga Loading Facility Construction (LCLR)	<ul style="list-style-type: none"> Begin construction of the barge loading facility at Owenga.

Pavement Maintenance	
<p>Previous Status:</p> <ul style="list-style-type: none"> The unsealed pavement programme will resume with rehab works on North Road in May or June 2023. The amount of work will depend somewhat on the condition that the road is handed back in and the available Waka Kotahi funding. 	<p>Updates:</p> <ul style="list-style-type: none"> The quantum of work in the next

Drainage Maintenance	
<p>Previous Status:</p> <ul style="list-style-type: none"> Some culvert replacements for Tuku Road are programmed but dependent on the Power Board as they are in the vicinity of the underground 11 kV power cables. 	<p>Updates:</p> <ul style="list-style-type: none"> Fulton Hogan to work with CIET to meet standover requirements for works around electrical infrastructure

Bridge Maintenance	
<p>Previous Status:</p>	<p>Updates:</p> <ul style="list-style-type: none"> The Te Awainanga replacement cleats are being fabricated and

<ul style="list-style-type: none"> A price has been received for Te Awainanga deck cleat works, and is has been finalised. Bryan Peters completed the over-due inspections of the Pitt Island bridges during his visit. An addendum to the 2021 bridge inspection report will be created from his assessments. 	<p>replacement works will begin when they arrive on island.</p> <ul style="list-style-type: none"> Pitt Island catch-up Inspection Addendum to be issued following Bryan's inspections.
--	--

Whangamoe Bridge Replacement

<p>Previous Status:</p> <ul style="list-style-type: none"> Bryan's recent inspection identified further decay to timber members and additional items of concern. Enabling works to assemble the culvert barrel have been completed ahead of installation to minimise construction time 	<p>Updates:</p> <ul style="list-style-type: none"> An agreement in principal has been reached with the landowners and we are awaiting confirmation of the start date
---	--

Owenga Loading Ramp Design

<p>Previous Status:</p> <ul style="list-style-type: none"> Bryan had a more detailed discussion with the Barge Society around form and dimensions for loading ramp. Design has progressed to 30% stage. 	<p>Updates:</p> <ul style="list-style-type: none"> Concept design work is on-going.
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Professional Services

<p>Previous Status:</p> <ul style="list-style-type: none"> Stantec is still working to confirm the timing of the Te Matarae intersection minor works. Stantec have begun some interim design work on a replacement for the Maipito bridge to be included as a Low Cost/Low Risk project in the NLTP 24-27 bid. Responding to Audit NZ queries has been on-going. 	<p>Updates:</p> <ul style="list-style-type: none"> Responding to Audit NZ queries has continued for all of March and will likely continue into April. This duration is considerably longer than previous audits. Stantec have confirmed the preferred Tuku Gully signage and can assist Council with stakeholder engagement
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Kaingaroa & Owenga Wharf Repairs

<p>Previous Status:</p> <ul style="list-style-type: none"> The Owenga Wharf repairs will be undertaken in early 2023. The proposed interventions for Owenga Wharf have been modified to better protect vital components from Teredo Worm. Bryan inspected both Wharves during his site visit. Contract management with Hunter Civil ongoing, around snags to be tidied up at Kaingaroa and the scope of works required at Owenga. 	<p>Updates:</p> <ul style="list-style-type: none"> Hunter Civil to confirm expected start dates and durations for Owenga Wharf repairs
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Stantec Site Visits

<p>Previous Status:</p> <ul style="list-style-type: none"> Previous Roding site visits: Rebecca & Nigel in early March and Bryan in mid-February. 	<p>Updates:</p> <ul style="list-style-type: none"> Next Stantec Roding visit will be at the end of May
---	--

CIC catch-ups in Christchurch

<p>Previous Status:</p> <ul style="list-style-type: none"> 	<p>Updates:</p> <ul style="list-style-type: none"> Klicky will be in Christchurch in April and will deliver some historical maps that were found recently.
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Waka Kotahi (NZTA) Correspondence
Previous Status:

- Waka Kotahi are satisfied with the updated Procurement Strategy.
- Waka Kotahi have requested an update on the Low Cost Low Risk spend forecast. No fundamental changes were made since carrying over the budget for the construction phase of the Whangamoe bridge replacement, so all that was needed was to adjust what was spent in the 21/22 FY.

Updates:

- Stantec to attend the next Te Ringa Maimoa Regional Efficiency Group Canterbury Workshop to understand timings and expectations at Waka Kotahi for the next funding and Activity Management Plan submissions.

Water and Wastewater Update – March 2023

Contract Documentation	
<i>Project:</i>	<i>Current Status:</i>
Water Compliance	<ul style="list-style-type: none"> CIC needs to carry out a catchment risk assessment / Source Water Risk Management Plan for both supplies. CIC needs to revise the Water Safety Plans (WSP) for both supplies <ul style="list-style-type: none"> The revised WSP framework was released in December 2018. The current WSPs need substantial revision to comply with the new framework, by November 2022. CIC has elected to not review its WSPs at this stage. CIC had intended to update the WSPs through the 3Ws Reform Programme, but elected to allocate funds to capital works instead. Tikitiki bore radiological testing was completed and results were all below detection limits for Radon, alpha activity, and beta activity. <ul style="list-style-type: none"> Radiological testing is to be repeated by October 2026.
Water Supply	
<i>Project:</i>	<i>Current Status:</i>
All Supplies – Funding and Site Visit	<ul style="list-style-type: none"> Queries from DIA, the NTU, and Entity C are ongoing. Responses are being provided to several workstreams. CIC's CAPEX and OPEX submissions, revision 2, were submitted on 31 March 2023. CIC's Entity C Financial RfI was not submitted by the 21 October 2022 deadline. <ul style="list-style-type: none"> CIC has forwarded relevant contact information at ECan to the National Transition Unit, but has noted that a submission of this information will be completed in February / March 2023. Work has progressed.
Kaingaroa – Lake Rangitai	<ul style="list-style-type: none"> There are some outstanding documentation deficiencies by FILTEC following the upgrade works at the WTP. Materials for the intake extension are on the island and awaiting installation by FH. Wet weather has prevented the completion of this work, and was not completed under the grant funding budgets. O&M contract funds will be used to cover the outstanding costs to complete the project. Work is progressing.
Waitangi water supply	<ul style="list-style-type: none"> There are some outstanding documentation deficiencies by FILTEC following the upgrade works at the WTP. The new cloud-based telemetry system was installed and commissioned at both WTPs in April 2022. <ul style="list-style-type: none"> Updates to the online portal have been completed. CIC to consider introducing rules for enforcing private repairs within a certain timeframe to minimise loss of water and ensure the supply network can be maintained. Ongoing. CIC to consider whether charges are applied for taking water from the FH yard and/or if water is only able to be taken during hours when the yard is manned (i.e., locked at other times). Ongoing.
Reporting/ Monitoring/ Sampling March 2023	<ul style="list-style-type: none"> No water quality results available for March 2023. Samples were collected and flown to Christchurch but not delivered to the lab. Follow up samples were collected during the week of 3 April for testing. Waitangi Water Supply <ul style="list-style-type: none"> Not complying with DWSNZ for protozoa with UV disinfection system. <ul style="list-style-type: none"> The UV reactor is providing a protozoa barrier. Non-compliance is related to monitoring: UVI or UV dose (2 per week). UVT is monitored adequately. Monitoring is consistent with the existing WSP. Kaingaroa Water Supply <ul style="list-style-type: none"> Not complying with DWSNZ for protozoa with UV disinfection system.

	<ul style="list-style-type: none"> ▪ The UV reactor may not have provided a protozoa barrier due to a low UVT reading. ▪ Non-compliance is related to monitoring: UVI or UV dose (2 per week). UVT is monitored adequately. ▪ Monitoring is consistent with the WSP <ul style="list-style-type: none"> • Council Office – Rain Water Supply <ul style="list-style-type: none"> ○ Monthly monitoring is being completed, but not for compliance with the DWSNZ at this stage since it is not a registered supply. • MPA Batching Bore (Potential Future Water Supply) <ul style="list-style-type: none"> ○ MPA bore no longer in operation (or sampled). See June 2018 monthly update for results and conclusions.
Wastewater Treatment	
<i>Project:</i>	<i>Current Status:</i>
WWTP maintenance	<ul style="list-style-type: none"> • Discharge consent review on-going. • 70% of plantings have been planted in the land application area. Remaining 30% of plants due to be planted.
Reporting/ Monitoring/ Sampling February 2023	<ul style="list-style-type: none"> • Waitangi Treated Wastewater Discharge <ul style="list-style-type: none"> ○ The treated wastewater complied in March with all parameters, except for E.coli. Stantec and FH will continue to monitor treated wastewater quality, particularly with additional tourist numbers and urgent need for WWTP upgrade. It is noted that the land application system will further reduce TSS, COD, nitrogen, and E.coli prior to reaching groundwater, particularly now that the sprinklers have been maintained and have been moved further from the property boundary. ○ Stantec to review algae treatment options and sludge accumulation issue. ○ Maintenance and upkeep of the land application areas (i.e., tall grass / weeds) required.
General	
	<ul style="list-style-type: none"> • N/A

Landfill Operation	
<p>Current Status – no change</p> <ul style="list-style-type: none"> MfE were to conduct an audit of the landfill in November, but this was postponed to early December, and since put off again until the new year. ECan has accepted the Trigger Values Report. 	<p>Actions – Stantec</p> <ul style="list-style-type: none"> Provide operational advice as requested from time to time by CIC staff. <p>Actions – Council</p> <ul style="list-style-type: none"> Placement of waste in the landfill to be undertaken as advised by Stantec.
Waste Minimisation Project (MfE Waste Minimisation Fund)	
<p>Current Status:</p> <ul style="list-style-type: none"> Y1M3 report has been completed for the MfE. Turtens have achieved completion and have provided additional information to support the Code of Compliance Certificate. Building Inspectors have visited to inspect the Mitre 12 facility. Additional signage and metal frames have been ordered and proofs of new signs provided to Council by ECan. Sliding doors for the Te One MRF building have been shipped to the Chathams. To be installed in April. 	<p>Actions – Stantec</p> <ul style="list-style-type: none"> Stantec to continue work with CIC, suppliers, and contractors, as needed. <p>Actions – Council</p> <ul style="list-style-type: none"> Council to establish insurance needs for taking over the Mitre 12 facility. Council and Stantec to complete milestone reports.
Weighbridge Project (CRRF Project)	
<p>Current Status:</p> <ul style="list-style-type: none"> The weighbridge has been installed at Te One and is up and running. The two one-tonne tare weights have been shipped and delivered to site. Fulton Hogan to test the weighbridge with one-tonne weights to confirm its accuracy. 	<p>Actions – Stantec</p> <ul style="list-style-type: none"> Stantec to continue to work with CIC, suppliers, and contractors, as needed. Stantec to arrange a teleconference with Precia Molen (weighbridge supplier), Council staff and Fulton Hogan staff, to discuss operation of the weighbridge and required maintenance. <p>Actions – Council</p> <ul style="list-style-type: none"> Council to provide input on the project, as needed. Council to raise invoice for MfE's payment, as needed.
Sludge Lagoon Project	
<p>Current Status – no change.</p> <ul style="list-style-type: none"> Stantec has provided a short report on the requirements for installing an overflow to the leachate pond. This has been given to FH. 	<p>Actions – Stantec</p> <ul style="list-style-type: none"> No outstanding actions. <p>Actions – Council</p> <ul style="list-style-type: none"> FH staff to install the overflow at the leachate pond. Council to work with Stantec to secure funding for the Sludge Facility Project.

Other Waste Management Matters

Current Status:

- Workshop held to discuss the draft Solid Waste Bylaw and draft Waste Management and Minimisation Plan.
- Council has accepted the draft Solid Waste Bylaw and draft WMMP for consultation, together with the Statement of Proposals.
- Stantec is still progressing a draft Issues and Options paper on SW Charges.

Actions - Stantec

- Stantec to be involved in consultation process for the draft Solid Waste Bylaw and draft WMMP, as needed.
- Stantec to finalise a draft Issues and Options paper on SW disposal charges.

Actions - Council

- Council to consult on the draft Solid Waste Bylaw and draft WMMP.

4. Works & Services

4.2 Fulton Hogan Road Maintenance Report March 2023

Date of meeting	27 April 2023
Agenda item number	4.2
Author/s	Phil Holt – Fulton Hogan Contract Manager

Purpose

To inform and update the Council on the Chatham Islands Road Maintenance programme.

Attached is the March 2023 monthly reports from Fulton Hogan that will be presented by Mr Phil Holt (Fulton Hogan Contract Manager).

Recommendation

THAT the report be received.



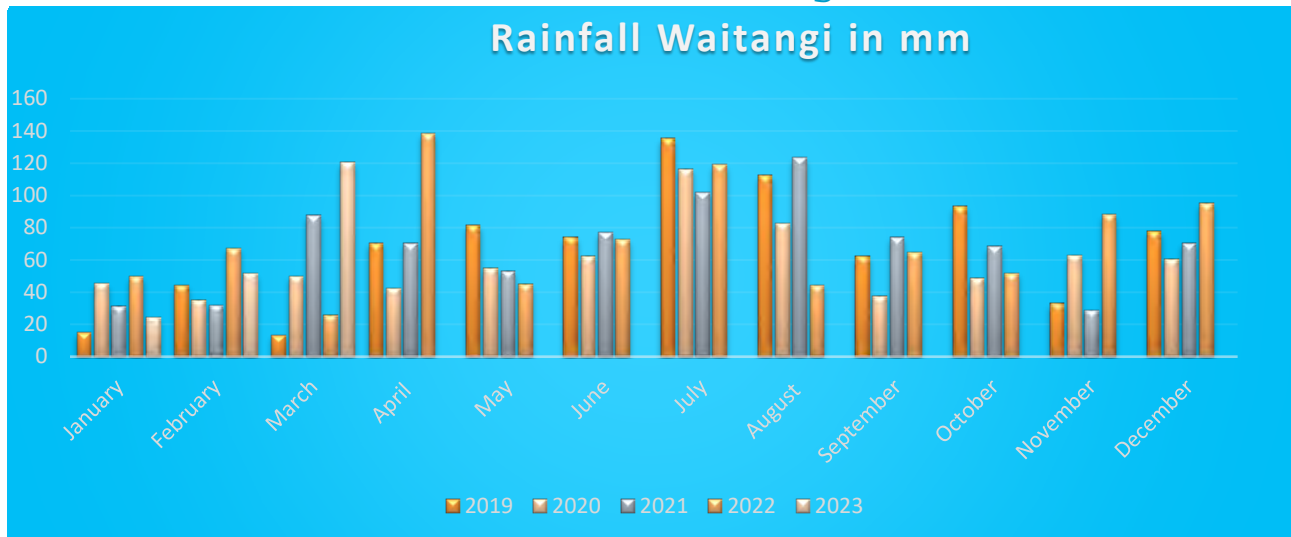
Awatotara Drainage Works Tuku Road

CHATHAM ISLANDS ROAD MAINTENANCE CONTRACT MONTHLY REPORT MARCH 2023

Work Summary
Outline of work carried out during month
Routine Maintenance and Operations
Pavement Renewals
Sealed Road Resurfacing
Drainage Renewals
Bridge and Structure Renewals
Traffic Services
Minor Improvements
Vegetation Control
Dayworks
Programmed Work for following month
Schedule of Work by Road Name
 1. Maintenance Grading
 2. Unsealed Maintenance Metaling
 Next Month's Target
Crash Damage Report Summary
Monthly Safety Report and Statistics
 1. Safety Engagements
Metal Stockpiles
CIC Owned Materials
Signs
Culvert Pipes
Environmental Compliance & Feedback
Environmental Compliance
Stakeholder Complaints Register
Public Relations & Community Involvement
Innovation
When conditions allow we will continue with the blended
maintenance material and continue to monitor areas already
done to gauge how they perform in the wet/dry conditions.
Summary of Monthly Progress Claim by Work Category
 1. Miscellaneous
 2. Traffic Counting
 3. Pitt Island
 4. Wind Damage
Photos

Work Summary

Outline of work carried out during month



120.5mm rainfall recorded for March in the Waitangi yard.

Routine Maintenance and Operations

Doing a bit of drainage maintenance ahead of the wetter months, clearing ends of culverts and cleaning up our dump sites. Removing the high shoulders and reinstating watertables on Tuku road. Very wet month so we were able to get a bit of metal on worst areas ahead of winter and give roads a grade.

Pavement Renewals

Sealed Road Resurfacing

Drainage Renewals

Still waiting for a CIET sparky to locate 11kv cable on Tuku road.

Bridge and Structure Renewals

Have constructed the culvert to replace Whangamoe Bridge once we have approval.

Traffic Services

Minor Improvements

Vegetation Control

Mowing where required.

Dayworks

Programmed Work for following month

Mainly routine works as and where required.

Schedule of Work by Road Name

1. Maintenance Grading

- Carried out as required during the month on the following roads:

Road ID	Disp	Road ID	Start RP	End RP	Quantity M
PORT HUTT ROAD	4977	51	0	16516	5615
WAITANGI WEST ROAD	4978	61	0	11690	11300
NORTH ROAD	4987	21	4590	48508	33227
TUKU ROAD	4988	111	700	14057	3200
WW-O ROAD	4989	11	4440	20395	15455
KAINGAROA ROAD	4999	126	0	5960	5960
					74757m
				TOTAL	74.757km

2. Unsealed Maintenance Metaling

Road ID	Disp	Road ID	Start RP	End RP	Quantity	
WITANGI WEST ROAD	4982	61	0	11690	160	
TUKU ROAD	4986	111	700	20280	168	
NORTH ROAD	4995	21	4590	48508	512	
PORT HUTT ROAD	4996	51	0	16615	8	
WW-O ROAD	4998	11	4440	20395	48	
		Totals		This Month	896	m3
				Revised Target	44500	m3
				Contract TD	44354	m3

Next Month's Target

Currently 146m3 behind the revised schedule with the carryover from last year but right on target for the end of this financial year.

Crash Damage Report Summary

Crash Damage Report

Date	Event	Action	Repaired Y/N
9/05/22	Police asked us about a vehicle rollover on North Rd = we did hear about it but all cleaned up by the time we got there.	No damage to the road.	N
14/07/22	A car has gone off the road into the end of a culvert on North road by Cliff Whatiri's yards.	No official report of harm or damage.	N
31/10/22	A vehicle rolled on the flat straight section of North road just before the Wharekauri Reserve.	No official report of harm or damage to road. Vehicle not healthy.	N
20/12/22	A vehicle hit the bank by Big Bush and rolled onto its side = driver taken to hospital = blacked out due to being a diabetic	Given insulin at the hospital and recovered. Van righted and towed to a safe area.	N
25/01/23	A vehicle rolled while moving over to miss an approaching truck = hit loose metal on the side of the road, lost control and rolled = write off.	Driver taken to hospital for a checkup & vehicle removed from road.	N Road was graded the day before and this person travels the road regularly at speed.

Network Inspections

Month	Inspection Type	Faults Identified	Inspected By
June	Day	6 monthly road survey and report done.	Phil
July	Day	Weekly drive overs to make sure all was good after heavy rain events.	All Crews
August	Day	Drive over the network doing a sign audit = no real problem with network found	Phil
September	Day	All roads checked after rain events for damage.	All Crews
December	Day	Roadroid survey done = no problems found on the network.	Phil
January 2023	Day	Drive around network looking at signs etc	Phil
March 2023	Day	Drive around network to check culverts etc ahead of the winter period.	Tomby

Monthly Safety Report and Statistics

Nothing to report.

1. Safety Engagements

Date	Near Miss	Incident	Lost Time Injury	Plant Damage	Depot/Worksite Inspections
24/11/21	N	N	N	N	Inspection of Tiki Tiki water plant upgrades.
24/01/22	N	N	N	N	Meeting with crew to run through the Covid-19 requirements now we are in the Red.
14/03/22	N	N	N	N	Site visit to WW-O Rd culvert installation.
6/04/22	N	N	N	N	Culvert replacement site visit on WW-O road = all ok
26/05/22	N	N	N	N	Stoney Crossing quarry inspection = all good.
23/06/22	N	N	N	N	Culvert replacement site on WW-o Road = all good.
22/08/22	N	N	N	N	HSQES site audit carried out while crew clearing culvert ends = all ok.
12/09/22	N	N	N	N	Target Hill counterfort drains = making sure correct installation procedure being followed = all ok.
7/12/22	N	N	N	N	Reseal site inspection = all TM in place and sufficient.
29/3/23	N	N	N	N	Tiki Tiki water plant check with Kirsten.

Metal Stockpiles

31/03/2023							
Site	AP40 Schist	AP65	AP32 Basalt	AP100 Schist	AP20	G3 Chip	G5 Chip
Waitaha Schist	1,838	0	0	3,933	0		
Waitaha Basalt	0	0	16	0	371		
Paritu	2,902	0	0	1,593	0		
Stoney Crossing	0	2929	3461	0	2,502	287	361
Yard	0	0	0	0	0		
Ohinemama	0	0	0	0	0		
Muirsons Schist	0	0	0	1,038	0		
	4,740	2929	3477	6,564	2,873	287	361

CIC Owned Materials

Signs

Item Description	Unit	Purchased	Used Mar 2023	End Measure	Comments
<i>Signs</i>					
CS85 North Rd	ea.			1	
CS85 Port Hutt Rd	ea.			1	
RG1	ea.			1	
RG2	ea.			0	
RM6 White	ea.			8	
RM6 Yellow	ea.			7	
RM7	ea.			16	
P66X242	ea.			7	
PW11	ea.			1	
PW11.1L	ea.			1	
PW11.1R	ea.			1	
PW12L	ea.			1	900
PW12R	ea.			1	
PW24	ea.			2	
PW25 65KM	ea.			1	
PW28	ea.			1	
PW34.1	ea.			1	900 Y
PW34.2	ea.			2	
PW37	ea.			1	900
PW49 FIRE ENGINE	ea.			2	
PWSX1	ea.			2	
RH-4	ea.			2	
PW54	ea.			2	
<i>Marker pegs</i>					
EMP	ea.			362	
CULVERT MARKERS	ea.			8	
WHITE RAPID MARKERS	ea.			61	
<i>Misc. Items</i>					
ACROW PROPS	ea.			6	
ROAD COUNTER	ea.			1	
ROUGHOMETER	ea.			1	

Culvert Pipes

ALUFLOW

Item Description	Unit	Used	Purchased	End Measure
375mm	m			5
450mm	m			6
600mm	m			0
750mm	m			6

Civilboss

225mm	m			36
300mm	m			48
375mm	m			54
450mm	m			50
525mm	m			15
600mm	m			30
700mm	m			30
800mm	m			30
1000mm	m			12

Builders Mix

CEMENT	T			0
GEOGRID Tensar Triax 160	Rolls			14
BIDIM CLOTH 4m x 100m	Rolls			14
BIDIM CLOTH 4m x 50m	Rolls			13

Environmental Compliance

Date	Site Inspected	Compliant Y/N	Abatement Order Issued	Corrective Action Required	Completed By
20/01/22	Stoney Crossing Quarry	Y	N	N	Phil
14/03/22	WW-O Rd Culvert Installation	Y	N	N	Phil
27/06/22	Stoney Crossing Quarry	Y	N	N	Phil
26/08/22	North Road Strengthening works	Y	N	N	Phil
13/10/22	Target Hill Rehab Site	Y	N	N	Phil
1/12/22	Kaingaroa Rehab Site	Y	N	N	Tomby
21/02/23	Whangamoe Bridge Replacement	Y	N	N	Tomby

Stakeholder Complaints Register

Month	Council/ Public Complaint	Complaint	Repair Undertaken	Response Time
24/01/22	Public	Complaint about weeds in footpath cracks outside café.	Sprayed when weather allowed.	1 Week
15/02/22	Public	Muddy sections on WW-O Road after all the recent rain.	Metal put on worst areas.	Same Day
20/05/22	Public	Cattle stop on Kaingaroa road had large potholes at each end.	Grader was actually on the road at the time.	Same Day
26/05/22	Public	North Road dusty.	Not a lot can be done for this – it happens in dry weather.	
26/05/22	Public	Rubbish from the Te One transfer site was blowing into neighbouring properties.	Staff picked up what they could considering the very strong winds at the time.	Next Day
04/10/22	Public	Large potholes in metaled dip area in the seal at Kaingaroa.	Potholes filled when crew available and weather allowed.	1 Week
20/01/23	Public	Planks lifting on bridge.	Was a deep pothole in the RH wheel track that made it feel like bridge planks were lifting?	Next Day

Public Relations & Community Involvement

Innovation

Summary of Monthly Progress Claim by Work Category

	March 23	Separable Portion One - Roothing			
<u>Item</u>	<u>Work Category</u>	<u>Value for Month</u>	<u>Value YTD</u>	<u>Annual Budget</u>	<u>% of Annual Budget</u>
1	P&G Other	\$121,268.31	\$1,402,204.69	\$972,000.00	144.26%
2	Routine Maintenance and Ops	\$73,629.73	\$589,603.29	\$910,000.00	64.79%
3	Pavement Renewals	\$0	\$716,337.04	\$874,000.00	81.96%
4	Sealed Road Resurfacing	\$0	\$305,941.82	\$227,000.00	134.78%
5	Drainage Renewals	\$17,518.95	\$104,993.96	\$233,000.00	45.06%
6	Bridge Renewals	\$621.17	\$12,887.66	\$111,000.00	11.61%
7	Traffic Services	\$687.14	\$15,196.88	\$20,000.00	75.98%
8	Minor Improvements	\$0	\$0	\$100,000.00	0%
9	Vegetation Control	\$5,408.41	\$48,657.69	\$55,000.00	88.5%
11	Dayworks	\$0	\$51,779.94	\$251,000.00	20.63%
	Total	\$219,133.71	\$3,247,622.05	\$3,753,000.00	86.53%

Estimated

1. Miscellaneous

2. Traffic Counting

Have had the software downloaded onto new computer and am waiting for new counters to arrive from Wellington.

3. Pitt Island

4. Wind Damage

No reported or visible signs of damage this month.

Photos





Awatotara Tuku Road Drainage

4. Works & Services

4.3 Fulton Hogan Water and Wastewater Operation Contract Report March 2023

Date of meeting	27 April 2023
Agenda item number	4.3
Author/s	Phil Holt – Fulton Hogan Contracts Manager

Purpose

To inform and update the Council on the Chatham Islands Water and Wastewater Operation programme.

Recommendations

THAT the report be received.

Background

Attached is the March 2023 report from Fulton Hogan that will be presented by Phil Holt (Fulton Hogan Contract Manager).



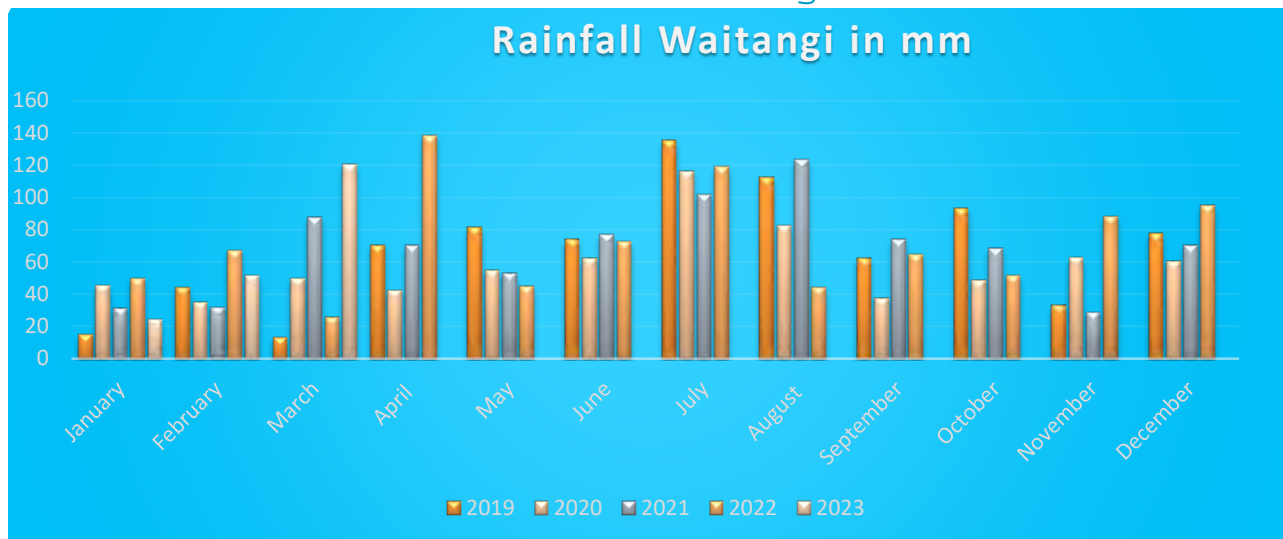
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Kaingaroa Water Supply Lake 2nd April

CHATHAM ISLANDS
WATER AND
WASTEWATER
OPERATION CONTRACT
MONTHLY REPORT
March 2023

Work Summary

Outline of work carried out during month



120.5mm rainfall recorded for March in the Waitangi yard.

Water Supply Operation & Maintenance

Tikitiki bore working ok at the moment with all tanks being full. Water level in the bore has come up 400mm and is still rising with all the rain this past month. Still experiencing high raw water turbidity caused by air getting in somewhere between the bore pump and plant = have narrowed it down to one of the fittings either side of the throttle valve at the bore head.

Kaingaroa = Treated water tanks are full and plant operating ok.

Water Treatment

Tiki Tiki plant = Plant operating good with very little trouble this month.

Kaingaroa plant = Operating ok. FAC still spiking when plant is running and water is being drawn for town, but nothing unusual for this type of operation.

Wastewater Treatment Plant at Waitangi

Plant coped ok with the last couple of heavy rain events since we have repaired/limited the amount of stormwater ingress. FH sparky on island at the moment so we have been running all the cables for the pumps, stirrer etc + doing the pipework to hook up the new balance tank.

Dayworks - Water

Repaired/replaced a couple of broken and leaking valves.

Dayworks - Wastewater

New balance tank electrical and pipework installation.

Water and Wastewater Reticulation Network

No problems with the network this past month.

Water and Wastewater Treatment Plant: Monitoring

WWWT plant ok, but water samples for March went missing between the Chatham's and CHCH.

Kaingaroa Lake Monitoring Post = lake level has come back up again with the recent rains.

Summary of Monthly Progress Claim by Work Category

	March 23	Separable Portion Two - Water and Wastewater			
Item	Work Category	Value for Month	Value YTD	Annual Budget	% of Annual Budget
13	Preliminary and General	\$17,809.98	\$76,888.10	\$49,614.04	154.97%
14	Water Supply Ops and Maint	\$922.32	\$8,300.88	\$20,067.84	41.36%
15	Water Treatment	\$3,870.22	\$29,585.86	\$39,801.86	74.33%
16	WWTP Waitangi	\$922.32	\$8,300.88	\$35,580.63	23.32%
17	Dayworks - Water	\$24,865.04	\$42,616.51	\$9,519.14	447.69%
18	Dayworks - Wastewater	\$3,627.13	\$47,578.33	\$7,090.55	671%
19	Water and Wastewater Reticulation	\$0	\$461.16	\$461.16	100%
20	Treatment Plant Monitoring	\$1,188.52	\$10,696.68	\$14,262.24	75%
	Total	\$53,205.53	\$224,878.40	\$176,397.46	127.48%

Last Financial Year

Programmed Work for Following Month

Pipework on the new balance tank.

Water Meter Report

Irrigation Dosing

Fields have been wet this past month but no sign of runoff.

Quality Assurance

Site Safety Report

Date	Near Miss	Incident	Lost Time Injury	Plant Damage	Depot/Worksite Inspections
9/08/22	N	N	N	N	New Balance tank site visit to make sure all is complete before crew leaves.
9/09/22	N	N	N	N	WWWT Plant waste water sprinkler system check = all ok and working as they should.
25/10/22	N	N	N	N	Check safety gear for chlorine use at the Kaingaroa Water Treatment plant = all ok
7/12/22	N	N	N	N	Steve in to do the annual service and inspection = all ok.
29/03/23	N	N	N	N	Crew working with FH sparky on the new balance tank.

Environmental Non Compliance

Monthly Stocktake of Supplies

General Supplies Stockpile - Month Ending March 2023

	Stock Purchased	Stock End of Previous Month	Stock Used	Stock Remaining End of Month
Salt		120 Bags	35	85 bags
Chlorine		80lts	20lts	60lts

PHOTO







New Balance Tank Frame And Pipework

4. Works & Services

4.4 Fulton Hogan Waste Management Operation Contract Report March 2023

Date of meeting	27 April 2023
Agenda item number	4.4
Author/s	Dylan Fraser – Fulton Hogan Divisional Manager, Maintenance

Purpose

To inform and update the Council on the Chatham Islands Waste Management Operation programme.

Recommendations


THAT the report be received.

Background

Attached to this report is the March 2023 Waste Management report from Fulton Hogan.



CHATHAM ISLANDS WASTE MANAGEMENT CONTRACT MONTHLY REPORT MARCH 2023



Introduction
Te One Transfer Station
Owenga Landfill
Appendix 1

Introduction

This report provides a summary of waste management activities through the month of March 2023.

Staff

John Kamo has been booked on wheels, track, rollers and class 2 licence training to upskill him so that he is able to assist Arlette with plant operation.

Te One Transfer Station

Discussions are underway with Macaulay Metals to establish whether they have an appetite to assist with removing the large amount of scrap metal on the island and at Te One. We are still waiting on an update regarding this.

The weigh bridge has been put in place and is now only waiting on calibration before it can become operational to allow more accurate recording of waste volumes.

The fire pit is no longer operational (and has not been for a few months) and has been completely covered over.

The waste records are included as Appendix 1 of this report.

Owenga Landfill

A large number of trips have been made to the landfill again this month, with the additional staff numbers making it much easier to do so. This is allowing a much smoother operation of both Te One and Owenga.

The fire pit at Te One is no longer operational (and has not been for a few months) and has been completely covered over. This is leading to much higher waste volumes coming to Owenga.



Appendix 1

Te One Waste Record

Owenga Waste Record

4. Works & Services

4.5 Three Waters Reform

Date of meeting	27 April 2023
Agenda item number	4.5
Author/s	Owen Pickles, Chief Executive

Purpose

To inform and update the Council on the Three Waters Reform.

Recommendations

THAT:

- 1. the information be received;**
- 2. Council work up a programme of work for inclusion in the 2024 budget;**
- 3. The Better-off funding projects in Tranche 2 be reconsidered at a future meeting.**

Background

On 13 April 2023 the Government announced it's reset of the Three Waters Reforms. Information on what this looks like for most of New Zealand is attached.

Prior to the announcement the Minister of Local Government, Hon. Kieran McNulty met with Mayors and CEO's on a Zoom call. During this call he said that the Chatham Islands Council would continue to be the water authority for the Chatham Islands supported with funding from the Government. He explained that due to the Islands small rating base the Government already has the funding mechanism in place to achieve this.

The Government also announced that the first phase of the Better-off package (\$500m) Chatham share (\$2.2m) will continue as planned as per the current funding agreements. However, because \$1b of the second phase of Better-off funding was to have been provided by water services entities through borrowing this will now not go ahead. The Council's share of this was to have been \$6.66m. A copy of the proposed allocation of these funds is also attached.

Information for councils: Water Services Reform



What’s changing and why

There will be 10 water services entities closely based around existing regions.

This will enable the entities to have a closer relationship to the communities they serve, thereby strengthening local representation and influence over the entities’ high-level decision making.

Every territorial authority owner, and therefore every community, will be represented on the entities’ regional representative groups.

The 10 entities will still have the size necessary to improve access to funding to invest in water services, while continuing to ensure improved affordability of water services.

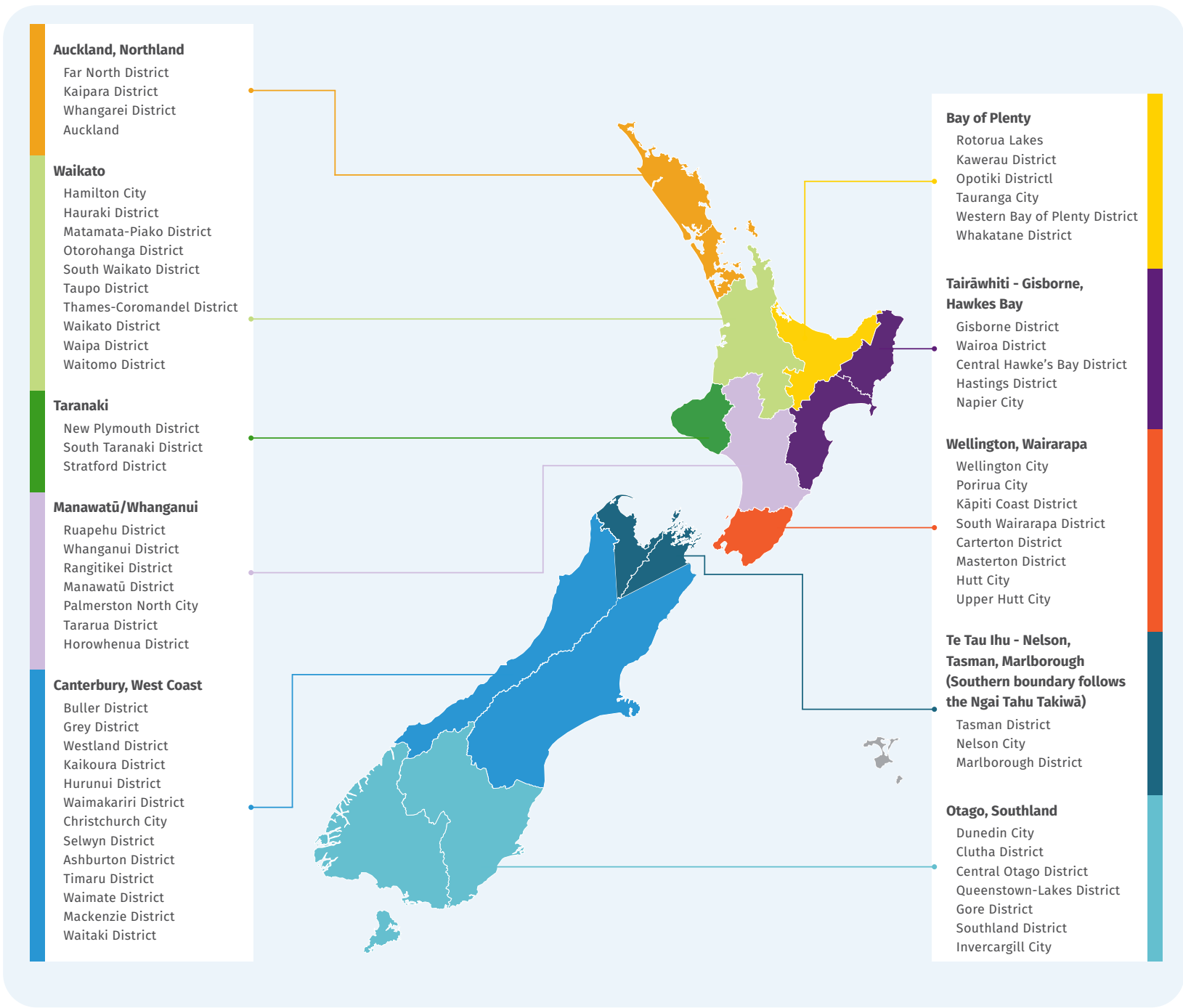
Changing the reform model means changes need to be made to the transition timeline.

It is necessary to change the establishment date of the entities, and when the new system comes into effect.

The establishment date for water services entities will be staggered, from early 2025 to 1 July 2026, rather than the original start date of 1 July 2024 for all entities.

The National Transition Unit will work with councils to determine ‘go live’ dates in light of the Government’s changes to the reform model.

The change in establishment date means councils will continue to be responsible for delivering water services until the new ‘go live’ date for their entity – and into the early years of their 2024-34 long-term plan.



Stormwater continues to be included in the reforms.

Recent extreme weather events have further highlighted the importance – and fragility – of this critical infrastructure.

A significant amount of investment will be required in stormwater infrastructure into the future, and we will need entities of sufficient scale to make this happen.

Strengthened local voice and influence

Ownership

The entities will be owned by local councils on behalf of the public, but will be operationally and financially independent from councils.

This enables the entities to fund the significant long-term investment required. The entities will be of sufficient size – both in terms of assets and customers – to enable them to be financially sustainable and operate efficiently.

For consumers, this means an improved quality of service and improved affordability of water services, compared with the increase in water charges likely under a continuation of the current water service delivery model.

Governance

Each water services entity will be governed by a professional board. Members will be appointed for their competencies and experience. These will be merit-based appointments based on a defined and diverse skill set.

There is no requirement for ‘co-governance’ at the board level.

Strengthening local voice and influence through regional partnership

Local voice and representation has been strengthened through regional partnership via the regional representative group.

Regional representative groups provide regional and local-level direction and oversight. They set the strategic and performance expectations for their entity, appoint the board, approve the strategic direction, and monitor their entity’s performance.

Local voice has been strengthened. Under the 10-entity model, every territorial authority owner – and therefore every community – will be represented on the entity’s regional representative group.

Under te Tiriti o Waitangi/the Treaty of Waitangi, mana whenua have the right to participate in decisions that relate to water services. Iwi/Māori also have responsibilities as kaitiaki to protect Te Mana o te Wai, the health and mauri of our water.

Mana whenua will have equal representation on the regional representative groups alongside territorial authorities in each entity area. Communities will continue to have influence over the water services entities through regional representative groups.

Listening and accountable to their community

Water services entities will be required to consult with their customers, businesses, and residents on their strategic direction, investment priorities, and their prices and charges, and work closely with local authorities to ensure water infrastructure provides for growth and development in spatial plans.

Each entity will be required to engage with communities in a meaningful and effective manner on all key accountability documents, such as asset management plans and funding and pricing plans.

The entities will have to report on how consumer and community feedback was incorporated into their decision making and prepare an annual consumer engagement stocktake that captures satisfaction with performance and explains how the entity will respond to community needs and address concerns. Each entity will also set up a consumer forum.

Legislative changes will be needed

Legislation will be required to give effect to the Government’s changes to water services reform.

The Government intends to introduce and pass legislation to allow for these changes before this year’s election. This will be subject to the Parliamentary timetable and processes, including the opportunity for public feedback.

We recognise legislative certainty is needed for council and water sector planning and employment, and to provide clarity for ongoing transition and implementation activities.

- Councils are already preparing their 2024-34 long-term plans, and without legislative changes these cannot make provision for water services – until the new ‘go live’ date for each entity.
- Staff who work in the water sector want certainty of job guarantees in the future entities.
- The broader industry and supply chain need certainty to ensure continuity of much-needed investment.

Water services legislation currently before Parliament

The water services reform changes do not have any significant impacts on the water services legislation that is currently before Parliament.

The Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill will continue on their current timetable.

Feedback provided on these Bills is being considered by the Finance and Expenditure Committee and any changes in response to feedback will be progressed through the select committee process.

This will include consideration of matters such as transfer provisions for CCOs and CCTOs, where there has been significant feedback. The Finance and Expenditure Committee is due to report back on 8 June 2023.

To give effect to the water services reform changes and to provide certainty for planning, there will be legislative and transitional changes over the months ahead.

i) Long-term planning and provision of water services

To recognise the extended establishment period, councils will continue to be responsible for water services until the handover date for their entity.

Council planning and reporting documents will need to reflect the continued service delivery obligations during the longer establishment period – which will include up to the first two years of the 2024-34 long-term planning cycle.

Legislative changes will be made to:

- Give councils the legal ability to include information relating to water services in their 2024-34 long-term plans.
- Ensure the appropriate planning and reporting provisions are in place to support a longer establishment period, and a staged approach to when each entity will ‘go live’.

The National Transition Unit will work with sector representatives and the Office of the Auditor-General to prepare guidance material, and to support councils throughout the transition period.

ii) Funding support for councils

‘Better off’ funding

The first \$500 million of Crown-funded ‘better off’ funding for councils is unaffected by the decision and will continue as planned.

The second tranche of \$1.5 billion better off funding has been discontinued to ensure the water services entities are able to operate sustainability.

There have been mixed views on the proposed better off funding package, including strong views from some local authorities that this funding should be made available for investment into water infrastructure rather than for council investment more generally.

With smaller entities, it is important to ensure their balance sheets are not over-burdened by avoiding placing any more debt on them than is necessary.

Increasing the number of entities will have increased establishment costs for the entities. If water services entities are required to bear these increased costs, they will find it more challenging to raise borrowing to increase rates of investment in water infrastructure.

Given the above, the second \$1.5 billion tranche of better off funding can no longer be justified.

The \$500 million ‘no worse off’ funding package for councils will remain in place.

Water services entities will continue to be responsible for making these payments to local authorities upon entity establishment.

The provision of ‘no worse off’ funding acknowledges that the transition process gives rise to costs and financial impacts for councils.

This funding will ensure no council is left worse off as a result of bearing stranded costs, or because of the net impacts that the combination of losing revenue and debt could have on their credit ratings.

iii) Water services staff and collective bargaining

The transition timeframe for water services staff will change.

The National Transition Unit will be revising its timelines for affected staff in light of changes to water services reform, and this will be communicated as soon as possible.

We recognise the need to provide certainty to water services staff about their future place of employment and timing of when they will transfer to the new water services entities.

The current Position Review and Pathway consultation will continue.

This information will still be needed under the 10-entity model. We are aiming to notify staff of the outcome of the review with as little delay as possible.

The legislated job guarantee will continue.

The vast majority of local government employees who are primarily involved in the delivery of water services today will be covered by the Legislated Job Guarantee under the Water Services Entities Act 2022.

This guarantee is not expected to be impacted by a change to the number of entities, or the implementation timeframes.

Collective bargaining

The National Transition Unit will meet with unions at the earliest opportunity to assess the implications of the timeframe and larger number of entities for the collective bargaining approach.

The National Transition Unit will continue to work closely with unions, professional organisations, and water services staff in councils and council-controlled organisations to support the transition.

iv) Other transitional matters

Changes will also be made to transitional arrangements, to provide flexibility and to minimise any potential issues during the establishment period.

- The timeline for establishment board appointments will be revised in light of the new establishment timeframe.
- The Department of Internal Affairs | Te Tari Taiwhenua will retain its oversight powers relating to council decision making.

This will support the longer establishment period and ensure oversight of significant decisions.

- The constitution development process will also be revised in light of the new establishment timeframe and 10-entity model.

What happens next

Next steps

We recognise the need to provide certainty for councils, water services staff, and those you work with, about the path ahead.

We are reviewing our transition work programme to put the required changes in place.
We will share this as soon as possible.



3 WATERS BETTER OFF FUND.

PROJECT	DETAILS	TRANCHE #1 Sep-22	TRANCHE#2 Jul-24	
Waste Management		\$ 2,210,000.00	\$ 6,662,000.00	
Mitre 12 building	These are waste management projects that are to be co funded by Waste Minz	- \$ 88,871.00		
Weighbridge		- \$ 33,320.00		
Septic Waste Disposal Pond			- \$ 1,000,000.00	Disposal ponding system for disposal and tratment of septic tank waste
Emergency Services Depot			- \$ 1,000,000.00	Multi agency facility CDEM, FENZ, St John, to replace ageing facilities located at back of beach in tsunami zone. This will be on high ground.
Housing				
CEO House Upgrade	These are all relating to the Council's housing stock including the provision of a new house and visitor accommodation.	- \$ 200,000.00		
Community Houses Upgrades		- \$ 287,809.00		
New House	Visitor accommodation is for the many mainland support people who serve the council. With commercial accomodate mostly taken by tourism.	- \$ 300,000.00	- \$ 500,000.00	
Visitor Accommodation		- \$ 200,000.00		
NKMR UPGRADES		- \$ 300,000.00	- \$ 162,000.00	The Islands main recreational facility. Main project is to cover netball courts
New Kaingaroa Wharf			- \$ 4,000,000.00	Major economic driver for the Island. Current wharf is near end of life.
Kaingaroa Whar Make Safe	To make safe current wharf until a replacement facility can be provided.	- \$ 350,000.00		
Owenga Wharf upgrade	Main link to Pitt Island. This will replace toredo worm infested timbers.	- \$ 450,000.00		
		\$ -	\$ -	



2023/4/13LG

13 April 2023

Local Government Mayors and Chief Executives
By email

Dear Local Government Mayors and Chief Executives

Thank you for making yourselves available to attend today's briefing on the changes that will take place to water reform in New Zealand.

The Government is committed to ensuring all New Zealanders have access to safe, reliable and affordable drinking water, wastewater and stormwater services. Significant challenges exist in how water services are currently delivered across the country, with an estimated \$120 billion to \$185 billion required to be invested in water infrastructure over the next 30 years. Changes are needed to the delivery of water services to meet the challenges ahead, including aging infrastructure, population growth, climate change, and natural disasters. Addressing these challenges is out-of-the-reach of many individual councils to address on their own.

I want to acknowledge the work that your council has done in providing these services to your community in the face of increasing and competing demands. You have faced the difficult task of operating water services, within a modern context, where in many cases the pipes, treatment plants and other assets are old and have been outgrown by the communities they serve. You have done so while dealing with communities' increasing need for other infrastructure and services.

The only effective way to address this need for investment is to have balance sheet separation between water services entities and local government. This enables the entities to fund the significant long-term investment required through achieving higher levels of leverage than local authorities can obtain.

As part of the reset, it has been important to me to take the time to meet with representatives from local government and a range of other partners and stakeholders to inform my thinking. I have heard and considered concerns that our plan to set up four publicly owned multi-regional water services entities will result in a loss of local influence and voice. As I have sought to refocus the reform, three key priorities have emerged;

- it is important that the link between councils and entities is strengthened
- water services entities and councils must have financial independence to invest in the things they need to

- That no district is left behind, and all New Zealanders can experience benefits of reform

As a consequence, the number of water service entities will move from 4 to 10. While it is clear fewer entities and greater scale create greater economic benefits, there is the opportunity to increase the weighting of local representation and influence in our approach. The Government believes it is critically important that the entities have clear stronger links with their communities, to ensure New Zealanders have confidence that the entities will listen and respond to their needs. Without a doubt, New Zealanders will pay less for water services with reform, than without.

Having 10 entities based more closely around existing regions, enable the entities to be better connected to the communities they serve. For consumers, this means an improved quality of service and improved affordability of water services, compared with the increase in water charges likely under a continuation of the current water service delivery model. Each entity will have the same functions, powers and accountabilities as already provided for in the Water Services Entities Act.

The entities will continue to be owned by local councils on behalf of the public, however, they remain operationally and financially independent from them. The balance sheets of water services entities are required to be sufficiently separate from local government, to allow them to achieve higher levels of leverage than local authorities can obtain.

Each water service entity will be governed by a professional board, with members appointed for their competencies and skills. Local voice has been enhanced through regional partnership via the regional representative group. Under the 10-entity model, every territorial authority owner – and therefore every community – will be represented on the entity's regional representative group. There will continue to be an equal number of mana whenua representatives.

Changing the reform model necessitates changes be made to the transition timeline. It is necessary to change the establishment date of the entities, and when the new system comes into effect. Entities will begin to be stood up from early 2025 and a staggered approach will ensure all entities will be fully operational by 1 July 2026. The Department of Internal Affairs will develop a schedule of go-live dates, in consultation with councils and other groups.

I intend to introduce and pass legislation to allow for these changes before this year's election. This will be subject to the Parliamentary timetable and processes.

I recognise this approach raises complexities for local government planning and reporting, and there is a need to provide clarity about what the new establishment date means for long-term planning. Councils are already preparing their 2024-34 long-term plans, and without legislative changes cannot make provision for water services.

To recognise the extended establishment period, councils will continue to be responsible for water services until the handover date for their entity. Council planning and reporting documents will need to reflect the continued service delivery obligations during the longer establishment period – which will include the first two years of the 2024-34 long-term planning cycle. Legislative changes will be made to reflect this, and to provide clarity around planning and reporting.

I am also conscious of the need to ensure sufficient clarity regarding accountabilities between councils and entities during this time, and for councils and auditors to have clear and detailed guidance about any transitional arrangements and what these look like in practice. My officials will work with sector representatives (Taituarā) and the Office of the Auditor-General on what the requirements will be and will provide guidance to the sector as soon as they are able.

The National Transition Unit is well positioned to make the necessary amendments to its programme based on today's reset. I have asked that officials follow up with you directly to provide you with further detailed information.

Thank you for your input through this process, I look forward to continuing working with you all.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. McNulty', with a stylized, flowing script.

Hon Kieran McNulty
Minister of Local Government

6. Regulatory

6.1 Activity Report from Environment Canterbury

Date of meeting	27 April 2023
Agenda item number	6.1
Author/s	Environment Canterbury Staff

Purpose

To provide an update on the services being performed by Environment Canterbury for the Chatham Islands Council contract.

Recommendations

THAT Chatham Islands Council

- 1. Receives the report.**

Background

The following reports are for your information only. All resolutions included in these reports were considered at the Steering Group meeting on 11 April 2023.

Agenda 2023

Chatham Islands Council Steering Group

Date: Tuesday, 11 April 2023
Time: 2.00 PM
Venue: Waimakariri Room
Environment Canterbury
200 Tuam Street, Christchurch



Chatham Islands Council

Steering Group

Membership

Chair Giles Southwell

Members

Sue Allen
Craig Burke
Tanya Clifford
Brian Elliot
Teresa Hancock
Guy Harris
Terri Huxtable
Tina Jackson
Adrian Meredith
Joanne Mitten
Graeme Nelson
Steven Palmer
Emma Parr
Owen Pickles
Jo Simkiss
Gaynor Smith
Mark Smith
Kerryn Tangney
Jamin Thomas
James Thompson

Chatham Islands Council Steering Group

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1. Mihi / Karakia Timatanga - Opening

The meeting will be opened with a mihi whakatau, followed by a member of the Chatham Islands Council Steering Group with a karakia.

2. Apologies

At the time the agenda closed there were no apologies received.

3. Minutes

3.1. Unconfirmed Minutes - Chatham Islands Council Steering Group - 7 March 2023

Chatham Islands Council Steering Group

Date of meeting	Tuesday, 11 April 2023
Author	{author-name}, {position}
Endorsed by	Catherine McMillan, General Manager Governance

Purpose

1. The previously circulated minutes from the Chatham Islands Council Steering Group on Tuesday, 7 March 2023 are to be confirmed.

Recommendations

That the Chatham Islands Council Steering Group:

1. Confirms the minutes from the Chatham Islands Council Steering Group meeting held on 7 March 2023.

Attachments

1. Chatham Islands Council Steering Group - 7 March 2023 Unconfirmed Minutes [3.1.1 - 8 pages]

Minutes of the Chatham Islands Council Steering Group, held in the Waimakariri Room, Environment Canterbury, 200 Tuam Street, Christchurch and online on Tuesday 7 March 2023 at 9.33am.

Present

Committee Chair Giles Southwell (Environment Canterbury), Owen Pickles, CEO Chatham Islands Council, Monique Croon, Mayor, Chatham Islands Council and Sue Allen, Tanya Clifford, Lauren Hamilton, Teresa Hancock, Terri Huxtable, Tina Jackson, Adrian Meredith, Joanne Mitten*, Emma Parr, Owen Pickles, Mark Smith and Kerryn Tangney.

* joined the meeting via audio/visual.

Due to the availability of staff, report 4.9 was taken first.

1. Mihi/Karakia Timatanga - Opening

Giles opened the meeting. The Chatham Islands Council is still working with Moriori and hope to have a karakia in the near future.

4.9. Biosecurity

Refer page 60 of the agenda.

Staff updated the meeting on biosecurity issues on and around the Island.

Resolved CICSC/2023/017

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Biosecurity report is put forward to the Chatham Islands Council to receive.

2. Apologies

Apologies for absence was received from Craig Burke, Gaynor Smith and James Thompson.

3. Minutes

Refer pages 5-13 of the agenda.

3.1. Unconfirmed Minutes - Chatham Islands Council Steering Group - 7 February 2023

Refer pages 6-13 of the agenda.

Staff provided the unconfirmed minutes of the Chatham Islands Council Steering Group meeting held on 7 February 2023.

Resolved CICSC/2023/018

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Confirms the minutes, with the removal of Jo Simkiss in the attendees, from the Chatham Islands Council Steering Group meeting held on 7 February 2023.

4. Report Items

Refer pages 14-72 of the agenda.

4.1. Verbal Update on Island Matters

Refer page 14 of the agenda.

Owen provided a verbal update on Island matters including:

- Airport matters,
- Audits,
- Artifacts found the various construction sites,
- Civic Defence event is still going ahead.

Resolved CICSC/2023/019

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Receive the verbal update from the Chief Executive, Chatham Islands Council.

4.2. Action list

Refer page 15 of the agenda.

Staff advised the meeting that there are no actions carried forward from the previous meeting.

Resolved CICSC/2023/020

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Action List report is put forward to the Chatham Islands Council to receive, noting there are no actions.

4.3. Travel Schedule

Refer pages 16-17 of the agenda.

Staff updated the meeting on upcoming travel by Environment Canterbury staff to and from the Chatham Islands, noting that there was also travel additional to that shown, for Sue Allen on 18 March 2023.

Resolved CICSC/2023/021

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the travel schedule is put forward to the Chatham Islands Council to receive.

4.4. Chatham Islands Services Overview

Refer pages 18-19 of the agenda.

Staff updated the meeting on matters relating to the contract for services between the Chatham Islands Council and Environment Canterbury. Noting the plumber and compliance staff were welcomed.

Resolved CICSC/2023/022

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Notes this report which provides an update on the operation of the services agreement between the Chatham Islands Council and Environment Canterbury.
2. Suggests the Chatham Islands Services Overview report is put forward to the Chatham Islands Council to receive.

4.5. Procurement Projects Update - IT and Refurbishments

Refer pages 20-21 of the agenda.

This report was taken as read. It was noted that there were two shortlisted suppliers to ensure the pricing was competitive.

Resolved CICSC/2023/023

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Notes this report which provides an update on procurement projects for Chatham Islands Council being managed by Environment Canterbury.
2. Suggests the Procurement Projects Update IT and Refurbishments report is put forward to the Chatham Islands Council to receive.

4.6. Resource Management Planning

Refer pages 22-53 of the agenda.

Staff updated the meeting on progress since the previous Steering Group meeting.

Resolved CICSC/2023/024

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests the Resource Management Planning report is put forward to the Chatham Islands Council to receive.
2. Note, that after consultation with the Chatham Islands Council, a submission is not required on the Future for Local Government draft report 'He mata whāriki, he matawhānui.

4.7. Communications

Refer pages 54-58 of the agenda.

Staff updated the meeting on communications since the last meeting. It was noted that they were working on the Annual Report.

Resolved CICSC/2023/025

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Communications report for March 2023 is put forward to the Chatham Islands Council to receive.

4.8. Environmental Monitoring

Refer page 59 of the agenda.

Staff provided an update on recent environmental monitoring work carried out by Environment Canterbury.

Resolved CICSC/2023/026

Staff recommendations adopted without change.

That the Chatham Islands Council Steering group:

1. Suggests that the Environmental Monitoring report is put forward to the Chatham Islands Council to receive.

4.10. Navigation Safety

Refer page 61 of the agenda.

Staff updated the meeting on navigation safety.

Resolved CICSC/2023/027

That the Chatham Islands Council Steering group:

1. Suggests that the Navigation Safety report is put forward to the Chatham Islands Council to receive.

4.11. Marine Oil Spill Response & Readiness

Refer pages 62-63 of the agenda.

Staff provided an update on marine oil spill response capabilities.

Resolved CICSC/2023/028

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Marine Oil Spill Response Readiness report is put forward to the Chatham Islands Council to receive.

4.12. Compliance

Refer pages 64-65 of the agenda.

Staff briefed the meeting on compliance monitoring and enforcement activities undertaken during the reporting period.

Resolved CICSC/2023/029

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Compliance report is put forward to the Chatham Islands Council to receive.

4.13. Civil Defence Emergency Management

Refer page 66 of the agenda.

Staff updated the meeting on Civil Defence Emergency Management, noting that two controllers attended the training.

Resolved CICSC/2023/030

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Civil Defence Emergency Management report is put forward to the Chatham Islands Council to receive.

4.14. Corporate Reporting Update

Refer page 67 of the agenda.

Staff updated the meeting on the finance services performed under the corporate services umbrella for the Chatham Islands Council Regional Council contract.

Resolved CICSC/2023/031

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Corporate Services update is put forward to the Chatham Islands Council to receive.

4.15. Financial Updates

Refer pages 68-72 of the agenda.

Staff provided a financial update on the service agreement between the Chatham Islands Council and the Canterbury Regional Council for the period ending 31 January 2023.

Resolved CICSC/2023/032

Staff recommendations adopted without change.

That the Chatham Islands Council Steering Group:

1. Suggests that the Financial Update is put forward to the Chatham Islands Council to receive.
2. Approves the use of reserve funds of up to \$170k for costs in relation to the recruitment of the next Chatham Islands Council Chief Executive Officer.

5. Next Meeting

The next meeting will be held on Tuesday, 11 April 2023 at 2pm.

6. Mihi/Karakia Whakamutunga - Closing

Giles closed the meeting.

Meeting concluded at 10.20am.

CONFIRMED 11 APRIL 2023

Owen Pickles
Chief Executive
Chatham Islands Council

4. Report Items

4.1. Verbal Update on Island Matters

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Lauren Hamilton, Zone Manager - Zone Delivery
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To provide Owen Pickles, Chief Executive, Chatham Islands Council with an opportunity to verbally update the Chatham Islands Council Steering Group, with information on Island matters that the Steering Group would find helpful and informative.

Recommendations

That the Chatham Islands Council Steering Group:

1. Receive the verbal update from the Chief Executive, Chatham Islands Council.

Attachments

Nil

4.2. Action list

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Petrea Downey, Committee Advisor
Endorsed by	Lauren Hamilton, Regional Leader - Zone Delivery, Operations Management

Purpose

1. To update the Chatham Islands Council Steering Group that there are no actions carried forward from the previous meeting on 7 March 2023.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Action List report is put forward to the Chatham Islands Council to receive, noting there are no actions.**

Attachments

Nil

4.3. Travel Schedule

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Rebecca Phipps, Hub Leader Coordinators
Responsible Director	Giles Southwell, Director Finance and Corporate Services

Purpose

1. To update the Chatham Islands Council Steering Group on upcoming travel by Environment Canterbury staff to and from the Chatham Islands.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the travel schedule is put forward to the Chatham Islands Council to receive.**

Client Location Report - Environment Canterbury

Selection Criteria
Departures between 01Apr23 - 30Sep23
Destination/Transit - All Countries
17934

Outlet - ASHY Branch - All
Travel Type - Corporate



New Zealand																
Folder No	Folder Dep Date	Company Name	Travel Type	Outlet	Lead Name	Cell Phone	Pax List	VIP	PO Number	Project Number	Booked By	Cost Centre	Employee Number	Travel Purpose	Itinerary Email	EmailTo
1021695	28Mar23	Environment Canterbury	CORPORATE	ASHY	Mr John Blanchard		Mr John Blanchard john@tritech.co.nz		SERV	CHATHAM ISLANDS	Brigid Ann Stewart	BSC	GAYNOR.SMITH@E P027101/-111060	BRIGID.STEWART@ECAN.GOV.T.NZ	john@tritech.co.nz	
	From	To	Dep Date / Date In	Arr Date / Date Out	Flight No	Supplier Reference	Vendor									
	CHT - Chatham Island	WLG - Wellington	01/04/23 11:30 a.m.	01/04/23 01:30 p.m.	3C0512	0051LU	Air Chathams									
1021696	28Mar23	Environment Canterbury	CORPORATE	ASHY	Mr Craig Winters		Mr Craig Winters		SERV	CHATHAM ISLANDS	Brigid Ann Stewart	BSC	GAYNOR.SMITH@E P027101/-111060	BRIGID.STEWART@ECAN.GOV.T.NZ	Kraig@serverworks.co.nz	
	From	To	Dep Date / Date In	Arr Date / Date Out	Flight No	Supplier Reference	Vendor									
	CHT - Chatham Island	AKL - Auckland	01/04/23 06:30 p.m.	01/04/23 08:30 p.m.	3C0519	0051LT	Air Chathams									
1021697	28Mar23	Environment Canterbury	CORPORATE	ASHY	Mr Craig Patrick Burke	+6421481357	Mr Craig Patrick Burke		SERV	CHATHAM ISLANDS	Brigid Ann Stewart	BSCBSC	GAYNOR.SMITH@E P027101/-111060	BRIGID.STEWART@ECAN.GOV.T.NZ	craig.burke@ecan.govt.nz	
	From	To	Dep Date / Date In	Arr Date / Date Out	Flight No	Supplier Reference	Vendor									
	CHT - Chatham Island	AKL - Auckland	01/04/23 06:30 p.m.	01/04/23 08:30 p.m.	3C0519	0051LV	Air Chathams									
1023755	28Mar23	Environment Canterbury	CORPORATE	ASHY	Mr Robin Seymour	+64 273050353	Mr Robin Seymour		OPER	MARINE PEST DIVE	Robyn Warburton	RES	CARL.DIAMOND@E P051029/-	ROBYN.WARBURTON@ECAN.GOV.T.NZ	robin.seymour@ecan.govt.nz	
	From	To	Dep Date / Date In	Arr Date / Date Out	Flight No	Supplier Reference	Vendor									
	WLG - Wellington	CHT - Chatham Island	01/04/23 02:30 p.m.	01/04/23 05:00 p.m.	3C0521	0052NY	Air Chathams									

4.4. Chatham Islands Services Overview

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To update the Chatham Islands Council Steering Group on matters relating to the contract for services between the Chatham Islands Council (CIC) and Environment Canterbury.
2. To provide a Quarterly Report at the Council meeting in May 2023 (See attachment 4.4.1)

Recommendations

That the Chatham Islands Council Steering Group:

1. **Notes this report which provides an update on the operation of the services agreement between the Chatham Islands Council and Environment Canterbury.**
2. **Suggests the Chathams Islands Services Overview report is put forward to the Chatham Islands Council to receive.**

Overview and updates regarding the provision of services to Chatham Islands Council from Environment Canterbury

3. This paper provides an update on matters relating to the provision of services to CIC by Environment Canterbury (ECan).

Provision of services

4. The team will be completing the quarterly report this month which will be available for the Chatham Islands Council in May 2023.

Renewal of services contract

5. Following the completion of the Services Agreement with CIC, Environment Canterbury staff will be developing more detailed programme plans for all work areas. These programme plans will provide more detail as to how services in the Service Agreement will be delivered and will be shared with the CEO of CIC and will guide Environment Canterbury reports to the Steering Group.

Engagement with Department of Internal Affairs

6. Environment Canterbury and the CIC CEO meet with Department of Internal Affairs (DIA) representatives prior to alternate Steering Group meetings. These meetings are intended to increase engagement and alignment between the three parties.

Next steps

7. Meetings of the CIC Steering Group occur approximately six weekly, as per the agreed schedule, which enables services reports to be considered at scheduled meetings of the CIC.

Attachments

1. Quarterly Report Part B The Services 9EXX [4.4.1 - 11 pages]

Quarterly Report Part B: THE SERVICES

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
Resource Management	The high air, water, and land qualities of the Chatham Islands are maintained to protect human health and ecological systems.	Resource management document is current and administered.	Review of CIRMD is completed. All consent applications are processed within RMA timelines. Progress is made on implementing the NPS on freshwater management.	The CIRMD is updated with relevant changes to give effect to National Direction. The coastal provisions of the Plan are made operative. The consent application process is administered.	The Chatham Islands Resource Management Document was approved by the Minister of Conservation in September 2020 and can now be made fully operative. Further changes may be required in the future to give effect to National Policy Statements and National Environment Standards. These requirements are currently being identified and considered
				Assist CIC with Iwi matters in relation to the upcoming review of the RMA. The upcoming review of the RMA will cover historic places, and the new landfill.	
				An implementation Programme for the NPS is implemented.	A progressive implementation programme for the NPSFM was adopted in 2015. Advice provided to the CIC on cost implications for implementing NPSFM.
	The use of natural and physical resources contributes to the Chatham Islands economy in a sustainable manner.	Resource consents and permitted activities are exercised in accordance with their conditions.	100% compliance	Compliance monitoring is carried out as required.	Monitoring undertaken in early 2019.
Resource Management Investigations and Monitoring	The high intrinsic values of the biodiversity and natural ecosystems of the Chatham Islands are recognised and protected. People may carry out a wide range of activities taking into account natural hazards.	State of the Environment monitoring is carried out in accordance with CIRMD requirements. Information on natural hazards is available.	<ul style="list-style-type: none"> • Effects of sea level rise on coastal development are assessed • Other services completed as requested 	Report on mapping of sea level rise	Preliminary investigation commenced.

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
Investigations & Monitoring	Any changes in the biodiversity and natural ecosystems of the Chatham Islands are recognised and causal mechanisms understood.	Statutory monitoring requirements are met.	SOE long term water quality monitoring programme completed, and reports are published.	<ul style="list-style-type: none"> Long term water quality monitoring programme of lakes, rivers and Te Whanga lagoon Trends reported annually Information available on web site 	Monitoring completed as scheduled. Three field sampling runs completed to date for this financial year, and data compiled in database. State and trend report in progress.
	People of the Chatham Islands have access to a wide range of cultural, commercial and recreational activities.	Microbiological and chlorophyll information is collected for resource management purposes.	Microbiological monitoring and assessments of algal bloom activity at sites in Te Whanga lagoon.	<ul style="list-style-type: none"> Microbiology & Chlorophyll-a monitoring at 3 lagoon sites. Fortnightly monitoring of common recreational sites (locations to be agreed with CIC) during the summer. Results available on web site. 	Monitoring work completed as required.
	Flow regimes in Chatham Island rivers and streams are understood for water allocation purposes and flood warning	Hydrological information is available to all community	River flows are monitored.	<ul style="list-style-type: none"> Monitoring at 4 flow recorder sites, 2 rainfall sites and 2 water level recorders in Te Whanga sites. Data is collected on levels, flow, salinity, pH, and oxygen. Near real-time water level and flow data (within 1-2 hours) are available on website. 	Sites all working well and data available on CIC website.
	Water quality and/or quantity investigations carried out to understand water resource issues raised by community	Investigations carried out within proposed timeframes and costs		<ul style="list-style-type: none"> Water quality of possible areas for future potable supply (eg: Owenga) is investigated. 	Potable water supply investigations are on-going.
Contaminated Sites / Hazardous Substances and Waste	Exposure to contaminated land and the environmental effects of hazardous substance releases are minimised.	<p>HAIL sites are identified.</p> <p>NES for contaminants in soil to protect human health is implemented.</p> <p>An agrichemical collection is undertaken.</p> <p>Hazardous waste is managed according to national protocols.</p>	Advice is provided on contaminated sites, hazardous substances and waste management.	<ul style="list-style-type: none"> HAIL identification methodology is provided to enable CIC to identify potentially contaminated sites. Assistance in establishing protocols for NES implementation is provided. Provide advice on how to set up an Agrichemical Collection. Advice on establishment of waste management protocols is provided. 	Advice on waste management expected to increase as the landfill project progresses. Support provided on an as required basis.
Emergency	CIC is prepared for an emergency and complies with CDEM Act requirements.	Requests for assistance with CDEM planning and	Provide policy and planning support as required.	Provide advice on National and Regional CDEM Policies.	No activity this period

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
Management		preparedness are met.	Provide advice on Resilience initiatives.	Support CIC Resilience initiatives as appropriate.	No activity this period
			CDEM group plan continues in operation and is up to date.	<ul style="list-style-type: none"> CDEM second generation plans due 2010/11. Risk based foundation to be established for review of 4 R's within the CDEM Group Plan. Public Information Manager training session provided, and one workshop exercise is provided. 	No activity this period
			Provide training support	<ul style="list-style-type: none"> Provide advice on professional development for CIC CDEM staff, including a development needs analysis (DNA) of key staff. Support CDEM exercises and courses. Focus to be on training for Response Team and EOC staff. Two activities supported on island each year Support implementation of national emergency management information system (EMIS) 	No activity this period
Navigation Safety	Navigation safety is enhanced.	Requests are met and proactive assistance is provided.	Advice and support is provided re navigation safety.	<ul style="list-style-type: none"> Support is provided to the CIC Harbourmaster Navigation safety risk assessment is carried out, documented and maintained. The Navigation Safety Bylaws are reviewed 	<p>Provide technical support for the planning of the proposed Waitangi Wharf replacement. Ongoing.</p> <p>Investigate provision of AIS monitoring at Chatham Islands. Underway – this is delayed until we restart our AIS projects.</p> <p>Provide technical Navigation and safety support. Ongoing.</p> <p>Safety Management System and Risk Assessment. Internal review booked with CI's HM and Waitangi Port Manager for 25-26 November 2020.</p>

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
					<p>Jim Dille is representing CIC on the Port & Harbour Safety code panel review for Taraoa – should be finished by December 2020.</p> <p>The current CIC Nav Bylaw is about to lapse permanently, but one of the recent Covid-19 Acts has extended the expiry dates of all bylaws out to June next year which means the bylaw will remain in force and will thus be able to be reviewed once the amendment has been made to the MTA.</p> <p>Cruise ships are wanting to come to Waitangi in the New Year.</p>
Corporate Services	Services to the community are improved through the provision of timely and accurate information.	Requests are met or referred to appropriate providers.	Annual report is produced and audited with no qualification.	Annual report is produced and audited with no qualification.	The audit of the 2019/20 Annual Report is underway, and expected to be completed by the 29 th of October. Similar to previous years, it is likely an unqualified emphasis of matter opinion will be issued. The emphasis of matter will stress audit's concerns over the organisations future viability and negative cash balance (also referred to as the going concern assumption). In addition, the audit opinion for all organisations are including an extra paragraph emphasising the uncertainties of estimates and judgements applied to areas impacted from the effects of COVID-19.
			Long Term Plan/Annual Plan is produced and audited with no qualification.	Long Term Plan/Annual Plan is produced and audited with no qualification.	The 2020/21 Annual Plan has been adopted. All legal requirements related to the adoption of the Annual Plan and rates setting have now been addressed.

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
					Planning for the 2021-31 Long Term Plan will commence after the 2019/20 Annual Report is finalised.
			Financial reports to Councillors and Department of Internal Affairs completed at least quarterly.	Financial reports for internal reporting purposes or reporting to external stakeholders is completed periodically.	Reports to Council and Quarterly financial reports for DIA reporting purposes have been provided at least quarterly.
			Assistance is provided with rates, invoicing, and other technical issues.	Requests are met promptly. Training and support is provided for democracy services.	All requests for assistance have been met. No issues arose during the quarter.
	Council complies with legislative requirements.	No breaches of legislation.	Advice is provided as required for: HR; Council; Democracy; Legal; Finance; and IT.	Requests are met within 5 working days. Training support and information is provided re democracy services.	Legal advice provided as requested. No breaches of legislation noted.
Communications	Communication services support the dissemination and exchange of information to Council and the community. Council's information is protected, developed and maintained effectively and efficiently.	Community and Iwi are well informed about Council activities and performance.	Communications services are provided.	Inserts to the Chatham Islander are produced on environmental, RMA and other Council issues.	All activities completed as required.
			Advice is provided concerning effective communication and feedback from the community.	Web site is kept up to date. Other communications projects (e.g. leaflets, brochures, signs) discussed and undertaken as required.	All activities completed as required.
Surveillance – Chatham Islands	There is no introduction, sale, propagation and distribution of the 140 pests listed as Surveillance – Chatham Islands pests.	Incidence of these 140 pests on the Chatham Islands.	Report on the presence of Surveillance – Chatham Islands annually or as required for specific incidences	Undertake enforcement action to ensure that landowners and occupiers do not introduce, sell, propagate or distribute pests listed as Surveillance – Chatham Islands pests.	No enforcement actions undertaken. All known sites of surveillance pests are inspected at least once annually. Routine surveillance of other high risk sites is on-going.
Surveillance – Chatham Islands	Maintaining an internal border between Chatham Island, Pitt Island and New Zealand.	Number of breaches of the internal border.	Year 1 Publish and distribute a scoping report addressing marine biosecurity as part of establishing an internal border.	Years 2-4 In partnership with Biosecurity New Zealand implement a marine biosecurity plan as part of establishing an internal border.	Under contract to Environment Canterbury, SPS prepared a Chatham Islands Marine Biosecurity Partnership Action Plan in 2010. Progress on its implementation has been limited. We have trained 5 staff to meet WorkSafe NZ diving requirements with a view to carrying out twice annual underwater surveys of the 4 ports on Chatham Island. The intent is to determine the presence or absence of the 10 “most likely” to arrive marine pests.

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
					<p>Since mid 2016, survey dives have been carried out twice annually at Owenga, Kaiangaroa Waitangi and Port Hutt. The last round of surveys was completed in late 2020.</p> <p>No marine pests were found at Owenga Waitangi or Kaiangaroa but the previous distribution of Undaria at Port Hutt has reduced slightly within the harbour.</p> <p>Five of the invasive marine species identified by MPI are crab species. To date, crab potting surveys have been carried out twice annually at Waitangi, Port Hutt, Kaiangaroa and Owenga ports. No invasive species detected.</p> <p>The last round of dive surveys and crab potting was completed in December 2020.</p>
Surveillance – Chatham Islands	Preventing the arrival and establishment on the Chatham Islands of the 140 listed Surveillance – Chatham Islands pests.	Incidence of these 140 pests on the Chatham Islands.	Identify, map and maintain a database of high-risk sites for surveillance – Chatham Islands pests. Continue a surveillance programme sampling sites (ha) at high risk from Surveillance – Chatham Islands pests.	Inspect at risk sites for pests listed as Surveillance – Chatham Islands pests	<p>At risk sites inspected at least twice annually by SPS Bio-security staff and resident Biosecurity Officer.</p> <p>Active control on several “low incidence” plant pests has taken place ie: Veldt Grass, Glyseria maxima, Argentinean Ice Plant, Wilding Conifers and Sycamore has been on-going.</p> <p>New sites of Old Man’s Beard and Banana Passionfruit have been found and total control is underway, although both new sites have found to be more extensive than originally thought.</p>
Surveillance – Chatham Islands pests	Subject to availability of resources, undertake Biosecurity Act 1993 Section 100 control of Chatham Islands Surveillance pests.	There are no successful incursions.	Report on the number of potential and actual incursion responses of Chatham Islands surveillance pests per annum.	Undertake incursion responses for pests listed as Surveillance – Chatham Islands pests as required.	Black Ants and German Wasps are recent incursions but hopefully the immediate control response has eliminated their establishment.

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
Surveillance – Pitt Island	Five pests listed as Surveillance – Pitt Island pests are not introduced to Pitt Island	Incidence of these five pests on Pitt Island.	Identify, map and maintain a database of high-risk sites for pests listed as Surveillance – Pitt Island pests. Continue a surveillance programme sampling at risk sites for pests listed as Surveillance – Pitt Island pests.	Inspect at-risk properties for Surveillance – Pitt Island pests. Undertake enforcement action where necessary to ensure that landowners and occupiers carry out control for Surveillance – Pitt Island pests. Search 100% of high-risk sites for pests listed as Surveillance – Pitt Island pests annually	We have increased the number of Rodent Bait stations at possible departure points to Pitt Island. Sheds used by fishermen storing goods bound for Pitt. Rodent activity tends to peak in February/March/ April and then stabilizes. We have now received a trained “Rat dog” that is resident on the Chatham Islands being “handled” by our resident Biosecurity Officer Kerri Moir. This will dramatically improve our detection capability. Kerri and Moki (the dog) have assisted the Department of Conservation with a response to an unauthorised boat landing on an outer Island. No rat presense detected.
Total Pest Control	The Chatham Islands Pest Management Strategy is reviewed with specific reference to the Total Control suite of pests	The remaining 5 years of the Pest Management Strategy more accurately reflects community expectation and professional opinion	Chathams wide customer survey carried out with specific emphasis on Total Control pests. Survey results matched with expert opinion.	Formal review of current Pest Management Strategy	A Pest Management Strategy survey was sent out in early 2013. 51 responses were received. A formal review of the current Pest Management Strategy is currently underway.
Total Pest Control	One total control pest animal – feral goats is controlled.	Progress made in eliminating feral goats.	Undertake structured aerial cull of feral goats on properties adjoining the source infestation.	Work alongside landowners to voluntarily eradicate feral goats Undertake enforcement action to ensure that landowners and occupiers carry out control of feral goats.	By late 2014 Environment Canterbury staff had culled 977 goats from the Airport Road area. With the approval of the Landowner, our resident staff member culled 46 in late 2014 which appears to be the last of them. Two fly-overs by helicopter seemed to confirm this. An additional 192 goats were shot from a geographically separate area in 2017. Throughout 2018/19 a further 56 goats have been culled as a result of helicopter and ground shooting. Throughout 2020 a

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
					further 23 Goats were culled. Land based shooting of the remaining known mobs is on-going. Helicopter shooting is proposed for late March 2021
Total Pest Control	Control of all total control plant pests.	The incidence of all total control plant pests.	<p>A report on the effectiveness of pest control operations is prepared.</p> <p>The incidence of Total Control pest plants is consistent with estimates of target densities.</p>	<p>All known Total Control plant pest sites, both historical and active, are inspected and / or controlled annually.</p> <p>Summarise and interpret data collated from pest control operations.</p>	<p>Following the completion of the "Total Pest Control" plant database, all 3 species of Broom are deemed to be controlled as is, Gunnera.</p> <p>Wild Ginger (2 species) is down to one site. Sycamore control has increased recently.</p> <p>The remaining 2 Total control plants, Montbretia and Buddleia are so widespread that Total Control is not that realistic. This was confirmed in the PMS survey results.</p> <p>Although not on the Total Pest Control list the following plant pests have also been controlled to a level where eradication is achievable.</p> <p>A lone site of South American Ice Plant was controlled in April 2013.</p> <p>The only known site of a water weed (Glyseria maxima) was controlled in 2012 and any re-growth sprayed 2013, 2014, 2015, 2016 and again in late 2019.</p> <p>The only known site of "Veldt Grass" was sprayed in late 2012 and resprayed in October 2014.</p>

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
					Staff have recently addressed several stands of "Grey / crack willow" The control of these low incidence plants was also strongly supported in the responses to the PMS Survey.
Total Pest Control	Control of all pests listed as total control pest plants.	The incidence of all pest plants on Chatham Island or Pitt Island.	Identify, map and maintain a database of the incidence (e.g. of the density and distribution) of total control pests plants on Chatham Island and Pitt Island. Estimate (e.g. identify, map and maintain a database of) the control area over which total control pest plants on Chatham Island and Pitt Island occurs.	Progress towards eradicating total control pest plants is made to reduce their impact on the economy, particularly on land production, and on biodiversity. Inspect at risk properties for total control pests and issuing inspection notices.	A database of all known historical and active "Total Pest Control" plant sites has now been completed. Other low-incidence plant pests are also being recorded
Containment control	Control of pests listed as containment control pest plants.	Incidence of pests listed as containment control.	Undertake enforcement action where necessary on properties identified as non-compliant with Strategy rules.	Work alongside landowners to voluntarily carry out control of Containment pest plants Undertake enforcement action to ensure that landowners and occupiers carry out control of Containment Control pest plants.	No properties noted with pest plants, therefore no enforcement action undertaken to date. Voluntary control has certainly increased, and this was enhanced with a helicopter on the Island in February 2013, February 2014, November 2014, October 2015, November 2016, December 2017, December 2018 and in February 2020. The helicopter is tentatively booked for Late March 2021 An aerial survey conducted after the helicopter control in March 2013 produced a "Baseline" gorse distribution map, this has been updated after each years programme is completed.
Containment Control	Control of pests listed as containment control.	Incidence of pests listed as containment control.	All at risk sites are inspected every 2 years.	Inspect and search at risk sites for Containment Control pests and issuing inspection notices.	No properties noted with pest plants, therefore no enforcement action undertaken to date. Voluntary control has certainly increased, and this was

Activities	Desired Outcomes	KPI	Targets	Service Provided	Status
			<p>All gorse is eradicated annually from Gorse Management Area 1.</p> <p>The area of gorse (ha) in Gorse Management Area 2 does not increase as from a baseline date of 2001 (this target is subject to the availability of aerial maps of the Chatham Islands).</p> <p>Report that identifies and maps distribution and density of Californian Thistle.</p>		<p>enhanced with a helicopter on the Island in 2013, 2014, 2015, 2016 and 2017, 2018 and 2020.</p> <p>An aerial survey conducted after the helicopter control in March 2013 produced a "Baseline" gorse distribution map and this is updated after each helicopter visit to the Islands.</p>
Public awareness	Public become vigilant for new pests and do not introduce, sell or propagate pests.	Public awareness.	<p>Articles on pest and biosecurity in the Chatham Islander and Uniquely Chathams news publications.</p> <p>Pamphlets on pests and biosecurity issues are readily available at the airport and other tourist venues</p> <p>90% of landowners understand their obligations under the Strategy.</p>	<p>Regular media coverage of pest and biosecurity issues.</p> <p>Conduct a customer survey to gauge the understanding of landowner Strategy obligations.</p>	Regular articles relating to Chatham Islands Pests are placed in the Chatham Islander Newspaper and the quarterly "Uniquely Chathams" paper and the Chatham Islands Community Focus email newspaper.
Investigations / Research	All pest control activities and advice is current and based on Best Practise	<p>Surveillance – Chatham Islands pests</p> <p>Surveillance – Pitt Island pests.</p> <p>Total Control pests</p> <p>Containment Control pests</p> <p>Undertaking pests and biosecurity investigations and survey programmes.</p>	Number of assessments undertaken.	Assess any research or investigation proposals concerning Surveillance – Chatham Islands pests, total control pests, containment control pest plants such as the introduction of biological control agents where support is sought from the Council on a case-by-case basis.	One of the questions in the PMS survey specifically asked about the possible introduction of Gorse biological agent(s). Several late responses were received which lowered the support of the introduction of bio control agents.

4.5. Procurement Projects Update - IT and Refurbishments

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Craig Burke
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To update the Chatham Islands Council Steering Group on key procurement projects being managed for Chatham Islands Council (CIC) by Environment Canterbury.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Notes this report which provides an update on procurement projects for Chatham Islands Council being managed by Environment Canterbury.**
2. **Suggests the Procurement Projects Update IT and Refurbishments report is put forward to the Chatham Islands Council to receive.**

Overview and updates regarding the procurement projects for Chatham Islands Council

2. This paper provides an update on matters relating to the provision of procurement projects for CIC by Environment Canterbury (ECan).

Procurement of digital services

3. Activities Update:
 - a. Representatives from Tritech Ltd and Serverworks Ltd travelled to the Chatham Islands during the last week of March. See attached 'Chathams Site Visit Agenda'. The purpose of the visit was to give the representatives an opportunity to view IT infrastructure and talk to CIC staff about IT matters. CIC staff were also able to meet with the visitors and have an informal question and answer session.
 - b. The representatives spent a full day at the Chatham Islands council offices on Wednesday 29 March 2023. During this time, they toured the buildings that host IT infrastructure and met with staff from CIC. Tas Carryer (incumbent supplier) assisted with the tour and answered questions.

- c. Feedback from Colette Peni (Operations Manager, CIC) is that staff have decided that Serverworks Ltd are the preferred option. This means that CIC would like to award the contract to Serverworks Ltd.
- d. A process will now be started to notify Trittech Ltd and Serverworks Ltd of the outcome.

Procurement of building renovation services

- 4. Activities Update:
 - a. ECan has paused working on this project due to the possibility of a direct appointment of a building contractor. Confirmation of the appointment has not been received.

Attachments

- 1. Chathams Site Visit Agenda [**4.5.1** - 2 pages]



Contract number: 2827-21/22

28th March – 30th March

IT and Technical Providers and Support for Chatham Islands Council and Community

RFP Respondents Visit to Chatham Islands

Visiting Party Members

Craig Burke
Project Manager
Environment Canterbury
Christchurch Tel 021 481 357

Kraig Winters
Managing Director
ServerWorks Ltd
Christchurch

John Blanchard
Director
Tritech Ltd
Christchurch

Tuesday 28th March

Time	Activity	Location
4:45pm	Party arrival Ex Christchurch Flight 3C0541	Chatham Islands Airport
5:30pm	Check-in at Hotel Chatham Ltd	1 Waterfront Rd



Contract number: 2827-21/22

Wednesday 29th March

Time	Activity	Location
08:30am	Walk to 13 Waitangi Tuku Road from Hotel Chatham	N/A
09:00am	Sign in and induction @ Chatham Islands Council	13 Waitangi Tuku Road
09:30am	Visit IT server and infrastructure room	13 Waitangi Tuku Road
10:00am	Visit generator shed	13 Waitangi Tuku Road
10:30am	Morning Tea	Staff café or external
11:00am	Visit emergency management radio system and meet Rana Solomon with Colette Peni	Old council building
12:00pm	Lunch	TBC
1:00pm	Visit the water monitoring system	Old council building
1:30pm	John and Kraig meet with Chatham Islands Staff For Q & A	13 Waitangi Tuku Road
2:30pm	Afternoon tea	Staff café or external
3:00pm – 4:00	Free time available for miscellaneous items	N/A
4:00pm	Walk to Hotel Chatham from 13 Waitangi Tuku Rd	N/A

Thursday 30th March

Time	Activity	Location
07:20am	Shuttle to airport	Chatham Islands Airport
07:45am	Check-in flight 3C0519	Chatham Islands Airport
08:30am	Air Chathams flight 3C0519 to Auckland	Chatham Islands Airport
1:00pm	Air NZ flight NZ0543 to Christchurch	Auckland Domestic Terminal

4.6. Resource Management Planning

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Jo Mitten, Principal Planner
Endorsed by	Lauren Hamilton, Regional Leader - Zone Delivery, Operations Management

Purpose

1. To update the Chatham Islands Council Steering Group on work that has been undertaken since the previous Steering Group meeting held on 7 March 2023.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests the Resource Management Planning report is put forward to the Chatham Islands Council to receive.**
2. **Note, that the Environment Canterbury submission on the low slope map for the Government's stock exclusion regulations was successful. The Chatham Islands have not been included in the map. Planning has asked that a message be added to the Chatham Island Council website and to the newsletter to inform the wider community.**
3. **Note, that a table of necessary changes to the Chatham Islands Resource Management Document (CIRMD), to give effect to the National Policy Statement for Freshwater Management (NPS-FM), has been prepared and peer reviewed by Environment Canterbury. Environment Canterbury asked for comments back by 28 February 2023 and Owen Pickles stated that he has no changes to the Table.**
4. **Note, that the immediate changes to the CIRMD, to give effect to the National Directions set out in the NPS-FM, have been drafted by Jo Mitten. These changes must be inserted into all plans immediately and without a Schedule 1 consultation process. Owen Pickles has reviewed these changes and would like it to be signed off by the Council at the next Chatham Island Council meeting. There are still many other necessary changes that will need to be made over the next couple of years.**

Key points

2. Due to our submission, the Chatham Islands has not been included on the low slope map. This means that there is no blanket requirement for farmers on the Islands to

exclude cattle from all waterways. Stock exclusion will be dealt with either under the freshwater farm plan process if those plans are required on the Islands, or through the next resource management plan developed under the National and Built Environments Act. Either way it means that stock exclusion can be dealt with in a way that is practical for the local situation. Jo Mitten has asked Teresa Hancock to add a note to the CIC website to inform the community.

3. A table of necessary changes to the CIRMD, to give effect to the NPS-FM, has been drafted. No changes by the Chatham Island Councillors were requested.
4. Jo Mitten has drafted the immediate changes that need to be made to the CIRMD, to ensure that we give effect to the National directions section in the NPS-FM. CIC are required to make these changes to its CIRMD as soon as possible and without the requirement of Schedule 1 consultation (see attached document). Owen Pickles has reviewed the changes and is happy for them to be put forward to the Steering Committee and then to the next CIC meeting for sign off. Once it is signed off, we can then insert them into the live CIRMD.

Background

5. The National Policy Statement for Freshwater Management (NPS-FM) requires significant changes to be made to the Chatham Islands Resource Management Document (CIRMD). The changes will need to be carried out in consultation with tāngata whenua and the local community and will require significant scientific input. The updated CIRMD should be notified by the end of 2024 according to the legislation, but this timeframe is unlikely to be met for the Chatham Islands due to a lack of resourcing, although we expect a significant increase in funding to begin in the 2023/24 financial year. A table of required changes has been attached to the previous two steering committee planning reports and includes the immediate changes that Jo Mitten has drafted (see key points above.)

6. Cost, compliance and communication

Financial implications

7. This work is covered under the current agreed budget for the 2022/23 financial year.

Risk assessment and legal compliance

8. The Chatham Islands Resource Management Document needs to be amended to comply with the requirements of the National Policy Statement for Freshwater Management.

Next steps

9. Environment Canterbury would like confirmation of whether the immediate changes to the CIRMD document to align with the NPS-FM can be taken to the next Council

meeting for sign off. ECan will then work with CIC to make the necessary amendments to the CIRMD.

10. Once the funding comes through, ECan planners will be able to consider the further changes that are required and initiate discussions about an engagement process.

Attachments

1. National directions to be inserted into the CIRMD DRAFT FOR [4.6.1 - 5 pages]

Legal review	
Peer reviewers	Jeff Smith, Team Leader Strategy and Planning

DRAFT FOR CIC REVIEW-15/0/23**A new chapter to be inserted into the Chatham Islands Resource Management Document**

All underlined wording to be inserted into CIRMD.

Part 4A National Direction

This section of the Resource Management Document contains provisions that have been incorporated into the Resource Management Document in accordance with directions in a national policy statement, national planning standard or other national direction.

National Policy Statement for Freshwater Management 2020**Objectives****Objective 4A.1 - Fish Passage**

The passage of fish is maintained, or improved, by instream structures, except where it is desirable to prevent the passage of some fish species in order to protect desired fish species, their life stages or their habitats.¹

Policies

Note: In addition to the definitions contained within this Resource Management Document, the definitions contained within cl. 3.21(1) of the NPSFM 2020 apply to policies 4A.1- 4A.4

Policy 4A.1- Natural Inland Wetlands

The loss of extent of natural inland wetlands is avoided, their values are protected, and their restoration is promoted, except where:

(a) the loss of extent or values arises from any of the following:

(i) the customary harvest of food or resources undertaken in accordance with tikanga Māori

(ii) wetland maintenance, restoration, or biosecurity (as defined in the National Policy Statement for Freshwater Management)

(iii) scientific research

(iv) the sustainable harvest of sphagnum moss

(v) the construction or maintenance of wetland utility structures (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020)

¹ NPSFM 2020

DRAFT FOR CIC REVIEW-15/0/23

(vi) the maintenance or operation of specified infrastructure, or other infrastructure (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020

(vii) natural hazard works (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020); or

(b) the council is satisfied that:

(i) the activity is necessary for the construction or upgrade of specified infrastructure; and

(ii) the specified infrastructure will provide significant national or regional benefits; and

(iii) there is a functional need for the specified infrastructure in that location; and

(iv) the effects of the activity are managed through applying the effects management hierarchy.”²or

(c) the council is satisfied that:

(i) the activity is necessary for the purpose of urban development that contributes to a well-functioning urban environment (as defined in the National Policy Statement on Urban Development); and

(ii) the urban development will provide significant national, regional or district benefits; and

(iii) the activity occurs on land identified for urban development in operative provisions of the Resource Management document; and

(iv) the activity does not occur on land that is zoned in the Resource Management document as general rural, rural production, or rural lifestyle; and

(v) there is either no practicable alternative location for the activity within the area of the development, or every other practicable location in the area of the development would have equal or greater adverse effects on a natural inland wetland; and

(vi) the effects of the activity will be managed through applying the effects management hierarchy; or

(d) the council is satisfied that:

(i) the activity is necessary for the purpose of quarrying activities; and

(ii) the extraction of the aggregate will provide significant national or regional benefits; and

(iii) there is a functional need for the activity to be done in that location; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy; or

² NPSFM 2020

DRAFT FOR CIC REVIEW-15/0/23

(e) the council is satisfied that:

(i) the activity is necessary for the purpose of:

(A) the extraction of minerals (other than coal) and ancillary activities; or

(B) the extraction of coal and ancillary activities as part of the operation or extension of an existing coal mine; and

(ii) the extraction of the mineral will provide significant national or regional benefits; and

(iii) there is a functional need for the activity to be done in that location; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy; or

(f) the council is satisfied that:

(i) the activity is necessary for the purpose of constructing or operating a new or existing landfill or cleanfill area; and

(ii) the landfill or cleanfill area:

(A) will provide significant national or regional benefits; or

(B) is required to support urban development as referred to in paragraph (c); or

(C) is required to support the extraction of aggregates as referred to in paragraph (d); or

(D) is required to support the extraction of minerals as referred to in paragraph (e); and

(iii) there is either no practicable alternative location in the region, or every other practicable alternative location in the region would have equal or greater adverse effects on a natural inland wetland; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy³."

Policy 4A.2- Natural inland wetlands

Resource consent for activities set out in Policy 4A.1 subclauses (a)- (f), that would result in the loss or extent of values of a natural inland wetland will not be granted unless:

(a) the council is satisfied that:

³ NPS-FW 2020 (amended 20222)

DRAFT FOR CIC REVIEW-15/0/23

(i) the applicant has demonstrated how each step of the effects management hierarchy will be applied to any loss of extent or values of the wetland (including cumulative effects and loss of potential value), particularly (without limitation) in relation to the values of: ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity values; and

(ii) if aquatic offsetting or aquatic compensation is applied, the applicant has complied with principles 1 to 6 in Appendix 6 and 7, and has had regard to the remaining principles in Appendix 6 and 7, as appropriate, and

(iii) there are methods or measures that will ensure that the offsetting or compensation will be and managed over time to achieve the conservation outcomes; and

(b) any consent granted is subject to:

(i) conditions that apply the effects management hierarchy; and

(ii) a condition requiring monitoring of the wetland at a scale commensurate with the risk of the loss of extent or values of the wetland; and

(iii) conditions that specify how the requirements in (a)(iii) will be achieved⁴

Policy 4A.3- River values

The loss of river extent and values is avoided, unless the council is satisfied:

(a) that there is a functional need for the activity in that location; and

(b) the effects of the activity are managed by applying the effects management hierarchy⁵."

Policy 4A.4- River values

Resource consent for activities set out in Policy 4A.3 subclauses (a)- (b) that would result in the loss or extent of values of a river will not be granted unless:

(a) The council is satisfied that:

(i) the applicant has demonstrated how each step of the effects management hierarchy will be applied to any loss of extent or values of the wetland (including cumulative effects and loss of potential value), particularly (without limitation) in relation to the values of ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity values; and

(ii) if aquatic offsetting or aquatic compensation is applied, the applicant has complied with principles 1 to 6 in Appendix 6 and 7, and has had regard to the remaining principles in Appendix 6 and 7, as appropriate, and

⁴ NPSFM 2020 (amended 2022)

⁵ NPSFM 2020

DRAFT FOR CIC REVIEW-15/0/23

(iii) there are methods or measures that will ensure that the offsetting or compensation will be maintained and managed over time to achieve the conservation outcomes; and

(b) any consent granted is subject to:

(i) conditions that apply the effects management hierarchy; and

(ii) a condition requiring monitoring of the wetland at a scale commensurate with the risk of the loss of extent or values of the wetland; and

(iii) conditions that specify how the requirements in (a)(iii) will be achieved⁶

NOTE- Changes will also need to be made to:

- Contents (Page i) of the CIRMD. Need to add in:

PART 4A- NATIONAL DIRECTION

- PART 1- Introduction (page 3) of the CIRMD. Need to add in:

Part 4A- National Direction

This section of the Resource Management Document contains provisions that have been incorporated into the Resource Management Document in accordance with directions in a national policy statement, national planning standard or other national direction.

⁶ NPSFM 2020 (amended 2022)

4.7. Communications

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Teresa Hancock, Principal Communications & Engagement Advisor
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To give the Chatham Islands Council Steering Group an update on communications.

Recommendations

That the Chatham Islands Council Steering Group:

1. Suggests that the Communications report for April 2023 is put forward to the Chatham Islands Council to receive.

Key points

2. The communications report for April 2023 includes:
 - 2.1 Website updates
 - a. News stories:
 - i. [How we can help our whānau hit by Cyclone Gabrielle](https://cic.govt.nz/your-council/news-and-events/2023/how-we-can-help-our-whanau/) <https://cic.govt.nz/your-council/news-and-events/2023/how-we-can-help-our-whanau/> (31views)
 - ii. [What's your vision for the Chatham Islands?](https://cic.govt.nz/your-council/news-and-events/2023/whats-your-vision-for-the-chatham-islands/) <https://cic.govt.nz/your-council/news-and-events/2023/whats-your-vision-for-the-chatham-islands/> (49 views)
 - iii. [Sort your rubbish and recycling](https://cic.govt.nz/your-council/news-and-events/2023/sort-your-rubbish-and-recycling/) <https://cic.govt.nz/your-council/news-and-events/2023/sort-your-rubbish-and-recycling/> (17 views)
 - iv. [Successful submission for stock exclusion regulations](https://cic.govt.nz/your-council/news-and-events/2023/chathams-not-included-on-low-slope-map-for-stock-exclusion-regulations/) <https://cic.govt.nz/your-council/news-and-events/2023/chathams-not-included-on-low-slope-map-for-stock-exclusion-regulations/> (32 views)
 - b. Document pages:
 - i. [Council and PARC agendas and meeting dates page updated](https://cic.govt.nz/your-council/meetings-and-agendas/) <https://cic.govt.nz/your-council/meetings-and-agendas/>
 - 2.2 Facebook posts done by Environment Canterbury staff:
 - a. Compliance monitoring team visiting (reach: 271, engagements: 7)
 - b. Investment strategy (reach: 371, engagements: 47)
 - c. February newsletter post (reach: 854, engagements: 178)
 - d. Remote Users Scheme (reach: 269, engagements: 29)

- e. Special newsletter supporting the East Coast (reach: 275, engagements: 45)
- f. Second Investment Strategy post (reach: 789, engagements: 239)
- g. Installing water tanks (reach: 1.3K, engagements: 210)
- h. Council meeting (reach: 252, engagements: 14)
- i. Say hi to Hemi (reach: 236, engagements: 43)

2.2 Council e-newsletter

- a. February newsletter:
 - Open rate 57.6% (down 0.4% from December), clicks 12.2% (up 9.9% from December)
- b. Special edition February newsletter:
 - Open rate 53.0%, clicks 6.4%
- c. **At the time of writing this report the March newsletter has just been distributed. We will report on this next month.

3. Other tasks - in progress

Task	Due date	Status
Risk and issue management	Ongoing	Comms support for a number of evolving issues.
Developing communications and engagement for the Essential Freshwater Package	Ongoing	Web pages now live. Supporting social media posts, and notices in newsletters as is needed.
Support on Annual Report, Annual Report Summary	Ongoing	Working through edits needed as an output from the Audit review.
Supporting Annual Plan development	June 2023	Upcoming work expected on Annual Plan 2023/24.
Rates calendar and magnet	November	Completed product sent to CIC ready for distribution.
Government submissions	Ongoing	Government submissions published on CIC website.
Website	Ongoing	Content edits as is needed.
Recreating an A0 poster on Chatham Islands Lakes	None	Draft – need to connect with Steve
Potential development of a Chatham Islands CDEM webpage	?	Haven't heard anything from Rana on this since 2021
Waste management comms	Ongoing	Messaging prepared for material for website, and a handout, to help with sorting waste. Facebook campaign underway, new content on website. Brochure drafted and with CIC for review.

Task	Due date	Status
Chatham Islands Investment Strategy support	June/July 2023	Comms support for this project is underway. Engagement with community has taken place, awaiting next tranche of work on this.
Vehicle wrap	January 2023	New design for ECan/CIC biosecurity cars completed. First vehicle was due to arrive by now.
Signage	January 2023	Vehicles on beaches (designed – ready for print) & dogs on beaches (completed) signage underway. Possibly need to re-visit this after the signs were removed.

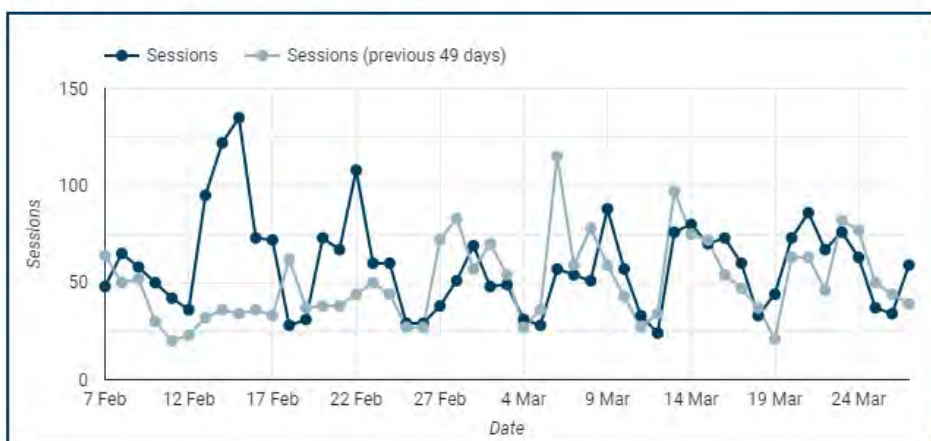
4. Chatham Islands Council [Website report](https://lookerstudio.google.com/reporting/0B78dbzCBLO9kUTg1SF8zaXhEVEE/page/Rw4H)
<https://lookerstudio.google.com/reporting/0B78dbzCBLO9kUTg1SF8zaXhEVEE/page/Rw4H> - 7 February – 27 March 2023

What has been viewed on the website?

	Page Title	Page Views	
1.	Home » Chatham Islands Council	980	249 ↑
2.	Visit the Chatham Islands » Chatham Islands Council	937	-33 ↓
3.	Meet the Team » Chatham Islands Council	352	117 ↑
4.	News and Events » Chatham Islands Council	324	98 ↑
5.	Search all Documents » Chatham Islands Council	237	94 ↑
6.	Meetings and Agendas » Chatham Islands Council	130	-83 ↓
7.	Your Council » Chatham Islands Council	120	31 ↑
8.	Contact » Chatham Islands Council	119	3 ↑
9.	Annual report » Chatham Islands Council	96	35 ↑
10.	Your Rates » Chatham Islands Council	93	41 ↑
	Grand total	5,493	833 ↑

1 - 10 / 281

When was the website visited?



Where was the website traffic coming from?

"(direct)/(none)" is from typing into browser address bar, or via bookmark/favourite.
 "organic" is from search results. | "referral" is a link from another website.

	Source/Medium	Sessions	
1.	google / organic	1,877	214
2.	(direct) / (none)	627	171
3.	bing / organic	126	26
4.	en.m.wikipedia.org / referral	27	-4
5.	statics.teams.cdn.office.net / refer...	22	6
	Grand total	2,890	432

Attachments

Nil

Legal review	
Peer reviewers	

4.8. Environmental Monitoring

Environmental monitoring report

Date of meeting	Tuesday, 11 April 2023
Author	Adrian Meredith, Principal Surface Water Scientist
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To update the Chatham Islands Council Steering Group on environmental monitoring work and advice that has been carried out by Environment Canterbury (ECan) recently to show that ECan is meeting environmental obligations.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Environmental Monitoring report is put forward to the Chatham Islands Council to receive.**

Key points

2. The March 2023 water quality sampling round has been completed.
3. Hydrology network and climate (rainfall) sampling has been continuing (February 2023) and final sampling for the year is due in May.
4. Annual monitoring report 2020/21: The 2020/21 report is complete and will be delivered to Council and lodged on the website.
5. Annual monitoring report 2021/22: the 2021/2022 report analysis (hydrology and water quality) is complete and is being incorporated into the report format. It will be complete shortly.
6. Annual monitoring report 2022/23: The compilation and analysis systems have been standardised now so the future annual reports such as 2022/23 will be completed quickly and on time.
7. Groundwater assessments: Results and interpretation from sampling of bores/wells have been assembled and will be sent shortly.
8. A meeting has been agreed with Councils Stantec advisers on groundwater and other issues.

9. Liaison with Ministry for the Environment (MfE) staff over biological monitoring. MfE has agreed to provide eDNA test kits for up to 50 sites (6 replicates per site) on Chatham Island. This is an equivalent offer taken up by most Regional Councils and Unity authorities across NZ. Offer is for providing the test kits but not the subsequent analysis cost.
10. Department of Conservation (DOC) Coastal environment report has been reviewed and comments sent back to DOC.

Attachments

Nil

Legal review	
Peer reviewers	

4.9. Biosecurity

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Steve Palmer, Biosecurity Advisor
Endorsed by	Lauren Hamilton, Regional Leader - Zone Delivery, Operations Management

Purpose

1. To give the Chatham Islands Council Steering Group a biosecurity update.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Biosecurity report is put forward to the Chatham Islands Council to receive.**

Background

Border control

2. SPS Biosecurity visited the Island to update staff training and present to the Chatham Islands Council. A report of this visit is attached.
3. In early March 2023, Celine Gregory-Hunt notified Jase of an unusual insect found in some grapes bought from a local store. The specimen was sent to SPS for positive ID and the initial response has been that it may be 'new to New Zealand'. I understand MPI have been notified and the risk is low. More information will be provided in the next report.
4. We now have Alex Meikle engaged as a Contractor on a 'as required' basis. Alex effectively fills the back-up vacancy left when Jason joined us as a full-time employee. Alex was actively involved with the recent SPS visit and training.

Pest Management Plan

5. A relatively quiet month with Jase off with COVID and Robin Off Island for two weeks assisting with some Marine Pest Surveillance diving in Canterbury.
6. The Helicopter Service for this financial year is now officially postponed until 2023/24. This is purely driven by boat availability.
7. A full Registration of Interest will go out to prospective Helicopter companies early in the new financial year. This would have occurred irrespective of this year's work or not to ensure our suppliers are delivering the most cost-effective service.

Attachments

1. Chathams Annual Visit Report 2023 [4.9.1 - 15 pages]



Chatham Islands

Border Quarantine and Biosecurity 2023

Annual Visit report

**Prepared for Environment Canterbury
by SPS Biota**

March 2023



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Border Quarantine & Biosecurity March 2023

1. Background

Environment Canterbury (ECan), under the provisions of the Biosecurity Act 1993, developed a pest management strategy (Chatham Islands Council Pest Management Strategy 2021-2041).

This border biosecurity programme initiates and supports activities aimed at preventing new pests establishing on the Chatham Islands and works in accordance with desired outcomes of the pest management strategy and Chatham Islands Council legislation.

This programme is effectively managed by the Chatham Island Council with operational elements provided by SPS Biota.

2. Purpose and agenda of visit

The purpose of this visit was primarily to provide training and technical support for new ECan biosecurity staff member Jase Seymour and survey high risk sites for biosecurity threats and pest monitoring methods in line with the aims outlined in the most recent Annual report (2021-2022).

This visit was also an opportunity to meet with the Chatham Islands Council (CIC) and deliver a presentation regarding the Chatham Islands Border Quarantine and Biosecurity programme.

The last visit conducted by SPS Biota was in December 2017. A trip was anticipated to be planned in 2020, however the global Covid-19 pandemic reduced travel domestically to essential only, so we were unable to plan this visit until 2022, when lockdowns were no longer in effect.

Our visit was originally scheduled for 31 October - 4 November 2022, however this was rescheduled to February 2023 due to a delay in flight to the Chatham Islands which did not allow a timeframe long enough to complete our objectives. The visit was further delayed from 13-17 February due to Cyclone Gabrielle and Air New Zealand's decision to cancel flights out of Auckland, where SPS Biota staff were departing from.

The trip visit was finally able to be completed on 13-17 March 2023.

2.1. Agenda of SPS Biota Visit March 2023

Below was the agenda planned for this visit:

- Chatham Islands Council Biosecurity Presentation
- Liaising with new ECan Biosecurity Officer; Jase Seymour
- Visiting high-risk sites

- Visiting bait stations
- Training surveillance & monitoring

3. Objectives completed

All agenda items for the March 2023 visit were completed.

On Tuesday 14 March we were able to liaise with new ECan Biosecurity Officer Jase Seymour and contractor Alex Meikle to go through various processes that are a part of their role on the island. This included visiting:

- Chatham Islands Shipping at the Waitangi wharf
- Air Chathams at the airport
- Site of the Longer Stronger runway project (Downer site)
- Te One Refuse/Recycling Station.

However, Jase, who services the bait stations around the island, tested positive for Covid on the evening of the 14 March, so was unable to accompany Georgia to the majority of high-risk sites. This meant only a portion of the bait stations were able to be inspected.

Details of all high-risk sites visited during the visit can be found in [Appendix A](#).



Figure 1: Georgia Williams (SPS Biota) with Jase Seymour (Environment Canterbury Biosecurity Officer) and Alex Meikle (Environment Canterbury contractor) at Waitangi Wharf inspecting goods that had arrived recently from Timaru.



Figure 2: Chatham Islands Shipping at Waitangi Wharf.



Figure 3: Jase Seymour (ECan) at the Air Chathams hangar at the Airport, where bait stations are located.

Also on Tuesday 14 March we were able to deliver a Biosecurity Presentation to members and staff at the Chatham Islands Council building. This was delivered by Georgia Williams of SPS Biota, with support from Paul Bradbury (SPS Biota Director) and Jessica Wallace (SPS Biota Services Manager) who attended online via Zoom. The presentation covered the Chatham Islands biosecurity programme and SPS Biota's role, highlighting our assistance and any guidance that the council may need. This was also a time for any

discussion regarding biosecurity, which raised the possibility for more communication for travellers at check-in of Air Chathams flights.

The presentation was attended in person by:

- Owen Pickles (CIC Chief Executive Officer),
- Monique Croon (CIC Mayor),
- Celine Gregory-Hunt (CIC Councillor),
- Colette Peni (CIC Operations Manager),
- Jo Guise (CIC Executive Assistant),
- Janaka Phillips-Lanauze (CIC),
- Nigel Ryan (CIC),
- Teresa Hancock (ECan),
- Jase Seymour (ECan Biosecurity Officer),
- Alex Meikle (ECan Biosecurity Contractor),
- Tori Penfold (SPS Biota Biosecurity Advisor) and Tane Geldard-Lorenz (SPS Biota Biosecurity Advisor) and attended online by Paul Bradbury, Jessica Wallace, and Lucy Aukett (all SPS Biota).



Figure 4: Presentation at the Chatham Islands council.

On Wednesday 15 March, SPS Biota held an ant monitoring training session with Alex Meikle and Jamie Cooper (Department of Conservation). This session allowed demonstration of the process undertaken during Chatham Island provider site risk assessments in New Zealand, which the local staff can undertake on the island at any risk sites. A guide regarding the process and a collection of pottles were given to the team, to enable regular monitoring. Because Jase was unable to attend due to having covid, Alex will pass on the training process to him. See Appendix B for invasive ant monitoring guide.



Figure 5: Alex Meikle and Jamie Cooper (DOC) during the ant monitoring training session at the Department of Conservation site at Te One.

4. Recommendations

The following are the recommendations following this visit:

- Plan for next visit in October 2023 (see section 5).
- Implement e-learning & distribute to stakeholders.
- Update Communication streams
 - o Airport – No Pest Posters or banners for passengers checking in (Could be difficult due to airport permissions).
 - o Speak with Chatham Island Shipping around biosecurity on their website.
 - o Speak with Air Chathams around biosecurity on their website – Important if posters are not able to be put up at the airports.
- Bait stations on island
 - o Add additional bait station to loading shed lunchroom at Airport.
 - o Include bait stations at Te One Air Chathams freight area.
- Implement ant monitoring at high-risk sites on a regular basis (3 monthly).

5. Next Visit

SPS Biota will plan for next visit in October 2023, to complete the following recommendations:

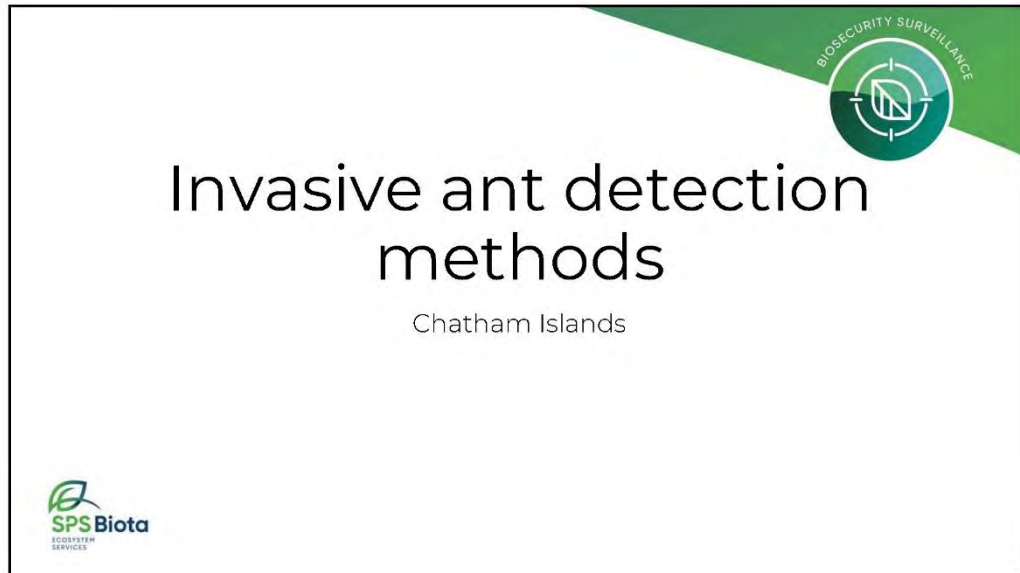
- Complete a site visit to all bait stations
- Visit Pitt Island.

Appendix A – High-risk sites visited

Location	Notes
Air Chathams (Airport)	Visual inspection and Bait stations viewed. Possibility of adding Bait station to loading shed lunchroom
Air Chathams (Te One)	Visual inspection. Add bait stations to Jase's list of stations to service.
Fulton Hogan (Waitangi)	Visual inspection, including wash bay
Wharf area (Kaingaroa)	Visual inspection
Wharf area (Owenga)	Visual inspection
Wharf area (Waitangi)	Visual inspection, including wash area, bait stations viewed
Downers (Airport)	Visual inspection including runway
Waitangi Hotel (Waitangi)	Visual inspection
Department of Conservation (Te One)	Visual inspection, black ants found as part of ant monitoring training exercise
Hospital	Visual inspection - external
Refuse/Recycling Station (Te One)	Visual inspection
Owenga Landfill	Visual inspection – weed survey also completed
Ocean Mail Reserve	Visual inspection
Nikau Reserve	Visual inspection
Port Hutt	Visual inspection
Tommy Solomon Statue (Tourist Site)	Visual inspection

Appendix B – Invasive Ant detection methods

24/03/2023



1



2

1

Detecting invasive ants

- Baited pottles – peanut and honey or sugar – leave out for 2 hours

• More info: <https://argentineants.landscape-research.co.nz/detection.asp>



Various lures in plastic cups used to test ants preference for different types Left to right: honey, peanut butter, raw chicken egg (© Monica Gruber & Allan Burne)

3

Detecting invasive ants



4

2

Detecting invasive ants –collecting samples

- Put lid on pottle, put in plastic bag. Label bag with date, location, time, name of collector. Freeze
- Send sample for identification to SPS/MPI

5

Argentine ant and Darwin's ant

Identification

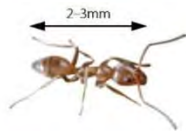


6

3

Difficult to ID in the field – very similar

How to recognise the ants



Approximate
Size

Colour Light to dark honey brown (most common household ants are black).

Size Argentine 2.5–3mm long, Darwin's 2mm long.

Movements Travel in multiple lines along the edge of paths and driveways, and up walls and trees.

Difference

- Darwin's ants produce a very strong smell when squashed.
- Argentine ants produce very little smell when squashed.
- Argentine ants are much more aggressive than Darwin's ants.

<https://www.nelson.govt.nz/assets/Environment/Downloads/Biodiversity/Argentine-and-Darwin-Ants-Brochure-Sept-2015.pdf>

7

Argentine ant

How do you identify them?

- Argentine ants are 2-3mm long and a pale to dark honey-brown colour.
- They travel steadily in defined continuous trails up to five or six ants (or 2cm) wide.
- The ants are fast moving and walk or swarm over objects rather than moving around them.



<https://www.doc.govt.nz/globalassets/documents/parks-and-recreation/states-to-visit/suckland/nature-101/argentine-ants-factsheet.pdf>

8

4

Head – very similar

Linepithema humile
Argentine ant



AntWeb: Version 8.81, Copyright via Academy of Science, on line at <http://www.antweb.org>. Accessed 26 October 2022.

Doleromyrma darwiniana
Darwin's ant



9

Profile – Arg. more elongated thorax

Linepithema humile
Argentine ant



AntWeb: Version 8.81, Copyright via Academy of Science, on line at <http://www.antweb.org>. Accessed 26 October 2022.

Doleromyrma darwiniana
Darwin's ant

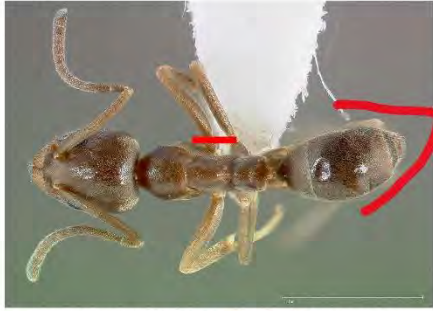


10

5

Dorsal view – Arg. elongated thorax + tapered abdomen?

Linepithema humile
Argentine ant



AntWeb. View on 8.8.1. California Academy of Science, on the 21.10.22 at <https://www.antweb.org/>. Accessed 26 October 2022.

Doleromyrma darwiniana
Darwin's ant



11

6

4.10. Navigation Safety

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Tina Jackson, Deputy Harbourmaster
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To give the Chatham Islands Council Steering Group a navigation safety update.

Recommendations

That the Chatham Islands Council Steering group:

1. **Suggests that the Navigation Safety report is put forward to the Chatham Islands Council to receive.**

Update (Peer reviewed by Joss Thomas (CIC Harbourmaster))

2. Replacement for Southern Tiare. The current vessel Southern Tiare has had a special survey to keep it in service for longer than originally expected, suggesting a long timeframe on this project is expected. Funds have been allocated for a new vessel in the recent budget and includes money for gathering community focused requirements. No update
3. In March 2023, Southern Tiare will need another special survey and will be off-service for a few weeks. She is currently (27/03/2023) in CI and due to start works in Auckland next month. Tug and barge will serve as replacement until back in service.
4. Waitangi Port Manager, Toby Kemp, has requested a suitable sized Swing mooring be established in the Waitangi Swing mooring area as a mooring that can be used when small fishing vessels have to be moved off the wharf to make room for other vessels. After further discussions, Toby will hold on to his proposal until a later date.
5. Point Weeding light. The light has arrived in the Island but waiting on some additional parts before commencing repairs. Ian Sanson is the electrician taking care of this and expects to start work first week of April. LINZ had been updated.
6. Port & Harbour Marine Safety Code Joint Assessment is due in June, waiting on an update on when it will be released.
7. Provisional dates are in calendar for Guy and Tina, to attend Chatham Islands for annual review - 21st November through 25th November 2023.

Attachments

Nil

Legal review	
Peer reviewers	

4.11. Marine Oil Spill Response & Readiness

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Emma Parr, Coastal Response and Readiness Lead
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To give the Chatham Islands Council Steering Group an update on marine oil spill response capabilities.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Marine Oil Spill Response Readiness report is put forward to the Chatham Islands Council to receive.**

Update

2. No updates are available at this time.
3. Some of the foreseeable services are listed below and will be on an ad hoc basis:
 - 24/7 availability of advice and support to the appointed Regional On-Scene Commander (ROSC).
 - An additional alternate ROSC (requires CIC delegation).
 - Assistance with Tier 1 planning and compliance.
 - Assistance with Tier 2 planning.
 - Assistance with MNZ required responder exercising, including planning & debriefing.
 - Assistance with maintenance of MNZ equipment.

4.12. Compliance

Chatham Islands Council Steering Group Report

Date of meeting	Tuesday, 11 April 2023
Author	Terri Huxtable, Resource Management Technical Lead
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To brief the Chatham Islands Council Steering Group on compliance monitoring and enforcement activities undertaken during this reporting period.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Compliance report is put forward to the Chatham Islands Council to receive.**

Key points

2. Staff are currently drafting the Chatham Island's Compliance Assessment 2023. A draft is expected for review by the end of April 2023.
3. There have been no other compliance activities undertaken during this reporting period.
4. Environment Canterbury is not currently processing any consents on behalf of CIC.

Attachments

Nil

Legal review	
Peer reviewers	

4.13. Civil Defence Emergency Management

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	James Thompson, Team Leader, Canterbury CDEM Group
Endorsed by	Lauren Hamilton, Regional Leader - Zone Delivery, Operations Management

Purpose

1. To provide the Chatham Islands Steering Group with an update on Civil Defence Emergency Management (CDEM) support to the Island.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Civil Defence Emergency Management report is put forward to the Chatham Islands Council to receive.**

Report

2. There has been no CDEM support provided to the Chatham Island in the last month.
3. The Canterbury Controllers Forum is to be held on 20 April 2023 and the Chatham Island Controllers will be invited to this.

Attachments

Nil

Legal review	
Peer reviewers	

4.14. Corporate Reporting Update

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Tanya Clifford, Corporate Reporting Accountant
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. The purpose of this paper is to provide an update on the finance services being performed under the corporate services umbrella for the Chatham Islands Council Regional Council contract. This paper is informative only, no decision is required.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Corporate Services update is put forward to the Chatham Islands Council to receive.**

Key points

2. *Annual Report:* The CIC Annual Report for the 2021 and 2022 financial years, were delayed due to resource shortages with Audit NZ. This combined with ECan staffing changes, resulted in the audits for these years being delayed. Consequently, the (revised) statutory deadlines on 31 December for each year has not been met, with this non-compliance with legislation situation being disclosed in the Annual Report for both years.

The Annual Report is a reflective accountability exercise, comparing what was achieved with the objectives set in the 2021-31 Long-Term Plan. The audits for both the 2021 and 2022 financial years are currently underway, with an expected adoption date of 27 April 2023 for both outstanding audits. The general feeling is that an extremely detailed audit approach has been taken. In some cases, confirming 100% of staff payments back to contract, remuneration letters along with last pay slip and last pay workings. Such a detailed audit approach requires a significant amount of extra work from staff (on top of 'normal' business as usual work) and may be contributing to an increased stressed working environment – especially given emails from audit supervisors/manager (copying in the audit director) demanding information.

3. *Annual Plan 2023/24:* A draft budget has been created for Council to consider whether there has been a “significant or material difference” between this and the budget in year-3 of the 2021-31 Long-Term Plan. A paper on this along with one requesting guidance on rating increases for the 2023/24 year have been presented to PARC and Council for guidance.

Based on discussion at the PARC and Council meetings; a 3% rating increase will be applied for the 2023/24 year. As there is no significant or material differences between the LTP Year 3 figure and what is proposed for the 2023/24 budget, there is no need for formal consultation. However, messaging will be prepared by the communications team for the Council’s monthly e-newsletter and other communications highlighting some of the changes (including a lower rating increase being applied to ensure rating affordability for the residents).

4. *Reporting to Council and Department of Internal Affairs:* Key reports have been provided to the Chatham Islands Council, the Chatham Islands Performance, Audit & Risk Committee (PARC) and the Department of Internal Affairs based on agreed presentation and timelines. Given the change in personal at the DIA/Councillors, it is recommended discussion is held with people receiving these reports to confirm they are providing appropriate information.
5. *Payroll:* CIC payroll is processed fortnightly by Environment Canterbury staff. There are no new issues of note to highlight for the steering group attention.
6. *HR matters:* Recruitment for a new Chief Executive is underway. Conservative estimated costs for this process (including travel to the island), may exceed \$70,000. Therefore, it is requested that any recruitment costs exceeding the CIC HR budget allocation, be approved to be funded from the CIC reserve. There are no other HR matters requiring the attention of the steering group.
7. *Three waters reform:* the financial request for information submission has been populated and support provided with updating/reviewing the legal and AMP RFI’s. More document requests are likely to be forthcoming. Regular meetings are occurring with Matt Townsend (DIA – finance & commercial transition partner) and one-off meetings to discuss previously submitted information, most recently the debt settlement meeting.
8. *Additional management support:* Financial information is reviewed as part of the preparation process for Council reporting. We continue to work with Council on an ad hoc basis to improve and strengthen their management control environment and improve financial and system reporting.

Attachments

Nil

Peer reviewers

Lauren Hamilton, Zone Manager Central
Jamin Thomas, Team Leader Corporate Reporting

4.15. Financial Updates

Chatham Islands Council Steering Group report

Date of meeting	Tuesday, 11 April 2023
Author	Mark Smith, Team Leader Finance Business Partnership
Endorsed by	Lauren Hamilton, Zone Manager - Zone Delivery, Operations Management

Purpose

1. To provide a financial update on the service agreement between the Chatham Islands Council and the Canterbury Regional Council for the period ended 28 February 2023.

Recommendations

That the Chatham Islands Council Steering Group:

1. **Suggests that the Financial Update is put forward to the Chatham Islands Council to receive.**

Background

2. Monthly financial results are reported to the Chatham Islands Council Steering Group as part of our prudent financial management responsibilities. The financial results for the period ended 28 February 2023 have been prepared and are now presented to the Chatham Islands Council Steering Group for review.

Key points

3. The year-to-date results show an operating surplus of \$331K consisting of \$7K additional revenue and \$324K less expenditure.

4. Expenditure by work programme (YTD):

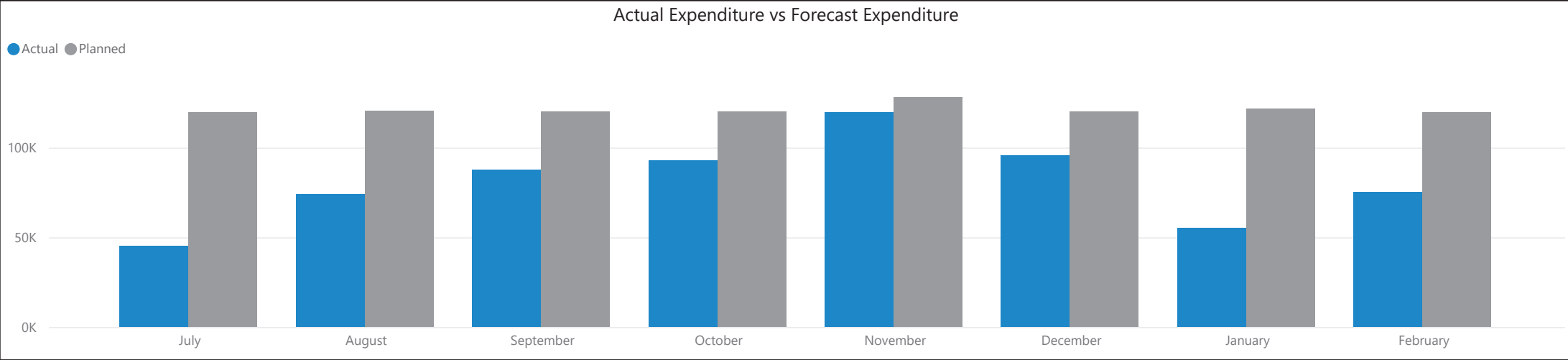
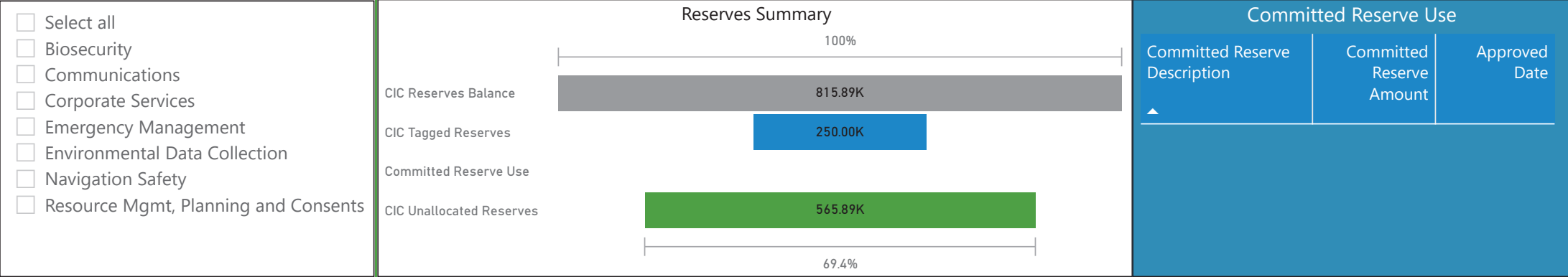
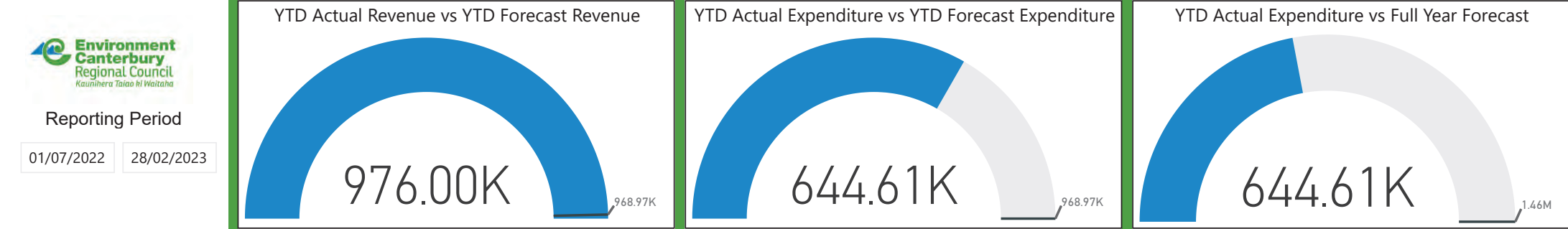
	\$000s	Actual	Budget	Variance
Biosecurity		317	521	(204)
Communications		20	30	(10)
Corporate Services		133	216	(83)
Emergency Management		10	26	(16)
Environmental Data Collection		113	97	16
Navigation Safety		32	25	7
Resource Management, Consents & Planning		19	53	(34)
Total		644	968	(324)


5. The primary area of underspend relates to Biosecurity works. Pest eradication works by helicopter (in partnership with landowners) has been deferred due to transportation costs making this programme financially untenable. Alternative methods of pest control are being considered.
6. Expenditure is likely to accelerate towards 30 June, with the full contract valued expected to be met. Any under or overspend will be allocated to the reserve balance to fund future works.
7. The reserve balance at 30 June 2022 was \$567K with \$317K currently uncommitted.
8. At the Steering Group meeting held on 7 March 2023 a recommendation was approved making \$170k of reserve funds available for recruitment costs of the next Chatham Islands Council Chief Executive.

Attachments

1. CIC Steering Committee financial report - Feb 2023 [4.15.1 - 3 pages]

Peer reviewers	Brian Elliott
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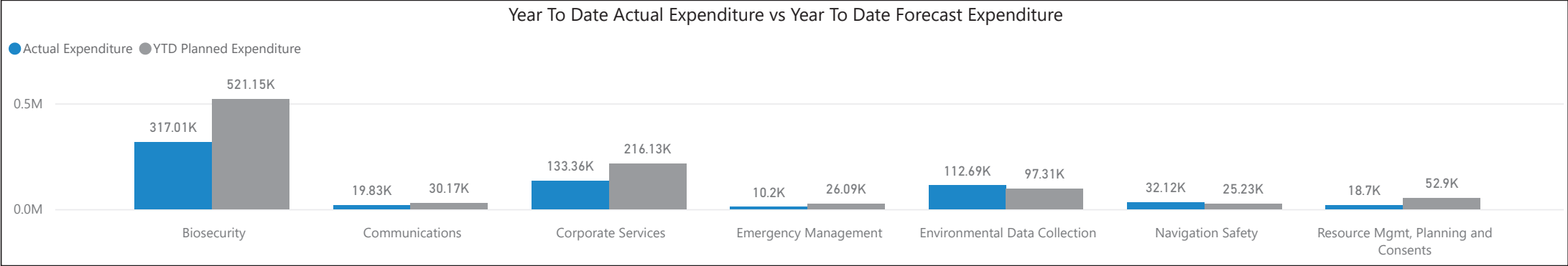


Reporting Period

01/07/202228/02/2023

Section Name

Biosecurity	Communications	Corporate Services	Emergency Management	Environmental Data Collection	Navigation Safety	Resource Mgmt, Planning and Consents
-------------	----------------	--------------------	----------------------	-------------------------------	-------------------	--------------------------------------



Biosecurity: Lower staff level and timing of work means expenditure is lower year-to-date. Delays of the helicopter service and ship being out of service have also impacted expenditure levels.

Communications: No significant variance.

Corporate Services: A portion of the budget is for demand-based work, and this has not yet been required.

Emergency Management: Forecasting of expected spend is currently being revised however the full year budget is unlikely to be spent.

Environmental Data Collection: No significant variance.

Navigation Safety: No significant variance.

Resource Management, Planning & Consents: Increased work will be carried out later in the year as Central Government's resource management reform is responded to and the Chatham Islands Resource Management Document is updated to give effect to the Essential Freshwater Package.

ECan continues to operate within the overall budgetary constraints of the contract.



Reporting Period

01/07/2022

28/02/2023

Forecast

Section Name

Biosecurity

Communications

Corporate Services

Emergency
ManagementEnvironmental Data
Collection

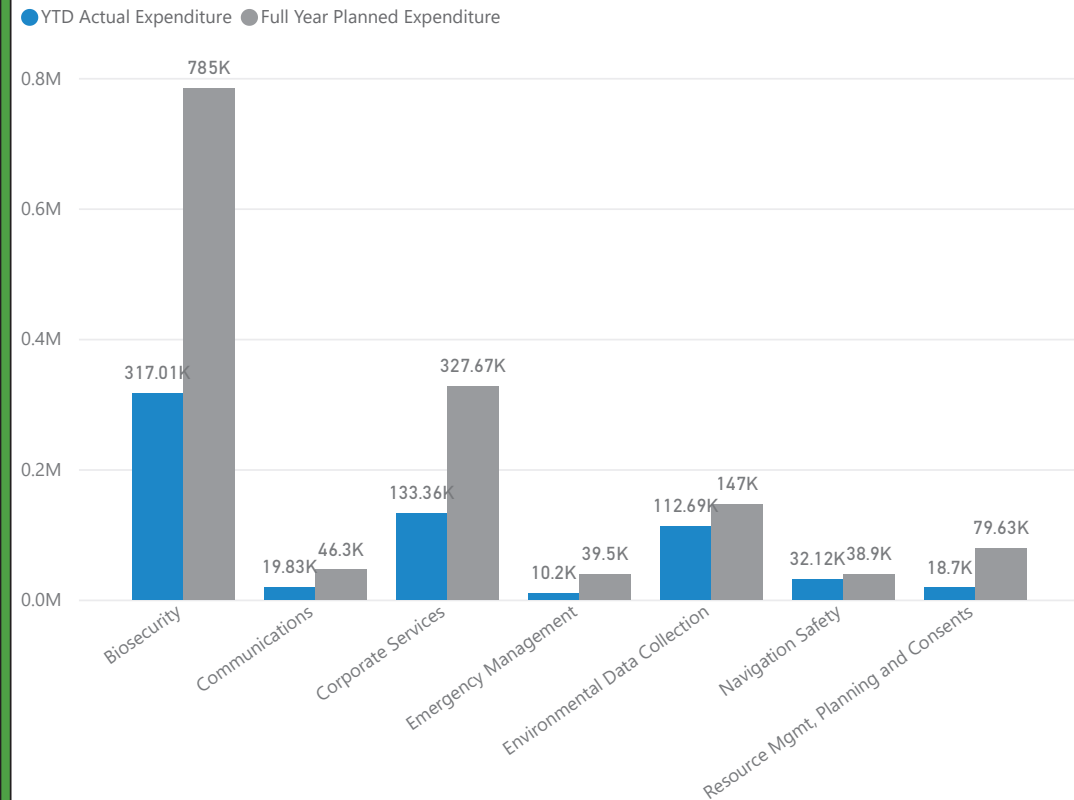
Navigation Safety

Resource Mgmt,
Planning and
Consents

Expenditure Details By Project Level

Project Name	YTD Actual Expenditure	Full Year Planned Expenditure
CIC Biosecurity, Pest Strategy & Implementation	240,662.94	516,000.00
CIC Biosecurity - Border Control	76,351.73	269,000.00
CIC Corporate Services	86,499.31	181,672.00
CIC Water Quality, Ecology & Hydrology	112,692.62	147,000.00
CIC Finance	46,857.85	146,000.00
CIC Resource Management Planning	11,275.30	58,828.00
CIC Communications	19,834.00	46,300.00
CIC Emergency Management	10,200.58	39,500.00
CIC Navigation Safety	26,534.94	38,900.00
CIC Compliance Monitoring	7,423.36	20,800.00
CIC Oil Spill Response Capability	5,584.59	
Total	643,917.22	1,464,000.00

Expenditure availability against Forecast



5. Next Meeting

The next meeting of the Chatham Islands Council Steering Group is scheduled to be held on Tuesday, 23 May 2023 at 9.30am. Any changes to this time will be notified by email.

6. Mihi / Karakia Whakamutunga - Closing

The meeting will conclude with a karakia by a member of the Chatham Islands Council Steering Group.

6. Regulatory

6.2 Resource Management Report for Chatham Islands Council CIC/2023/002

Date of meeting	27 April 2023
Agenda item number	6.2
Author/s	Sharon McGarry, Independent Commissioner

Purpose

To approve the recommendation of Independent Commissioner, Sharon McGarry, to cancel Condition 26 in respect of Resource Consent CIC/2020/002.

Recommendations

THAT pursuant to section 127 of the RMA Council grants consent to the Chatham Islands Housing Partnership Trust application CIC/2023/002 to cancel Condition 26 of Resource Consents CIC/2020/002 and CIC/2020/002.1.

Background

An application from the Chatham Islands Housing Partnership Trust had been received to cancel Condition 26 from approved Resource Consent CIC/2020/002.

Attached to this report is the decision from Independent Commissioner, Sharon McGarry.

Resource Management Report for Chatham Islands Council

CIC/2023/002

Applicant: Chatham Islands Housing Partnership Trust

Application: To cancel Condition 26 in respect of CIC/2020/002.

Site Description: Waitangi Wharf-Owenga Road, Chatham Island

Zoning: Rural Zone of the Chatham Islands Resource Management Document (CIRMD).

Type of Activity: Cancellation of condition: Section 127 of the Resource Management Act - Discretionary Activity

1. Introduction

This report is prepared by Paul Whyte, Senior Planner of Beca Ltd for the Chatham Islands Council (the Council) pursuant to section 42A of the Resource Management Act (RMA). The report reviews the application for resource consent and addresses the relevant information and issues raised. It should be emphasised that any conclusions reached, or recommendations made in this report are not binding on the Council.

2. The Application

The applicant was originally granted resource consent (CIC/2020/002) in July 2020 by Sharon McGarry, Independent Commissioner, for subdivision and land use consent and a water permit, to develop a 2ha site for the erection of six dwellings. The application site is located on the Waitangi Wharf-Owenga Road, Chatham Island, approximately 6km southeast of Waitangi and is legally described as Lot 10 DP 9123. The general layout of the subdivision is shown on Figure 1.

The consent was subject to 40 subdivision and land use and water permit conditions.

Subsequently the applicant sought to change conditions 1, 3b, 9, 24, 25, 32, 33, 34, 35 and 36 of CIC/2021/002 under section 127 of the RMA relating to the subdivision and water permit consents, primarily as a result as the applicant proposing an alternative water supply method. This consent was processed as CIC/2021/002.2 and the change of conditions granted by Independent Commissioner McGarry on 17 September 2021.

The applicant now proposes to cancel Condition 26 under section 127 of the RMA. Condition 26 states the following:

26. The Consent Holder shall ensure that confirmation be supplied from a telecommunications network operator that telecommunication cabling provided to or at the boundary of Lots 1-6.

The applicant seeks to remove condition 26 from the decision as it has now been advised by Chorus Ltd that there are no telecommunication connections available, and they will not be extending their network to the application site. The applicant notes that alternative methods of providing telecommunication services to the approved allotments can be achieved by such methods such as the mobile phone network now available on the island and Starlink.



Figure 1-Layout of Subdivision.

3. Statutory Framework

The application is made under section 127(1) of the Act relating to the cancellation of a conditions Section 127(3) states Sections 88 to 121 apply, with all necessary modifications, in which the application is considered as a discretionary activity and the proposed activity shall only relate to the change to the conditions and the effects of the change.

Accordingly, sections 104 and 104B of the RMA are particularly relevant.

Section 104(1) of RMA states when considering an application for a resource consent and any submissions received, the consent authority must, subject to Part 2, have regard to among other matters–

(a) any actual and potential effects on the environment of allowing the activity; and

(b) any relevant provisions of a number of documents including the following:

- a national policy statement:
- a regional policy statement or proposed regional policy statement:
- a plan or proposed plan; and
- any other matter the consent authority considers relevant and reasonably necessary to determine the application.

These matters are discussed below in Section 4 of the report.

Section 104B of RMA states that after considering an application for a resource consent for a discretionary activity, a consent authority may grant or refuse the application; and if it grants the application, may impose conditions under section 108.

4. Assessment

The application states that there will be no adverse neighbourhood and community effects or physical effects arising from the cancellation of the condition. I concur with this assessment and note that alternatives are available such as cell phone coverage and Starlink. I confirm the advice

received from Chorus Ltd that there are no connections available, and the network will not be extended to the site. As such I consider it is appropriate to delete Condition 26.

I also generally agree with the applicant that the change in conditions does not alter the conclusions in respect of the provisions of the NPS FW, the CIRMD or Part 2 of the RMA in relation to the original application.

I note the following policy in the CIRMD:

4.12.2.1 Policies

(i) Subdivision and development should provide for:

...

(e) Supply of electricity, street lighting and telecommunications using a method that is appropriate to the circumstances of the subdivision/development and to the amenity values of the area

The Reasons and Explanation state:

Services such as water supply, sewage disposal, electricity and telecommunications are generally important for the well-being of people and communities and their health and safety. The way in which these services are provided will vary because of differences on the islands. Many of these services are not reticulated because of the sparseness of the population and lack of resources and often are not provided for by Council...

Clearly the policy recognises that conventional supply of services may not be available on all parts of the island and accordingly the applicant's cancellation of the condition is not inconsistent with this policy.

4. Notification/Non-Notification

I have reviewed sections 95 and 95A – 95G as amended by the Resource Legislation Amendment Act and am satisfied that the proposal does not require public notification pursuant to these. In particular, I note that:

- The Consent Holder has not requested public notification (section 95A(3)(a));
- Public notification is not required under section 95A (section 95A(3)(b));
- The application does not include a proposal to exchange reserve land (section 95A(3)(c));
- Notification of the application is not required by a rule or national environmental standard (sections 95A(5)(a) and 95A(8)(a);
- The application will not have adverse effects that are more than minor (section 95A(8)(b)); and
- There are no special circumstances that would warrant public notification (section 95A(9); In respect of limited notification, the effects are considered to be less than minor in terms of Section 95E of the Act and as such there are no affected parties.

5. Conclusion

Overall, in terms of Section 104(1)(a) any effects of the proposal on the environment are less than minor and the proposal is consistent with the objectives and policies of the CIRMD in respect of Section 104(1)(b). The application is also in accordance with Part 2 of the RMA.

Accordingly, the resource consent can be granted.

6. Recommendation

Resource Consent (CIC/2023/002)

That pursuant to section 127 of the RMA Council grants consent to the Chatham Islands Housing Partnership Trust relating to the proposed cancellation of Condition 26 as follows (shown below by ~~striketrough~~).

~~26. The Consent Holder shall ensure that confirmation be supplied from a telecommunications network operator that telecommunication cabling provided to or at the boundary of Lots 1-6.~~

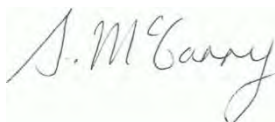
A copy of all the conditions of CIC/2020/002, 002.1 and CIC/2023/002, as amended, is attached as Appendix 1.



Paul Whyte
March 22nd 2023

Consultant Planner

Decision That the above recommendation be adopted.



Sharon McGarry
Independent Commissioner

Date: March 22nd 2023

APPENDIX 1

Conditions CIC/2020/002, 002.1 and CIC/2023/002

GENERAL

1. That the application be in general accordance (taking into account any conditions imposed) with the application and plans drawn by Baseline Group submitted with application CIC/2020/002 and received by Council on 21 January 2020 and the further information received on 30 March 2020 and 23 July 2020 and Change to Condition application CIC/2020/002.1 dated 17 August 2021. If there is conflict between the information submitted with the consent application and any conditions of this consent, then the conditions of this consent shall prevail.

2. The Chatham Islands Council may, once per year, on any of the last five working days of May or November, serve notice of its intention to review the conditions of this consent for the purposes of dealing with any adverse effect on the environment which may arise from the exercise of the consent and which it is appropriate to deal with at a later stage.

SUBDIVISION CONSENT

Traffic

3. That the following consent notice shall be registered pursuant to Section 221 of the Resource Management Act 1991 and is subsequently registered on the Certificate of Titles for Lots 1, 2 and 3 resulting from this subdivision and shall include the following matters:

a) That the accessways to Lots 1, 2, and 3 shall be located adjacent to the eastern boundaries of the respective lots, subject to the final approval of the Council Engineer, Chatham Islands Council.

b) That the accessways to Lots 1-6 shall be subject to Conditions 4-7 of CIC/2020/002

4. The existing vegetation in the legal road corridor of the Waitangi Wharf-Owenga Road along the road frontage from Lot 6 to the bend immediately west of the subdivision shall be removed by the consent holder subject to the approval of the Council Engineer, Chatham Islands Council.

5. Any culvert crossings and inlet/outlet structure to be constructed for each lot shall comply with Council's standard drawings (see attached) for rural accessways, with culvert pipe size and length subject to the approval of the Council Engineer, Chatham Islands Council.

6. Any accessway cuttings to Lots 1-6 shall have side slopes battered at a maximum gradient of 1 in 3 (33%) to improve the visibility of vehicles exiting the lots which are subject to the approval of the Council Engineer, Chatham Islands Council.

7. The gradient of any unsealed accessway for Lots 1-6 must not exceed 1 in 10 – 10% for the first 5.0m from the edge of the road carriageway.

Advice Note: If the accessway is sealed (chipseal, pavers or concrete) then a maximum gradient of 1 in 4 – 25% is acceptable.

8. An all-weather accessway shall be constructed on Lot 1 to provide access to the firefighting water supply tank. The design of the accessway shall be submitted to the Council Engineer, Chatham Islands Council for approval prior to construction.

Wastewater

9. That the following consent notice shall be registered pursuant to Section 221 of the Resource Management Act 1991 and is subsequently registered on the Certificate of Titles for Lots 1-6 resulting from this subdivision and shall include that the disposal of wastewater and stormwater shall be subject to Conditions 10-24 of CIC/2020/002.
10. Conditions 10-24 apply to each site contained in Lots 1-6.
11. The discharge shall be only treated domestic wastewater originating from each site.
12. The volume of wastewater discharged at each site shall not exceed 725 litres per day.
13. The discharge shall be only from a single dwelling on each site with a maximum of 3 bedrooms.
14. Prior to discharge to the land application system, the wastewater on each site shall receive primary treatment in a septic tank treatment system with a minimum storage capacity of 3000 litres, or alternative treatment system which provides the same or better wastewater quality.
15. All wastewater disposal and reserve fields shall be setback a minimum of 1.5 metres (m) from the site's boundaries and 3 m from dwellings.
16. The total land application system shall have a minimum area of 290 square metres for each site.
17. The treated wastewater shall be evenly dosed over the land application system per site at a rate not exceeding 5 millimetres per day.
18. A minimum depth of 600 millimetres of unsaturated soil shall be maintained at all times between the base of the disposal field and the highest groundwater level at each site.
19. There shall be no ponding of treated or untreated wastewater on the land surface and no overland discharge of treated or untreated wastewater.
20. There shall be no discharge within 20 metres of any surface water body; and to surface water as a consequence of the exercise of this consent.
21. There shall be no discharge on each site within 50 metres in any direction, of any authorised and/or existing bores.
22. Within one month of the installation of the treatment and land application system on each site, the Consent Holder shall provide to the Chatham Islands Council, Attention: Owen Pickles the following:
- a. A signed copy of a compliance certificate certifying:
- that the installation of the wastewater treatment system, land application system, any ancillary treatment devices and associated pipework has been installed by a person with at least two years' experience in the installation of such systems; and
 - the installed wastewater treatment system is capable of achieving the separation to groundwater specified in Condition (18) of this consent; and
 - that the system has been installed in accordance with the conditions of this consent.
- b. A copy of a signed 'as built plan' which clearly shows the location of the installed wastewater treatment system and land application system, and the separation to property boundaries and surface water bodies.

Stormwater

23. Stormwater from the roof the dwellings shall be directed to storage tanks on each site. Other stormwater shall be directed to the drain that runs along the Waitangi Wharf-Owenga Road and that, as far as practical, site stormwater flows are directed away from the wastewater disposal fields.

Water

24. Water shall not be used for potable water unless the full requirements of the NZ Building Code and NZ Drinking Water Standards (DWSNZ) are met.

Electricity/Communications

25. The Consent Holder shall ensure that confirmation be supplied from an electrical supply network operator that an electricity supply network has been provided to or at the boundary of Lots 1-6.

26. Cancelled (CIC/2023/002)

As Built Plans

27a. At the completion of installing potable water services, the Consent Holder shall provide to the Council a full set of as-built plans showing the location of the newly installed underground service. Such plan(s) shall be drawn to scale and have all the services dimensioned to the nearest physical features such as a property boundary.

27b. At the completion of all the sewer and stormwater services installation, the Consent Holder shall provide to the Council a full set of as-built plans showing the location of all the newly installed underground services. Such plan(s) shall be drawn to scale and have all the services dimensioned to the nearest physical features such as a property boundary.

Condition 27b shall be registered as a consent notice on Lots 1-6.

28. The prepared plans shall be submitted to the Council in an electronic format as PDF and an AutoCAD set.

Easements

29. Easements shown on the plan in the Change to Condition application CIC/2020/002.1 dated 17 August 2021 shall be duly granted and reserved.

LAND USE CONSENT

30. No more than one dwelling is permitted per site (Lots 1-6).

31. The dwelling on each site shall be set back a minimum of 10m from the front boundary.

32. The dwellings on Lots 2-6 shall be set back a minimum of 2m from side and rear boundaries provided that at least 7m separation distance shall be provided between dwellings on adjoining sites.

33. The dwelling on Lot 1 shall be at least 10m from the western boundary and at least 50m from the dwelling on Lot 9 DP 91234.

Advice Note: The eastern and north eastern boundary of Lot 6 is regarded as a side boundary for the purposes of the above conditions.

6. Regulatory

6.3 Changes to the CIRMD to give effect to the NPS-FM

Date of meeting	27 April 2023
Agenda item number	6.3
Author/s	Jo Mitten, Principal Planner

Purpose

1. To update and inform the Chatham Islands Council on the immediate changes to the Chatham Islands Resource Management Document (CIRMD) required by the National Policy Statement for Freshwater Management (NPS-FM).¹

Recommendations

That the Chatham Islands Council:

1. **Note the immediate changes to the CIRMD to give effect to the NPS-FM.**
2. **Approve these immediate changes to the CIRMD.**

Key points

2. The immediate changes to the CIRMD, to give effect to the National Directions set out in the NPS-FM, have been drafted by Jo Mitten as set out below. These changes must be inserted into all plans immediately and without a Schedule 1 consultation process². There are still many other necessary changes that will need to be made over the next couple of years that will require consultation.

Background

3. The NPS-FM requires significant changes to be made to the CIRMD. The changes will need to be carried out in consultation with tāngata whenua and the local community and will require significant scientific input. The updated CIRMD should be notified by the end of 2024 according to the legislation, but this timeframe is unlikely to be met for the Chatham Islands due to the lack of resourcing, although we expect a significant increase in funding to begin in the 2023/2024 financial year.

¹ NPS-FM clause 1.7(1) and RMA S55(2)

² NPS-FM clause 1.7(1) and RMA S55(2)

4. A table of all required changes to the CIRMD to align with the NPS-FM is attached to this report. However, the focus for now, and the changes that require council approval are set out below.

Immediate Changes to the CIRMD to give effect to the NPS-FM

A new chapter 4A to be inserted into the Chatham Islands Resource Management Document

All underlined wording to be inserted into CIRMD.

Part 4A National Direction

This section of the Resource Management Document contains provisions that have been incorporated into the Resource Management Document in accordance with directions in a national policy statement, national planning standard or other national direction.

National Policy Statement for Freshwater Management 2020

Objectives

Objective 4A.1 - Fish Passage

The passage of fish is maintained, or improved, by instream structures, except where it is desirable to prevent the passage of some fish species in order to protect desired fish species, their life stages or their habitats.¹

Policies

Note: In addition to the definitions contained within this Resource Management Document, the definitions contained within cl. 3.21(1) of the NPSFM 2020 apply to policies 4A.1- 4A.4

Policy 4A.1- Natural Inland Wetlands

The loss of extent of natural inland wetlands is avoided, their values are protected, and their restoration is promoted, except where:

(a) the loss of extent or values arises from any of the following:

(i) the customary harvest of food or resources undertaken in accordance with tikanga Māori

(ii) wetland maintenance, restoration, or biosecurity (as defined in the National Policy Statement for Freshwater Management)

(iii) scientific research

(iv) the sustainable harvest of sphagnum moss

(v) the construction or maintenance of wetland utility structures (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020)

(vi) the maintenance or operation of specified infrastructure, or other infrastructure (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020)

(vii) natural hazard works (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020); or

(b) the council is satisfied that:

(i) the activity is necessary for the construction or upgrade of specified infrastructure; and

(ii) the specified infrastructure will provide significant national or regional benefits; and

(iii) there is a functional need for the specified infrastructure in that location; and

(iv) the effects of the activity are managed through applying the effects management hierarchy.”²or

(c) the council is satisfied that:

(i) the activity is necessary for the purpose of urban development that contributes to a well-functioning urban environment (as defined in the National Policy Statement on Urban Development); and

(ii) the urban development will provide significant national, regional or district benefits; and

(iii) the activity occurs on land identified for urban development in operative provisions of the Resource Management document; and

(iv) the activity does not occur on land that is zoned in the Resource Management document as general rural, rural production, or rural lifestyle; and

(v) there is either no practicable alternative location for the activity within the area of the development, or every other practicable location in the area of the development would have equal or greater adverse effects on a natural inland wetland; and

(vi) the effects of the activity will be managed through applying the effects management hierarchy; or

(d) the council is satisfied that:

(i) the activity is necessary for the purpose of quarrying activities; and

(ii) the extraction of the aggregate will provide significant national or regional benefits; and

(iii) there is a functional need for the activity to be done in that location; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy; or

(e) the council is satisfied that:

(i) the activity is necessary for the purpose of:

(A) the extraction of minerals (other than coal) and ancillary activities; or

(B) the extraction of coal and ancillary activities as part of the operation or extension of an existing coal mine; and

(ii) the extraction of the mineral will provide significant national or regional benefits; and

(iii) there is a functional need for the activity to be done in that location; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy; or

(f) the council is satisfied that:

(i) the activity is necessary for the purpose of constructing or operating a new or existing landfill or cleanfill area; and

(ii) the landfill or cleanfill area:

(A) will provide significant national or regional benefits; or

(B) is required to support urban development as referred to in paragraph (c); or

(C) is required to support the extraction of aggregates as referred to in paragraph (d); or

(D) is required to support the extraction of minerals as referred to in paragraph (e); and

(iii) there is either no practicable alternative location in the region, or every other practicable alternative location in the region would have equal or greater adverse effects on a natural inland wetland; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy³."

Policy 4A.2- Natural inland wetlands

Resource consent for activities set out in Policy 4A.1 subclauses (a)- (f), that would result in the loss or extent of values of a natural inland wetland will not be granted unless:

(a) the council is satisfied that:

(i) the applicant has demonstrated how each step of the effects management hierarchy will be applied to any loss of extent or values of the wetland (including cumulative effects and loss of potential value), particularly (without limitation) in relation to the values of: ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity values; and

(ii) if aquatic offsetting or aquatic compensation is applied, the applicant has complied with principles 1 to 6 in Appendix 6 and 7, and has had regard to the remaining principles in Appendix 6 and 7, as appropriate, and

(iii) there are methods or measures that will ensure that the offsetting or compensation will be and managed over time to achieve the conservation outcomes; and

(b) any consent granted is subject to:

(i) conditions that apply the effects management hierarchy; and

(ii) a condition requiring monitoring of the wetland at a scale commensurate with the risk of the loss of extent or values of the wetland; and

(iii) conditions that specify how the requirements in (a)(iii) will be achieved⁴

Policy 4A.3- River values

The loss of river extent and values is avoided, unless the council is satisfied:

(a) that there is a functional need for the activity in that location; and

(b) the effects of the activity are managed by applying the effects management hierarchy⁵.”

Policy 4A.4- River values

Resource consent for activities set out in Policy 4A.3 subclauses (a)- (b) that would result in the loss or extent of values of a river will not be granted unless:

(a) The council is satisfied that:

(i) the applicant has demonstrated how each step of the effects management hierarchy will be applied to any loss of extent or values of the wetland (including cumulative effects and loss of potential value), particularly (without limitation) in relation to the values of ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity values; and

(ii) if aquatic offsetting or aquatic compensation is applied, the applicant has complied with principles 1 to 6 in Appendix 6 and 7, and has had regard to the remaining principles in Appendix 6 and 7, as appropriate, and

(iii) there are methods or measures that will ensure that the offsetting or compensation will be maintained and managed over time to achieve the conservation outcomes; and

(b) any consent granted is subject to:

(i) conditions that apply the effects management hierarchy; and

(ii) a condition requiring monitoring of the wetland at a scale commensurate with the risk of the loss of extent or values of the wetland; and

(iii) conditions that specify how the requirements in (a)(iii) will be achieved⁶

NOTE- Changes will also need to be made to:

- Contents (Page i) of the CIRMD. Need to add in:

PART 4A- NATIONAL DIRECTION

PART 1- Introduction (page 3) of the CIRMD. Need to add in:

Part 4A- National Direction

This section of the Resource Management Document contains provisions that have been incorporated into the Resource Management Document in accordance with directions in a national policy statement, national planning standard or other national direction.

Cost, compliance and communication

Financial implications

5. This work is covered under the current agreed budget for the 2022/23 financial year.

Risk assessment and legal compliance

6. The CIRMD needs to be amended to comply with the requirements if the NPS-FM.

Significance and engagement

7. Because this is a change that has been directed by the NPS-FM as specifically not requiring a Schedule 1 consultation process, no consultation needs to take place³. However, once the changes outlined below have been formally approved and made to the CIRMD, a public notice is required to inform the community. Further changes over the next couple of years will require a consultation and engagement process.

³ NPS-FM clause 1.7(1) and RMA S 55(2)

Next steps

8. If Councillors approve the immediate changes (set out above), Environment Canterbury Staff will arrange for the changes to be made to the CIRMD and draft a public notice to notify the community of the changes.
9. Once the further funding comes through, Environment Canterbury staff will be able to consider the further changes that are required and initiate discussions about the engagement process going forward.

Attachments

Table of changes to CIRMD (all changes).

File reference	[SharePoint link for this paper]
Peer reviewers	Jeff Smith, Planning Team Leader

NPS Clause	Requirement	CIRMD Objectives, Policies and Methods	Proposed change
3.2 Te Mana o te Wai	(3) Every regional council must include an objective in its regional policy statement that describes how the management of freshwater in the region will give effect to Te Mana o te Wai.		Objective to be written and included in the CIRMD. To be developed in consultation with tāngata whenua and the local community
3.3 Long-term visions for freshwater	(1) Every regional council must develop long-term visions for freshwater in its region and include those long-term visions as objectives in its regional policy statement.		Long-term visions to be developed after engagement with tāngata whenua and the community. Objectives to be written and included in the CIRMD.
3.5 Integrated management	(2) Every regional council must make or change its regional policy statement to the extent needed to provide for the integrated management of the effects of: (a) the use and development of land on freshwater; and (b) the use and development of land and freshwater on receiving environments. (4) Every territorial authority must include objectives, policies, and methods in its district plan to promote positive effects, and avoid, remedy, or mitigate adverse effects (including cumulative effects), of urban development on the health and well-being of water bodies, freshwater ecosystems, and receiving environments.	4.2.2 Objective – Natural Character of Lakes, Rivers and Wetlands and their Margins (i) The control of inappropriate use, development and subdivision where it may adversely affect the natural character of lakes, rivers and wetlands and their margins. 4.2.2.1 Policies (i) The adverse effects of activities on natural character should be avoided, remedied or mitigated in terms of: (a) natural flows and levels, (b) water quality, (c) ecosystem functioning and health, (d) indigenous vegetation and habitats, (e) historic heritage, cultural and recreational values. 4.2.2.2 Methods (i) Encouraging landowners to protect natural values by private agreements, conservation covenants, fencing and planting of margins.	Consider whether effects of land use on freshwater other than natural character should be included, given that the CIRMD includes a wide range aspects under natural character. For (2) is using avoid, remedy or mitigate strong enough? Promotes positive effects but not specifically of urban development – may need a specific provision. Under 4.2.3.1 (iv) as far as practical may not be strong enough to protect freshwater and receiving environments. Also this policy does not apply to existing discharges – would need to be amended. 4.2.3.2 methods – minimising land-use run-off may not be sufficient – consider a change to avoid, remedy or mitigate.

		<p>(ii) Using of guidelines, Codes of Practice and education workshops.</p> <p>(iii) Use of Rules which regulate activities which have the potential to have an adverse effect on the natural character of beds and margins of lakes, and rivers and wetlands.</p> <p>(iv) Esplanade reserves/strips to be set aside as conditions of subdivision consents where appropriate or otherwise negotiated with the landowner.</p> <p>(v) Purchase/designate land.</p> <p>4.2.3 Objective – Water Quality</p> <p>(i) The maintenance and enhancement of the islands' water quality at a level which sustains its life supporting capacity for natural, economic, recreational and cultural reasons.</p> <p>4.2.3.1 Policies</p> <p>(i) Discharges or dumping of contaminants to water or land should not have a more than minor adverse effect on the standard of water and the discharge should not give rise to any adverse effects on natural ecosystems and biodiversity values.</p> <p>(ii) Discharges of stormwater should not include levels of contaminants that would adversely affect the receiving environment.</p> <p>(iii) To create, retain and enhance vegetation on the margins of lakes and rivers where it will maintain and enhance water quality.</p> <p>(iv) To manage, as far as practicable, land uses so that contaminants from nonpoint discharges do not adversely affect water bodies and biodiversity values, including the following actions:</p> <p>(a) controlling stock access to water bodies,</p> <p>(b) avoiding excessive nutrient runoff,</p> <p>(c) planting of margins,</p> <p>(d) stipulating minimum distance between water bodies and effluent disposal fields, waste disposal sites etc.</p> <p>(v) Esplanade reserves/strips may be set aside where it can be established that they will</p>	<p>Policy 4.2.4.1 It is not just activities adjacent to Te Whānga that need to be controlled. Te Whānga is the receiving environment for freshwater rivers and streams – activities that impact on them will also impact on Te Whānga.</p> <p>Policy 4.3.2.1 managing land uses as far as practical may not be strong enough.</p>
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		<p>contribute to the maintenance and enhancement of water quality.</p> <p>(vi) When considering any application for a discharge the consent authority must have regard to the following matters:</p> <p>(a) the extent to which the discharge would avoid contamination that will have an adverse effect on the life-supporting capacity of fresh water including on any ecosystem associated with fresh water; and</p> <p>(b) the extent to which it is feasible and dependable that any more than minor adverse effect on fresh water, and on any ecosystem associated with fresh water, resulting from the discharge would be avoided.</p> <p>(viii) This policy applies to the following discharges (including a diffuse discharge by any person or animal):</p> <p>(a) a new discharge; or</p> <p>(b) a change or increase in any discharge – of any contaminant into fresh water, or onto or into land in circumstances that may result in that contaminant (or, as a result of any natural process from the discharge of that contaminant, any other contaminant) entering fresh water.</p> <p>4.2.3.2 Methods</p> <p>(i) To encourage practices which minimise land use runoff.</p> <p>(ii) To encourage use of programmes, such as “Growsafe” for the application of sprays.</p> <p>(iii) Esplanade strips/reserves to be set aside as conditions of subdivision consents where appropriate or otherwise negotiated with the landowner.</p> <p>(iv) Rules to ensure that discharge of contaminants and stormwater from residential, industrial or commercial developments do not adversely affect water quality.</p> <p>4.2.4 Objective – Te Whanga</p>	
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		<p>(i) The maintenance and enhancement of Te Whanga as a significant natural ecosystem and community resource in respect of:</p> <ul style="list-style-type: none"> (a) food gathering and recreation, (b) the functioning of ecosystems, (c) imi/iwi values and relationships. <p>4.2.4.1 Policies</p> <p>(ii) Activities in or adjacent to Te Whanga should not adversely affect:</p> <ul style="list-style-type: none"> (a) imi/iwi values and relationships, (b) community access, (c) water quality, (d) ecosystem values. <p>4.3.2 Objective - Coastal Water Quality</p> <p>(i) The maintenance and enhancement of the coastal water quality of the Chathams at a standard which safeguards its life supporting capacity.</p> <p>4.3.2.1 Policies</p> <p>(i) That discharges or dumping of contaminants to water or land within the land above mean high water springs should not adversely affect the standard of coastal water and the discharges should not give rise to any adverse effects on habitats, feeding grounds or ecosystems in the coastal environment.</p> <p>(ii) That all vessel construction, maintenance and servicing sites should possess facilities for the containment and collecting and treatment or disposal of wastes or contaminants arising from activities on the site.</p> <p>(iii) To manage, as far as practicable, land uses so that contaminants from non-point discharges do not adversely affect coastal water.</p> <p>4.3.2.2 Methods</p> <p>(i) Rules to ensure that discharges of contaminants from rural, residential, industrial, utility, community or commercial developments do not adversely affect coastal water quality.</p>	
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		<p>(ii) Encouragement of practices which minimise land use runoff, such as the maintenance and protection of coastal vegetation.</p> <p>5.3.4 Rural Zone Rules</p> <p>2. Industrial and Commercial Activities. PA if below size limit and separated from neighbouring dwellings. Otherwise DA – adverse effects of discharges to water.</p> <p>3. Buildings. PA if setback from boundaries, below height limit and >100m from MHWS. Otherwise DA – effect on CE</p> <p>8. Haz. Substances. PA if compliant and no discharge to waterbody, or stormwater system. Otherwise DA – type of substance, proximity of ecological sites.</p> <p>10. Earthworks. PA if <50m³ within 100m of MHWS otherwise no limit, no change in water colour or clarity. Otherwise DA – effect on water quality.</p> <p>11. Roads. PA if near existing road or in a road reserve. Otherwise DA – effect on water quality.</p> <p>12. Subdivision – RDA if meets conditions including >100m from MHWS. Matters of disc include imi/iwi values, vesting of lake and river beds. Otherwise DA – effect on NC of coastline,</p> <p>15. Quarries – PA if at scheduled sites and no change in colour or clarity and fish passage not impeded. Otherwise DA – effects on water quality and fish passage.</p> <p>16. Activities in or near waterbodies – PA if not structures (other than fences, access tracks...) and not IV clearance, and no change in colour or clarity. Restrictions only apply to wetlands >1ha and rivers >1.5m wide. Otherwise DA – Necessity to undertake the activity there, effects on water quality, ecosystems, cultural and community values.</p> <p>17. Discharge of effluent – PA for sewage if enough soakage, new effluent fields >20m from a waterbody or MHWS. Otherwise DA – alternative methods, rate of discharge, sensitivity of receiving env.</p>	
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		<p>19. Discharge of contaminants to water – PA if stormwater or freshwater, after reasonable mixing no scums, suspended materials, change in colour or clarity, odour, unsuitable for animal consumption, significant effects on aquatic life. Otherwise DA – effects on cultural values and ecosystems.</p> <p>20. Taking of water – PA if existing take, or <3m³/day, or for stock water, domestic needs, school, firefighting and Council notified and flows and levels do not impede fish passage. Otherwise DA - type of activity, volume of water, effects on aquatic life and cultural values.</p> <p>21. Damming and diversion of water – PA if dams and weirs meet size restrictions, and don't impact on other uses, and flows and levels don't impede fish passage, and is for certain uses. Otherwise DA - type of activity, volume of water, effects on aquatic life and cultural values.</p> <p>22. Structures in beds of lakes and rivers – PA if existing, or fences or utility lines, or culverts, bridges, fords, or meet size limits, and do not impede fish passage. Otherwise DA - type of activity, volume of water, effects on aquatic life and cultural values.</p> <p>23. Disturbance of beds of lakes and rivers – PA if for a fence or utility line, or for opening Te Whānga etc., if no disturbance of Te Whānga. Otherwise DA – effects on water flows and quality, ecosystems, cultural values, erosion, scouring, deposition.</p> <p>24. Discharge of contaminants onto land – PA if not within 30m of a waterbody or water supply or MHWS. Otherwise DA – type of contaminant, effect on ecosystems.</p> <p>25. Areas of Significant Natural Value – PA if in accordance with an agreement or covenant. Otherwise DA – effects on natural values including water quality.</p>	
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3.9 Identifying values and setting environmental outcomes as objectives	(4) The regional council must include the environmental outcomes as an objective, or multiple objectives, in its regional plan(s).		<p>Environmental outcomes to be developed to give effect to the long-term vision for freshwater, in consultation with tāngata whenua and the local community.</p> <p>Targets and limits will need to be identified</p> <p>Objectives and methods to be written and included in the CIRMD.</p>
3.12 How to achieve target attribute states and environmental outcomes	<p>(3) In order to achieve any other target attribute state or otherwise support the achievement of environmental outcomes, a regional council must do at least one of the following:</p> <p>(a) identify limits on resource use and include them as rules in its regional plan(s)</p> <p>(b) prepare an action plan</p> <p>(c) impose conditions on resource consents to achieve target attribute states.</p>		<p>Rules and action plans will be developed once environmental outcomes and target attribute states have been set.</p>
3.15 Preparing action plans	<p>(4) Action plans:</p> <p>(b) may be published either by appending them to a regional plan or by publishing them separately.</p>		<p>Action plans can sit outside of the CIRMD and don't need to be appended to it. They can be developed alongside the plan and can include the non-statutory methods for achieving Te Mana o Te Wai. They can also be appended to the CIRMD once they have been developed.</p>
3.16 Setting environmental flows and levels	(1) Every regional council must include rules in its regional plan(s) that set environmental flows and levels for each FMU, and may set different flows and levels for different parts of an FMU.	<p>4.2.1 Objectives – Water Quantity</p> <p>(i) To retain flows and levels in water bodies and groundwater sufficient to support their life supporting capacity, while providing for human requirements.</p>	<p>FMUs need to be identified. Alongside visions and objectives for each FMU. Monitoring requirements will be needed for FMU's.</p> <p>FMU/catchment rules setting flows, levels and allocation limits need to be developed and</p>

		<p>(ii) To develop measures in cooperation with all agencies to prevent the establishment of aggressive exotic macrophytes.</p> <p>(iii) To develop a programme, appropriate to the issues facing the Chatham Islands, that implements the National Policy on Freshwater Management. This programme will be implemented in a staged manner and Policies and Methods will be included through plan changes to the Chatham Islands Resource Management Act.</p> <p>4.2.1.1 Policies</p> <p>(i) To maintain sufficient water in water bodies to:</p> <p>(a) Safeguard the life supporting capacity of aquatic ecosystems, including significant habitats of indigenous fauna and areas of significant indigenous vegetation,</p> <p>(b) protect existing value of the water bodies as sources of mahinga kai for imi/iwi and as food gathering sites for the community,</p> <p>(c) protect wāhi tapu and other wāhi taonga of value to imi/iwi,</p> <p>(d) preserve natural character of lakes and rivers and protect outstanding natural features and landscapes,</p> <p>(e) provide for human consumption and stock drinking water.</p> <p>4.2.1.2 Methods</p> <p>(i) Rules requiring resource consent for use of water for activities other than domestic, stock and fire fighting purposes, existing takes and small takes.</p> <p>(ii) Rules that protect natural values of water bodies.</p> <p>(iii) Encouraging landowners to protect natural values by private agreements, conservation covenants, fencing and planting of margins and use of guidelines and education.</p> <p>(iv) Requiring all persons taking groundwater and surface water to notify Council on the location and amount of water.</p>	<p>included in the CIRMD. If limits are to be set higher than existing allocation, technical information (science, mātauranga, economic, social) will be needed to show how new limits correspond to te mana o te wai.</p>
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		<p>Reasons and Explanation Current national policy requires the Council to set a timeframe and methodology to address over allocation of water bodies. The Council considers it impractical to develop and implement such an approach by the end of December 2014 (the time stipulated in the NES), given that at present there are no over-allocation issues on the islands. The Council will develop a policy and in the interim will consider the water body's Mean Annual Low Flow (MALF) when assessing applications to take water to ensure that over allocation does not occur, and ensure that a surface water flow of 50% of the 7 day mean annual low flow is maintained.</p> <p>4.2.2.1 Policies (i) The adverse effects of activities on natural character should be avoided, remedied or mitigated in terms of: (a) natural flows and levels, (b) water quality, (c) ecosystem functioning and health, (d) indigenous vegetation and habitats, (e) historic heritage, cultural and recreational values.</p>	
<p>3.17 Identifying take limits</p>	<p>(1) In order to meet environmental flows and levels, every regional council:</p> <p>(a) must identify take limits for each FMU; and</p> <p>(b) must include the take limits as rules in its regional plan(s); and</p> <p>(c) must state in its regional plan(s) whether (and if so, when and which) existing water permits will be reviewed to comply with environmental flows and levels; and</p>	<p>4.2.1 Objectives – Water Quantity (i) To retain flows and levels in water bodies and groundwater sufficient to support their life supporting capacity, while providing for human requirements. (ii) To develop measures in cooperation with all agencies to prevent the establishment of aggressive exotic macrophytes. (iii) To develop a programme, appropriate to the issues facing the Chatham Islands, that implements the National Policy on Freshwater Management. This programme will be implemented in a staged manner and Policies and Methods will be included</p>	<p>Take limits will need to be identified once flows and levels have been set for each FMU/catchment. There may need to be considerable scientific input into this process. The NPSFM states that the best information available need to be used and that Councils are not to be held back by imperfect information. There will be a choice for Council to make around investing in science or setting conservative limits. Mātauranga, economic and social information would also need to be considered.</p> <p>The take limits will be included as rules in the CIRMD.</p>

	<p>(3) Where a regional plan or any resource consent allows the taking, damming, diversion or discharge of water, the plan or resource consent must identify the flows and levels at which:</p> <p>(a) the allowed taking, damming, or diversion will be restricted or no longer allowed; or</p> <p>(b) a discharge will be required.</p>	<p>through plan changes to the Chatham Islands Resource Management Act</p> <p>4.2.1.1 Policies</p> <p>(ii) To record the location and volume of all water takes for information purposes.</p> <p>(iii) When considering any application the consent authority must have regard to the following matters:</p> <p>(a) the extent to which the change would adversely affect safeguarding the life-supporting capacity of fresh water and of any associated ecosystem; and</p> <p>(b) the extent to which it is feasible and dependable that any adverse effect on the life-supporting capacity of fresh water and of any associated ecosystem resulting from the change would be avoided.</p> <p>(iv) This policy applies to:</p> <p>(a) any new activity and</p> <p>(b) any change in the character, intensity or scale of any established activity– that involves any taking, using, damming or diverting of fresh water or draining of any wetland which is likely to result in any more than minor adverse change in the natural variability of flows or level of any fresh water, compared to that which immediately preceded the commencement of the new activity or the change in the established activity (or in the case of a change in an intermittent or seasonal activity, compared to that on the last occasion on which the activity was carried out</p> <p>5.3.4 Rural Zone Rules</p> <p>20. Taking of water. PA – if existing use, or <3m³/day, or for stockwater, domestic, school, or fire fighting, and Council is notified of location of new takes, and flows or levels allow fish passage. Otherwise DA – type of activity, volume, effects on aquatic life and cultural values.</p> <p>21. Damming and diversion of water – PA if meets size limits, and it is for domestic needs, stockwater, school, public water supply, fire</p>	<p>A statement on the review of existing water permits will be included in the CIRMD.</p> <p>The CIRMD will be amended to include the flows and levels at which taking, damming or diversion will be restricted, or a discharge will be required.</p>
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		fighting, does not impinge on a consented take, and flows and levels allow fish passage. Otherwise DA – type of activity, volume, effects on ecosystems and cultural values.	
3.21 Definitions relating to wetlands and rivers	<p>(1) In clauses 3.21 to 3.24, and 3.34:</p> <p>biosecurity means activities to eliminate or manage pests and unwanted organisms (as those terms are defined in the Biosecurity Act 1993)</p> <p>effects management hierarchy, in relation to natural inland wetlands and rivers, means an approach to managing the adverse effects of an activity on the extent or values of a wetland or river (including cumulative effects and loss of potential value) that requires that:</p> <p>(a) adverse effects are avoided where practicable; then</p> <p>(b) where adverse effects cannot be avoided, they are minimised where practicable; then</p> <p>(c) where adverse effects cannot be minimised, they are remedied where practicable; then</p> <p>(d) where more than minor residual adverse effects cannot be avoided, minimised, or remedied, aquatic offsetting is provided where possible; then</p> <p>(e) if aquatic offsetting of more than minor residual adverse effects is not possible, aquatic compensation is provided; then</p>		These definitions relate to those set out in clause 3.21 to 3.24... therefore we need to add these definitions in at the same time as we update the clause 3.22 etc...(highlighted in yellow)

	<p>(f) if aquatic compensation is not appropriate, the activity itself is avoided</p> <p>functional need means the need for a proposal or activity to traverse, locate or operate in a particular environment because the activity can only occur in that environment</p> <p>loss of value, in relation to a natural inland wetland or river, means the wetland or river is less able to provide for the following existing or potential values:</p> <p>(a) any value identified for it under the NOF process</p> <p>(b) any of the following values, whether or not they are identified under the NOF process: 24 National Policy Statement for Freshwater Management 2020 (i) ecosystem health (ii) indigenous biodiversity (iii) hydrological functioning (iv) Māori freshwater values (v) amenity values</p> <p>natural inland wetland means a wetland (as defined in the Act) that is not:</p> <p>(a) in the coastal marine area; or</p> <p>(b) a deliberately constructed wetland, other than a wetland constructed to offset impacts on, or to restore, an existing or former natural inland wetland; or</p> <p>(c) a wetland that has developed in or around a deliberately constructed water</p>		
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	<p>body, since the construction of the water body; or</p> <p>(d) a geothermal wetland; or</p> <p>(e) a wetland that:</p> <p>(i) is within an area of pasture used for grazing; and</p> <p>(ii) has vegetation cover comprising more than 50% exotic pasture species (as identified in the National List of Exotic Pasture Species using the Pasture Exclusion Assessment Methodology (see clause 1.8)); unless</p> <p>(iii) the wetland is a location of a habitat of a threatened species identified under clause 3.8 of this National Policy Statement, in which case the exclusion in (e) does not apply</p> <p>restoration, in relation to a natural inland wetland, means active intervention and management, appropriate to the type and location of the wetland, aimed at restoring its ecosystem health, indigenous biodiversity, or hydrological functioning</p> <p>ski area infrastructure means infrastructure necessary for the operation of a ski area and includes: transport mechanisms (such as aerial and surface lifts, roads, and tracks); facilities for the loading or unloading of passengers or goods; facilities or systems for water, sewerage, electricity, and gas; communications networks; and snowmaking and snow safety systems</p>		
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	<p>specified infrastructure means any of the following:</p> <p>(a) infrastructure that delivers a service operated by a lifeline utility (as defined in the Civil Defence Emergency Management Act 2002)</p> <p>(b) regionally significant infrastructure identified as such in a regional policy statement or regional plan</p> <p>(c) any water storage infrastructure</p> <p>(d) any public flood control, flood protection, or drainage works carried out:</p> <p>(i) by or on behalf of a local authority, including works carried out for the purposes set out in section 133 of the Soil Conservation and Rivers Control Act 1941; or</p> <p>(ii) for the purpose of drainage by drainage districts under the Land Drainage Act 1908</p> <p>(e) defence facilities operated by the New Zealand Defence Force to meet its obligations under the Defence Act 1990 National Policy Statement for</p> <p>(f) ski area infrastructure</p> <p>wetland maintenance means activities (such as weed control) which prevent the deterioration, or preserve the existing state, of a wetland's ecosystem</p>		
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	<p>health, indigenous biodiversity or hydrological functioning</p> <p>(2) For the purpose of the definition of effects management hierarchy:</p> <p>aquatic compensation means a conservation outcome resulting from actions that are intended to compensate for any more than minor residual adverse effects on a wetland or river after all appropriate avoidance, minimisation, remediation, and aquatic offset measures have been sequentially applied</p> <p>aquatic offset means a measurable conservation outcome resulting from actions that are intended to:</p> <p>(a) redress any more than minor residual adverse effects on a wetland or river after all appropriate avoidance, minimisation, and remediation, measures have been sequentially applied; and</p> <p>(b) achieve no net loss, and preferably a net gain, in the extent and values of the wetland or river, where:</p> <p>(i) no net loss means that the measurable positive effects of actions match any loss of extent or values over space and time, taking into account the type and location of the wetland or river; and</p> <p>(ii) net gain means that the measurable positive effects of actions exceed the point of no net loss</p>		
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<p>3.22 Natural inland wetlands</p>	<p>(1) Every regional council must include the following policy (or words to the same effect) in its regional plan(s): "The loss of extent of natural inland wetlands is avoided, their values are protected, and their restoration is promoted, except where:</p> <p>(a) the loss of extent or values arises from any of the following:</p> <p>(i) the customary harvest of food or resources undertaken in accordance with tikanga Māori</p> <p>(ii) wetland maintenance, restoration, or biosecurity (as defined in the National Policy Statement for Freshwater Management)</p> <p>(iii) scientific research</p> <p>(iv) the sustainable harvest of sphagnum moss</p> <p>(v) the construction or maintenance of wetland utility structures (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020)</p> <p>(vi) the maintenance or operation of specified infrastructure, or other infrastructure (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020</p>	<p>4.2.2 Objective – Natural Character of Lakes, Rivers and Wetlands and their Margins</p> <p>(i) The control of inappropriate use, development and subdivision where it may adversely affect the natural character of lakes, rivers and wetlands and their margins.</p> <p>4.2.2.1 Policies</p> <p>(i) The adverse effects of activities on natural character should be avoided, remedied or mitigated in terms of:</p> <p>(a) natural flows and levels,</p> <p>(b) water quality,</p> <p>(c) ecosystem functioning and health,</p> <p>(d) indigenous vegetation and habitats,</p> <p>(e) historic heritage, cultural and recreational values.</p> <p>(iv) The disturbance of any bed or margin of river, lake or wetland by excavation, dredging, drilling, tunnelling, deposition or reclamation should not have more than a temporary effect on the life supporting capacity of ecosystems, amenity values and downstream users.</p> <p>(v) Vegetation on the margins of lakes, rivers and wetlands should be sustainably managed where it will:</p> <p>(a) enhance or maintain water quality, through the interception of non-point source contamination from adjacent land,</p> <p>(b) enhance existing ecosystems,</p> <p>(c) maintain or enhance the natural character of lakes, wetlands, rivers and their margins,</p> <p>(d) maintain or enhance amenity values.</p> <p>4.2.2.2 Methods</p> <p>(i) Encouraging landowners to protect natural values by private agreements, conservation covenants, fencing and planting of margins.</p> <p>(ii) Using of guidelines, Codes of Practice and education workshops.</p>	<p>Insert Policy 3.22 into the CIRMD as soon as possible without a schedule 1 process. In the CIRMD review we will need to ensure that there are methods in place to deliver this policy. . . Note also that coastal wetlands are not included in this requirement (natural inland wetlands only).</p> <p>Existing Policy 4.2.2.1 is not strong enough – needs to avoid rather than offering the options of remedying or mitigating effects.</p> <p>Excavation, dredging.. of wetlands where there could be partial drainage is a prohibited activity under the NES-F.</p> <p>Need specific provisions for the list of allowable activities.</p> <p>Need provisions for restoration.</p> <p>5.3.4 Rural Zone Rules- an assessment is required to determine whether these rules duplicate or conflict with the NES.</p>
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	<p>(vii) natural hazard works (as defined in the Resource Management (National Environmental Standards for Freshwater) Regulations 2020); or</p> <p>(b) the regional council is satisfied that:</p> <p>(i) the activity is necessary for the construction or upgrade of specified infrastructure; and</p> <p>(ii) the specified infrastructure will provide significant national or regional benefits; and</p> <p>(iii) there is a functional need for the specified infrastructure in that location; and</p> <p>(iv) the effects of the activity are managed through applying the effects management hierarchy." Or</p> <p>(c) the regional council is satisfied that:</p> <p>(i) the activity is necessary for the purpose of urban development that contributes to a well-functioning urban environment (as defined in the National Policy Statement on Urban Development); and</p> <p>(ii) the urban development will provide significant national, regional or district benefits; and</p> <p>(iii) the activity occurs on land identified for urban development in operative provisions of a regional or district plan; and</p>	<p>(iii) Use of Rules which regulate activities which have the potential to have an adverse effect on the natural character of beds and margins of lakes, and rivers and wetlands.</p> <p>(iv) Esplanade reserves/strips to be set aside as conditions of subdivision consents where appropriate or otherwise negotiated with the landowner.</p> <p>(v) Purchase/designate land.</p> <p>5.3.4 Rural Zone Rules</p> <p>16. Activities In or near waterbodies. PA in a wetland or within 5 m of a wetland -if fences, access tracks, wetlands <1ha, or no erection of structures, no indigenous vegetation clearance, no change to the colour or clarity of water. Otherwise DA – necessity to locate it there, effects on water quality, ecosystems, cultural and community values.</p>	
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	<p>(iv) the activity does not occur on land that is zoned in a district plan as general rural, rural production, or rural lifestyle; and</p> <p>(v) there is either no practicable alternative location for the activity within the area of the development, or every other practicable location in the area of the development would have equal or greater adverse effects on a natural inland wetland; and</p> <p>(vi) the effects of the activity will be managed through applying the effects management hierarchy; or</p> <p>(d) the regional council is satisfied that:</p> <p>(i) the activity is necessary for the purpose of quarrying activities; and</p> <p>(ii) the extraction of the aggregate will provide significant national or regional benefits; and</p> <p>(iii) there is a functional need for the activity to be done in that location; and</p> <p>(iv) the effects of the activity will be managed through applying the effects management hierarchy; or</p> <p>(e) the regional council is satisfied that:</p> <p>(i) the activity is necessary for the purpose of:</p> <p>(A) the extraction of minerals (other than coal) and ancillary activities; or</p>		
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	<p>(B) the extraction of coal and ancillary activities as part of the operation or extension of an existing coal mine; and</p> <p>(ii) the extraction of the mineral will provide significant national or regional benefits; and</p> <p>(iii) there is a functional need for the activity to be done in that location; and</p> <p>(iv) the effects of the activity will be managed through applying the effects management hierarchy; or</p> <p>(f) the regional council is satisfied that:</p> <p>(i) the activity is necessary for the purpose of constructing or operating a new or existing landfill or cleanfill area; and</p> <p>(ii) the landfill or cleanfill area:</p> <p>(A) will provide significant national or regional benefits; or</p> <p>(B) is required to support urban development as referred to in paragraph (c);</p> <p>(C) is required to support the extraction of aggregates as referred to in paragraph (d); or</p> <p>(D) is required to support the extraction of minerals as referred to in paragraph (e); and</p>		
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(iii) there is either no practicable alternative location in the region, or every other practicable alternative location in the region would have equal or greater adverse effects on a natural inland wetland; and

(iv) the effects of the activity will be managed through applying the effects management hierarchy."

(2) Subclause (3) applies to an application for a consent for an activity that:

(a) is for a purpose referred to in subclause (1)(a) to (f), other than the purpose referred to in paragraph (1)(a)(i); and

(b) would result (directly or indirectly) in the loss of extent or values of a natural inland wetland.

(3) Every regional council must make or change its regional plan to ensure that an application referred to in subclause (2) is not granted unless:

(a) the council is satisfied that:

(i) the applicant has demonstrated how each step of the effects management hierarchy will be applied to any loss of extent or values of the wetland (including cumulative effects and loss of potential value), particularly (without limitation) in relation to the values of: ecosystem health, indigenous biodiversity, hydrological functioning,

	<p>Māori freshwater values, and amenity values; and</p> <p>(ii) if aquatic offsetting or aquatic compensation is applied, the applicant has complied with principles 1 to 6 in Appendix 6 and 7, and has had regard to the remaining principles in Appendix 6 and 7, as appropriate, and</p> <p>(iii) there are methods or measures that will ensure that the offsetting or compensation will be maintained and managed over time to achieve the conservation outcomes; and</p> <p>(b) any consent granted is subject to:</p> <p>(i) conditions that apply the effects management hierarchy; and</p> <p>(ii) a condition requiring monitoring of the wetland at a scale commensurate with the risk of the loss of extent or values of the wetland; and</p> <p>(iii) conditions that specify how the requirements in (a)(iii) will be achieved.</p> <p>(4) Every regional council must make or change its regional plan to include objectives, policies, and methods that provide for and promote the restoration of natural inland wetlands in its region, with a particular focus on restoring the values of ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity values.</p>		
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<p>3.23 Mapping and monitoring natural inland wetlands</p>	<p>3.23 Mapping and monitoring natural inland wetlands</p> <p>(1) Every regional council must identify and map every natural inland wetland in its region that is:</p> <p>(a) 0.05 hectares or greater in extent; or</p> <p>(b) of a type that is naturally less than 0.05 hectares in extent (such as an ephemeral wetland) and known to contain threatened species.</p> <p>(2) However, a regional council need not identify and map natural inland wetlands located in public conservation lands or waters (as that term is defined in the Conservation General Policy 2005 issued under the Conservation Act 1987).</p> <p>(3) In case of uncertainty or dispute about the existence or extent of a natural inland wetland, a regional council must have regard to the Wetland Delineation Protocols (see clause 1.8).</p> <p>(4) The mapping of natural inland wetlands must be completed within 10 years of the commencement date, and the regional council must prioritise its mapping, for example by:</p> <p>(a) first, mapping any wetland at risk of loss of extent or values; then</p> <p>(b) mapping any wetland identified in a farm environment plan, or that may be affected by an application for, or review of, a resource consent; then</p>		<p>The CIRMD will require mapping of the natural inland wetlands as set out in 3.23 Mapping and monitoring natural inland wetlands</p>
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	<p>(c) mapping all other natural inland wetlands of the kind described in subclause (1).</p> <p>(5) Every regional council must establish and maintain an inventory of all natural inland wetlands mapped under this clause, and the inventory:</p> <p>(a) must include, at a minimum, the following information about each wetland: (i) identifier and location</p> <p>(ii) area and GIS polygon</p> <p>(iii) classification of wetland type</p> <p>(iv) any existing monitoring information; and</p> <p>(b) may include any other information (such as an assessment of the values applying to the wetland and any new information obtained from monitoring).</p> <p>(6) Every regional council must:</p> <p>(a) develop and undertake a monitoring plan that:</p> <p>(i) monitors the condition of its natural inland wetlands (including, if the council chooses, wetlands referred to in subclause (2)); and</p> <p>(ii) contains sufficient information to enable the council to assess whether its policies, rules, and methods are ensuring no loss of extent or values of those wetlands; and</p>		
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	(b) have methods to respond if loss of extent or values is detected		
3.24 Rivers	<p>3.24 Rivers</p> <p>(1) Every regional council must include the following policy (or words to the same effect) in its regional plan: "The loss of river extent and values is avoided, unless the council is satisfied that:</p> <p>(a) there is a functional need for the activity in that location; and</p> <p>(b) the effects of the activity are managed by applying the effects management hierarchy."</p> <p>(2) Subclause (3) applies to an application for a consent for an activity:</p> <p>(a) that falls within the exception to the policy described in subclause (1); and</p> <p>(b) would result (directly or indirectly) in the loss of extent or values of a river.</p> <p>(3) Every regional council must make or change its regional plan to ensure that an application referred to in subclause (2) is not granted unless:</p> <p>(a) the council is satisfied that:</p> <p>(i) the applicant has demonstrated how each step in the effects management hierarchy will be applied to any loss of extent or values of the river (including cumulative effects and loss of potential</p>	<p>4.2.2 Objective – Natural Character of Lakes, Rivers and Wetlands and their Margins</p> <p>(i) The control of inappropriate use, development and subdivision where it may adversely affect the natural character of lakes, rivers and wetlands and their margins.</p> <p>4.2.2.1 Policies</p> <p>(i) The adverse effects of activities on natural character should be avoided, remedied or mitigated in terms of:</p> <p>(a) natural flows and levels,</p> <p>(b) water quality,</p> <p>(c) ecosystem functioning and health,</p> <p>(d) indigenous vegetation and habitats,</p> <p>(e) historic heritage, cultural and recreational values.</p> <p>(iv) The disturbance of any bed or margin of river, lake or wetland by excavation, dredging, drilling, tunnelling, deposition or reclamation should not have more than a temporary effect on the life supporting capacity of ecosystems, amenity values and downstream users.</p> <p>(v) Vegetation on the margins of lakes, rivers and wetlands should be sustainably managed where it will:</p> <p>(a) enhance or maintain water quality, through the interception of non-point source contamination from adjacent land,</p> <p>(b) enhance existing ecosystems,</p> <p>(c) maintain or enhance the natural character of lakes, wetlands, rivers and their margins,</p> <p>(d) maintain or enhance amenity values.</p> <p>4.2.2.2 Methods</p>	<p>Policy 3.24 needs to be inserted into the CIRMD as soon as possible without the need for a schedule 1 process. The plan review will need to ensure that there are methods in place to deliver this policy. Need specific provisions for the list of allowable activities.</p> <p>Need a provision that requires resource consent decisions to require the effects management hierarchy to be applied to the loss of extent and values of the river.</p>

	<p>value), particularly (without limitation) in relation to the values of: ecosystem health, indigenous biodiversity, hydrological functioning, Māori freshwater values, and amenity; and</p> <p>(ii) if aquatic offsetting or aquatic compensation is applied, the applicant has complied with principles 1 to 6 in Appendix 6 and 7, and has had regard to the remaining principles in Appendix 6 and 7, as appropriate; and</p> <p>(iii) there are methods or measures that will ensure that the offsetting or compensation will be maintained and managed over time to achieve the conservation outcomes; and</p> <p>(b) any consent granted is subject to:</p> <p>(i) conditions that apply the effects management hierarchy; and</p> <p>(ii) conditions that specify how the requirements in (a)(iii) will be achieved.</p> <p>(4) Every regional council must:</p> <p>(a) develop and undertake a monitoring plan:</p> <p>(i) to monitor the condition of its rivers; and</p> <p>(ii) that contains sufficient information to enable the council to assess whether its policies, rules, and methods are ensuring no loss of extent or values of the rivers; and</p>	<p>(i) Encouraging landowners to protect natural values by private agreements, conservation covenants, fencing and planting of margins.</p> <p>(ii) Using of guidelines, Codes of Practice and education workshops.</p> <p>(iii) Use of Rules which regulate activities which have the potential to have an adverse effect on the natural character of beds and margins of lakes, and rivers and wetlands.</p> <p>(iv) Esplanade reserves/strips to be set aside as conditions of subdivision consents where appropriate or otherwise negotiated with the landowner.</p> <p>(v) Purchase/designate land.</p> <p>5.3.4 Rural Zone Rules</p> <p>16. Activities In or near waterbodies. PA within 5 m of the bank of a river -if fences, access tracks, wetlands <1ha, or no erection of structures, no indigenous vegetation clearance, no change to the colour or clarity of water. Otherwise DA – necessity to locate it there, effects on water quality, ecosystems, cultural and community values.</p>	
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	<p>(b) have methods to respond if loss of extent or values is detected.</p> <p>(</p>		
3.26 Fish passage	<p>3.26 Fish passage</p> <p>(1) Every regional council must include the following fish passage objective (or words to the same effect) in its regional plan:</p> <p>"The passage of fish is maintained, or is improved, by instream structures, except where it is desirable to prevent the passage of some fish species in order to protect desired fish species, their life stages, or their habitats."</p> <p>(2) Every regional council must make or change its regional plan to include policies that:</p> <p>(a) identify the desired fish species, and their relevant life stages, for which instream structures must provide passage; and</p> <p>(b) identify the undesirable fish species whose passage can or should be prevented; and</p> <p>(c) identify rivers and receiving environments where desired fish species have been identified; and</p>	<p>4.2.2.1 Policies</p> <p>(ii) Any new structure on the bed of any lake or river, should, where necessary, provide for fish passage through or past it.</p> <p>(iii) Structures that do not have a functional need to locate in rivers, lakes or wetlands or their margins should be avoided, particularly in unmodified areas.</p> <p>5.3.4 Rural Zone Rules</p> <p>15. Quarries – PA if at scheduled sites, doesn't affect water quality, and fish passage is not impeded. Otherwise DA – effects on water quality and fish passage.</p> <p>20. Taking of water – PA in certain circumstances where flows and levels mean fish passage is not impeded. Otherwise DA – effect on aquatic life</p> <p>21. Damming and diversion of water – PA in certain circumstances where flows and levels mean fish passage is not impeded. Other wise DA – effect on ecosystems</p> <p>22. Structures in beds of lakes and rivers – PA in certain circumstances where they do not impede the passage of fish. Otherwise DA – effects on ecosystems and cultural values.</p>	<p>Existing policy may be enough to cover (1) given that there are no undesirable freshwater fish species on the Islands.</p> <p>Objective 3.26 needs to be inserted into the CIRMD as soon as possible without the need for a schedule 1 process. The plan review will need to ensure that there are methods, policies and rules in place to deliver this objective.</p> <p>Need to include a policy that identifies desired fish species and their relevant life stages, as well as the rivers and receiving environments where they have been identified. This will require significant science help.</p> <p>Need to include rules covering matters to have regard to for a consent application consideration.</p>

	<p>(d) identify rivers and receiving environments where fish passage for undesirable fish species is to be impeded in order to manage their adverse effects on fish populations upstream or downstream of any barrier.</p> <p>(3) When developing the policies required by subclause (2) a regional council must:</p> <p>(a) take into account any Freshwater Fisheries Management Plans and Sports Fish and Game Management Plans approved by the Minister of Conservation under the Conservation Act 1987; and</p> <p>(b) seek advice from the Department of Conservation and statutory fisheries managers regarding fish habitat and population management.</p> <p>(4) Every regional council must make or change its regional plan to require that regard is had to at least the following when considering an application for a consent relating to an instream structure:</p> <p>(a) the extent to which it provides, and will continue to provide for the foreseeable life of the structure, for the fish passage objective in subclause (1)</p> <p>(b) the extent to which it does not cause a greater impediment to fish movements than occurs in adjoining river reaches and receiving environments</p>		
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	<p>(c) the extent to which it provides efficient and safe passage for fish, other than undesirable fish species, at all their life stages</p> <p>(d) the extent to which it provides the physical and hydraulic conditions necessary for the passage of fish</p> <p>(e) any proposed monitoring and maintenance plan for ensuring that the structure meets the fish passage objective in subclause (1) now and in the future.</p> <p>(5) Every regional council must make or change its regional plan to promote the remediation of existing structures and the provision of fish passage (other than for undesirable fish species) where practicable.</p> <p>(6) Every regional council must prepare an action plan to support the achievement of the fish passage objective in subclause (1), and the action plan must, at a minimum:</p> <p>(a) set out a work programme to improve the extent to which existing instream structures achieve the fish passage objective; and</p> <p>(b) set targets for remediation of existing instream structures; and</p> <p>(c) achieve any environmental outcomes and target attribute states relating to the abundance and diversity of fish.</p>		
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	<p>(7) The work programme in an action plan must, at a minimum:</p> <p>(a) identify instream structures in the region by recording, for each structure:</p> <p>(i) all the information in Part 1 of Appendix 4; and</p> <p>(ii) any other information about the structure, such as the information in Part 2 of Appendix 4; and</p> <p>(b) evaluate the risks that instream structures present as an undesirable barrier to fish passage; and</p> <p>(c) prioritise structures for remediation, applying the ecological criteria described in table 5.1, of the New Zealand Fish Passage Guidelines (see clause 1.8); and</p> <p>(d) document the structures or locations that have been prioritised, the remediation that is required to achieve the desired outcome, and how and when this will be achieved; and</p> <p>(e) identify the structures that have been remediated since the commencement date; and</p> <p>(f) specify how the ongoing performance of remediated structures will be monitored and evaluated, including the effects of the structure on the abundance and diversity of desired fish species.</p>		
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	<p>(8) An action plan for fish passage may be part of, or separate from, an action plan prepared for any purpose under this Part, but clause 3.15, about preparing action plans, applies in either case.</p>		
<p>3.27 primary contact sites</p>	<p>3.27 Primary contact sites</p> <p>(1) Every regional council must monitor primary contact sites for:</p> <p>(a) their risk to human health; and</p> <p>(b) their suitability for the activities that take place in them (for example, by monitoring whether there is slippery or unpleasant weed growth, and the visual clarity of the water).</p> <p>(2) For every primary contact site in an FMU, the regional council must identify one or more monitoring sites representative of the primary contact site or a number of primary contact sites.</p> <p>(3) Every regional council must identify, for each primary contact site in its region, a time period (a bathing season) during the year when the regional council considers that the site is regularly used, or would be regularly</p>		<p>The CIRMD must include monitoring of primary contact sites as set out in 3.27 of the NPSFM.</p> <p>However it doesn't need to be included in the CIRMD itself.</p>

	<p>used but for existing freshwater quality, for recreational activities.</p> <p>(4) During the bathing season for primary contact sites, every regional council must undertake weekly sampling for E. coli at each relevant monitoring site.</p> <p>(5) However, if a single sample taken during the bathing season from a monitoring site is greater than 260 E. coli per 100 mL, the regional council must (unless the council is satisfied that the elevated result is temporary or the cause is being addressed):</p> <p>(a) increase sampling frequency to daily, where practicable; and</p> <p>(b) take all practicable steps to identify potential causes of microbial contamination.</p> <p>(6) If a single sample from a monitoring site is greater than 540 E. coli per 100 mL, the regional council must, as soon as practicable, take all practicable steps to notify the public and keep the public informed that the site is unsuitable for primary contact, until further sampling shows a result of 540 E. coli per 100 mL or less.</p> <p>(7) A regional council may comply with subclause (6) by, for example, erecting signs and publicising the situation, or liaising with an environmental health officer or other relevant body or person to co-ordinate how to inform the public about the situation.</p>		
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3.28 Water allocation	<p>3.28 Water allocation</p> <p>(1) Every regional council must make or change its regional plan to include criteria for:</p> <p>(a) deciding applications to approve transfers of water take permits; and</p> <p>(b) deciding how to improve and maximise the efficient allocation of water (which includes economic, technical, and dynamic efficiency).</p> <p>(2) Every regional council must include methods in its regional plan to encourage the efficient use of water.</p>	No relevant provisions	<p>Need to include provisions in the CIRMD to include criteria set out in 3.28 of NPSFM to approve transfers of water permits (this may not be relevant on the islands), deciding how to improve and maximise efficient allocation of water, and encourage the efficient use of water.</p>
3.29 Freshwater accounting systems	<p>3.29 Freshwater accounting systems</p> <p>(1) Every regional council must operate and maintain, for every FMU:</p> <p>(a) a freshwater quality accounting system; and</p> <p>(b) a freshwater quantity accounting system.</p> <p>(2) The purpose of the accounting systems is to provide the baseline information required:</p> <p>(a) for setting target attribute states, environmental flows and levels, and limits; and</p>		<p>Need to set out freshwater accounting systems in the CIRMD as per 3.29 NPSFM.</p> <p>But do need to look into more about whether this is included in the CIRMD or outside of the plan.</p>

	<p>(b) to assess whether an FMU is, or is expected to be, over-allocated; and</p> <p>(c) to track over time the cumulative effects of activities (such as increases in discharges and changes in land use).</p> <p>(3) The accounting systems must be maintained at a level of detail commensurate with the significance of the water quality or quantity issues applicable to each FMU or part of an FMU.</p> <p>(4) Every regional council must publish information from those systems regularly and in a suitable form.</p> <p>(5) The freshwater quality accounting system must (where practicable) record, aggregate, and regularly update, for each FMU, information on the measured, modelled, or estimated:</p> <p>(a) loads and concentrations of relevant contaminants; and</p> <p>(b) where a contaminant load has been set as part of a limit on resource use, or identified as necessary to achieve a target attribute state, the proportion of the contaminant load that has been allocated; and</p> <p>(c) sources of relevant contaminants; and</p> <p>(d) the amount of each contaminant attributable to each source.</p>		
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	<p>(6) The freshwater quantity accounting system must record, aggregate, and regularly update, for each FMU, information on the measured, modelled, or estimated:</p> <p>(a) amount of freshwater take; and</p> <p>(b) the proportion of freshwater taken by each major category of use; and</p> <p>(c) where a take limit has been set, the proportion of the take limit that has been allocated.</p> <p>(7) In this clause, freshwater take refers to all takes and forms of water consumption, whether metered or not, whether subject to a consent or not, and whether authorised or not.</p>		
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9. Chatham Islands

9.1 Chatham Islands Investment Strategy

Date of meeting	23 February 2023
Agenda item number	9.1
Author/s	Owen Pickles, Chief Executive

Purpose

Information for Council on the refresh of the Chatham Islands Investment Strategy.

Recommendations

THAT Chatham Islands Council receives the minutes and notes from the Chatham Islands Investment Strategy workshop.

Background

A Chatham Islands Investment Strategy workshop was held on 22 March 2023 at Council Chambers. Attendees included members from the DIA and Regional Public Service Commission, Chatham Islands Council, Chatham Islands Enterprise Trust, Hokotehi Moriori Trust and Ngati Mutungs o Wharekauri Iwi Trust.

Attached to this report are the minutes and notes from the workshop, along with a copy of the presentation.



Chatham Islands Investment Strategy

Update to government agencies on
the approach to reviewing the
Chatham Islands Investment Strategy



What is the Chatham Islands Investment Strategy?

- The Strategy reflects the vision that Chatham Islanders have for their community. It helps to communicate that vision with government and other funders across five areas of investment – infrastructure, environment, economic, social, and cultural.
- Each outcome area has a set of focus areas – these are priority investment areas identified by the community over a four-year period. There are three flagship projects which were prioritised in 2019. These are the airport runway extension, telecommunications connectivity, and renewable energy.
- You can find a copy of the current 2019 Investment Strategy [here](#) or on the Chatham Island Council website.

Why it is being reviewed?

- The initial strategy was developed in 2019 by the four key Chatham Islands entities, with support from Department of Internal Affairs (DIA), and is scheduled to be reviewed in 2023.
- Cabinet agreement in 2017 where it was agreed the Minister of Internal Affairs would be the Minister responsible for reporting back to Cabinet on progress from the 2019 Strategy and signing off on the final strategy document
- The duration of the refreshed strategy will cover the next four years (TBC).

Approach to reviewing the Strategy

- The review of the Strategy is Island led. Representatives from the four entities are leading the review with support from DIA and the Regional Public Service Commission (RPSC).
- Approach to completing the review involves:
 - Series of workshops with the four entities (Dec 2022 through to June 2023)
 - Public consultation (March- April 2023)
 - Engagement with government agencies (March – June 2023)
 - Ministerial sign off (June - July 2023)
 - Strategy Launch (late July - August 2023)
 - Next Stakeholder Hui (On-island July/August 2023)



How can govt agencies support the process?

- Opportunity to **improve visibility** between the islands aspirations and what's currently on government agencies work programme
- Opportunity to **influence future government agencies work programmes** to support island aspiration
- Participation on working groups to support **joined up advice** back to Ministers

Bi-Annual Stakeholder Hui - Update

- The last bi-annual stakeholder hui was held on 9 September 2022
- Key actions identified in Appendix One
- A number of actions have been superseded by the review of the Strategy (i.e establishment of working groups)
- Future bi-annual Stakeholder hui's will focus on
 - progress on delivering the Strategy where there is current alignment with govt agencies
 - confirming an approach to influence future govt agency work programmes where possible; and
 - resolution or escalation of immediate issues where applicable
- The next Stakeholder Hui is tentatively scheduled for late July/August 2023. This will be on island and will focus on the aspirations identified in the Strategy.
- The following Stakeholder Hui is scheduled for November 2023 and will be in Wellington.

Appendix 1: Bi-Annual Stakeholder Hui Key actions

The last bi-annual stakeholder hui was held on 9 September 2022:

Key actions:

- **ACTION: RPSC** Establish Haoura working group (**SUPERSEDED BY STRATEGY APPROACH**)
- **ACTION: IRD** to explore possibility of GST or excise tax support or other avenues that could support Chathams (**COMPLETED**)
- **ACTION: MSD** regional development policy group. Looking at it from a system perspective to provide a package of support – bespoke and longer-term system solutions. (**TBC**)
- **ACTION: MSD** to look at current policy settings around welfare/hardship payments to provide support on power bill for lower income earners. (Change of benefit settings): Income setting for Community service card – it's about everyday support not just in an emergency. (**TBC**)
- **ACTION RPSC:** Set up petrol/renewable energy working group: (**SUPERSEDED BY STRATEGY APPROACH**)
- **ACTION KĀNOA:** Kānoa to seek clarification from Minister Nash on when the meeting date will occur with the Enterprise Trust. (**COMPLETED**)
- **ACTION KĀNOA:** Kānoa to bring other agencies together that they have spoken to previously to see what they can contribute to the cost if Kānoa can now contribute \$2.5M (**COMPLETED**)
- **ACTION MOT:** Need to work with CI shipping on longer term supply chain strategy for Chatham Islands (25-year view) (**TBC**)
- **ACTION (MOT):** Continue to work in Air Chathams on air connectivity to the island? (**TBC**)
- **ACTION RPSC/DIA:** Work with MOT and MPI on what the next steps are and what additional support is needed from other agencies (**ON-GOING**)
- **ACTION RPSC/DIA:** Establish Freight pathway working group and ensuring community voice is included in this forum. Need to meet with MPI and MoT first to ensure we are clear on the scope of the working group. (**SUPERSEDED BY STRATEGY APPROACH**)
- **ACTION:** NGĀTI MUTUNGA/TOA/KĀINGA ORA to continue with resource consents and work with Kāinga ora – 2-year process to land houses (potentially up to 20 homes) (**ON-GOING**)
- **ACTION RPSC:** Confirm with Gail that there is an existing Housing working group wrapped around this mahi. (**COMPLETED**)

Chatham Islands Investment Strategy Refresh Workshop 4

On- Island - Chatham Islands Council Chambers – 22 March 2023

Forum Planning & Developing Content - Minutes

Attendees: Chair – Eamon Coulter RPSL – RPSC

RPSC – Ben Clark – Commissioner for Chatham Islands

CI Council – Mayor Monique Croon, Deputy Mayor Keri Lea Day & CE Owen Pickles

CI Council Councillors – Greg Horler, Judy Kamo & Graeme Hoare

CIET – Alison Turner & Noel Brown

NM – Deena Whaitiri & Hone Tibble

HMT – Debbie Goomes

DIA – Roanna Grover & Jodie Cayford

Apologies: Paul Eagle MP and Brian Dawson, Gail Amaru, Tony Blackett

Agenda

1. Karakia/Karakii
2. Introductions
3. Planning for the next Stakeholder Forum
4. Approach to engaging with Crown Agencies
5. Public consultation – final reminder for questionnaires
6. Any other business
7. Next steps
8. Closing Karakia/Karakii

Planning for the next Stakeholder Forum

- Discussion about the purpose and timing of the Forum and alignment with the CI Investment Strategy refresh.
- Agreement was made during the hui that Ngāti Mutunga o Wharekauri Iwi Trust will be the next Forum lead.
- Timing and location (on-Island) was agreed by the group for late July/early August for the next CI Forum. This timing will allow officials to be well placed to brief new Ministers following elections in October.
- Agreement from the four entities was reached for the focus of the Forum – to present the final Strategy to agency officials and have them walk the whenua (a mini tour) to see some of the strategy outcomes/achievements - completed projects that sit within the Strategy.

Action Points:

- Roanna to email by 31 March 2023 the four entities seeking a key point of contact from each entity group for the Forum and a back-up contact to assist with CI Forum planning.

Approach to engaging with Crown Agencies

- The entities agreed that as part of presenting the Strategy to agencies they would like to highlight the purpose of the Strategy and its relationship with the Forum which underpins the five focus outcome areas.
- The timing of Budget and post budget announcements was mentioned in relation to updating the agency work programmes document in May to reflect any key changes and capture new government priorities following budget announcements.
- Cost of living – the four entities anticipate an ongoing commitment from government to continue to support the Chathams by exploring potential options that are available.
- It was highlighted that a cross agency effort is needed to support the Chatham Islands given there is no lead agency that has responsibility for the Chathams
- Election timing was discussed and it was mentioned that BIMS are a great way for agencies to brief Ministers on the complex challenges of the Chatham Islands and update them about agency work programmes that relate to the Chatham Islands and the Investment Strategy.
- The aspiration for the Island to have a Chatham Islands Minister was made by Owen Pickles – he referenced the work Annette King and Chris Finlayson did for the Island-Airport and Waitangi Wharf. It was decided this could be added to the refreshed strategy document as an aspiration.
- The four entities acknowledged the challenges of them all working collectively on priorities for the Island but noted the proven benefits of working collectively and engaging with the Crown.
- Deena highlighted the importance of decision makers in the room at Forums and in working groups. Managers - not just analysts and advisors.
- Eamon mentioned the importance of the agency contact list and convening of agency working groups – often one agency isn't solving issues.
- It was noted that issues are passed on and don't gain traction when there isn't an alignment with agency work programmes/funds – e.g. MBIE business case for renewable energy.
- A lack of cohesiveness was raised in relation to the relationship between the Crown and the four entities - Ben highlighted the three key tools: Strategy – RPSC Approach – convene and escalate – Briefing Ministers. Highlighting RPSC's ability to escalate complex issues and utilise this tool more.
- The entities reflected on projects they felt worked well. Alison noted the Airport and also reflections on various projects and learnings.
- Closing the gap was noted for the approach to Crown Agencies – clear Strategy aspirations and a clear understanding of what agencies can support. A clear and consistent pathway to convene, manage and escalate.
- accountability from agencies will be achieved through: A contact list that is regularly maintained, agency information sessions, the agency work programmes document and agency working groups that meet outside of the Forums.
- Agency working groups should be focussed around outcome areas in the Strategy with co-leads.
- The working group concept was discussed as an ongoing mechanism feeding into the Forums. The focus would be to prioritise key issues short, mid-term and long term.
- Prioritisation of the Forum and working groups being a key feeder into the efficiency of the Forum.
- Four entities to:
 - o Determine the makeup of the working groups
 - o Identify what the four entities role is after the Strategy is completed – ongoing checking in – staying connected.
 - o Collective understanding and agreement of priorities across the entities – one voice
 - o Advocacy/Monitoring – identifying who and how – four entities mandate

Action Points:

- Eamon to populate working group operating models for the four entities to consider as a group at IS Workshop 5 on **11 April 23**.

Public consultation – final reminder

- Reminder that the close off date for Chatham Islanders to have their say via the Strategy questionnaires is 31 March 2023.

Action Points:

- Eamon connecting with ECan and circulating final say questionnaire comms to the four entities to publish on their online channels – circulated within 48 hours of hui.
- Following Jessica's departure from the work programme, Eamon will undertake the data analysis and reporting back mahi from the questionnaires – identifying the key themes and trends.

Any other business

- CIET requested an update from Jodie about the Infrastructure and Assets review.
- Jodie advised the draft report was still with Ministers, given the potential recommendations had fiscal implications. The entities were advised Bruce Anderson will be in touch in due course to set meetings up to discuss the draft report.
- A question was asked about the report going to Cabinet (Noel) – Jodie advised there is no requirement for it to go to Cabinet and noted the MoF may choose to take it to Cabinet.

Next Steps

- April 11th confirmed still for the next four entities, RPSC and DIA workshop for the Strategy refresh work. The focus will largely be around feedback from the community engagement questionnaires.

Action Points

- Ro to circulate the minutes from this workshop (four) by Friday 31st March 2023.
- Ro to circulate the updated agency contact list to the four entities for Workshop 5 – 11th April.
- Ro to update the agency work programmes document following the agency information sessions before Workshop 5 – 11th April.
- Eamon to progress the working group operating models to discuss at the next workshop – April 11th 2023.

Action Points

Action	Person Responsible	Status
Debbie Goomes will lead the purpose statement for	Debbie Goomes	Initial draft completed

the four entities/on behalf of the group – all agreed.		
All agreed – Eamon to do the analysis of data from community engagement – identify key themes and trends for next workshop	Eamon Coulter	In progress – Report initial findings due to four entities in IS Workshop 5 on 11 th April and reporting back to community mahi due by end of April
Roanna to email the four entities IS Workshop 4 minutes and seek a key point of contact and backup contact from each entity group for the Forum	Roanna Grover	In progress - Due 31 st March Now sending CoP 5 th April due to illness
Roanna to circulate the updated agency contact list by 11th April 2023 to the four entities.	Roanna Grover	In progress – due by 11 th April
Eamon to populate working group operating models for entities to consider	Eamon Coulter	To be presented at IS Workshop 5 on April 11 th
Agency work programmes document to be updated by Ro following the agency information sessions	Roanna Grover	In progress - Due by 11 th April

9. Chatham Islands

9.2 Letter from MABx Rēkohu Wharekauri Apiculture Collective

Date of meeting	27 April 2023
Agenda item number	9.2
Author/s	Owen Pickles, Chief Executive

Purpose

Discussion paper for introducing a Bee Bylaw.

Recommendations

THAT Chatham Islands Council receives letter from MABx Rēkohu Wharekauri Apiculture Collective.

Background

A letter has been received from Kaai Silberry, on behalf of MABx Rēkohu Wharekauri Apiculture Collective requesting that Council consider a Bee Bylaw as a means to protect the apiculture on the Chatham Islands.

The letter from Ms Silberry is attached. Ms Silberry has requested to speak to her letter at the Council meeting.



18 April 2023

Owen Pickles
Chief Executive Officer
Chatham Islands Council
Email: owen@cic.govt.nz

Protection of our Chatham Islands Bees – By-law

“Keeping our Islands free of pests and organisms that are harmful to bees by the exclusion of identified imported Bee products, materials and equipment.”

Tena koe Owen

We are a group of enthusiastic bee entrepreneurs and apiculturists aspiring to protect, grow and teach current and future generations the importance of our Chatham Islands bees. We are currently working to collectivise and develop the Chatham Islands’ apiculture industry under the Māori Agribusiness Extension Programme funded by the Ministry of Primary Industries. A central focus of our work is to promote the well-being of our environment and community, and we have the potential to make a significant contribution to solving the global bee crisis, given the our unique position as one of only 3 remaining places on earth with a healthy bee population free from pests and diseases which have had catastrophic effects of bees globally, including in mainland Aotearoa New Zealand.

The Biosecurity Act 1993 provides for the eradication and effective management of harmful or potentially harmful organisms, and for the Islands this is implemented through the *Chatham Islands Pest Management Strategy 2021* (Strategy).

We note the strategy identifies three pests and organisms as treats to our bees. Firstly, the common wasp and we acknowledge the important work that has been done in the past and to date with monitoring, responding and eradicating wasps that have made their way to the Islands.

Secondly, Varroa Bee Mite. It is important to recognise that our Islands bees are Varroa Mite free and it is our unique isolated environment that has thus far provided a sanctuary for bees to thrive and grow in a disease free habitat. Thirdly, the American Foul Brood and the treat this poses on our bees.

While we note that the Strategy makes provision for the protection of our local bee population by identifying specific threats and the adoption of an eradication and/or exclusion approach. It does not extend to the exclusion of foreign bee products, and second-hand/used materials and equipment being imported into the Islands. In light of the significant risk these products, materials and equipment pose as potential carriers of Varroa Mite and American Foul Brood in particular, we feel a greater protection mechanism by way of a bylaw would be beneficial to the future wellbeing of our environment, community and more importantly our bees.

At present there is no monitoring and regulatory regime in place to identify and manage what is and what is not is a safe bee product, material or equipment coming into the Island.



This has been identified as a significant risk to our bees and the potential growth of our apiculture industry.

As a first step forward we would formally like to speak to our letter regarding the potential of a bylaw with yourself, Mayor and Councillors in working towards greater protection of our Islands bees.

We look forward to hearing from you accordingly.

Ngā mihi

Kaai Silbery
Project Coordinator
On behalf of:
MABx Rēkohu Wharekauri
Apiculture Collective

+64 (0) 22 522 5044
kaaisilbery@gmail.com

Public Excluded Agenda

27 April 2023

Mayor to Move

I move that the public be excluded from the following part of the proceedings of the meeting.

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

Item No.	Minutes / Report of:	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Chief Executive	Public Excluded Minutes 23 March 2023	Good reason to withhold exists under Section 7	Section 48(1)(a)
2.	M Croon, Mayor	Public Excluded Minutes 29 March 2023	Good reason to withhold exists under Section 7	Section 48(1)(a)
3.	M Croon, Mayor	CERC Information paper	Good reason to withhold exists under Section 7	Section 48(1)(a)

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

Item Nos	
1.	Would be likely to prejudice the commercial position of the person or persons who are the subject of the information. 7(2)(b)(ii) To maintain legal professional privilege. 7(2)(h) To enable the Council holding the information to carry out, without prejudice or disadvantage, commercial activities. 7(2)(i)
2.	Would be likely to prejudice the commercial position of the person or persons who are the subject of the information. 7(2)(b)(ii) To maintain legal professional privilege. 7(2)(h) To enable the Council holding the information to carry out, without prejudice or disadvantage, commercial activities. 7(2)(i)
3.	Would be likely to prejudice the commercial position of the person or persons who are the subject of the information. 7(2)(b)(ii) To maintain legal professional privilege. 7(2)(h) To enable the Council holding the information to carry out, without prejudice or disadvantage, commercial activities. 7(2)(i)

and that appropriate officers remain to provide advice to the Committee.