

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Finance and Corporate Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 26 November 2014 commencing at 11.30 am

Present:

Cr David Shepherd (Chairperson)
Cr Gary Kelliher (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Louise Croot MNZM
Cr Michael Deaker
Cr Gerrard Eckhoff
Cr Trevor Kempton
Cr Gretchen Robertson
Cr Bryan Scott
Cr Stephen Woodhead

Apologies:

Cr Sam Neill
The apology was accepted.

In attendance:

Peter Bodeker
Wayne Scott
Jeff Donaldson
Jane Leahy
Fraser McRae
Gavin Palmer
Janet Favel

CONFIRMATION OF AGENDA

There were no changes to the agenda.

MINUTES

The minutes of the meeting held on 15 October 2014, having been circulated, were adopted on the motion of Crs Bell and Croot.

Matters arising from minutes

There were no matters arising from the minutes.

PART A – PRESENTATION

Item 1 **Otago Regional Rescue Helicopter Trust Annual Report**

Mr Ross Black, Trust Chairman, Graeme Gale, Operational Manager, and Ken Franklin, Trust Manager, presented the Trust's 2014 Annual Report.

Mr Black noted in his presentation:

- Actual income reduced by 2.5%, hours increased by 8.6%, costs increased by 20% above previous year.
- Donations \$856,000 for the year – increase of 50%. Largest donor is ORC – the support was acknowledged and appreciated.
- Community would need to fund a greater share of the costs.
- Administration costs \$35,000 last year, \$74,000 this year – part of increase due to appointment of Trust Manager Ken Franklin.
- Loss for the year \$32,000.
- Want to build up reserves for replacement of helicopter, and other expenses.
- ACC hours have increased 3%, income has reduced 4%.
- Ministry of Health (MOH) hours have increased 52%, income has increased 10%. This level of growth is unsustainable, and ORHT has been in discussions with MOH since June.
- The Trust is the most cost effective in the country, and has a good relationship with Mr Gale and Helicopters Otago. The Trust has saved many lives, and contributed to improved recoveries.

Mr Franklin, Trust Manager, spoke about the new contract with MOH. The Ministry's one size fits all contract did not take account of Otago's large area with difficult terrain, high number of flights annually, relatively small population, high number of visitors, and weather. An additional fixed payment from MOH for the balance of the contract to March 2018 of \$400,000 per year had been secured. Mr Franklin noted that much of the change in demand for the Trust's services had arisen from policy change by the MOH.

Since his appointment in February Mr Franklin had talked to many communities in the region about the work and funding of the Trust. He commented that many people, particularly in rural communities, viewed the services as significant and/or essential. Mr Franklin commended Mr Gale on the award from CAA for the contribution to air industry safety standards by Helicopters Otago.

Mr Gale commented that the increased number of flying hours meant that aircraft checks were required more often, and more pilots had to be available. He also talked about the major upgrade of the primary machine, and pilot training, to achieve IFR (Instrument Flight Regulation) certification. Mr Gale showed a short video of the types of incidents the service attended.

Cr Woodhead stated that ORC was proud of its contribution to the work carried out by the Trust. The MOH contract was discussed, and Mr Black

advised that a number of factors were causing concern in relation to the increased use of helicopter services. The service was previously funded through St John, who sent a helicopter when necessary and this was funded from their national funding contract. MOH sent a helicopter to any call, rather than first giving treatment at a regional centre. He expected that increasingly helicopters would respond to emergencies whether necessary or not. Mr Black considered that the situation was not getting the national traction it deserved, and ORHT would step up its leadership in that respect.

It was noted that with the appointment of Mr Franklin, Mr Black was stepping down from a lot of the administration work he had done and his contribution to the Trust was acknowledged.

PART B - RECOMMENDATIONS

Item 2

2014/1676 **Regional Public Transport Plan Otago 2014.** DCS, 11/11/14

Cr Aaron Hawkins, DCC, Gerard Collings, ORC Support Services Manager, and Suzanne Watt, ORC Project Manager Public Transport Planning were present for this item.

The report noted that the Subcommittee had considered submissions received on the Draft RPTP and recommended a number of changes to the draft Plan. The full plan was circulated separately with the agenda.

Cr Deaker welcomed Cr Hawkins and commented that it had been useful to have a DCC representative on the RPTP hearing panel. He noted that many submissions supported the proposals for more direct and frequent routes, the bus hub, and the ridge rider route. Others advocated for their suburb or personal needs, including Brockville/Halfway Bush, Corstorphine, and Concord services. There was strong advocacy for new routes including Dunedin Airport, Orokonui, and Wakatipu School Transport, and for regular services to Dunedin Public Hospital.

Cr Hawkins thanked ORC for inviting him to join the hearing panel, and noted the importance of both DCC and ORC having a good understanding of the public transport network. He also noted the increasing interest in cycling and public transport. He was pleased that the community would have the opportunity to submit to the ORC's LTP on fares.

Cr Woodhead commented that this was the biggest review of passenger transport for some time, and that it incorporated the NZTA's Passenger Transport Operating Model (PTOM). He thanked the hearing panel and staff for their work, and noted that the final document reacted to the need to simplify and streamline routes. Cr Woodhead noted the continuing underlying message in relation to public transport – use it or lose it.

Cr Deaker moved
Cr Kempton seconded

That:

- 1. The Finance and Corporate Committee endorse the Regional Public Transport Plan Hearings Subcommittee's recommendations contained within this report, and*
- 2. The Finance and Corporate Committee recommend Council adopt the Regional Public Transport Plan Otago 2014 appended to this report, and*
- 3. The Director Corporate Services be authorised to make minor editorial changes to the appended Plan necessary to give effect to the Hearings Subcommittee's recommendations prior to printing the publication.*

Motion carried

Item 3

2014/1822 **Significance and Engagement Policy.** DCS, 13/11/14

Sharon de Vries, Corporate Analyst, was present for this item.

The report noted submissions received on the Council's Significance and Engagement Policy, and the attached document presented for adoption showed the changes made as the result of submissions.

Cr Woodhead moved
Cr Croot seconded

- 1. That this report be received.*
- 2. That the amended Significance and Engagement Policy be adopted.*

Motion carried

Item 4

2014/1701 **Authorisations for designation.** DPPRM, 5/11/14

The report outlined the Otago Regional Council's current designations, and recommended changes the ORC might make as part of the Dunedin City Council's district plan review. It was requested that Council authorise these recommendations or provide alternative instruction.

Mr Scott noted the recommendation that the DCC be requested to uplift the designation on the old Riccarton Road site, and suggested an additional recommendation 2(c) that designation be requested for the new Dukes Road depot.

The recommendation that Designation D214 'Principle premises of the ORC', junction of Kitchener and Birch Street be retained was noted. Mr

Scott explained that a decision was yet to be made on the use of this site, so it was suggested that the designation remain unchanged.

Cr Woodhead moved

Cr Deaker seconded

That the Council:

1. *Request DCC to uplift designations D212 [East Taieri] and D213 [Pest Services Depot].*
2. *Request new designations for:*
 - (a) *Lower Taieri Flood Scheme and West and East Taieri Pump Stations, and*
 - (b) *Leith Flood Protection Scheme, and*
 - (c) *Dukes Road depot.*
3. *Consult with affected land owners as outlined in section 4 of the report.*

Motion carried

Item 5

2014/1840 **Director's report.** DCS, 14/11/14

The report described significant activities carried out by the Finance and Corporate sections since the last meeting of the Committee, under the headings NZTA Financial Assistance Rate (FAR), Oamaru Presence, Otago Rural Fire Authority (ORFA) Funding, Account Payments, and Bank Signatory.

Councillors supported the provision of ORC office space in Oamaru, to give the Council a presence in North Otago.

Cr Croot moved

Cr Eckhoff seconded

- (1) *That this report be received.*
- (2) *That the payments and investments summarised in the table above and detailed in the tabled schedule totalling \$13,519,619.92 be endorsed.*
- (3) *That Sarah Munro be authorised as a signatory to the Council's bank accounts.*

Motion carried

The meeting closed at 12.48 pm



Chairperson