

Council Controlled Organisations

This section provides an overview of Council Controlled Organisations and their activities.

Milford Community Trust

Background

The Milford Community Trust was established in 2007 to provide leadership and governance, and supply infrastructure services for the Milford community in Milford Sound *Piopiota*. The Trust allows local people to determine their priorities and provides appropriate consultation and open public meetings, similar to one of Council's Community Boards. The inaugural meeting of the Trust was held on 18 April 2007.

Ownership and control of the organisation

The Milford Community Trust was established following a process of consultation with residents, agencies and businesses with interests in Milford in accordance with the special consultation process set out in the Local Government Act 2002. In terms of the Local Government Act, the Trust is defined as a Council Controlled Organisation reporting to the Southland District Council. The Trust was incorporated under the Charitable Trusts Act 1957 on 18 May 2007. The Charities Commission has approved the Trust as being exempt for tax purposes.

The Trust is governed by a Board of seven Trustees. Of these, three Trustees are appointed by right (Independent Chairperson, Te Anau Ward Councillor and one person elected by Community Association²). Four Trustees are appointed from persons who have been nominated by any member of the Milford community. Each Trustee is appointed for a four year term, but to ensure continuity of membership in the initial establishment of the Trust, only half of the initial seven Trustees will be appointed for four years. The remainder are appointed for two years to establish a rolling replacement programme for Trustees. Current representatives from stakeholder groups are shown in the table opposite.

Designation	Name	Term Expires
Independent Chair	Michael Schuck	30 June 2014
Te Anau Ward Councillor	Cr Diane Ridley	30 June 2010
Milford Community Association elected representative	Allan Cosgrove	30 June 2010
Milford Community appointee	John Robson	30 June 2011
Milford Community appointee	Andrew Welsh	30 June 2012
Milford Community appointee	Paul Phelan	30 June 2012
Milford Community appointee	Vacant	30 June 2011

Significant Policies

The Trust has developed a Communications Policy of its own in relation to its activities. It is expected that a full set of all relevant policies will be developed within the period covered by this statement. The Council itself does not have any significant policies in relation to the ownership and control of the organisation except for the Trust Deed which sets out the way in which business of the Trust is to be conducted.

Nature and Scope of Activities

Milford Community Trust's vision is the long term sustainability of Milford Sound *Piopiota*. Outputs from the Milford Community Trust activity primarily contribute to the achievement of the Our Way Southland Community Outcome Six - A treasured environment which we care for and which supports us now and into the future. The planned activities of the Trust in 2010/2011 are:

- Prepare a set of values, significant policy statements and code of ethics.
- Scope the project to prepare a concept plan for Milford.
- Progress a waste minimisation, recycling and management strategy in conjunction with MSDA and SDC.
- Complete a coordinated emergency response plan for fire, medical, civil defence and other events.
- Facilitate the purchase of emergency response equipment.
- Facilitate refurbishment of the gymnasium.
- Facilitate village improvements in conjunction with flood protection works on the Cleddau River delta area.
- Facilitate improvements in the public facilities at Deep Water Basin.
- Advocate for public toilets and shelter at the airport and completion of the walking track to the Lodge.

² The Milford Community Association is an informal forum for consultation and interaction between the Trust and the community. It meets at least annually. It will also administer the election of the Community Association Trustee by taking written nominations, advising of the election meeting and running the election.

Key Performance Measures and Targets

Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)			
What Council will provide	How Council will measure the service provided		
Level of Service	Key Performance Indicator	Target 10/11	Source
Maintain a structure that facilitates local decision-making.	Hold public forums in Milford each year.	1 ³	Agenda/minute records on file.
Keep the Milford community informed about Trust plans and outcomes.	Community newsletters (February, June, October each year).	3	Agenda/minute records on file.
Provide leadership and advocacy on major issues.	Number of Milford Community Trust meetings held annually.	4	Agenda/minute records on file.
Response to issues raised by the community.	Percentage of issues raised at Milford Community Association meetings responded to prior to next meeting.	85%	Action sheets.

Sources of Funding

Southland District Council –

Southland District Council will provide administration and technical advice to support the Trust and contribute to the costs of the Independent Chairperson. This administrative portion of the operations will be funded by the Council the same as in any other community in the District with Community Boards and Community Development Area Subcommittees.

Milford Community –

The operational and project costs detailed in the table opposite are those which the Milford Community Trust considers will provide benefit for the concessionaires at Milford and should be recovered from the Milford concessionaires through the implied concessionaire fee, apportioned as per the Department of Conservation apportionment of cost schedule. The total annual concession charged will be the average of the three years shown in the table plus/minus the forecast actual surplus/deficit of the year preceding this plan and allowing for a \$20,000 (plus GST) reserve to be created. This will be reviewed annually. For 2010/11, the total amount being sought from concessionaires is \$60,165 (plus GST).

Other Income –

In addition to the operational and project costs, there are also costs associated with other significant projects that fall either directly or indirectly under the influence of the Milford Community Trust but have all or a majority of proposed funding through means other than apportioned implied concessionaires fees. There may also be a portion of public good associated with these projects. These projects include: Cleddau River flood protection, Cleddau Village development, Deep Water Basin redevelopment, waste minimisation and recycling, walking tracks and airport toilets.

Budgeted Operational and Project Costs 2010/2011 (plus GST)

	2010/2011 Forecast	2011/2012 Forecast	2012/2013 Forecast
<i>Operational Costs:</i>			
Governance Costs ¹	\$46,800	\$46,800	\$46,800
Emergency response team operations	\$7,500	\$7,500	\$7,500
Consultant inputs to projects	\$20,000	\$20,000	\$20,000
ERT plant and equipment	\$5,000	\$5,000	\$5,000
Roading Maintenance	\$13,500	-	-
<i>Capital projects:</i>			
Walkway design	\$20,000	-	-
Total Costs	\$112,800	\$79,300	\$79,300
<i>Less SDC contribution to chairperson</i>	<i>\$12,339</i>	<i>\$12,339</i>	<i>\$12,339</i>
Total (funded from Milford Community)	\$100,461	\$66,961	\$66,961

¹ Governance costs include a local contribution to Chairperson's fees, Trustees' fees, mileage allowances if applicable, insurance, accommodation costs and general meeting costs.

³ The public forum meeting is likely to be held in association with November Trust meeting in order to assist with planning for the Draft Statement of Intent.

Southern Rural Fire Authority

Background

The Southern Rural Fire Authority (SRFA) was established through the amalgamation of five separate Rural Fire authorities (Southern Plantations RFD, Department of Conservation Southland Conservancy, Southland District Council, Gore District Council and Invercargill City Council) on 7 August 2003. It is responsible for the rural fire activities undertaken in the Southern Rural Fire District (SRFD). The Southern Rural Fire Authority was formed to allow the participants to enhance effective fire prevention, protection, suppression and other fire control measures within their respective areas at risk from uncontrolled fires. The Authority is also responsible for ensuring facilities and resources are available for the Reduction, Readiness, Response and Recovery from any forest or rural fire incident. In addition, the Authority supports and encourages resources to be used for wider community benefit at other types of incidents including motor vehicle accidents, medical first response and initial structure and vehicle fire suppression.

Ownership and control of the organisation -

Council makes a contribution to the Southern Rural Fire Authority to manage rural fire responsibilities across the region under the requirements of the Forest and Rural Fires Act 1977. This Act requires Rural Fire Authorities to take appropriate fire control measures.

A Board is responsible for the governance of the Authority and it is made up of eight representatives from its stakeholder groups. Two representatives are from the Southland District Council, two are from the Forestry industry and the remaining are from the Invercargill City Council, Gore District Council, Department of Conservation and the New Zealand Fire Service.

Significant Policies

The Authority's Rules of Governance note significant procedures for membership and functions of the Board, meetings and voting, Principal Rural Fire Officer appointment and financial control. Other significant policies the Southern Rural Fire Authority has itself to cover its operations include:

- Administration Services Heads of Agreement - Agreement for administration and financial services to the Authority.
- Personnel Deployment outside the Southern Rural Fire Authority - For provision of fire fighting services to other agencies both nationally and internationally.
- Grants to Volunteer Fire Brigades - Provision for maintaining Authority fire equipment in an operable condition.
- Fire Equipment Servicing Policy - To ensure all SRFA fire equipment is serviced to best practice standards.
- Public Awareness Plan - To ensure timely information flow to the Board, stakeholders and the public.
- Health and Safety Policy - Commitment and procedure for Health and Safety.
- Procedures for the Issue of Fire Permits Policy - To assist RFOs when issuing fire permits.
- Fire Season Implementation Guidelines - To guide implementation of fire season status.

Nature and Scope of Activities

The Southern Rural Fire Authority (Southern RFA) is responsible for the rural fire activities (both vegetation and structure/property) undertaken in the Southern Rural Fire District (Southern RFD). The Rural Fire activity produces outputs that support the achievement of Our Way Southland community outcomes. Outputs from the Rural Fire activity primarily contribute to the achievement of the Our Way Southland Community Outcome Six - a treasured environment which we care for and which supports us now and into the future.

The Southern RFA employs a Principal Rural Fire Officer and a Deputy Principal Rural Fire Officer. Other resources are either contracted from stakeholder agencies and associated organisations or supplied via volunteers. This ensures an effective and efficient service is provided across the District. A key partner is the New Zealand Fire Service whose urban brigades provide the first response to the majority of incidents within the District and who also provide essential services such as communication centres, equipment and training resources. The National Rural Fire Authority is legislatively empowered not only to set standards to which the Southern RFA must adhere, but also has a key support and audit role. This partnership is delivered both centrally and regionally.

The main activities of the Authority are to:

- Annually review and update the Fire Response Section of the Authority Fire Plan.
- Manage fire control measures appropriate to the Authority's fire risk, including the continuation of a 365 day Restricted Fire Season in Special Response Areas.
- Monitor fire danger across the District on a daily basis during the fire season and as situations change during the remainder of the year.
- Continue to actively promote forest and rural fire prevention to the public through education, media and the fire permit process.
- Promote the Authority brand to improve public recognition.
- Support the Authority volunteers through leadership, provision of appropriate resources and by encouraging them to be actively involved.
- Manage equipment resources and implement approved 2008-2022 plant/vehicle replacement programme.
- Continue to implement a personnel Fire Fighter training programme designed to meet the Authority's requirements, National Standards and FRSITO unit standards and competencies.
- Completion of a Wildfire Threat Analysis Risk Assessment Mitigation System (RAMS) type project. Implementation of systems to manage key outcomes from RAMS.
- Manage all fire suppression operations under the Coordinated Incident Management System (CIMS).

Key Performance Measures and Targets

Primary outcome: A treasured environment which we care for and which supports us now and into the future (6)			
What Council will provide	How Council will measure the service provided		
Level of Service	Key Performance Indicator	Target 10/11	Source
Ensure that the Rural Fire organisation responds appropriately to fire events.	Percentage of initial attacks on fires commenced within 30 minutes of receiving a fire call.	100%	Fire Log Incident Reports
Provide public education on fire risks, risk reduction and fire event readiness.	Number of public education initiatives completed ¹ .	Leaflet - 1 Radio - 650 Visits - 3	File Quarterly Report
	Decreasing number of rural fire vegetation calls ² .	Less than 95	Quarterly Report
Ensure that rural fire personnel are adequately trained.	Percentage of key rural fire personnel that are trained to or training towards the appropriate Fire and Rescue Services Industry Training Organisation (FRSITO) Unit Standards for their duties ³ .	100%	Training Register
Provide rural fire services throughout the District, except for Fire Service Urban Fire Districts, via a unified but distributed organisational system.	Number of rural fire personnel.	No less than 250	Training Register
1. "Public education initiatives" include one information leaflet drop annually to all rural properties (possibly through Council newsletters), radio advertising campaign of at least 25 daytime slots per week from 1 October to 30 March, two education visits (rural residents, schools and interest groups) annually. 2. The annual average for vegetation calls related to the objectives of the SRFA who have a target that over a five year rolling average, the number of rural fires should decrease. 3. "Key rural fire personnel" includes the Principal Rural Fire Officer (PRFO), Deputy Principal Rural Fire Officers (DRFO), Rural Fire Officers (RFO's) and Fire Fighters (FF's).			

Sources of Funding

The Southern Rural Fire Authority is funded from the stakeholder organisations for undertaking work that seeks to provide rural fire activities in the Southern Rural Fire District. The contribution from each of the stakeholders are shown in the table opposite, and include those proposed by the Southland District Council.

The funding levies between the Authority and member organisations exist for a one year term and are discussed in November each year and set at the same time of presentation and adoption of the Statement of Intent and budget. In each case this encompasses core funding and any additional funding for particular projects.

Projection of Levies and Costs for 2010/2011

	2010/2011 Forecast	2011/2012 Forecast	2012/2013 Forecast
<i>Levies</i>			
DOC	\$133,186	\$142,975	153,571
Forest Members	\$142,715	\$155,559	\$169,559
GDC	\$45,742	\$49,859	\$54,346
ICC	\$52,276	\$56,981	\$62,110
SDC	\$188,456	\$205,418	\$223,905
<i>Total Income from levies</i>	<i>\$562,375</i>	<i>\$610,791</i>	<i>\$663,491</i>
<i>Operating Costs *</i>	<i>\$914,444</i>	<i>\$933,032</i>	<i>\$958,696</i>
<i>Capital Costs</i>	<i>\$162,500</i>	<i>\$123,400</i>	<i>\$127,900</i>
<i>Total Costs</i>	<i>\$1,076,944</i>	<i>\$1,056,432</i>	<i>\$1,086,596</i>

* This includes depreciation expense.

Southland Flood Relief Fund

The Southland Flood Relief Fund is a Council Controlled Organisation (CCO) that holds money left over from the donations and grants received to provide financial relief for the people of Southland who suffered financial hardship due to loss or damage as a result of the extensive and severe flooding that occurred in the Southland province in January 1984.

At the time of the 1984 flood the Government of the day enabled the establishment of the Southland Flood Relief Committee and granted it power to establish a flood relief fund. The original Committee comprised the Mayor of the City of Invercargill, the Chairman of the Southland County, and the Chairman of the Wallace County. The Southland Flood Relief Fund's powers were subsequently widened in scope by the Southland Flood Relief Committee Empowering Act 1992 which effectively discharged the Southland Flood Relief Committee from the administration of the Fund and appointed Trustees to administer the unexpended balance of the fund.

The Trustees of the Southland Flood Relief Fund are the Mayor of the Southland District, Mayor of the City of Invercargill and the Mayor of the Gore District. The Trustees have agreed that the Southland District Council administer the Fund on behalf of all the Trustees. The Trustees are required to administer the fund in their absolute discretion to meet any unpaid claims on the fund made by persons suffering financial hardship due to loss or damage from recurrences of flooding in any area or areas of Southland, and by persons suffering financial hardship due to loss or damage from flooding, storm, or other natural disaster, but excluding subsidence, in any area of New Zealand. The 1992 Act will expire on 23 March 2012 at which time the funds may be applied to any charitable purpose in Southland as the then Trustees think fit.

As such, given that the Fund is not involved in trading activities and is essentially a term investment (with legislative control over the use of funds), in January 2009 the Council resolved to exempt the Fund from the planning and reporting requirements of the Local Government Act 2002.

As of June 2010, the balance of the term investment of the Fund is \$215,648.

