



Rangitikei District Council

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Rangitikei
UNSPOILT...

Finance/Performance Committee Meeting

Order Paper

**Thursday, 28 July 2016,
9.30 am**

**Council Chamber, Rangitikei District Council
46 High Street, Marton**

Website: www.rangitikei.govt.nz

Email: info@rangitikei.govt.nz

Chair

Cr Nigel Belsham

Deputy Chair

His Worship the Mayor, Andy Watson

Membership

Councillors Cath Ash, Tim Harris, Dean McManaway, Rebecca McNeil, Soraya Peke-Mason, Ruth Rainey and Lynne Sheridan

Please Note: Items in this agenda may be subject to amendments or withdrawal at the meeting. It is recommended therefore that items not be reported upon until after adoption by the Council. Reporters who do not attend the meeting are requested to seek confirmation of the agenda material or proceedings of the meeting from the Chief Executive prior to any media reports being filed.



Rangitikei District Council

Finance/ Performance Committee Meeting

Order Paper – Thursday 28 July 2016 – 9:30 a.m.

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The quorum for the Finance/Performance Committee is 5.

At its meeting of 28 October 2010, Council resolved that "The quorum at any meeting of a standing committee or sub-committee of the Council (including Te Roopu Ahi Kaa, the Community Committees, the Reserve Management Committees and the Rural Water Supply Management Sub-committees) is that required for a meeting of the local authority in SO 2.4.3 and 3.4.3.

1 Welcome

2 Council Prayer

3 Apologies/leave of absence

4 Members' conflict of interest

5 Confirmation of order of business

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, be dealt with as a late item at this meeting.

6 Confirmation of Minutes

Recommendation

That the Minutes of the Finance/Performance Committee meeting held on 30 June 2016 be taken as read and verified as an accurate and correct record of the meeting.

7 Chair's report

A report will be tabled at the meeting.

8 Strategic financial overview for 2015/16

A presentation will be provided to the meeting.

9 Overhead Allocations

A memorandum is attached.

File: 5-FM-16

Recommendation

That the memorandum 'Overhead Allocations' be received.

10 List of abandoned land and progress with rating sales

A memorandum is attached.

File: 5-RA-1-2

Recommendations

1. That the report 'Abandoned Land' be received.
2. That the Finance/Performance Committee note that expenditure on legal fees will be required before any property can be sold to recoup overdue rates.
3. That the Finance/Performance Committee endorse the concept of prioritising the order of legal effort to sell abandoned land and packaging this work with Council's property portfolio work in order to achieve early cashflow and costs savings.

11 Provisional full-year Statement of Service Performance 2015/16

The provisional full-year statement is attached. It is incomplete because a number of one-off annual assessments (mainly in water and wastewater) have not been finalised. In addition, reports on the time to resolve the cause of a complaint (as distinct from the time taken to get on site to view the problem) are lagged one month so that they are complete.

The completed Statement will be included in the Order Paper for the Committee's meeting on 25 August 2016.

File 5-FR-1

Recommendation

That the 'Provisional full-year Statement of Service Performance 2015/16' be received

12 Assessing appropriate support for recurring high profile and high profile/community events through the Events Sponsorship Scheme

A report is attached.

File: 3-GF-11

Recommendations

1. That the report 'Assessing appropriate support for recurring high profile and high profile/community events through the Events Sponsorship Scheme' be received.

13 Charging under LGOIMA – Ombudsman’s guidance

In June 2016, the Ombudsman issued guidance to charging for official information requested under the Official Information Act (OIA) and the Local Government Official Information and Meetings Act (LGOIMA). This guidance is attached.

It clarifies what activities in responding to a request for information *may* be charged for and which activities *must not* be charged for. Most of the guidance deals with forming a judgement on ‘a reasonable charge’ and on the circumstances which warrant a remission of part or all of the charges. A person who is dissatisfied with a charge may complain to the Ombudsman. This also applies to instances when information requested is withheld or not provided in the time specified in the legislation.

The guidance contains a number of examples of investigations into charges made by both central government agencies and local authorities, and provides template letters and a worksheet for charging so that there is a clear documentary trail.

14 Presentation from QV

This has yet to be confirmed.

15 Late items

16 Future items on the Agenda

17 Next meeting

25 August 2016, 9.30 am

18 Meeting closed

Attachment 1



Rangitikei
UNEXPECTEDLY...

Rangitikei District Council

Finance/ Performance Committee Meeting

Minutes – Thursday 30 June 2016 – 9:38 a.m.

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Present:

Cr Nigel Belsham (Chair)
His Worship the Mayor, Andy Watson
Cr Dean McManaway
Cr Cath Ash
Cr Tim Harris
Cr Lynne Sheridan

In attendance:

Mr Ross McNeil, Chief Executive
Mr Michael Hodder, Community & Regulatory Services Group Manager
Mr George McIrvine, Finance & Business Support Group Manager
Mr Hamish Waugh, Infrastructure Group Manager
Ms Denise Servante, Strategy & Community Planning Manager
Ms Samantha Whitcombe, Governance Administrator

Tabled:

Item 6 Chair's report
Item 9 Radar graphs of resident perceptions of customer service

1 Welcome

The Chair welcomed everyone to the meeting.

2 Council Prayer

Cr Ash read the Council Prayer.

3 Apologies/leave of absence

That the apologies for absence from Cr Peke-Mason and Cr Rainey, and the apology for lateness from Cr Harris be received.

Cr Ash / Cr McManaway. Carried

4 Confirmation of order of business

The Chair informed the Committee that there would be no change to the order of business from that set out in the agenda.

5 Confirmation of Minutes

Resolved minute number	16/FPE/027	File Ref
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That the Minutes of the Finance/Performance Committee meeting held on 26 May 2016 be taken as read and verified as an accurate and correct record of the meeting.

Cr Ash / His Worship the Mayor. Carried

6 Chair's report

The Chair's report was tabled at the meeting.

Resolved minute number	16/FPE/028	File Ref
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That the Chair's report to the Finance/Performance Committee meeting on 30 June 2016.

Cr Belsham / Cr McManaway. Carried

7 Financial Highlights and Commentary - July 2015 to May 2016

Mr McIrvine spoke briefly to the report.

The Committee requested a schedule of 'abandoned land' properties and a report on progress with rating sales be brought to a future meeting. They also requested a schedule of overdue rates that have had legal action taken against them be added as a regular item to the Committee's agenda.

Resolved minute number **16/FPE/029** **File Ref** **5-FR-4-1**

That the memorandum 'Financial Highlights and Commentary' be received.

His Worship the Mayor / Cr Ash. Carried

Cr Harris arrived 10.20am

8 MarketView Reports – economic impact of high-profile events sponsored by Council

Ms Servante spoke to the report, noting that this is the first year that Council has used MarketView to produce reports on the economic impact of high-profile events sponsored by Council. She informed the Committee that the number of people attending each event is estimated by the event organisers, and that the reports only show EFTPOS transactions; they do not track cash spending.

Issues canvassed during discussion on interpreting the MarketView reports included:

- the impact of events in neighbouring large centres, the increasing use of non-EFTPOS electronic transactions ('pay-wave');
- the inability to capture spend from the Shemozzle because there was no Hunterville data captured (with Marton being used as the nearest town);
- the key statistic, how many people attended, was generally elusive for organisers;
- the Ratana birthday celebrations were the biggest festival in the District, but were out of scope of the current MarketView reports provided because that event was not funded by Council through the Events Sponsorship Scheme.

Resolved minute number **16/FPE/030** **File Ref** **4-ED-1-2**

That the report 'MarketView Reports – economic impact of high-profile events sponsored by Council' be received.

Cr McManaway / Cr Ash. Carried

9 Overall results from survey 2016

Ms Servante presented the results of the recent residents' survey, referring particularly to the information required for the Statement of Service Performance measures. The survey results will be posted to the website. In addition, questions relating to customer satisfaction with Council services were asked, and radar graphs were distributed showing the results.

The detailed results will be reported to the relevant Committee in July.

10 Late items

Nil

11 Future items on the Agenda

Legal action taken against overdue rates

Update on the proposed Council-Controlled Organisation

12 Next meeting

28 July 2016, 9.30 am

13 Meeting closed

11.20 am

Confirmed/Chair: _____

Date: _____

Attachment 2

MEMORANDUM

TO: Finance/Performance Committee

FROM: George McIrvine

DATE: 19 July 2016

SUBJECT: **Overhead Allocations**

FILE: 5-FM-16

Attachments: Nil

1 Introduction and background

- 1.1 The purpose of this paper is to provide the Committee with an update on the allocation methodology used for overheads within the Council.

What are overheads?

- 1.2 In traditional cost accounting and financial reporting, the term “overhead” refers to expenses that cannot be associated directly with production of specific product units, delivery of specific service engagements, or sales to specific customers. "Overhead" can be viewed as the costs of *supporting* manufacturing, service delivery, or sales, in general. For this reason, overhead expenses are sometimes called indirect expenses. This was the basis of much of the manufacturing era cost accounting.
- 1.3 More recently, the application of overhead and indirect expenses in accounting is using Activity based costing (“ABC”). Activity based costing attempts to get closer to the "true costs" of a product or a service, by turning indirect and overhead expenses into direct expenses, based on resource usage and allocating these.
- 1.4 Traditional costing is simple to create, but can lead to poor decision making by not considering essential indirect expenses. Activity based costing is more accurate but can become complex to administer and maintain and its results may be misinterpreted by some users. One of the leading users of this is in the health sector where most procedures have been fully accounted for through activity based costing.

2 Use of activity-based costing at Council

- 2.1 Council uses the activity based costing model but these costing models can become complex. For the 2012/22 Long Term Plan, the allocation methodology for overheads was simplified and the number of business units or cost centres was

reduced from 20 to 10. This was largely because some business unit costs were directly attributed to an activity rather than having the costs directly charged to such activities. With that change, allocations feed through to the nine main activities of Council based on each activity's use of the overhead resource. Those activities (which correspond to the groups of activities in the long-term plan/annual plan) are:

- Community and Leisure Assets
- Community Leadership
- Community Well Being
- Environmental and regulatory services
- Roading and Footpaths
- Rubbish and Recycling
- Wastewater and Sewerage
- Storm-water
- Water

2.2 The first step was to amalgamate some of the existing overhead costs centres to reduce the actual number of allocations required. This re-structuring resulted in 10 cost centres, or units of overhead, replacing 20 that were being used up until the LTP in 2011.

2.3 The initial cost centres are (noting their activity code and recovery code first):

91100	Chief Executive
91200	Human Resources
91400	Policy and Governance
92100	Financial Services
92500	Statutory Planning & Reporting
92600	information Services
94100	Customer & Community Services
95100 175	Assets
95301 17501	Property Management
95500 17502	Fleet Management (see note below)
96100	Environmental & Regulatory
96200	Parks and Reserves (For 2017)

2.4 It was decided to also create another cost centre called Fleet Management to pool costs of motor vehicles and allocate according to mileage. For the initial year, the operating costs were removed from the various cost centres that had vehicle costs within the activity and costs were allocated back based on those budgets. In the next and subsequent years, some usage history enabled a better allocation.

3 Budget Allocation Methodology

- 3.1 The method of allocation for each business unit varies. While it can be argued that in some cases the resulting allocation may not be ideal, the additional benefit and the cost to allocate in another method would not be worth this effort so this has been done in a pragmatic manner. The following graphic illustrates the flow of costs and the allocation process.

Schematic of cost allocations levels and drivers				
		1		
Property Management and Fleet Management				
Allocated on area occupied and share of use				
		2		
Human Resources		Information Services		
Allocoted on head count		Staff numbers but no access to their own PC get a half charge instead of a full charge		
		2a		
Finance				
Allocated on use of services				
		3		
CE	Policy and Governance		Customer and Community services	Enviromental and Regulatory
			Largely on a time basis	
		4		
Statutory Planning and Reporting				
Allocated on a expediture %				

- 3.2 There is a defined budgeting Overhead Allocation Sequence

The first stage is to allocate Property Management and Fleet Management.

- 3.3 The Property allocation is done using two methods or cost drivers to allocate the costs:
1. Isolate the administration buildings' costs and allocate on area used, and secondly,
 2. The balance of the budget based on time, using the time sheets as a guide.
- 3.4 In establishing the Property Management budget, an estimate of charges from Information Services and Human Resources was determined and initially fixed so

multiple compounding iterations become unnecessary. This may in the end result in a slight over-charge, or under-charge, from these two units but the difference will not be material.

- 3.5 Fleet Management is allocated originally on the budgets allowed in individual overhead units for vehicle expenses but in successive years, historical use has been used with good current data from E Roads.

The second stage involves Human Resources, Information Services, and Financial Services.

Allocating HR and Information Services

- 3.6 The allocations are as follows:
1. Allocations for Human Resources are done on a per head of staff basis.
 2. Information Services is also based on staff numbers but any that do not have access to their own PC get a half charge instead of a full charge.
- 3.7 Note that Full Time Equivalents is not used for the HR allocation on the basis that HR spends as much time and money on a part-time staff member as a full-time member particularly during the recruitment phase and turnover of part-time staff has tended to be higher than full-time staff.
- 3.8 These two cost centres decide on inter-department charges that are then fixed so iterations at a budget level are not necessary.

Allocating Financial Services

- 3.9 Financial Services is next and uses a variety of methods for their charges depending on usage of the service to some extent.
1. Payroll is charged on a per head of staff basis (with half charges for elected representatives) as is stationery supplied to the various departments of Council.
 2. The costs of collecting rates are charged as a proportion of total rates set for each activity in the previous financial year. (This is not ideal but without much more analysis, it is probably the best option available. It will favour smaller activities at the expense of larger activities.)
 3. Accounts payable is allocated based on the expenditure of each activity, (Historically this might not have been ideal as it disadvantages the large dollar activities with often large but relatively few in number bills. However, with the purchase order system and the automation of invoice processing, it is still probably the best option available).
 4. Accounts receivable is allocated to water supplies who charge for water with the use of water meters.

The third stage involves Chief Executive, Policy and Governance, Customer and Community Services, Assets and Environmental and Regulatory.

- 3.10 All these cost centres charge to external activities with no inter-department charging, except to Statutory Planning and Reporting. The Chief Executive charges on a time basis for Governance Support and District Promotions, and on the expenditure of each activity as a proxy for size.
1. Policy and Governance charge on a time basis.
 2. Customer and Community Services is charged on a time basis.
 3. Assets charge is on an amended expenditure basis for charging with the activities that are covered in other costs centres not included i.e., libraries, halls etc.
 4. Environmental and Regulatory is charged on a time basis.
- 3.11 Initially to start with, where time is used, the first four months' time records were analysed and extrapolated. In the next and subsequent financial years, there have been a whole year's time reports readily available that make the allocations more accurate.

*The **fourth stage**, which is the final allocation stage, is **Statutory Planning and Reporting**.*

- 3.12 The charging for this cost centre will be a mixture of fixed and variable charges on the basis that no matter what size an activity is, there is quite a large element of fixed costs to produce the annual plan and annual report. Allocation is on level of expenditure in the activity using historical information. This is perhaps not ideal, but it seems to be the most pragmatic approach to adopt as it favours the smaller cost centres but recognises that these are all reported on so some cost allocation is appropriate.

4 Annual review process.

- 4.1 As noted in the above each year the business units costs and allocations are reviewed as a result of changes to the cost drivers i.e. staff numbers or time, kms., etc. to up-date the allocations. For example there are often small changes that occur due to time sheet or other information that change the allocations but overall the allocations reflected in the charges and recoveries are based on a methodology and process that is robust and can be justified to external stakeholder like Audit NZ.

5 Summary

- 5.1 There are many steps to allocate the overhead expenses to the activities of Council. While this cascading of overhead costs is common, this allocation method while it was streamlined in 2011 is still relatively sophisticated and complex.
- 5.2 As part of the budget process the allocation methods and amounts are reviewed annually so that any changes or increases in costs or changes of usage are reflected as best we can against the activities. The final figures used include any amounts carried forward in these cost centres as part of the budget process.

- 5.3 The main weakness of this system is the actual allocations made in the **finance system** apply to the **actual** amount of expenditure on the cost centre being allocated to the various activities. This could be an issue if we have lax expenditure control in the business units. This could mean that if a business unit overspends against budget this is automatically passed on to the activity or, put another way, there is no incentive for the business unit to reduce costs. The scrutiny at a budget level and then the monitoring of these during the year by staff, the Finance team and Finance/Performance Committee and ultimately Council against our benchmark measures means that this risk should be minimised.
- 5.4 This means that the above allocation of actuals does makes sense from a costing point of view where all the costs for the activities they support are recovered and the business unit budget balances to zero. If costs are rising to support the activities this is reflected in increases in resources required from the business units.
- 5.5 From a review of these methods there would be a significant costs to obtain better information to allocate these costs and a little like revenue and financing policy when you change one aspect or % of the model then it often has unintended consequences for other parts of the organisations.

6 Overhead Levels

- 6.1 Overhead levels for the last 6 years are shown below and it should be noted that 2012 and 2015 are LTP years with increased audit, consultants, advertising and staffing costs.

ACTUAL	ACTUAL	ACTUAL	ACTUAL	Actual	BUDGET
2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
\$ 4,353,415	\$ 5,072,655	\$ 4,946,945	\$ 4,920,824	\$ 5,375,558	\$ 5,308,984

The overall overhead cost within a three yearly cycle is an interesting feature of these totals.

- 6.2 In 2016/17 we will have parks and reserves as a cost centre so perceived *overheads* will increase but previously these costs were in the *activity* costs as direct contractor costs for Fulton Hogan. These will be allocated on the following basis that we have estimated from the time sheet information gathered in this year.

Allocation of Parks and Reserves Costs

2017			
40001	SWIMMING POOLS	4,291	1.00%
40401	COMMUNITY HOUSING	8,582	2.00%
40700	CEMETERIES	51,494	12.00%
44101	PARKS AND RESERVES	356,166	83.00%
60601	WATER URBAN	8,582	2.00%
		429,116	

- 6.3 It should be noted that in the 2014 year Fulton Hogan charged Council \$631,043.91 and in 2013 \$608,889.12 GST excl which includes all of the below, except Sexton & Capital Charges.

George McIrvine

Finance and Business Support Group Manager

Detailed comments on budgeting model.

Manual Allocations

As stated earlier, some manual data entry of allocations is necessary to avoid iterations in the spreadsheets. These are:

1. Fixed charges between Property Management, Information Services, and Human Resources are agreed to and entered. Once done, they should not be altered.
2. Budgets for some parts of Financial Services are manually entered on the allocation spreadsheet (shaded) and then the final budget in total is entered also manually in the shaded cells. This must always be done whenever adjustments are made to allocations in overhead units.
3. In Environmental and Regulatory, the final allocation to Manawatu District Council for dog control officers must be manually entered as revenue in the budget spreadsheet for that unit.

Proof of Allocations

At the end of the work book for Overhead Units, a summary spreadsheet is set up. This links all the overhead units to give a total of allocations by activity and then compares it with the totals in each activity to ensure that all allocations are done. If there is any variation between the two columns, it must be investigated and corrected.

NOTE: all budget spreadsheets must have been opened together with the Overhead Units to ensure allocations are updated before making the comparison on the Summary spreadsheet.

Allocations in the accounting system

These are based on actual costs and are set up once the budget process is complete via Annual Plan and LTP.

As these iterate sometimes there can be a dollar amount left in the business unit where the iteration has stopped without fully allocating the amount.

Attachment 3

Memorandum

To: Finance/Performance Committee
From: George McIrvine
Date: 22 July 2016
Subject: Abandoned Land
File: 5-RA-1-2

1 Introduction and background

- 1.1 The purpose of this paper is to provide Council with an update on the numbers, land value, rates arrears on abandoned land, and provides some indication of the locations of the properties and rules that apply to the sale of these properties to recover rates owing. It also considers the range of options available to Council to take action on these.
- 1.2 The rules for Council to consider land as abandoned are set out in the attachment straight from the Rating Act 2002 in Appendix One, which practically are:
- That no rates have been paid for three years,
 - No trace of the owner can be found or they are deceased with no representatives or they have given notice that they are abandoning the land,
 - Notice has been placed on the property and after due enquiry no trace has been found, and
 - The application to the district court has been successful and the Court has ordered Council to sell the land.
- 1.3 There are 22 properties that could be considered as abandoned land as at 30 June 2016. They have a total land value of \$227,800.00 with total improvements value of \$116,000.00, giving a total value of \$343,800.00. Arrears Summary history to the 30th June 2016 is shown below with some properties having made no payments for all of this period. Details are in Appendix Two including the category group comments from QV.

Arrears for Previous Year-01	Arrears for Previous Year-02	Arrears for Previous Year-03	Arrears for Previous Year-04	Arrears for Previous Year-05	Arrears for Previous Year-06
\$ 35,002	\$ 29,379	\$ 24,281	\$ 20,340	\$ 12,078	\$ 8,778
26.95%	22.62%	18.70%	15.66%	9.30%	6.76%

2 Summary Arrears History

- 2.1 While there is some value here the arrears on abandoned land is about 57% of the total value of the land if it could be sold and there are parties willing to buy the land. This last point needs to be considered as Council has seen it may not be viable for adjacent land holders to pick up the land and the costs of legal transfer may be too high as there is no ability to gift the land without incurring these costs.
- 2.2 In Appendix Three screen shots from the Inter-maps system of some of the properties (note this does not include locations for all properties). In summary, these seem to show a number of different scenarios for the abandoned land.
- Some sections in towns or settlements, which have not been built on for reasons unknown;
 - Some parcels of land, which were part of deceased estates where there appears to be no living relatives;
 - Some parcels of land that due to State Highway alignments have become isolated from other properties and are difficult to access or use;
 - Miscellaneous human reasons why they are abandoned.
- 2.3 To get to the point of being able to sell some of these pieces of land will take some time and legal expense. Initial estimates indicate that the transfer of these properties to Council would cost in the region of \$1,000 each with further sales costs to dispose of these once title is achieved if this was done on an individual property basis.
- 2.4 With Council also considering the sale of some of its properties it would make sense to look at a “package” for this work with a legal firm so that we buy a significant portion of time at reduced rates. The priority for this legal work on abandoned land could be done in the following sequence to ensure that where rates can be recovered these can be returned to Council at the earliest opportunity.
- i. Any Abandoned Sections in a town or settlement;
 - ii. Deceased estates;
 - iii. Isolated parcels of land adjacent to the State Highway system.

3 Recommendations

- 3.1 That the report 'Abandoned land' be received.
- 3.2 That the Finance/Performance Committee note that expenditure on legal fees will be required before any property can be sold to recoup overdue rates.
- 3.3 That the Finance/Performance Committee endorse the concept of prioritising the order of legal effort to sell abandoned land and packaging this work with Council's property portfolio work in order to achieve early cashflow and costs savings.

George McIrvine

Finance and Business Support Group Manager

Appendix 1

77 Sale or lease of abandoned land

- (1) In this section and sections 78 to 81, **abandoned land** means a rating unit for which the rates have not been paid to the local authority for 3 years or more, and the ratepayer for that land—
- (a) is unknown; or
 - (b) cannot be found after due inquiry and has no known agent in New Zealand; or
 - (c) is deceased and has no personal representative; or
 - (d) has given notice to the local authority that he or she intends to abandon or has abandoned the land.
- (2) A local authority may, at any time, give public notice in the locality of the land that the local authority intends—
- (a) to have the land declared abandoned 1 month after the date of the notice; and
 - (b) to sell or lease the land.
- (3) One month after the date of the public notice, the local authority may apply to the District Court nearest to where the land is situated for an order that—
- (a) declares the land to be abandoned; and
 - (b) authorises the local authority to sell or lease the land.
- (4) The District Court may direct the local authority to give notice of the application to any persons, as it thinks fit, in addition to the rules for service under the District Court Rules.
- (5) The local authority may, in its discretion, proceed under section 67 to sell or lease abandoned land if the requirements of that section are met.
- (6) For the purposes of this section, **due inquiry** includes, but is not limited to, inquiry of any public agency that holds land records.

Compare: 1988 No 97 s 147(1)–(4), (12)

78 Court may order sale or lease of abandoned land

If the District Court is satisfied that section 77 has been complied with, it may make an order to—

- (a) declare the land to be abandoned; and
- (b) authorise the local authority to sell or lease the land under sections 79 to 83, subject to any advertising requirements that the court thinks appropriate.

Compare: 1988 No 97 s 147(5)

79 Conduct of sale or lease of abandoned land

- (1) A sale or lease of abandoned land must be by public auction or public tender.
- (2) A sale or lease is subject to any terms or conditions that the local authority thinks appropriate, but it must place a reserve on the land.
- (3) Without limiting the powers of the local authority, the local authority may—
- (a) refuse any tender; or
 - (b) put the abandoned land up for sale or lease as often as may be required until it is sold or leased.
- (4) If the abandoned land is not sold or leased at public auction or by public tender, the local authority may sell or lease the land by private treaty for any consideration that is not less than the reserve.

- (5) The local authority may bid for the abandoned land at any public auction of it and may buy the land, but the local authority must not bid less than the reserve price.

Compare: 1988 No 97 s 147(6)

80 Execution of documents for abandoned land

- (1) In the case of a sale under section 79, when the purchase price has been fully paid, the local authority must—
- (a) execute, under seal, a memorandum of transfer on behalf of the ratepayer whose interest has been sold; and
 - (b) note on the transfer that the land has been sold under this Act.
- (2) In the case of a lease under section 79, when the preconditions to the execution of the lease have been complied with, the local authority must—
- (a) execute, under seal, the lease on behalf of the ratepayer whose interest has been leased; and
 - (b) note on the lease that the land has been leased under this Act.
- (3) If the local authority purchases the abandoned land, the Registrar of the District Court must—
- (a) execute, under the seal of the District Court, a memorandum of transfer on behalf of the ratepayer whose interest has been sold; and
 - (b) note on the transfer that the land has been sold under this Act.
- (4) When the transfer or lease has been executed, the purchaser or lessee, as the case may be, is entitled to obtain possession, from any other person, of the abandoned land purchased or leased.

Compare: 1988 No 97 s 147(7), (8), (9)

81 Presumption that sale or lease valid

- (1) A sale or lease of abandoned land made under this Act is valid for all purposes, even if there has been an irregularity in the conduct of the sale or lease.
- (2) No purchaser or lessee is obliged to inquire whether the sale or purchase was properly conducted.

Compare: 1988 No 97 s 147(7)

82 Application of proceeds of sale or lease

- (1) Sections 75 and 76 apply, with the necessary modifications, to the application of the proceeds of every sale or lease of abandoned land under section 79.
- (2) For the purposes of this section, **expenses** includes all expenses incurred by the local authority in connection with the sale or lease.
- (3) If the proceeds of a sale or lease of abandoned land under section 79 are not sufficient to meet the rates, interest, costs, and expenses, the local authority may write off the deficiency.

Compare: 1988 No 97 s 147(11), (12)

Appendix 2

Currently Council has the following properties which we would deem as abandoned or could be considered as abandoned

Key	Approximate location	Category group	Category Condition	HA	Land	Improvements	Total value	Comment	Total Balance Owning 30 30 June 2016
1347021500	SH3 Turikina	Residential Dwelling fully or semi detached		0.2032	\$ 18,000	\$ 42,000	\$ 60,000	Complicated situation	\$ 11,786.5
1335015700	SH1 Torere Road	Residential Vacant Land for Normal Residential		0.1012	\$ 4,500	\$ -	\$ 4,500		\$ 161.4
1353021501	Taihape	Residential Vacant Land for Normal Residential	Picture	0.4603	\$ 2,000	\$ -	\$ 2,000	Common owner 1	\$ 219.2
1353021400	Taihape	Other Vacant Land without obvious use	Picture	0.2782	\$ 1,800	\$ -	\$ 1,800	Common owner 1	\$ 647.7
1353021500	Taihape	Residential Vacant Land for Normal Residential		0.3718	\$ 2,000	\$ -	\$ 2,000	Common owner 1	\$ 5,665.6
1365000525	Bulls	Residential Vacant Land for Normal Residential	Picture	0.1012	\$ 26,000	\$ -	\$ 26,000		\$ 5,901.7
1365000526	Bulls	Residential Vacant Land for Normal Residential		0.1012	\$ 26,000		\$ 26,000		\$ 5,901.7
1344038600	SH1 Rangito	Pastoral Fattening Land	Uneconomic without dwelling	0.1848	\$ 18,000		\$ 18,000		\$ 11,174.8
1344038800	SH1 Rangito	Pastoral Fattening Land	Uneconomic without dwelling	0.3572	\$ 23,000	\$ 500	\$ 23,500		\$ 11,682.1
1353020230	Taihape	Other Vacant Land without obvious use		0.0916	\$ 1,500		\$ 1,500		\$ 12,643.9
1347030700	Wanganui Road Whangaehu	Other Vacant Land without obvious use		0.7082	\$ 6,500	\$ 1,000	\$ 7,500		\$ 4,239.9
1344036100	SH1 Greatford	Pastoral Fattening Land	Uneconomic without dwelling	1.0844	\$ 38,000	\$ 1,000	\$ 39,000		\$ 7,868.7
1337007500	OHINGAITI	Residential Vacant Land for Normal Residential		0.0566	\$ 5,000		\$ 5,000		\$ 10,909.4
1337007400	OHINGAITI	Residential Vacant Land for Normal Residential		0.1012	\$ 6,500		\$ 6,500		\$ 10,940.7
1337007200	OHINGAITI	Residential Vacant Land for Normal Residential		0.1012	\$ 6,500		\$ 6,500		\$ 10,960.9
1337007300	OHINGAITI	Residential Vacant Land for Normal Residential		0.1012	\$ 6,500		\$ 6,500		\$ 10,960.9
1331033300	MATAROA TSHIP	Residential Vacant Land for Normal Residential		0.1012	\$ 6,500	\$ 500	\$ 7,000		\$ 282.9
1331035300	MATAROA TSHIP	Residential Vacant Land for Normal Residential		0.1012	\$ 6,500	\$ 3,500	\$ 10,000		\$ 11,185.8
1337009200	OHINGAITI	Residential Dwelling fully or semi detached		0.1798	\$ 9,000	\$ 66,000	\$ 75,000	Common owner 2	\$ 9,255.0
1337009300	OHINGAITI	Residential Vacant Land for Normal Residential		0.0529	\$ 5,500	\$ 500	\$ 6,000	Common owner 2	\$ 153.5
1337009301	OHINGAITI	Residential Vacant Land for Normal Residential		0.1055	\$ 6,500	\$ 500	\$ 7,000	Common owner 2	\$ 164.9
1358004400	SH1 HUNTERVILLE	Other Vacant Land without obvious use		0.4957	\$ 2,000	\$ 500	\$ 2,500		\$ 2,618.6
				5.44	\$ 227,800.00	\$ 116,000.00	\$ 343,800.00		\$145,325.32

Appendix 3

Linnet Street Taihape

View Tools Export Annotation Data Entry

Home Navigation Zoom 507 m X 1839899 m Y 5604953 m Scale 1:2219 Go Save

COORDINATE SYSTEM NZGD2000 / New Zealand Transverse Mercator 2000

STANDARD VIEWS

MODULES

- Property
- Live Asset Finda Utilities
- Road Status
- Cemetery
- Land Cover
- Representation Review
- District Plan Review
- SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation 1353021501

NCS Link 1353021501

Address 39 Linnet Street

NCS RATES 1 OF 1

Valuation No 1353021501

Land Value 2000

Capital Value 2000

Improvements 0

valuation date 1/07/2014 12:00:00 A

New Land Value 2000

New Capital Value 2000

New Improvements 0

new valuation date 1/07/2014 12:00:00 A

rateable yn Y

hectares 0.4603

Last Sale Price 0

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei

Locations

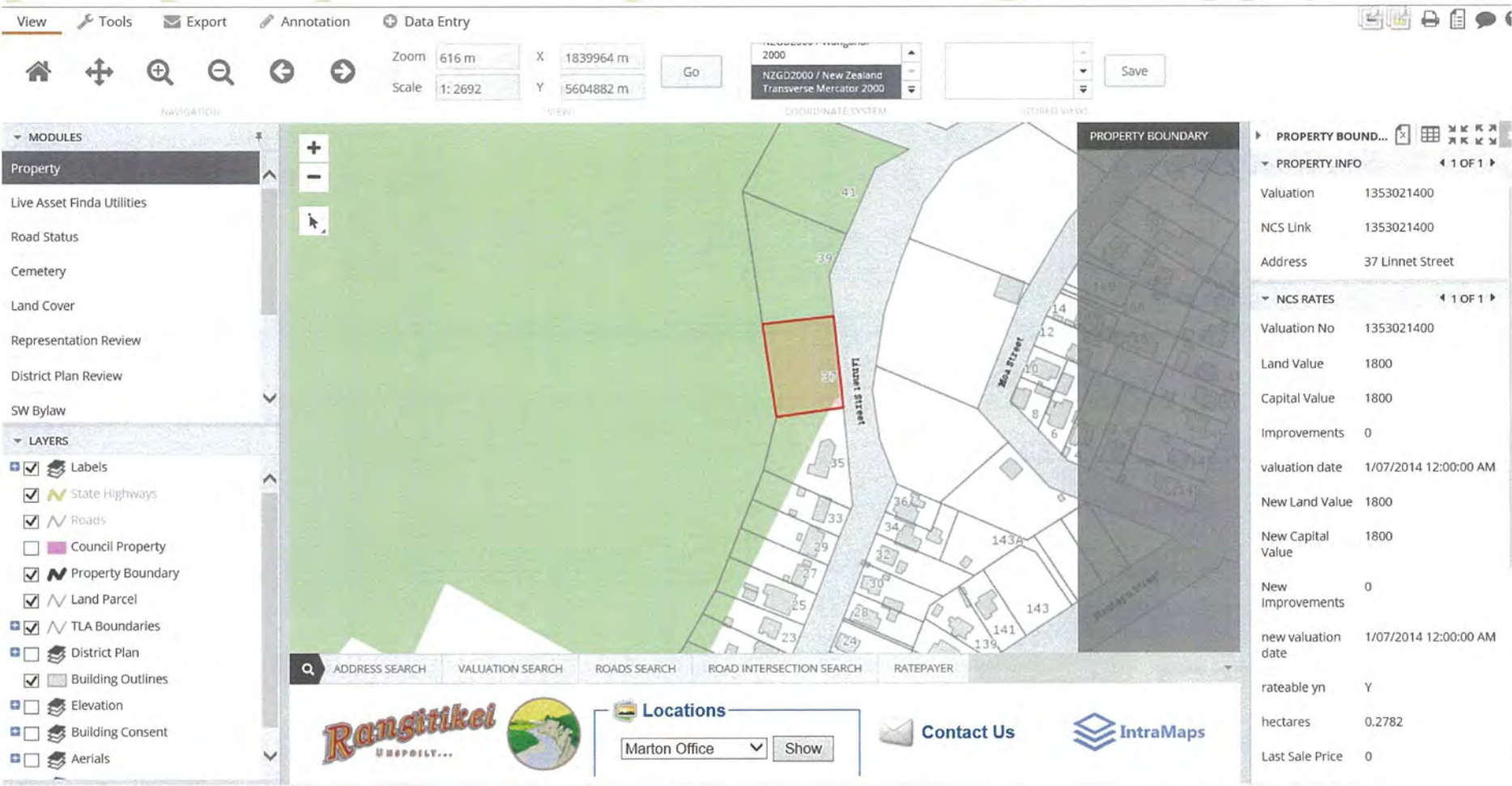
Marton Office Show

Contact Us

IntraMaps

1840065 m 5605

Linnett Street Taihape



Bulls Bridge Street SH3.

View **Tools** **Export** **Annotation** **Data Entry**

Zoom 515 m X 1802924 m Y 5550919 m Scale 1:2252 Go Save

MODULES

- Property
- Live Asset Finda Utilities
- Road Status
- Cemetery
- Land Cover
- Representation Review
- District Plan Review
- SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials

PROPERTY BOUNDARY

- LAND PARCEL
- URBAN MAPS
- RURAL MAPS
- SNOWLOADING

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation 1365000502

NCS Link 1365000502

Address 215 Bridge Street

NCS RATES 1 OF 1

Valuation No 1365000502

Land Value 71000

Capital Value 295000

Improvements 224000

valuation date 1/07/2014 12:00:00 AM

New Land Value 71000

New Capital Value 295000

New Improvements 224000

new valuation date 1/07/2014 12:00:00 AM

rateable yn

hectares 0.2665

Last Sale Price 60000

ADDRESS SEARCH **VALUATION SEARCH** **ROADS SEARCH** **ROAD INTERSECTION SEARCH** **RATEPAYER**

Rangitikei **Locations** Marton Office Show

Contact Us **IntraMaps**

Bulls Bridge Street SH3.

View Tools Export Annotation Data Entry

Zoom 1006 m X 1802976 m Y 5550909 m Scale 1: 4401 Go

NZGD2000 / New Zealand Transverse Mercator 2000 Save

MODULES

Property

Live Asset Finda Utilities

Road Status

Cemetery

Land Cover

Representation Review

District Plan Review

SW Bylaw

LAYERS

☒ Labels

☒ State Highways

☒ Roads

☐ Council Property

☒ Property Boundary

☒ Land Parcel

☒ TLA Boundaries

☐ District Plan

☒ Building Outlines

☐ Elevation

☐ Building Consent

☐ Aerials

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation 1365000526

NCS Link 1365000526

Address -

NCS RATES 1 OF 1

Valuation No 1365000526

Land Value 26000

Capital Value 26000

Improvements 0

valuation date 1/07/2014 12:00:00 AM

New Land Value 26000

New Capital Value 26000

New Improvements 0

new valuation date 1/07/2014 12:00:00 AM

rateable yn Y

hectares 0.1012

Last Sale Price 0

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei Unspoilt...

Locations

Marton Office Show

Contact Us

IntraMaps

Wellington Road Greatford

View Tools Export Annotation Data Entry

Home Navigation Zoom 3456 m X 1805900 m Y 5554364 m Scale 1:15120 Go

2000 NZGD2000 / New Zealand Transverse Mercator 2000 Save

MODULES

- Property
- Live Asset Finda Utilities
- Road Status
- Cemetery
- Land Cover
- Representation Review
- District Plan Review
- SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei

Locations

Marton Office Show

Contact Us

IntraMaps

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation 1344038600

NCS Link 1344038600

Address -

NCS RATES 1 OF 1

Valuation No 1344038600

Land Value 18000

Capital Value 18000

Improvements 0

valuation date 1/07/2014 12:00:00 AM

New Land Value 18000

New Capital Value 18000

New Improvements 0

new valuation date 1/07/2014 12:00:00 AM

rateable yn Y

hectares 0.1848

Last Sale Price 0

View Tools Export Annotation Data Entry

Zoom 12780 m X 1794081 m Y 5563698 m Scale 1:55907 Go Save

2000
NZGD2000 / New Zealand
Transverse Mercator 2000

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation	1347030700
NCS Link	1347030700
Address	852 Wanganui Road

NCS RATES 1 OF 1

Valuation No	1347030700
Land Value	6500
Capital Value	7500
Improvements	1000
valuation date	1/07/2014 12:00:00 AM
New Land Value	6500
New Capital Value	7500
New Improvements	1000
new valuation date	1/07/2014 12:00:00 AM
rateable yn	Y
hectares	0.7082
Last Sale Price	0

MODULES

Property

Live Asset Finda Utilities

Road Status

Cemetery

Land Cover

Representation Review

District Plan Review

SW Bylaw

LAYERS

☒ Labels

☒ State Highways

☒ Roads

☐ Council Property

☒ Property Boundary

☒ Land Parcel

☒ TLA Boundaries

☐ District Plan

☒ Building Outlines

☐ Elevation

☐ Building Consent

☐ Aerials

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei

Locations

Marton Office Show

Contact Us

IntraMaps

Taihape

View Tools Export Annotation Data Entry

Zoom 995 m X 1839182 m Y 5603916 m Scale 1:4353

NZGD2000 / New Zealand Transverse Mercator 2000

Save

MODULES

- Property
- Live Asset Finda Utilities
- Road Status
- Cemetery
- Land Cover
- Representation Review
- District Plan Review
- SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation 1353020230

NCS Link 1353020230

Address 18 Paradise Terrace

NCS RATES 1 OF 1

Valuation No 1353020230

Land Value 1500

Capital Value 1500

Improvements 0

valuation date 1/07/2014 12:00:00 AM

New Land Value 1500

New Capital Value 1500

New Improvements 0

new valuation date 1/07/2014 12:00:00 AM

rateable yn Y

hectares 0.0916

Last Sale Price 0

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei Unspoilt...

Locations

Marton Office Show

Contact Us

IntraMaps

Richmond Street Greatford

Zoom 2087 m X 1806057 m Y 5555152 m Scale 1: 9128 Go Save

2000
NZGD2000 / New Zealand
Transverse Mercator 2000

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation	1344036100
NCS Link	1344036100
Address	-

NCS RATES 1 OF 1

Valuation No	1344036100
Land Value	38000
Capital Value	39000
Improvements	1000
valuation date	1/07/2014 12:00:00 AM
New Land Value	38000
New Capital Value	39000
New Improvements	1000
new valuation date	1/07/2014 12:00:00 AM
rateable yn	Y
hectares	1.0844
Last Sale Price	0

MODULES

- Property
- Live Asset Finda Utilities
- Road Status
- Cemetery
- Land Cover
- Representation Review
- District Plan Review
- SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei

Locations

Marton Office Show

Contact Us

IntraMaps

Ohingaiti

View Tools Export Annotation Data Entry

Zoom 1788 m X 1831218 m Y 5583970 m Scale 1: 7821 Go Save

NAVIGATION

MODULES

- Property
- Live Asset Finda Utilities
- Road Status
- Cemetery
- Land Cover
- Representation Review
- District Plan Review
- SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials

PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO 1 OF 1

Valuation	1337007500
NCS Link	1337007500
Address	-

NCS RATES 1 OF 1

Valuation No	1337007500
Land Value	5000
Capital Value	5000
Improvements	0
valuation date	1/07/2014 12:00:00 AM
New Land Value	5000
New Capital Value	5000
New Improvements	0
new valuation date	1/07/2014 12:00:00 AM
rateable yn	Y
hectares	0.0566
Last Sale Price	0

ADDRESS SEARCH VALUATION SEARCH ROADS SEARCH ROAD INTERSECTION SEARCH RATEPAYER

Rangitikei

Locations

Marton Office Show

Contact Us

IntraMaps



Zoom 3465 m X 1819778 m
Scale 1: 15156 Y 5576619 m

Go

Horizontal Margin: 2000
NZGD2000 / New Zealand Transverse Mercator 2000

Save

MODULES

Property

Live Asset Finda Utilities

Road Status

Cemetery

Land Cover

Representation Review

District Plan Review

SW Bylaw

LAYERS

- ☒ Labels
- ☒ State Highways
- ☒ Roads
- ☐ Council Property
- ☒ Property Boundary
- ☒ Land Parcel
- ☒ TLA Boundaries
- ☐ District Plan
- ☒ Building Outlines
- ☐ Elevation
- ☐ Building Consent
- ☐ Aerials



PROPERTY BOUNDARY

PROPERTY BOUND...

PROPERTY INFO

Valuation 1358004400

NCS Link 1358004400

Address -

NCS RATES

Valuation No 1358004400

Land Value 2000

Capital Value 2500

Improvements 500

valuation date 1/07/2014 12:00:00 AM

New Land Value 2000

New Capital Value 2500

New Improvements 500

new valuation date 1/07/2014 12:00:00 AM

rateable yn

hectares 0.4957

Last Sale Price 0

ADDRESS SEARCH

VALUATION SEARCH

ROADS SEARCH

ROAD INTERSECTION SEARCH

RATEPAYER



Locations

Marton Office

Show



Contact Us



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Attachment 4

Rangitikei District Council

Statement of Service Performance

1 July 2015 – 30 June 2016

The provisional report will be provided to the Finance/Performance Committee, 28 July 2016. Information not available at that time is noted.

An updated revision will be provided to the Finance/Performance Committee on 25 August 2016. With any changes it will be provided to the Council's auditors on 31 August 2016. The Statement of Service Performance forms part of the Annual Report.

The measures and targets are those presented in the 2015/25 Long Term Plan. Mandatory performance measures – in roading and footpaths, water supply, sewerage and the treatment and disposal of sewage, and stormwater drainage – are denoted by an asterisk.

Where the target is expressed as a percentage, it is realistic to state the level of achievement. However, where the target is a full-year quantitative result 'pro rata' is added to clarify that the assessment has extrapolated the nine month result out for the full twelve months.

The summary results for the reporting period are depicted in the graph below.

TO BE COMPLETED FOR THE FINAL REPORT

The shortcomings in the reports available from NCS/MagiQ system have now been overcome.

- A way has been found to calculate the median time requirement in the mandatory performance measures for the time to attend at the site and resolve requests in water, wastewater and stormwater. The calculation for last year's results (as a comparator) has now been done, but it is an imperfect comparison, particularly for attendance time. This is because the 'arrival time' was not always entered.

- Multiple complaints about the same incident can be identified for incidents, so the total number of complaints can be reported. Adjustments have been made to the reported 2014/15 results to reflect this. However, a second (and subsequent) complaint about the same incident is not included in calculating the median time to attend a site or to resolve the fault or interruption.

Getting consistent results from the door count software at the libraries has proved an ongoing difficulty, but has been resolved so that comprehensive results will be available from 1 July 2016.

The full-year Statement of Service Performance will form part of the 2015/16 Annual Report, and is subject to scrutiny by the Council's auditors.

22 July 2016

Provisional

Performance Reporting

In the Activities that follow, performance reporting against the **Target (or Intended Level of Service)** will be detailed as follows:

Achieved	<p>Required actions have been completed and the intended level of service has been achieved</p> <p>Or where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service</p>
Partly achieved	<p>Some outputs contributing to the intended level of service have been achieved (e.g. 3 workshops held of the 4 initially proposed)</p> <p>Or the result for the year is between 60% and 75% of the intended level of service</p>
Achieved/ongoing	<p>A particular level of service has been achieved. But it is multi-faceted and not totally time related in that there are constant actions continuously adding to it</p>
In progress	<p>No actual output has been achieved but pre-requisite processes have commenced</p>
Not commenced	<p>No actions to achieve the stated level of service have begun</p>
Not achieved	<p>None of the required actions have been undertaken</p> <p>Or the result for the year is less than half of the intended level of service</p> <p>Or where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service</p>
Not yet available	<p>Timing of the relevant data set occurs later in the year.</p>
Not applicable	<p>The scope of the [mandatory] measure does not apply to the Council</p>

Community Leadership

Level of Service		
Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through		
Measure	Target for 2015/16	Actual July 2015-June 2016
Completion of annual plan actions on time	<p>83% of Annual Plan actions substantially undertaken or completed. All groups of activities achieved at least 75% of identified actions.</p> <p><i>In 2014/15, 88% of Annual Plan actions were completed. One group of activities (stormwater) achieved less than 75%.</i></p>	<p>Partially Achieved: overall 80%</p> <p>Of 81 actions identified in the Annual Plan, 21 are being actively progressed. 57 are either substantially (>67%) or fully complete (100%). 2 actions have been replaced in the work programme by more urgent works and 1 was not budgeted for (and will be completed in early 2016/17).</p> <p>These actions are: Re-painting Hunterville Pool, Bulls High St Sewer Main (127 to 141) Renewals of equipment at Marton WTP</p> <p>However, all groups of activities achieved higher than 75% of actions completed as follows: Community Leadership 98% Roading 75% Water Supply 76% Wastewater 77% Stormwater 100% Community and Leisure Assets 79% Rubbish and Recycling 100% Environmental and Regulatory 100% Community Well-Being 92%</p>
Completion of capital programme	<p>75% of planned capital programme expended; all network utilities groups of activities to achieve at least 60% of planned capital expenditure.</p> <p>Note: This table <u>excludes</u> expenditure on the emergency repairs to the roading network following the June rainfall event.</p> <p><i>In 2014/15, 51% of the planned capital programme was expended. Roading achieved 94%; water achieved 54%, sewerage and the treatment and disposal of sewage achieved 13% and stormwater achieved 26%; community and leisure assets achieved 44%.</i></p>	<p>Final 2015/16 figures not yet available</p>

Roading and footpaths

Level of Service		
Provide a sustainable network which is maintained in accordance with each road's significance for local communications and the local economy, taking into account the One Roding Network Classification and funding subsidies.		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*Road condition</i></p> <p>The average quality of ride on a sealed local road network, measured by smooth travel exposure</p>	<p>96.5%</p> <p><i>When the measurement was last undertaken, in June 2014, the result was 98%.</i></p>	<p>Not yet available</p> <p>The next measurement was expected in June 2016, but the actual date has yet to be confirmed.</p>
<p><i>*Road maintenance</i></p> <p>The percentage of the sealed road network that is resurfaced</p>	<p>8% (i.e. 55km of resealing and 8.8 km of road rehabilitation). The network has 796 km of sealed road.</p> <p>In 2014/15, 61.75 km of road resealing and 6.15 km of road rehabilitation was completed: this is 8.5% of the sealed network.</p>	<p>Partly achieved</p> <p>7%. 56.275 km of resealing was completed by 31 March 2016.</p> <p>There were 31 sections in the north, totalling 16 km, 6 sections in the central area, totalling 5.8 km and 31 sections in the south totalling 34.5 km. All of this work was done over the summer, apart from isolated patches of resealing in response to the severe rainfall event during 20-21 June 2016.</p> <p>Wanganui Road (Marton) is the only pavement rehabilitation project and is currently in progress.</p>
<p>The percentage of the unsealed road network which is remetalled during the year</p>	<p>At least 75% of [the unsealed] network remetalled each year – 12,000m³.</p>	<p>Not achieved</p> <p>Remetalling has been undertaken over 48 km of the unsealed road network (35%) but this has not changed during the January-March quarter. About 8,800m³ was placed.</p> <p>In addition, remetalling was undertaken on emergency work sites: approximately 2km over many sections of the network. The long dry weather from January onwards has not been conducive to metalling. While grading did continue in the northern part of the District the lack of moisture meant the metal unravelled again, especially on the steeper grades.</p>
<p><i>*Footpaths</i></p> <p>The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths that is set out in the Council's relevant document (such as</p>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 65% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p>	<p>In progress</p> <p>A survey of footpaths in the District was undertaken by Briken in 2015. However, the results for the 21 footpaths in the CBD areas which extend beyond the CBD have not been separately categorized.</p> <p>The available results show the required level</p>

its annual plan, activity management plan, asset management plan, annual works programme or long term plan)	<p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.</p> <p>Note:</p> <p>A five point grading system to rate footpath condition based on visual inspections</p> <ol style="list-style-type: none"> 1 Excellent 2 Good 3 Fair 4 Poor 5 Very Poor <p>Footpaths will be assessed in approximately 100-metre lengths.</p> <p>The sample of non-CBD footpaths will include ten lengths in each of Bulls, Marton and Taihape, and four lengths in Mangaweka, Hunterville and Ratana.</p> <p>The assessments will normally be conducted in November and May.</p>	<p>of service has been achieved.</p> <p>In the CBD areas, 100% of footpaths were considered 1, 2 or 3 in Bulls, Marton and Hunterville and 93% in Taihape</p> <p>Taking all footpaths (including those in the CBD areas), the results are:</p> <p>Bulls.....94.5%</p> <p>Marton.....94.8%</p> <p>Hunterville.....100%</p> <p>Taihape.....87.1%</p> <p>Other areas.....91.3%</p> <p>These results are much more favourable than that gained by periodic inspections of footpaths by the Roding team. The methodology used by Briken is being reviewed.</p>
<p>*Road safety</p> <p>The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number</p>	<p>No change or a reduction from the previous year.</p> <p><i>In 2014/15 there were two fatal crashes on the Council's roads and nine serious injury accidents.¹</i></p>	<p>Achieved</p> <ul style="list-style-type: none"> there have been no fatal crash in the reporting period² there were three serious injury crashes during the reporting period.

Level of Service		
Be responsive to community expectations over the roading network and requests for service		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p>Adequacy of provision and maintenance of footpaths, street-lighting and local roads (annual survey).</p> <p>Report card" qualitative statements.</p> <p>Groups targeted for consultation:</p> <ul style="list-style-type: none"> Residents where programmed renewal has taken place, Community Boards/Committees, Community group database, Business sector database. 	<p>A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better</p> <p><i>In 2014/15 (the benchmark), 13% believed it was better than last year, 65% about the same, 21% worse than last year (2% didn't know).</i></p>	<p>Partly achieved</p> <p>Preliminary results:</p> <p>In 2015/16, 12.5% believed it was better than last year, 68% about the same, 13.5% worse than last year (6% didn't know). 😊</p>
<p>*Responses to service requests</p> <p>The percentage of customer</p>	<ul style="list-style-type: none"> 95% callouts during working hours responded to within 6 	<p>Not achieved</p> <ul style="list-style-type: none"> There were 449 footpath and road requests during working hours of

¹ 'Serious injury' is not defined in the Rules or associated guidance from the Department of Internal Affairs. At a minimum it is likely to cover all injuries requiring admission to hospital for treatment.

² A person died falling off Toe Toe Road down a steep bank but, as this was not attributable to a travelling vehicle, it is outside the scope of the measure.

<p>service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan</p> <p><i>Note: Council measures resolution as well as initial attendance in response to such requests.</i></p>	<p>hours and 95% callouts during after-hours within 12 hours.</p> <ul style="list-style-type: none"> 85% of all callouts resolved (i.e. completed) within one month of the request.³ <p>Specific reference to callouts relating to potholes</p>	<p>which 84% were responded to within time</p> <ul style="list-style-type: none"> There were 70 footpath and road requests outside working hours, of which 91% were responded to within time. XX% of footpath and road requests were resolved within one month. <p><i>Note: These requests included 36 concerned with potholes: 95% of these were responded to in time and 87% were resolved within one month. This is a reduction from the performance reported at the half year and steps are being taken to regain that level over the remaining three months of the year.</i></p>
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³ There is a wide range of requests meaning resolution times will range from hours to several weeks or months, depending on urgency and work programming. While 96% was the result for 2013/14, it was 85% in 2012/13; this was also the result for the first nine months of 2014/15.

Water supply

Level of Service		
Provide a safe and compliant supply of drinking water		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*Safety of drinking water</i> The extent to which the Council's drinking water supply complies with</p> <p>(a) part 4 of the drinking water standards (bacteria compliance criteria)⁴</p> <p>(b) part 5 of the drinking water standards (protozoa compliance criteria)⁵</p>	<p>No incidents of non-compliance</p> <p><i>There were two incidents in 2014/15 – Hunterville and Mangaweka, attributable to sampling error.</i></p> <p>No incidents of non-compliance</p> <p><i>This couldn't be measured in 2014/15.</i></p>	<p>Achieved</p> <p>No incidents of non-compliance</p> <p>Achieved</p> <p>No incidents of non-compliance</p>
Compliance with resource consents	<p>No more than two incidents of non-compliance with resource consents</p> <p><i>In 2014/15, non-compliance was reported at Mangaweka and Taihape (excessive abstraction) and at Marton (lack of abstraction records)</i></p>	<p>Awaiting formal report from Horizons</p> <p><u>Marton</u> Marton Water Treatment Plant backwash and alum sludge discharge to settling ponds exceeded consent limits in May.</p> <p><u>Mangaweka</u> Daily abstractions repeatedly exceeded consented limits during February-March, caused by leaks on private property – owners have been required to fix them.</p> <p><u>Taihape</u> There are limits on the amount of abstraction from the river when the Hautapu River flows are too low. However, the raw water pipe needs to maintain a minimum flow that exceeds the low flow consent limit. A bypass line that returns the excess raw water flow back to the river has now been installed and has been operating successfully for a few months. This has remedied the non-compliance issue but the plant was non-compliant for a month or two before it became operational.</p> <p><u>Hunterville</u> The flow meter was out of action over April and May meant that this system was non-compliant for flow recording.</p> <p>The acceptance by Horizons of this approach was</p>

⁴ Currently measured by weekly sampling and testing through Environmental Laboratory Services in Gracefield.

⁵ Measured through Water Outlook.

		noted in the 2014/15 Annual Report as was the construction during this year.
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Level of Service		
Provide reliable and efficient urban water supplies		
Measure	Target for 2015/16	Actual July 2015-June 2016
Number of unplanned water supply disruptions affecting multiple properties	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year <i>In 2014/15, there were two unplanned disruptions in Taihape affecting multiple properties. There were no such disruptions to the other supplies.</i>	Achieved There were no unplanned water interruptions during the reporting period.
<i>*Maintenance of the reticulation network</i> The percentage of real water loss from the Council's networked reticulation system ⁶	Less than 40%.	Achieved The guidance for this measure anticipates a sampling approach. Water Outlook enables SCADA ⁷ information to be interrogated in-house. Bulls 8.5% Hunterville Urban.....12.4% Mangaweka.....14.3% Marton.....21.4% Ratana.....15.3% Taihape.....37.9% As expected, the calculated losses (at the end of the year) are less than the estimated losses from night flow measurement (37%).
<i>*Demand management</i> The average consumption of drinking water per day per resident within the District Note: This includes all water released from the urban treatment plants, <u>irrespective of whether it is used for residential, agricultural, commercial or industrial purposes.</u>	600 litres per person per day <i>In 2014/15, the average daily consumption of drinking water per day per resident in Ratana, Bulls, Hunterville (town), Mangaweka and Taihape was 600 litres. (Marton was not included.)</i>	In progress For the reporting period, consumption is estimated to be 542 litres per person per day. This figure includes Marton. The mandatory measures include all agricultural and commercial users connected to the Council's urban schemes but these figures are removed when we do the full benchloss calculation. It will be feasible to report this separately once the final calculations are done at the end of the year.

⁶ A description of the methodology used to calculate this will be included as part of the final report.

⁷ Supervisory control and data acquisition – i.e. automated remote monitoring,

Level of Service		
Be responsive to reported faults and complaints		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*Fault response time</i></p> <p>Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following <i>median times</i> are measured</p> <p>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p> <p>(c) attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(d) resolution of non-urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>	<p>Less than previous year (when recalculated as median times)</p> <p>The median times for the year are:</p> <p>(a) 4 minutes (41%) (b) 1 hour 44 minutes (100%) (c) 7 minutes (49%) (d) 3 hours 53 minutes (100%)</p> <p><i>The calculation for 2014/15 was undertaken in June 2016. The percentages are those callouts where arrival time is noted: it is only these which can be used to calculate the median attendance time.</i></p> <p>The target attendance times are within 30 minutes for urgent callouts, within 24 hours for non-urgent callouts.</p> <p>The target resolution times are within 24 hours for urgent callouts and within 96 hours for non-urgent callouts.</p> <p><i>Urgent callouts are where supply is interrupted.</i></p>	<p><i>In progress</i></p> <p>The median times for the reporting period are:</p> <p>(a) 21 minutes (b) 1 hour 15 minutes (c) 2 hours 11 minutes (d) 8 hours 34 minutes</p> <p>The raw results for the reporting period are:</p> <p>(a) 66 of 71 urgent callouts attended to within 30 minutes (b) XX of YY urgent callouts resolved within 24 hours (c) 258 of 270 non-urgent callouts attended to within 24 hours (d) XX of YY non-urgent callouts resolved within 96 hours.</p> <p>Note While the request for service system records more than one caller (when that occurs in the same day) for a service request, it does not record the date or time of these additional calls. The reporting used here is for the first caller only. However, there is potential under-reporting because a caller on the second (or subsequent) day to a request for service on the previous day will show a shorter response/resolution time.</p>
<p><i>*Customer satisfaction</i></p> <p>The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about</p> <p>(a) drinking water clarity (b) drinking water taste (c) drinking water pressure or flow</p>	<p>Less than previous year</p> <p><i>In 2014/15 there 72 complaints (or 17 per 1,000 connections) for these matters.</i></p> <p><i>This result differs from that included in the 2014/15 Annual Report as there were three incidents (on continuity of supply) for which two complaints were recorded.</i></p> <p><i>In addition, there were 157 complaints about water leaks throughout the network, 49 about water leaks at the meter or toby, 45 requests to replace e toby or meter, and 20</i></p>	<p><i>Partly achieved (pro rata)</i></p> <p>15 per 1,000 connections.</p> <p>There were no multiple callers on these incidents. However, it is possible that complaints about Council's responses are not included if they are a separate item of correspondence.</p> <p>The detail is:</p> <p>(a) 54 (b) 3 (c) 8</p>

(d) continuity of supply, and (e) The Council's response to any of these issues There are 4,268 connections	<i>requests to locate a meter, toby or other utility.</i>	(d) 11 (e) nil ⁸ In addition, there were 99 complaints about water leaks throughout the network, 50 about water leaks at the meter or toby, 86 requests to replace a toby or meter, and 17 requests to locate a meter, toby or other utility.
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Provisional

⁸ This is intended to refer to complaints about Council's response or resolution of any of the four issues specified. They are not distinguishable within the Council's request for service system. Cf. sewerage and the treatment and disposal of sewage, where the measure is intended to capture all complaints about any issue within these systems

Level of Service		
Maintain compliant, reliable and efficient rural water supplies		
Measure	Target for 2015/16	Actual July 2015-June 2016
Compliance with resource consents	<p>No incidents of non-compliance with resource consents</p> <p><i>In 2014/15, there was non-compliance at Omatane because of excessive abstraction.</i></p>	<p>Not achieved (technicality only)</p> <p><u>Hunternville</u> Flow recording stopped on 17 March 2016 to allow for upgrades to the flow recording system to enable "blue tick" calibration.⁹ This is required by Horizons.</p>
<p><i>Maintenance of the reticulation network</i> The percentage of real water loss from the Council's networked reticulation system¹⁰</p>	<p>40%</p> <p>No formal assessment has yet been undertaken of water loss in the rural (non-potable) schemes: the benchmark adopted is that used for urban (potable) water supplies.</p>	<p>Not achieved</p> <p>Due to a lack of flow monitoring at Hunternville.</p>
<p><i>Fault response time</i> Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median times are measured</p> <p>(a) attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution of urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>	<p>Less than benchmark</p> <p>(when recalculated as median times)</p> <p>Specified standard:</p> <p>(a) 24 hours</p> <p>(b) 96 hours</p>	<p>Not yet available</p> <p>Median time calculation yet to be done</p> <p>However, the raw results for the reporting period (Hunternville scheme only) are:</p> <p>(a) 46 of 48 callouts attended to within 24 hours</p> <p>(e) XX of YY callouts resolved within 96 hours</p>

⁹The National Environmental Standard for Measurement of Water Takes requires all water metering devices to be independently verified on installation and every five years thereafter. Suppliers are required to be accepted to the IrrigationNZ 'Blue Tick' Accredited Register. Currently there is just one such supplier in the Horizons region.

¹⁰ A description of the methodology used to calculate this must be included as part of the report.

Level of Service		
Ensure fire-fighting capacity in urban areas		
Measure	Target for 2015/16	Actual July 2015-June 2016
Random flow checks at the different supplies	<p>98% of checked fire hydrant installations are in compliance</p> <p><i>In 2014/15, maintenance issues with two hydrants became apparent, one in Taihape, one in Ratana.</i></p>	<p><i>In progress</i></p> <p>Programme of hydrant checks is ongoing</p>

Provisional

Sewerage and the treatment and disposal of sewage

Level of Service		
Provide a reliable reticulated disposal system that does not cause harm or create pollution within existing urban areas.		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*Discharge compliance</i></p> <p>Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders, and</p> <p>(d) convictions</p> <p>received by the Council in relation to those resource consents</p>	<p>No abatement or infringement notices, no enforcement orders and no convictions</p>	<p><i>Achieved</i></p> <p>No abatement or infringement notices, no enforcement orders and no convictions received during the reporting period.</p>
<p>Routine compliance monitoring of discharge consents</p>	<p>5 out of 7 systems comply</p> <p><i>In 2014/15, four plants were reported as non-compliant – Taihape, Hunterville, Marton and Koitiata. Reports weren't received for Bulls or Mangaweka.</i></p>	<p><i>In progress</i></p> <p>No compliance inspections undertaken during the reporting period. However, excessive amounts of discharge were released at Taihape in August 2015 following high rain events and in March 2016 when the low flow trigger limit applied. This was caused by inflow and infiltration issues: the lamella clarifier and lining of sewer mains will reduce this impact.</p> <p>There were also excess amounts of discharge at Hunterville (in August and September 2015 due to high rainfall events and high inflow and infiltration. Discussions are continuing with Horizons to provide a solution that will enable both plants to be compliant in terms of flow.</p> <p>Inflow and infiltration reduction works are under way in both areas.</p>
<p>Number of overflows from each network (response/ resolution time)</p>	<p>No single network to experience more than 4 overflows during a 12 month period.</p> <p>Response/ resolution time monitored and compared with benchmark]</p> <p><i>In 2014/15, there were 7 overflows – one in Taihape (dry weather), two in Marton and one in Bulls (during wet weather). During the extreme rainfall on 20 June 2015, there were two overflows reported in Marton and one in Mangaweka. All were responded to within the prescribed time; one was resolved late.</i></p>	<p><i>Achieved</i></p> <p>There were 4 overflows in Marton, 3 overflows in Taihape and one in Turakina. Seven were responded to in time and all were resolved in time.</p>

<p><i>*System and adequacy</i></p> <p>The number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system.</p>	<p>Not more than one per 1,000 connections</p> <p>There are 4,226 sewerage connections in the District.</p>	<p>Achieved</p> <p>There were 5 reported dry weather overflows (i.e. 0.9/1000)</p>
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Level of Service		
Be responsive to reported faults and complaints.		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*Fault response time</i></p> <p>Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following <i>median times</i> are measured</p> <p>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>	<p>Improved timeliness compared with benchmark (when recalculated as median times)</p> <p>The median times for the year are:</p> <p>(a) 6 minutes (34%)</p> <p>(b) 1 hour 49 minutes (97%)</p> <p><i>The calculation for 2014/15 was undertaken in June 2016. The percentages are those callouts where arrival time is noted: it is only these which can be used to calculate the median attendance time.</i></p> <p>The target attendance times are within 30 minutes for urgent callouts, within 24 hours for non-urgent callouts.</p> <p>The target resolution times are within 24 hours for urgent callouts and within 96 hours for non-urgent callouts.</p> <p><i>Urgent callouts are where sewage is evident</i></p> <p>Note: this mandatory measure does not distinguish between urgent and non-urgent callouts.</p>	<p>In progress</p> <p>The median times for the reporting period are:</p> <p>(a) 11 minutes</p> <p>(b) XXXX</p> <p>Note</p> <p>While the request for service system records more than one caller (when that occurs in the same day) for a service request, it does not record the date or time of these additional calls. The reporting used here is for the first caller only. However, there is potential under-reporting because a caller on the second (or subsequent) day to a request for service on the previous day will show a shorter response/resolution time.</p> <p>The detail against Council's target times is:</p> <p>(a) 7 out of 8 responded to in time</p> <p>(b) XX out of YY resolved in time</p> <p>(c) 30 of 38 non-urgent callouts attended to within 24 hours</p> <p>(d) XX out of YY non-urgent callouts resolved within 96 hours</p>
<p><i>*Customer satisfaction</i></p> <p>The total number of complaints received by the Council about any of the following:</p> <p>(a) sewage odour</p> <p>(b) sewerage system faults</p> <p>(c) sewerage system blockages, and</p> <p>(d) the Council's response</p>	<p>Less than previous year</p> <p><i>In 2014/15 total complaints were 39 (or 9.2 per 1,000 connections).</i></p> <p><i>This result differs from that included in the 2014/15 Annual Report as there were four incidents (one on odour, two on dry-weather overflows and one on a blocked drain) for which two complaints were recorded.</i></p>	<p>Not achieved</p> <p>18.9 per 1,000 connections</p> <p><i>There were no multiple callers on these incidents. However, it is possible that complaints about Council's responses are not included if they are a separate item of correspondence.</i></p>

to issues with its sewerage systems ¹¹ expressed per 1,000 connections to the Council's sewerage system.		(a) 3 (b) 7 (c) 15 (d) 16
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¹¹ These are matters relating to the Council's wastewater systems recorded in the request for service system *other than* in (a), (b) or (c) such as complaints about wastewater overflows.

Stormwater drainage

Level of Service		
Provide a reliable collection and disposal system to each property during normal rainfall		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*System adequacy</i></p> <p>(a) The number of flooding events¹² that occurred in the District</p> <p>(b) For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system)</p>	<p>Less than 1/1000</p> <p>There are 4,122 properties in the District that pay the stormwater rate.</p>	<p><i>Not applicable</i></p> <p>No such event occurred during the reporting period.</p>
<p><i>*Discharge compliance</i></p> <p>Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders, and</p> <p>(d) convictions</p> <p>received by the Council in relation to those resource consents</p>		<p><i>Not applicable</i></p> <p>The Council has not been required to have resource consents for any of its stormwater discharges.</p>

Level of Service		
Be responsive to reported faults and complaints		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p><i>*Response time</i></p> <p>The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.</p>	<p>4 minutes</p> <p>Less than previous year (when recalculated as median times)</p> <p>The median time for the year is: 4 minutes (22%)</p> <p><i>The calculation for 2014/15 was undertaken in June 2016 from urgent requests. The percentage is those callouts where arrival time is noted: it is only these which can be used to calculate the median attendance time.</i></p>	<p><i>Not applicable</i></p>

¹² The rules for the mandatory measures define a 'flooding event' as an overflow from a territorial authority's stormwater system that enters a habitable floor

<p><i>*Customer satisfaction</i></p> <p>The number of complaints received by the Council about the performance of its stormwater system, expressed per 1,000 properties connected to the Council's stormwater system.</p>	<p>There were 61 requests for service recorded in 2014/15 (or 14.8/1,000 connected properties)</p>	<p><i>Achieved</i></p> <p>8.5/1,000</p> <p>There were 35 callouts. The request for service system does not show all complaints for any one incident, so there is potential under-reporting.</p>
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Provisional

Community and leisure assets

Level of Service		
Provide a "good enough" range of community and leisure assets at an appropriate proximity to centres of population		
Measure	Target for 2015/16	Actual July 2015-June 2016
"Report card" produced during April/May each year from a postal survey of residents. ¹³	A greater proportion (than in the benchmark) or 10% of the sample believes that Council's service is getting better.	Partly achieved <i>Preliminary results:</i>
	Public libraries ¹⁴	In 2015/16, 10% believed public libraries were better than last year, 76% about the same, 3% worse than last year (11% didn't know). 😊
	Swimming pools ¹⁵	In 2015/16, 23% believed swimming pools were better than last year, 58% about the same, 5% worse than last year (14% didn't know). 😊
	Sports fields and parks ¹⁶	In 2015/16, 12% believed sports fields and parks were better than last year, 65% about the same, 5% worse than last year (18% didn't know). 😊
	Public toilets ¹⁷	In 2015/16, 10% believed public toilets were better than last year, 50% about the same, 10% worse than last year (30% didn't know). 😞
	Community buildings ¹⁸	In 2015/16, 3% believed community buildings were better than last year, 65% about the same, 6% worse than last year (25% didn't know). 😞
	Community housing ¹⁹	In 2015/16, 1% believed community housing were better than last year, 18% about the same, 1% worse than last year (80% didn't know). 😊 A more detailed analysis will be provided in the final full-year report, including the impact of using the electoral roll compared to the rates database.

¹³ It is intended to take the sample from the electoral roll for residents. During the previous three years the sample was taken from Council's ratepayer database.

¹⁴ In 2014/15, 15% believed it was better than the previous year, 62% about the same, 2% worse (and 22% didn't know)

¹⁵ In 2014/15, 17% believed the service was better than the previous year, 35% about the same, 5% worse (and 44% didn't know).

¹⁶ In 2014/15, 5% believed the service was better than the previous year, 69% about the same, 10% worse (and 16% didn't know).

¹⁷ In 2014/15, 19% believed the service was better than the previous year, 51% about the same, 18% worse (and 11% didn't know).

¹⁸ In 2014/15, 4% believed the service was better than the previous year, 67% about the same, 10% worse (and 18% didn't know).

¹⁹ In 2014/15, 0% believed the service was better than the previous year, 33% about the same, 5% worse (and 62% didn't know).

Level of Service		
Secure high use of staffed resources		
Measure	Target for 2015/16	Actual July 2015-June 2016
Number of users of libraries	<p>An increase in use compared with the benchmark</p> <p><i>In 2013/14, 126,801 people entered the libraries:</i></p> <p><i>Bulls: 20,373</i></p> <p><i>Marton: 49,967</i></p> <p><i>Taihape: 56,461</i></p>	<p>Not available</p> <p>The software providing this information has not been functioning through most of the reporting period.</p>
Number of users of pools	<p>An increase in use compared with the benchmark:</p> <p><i>2014/15 season totals</i></p> <p><i>Marton 19,445</i></p> <p><i>Taihape.....10,099</i></p>	<p>Achieved (pro rata)</p> <p>Marton 20,123 (last year for the same period was 12,987)</p> <p>Schools made up 5,500 of this figure. They were not recorded last year.</p> <p>Taihape: 11,323 (last year for the same period was 13,262)</p> <p>The closure of the learners' and toddlers' pools for about half of the season is likely to have been a contributor to this reduction.</p>

Rubbish and recycling

Level of Service		
Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics, textiles and greenwaste. Special occasions for electronics (e-waste).		
Measure	Target for 2015/16	Actual July 2015-June 2016
Waste to landfill (tonnage) ²⁰	[No more than] 4,500 tonnes to landfill <i>In 2014/15, 4,688 tonnes went to the landfill.</i>	<i>Achieved</i> 4,242 tonnes went to the landfill during the year ending 30 June 2016
Waste diverted from landfill (tonnage and (percentage of total waste) ²¹	Percentage of waste diverted from landfill 12% <i>In 2014/15, a total of 710.7 tonnes (or 13.3%) of waste was diverted.</i>	<i>Achieved</i> 598 tonnes (or 14.3%) of waste was diverted during year. The composition of the diverted waste is: Glass.....218.6 tonnes Greenwaste.....205.0 tonnes Paper.....118.7 tonnes Metals.....28.3 tonnes Plastics.....21.8 tonnes e-Waste.....5.3 tonnes Co-mingle.....0.6 tonne

²⁰ Calibrated records maintained at Bonny Glen landfill.

²¹ Records maintained at waste transfer stations

Environmental and regulatory services

Level of Service		
Provide a legally compliant service		
Measure	Target for 2015/16	Actual July 2015-June 2016
Timeliness of processing the paperwork (building control, consent processes, licence applications) ²²	<p>At least 92% of the processing of documentation for each of Council's regulatory and enforcement services is completed within the prescribed times</p> <p><i>In 2014/15, 100% of building consents and 95% of resource consents were issued within the prescribed time</i></p> <p><i>There were 256 building consents and 38 resource consents.</i></p>	<p>Achieved</p> <p>100% of building consents and 100% of resource consents were issued within the statutory timeframes.</p> <p>There were 324 building consents and 43 resource consents.</p> <p>There were 173 applications for licences under the Sale and Supply of Alcohol Act 2012. There are no statutory timeframes for Council to comply with.</p>
Possession of relevant authorisations from central government ²³	<p>Accreditation as a building consent authority maintained</p> <p>Functions of a registration authority and role of a recognised agency under the Food Act not subject to Ministerial Review.²⁴</p>	<p>Achieved</p> <p>Following a routine assessment in February 2015, Council's accreditation was confirmed for a further two years. The next assessment is provisionally scheduled for April 2017.</p> <p>The Food Act was fully in effect from 1 March 2016). The Ministry for Primary Industries requires a report on compliance activities each month from 10 April 2016.</p>
Level of Service		
Provide regulatory compliance officers		
Timeliness of response to requests for service for enforcement call-outs (animal control and environmental health) within prescribed response and resolution times.	<p>Improvement in timeliness reported in 2013/14.</p> <p><i>In 2013/14, 84% were responded to in time and 61% were completed in time. The relevant figures for 2014/15 were 87% and 81%.</i></p> <p>For animal control, priority 1 (urgent) callouts (dog attack, threatening dog or stock on road) require response within 30 minutes and resolution within 24 hours; priority 2 (i.e. non-urgent) callouts require response within 24 hours and resolution within 96 hours.</p> <p>For environmental health, there are varying times – for noise complaints, a response is required within one hour, for food issues, it is within 24 hours.</p>	<p>Achieved</p> <p>For Animal Control and Environmental Health there were 1,680 requests, of which 1,451 were responded to in time (i.e. 86%) and XXX completed in time (i.e. XX%).</p>

²² This includes any prescribed monitoring, such as of resource consents

²³ Excluding general authorisation through legislation where no further formal accreditation is specified

²⁴ Food Act 2014, s. 185. This added since the measure is an annual review of relevant documents.

Community well-being

Level of Service		
Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p>Partners' view of how useful Council's initiatives and support has been (annual survey)²⁵</p> <p>The focus for the survey is those community groups within the District with whom the Council has worked. So, this excludes shared services or other contractual arrangements with other councils. It also excludes direct collaboration with central government agencies although, where these are also involved with community organisations and groups within the Rangitikei, they are invited to participate in the annual survey.</p>	<p>A greater proportion (than in the benchmark) or more than 10% of the sample believes that Council's service is getting better.</p> <p><i>In 2014/15, from the 96 responses to the survey, 17% thought Council's service is getting better, 45% thought it about the same, 3% thought it worse and 35% did not know how to rate this..</i></p>	<p>Achieved</p> <p>In 2015/16, from the 88 responses to the survey, 19% thought Council's service is getting better, 57% thought it about the same, 1.5% thought it worse and 22% did not know how to rate this.</p>
Level of Service		
Identify and promote opportunities for economic growth in the District		
Measure	Target for 2015/16	Actual July 2015-June 2016
<p>The three key indicators of success in the Council's adopted Rangitikei Growth Strategy- i.e.</p> <p>*The District's GDP growth</p> <p>*A greater proportion of young people living in the District are attending local schools</p> <p>*More people living in the District (than is currently projected by Statistics New Zealand)²⁶</p>	<p>Turning the curve (in comparison with the benchmark) is evident in at least two of the key indicators</p>	<p>Achieved</p> <p>GDP growth: the Rangitikei GDP grew sharply during 2015, compared to New Zealand GDP growth and the trend is now upwards. (Infometrics data for 2013, 2014 and 2015).</p> <p>School rolls: latest school rolls (July 2015) compared to population estimates indicate that the upward trend of residents enrolled in local high schools stabilized in 2015.</p> <p>Population estimates from Statistics New Zealand show a small increase in the population since the Census 2013, tracking at above the high estimates produced from Census data (see table below).</p>

²⁵ Groups which are targeted for consultation:

- Participants in Path to Well-being Theme Groups
- Community group database
- Public sector agency database
- Business sector database

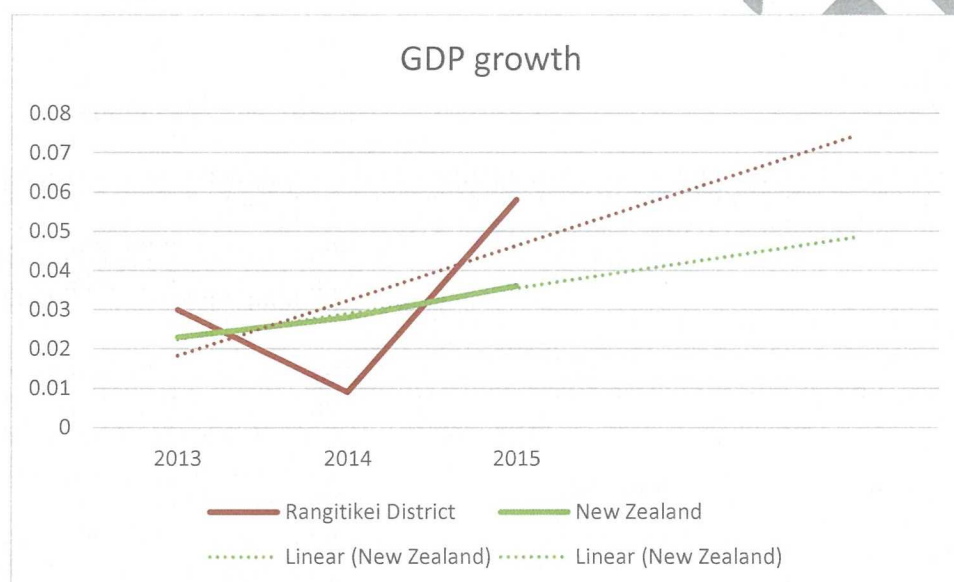
²⁶ (a) In 2013, Rangitikei's GDP growth was -0.8% and trending downwards with an increasing divergence from the national trend.

(b) Based on latest available Statistics New Zealand population estimates (June 2013) and school enrolments for 2014 (TKI), 56% of residents of high school age were enrolled in local schools and trending upwards.

(c) Based on population projections from Statistics New Zealand (medium projection based on 2013 Census), the resident population is projected to decline from 14,450 in June 2013 to 13,900 in June 2028.

Population change (estimated at 30 June 2015) cf. Census 2013	
Rangitikei district	150
Mangaweka	0
Hunternville	-20
Ratana Community	20
Bulls	50
Ngamatea	0
Moawhango	-20
Pohonui-Porewa	-10
Lake Alice	10
Koitiata	0
Taihape	60
Marton	70

Source: Statistics New Zealand Subnational population estimates



Source: Infometrics Rangitikei Economic Profile

Attachment 5

Report

Subject: Assessing appropriate support for recurring high profile and high profile/community events through the Events Sponsorship Scheme

To: Finance/Performance Committee

From: Alex Staric, Policy Analyst

Date: 13 July 2016

File: 3-GF-11

1 Executive Summary

- 1.1 The purpose of this report is to summarise the findings from an analysis of retail spending at high profile and high profile/community events sponsored by Council during 2015/16. The aim of this sponsorship is to encourage and support economic development so it is important for Council to be able to verify that its sponsorship of these events is providing economic benefits.
- 1.2 The report proposes to develop a longitudinal data set of local retail spend and attendance numbers in order to gain a better understanding of how Council's sponsorship may best be used to balance:
- Sponsorship for new events with sponsorship for recurring events
 - Sponsorship that enables events to take place and sponsorship where Council's objective is to be associated with a successful event that promotes the District.
- 1.3 This information will progressively enable Council to achieve a better outcome from its limited sponsorship funds.

2 Background

- 2.1 Council has traditionally funded events through contestable funding schemes. During the review of the Policy Manual (during the 2010-2013 triennium), Council developed an Events Policy as part of the Community Resilience strategic policies:

"To develop a sense of place in the Rangitikei through [iconic] events that reflect the diversity of the Rangitikei communities and add to the attractiveness and vibrancy of the District towns to attract businesses, residents and visitors. This policy sits under the key strategic intent "to promote economic development". Council will promote the District as a great place to live."

- 2.2 During the preparation of the 2012-22 Long Term Plan, Council consulted on its support for “iconic events” as one of the key choices. Council suggested setting aside funding from the contestable funding pot specifically for “iconic events” and asked for views about which events were perceived by residents to be “iconic”. There was no consistent message coming through from submitters’ comments and Council decided to keep events as an eligible activity within its contestable Community Initiatives Fund.
- 2.3 However, it noted that there was generally good support in the comments for local, iconic events. Other points raised in submissions were:
- There should only be seed funding available to grow events and that once they reached “iconic status” they should be self-funding
 - That philanthropic money was available and should be directed to supporting these events, or else a charge should be made to take part in them
 - More focus on events which held meaning for tangata whenua
 - That grants were measured on criteria relating to returns on investment
 - That iconic events should be limited to one per town (and done well!)
- 2.4 During the preparation of the 2015-25 Long Term Plan, Council consulted upon adopting a renewed focus on economic development. It recognised the role that the Events Policy (and an associated Events Strategy) played in this. This renewed focus was approved through the LTP process for the 2015-18 period and an associated Events Sponsorship Fund was created of \$20,000 per annum¹.
- 2.5 In March, April and May 2015, the Finance/Performance Committee considered how the Events Sponsorship Scheme would function. These reports variously considered:
- The split between new and recurring events
 - The extent to which Council should fund high profile events year on year
 - The rationale for ratepayer investment in events
 - Potential to generate income and become self-supporting
- 2.6 As a result, Council agreed to the following guidelines
- Council will consider developing sponsorship arrangements with any organisation seeking financial support for an event in the District;
 - Council will consider recurring sponsorship arrangements where an event has the potential to gain considerable community interest and/or achieve a high profile outside the District;
 - The normal maximum term of any sponsorship arrangement (reviewed annually) will be 5 years, at which time Council and the event organisers will jointly review the value of the event and its future potential (after which Council may develop a further sponsorship arrangement);

¹ This sum does not include funding supplied through the MOU arrangement for “events , activities and projects to enliven the towns and District” organised through the Town Coordinators in each of Bulls, Marton and Taihape.

- Events will be classified as community, community/high profile or high profile based on actual and/or estimated numbers and locations of participants/attendees;
- Applicants will be required to outline their strategies for maximising interest in attending the event and for income generation strategies (including the potential for the event to be self-funding);
- Successful applicants will be required to complete a Post-Event report form which includes financial and attendance data;
- Council will commission an independent economic impact report for all high profile and high profile, community events.

2.7 Between 19/09/2015 to 3/04/2016, Rangitikei District Council has sponsored 13 high profile and high profile/community events as part of its Event Sponsorship Scheme. Of these 13, eight were high profile community events (HP/Com) and five were high profile events (HP). The total sponsorship is \$26,707². An independent economic impact assessment was sourced through MarketView for each of these events. The total cost of this analysis was \$3,500. Therefore the total cost of the sponsorship programme is \$30,207.

3 Findings of the independent economic assessment of Council sponsored events

3.1 An analysis of the MarketView reports was discussed at the Finance Performance Committee meeting in June 2016. It is attached as Appendix 1. The MarketView reports use actual spend at local retailers on event day/period compared to actual spend in the preceding year and an average 5 year period. It also provides real data on the origin of the spender. The analysis also used event applications and event reports provided by event organisers to assess participation/attendance at an event.

3.2 Key findings of the analysis of the MarketView Event Reports are outlined in the conclusion to the report attached as Appendix 1. Bearing in mind that the data is only a snapshot in time and various factors need to be taken into account when using this data, the main findings are:

- All sponsored events attract additional \$ spend at local retailers
- Most Council sponsored recurring events appear to be growing
- All high profile events and most high profile/community events had an economic impact and return on investment
- Clashes of dates do not appear to have an impact on high profile/community events and only a marginal impact on high profile events but should be avoided if possible
- Events can help to mitigate the effects of seasonal spending for local retailers

² This includes a nominal \$10,000 for four high profile/community events funded through the arrangement with the three MOU agencies based in Bulls, Marton and Taihape.

4 Discussion

- 4.1 The danger with any analysis of this nature is that it looks like a league table showing success and failure. This interpretation should not be used because Council is looking for different outcomes from the different events. Generally, Council is seeking an economic impact from its high profile events but would balance the economic impact with community outcomes for its high profile, community events.
- 4.2 The bottom line is that Council is expecting to see some economic return on its investment in these events. The data on retail spending obtained from MarketView and run through the economic impact tool provided through Infometrics indicates direct and indirect economic benefits of over \$700,000. This global figure is a powerful, communicative indicator of the value of these events to the District and provides a strong rationale for Council's continued support.
- 4.3 In addition, Council has sought to answer questions about the balance of its sponsorship between seed funding to grow new, high profile events and continuing to sponsor established events. In the past Council has recognised that it needs to understand the growth cycle of an event (is it still growing, in stasis or getting smaller) and its ability to be self-financing. Longitudinal data will support Council to make these decisions and the data should continue to be gathered to provide these trends.
- 4.4 Council has also recognised the role of high profile, established events in its District Promotion Strategy. In other words, an event which attracts large numbers of visitors to the District provides the opportunity to promote the great lifestyle that is offered. Such events may well be self-financing and yet Council may still want the opportunity to be associated with the event. From the 7 out of 9 events which have submitted final costs, three made surpluses which exceeded Council's sponsorship amount i.e. they could have taken place without the financial support of Council. In these instances, Council may want to take a pure sponsorship approach with a view to how much "brand awareness" it could achieve at such an event and focus its promotional activities there.
- 4.5 This data, both as a snapshot and as a longitudinal dataset, will also be useful for high profile event organisers to understand their event, where they may need to focus for growth or to help meet Council's aspirations for District Promotion.
- 4.6 The post event reports ask event organisers to supply estimates of the number of people attending the event. This is an important indicator of whether the event has met the expectations of the organiser and whether it is likely to have achieved the economic impact that Council is seeking through its sponsorship. Where an event is ticketed, this information is readily available and likely to be reasonably accurate. However, for the street events the figures supplied may be little more than a guesstimate. It would be useful to work with event organisers to secure more robust data on attendance figures.
- 4.7 In addition, it is suggested that where an event is a street event with stalls, that event organisers are asked to gather information from stall holders about their origin – local, regional, national or international. This will support data from MarketView about local spend.

- 4.8 Generally, Council staff will work more closely with event organisers, where appropriate, to support them to gather information which will add to our understanding of the economic and community impact of high profile events in our District.

5 Recommendations

- 5.1 That the report, "Assessing appropriate support for recurring high profile and high profile/community events through the Events Sponsorship Scheme " be received.

Alex Staric

Policy Analyst

Appendix 1

ANALYSIS OF MARKETVIEW EVENT REPORTS FOR HIGH PROFILE AND HIGH PROFILE COMMUNITY EVENTS SPONSORED BY RANGITIKEI DISTRICT COUNCIL IN THE RANGITIKEI DISTRICT

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EVENTS PROFILE

The Council sponsored 13 events; 8 high profile community events (HP/Com) - including 4 organised through the MOU arrangements - and 5 high profile events (HP). The total sponsorship was \$26,707.

Event	Date of event	Type of event	Amount of Council sponsorship
Mudder	19/09/2015	HP	\$643
Shepherds Shemozzle	31/10/2015	HP/Com	\$3,000
Marton Market Day	28/11/2015	HP/Com	\$2,500 (nominal) ¹
Taihape Dressage Championships	19/12/2015 - 20/12/2015	HP	\$1,400
Marton Country Music Festival	15/01/2016 - 17/01/2016	HP	\$2,250
Taihape Shearing Sports	23/01/2016	HP/Com	\$1,688
Taihape A and P Show	30/01/2016 - 31/01/2016	HP/Com	\$1,600
Caledonian Games	30/01/2016	HP	\$2,563
Rangitikei Shearing Sports	6/02/2016	HP/Com	\$2,063
Taihape Show Jumping	12/02/2016 - 14/02/2016	HP	\$1,500
Rhythm in Bulls	12/03/2016	HP/Com	\$2,500 (nominal)
Gumboot Day	12/03/2016	HP/Com	\$2,500 (nominal)
Marton Harvest Party	3/04/2016	HP/Com	\$2,500 (nominal)

There are several points to note in interpreting the Events Reports:

- 2 events took place over a weekend (Taihape Dressage Championships and Taihape A and P Show)
- 2 events took place over three days (Marton Country Music Festival and Taihape Show Jumping)
- 2 sets of events took place on the same day (Rhythm in Bulls and Gumboot Day on 12 March 2016 and Caledonian Games and the Taihape A and P Show on 30 January 2016). These clashes did not take place during the previous year.
- All events are recurring events and comparisons could be made with the previous year. The exceptions are the Mudder which was a new event for Council sponsorship (although it has been held before) and Taihape Shearing Sports (which was held as part of the Taihape A and P Show last year)
- All events except the Mudder, the Shepherds Shemozzle and the Caledonian Games were held in Marton, Bulls or Taihape. A "local" designation was required as part of the MarketView analysis so for these three events, Marton was used as the designated "local" for both retailers and spenders.

¹ Marton Market Day, Rhythm in Bulls, Gumboot Day and Marton Harvest Party are delivered through the MOU arrangement: under this arrangement a nominal Council sponsorship has been attributed.

ANALYSIS

The Events Reports provided the following data which has been analysed:

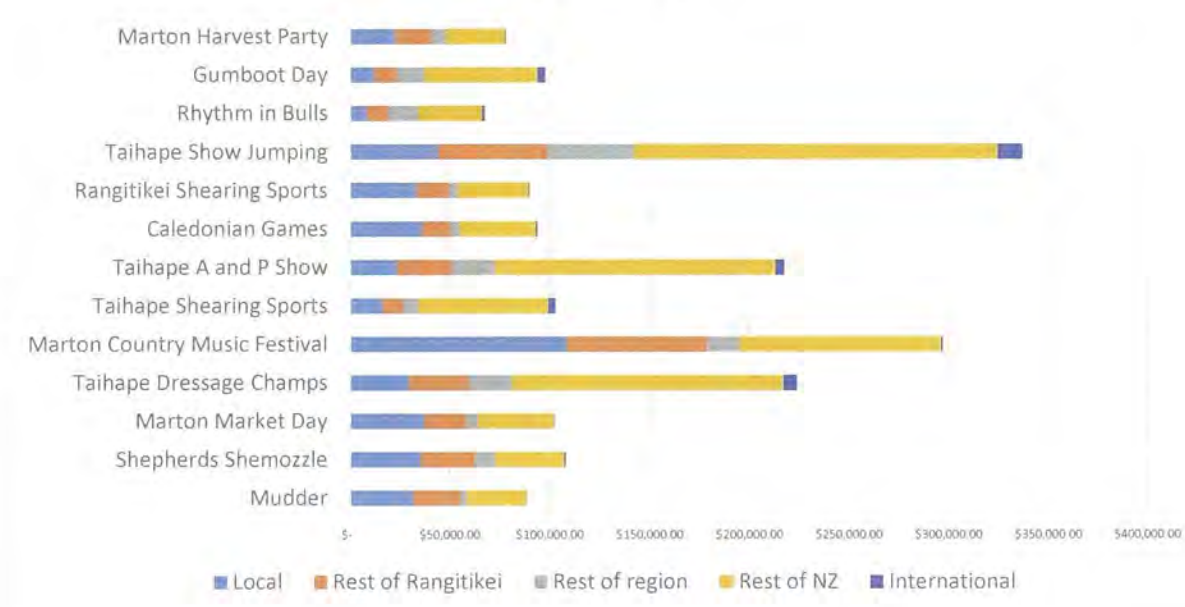
- Total amount spent with local retailers during the event period, broken down by origin of spender
- Change in the amount spent with local retailers during the event period compared to a non-event period
- Change in the amount spent with local retailers during the event period for the past year and 5 years

Events organisers were asked to provide an estimate of the number of participants at their events broken down into Local (Rangitikei residents), Rest of Horizons Region, Rest of New Zealand and International. An analysis was undertaken to test how this aligns to the breakdown of origin of spender figures provided in the MarketView reports.

Finally, the figures were input into an Economic Impact tool to provide estimates of the impact on the local economy of these events and a Return on Investment measure.

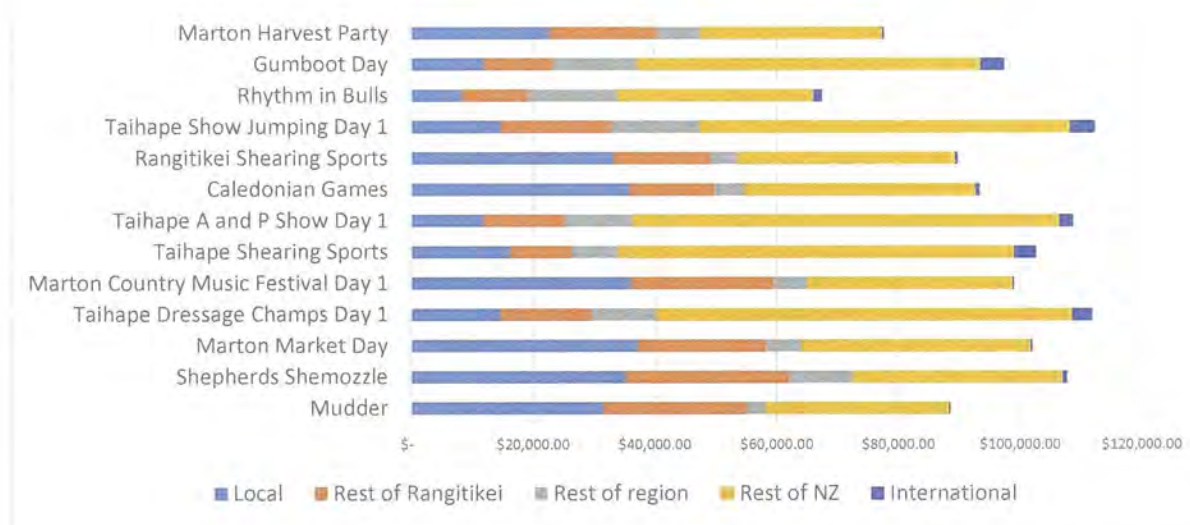
AMOUNT SPENT WITH LOCAL RETAILERS

Actual \$ spend with local retailers by origin of cardholder during event period



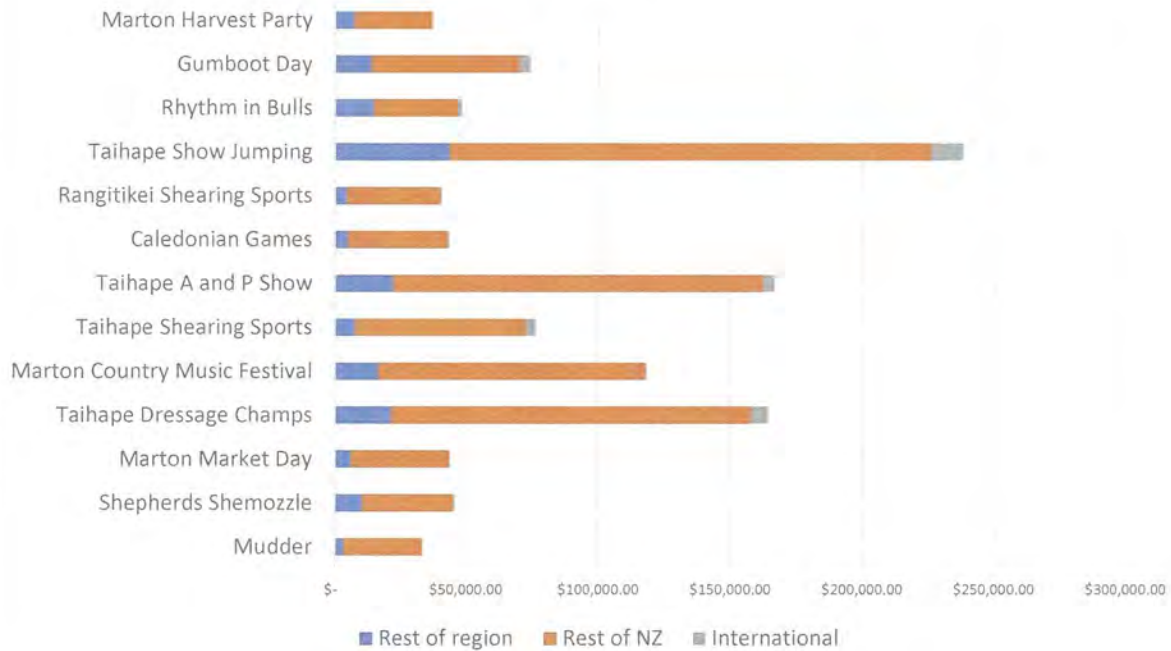
Those events which were over 2 or 3 days clearly provide a greater actual \$ spend with local retailers. If it is assumed that for these events each day provides an equal spend (this assumption has been tested through an Event Report for a single day of the Taihape Show Jumping Event, during which approximately 1/3 of the total spend was recorded), then there is less variation in the actual \$ spend between events. Nonetheless, the value of multi-day events is evident.

Actual \$ spend with local retailers by origin of cardholder per event day



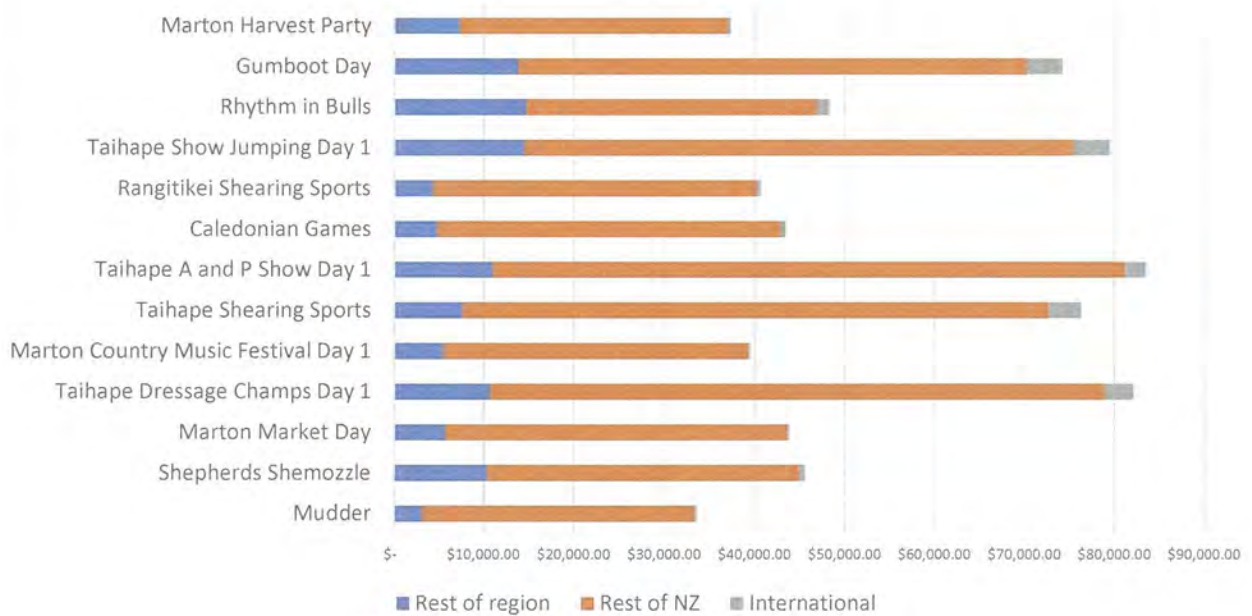
Many economic impact analyses discount spend by local people in assessing the economic impact of an event because it is argued that this spend would be made whether or not an event takes place.

Actual \$ spend at local retailers by non-residents during event period



Once again, a comparison can be made for multi-day events by assuming expenditure is equal across all event days.

Actual \$ spend with local retailers per event day by non residents



CHANGE IN THE AMOUNT SPENT DURING THE EVENT PERIOD COMPARED TO A PREVIOUS EVENT PERIOD

The change in \$ spend with local retailers during the current event period can be compared with the previous year and the average of the previous 5 years.

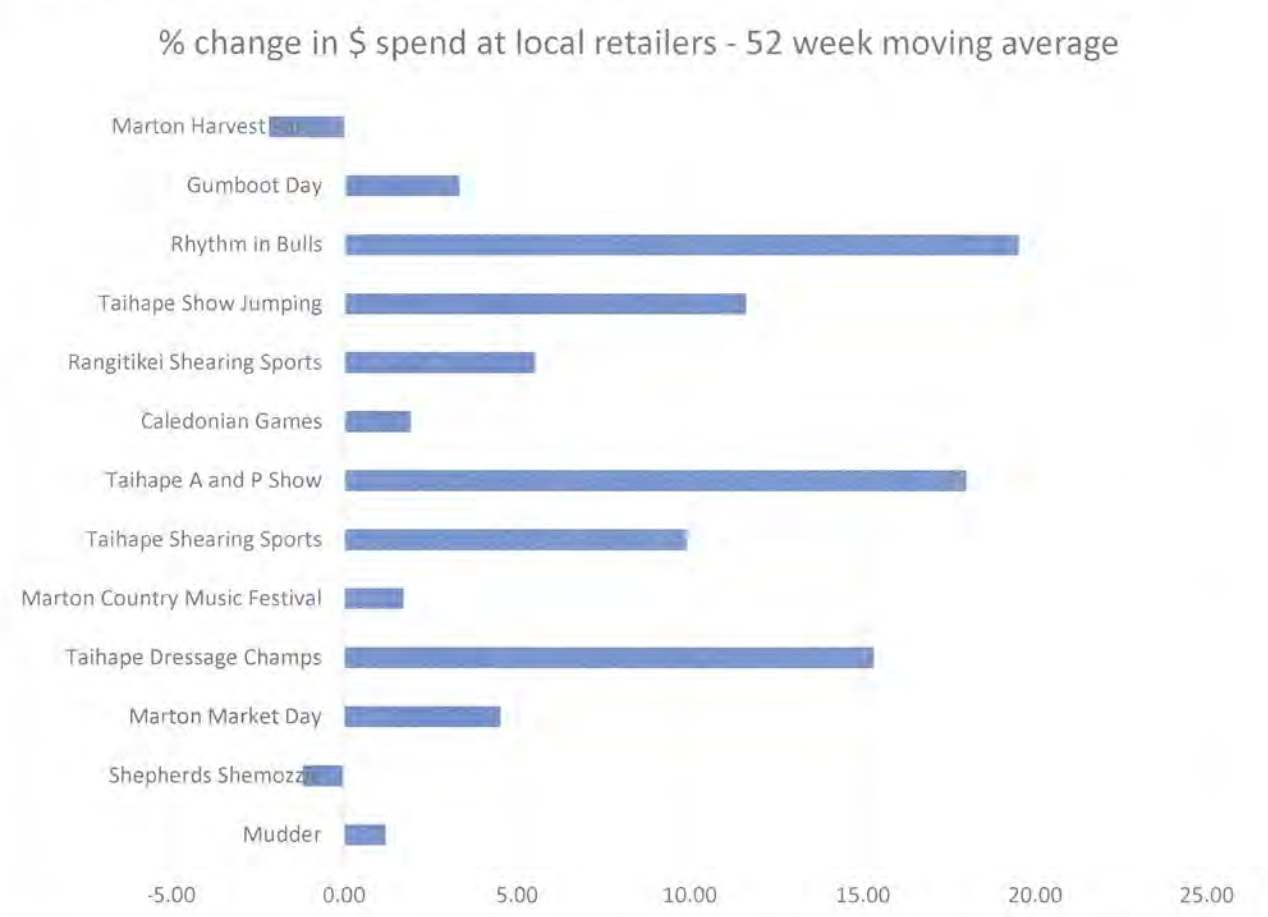


Generally, it appears that the events that Council sponsored are growing compared to the average of the previous 5 years. The exceptions appear to be the Caledonian Games, the Rangitikei Shearing Sports and Marton Harvest Party. The Marton Country Music Festival and Taihape A and P Show appear to have had a less successful event this year than last year. The Taihape A and P Show included the Taihape Shearing Sports last year which may have boosted local spend.

The impact of events taking place on the same day is equivocal; whilst the Caledonian Games and the Taihape A and P Show on 30 January 2016 appear to have a less successful event in 2015/16 than in previous years, Rhythm in Bulls and Gumboot Day, both on 12 March 2016, had a more successful event than in previous years. This may be because the emphasis of the latter two events is on participation by local people as high profile/community events.

CHANGE IN THE AMOUNT SPENT DURING THE EVENT PERIOD COMPARED TO A NON-EVENT PERIOD

The MarketView reports provide a comparison with the \$ spend at local retailers during the event period with the rolling average of the previous 52 weeks. This indicates whether the events attract more spending in the local area than an average day.



Generally, the events appear to attract additional \$ spend at local retailers compared to an average day. This appears to be particularly the case for the events in Taihape and the one event in Bulls.

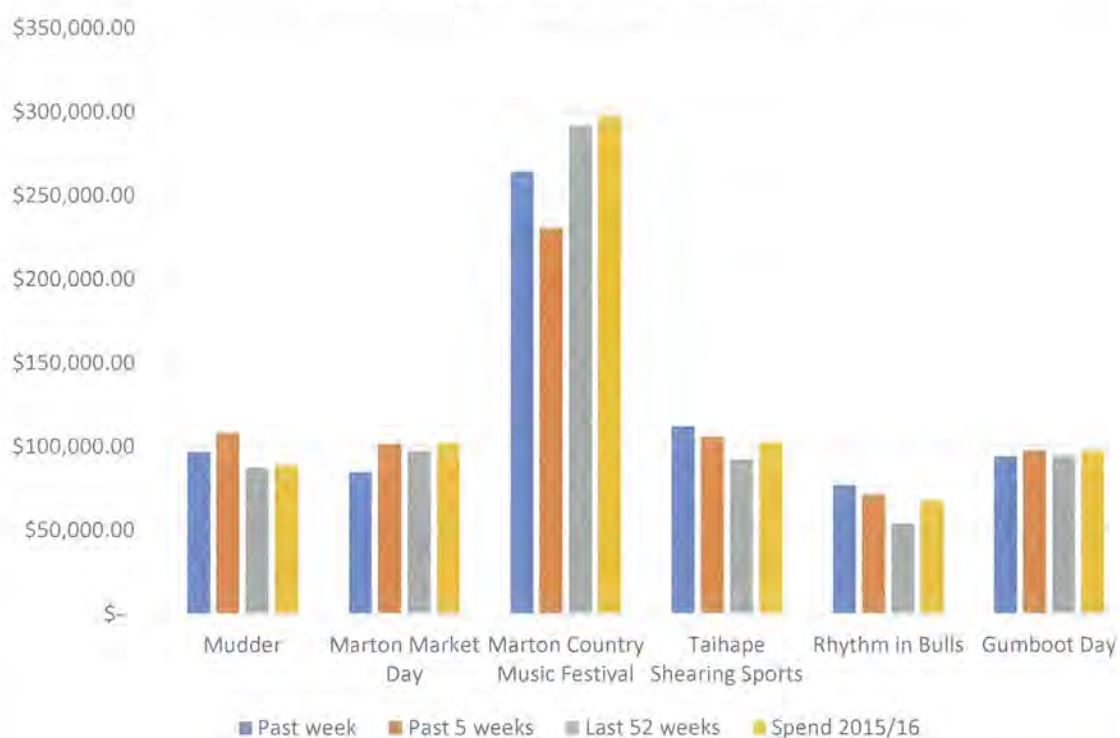
Two events do not appear to attract additional expenditure for local retailers: the Marton Harvest Party and the Shepherds Shemozzle. For those three events which take place outside of Marton, Bulls or Taihape (The Shepherds Shemozzle, the Caledonian Games and the Mudder), the area designated as “local” is Marton. This does not appear to have an impact on the two high profile events (the Caledonian Games and the Mudder) which generally do not attract significant numbers of local people, since the impact of these events can be seen in increased spending in the closest town of Marton. However, the Shepherds Shemozzle attracts significant people from the local towns and so is likely to pull spending away from the main towns. The inability of MarketView to isolate “within Rangitikei but outside the main population centres” as the “local” area is likely to disadvantage the Shepherd’s Shemozzle more than any other event.

In addition, the rolling average of the past 52 weeks varies significantly, and the Shepherd's Shemozzle is being compared to the highest rolling average of any event at almost \$109,000² compared to an average for Marton of \$93,500.

The opposite is true of the Marton Harvest Party which recorded an actual \$ spend during the event of \$77,662 compared to the rolling average over the previous 52 weeks of \$79,000. It is likely that expenditure with stall holders whose business address is not registered in the District will impact on expenditure recorded at local retailers. This is also the case for Marton Market Day and Gumboot Day which demonstrate lower levels of increased expenditure in the District than other events but still record an increase in local expenditure which may be attributed to the event.

The impact of seasonal spending can be illustrated by the selective comparison of some events with the previous week and rolling average previous 5 weeks as well as the rolling average of the previous 52 weeks³.

Actual \$ spend at local retailers during event period 2015/16
compared to previous week, average of previous 5 weeks
and average of previous 52 weeks



The Mudder and Marton Market Day took place at the beginning of summer (September and November), Marton Country Music Festival and Taihape Shearing Sports take place during summer (January) and Rhythm in Bulls and Gumboot Day take place at the end of summer (March). Though all events attract more spending for local retailers than a rolling average over 52 weeks, only the

² What happened in the 52 weeks before the Shemozzle that didn't happen in any other 52 week period?

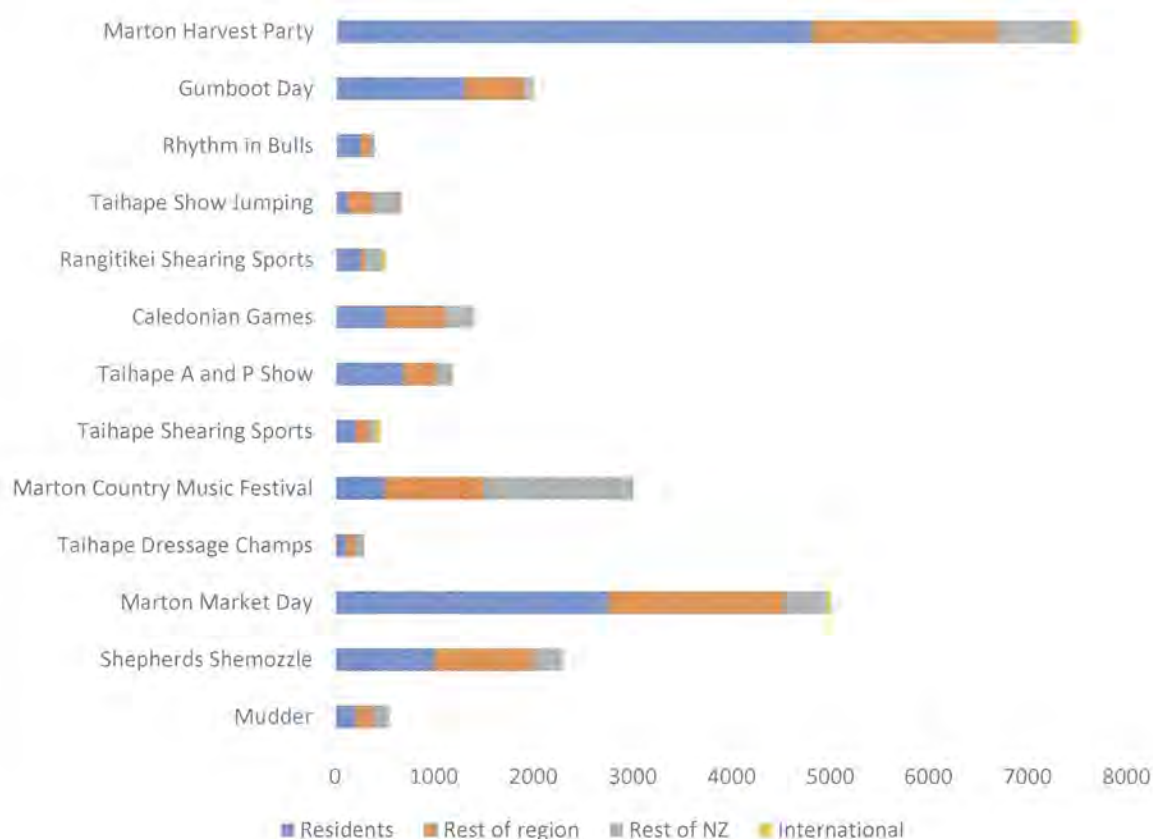
³ The previous week was used as a comparator for the events where there was no comparator for last year (the Mudder and Taihape Shearing Sports) or where a MarketView Event report was run for last year (Marton Market Day and Marton Country Music Festival) and for the high profile/community events run through the MOU agencies in Bulls and Taihape (Rhythm in Bulls and Gumboot Day).

Marton Country Music Festival attracts more spending with local retailers compared to the previous week and rolling average of the previous 5 weeks. This is likely to be indicative of Marton's position off the state highway network: Bulls and Taihape appear to experience significant increased spending during the summer period than for the rolling 52 week average.

ATTENDANCE AT EVENTS

Events organisers were asked to provide an estimate of how many people attended their events and to break this down into Residents, Rest of Region, Rest of New Zealand and International.

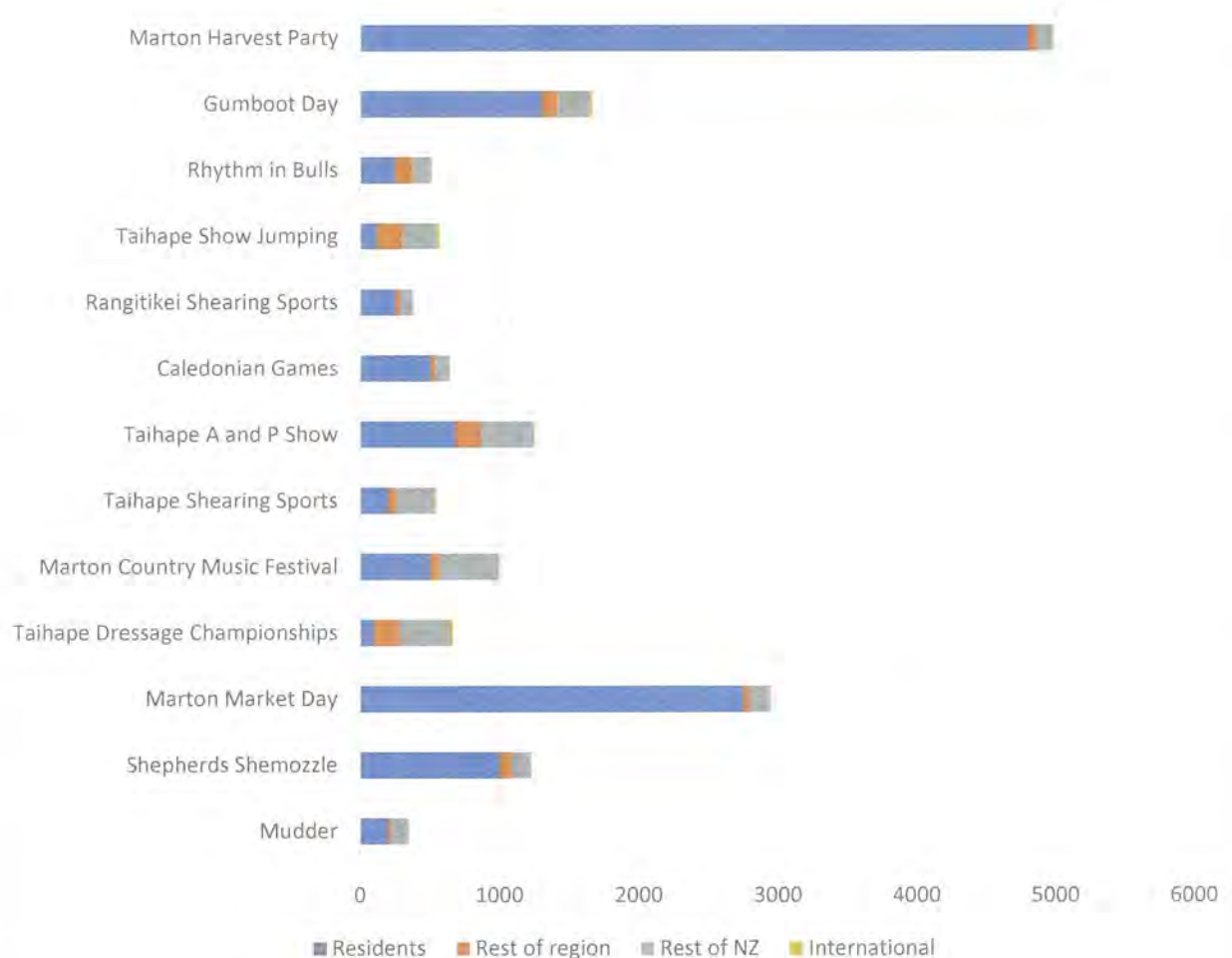
Event organisers estimates of numbers of attendees at events
2015/16



MBIE estimates that average visitor expenditure is \$118 per day trip and \$372 per overnight trip (*MBIE Key Tourism Statistics, Feb 2014*). Using the MarketView actual \$ spend by origin of cardholder, an alternative figure for non-resident attendees can be estimated.

Using average expenditure from MBIE and MarketView spending data tends to deflate the estimates of non-residents attending the large street events (Marton Market Day, Marton Harvest Party, Shepherds Shemozzle and Gumboot Day) and ticketed events such as Marton Country Music Festival, Rangitikei Shearing Sports, the Caledonian Games and the Mudder. It may be that for the former instances, the loss of retail spend to stall holders will account for a lower per capita spend, and in the latter instances, the cost of the ticket to the event is not captured by the MarketView data. In addition, for the Marton Country Music Festival, many of the non-residents come in camper vans and may be reasonably self-contained – the same may be the case for the other events, or attendees may stay with local friends.

Estimates of attendees based on MBIE average expenditure data for non-residents



However, this same analysis appears to inflate attendance estimates by non-residents at the events in Taihape (with the exception of Gumboot Day as outlined above) and Bulls. This could be because of passing traffic on the state highways, encouraging people to stop and have a look at what is happening without necessarily planning to attend. However, it is equally likely to be because in Bulls and Taihape, attendance numbers by non-residents is boosted by visitors from respectively, Manawatu/Palmerston North and Ruapehu/Hawke's Bay

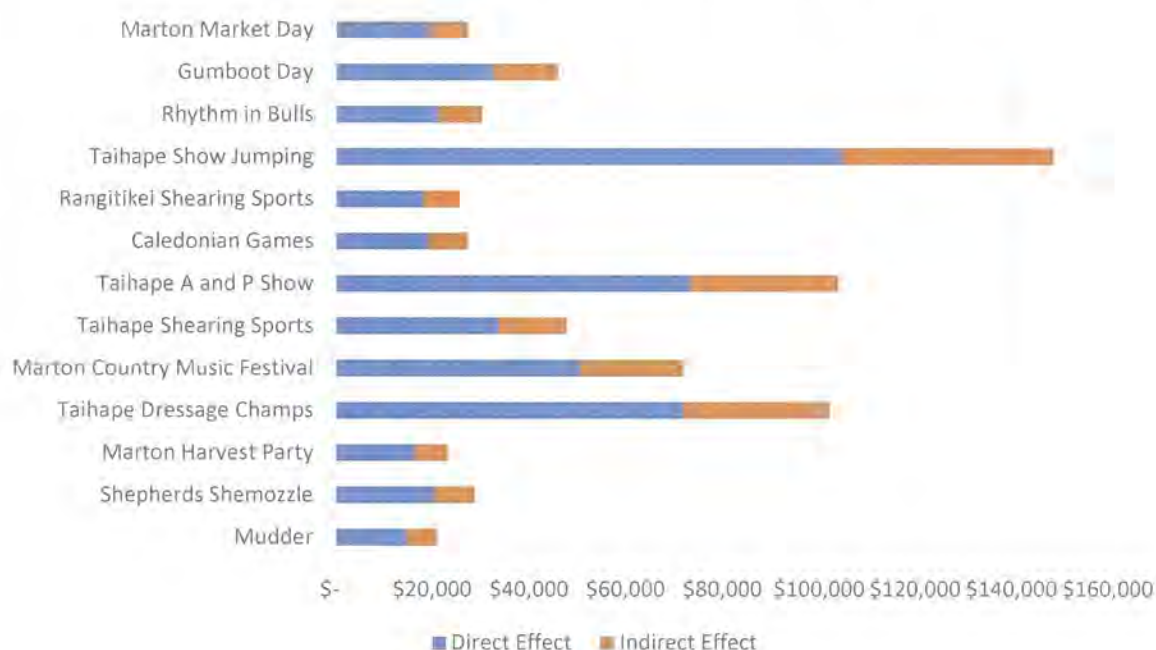
ECONOMIC IMPACT

Economic Impact tools generally look for the impact of additional spending in a local economy. For this reason, they tend to not count spending from local people and focus on the additional income brought in from outside. There is an Events Calculator tool as part of the subscription to the Infometrics service. This looks at the direct spend at the event and calculates a multiplier effect on the local economy based on increased money circulating in the local economy. This injection of new cash produces an indirect effect.

Generally, these tools take counts of the number of visitors and multiply by the MBIE figures for average spend to assess the additional income to a local economy. This requires that accurate figures for attendance are available. The figures provided by the Event Organisers may not meet this criteria. However, the Council does have access to accurate spend figures from the MarketView event reports – although the category of spending doesn't entirely match (for example, there are different multiplier effects depending on whether the expenditure is on fuel or accommodation).

Nonetheless, assuming default allocation of spending within categories, a picture emerges of the direct and indirect economic impact of these events.

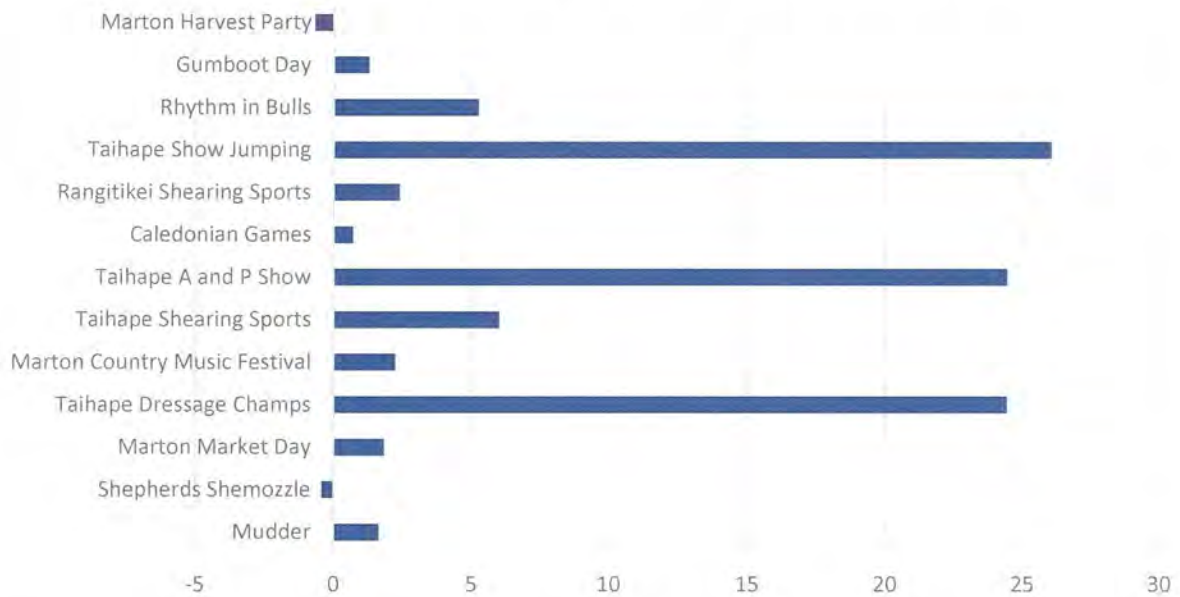
Economic Impact: direct and indirect effects



RETURN ON INVESTMENT

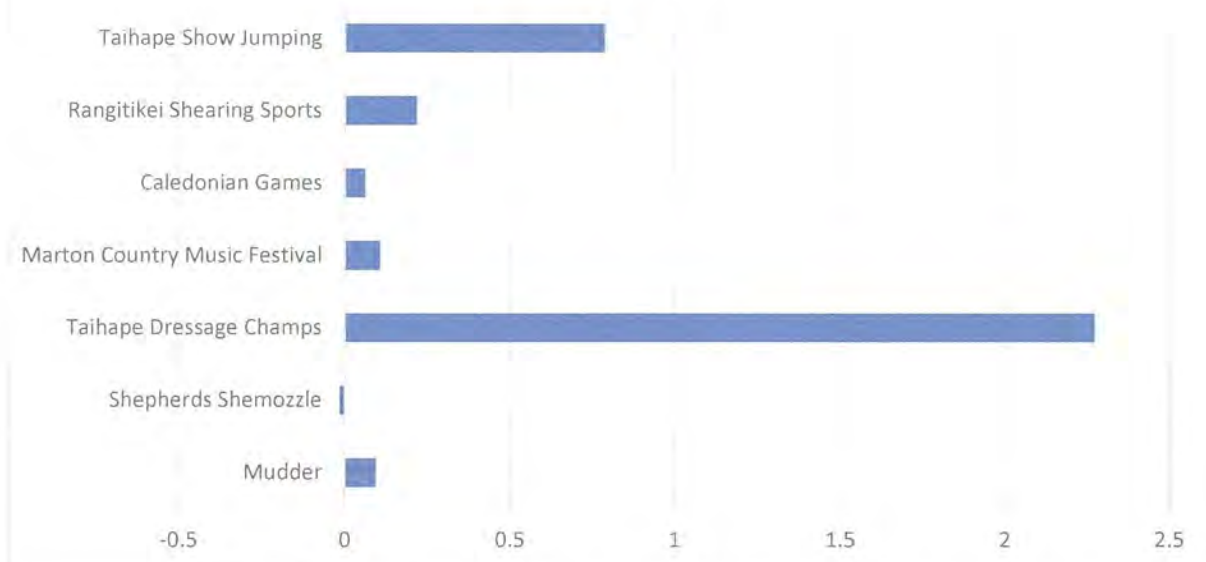
Further, the MarketView figures do enable a measure of the income that non-residents are spending at local stores and accommodation business on the event day/period in 2015/16 compared to previous events days/periods. These figures were calculated using the rolling average of actual \$ spend in the previous 52 weeks for each event to isolate the actual additional impact on the local economy of the event and divided by Council's sponsorship of the event to give the Return on Investment (ROI).

Return on Investment 2015/16: Council sponsorship



However, ROI assessments are usually only valid if the total cost of an event is used as the denominator rather than a single sponsorship amount. Total cost figures are available for 7 of 9 non MOU events and provide ROI estimates as follows:

Return on Investment 2015/16: Total cost of event and total income to event



CONCLUSIONS

Sponsored events attract additional \$ spend at local retailers compared to an average day. Multi-day events provide a proportionally greater actual \$ spend with local retailers.

The exceptions, Marton Harvest Day and the Shepherd's Shemozzle, both have mitigating circumstances.

For the Shemozzle, the report methodology requires that events which take place outside of the main towns of Marton, Bulls and Taihape are measured according to the increase in local spending in Marton and this particularly disadvantages the Shepherd's Shemozzle. In addition, the rolling average used for a comparison is exceptionally high. An explanation needs to be sought for this.

The Marton Harvest Party street event is held on a Sunday. This means that many local retailers are closed compared with say, the Marton Market Day which does attract additional local spending. Nonetheless, it does appear to reduce spending in local retail outlets, probably to the benefit of stall holders from outside the District. Further information on the type and range of stallholders would be useful, particularly for this event and more generally for street events such as the Shepherd's Shemozzle and Gumboot Day and Marton Market Day.

In other words,

The full benefits of increased spending with local retailers may not be captured for events which involve stallholders (whether from the District or from outside the District) since purchases may be cash-based or are held outside of Taihape, Bulls or Marton.

Most Council sponsored recurring events appear to be growing, with more \$ spend at local retailers at the most recent event compared to an average of the previous five years.

The exceptions appear to be the Caledonian Games and the Rangitikei Shearing Sports where local spend is down both on last year and the average of the previous five years. The Caledonian Games, like the Shemozzle, is probably unfairly judged by its ability to increase spending in Marton. In all cases, the need to establish any trend over a longer period is needed before any conclusions about the growth or otherwise of these recurring events can be drawn.

In other words,

The data is only a snapshot in time and various factors need to be taken into account when using this data

All high profile events and most high profile/community events had an economic impact and reasonable return on investment.

The Infometrics Economic Impact tool using MarketView non-local spending data demonstrates a positive economic impact of events that Council has sponsored. The shortfalls of the data have been previously highlighted (cannot capture cash sales or spending at non local street vendors, and cannot capture spending at small area units such as Hunterville or Turakina). Nonetheless, it provides a powerful rationale for Council's spending in this area.

The ROI measure is useful because it shows which events provide the biggest "bang for buck". A positive ROI is good where the desired outcome is economic, especially when measured against the total cost of an event. The ROI will be positive provided there has been an increase in local retail spend compared to an average week (previous discussion relating to the Shepherd's Shemozzle applies). However, the use of the total cost of the event as an alternative to Council's sponsorship

provides a different picture. In effect the opportunity costs of holding a more expensive event which proportionally provides lower returns can be a factor in Council's decision-making.

Clashes of dates did not appear to have an impact on high profile/community events and only a marginal impact on high profile events.

Although it is better that clashes are avoided, neither the Gumboot Day nor Rhythm in Bulls appears to have suffered from being held on the same day. Both events were more successful than last year. This may be because of the target audience (local people) so it may be that high profile, community events are able to get away with these clashes more so than the high profile events, such as the Caledonian Games which clashed with the Taihape A and P Show. As part of its sponsorship scheme, Council may advise applicants of any clashes.

Events can help to mitigate the effects of seasonal spending

The effect of seasonal spending is apparent: summer months are boom time for Bulls and Taihape, whereas Marton experiences a downturn in retail spend during the summer. Gumboot Day and Rhythm in Bulls appear to extend the summer season into March whereas the Marton County Music Festival provides a retail boom in the middle of the summer holidays.

Attachment 6

Charging

A guide to charging for official information under the OIA and LGOIMA

Agencies can make reasonable charges for supplying information under the Official Information Act (OIA) and the Local Government Official Information and Meetings Act (LGOIMA).

This guide uses real life case studies to explain:

- *when it is reasonable to charge;*
- *what an agency can charge for;*
- *what is a reasonable charge; and*
- *how to charge.*

It also has practical resources including a step-by-step worksheet for charging, a template charging letter and a sample estimate of costs.

This guide is published under the authority of the Ombudsmen Rules 1989. The case studies set out an Ombudsman's view on the facts of a particular case. They should not be taken as establishing any legal precedent that would bind an Ombudsman in future.

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What the Acts say

There is no specific charging provision in the Acts. What the Acts say about charging is found in the section dealing with decisions on requests ([section 15 of the OIA](#) and [section 13 of the LGOIMA](#)). In essence:

- An agency ‘*may charge for the supply of official information*’.¹
- An agency that receives a request for official information must, within the statutory or extended timeframe,² make and communicate its decision ‘*whether the request is to be granted and [if so] in what manner and for what charge (if any)*’.³
- Any charge fixed must be ‘*reasonable*’, and regard may be had to the cost of labour and materials involved in making the information available, and any costs incurred in meeting an urgent request.⁴
- An agency can require the whole or part of any charge to be paid in advance.⁵
- Complaints about charges can be investigated by the Ombudsman.⁶

This means that agencies can impose a **reasonable** charge—subject to external review by the Ombudsman—to recover the costs of actually making the information available.

Charge means release

In order to charge, an agency must have already decided to release at least some of the information at issue. This is because the legislation **only authorises a charge to be made:**

- at the same time as a **decision to grant the request**;⁷
- for the **supply** of official information.⁸

No charge can be made in respect of information that is withheld.

¹ See s 15(1A) OIA and s 13(1A) LGOIMA.

² For more information about timeframes, see our guides [The OIA for Ministers and agencies](#) and [The LGOIMA for local government agencies](#).

³ See s 15(1)(a) OIA and s 13(1)(a) LGOIMA.

⁴ See s 15(2) OIA and s 13(3) LGOIMA. Note also s 13(2) LGOIMA, which provides that any charge ‘*shall not exceed the prescribed amount*’. However, no prescribed amount has ever been set.

⁵ See s 15(3) OIA and s 13(4) LGOIMA.

⁶ See s 28(1)(b) OIA and s 27(1)(b) LGOIMA.

⁷ An agency must decide ‘*whether the request is to be granted and [if so] in what manner and for what charge*’—see s 15(1)(a) OIA and s 13(1)(a) LGOIMA.

⁸ An agency ‘*may charge for the supply of official information*’—see s 15(1A) OIA and s 13(1A) LGOIMA.

When is it reasonable to charge?

It is not generally reasonable to charge for complying with **simple requests**. However, it may be reasonable to recover some of the costs associated with requests for information that would require **considerable labour and materials**. As the Committee that recommended the enactment of the OIA (the Danks Committee) noted:⁹

*Doubtless many enquiries, as at present, will be capable of ready and convenient response. To levy fees or charges other than for copying at the 'easy' end of answering would be seen as obstructive, and would frustrate the openness we seek. But some enquiries will doubtless engage **considerable** time and attention when less obviously available answers are sought. Search, abstraction, collation and copying could combine into formidable workloads. Even if research or quasi-research activities are firmly ruled out [by section 18(f) of the OIA / section 17(f) of the LGOIMA] and the simpler enquiries are allowed to be free, there is left a middle ground where charging will be warrantable. (Emphasis added).*

What is 'considerable', in terms of the labour and materials required, will depend on the circumstances of the case, including the extent of resources available to the agency to deal with the request. What is 'considerable' for a small agency with few resources will not be the same as what is 'considerable' for a large agency with lots of resources. It may be reasonable to charge if a request will have a **significant impact** on the agency's ability to carry out its other operations.

When a request is so considerable that it would require 'substantial collation or research' to make the information available, agencies are expressly required to consider whether charging would enable the request to be met.¹⁰

It may also be relevant to consider the requester's recent conduct. If the requester has previously made a **large volume of time-consuming** requests to an agency, it may be reasonable to start charging in order to recover some of the costs associated with meeting further requests.

Note, however, that some requesters (for example, MPs and members of the news media), may have good reasons for making frequent requests for official information, and they should not be penalised for doing so (see [Is it reasonable to charge MPs and parliamentary research units](#) and [Is it reasonable to charge the news media?](#)).

⁹ Committee on Official Information. *Towards Open Government: Supplementary Report* (July 1981) at 35.

¹⁰ See ss 18(f) and 18A(1)(a) OIA and ss 17(f) and 17A(1)(a) LGOIMA.

What can an agency charge for?

Charging under the OIA and LGOIMA is not generally about full cost-recovery.¹¹ Full cost-recovery would be inconsistent with the purpose of the legislation, which is to progressively increase the availability of official information to the people of New Zealand. As the Law Commission has noted:¹²

*The role of charging in the official information process has never been a full cost-recovery exercise. Where charges are applied they represent a **partial** recovery of **some** aspects of agency time and other costs incurred in responding to requests (emphasis added).*

Hence there are:

- activities that can be charged for; and
- activities that can't be charged for.

The key restriction is that agencies cannot charge for **time spent deciding** whether or not to release information. This is because charges are only authorised for the **supply** of official information, in the context of a decision having **already been made** to grant the request (see Charge means release above).

There is a cost associated with agency compliance with the official information legislation. However, as the Danks Committee observed, that cost is **part of the government's responsibility** to keep people informed of its activities (the term 'government' being read in the widest possible sense).¹³

The official information legislation is an **important part of New Zealand's constitution**,¹⁴ and processing official information requests is a **core agency function**. Costs that cannot be passed on to the requester must be carried by the agency, both in infrastructural terms, and in its administrative and budgeting arrangements.

¹¹ It may be reasonable to recover the full costs of supply in some limited circumstances, such as Charging for commercially valuable information.

¹² Law Commission. *The Public's Right to Know: Review of the Official Information Legislation*. (NZLC R125, 2012) at 202.

¹³ Committee on Official Information. *Towards Open Government: General Report* (December 1980) at 37.

¹⁴ The OIA has been described as 'a constitutional measure' (*Commissioner of Police v Ombudsman* [1988] 1 NZLR 385 (CA) at 391), and 'an important component of New Zealand's constitutional matrix' (*Kelsey v the Minister of Trade* [2015] NZHC 2497 at paragraph 19).

Activities that can be charged for

Remember, these can only be calculated once the decision on release has already been made (see [Charge means release](#) above).

Labour	<ul style="list-style-type: none"> • Search and retrieval • Collation (bringing together the information at issue) • Research (reading and reviewing to identify the information at issue) • Editing (the physical task of excising or redacting withheld information) • Scanning or copying • Reasonably required peer review in order to ensure that the above tasks have been carried out correctly • Formatting information in a way sought by the requester • Supervising access (where the information at issue is made available for inspection) • Reproducing film, video or audio recordings
Materials	<ul style="list-style-type: none"> • Paper (for photocopying) • Discs or other electronic storage devices that information is provided on
Other actual and direct costs	<ul style="list-style-type: none"> • Retrieval of information from off-site

Activities that can't be charged for

Decision making See case study 178413 below	<ul style="list-style-type: none"> • Work required to decide whether to grant the request in whole or part, including: <ul style="list-style-type: none"> - reading and reviewing to decide on withholding or release; - seeking legal advice to decide on withholding or release; - consultation to decide on withholding or release; and - peer review of the decision to withhold or release. • Work required to decide whether to charge and if so, how much, including estimating the charge.
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Administrative inefficiencies or poor record-keeping See case studies 172047 and 176071 below	<ul style="list-style-type: none"> • Searching for / retrieving information that is not where it should be because of administrative inefficiencies or poor record-keeping
Administrative costs associated with the way an agency chooses to process a request See case study 177195 below	<ul style="list-style-type: none"> • Drafting a cover letter • Drafting a briefing for the Minister • Formatting information in a way preferred by the agency but not sought by the requester
Costs not directly related to supplying the information See case study 307851 below	<ul style="list-style-type: none"> • General overheads, including costs of establishing and maintaining systems and storage facilities

Case studies—What can an agency charge for?

Case 178413 (2009)—Decision making

The then Ministry of Agriculture and Forestry (MAF) advised a charge of ‘*at least \$3,000*’ for supplying animal usage statistics, and the requester complained to the Ombudsman. During the Ombudsman’s investigation it was revealed that the bulk of the charge was for time required to consult with third parties affected by the request. The Ombudsman formed the provisional opinion that this time—which related to the decision whether or not to release or withhold the information—could not be charged for. After considering the Ombudsman’s provisional opinion, MAF reduced the charge to \$583. The Ombudsman concluded that this represented a reasonable charge for supplying the requested statistics.

Case 172047 (2005)—Administrative inefficiencies or poor record-keeping

An MP made 42 OIA requests for information related to 42 separate grants made by the former Community Employment Group (CEG) of the then Department of Labour. The requested information included copies of contracts, evaluations, communications with the grantees, internal reports, and reports to the Minister. These repeated requests were aggregated for charging purposes, and the Department advised a charge of \$15,197.50. The requester complained to the Ombudsman.

The Ombudsman noted that some of the time required was to cope with a loss of institutional knowledge as a result of the disestablishment of the CEG. Even when the CEG was functioning, it was apparent that its administrative processes were less than

robust, with an extremely old and unstable electronic database, which lacked a search function, and was incomplete and inconsistent with the corresponding paper files.

In the Ombudsman's view, it would not be reasonable to make the requester bear the cost related to these administrative inefficiencies:

The requester should only have to meet costs that are comparable to those that would be reasonably charged by a properly-functioning administrative organisation where the processing of official information requests is a core output and funded accordingly.

The Ombudsman formed the opinion that the charge should be reduced to \$10,798, and further remitted by 10 per cent in recognition of the public interest in MPs having access to official information to assist in the reasonable exercise of their democratic responsibilities (see [Is it reasonable to charge MPs and parliamentary research units?](#) below).

Case 176071 (2008)—Administrative inefficiencies or poor record-keeping

A university charged \$1,444 for providing statistics on plagiarism, and the requester complained to the Ombudsman. The university explained that the academic misconduct records would need to be cross-checked against the student administration database in order to supply the full information requested. Some of the academic misconduct records did not contain the student's ID number, and it would take a significant amount of time to ascertain the correct identity of each student in order to obtain the relevant information from the student administration database.

The Ombudsman considered that proper academic misconduct records should include student identities, particularly given this information was required in order to deal properly with repeat offences. In her view, time spent ascertaining student identities could not reasonably be charged for:

I do not think it is reasonable for [the requester] to bear any costs associated with keeping incomplete records. In my view the University's proposed charge includes time for tasks that are the result of administrative inefficiencies.

While it was reasonable to charge for some of the work required, it was not reasonable to charge for work required due to administrative inefficiency or poor record-keeping. The Ombudsman formed the opinion that the charge should be reduced to \$741, and further remitted by 50 per cent in the public interest (see [Case studies—Remission](#)).

Case 177195 (2009)—Administrative costs associated with the way an agency chooses to process a request

ACC charged \$3,438 to supply 87 sets of board minutes dating from 2000–2007, and the requester complained to the Ombudsman. ACC explained that the charge comprised labour costs of \$3,268 and photocopying costs of \$170. This was based on an estimated processing time of 30 minutes per board minute for 'deleting the protected information, collating the material into a reasonable form, drafting a schedule explaining the grounds for withholding the protected information, and photocopying the altered documents'. The Ombudsman found that some of these tasks were not activities that can be charged for,

and that a revised estimate of 20 minutes processing time per board minute would be more reasonable. He noted that the primary cost of processing would come from decision making, and that the *Charging Guidelines* are clear this cost cannot be passed on to the requester. He did not accept that it was necessary to *‘collate the material into a reasonable form’*. Other than the making of minor deletions, no further work was required to release the board minutes in a *‘reasonable form’*. He also did not accept it was necessary to create a schedule explaining the withholding grounds: *‘This may be a particular agency’s preference, but the cost of creating this should not be passed on to the requester’*. The Ombudsman formed the provisional opinion, which was accepted by ACC, that the labour component of the charge should be reduced to \$2,128. He did not accept the complainant’s submission that this charge should be remitted in the public interest, or due to personal hardship (see [Case studies—Remission](#)).

Case 307851 (2012)—Costs not directly related to supplying the information

A council charged \$0.45 per page for photocopying building information, and the requester complained to the Ombudsman. The council explained that the \$0.45 per page charge reflected the additional cost to council of complying with the statutory requirement to keep building information for the life of the building (estimated to be 50 years minimum), as well as the ongoing maintenance costs associated with electronic storage of the files. The Ombudsman noted that section 13(3) of the LGOIMA talks about charges being set with regard to the cost of labour and materials involved in making the information available. While these are not the only matters to which regard may be had, establishment and maintenance costs for systems and storage facilities are not the kinds of costs contemplated by section 13(3). If that were the case, a cost for a service that is for the benefit of the entire community would be being passed on to an official information requester. The Ombudsman considered that a requester can be charged (within reason) for the extra costs generated by meeting a request, but that it is not reasonable to go beyond this. The per page charge was reduced to \$0.20 in light of the Ombudsman’s view, and the revised charge was found by the Ombudsman to be reasonable.

What is a reasonable charge?

In most cases, a charge will be reasonable if it has been set:

1. in accordance with the current Government [Charging Guidelines](#) (or **equivalent** charging policy); and
2. with due regard to any circumstances warranting [remission](#).

Charging Guidelines

The Government has issued *Charging Guidelines* to be followed by agencies subject to the OIA. These can be accessed from the Ministry of Justice website (search under ‘publications’ at www.justice.govt.nz).

Successive Ombudsmen have accepted that charges set in accordance with the *Charging Guidelines* are reasonable, provided due regard has been paid to any circumstances warranting remission (see [Remission of charges](#) below).

The *Charging Guidelines* specify standard charges of:

- \$38 per half hour of staff time in excess of one hour; and
- \$0.20 per page for photocopying in excess of 20 pages.

An agency may be justified in charging higher rates for staff time where staff with **specialist expertise** that are **not on salary** (ie, contractors) are **required** to process the request, in which case a rate not exceeding their actual rate of pay per hour may be charged.

Although the *Charging Guidelines* do not apply to **local government agencies**, it is reasonable for such agencies to make their charging decisions in accordance with the guidelines (see case studies below).

Agencies may develop their own charging policies (see [Developing a charging policy](#) below). However, the application of an internal charging policy that is inconsistent with the *Charging Guidelines*, for example, by charging higher rates for staff time or photocopying, risks an Ombudsman’s finding on review that the charge in question was unreasonable (see case studies below).

Case studies—Charging guidelines

Cases 176345 (2007) and 368207 (2014)—Unreasonable staff rates

Cases 176345 and 368207 involved councils charging higher hourly rates than those specified in the *Charging Guidelines*. The hourly rates were derived from their LGOIMA charging policies, adopted in the councils’ annual plans. The rates varied depending on the seniority of the staff involved (in one case, the charge ranged between \$45/hour and \$125/hour, and in the other, the charge ranged between \$75/hour and \$121.83/hour).

In both cases, the Ombudsmen compared the proposed staff rates with those in the *Charging Guidelines*, noting that the latter rates applied irrespective of the seniority of the staff members involved. The Ombudsmen also noted there was no suggestion in either case that staff with specialist expertise were required to process the request. The higher staff rates were found to be unreasonable, as was the decision to charge different rates depending on the seniority of the staff members involved.

In case 176345, the Ombudsman suggested that the Council consider amending its current scale of charges for the supply of official information to bring them in to line with the *Charging Guidelines*. In case 368207, the Ombudsman noted that the official

information legislation does not contemplate full cost recovery for providing information, and that adequate funding should be provided for in agency budgets in order to perform their statutory functions.

Case 307851 (2012)—Unreasonable photocopying rates

A council charged \$0.45 per page for photocopying building information, and the requester complained to the Ombudsman. The Ombudsman was not persuaded there was any justification for exceeding the standard photocopying charge prescribed in the *Charging Guidelines* (\$0.20 per page for photocopying in excess of 20 pages). The charge was revised in light of the Ombudsman's view, and the revised charge was found to be reasonable.

Remission of charges

The setting of a '*reasonable*' charge for supplying official information requires due regard to be given to any circumstances warranting remission. Remission means reducing or cancelling the charge that would otherwise be set. Remission may be warranted because:

- there is a compelling public interest in making the information available; and/or
- meeting the charge would be likely to cause hardship to the requester.

Remission in the public interest

Agencies must consider whether there are any circumstances warranting remission of the charge in the public interest.

Read our guide to the *Public interest*, which sets out some example public interest considerations favouring release of official information, and some factors that can affect the weight of the public interest in release.¹⁵

The *Charging Guidelines* also set out some public interest considerations and questions that should be considered by agencies before imposing a charge. As noted above, these guidelines can be accessed from the Ministry of Justice website (search under '*publications*' at www.justice.govt.nz).

In addition, the following questions are relevant:

1. Is there a public interest in making the information **generally available**—that is, not just to the requester? If so, it may be unreasonable to make the requester alone bear the cost of release (see case study [274689](#) below).

¹⁵ While this is a guide to conducting the public interest test in section 9(1) of the OIA (section 7(1) of the LGOIMA), the same considerations are relevant in deciding whether remission of charges is warranted in the public interest.

2. Does the information have **special relevance** to the requester? If the personal interests of the requester give rise to a broader public interest in release to that person (for example, to promote procedural fairness), it may be unreasonable to charge, or to charge the full amount.

Remission due to hardship

Agencies must also consider whether meeting the charge would be likely to cause hardship to the requester. Hardship means the charge will be **excessively costly** for the requester to bear, such that the requester will be unable to meet the charge and still afford the essentials for life or business.

Whether hardship is likely to occur will depend on the level of the proposed charge and the financial means of the requester. An agency should consider what it already knows about the financial means of the requester (if anything), as well as any information advanced by the requester in support of an assertion of limited means. It does not have to actively enquire into a requester's financial means before deciding to impose a charge.

In a number of cases, the Ombudsmen have concluded that hardship **on its own** is insufficient reason to remit an otherwise reasonable charge **in full**. There should also be some other public interest factors favouring disclosure of the information (see case studies [177195](#) and [178486](#) below).

Case studies—Remission

Case 274689 (2010)—Full remission of labour costs in the public interest

The Customs Service (Customs) charged \$2,037.80 to supply a copy of its policies on checking passengers and their baggage, and the requester complained to the Ombudsman. The Ombudsman noted that this type of information is covered by section 22 of the OIA, which provides a right of access to the internal rules that agencies use to make decisions affecting people. He considered that release of policies and procedures about how searches are carried out, and the rights afforded to those whose person and baggage is searched, would be likely to enhance public awareness of Customs' role at the border and help ensure that that role is carried out properly and that Customs is accountable for its actions. The Ombudsman found that the public interest in general availability of the information made Customs' decision to charge one requester a substantial amount unreasonable. In the Ombudsman's view, Customs was only justified in charging reasonable photocopying costs, which were calculated in accordance with the *Charging Guidelines* to be \$18.20. The Ombudsman also encouraged Customs to make the information available to the public online.

Case W50332 (2004)—Full remission in the public interest

The Minister for Trade Negotiations charged an academic requester \$620 to supply information about the *General Agreement on Trade in Services* (GATS). The requester complained to the Ombudsman. The Ombudsman recommended full remission of the charge in the public interest. He noted that the GATS was a matter of substantial public

interest in terms of New Zealand's economic concerns. He considered that public understanding of this major public issue was best served by maximising the availability of information so that source material may be analysed for public discussion by a variety of parties. Members of the public are entitled to take a contrary view to the government and the OIA envisages that individuals may access information in order to participate in debate in their own way. In this case, the complainant sought the information in order to undertake research which ultimately would be made publicly available for discussion and debate, and the Ombudsman was of the view that any charge would hinder such access. You can read the full case note on our website.¹⁶

Case 176071 (2008)—Partial remission in the public interest

A university charged \$1,444 for providing statistics on plagiarism, including:

1. the number of cases;
2. the subjects they occurred in;
3. the action taken as a result;
4. the ethnicity or nationality of the students; and
5. the year of study the students were in.

The requester complained to the Ombudsman about the charge. The Ombudsman found that some of the activities required in order to process the request were not chargeable ones (see [Case studies—What can an agency charge for?](#)). The Ombudsman also found the charge should be partially remitted in the public interest. In her opinion, there was a public interest in releasing items 1–3. The need to uphold academic integrity and ensure a transparent response to plagiarism militated in favour of releasing that information. There was no compelling public interest identified in releasing items 4 and 5. To reflect her view of the public interest, the Ombudsman considered the charge should be remitted by 50 per cent.

Case 302392 (2010)—No remission in the public interest

The Ministry of Transport charged \$9,220 to supply all correspondence received by the Minister from July 2009–November 2010 regarding proposals to lower the drink-drive limit and the Land Transport Amendment Bill. The requester complained to the Ombudsman. The charge was revised down to \$3,262.20 during the Ombudsman's investigation (see [Case studies—Calculating the charge](#)). The Ombudsman also considered whether that charge should be remitted in the public interest. He had regard to the controversial nature of the decision not to lower the drink-drive limit, and the high public interest in the information that led to that decision, as well as the views of the general public. However, much of this information was already available through the select committee process for the Land Transport Amendment Bill. Public submissions on

¹⁶ Search for 'W50332' using our online library [Liberty](#).

that Bill had also been published on the parliamentary website. The Ombudsman concluded there was not a public interest in release of the requested information sufficient to warrant remission of the revised charge.

Case 319893 (2012)—No remission in the public interest

A requester asked the Police for a range of documentation relating to cycling fatalities since 2007, as well as answers to specific questions. Police said the request would take a considerable amount of time, which would be charged for in accordance with the *Charging Guidelines*. The requester complained to the Ombudsman.

During the Ombudsman's investigation some readily retrievable information was able to be supplied in partial satisfaction of the request (see [Case studies—Options for reducing or removing the need to charge](#)). The Ombudsman found that a reasonable estimate of the time required to compile the remaining information was 94 hours, resulting in a charge calculated in accordance with the *Charging Guidelines* of \$7,068.

The Ombudsman then considered whether that charge should be remitted in the public interest. The requester contended that the information was needed to assist in the preparation of submissions for a Coroner's inquiry into cycling fatalities, and that his overall aim was increased public health and safety. These aims clearly aligned with the public interest factors suggested in the *Charging Guidelines* as warranting remission.

However, the Ombudsman considered that the public interest in release needed to be sufficiently compelling to justify spending this much staff time on one request without charging for it:

The staff time involved (over 90 hours) is funded by the public purse, and to my mind it is reasonable to expect a tangible public benefit from the use of that level of resource.

The Ombudsman did not consider this case met that threshold.

- The readily retrievable information already released by the Police would have adequately assisted in the preparation of submissions to the Coroner's inquiry.
- The Coroner had the power to request information direct from the Police if it was necessary for the purpose of the inquiry.
- The primary source of much of the requested information was traffic accident reports, which were available pursuant to a charging regime set by statute (see [Case study—Charges set by other enactments](#)). Making the requested information available at no charge under the OIA would circumvent that charging regime.

The Ombudsman was not persuaded the charge should be remitted in the public interest.

Case 177195 (2009)—No remission in the public interest / hardship

ACC charged \$3,438 to supply 87 sets of board minutes dating from 2000–2007, and the requester complained to the Ombudsman. The Ombudsman found that some of the activities required in order to process the request were not chargeable ones (see [Case studies—What can an agency charge for?](#)), and the charge was reduced accordingly.

However, the requester argued the charge should be remitted entirely in light of the public interest, and due to personal hardship.

In terms of the **public interest**, the Ombudsman accepted that disclosure of the minutes would promote transparency and contribute to public understanding of the organisation's activities. However, the request covered a long time period, and much of the information was by then historic. The Ombudsman was not persuaded that disclosure of the information would represent such a significant contribution to the public interest that ACC should absorb the entire, quite considerable, cost of providing it.

In terms of **hardship**, the Ombudsman accepted the complainant's evidence that meeting the charge would consume his annual disposable income. However, the Ombudsman did not regard lack of financial resources by itself as a sufficient reason to merit the waiving of an otherwise reasonable charge. The Ombudsman said he would also expect to be able to identify a general public interest consideration in favour of release and/or an aspect of special relevance to the requester.

Case 178468 (2009)— No remission in the public interest / hardship

The Office of Treaty Settlements (OTS) charged \$708 to meet a request for all correspondence, memoranda, faxes, emails, file notes, and notes of telephone calls relating to the Te Roroa claim over a three year period. The requester complained to the Ombudsman. The Ombudsman noted that the information at issue was found in 50 files, and concluded the charge imposed reflected a significant under-estimation of the time that would be required to meet the request.

The Ombudsman accepted that the Te Roroa claim and its subsequent settlement raised matters of **public interest**. Disclosure of information relating to the settlement process would serve to increase the transparency of the process and promote accountability for the settlement that was reached. However, this did not mean that there was a public interest in making available, without charge, all correspondence, memoranda, faxes, emails, file notes and notes of telephone calls relating to the settlement over a three year period.

The request was so broadly framed it would likely capture many minor and trivial documents. Disclosure of this type of information would be unlikely to contribute significantly to public understanding of the settlement process.

The Ombudsman acknowledged the requester's contention that meeting the charge would cause him **hardship**. A requester's personal financial hardship is a matter that may be taken into account in assessing whether to impose a charge. However, lack of financial resources, by itself, does not provide sufficient reason to remit an otherwise reasonable charge. Some public interest considerations favouring the disclosure of the information should also be apparent. Although there were public interest considerations favouring the disclosure of information relating to the settlement process in this case, the width of the information potentially covered by the request went beyond the information needed to meet the public interest considerations involved.

Is it reasonable to charge MPs and parliamentary research units?

There is nothing in the legislation which says that MPs and parliamentary research units cannot be charged for the supply of official information. However, the usual approach has been to remit any charge that would otherwise have been fixed, in recognition of the public interest in MPs having access to official information to assist in the reasonable exercise of their democratic responsibilities.

The *Charging Guidelines* state:¹⁷

Members of Parliament may be exempted from charges for official information provided for their own use. This discretion may be extended to cover political party parliamentary research units when the request for official information has the endorsement of a Member of Parliament. In exercising this discretion it would be appropriate to consider whether remission of charges would be consistent with the need to provide more open access to official information for Members of Parliament in terms of the reasonable exercise of their democratic responsibilities.

There are important reasons for not charging MPs and parliamentary research units:¹⁸

[These include] the Opposition's limited resources, and the constitutional importance of the [OIA] (and the parliamentary question procedure) as means of keeping the executive accountable to the legislature. Scrutiny and control over the activities of the government have long been recognised as amongst Parliament's most important functions. Indeed, s 4 of the Act expressly refers to 'the principle of the Executive Government's responsibility to Parliament'. Because of the whip system and other forms of party discipline, the scrutiny and control functions in practice fall largely on the Opposition; to exercise them effectively it must have access to information. Replies to Opposition requests for official information and parliamentary questions, published or broadcast in the media, in turn form an important source of information to the public about the activities of government.

These important reasons mean it will often be unreasonable to charge MPs and parliamentary research units for the supply of official information.

However, charging MPs and parliamentary research units is permissible under the legislation, and may be reasonable in some circumstances. As the Law Commission noted in 2012:

*There is no reason why **unreasonable** political requests should be completely exempt. Voluminous and unrefined requests from parliamentary research units can cause a great deal of expenditure of resources. The charging mechanism should be available to agencies as a defence mechanism in appropriate cases, regardless of the source of the request (emphasis added).*

¹⁷ See paragraph 7.4 of the *Charging Guidelines*.

¹⁸ Law Commission. *Review of the Official Information Act 1982* (NZLC R40, 1997) at 57.

The Ombudsman has, on occasion, upheld charges against MPs who have made excessively burdensome requests (see case study below).

Case study 172047 (2005)—Is it reasonable to charge MPs and parliamentary research units?

An MP made 42 OIA requests for information related to 42 separate grants made by the former Community Employment Group (CEG) of the then Department of Labour. The requested information included copies of contracts, evaluations, communications with the grantees, internal reports, and reports to the Minister. These repeated requests were aggregated for charging purposes, and the Department advised a charge of \$15,197.50. The requester complained to the Ombudsman.

The Ombudsman found that some of the activities required to process the request were not chargeable ones (see [Case studies—What can an agency charge for?](#)). He still accepted, however, that it would take approximately 3.25 hours to retrieve and collate the relevant information in respect of each of the 42 separate grants, requiring a total processing time of 136.5 hours.

The Ombudsman considered whether the charge should be remitted in recognition of the public interest in MPs having access to official information to assist in the reasonable exercise of their democratic responsibilities. However, he was not persuaded that the public interest justified remission of the entire charge. He concluded the charge should be remitted by 10 per cent, resulting in a reasonable charge of \$9,718.20.

Is it reasonable to charge the news media?

Members of the news media¹⁹ are in the same position as any other requester when it comes to charging. A reasonable charge may be imposed, in accordance with the *Charging Guidelines*, and with due regard to any circumstances warranting remission.

However, when assessing whether remission is warranted in the public interest, agencies should consider the **important democratic and constitutional role of the news media** in informing members of the public. As the courts have recognised (in articulating the rationale for openness in judicial proceedings), the news media act as the '*surrogates of the public*'.²⁰ The public interest role performed by the news media may make it unreasonable, in the circumstances of the particular case, to charge, or to charge the full amount.

¹⁹ Following the definition in s 68(5) of the *Evidence Act 2006*, 'news media' is media for the dissemination to the public or a section of the public of news and observations on news. Following the judgment of the High Court in *Slater v Blomfield* [2014] NZHC 2221, this can include a blogger who regularly disseminates news (ie, new information about recent events or events of interest to the public), or observations on news, to a significant body of the public.

²⁰ *R v Liddell* [1995] 1 NZLR 538, 546–547.

Case study 179387 (2010)—Is it reasonable to charge the news media?

The Teachers' Council charged \$3,277.12 to supply a member of the news media with the following details of instances where teachers had self-reported convictions:

- the gender of the teacher;
- the date on which the Council received the report of conviction;
- the registration status of the teacher at the time the report was received;
- the current registration status of the teacher;
- the details of the conviction(s) and sentence;
- a copy of the information provided by the teacher; and
- a copy of the summary of facts and sentencing notes.

The requester complained to the Ombudsman. The Ombudsman accepted the request would take approximately 11 hours processing time. With the first hour free, this amounted to a charge of \$760. This was based on an estimated 20 minutes per file to locate, extract and collate the requested information from 29 relevant files. The Ombudsman then considered whether the \$760 charge ought to be remitted in the public interest.

The Ombudsman acknowledged the public interest in transparency and accountability of Teachers' Council processes. He also acknowledged that *'the media serves the function of informing the public on matters of public interest'*. However, *'this does not mean that all its sources must be available at no charge'*.

The Ombudsman accepted that the staff time required to process this request would have a significant impact on the conduct of the Teachers' Council's business, and that it would have to engage additional staff in order to complete the work involved. He was not persuaded that the public interest in release was such that remission of the charge was warranted.

Charging for commercially valuable information

As noted earlier, charging under the OIA and LGOIMA is not generally about full cost-recovery (see [What can an agency charge for?](#)). However, it may be reasonable to recover the full costs of supplying information of commercial value to the requester. This is on the basis that the cost will generally be able to be recovered as some form of business expense.

The *Charging Guidelines* say:²¹

It is reasonable to recover actual costs involved in producing and supplying information of commercial value. However, the full cost of producing it in the first instance should not be charged to subsequent requesters.

Agencies should first be satisfied that the requester:

- has a commercial (ie, profit seeking) motive; and
- is likely to use the information to generate a profit.

As in any case, it will still be necessary to consider the public interest in remission of the proposed charge. One relevant consideration in this context is the public interest in promoting commercial innovation and economic growth, which is recognised by the Government's open data initiatives, including the Declaration on Open and Transparent Government (see www.ict.govt.nz).

Case study 172531 (2007)—Charging for commercially valuable information

The Royal Forest and Bird Protection Society asked Solid Energy for all substantive information between 1998 and 2005 regarding a Department of Conservation Recommended Area for Protection. Solid Energy advised a charge of \$9,930.31, and the Society complained to the Ombudsman.

Solid Energy sought to recover the actual cost of supplying the information, including costs charged by its consultants, on the basis that it was commercially valuable. The Ombudsman commented:

Information can be seen to be commercially valuable if it can be traded in some way, or if its release at less than production cost would confer a commercial advantage on a commercial competitor who would be saved the cost of producing, or otherwise acquiring, the information for itself. There has been no suggestion that either of those situations applies to the information in issue. Mere release of the information does not diminish its value to [Solid Energy] since it still has the information and can continue to derive whatever benefit it provided.

The Ombudsman reviewed the modest amount of material at issue (15 documents of substance and approximately 125 pages of other material). It included experts' reports, submissions regarding the boundaries of the proposed Recommended Area for Protection, and deeds of agreement between Solid Energy and the Department of Conservation relating to access to the relevant areas. He stated:

The legal documents may evidence rights that may, perhaps, be tradable, but release of that information does not affect such tradability, if any. There is a submission, dated 1998, which may have value as a precedent, but that value is not diminished by its release. The remaining information (other than the correspondence) contains the opinions

²¹ See paragraph 6.1 of the *Charging Guidelines*.

of various experts on [Solid Energy's] proposed mining operations, and the land, and its fauna and flora, likely to be affected by them. As [Solid Energy] is the only entity permitted to carry on such operations at that location it is hard to see any realisable commercial value in that information.

The Ombudsman was not satisfied that any information of commercial value was to be released. Consequently there was no justification for charging on such a basis. He formed the opinion that \$2000 reflected a reasonable charge in respect of the staff time involved.

How to charge

This section provides advice on how to charge, including [calculating the charge](#), and [communicating the decision to charge](#). There can be a bit of work involved in charging, and not all requesters are prepared to pay a charge—particularly a large one. This makes it **very important** to [engage with the requester](#) as early as possible, and to consider [options for reducing or removing the need to charge](#).

Some basics

The basic order of charging looks like this.

1. Decide to release the information.
2. Calculate the charge. (See [Calculating the charge](#) for details of how to do this.)
3. Communicate the decision to release the information subject to a charge, as soon as reasonably practicable and no later than 20 working days after the day the request was received (unless that timeframe is extended).²² (See [Communicating the decision to charge](#) for the details that should be included.)
4. Await payment of the deposit (if applicable) and/or confirmation that the requester accepts the charge.
5. Prepare the information for release.
6. Release the information without 'undue delay'.²³

The decision to charge has to be communicated at the same time as the decision to release some or all of the requested information (see [Charge means release](#) above). This means it must be done within the statutory (maximum 20 working days), or extended timeframe.

²² See ss 15(1)(a) and 15A OIA and ss 13(1)(a) and 14 LGOIMA.

²³ See s 28(5) OIA and s 27(5) LGOIMA.

It is just the **decision** on the request (including the decision to charge) that has to be communicated within this timeframe. The obligation in terms of **releasing** the information is to do so without ‘*undue delay*’.²⁴ A delay occasioned solely by awaiting confirmation that the requester has accepted the charge or paid the deposit (if applicable) will not be ‘*undue*’.

It is necessary to spend some time scoping the request and reviewing the information in order to decide that the request can be granted and calculate the charge. However, an agency **should not start preparing** the information for release until after the requester has accepted the charge or paid the deposit (if applicable). Otherwise the agency will have wasted its time preparing the information for release if the requester does not agree to pay the charge.

Can an agency charge if it has breached the statutory or extended timeframe for making a decision?

Yes. However, agencies should consider whether their breach of timeframes would make it unreasonable to charge, or to charge the full amount. Where there have been significant delays, or delays resulting from the agency’s own administrative failings, a reduction in the charge may be warranted.

In case 175470, the Ombudsman considered the requester’s argument that a breach of timeframes warranted a reduction in the charge. The Ombudsman noted that a significant delay in responding has sometimes prompted other agencies not to charge.

However, the Ombudsman accepted that the delay in that case did not justify a reduction. It was occasioned in part by the requester’s changes to the focus and complexity of the requests, and by the need to comply with the requester’s specific formatting preferences. In addition, the actual time taken to process the request was significantly more than the requester was charged for.

Can an agency charge after it has already released the information?

No. Decisions on charges must be made at the same time as the decision to release the information. This gives the requester the opportunity to refine or withdraw their request in order to avoid the charge.

In case W45424, the Airways Corporation sought to impose a substantial charge six weeks after having already made the information available. At no stage had the requester been advised that a charge was contemplated. The Ombudsman found that Airways was not entitled to levy a charge, because it had not done so in accordance with the legislation (section 15(1) of the OIA). You can read the full case note on our website.²⁵

In case 299328, a council charged \$38.50 to supply a one page document. The charge was based on aggregating the time taken to respond to this and previous requests for

²⁴ See s 28(5) OIA and s 27(5) LGOIMA.

²⁵ Search for ‘W45424’ using our online library [Liberty](#).

information. The Ombudsman noted that while it is possible to aggregate requests for the purpose of calculating a charge,²⁶ any charge must be quoted to the requester before the information is provided. A requester cannot be charged by retrospectively aggregating responses to previous requests with a new request.

Calculating the charge

A charge is calculated by estimating:

- the volume of information at issue, or that needs to be searched through to find the information at issue;
- the time required to complete the activities that can be charged for;
 - search and retrieval;
 - collation (bringing together the information at issue);
 - research (reading and reviewing to identify the information at issue);
 - editing (the physical task of excising or redacting withheld information);
 - scanning or copying;
 - reasonably required peer review in order to ensure that the above tasks have been carried out correctly; and
- the cost of any materials, for example, paper for photocopying.

Estimating the **volume** of information at issue is made easier with modern email and document management systems. These can be interrogated using appropriate search terms to estimate the total number of potentially relevant documents.

The **time required** can be estimated by adopting some reasonable assumptions about how long it will take to complete the activities that can be charged for. The best way of establishing these assumptions is to carry out a sample exercise; that is, by timing how long it takes to do the chargeable activities for a representative sample of the information, and using that to extrapolate an estimated total.

Formula for charging

[Estimated hours staff time] – 1 x \$76 + [Estimated pages to be photocopied] – 20 x \$.020

Case study [302392](#) provides an example of how an agency and the Ombudsman went about estimating the work involved in processing a request and calculating a reasonable charge.

²⁶ See paragraph 2.2 of the *Charging Guidelines*.

There is also a sample estimate of costs in the appendix to this guide that agencies can use as a basis for calculating charges.

Can a charge be increased?

The Acts talk about charges being **‘fixed’**. This suggests that the amount of the charge should be **ascertainable** and reasonably **certain** by the time a decision is made on the request.

This makes it important for agencies to **take the time up front** to adequately scope the request. Scoping the request means interpreting the request (what is the requester asking for?), and identifying the information (what do we hold and where?). Adequate scoping is essential for the calculation of accurate charges.

In preference to having to increase a charge, agencies should aim to calculate the **maximum** charge to the requester, and explain that any unused component of that charge will be refunded.

It may be unreasonable to subsequently increase a charge that has already been fixed and agreed to by the requester, particularly if the increase is substantial and/or the requester has not been adequately forewarned of that possibility (see case study [176924](#)). It may also be unreasonable for an agency to change its mind, and subsequently seek to refuse a request that was previously granted subject to a charge (see case study [304081](#)).

Case studies—Calculating the charge

Case 302392 (2012)—Example of how to calculate a reasonable charge

The Ministry of Transport charged \$9,220 to supply all correspondence received by the Minister from July 2009–November 2010 regarding proposals to lower the drink-drive limit and the Land Transport Amendment Bill. The requester complained to the Ombudsman. The charge was revised down to \$3,262.20 during the Ombudsman’s investigation.

The Ministry and the Ombudsman’s investigator together searched the Ministry’s database for correspondence received between July 2009 and November 2010 with the following search terms:

- *‘blood alcohol concentration limit’*; or
- *‘lowering of the BAC’*; or
- *‘drink driving’*; or
- *‘BAC limit’*; or
- *‘Land Transport (Road Safety and Other Matters) Amendment Bill’*.

The search returned 1180 potentially relevant documents.

The Ministry and the Ombudsman's investigator then reviewed a sample of the documents, and agreed upon the following assumptions regarding the chargeable activities required to process the request:

- Search database: 15 minutes;
- Review document to confirm within scope: 5 hours (15 seconds per document);
- Open and print each letter/email: 10 hours (30 seconds per document);
- Prepare documents for photocopying: 20 hours (1 minute per document); and
- Time spent photocopying: 5 hours (15 seconds per document).

This came to an estimated maximum of 40.25 hours processing time, plus photocopying for 1416 pages. Applying the charging formula ($40.25 - 1 \times \$76 + 1416 - 20 \times \0.20) resulted in a charge of \$3,262.20.

Case 176924 (2009)—Unreasonable to increase charge

The then Ministry of Agriculture and Forestry charged a requester \$9,044 to supply information about the Southern Saltmarsh Mosquito Eradication Programme. The charge was upheld on complaint to the Ombudsman, and the requester paid the charge. After processing a third of the request, the Ministry advised the requester that the charge had been exhausted, and sought a further \$8,000 to complete the request. When the requester declined to pay the additional amount, the Ministry refused the request on the basis that it would require substantial collation or research to make the information available (section 18(f) of the OIA). The requester complained to the Ombudsman again.

The Ombudsman formed the opinion that it was not open to the Ministry to refuse the request or increase the charge. The request could not be refused under section 18(f) of the OIA because the information had already been collated. In relation to the increased charge, the Ombudsman stated:

*In my view, if an organisation sets a definite figure for fulfilling a request at the time of making its decision, then I do not consider it is open to the agency to charge more than the set figure. However if an organisation 'fixes' a charge by reference to an estimate, and the agency **clearly signals** that this figure may increase, then an Ombudsman on review is likely to consider that an increase that **is in line with the signalled estimate** is reasonable.*

In this case, the Ombudsman was not persuaded that simply referring to the charge as an 'estimate' was sufficient to forewarn the requester that the charge could increase, particularly by such a large amount. While the Ministry had made a genuine attempt to assess the likely charge, its scoping exercise prior to making a decision on the request was inadequate.

Even in situations where a requester has been forewarned of the possibility that the charge may increase, a significant factor for an Ombudsman reviewing the reasonableness of a charge will be whether the increased charge is substantially different

from the estimate given. In this case, the Ministry sought to increase the charge by \$8,000, an increase of 82 per cent.

The original estimate given in this case was not an open one – it was intended to convey to the requester the maximum that he would be expected to pay. The Ombudsman did not consider it reasonable in this case for the charge to exceed the original estimate.

Case 304081 (2012)—Unreasonable to refuse request after earlier deciding to supply information subject to a charge

A District Health Board (DHB) decided to charge for supplying information about a hospice. The requester accepted the charge and paid the deposit. The requester made a second request for information. The DHB then withdrew the charge, refunded the deposit, and refused the first request on the grounds that it was vexatious (section 18(h) of the OIA), and it would require substantial collation or research to make the information available (section 18(f) of the OIA). The requester complained to the Ombudsman about the refusal of his first request.

The Ombudsman formed the provisional opinion that the DHB had made a decision to release the information to the requester, provided that he was prepared to pay the charge. Consequently, when the requester agreed to the charge, and paid the required deposit, he entered into an agreement with the DHB for provision of the information. In these circumstances, the Ombudsman could not see how it was reasonable for the DHB to subsequently withdraw its offer to release the information, and instead inform the requester that his request was refused. The requester was entitled to rely on the DHB's decision to release the information on payment of a charge. After considering the Ombudsman's provisional opinion, the DHB agreed to release the information for the original charge, and the Ombudsman discontinued his investigation on the basis that the complaint was resolved.

Communicating the decision to charge

As noted earlier (see [Some basics](#)), the decision to supply information subject to a charge must be communicated as soon as reasonably practicable and no later than 20 working days after the day the request was received (unless that timeframe is extended).

The decision to charge should explain the following:

- that the agency has decided to grant the request (or part of the request) for payment of a charge;
- the maximum amount of the charge;
- how the charge has been calculated (agencies can use the [sample estimate of costs](#) in the appendix to this guide);
- whether all or part payment of the charge is required in advance of release of the information and, if so, how payment can be made;

- the timeframe within which the information will be released once the charge is accepted and (if applicable) the deposit paid;
- that the requester has the right to complain to the Ombudsman about the decision to charge.

Where only part of the request is being granted, the information to be released should be described in sufficient detail to enable the requester to decide whether it is worth paying the charge.

Agencies should also provide the contact details of a subject matter expert who can provide reasonable assistance to the requester if they wish to change or refine their request in a way that reduces or removes the need to charge.

There is a [template charging letter](#) in the appendix to this guide.

Engaging with the requester

Engaging with the requester is in everyone's best interests. It means the requester is more likely to get what they want in the most efficient way possible.

The purpose of engaging with the requester is to clarify the request and to help them change or refine it in a way that reduces or removes the need to charge. Some requesters simply do not understand how much information is held, and how much effort will be needed to provide it. Some will be content with a narrowed-down request, or to receive only a few key documents among the many available, or to see a list of titles from which they can choose (see [Options for reducing or removing the need to charge](#)).

The earlier engagement takes place the better. [Calculating a charge](#) requires adequate scoping and careful estimation. This is wasted time if the requester is not prepared to pay a charge, or a charge of the magnitude being contemplated. Often the best way of engaging with a requester is a face-to-face discussion or a discussion over the telephone. The following text box has some talking points that agencies could use in a discussion with the requester or adapt for written communications.

Talking points—Engaging with requesters

Here are some talking points for engaging with requesters.

- *'It's a really big request'*: Explain that it will take considerable labour and materials to meet the request as it is currently framed.
- *'We think it will take this much work'*: Give any early order estimates of the volume of information at issue, the amount of time required to process the request, and the impact on the agency's other operations.
- *'We're thinking of charging'*: Explain that unless the request is changed or refined the agency is likely to impose a charge.
- *'We want to help you refine it'*: Explain that the agency wants to work with the

requester to change or refine the request in a way that reduces or removes the need to charge.

- *'Here are some of our ideas for how the request could be refined or met without having to charge'*: Canvass any Options for reducing or removing the need to charge.
- *'Here's who can help'*: Provide contact details for a subject matter expert who can provide reasonable assistance to the requester to change or refine their request.

Note that in certain circumstances, an agency may be justified in treating any amended or clarified request as a new request for the purpose of calculating the maximum timeframe for response.²⁷

Options for reducing or removing the need to charge

It is important to consider whether there are other ways to meet the request that would reduce or remove the need to charge. For example:

- Identifying relevant information that is readily retrievable and able to be supplied free of charge (see case studies 319893 and 376161 below).
- Refining the time period covered by the request.
- Refining the types of document covered by the request. For example, document types can include: emails, draft papers/reports, final papers/reports, reports or briefings to Ministers, aides-memoire, and Cabinet papers. Requesters may be happy to receive key documents (such as final papers/reports, or reports/briefings to Ministers or Cabinet), if they understand that their request for all information on a subject is problematic and may be met with a charge.
- Providing a list of the documents that are potentially in scope of the request, if one can be generated through the agency's document management system.
- Limiting search terms by agreement with the requester, thereby yielding a smaller number of more relevant results.
- Providing the information in electronic form, in order to avoid the need for photocopying charges.²⁸
- Providing the information at issue in an alternative form (for example, an opportunity to inspect the information or receive an oral briefing on the information),²⁹ and/or subject

²⁷ See ss 15(1AA) and (1AB) of the OIA and ss 13(7) and (8) of the LGOIMA. See also *'Amended or clarified requests'* in The OIA for Ministers and agencies or The LGOIMA for local government agencies.

²⁸ See s 16(1A) OIA and s 15(1A) LGOIMA.

²⁹ See s 16(1) OIA and s 15(1) LGOIMA. For more information about the form of release see *'Deciding how to release information'* in The OIA for Ministers and agencies or The LGOIMA for local government agencies.

to conditions on publication or dissemination (see case study [173607](#) below).³⁰ This is permissible where supplying the information in the way preferred by the requester would ‘*impair efficient administration*’ (among other reasons).³¹ The requester may prefer to receive the information in an alternative form than to pay a charge.

Case studies—Options for reducing or removing the need to charge

Case 319893 (2012)—Provision of readily retrievable information

A requester asked the Police for a range of documentation relating to cycling fatalities since 2007, as well as answers to specific questions. Police said the request would take a considerable amount of time, which would be charged for in accordance with the *Charging Guidelines*. The requester complained to the Ombudsman.

The Ombudsman asked the Police whether there was any information relevant to the request that could be provided with less effort than the work needed to answer the request in full. In particular, the first part of the request, which was for ‘*a list of all fatalities involving a bicycle since 2007, including police file numbers, dates and locations*’, seemed a possible option.

Police were able to compile and supply a report addressing some aspects of the request using the Crash Analysis System (CAS) database free of charge. The Ombudsman formed the opinion that a charge of \$7,068 for supplying the remaining information was reasonable, and not required to be remitted in the public interest (see [Case studies—Remission in the public interest](#)). This was partly because provision of the readily retrievable information in partial satisfaction of the request was sufficient to meet the identified public interest considerations.

Case 173607 (2007)—Inspection subject to conditions

The lawyers for an iwi sought documents relating to Maori interests under section 4 of the Crown Minerals Act 1991 in the Crown’s management of petroleum. The Ministry of Economic Development advised that it would require considerable labour and materials to review the 18 files at issue and imposed a charge of \$380. The lawyers complained to the Ombudsman.

During the Ombudsman’s investigation the Ministry agreed to make the files available to the lawyers by way of inspection, so they could identify the specific information they wished to obtain copies of. The opportunity for inspection was made subject to the following conditions:

³⁰ See s 28(1)(c) OIA and s 27(1)(c) LGOIMA. For more information about imposing conditions on the use, communication or publication of information see ‘*Conditional release*’ in *The OIA for Ministers and agencies* or *The LGOIMA for local government agencies*. Note, in particular, that conditions are not enforceable under the official information legislation.

³¹ See s 16(2) OIA and s 15(2) LGOIMA.

- That no material was removed from any file.
- That – to the greatest extent possible – the lawyers focused on documents that were relevant to the request.
- That information obtained as a result of the inspection was not used for any purpose.
- That information obtained as a result of the inspection was not communicated to any other person, or published in any way.

Once the lawyers had identified the specific information they wished to obtain copies of, the Ministry would then make a separate decision as to whether that information was able to be disclosed without conditions. This removed the Ministry's need to charge for staff time spent researching the files. The Ministry retained the right to charge for photocopying, including staff time spent photocopying, depending on the volume of material the lawyers subsequently requested. The Ombudsman discontinued his investigation on the basis that this resolved the complaint.

Developing a charging policy

Agencies may wish to develop their own charging policies. In addition to being consistent with the law, internal charging policies should meet the following criteria:

- They should be consistent with the *Charging Guidelines*.

Agencies subject to the OIA are generally required to follow the *Charging Guidelines* (the *Guidelines* say they should be followed '*in all cases unless good reason exists for not doing so*'). Agencies subject to the LGOIMA are not required to follow the *Charging Guidelines*. However the application of an internal charging policy that is inconsistent with the *Charging Guidelines*, for example, by charging higher rates for staff time or photocopying, risks an Ombudsman's finding on review that the charge in question was unreasonable (see [Case studies—Charging Guidelines](#)). Inconsistency with the *Charging Guidelines* may be justifiable if it works in the requester's favour, for instance, by charging lower rates for staff time or photocopying, or by allowing a longer free period before the ability to charge kicks in.

- They should be applied on a case by case basis.

The blanket application of a charging policy (for example, by applying a '*standard charge*') without regard to the circumstances of a particular case is unreasonable. Any internal charging policy must retain the flexibility to remit a charge in whole or part where that is warranted in the circumstances of the case. Specific regard must be had to the public interest in making the information available (see [Remission in the public interest](#)), and whether meeting the charge would be likely to cause hardship to the requester (see [Remission due to hardship](#)).

- They should be publicly available.

Agencies that have adopted an internal charging policy should make it available to the public on their website. This is the type of internal decision making rule that people have a right to access under section 22 of the OIA (section 21 of the LGOIMA).

Our staff are able to provide advice and guidance to agencies developing internal charging policies, including reviewing and commenting on draft policies (see [Further guidance](#) below).

Other types of charge

Charges set by other enactments

Where a charge for access to official information is set by another Act, or by regulations in force immediately before the OIA (or LGOIMA),³² that Act or those regulations will prevail. This is because there is a savings provision in the OIA and LGOIMA, which provides that nothing in the legislation derogates from any provision in any other Act, or in any regulation in force immediately before the OIA (or LGOIMA), which regulates the manner in which official information may be obtained or made available.³³

Case study 319893 (2012)—Charges set by other enactments

A requester asked the Police for traffic accident reports generated in relation to cycling fatalities since 2007, in addition to a range of other documentation. The Police advised that provision of the 44 traffic accident reports at issue would attract a charge of \$4,240, or \$55 per report. The requester sought the Ombudsman's investigation and review of this, and other aspects of the Police decision.

The Ombudsman declined to investigate this aspect of the requester's complaint. The charge for the traffic accident reports was set by [section 211 of the Land Transport Act 1998](#) (the Act), and the [Land Transport \(Assessment Centre and Accident Report Fees\) Regulations 1998](#) (the Regulations). The Act provides that traffic accident reports are available on payment of the prescribed fee, and the Regulations provide that the prescribed fee is \$55. The OIA could not override this.

Information for sale

Some agencies are in the business of selling information. This includes:

- official information (that is, information that is already **held** by an agency); and
- information that an agency has the ability to **create**.

³² 1 July 1983 for the OIA; 1 March 1988 for the LGOIMA.

³³ See s 52(3)(b)(ii) OIA and s 44(2)(b)(ii) LGOIMA.

Official information available for purchase

Where official information is available to purchase to any person for a set fee, it may be open to an agency to refuse a request for that information under the OIA or LGOIMA on the basis that it is already publicly available.³⁴ This is provided the purchase price is not patently excessive. See case study [177600](#) below.

Information that can be created for a fee

Where information can be **created** for a fee the OIA and LGOIMA will not apply; nor will the *Charging Guidelines*. This is because the OIA and LGOIMA only apply to information that is already **held** by an agency.³⁵ However, an agency will need to be able to demonstrate affirmatively that it would need to create the information, as opposed to collating information that is already held.

Any complaint about the fee for creation of information cannot be considered by the Ombudsman under the OIA or LGOIMA. However, the Ombudsman may be able to consider a complaint about the reasonableness of the fee under the Ombudsmen Act 1975.³⁶ See case study [376161](#) below.

Case studies—Information for sale

Case study 177600 (2008)—Official information available for purchase

The New Zealand Transport Agency charged a requester for providing information about vehicle registrations. The information was available for purchase on the internet for a monthly fee of \$56.25. The requester complained to the Ombudsman.

The Ombudsman declined to investigate a complaint about the charge because the request could have been refused under section 18(d) of the OIA. That section enables a request to be refused if the information is publicly available. The Ombudsman said:

If [an agency] properly refuses a request under [section 18(d)], the charging provisions in the [OIA] do not apply. A situation where [an agency] can clearly rely on section 18(d) is where it publishes the information and advertises this as available for purchase at a set price by any person.

The Ombudsman noted the following excerpt from the Law Commission's 1997 review of the OIA:³⁷

In some cases the ability to recover costs will arise through the commercial production and sale of the information (or the prospect of it) completely outside the ambit of the Act. In that event the request may be refused: s

³⁴ See s 18(d) OIA and s 17(d) LGOIMA.

³⁵ See s 2 OIA and LGOIMA.

³⁶ Provided the agency is subject to that Act.

³⁷ [Note 18](#) above, at 56.

18(d).

He also noted this excerpt from *Freedom of Information in New Zealand*:³⁸

To what extent is material 'publicly available' if a Department or organisation charges for it? Clearly, books, maps, and other documents do not lose their availability simply because they are sold. Clearly too, the price at which they are sold may exceed the charges normally payable for retrieval and copying under Part II of the Act but by how much? An excessive price could make the material 'unavailable' for the purpose of section 18(d). Departments should not be able to resist claims for access to a single document by pointing to its publication in a tome costing hundreds of dollars...

The Ombudsman agreed with this approach. He commented that it might be unreasonable to rely on section 18(d) where a price is patently excessive, but in this case the price reflected the actual cost of producing the information.

Case study 376161 (2015)—Information that can be created for a fee

A requester asked Statistics NZ for the numbers of people living on an hourly rate of \$13.75, \$15 and \$16, and the total number of people earning less than \$18 per hour. Statistics NZ treated this as a customised data request and calculated a fee of \$172.50 for supply of the information, in accordance with its *Sales and Pricing Policy*. The requester complained to the Ombudsman under the OIA.

The first issue for the Chief Ombudsman was whether this was an OIA charging complaint, or one that had to be considered under the Ombudsmen Act. The Chief Ombudsman asked Statistics NZ whether it held the data at issue or would need to create it.

Statistics NZ explained that the data were sourced from the *New Zealand Income Survey* (NZIS). However, NZIS earning statistics are produced by average and median only, not by numbers of people earning at set levels. That information would need to be individually produced by an analyst with a high degree of skill and knowledge of the NZIS 'unit record', or raw data.

By describing in detail the steps that would be required to produce the information (including data programming and analysis), Statistics NZ was able to satisfy the Chief Ombudsman that this was a case of creation rather than collation of the information, and so the information was not 'held' and not available for request under the OIA.

As the OIA did not apply, the Ombudsman considered whether the charge was reasonable in terms of the Ombudsmen Act. The Chief Ombudsman determined that the charge was calculated in accordance with Statistics NZ's *Sales and Pricing Policy*, and that

³⁸ Eagles, I, Taggart, M, and Liddell, G. *Freedom of Information in New Zealand*. Oxford; Oxford University Press, 1992 at 244.

it was not unreasonable in the circumstances of this case to recover the full cost of producing the data.

The Chief Ombudsman also asked Statistics NZ whether there was any readily retrievable information that could be supplied to the requester free of charge. Statistics NZ was able to point the requester to published statistics about personal income distribution broken down by weekly personal income. It was also willing to provide information compiled in response to an earlier customised data request for the number of people who were earning the minimum adult wage.

Further guidance

For more information about processing official information requests, see our guides *[The OIA for Ministers and agencies](#)* and *[The LGOIMA for local government agencies](#)*.

Our website contains searchable case notes, opinions and other material, relating to past cases considered by the Ombudsmen: www.ombudsman.parliament.nz.

You can also contact our staff with any queries about charging, or for advice and guidance on developing an internal charging policy, by email info@ombudsman.parliament.nz or freephone 0800 802 602. Do so as early as possible to ensure we can answer your queries without delaying the response to a request for official information.

Appendix 1. Step-by-step worksheet for charging

1. Scope the request	<ul style="list-style-type: none"> What is the requester asking for? What information is held and where? <u>Engage with the requester</u> as early as possible about any ambiguities or scope for refinement of the request.
2. Decide on release	<ul style="list-style-type: none"> Are you going to release some or all of the information? Charging is only permissible if information is being released in response to the request, so you may need to read and review the information first in order to decide to what extent it can be made available (see <u>Charge means release</u>).
3. Consider whether it is reasonable to charge Relevant part of guide: <u>When is it reasonable to charge?</u>	<ul style="list-style-type: none"> Is it reasonable to recover some of the costs involved in releasing the information? Relevant questions include: <ul style="list-style-type: none"> Will it require considerable labour and materials to release the information? Will it have a significant impact on the agency's ability to carry out its other operations? Has the requester previously made a large volume of time consuming requests? Note that some requesters (for example, <u>MPs</u> and <u>members of the news media</u>) may have good reasons for making frequent requests for official information, and they should not be penalised for this.
4. Engage with the requester Relevant part of guide: <u>Engaging with the requester</u>	<ul style="list-style-type: none"> Engage with the requester to try and help them clarify the request, and change or refine it in a way that reduces or removes the need to charge. Our <u>Talking points</u> can assist with this.
5. Consider other options for reducing or removing the need to charge Relevant part of guide: <u>Options for reducing or removing the need to charge</u>	<ul style="list-style-type: none"> Are there other ways to meet the request that would reduce or remove the need to charge? For example: <ul style="list-style-type: none"> providing readily retrievable information; refining the time period covered by the request; refining the types of document covered by the request; providing a list of documents potentially in scope, so that the

	<p>requester can refine the request;</p> <ul style="list-style-type: none"> - limiting search terms by agreement with the requester; - providing the information in electronic form; - providing the information in an alternative form (eg, inspection or oral briefing); or - providing the information subject to conditions.
<p>6. Calculate the charge</p> <p>Relevant part of guide:</p> <p><u>Calculating the charge</u></p>	<ul style="list-style-type: none"> • How much information is at issue? • How long will it take to complete the <u>activities that can be charged for</u>? • Calculate the charge in accordance with the rates specified in the <i>Charging Guidelines</i> (see <u>Formula for charging</u>). • Our <u>sample estimate of costs</u> can help with this process.
<p>7. Consider whether the charge should be remitted in full or in part</p> <p>Relevant part of guide:</p> <p><u>Remission of charges</u></p>	<ul style="list-style-type: none"> • Should the charge be remitted in full or part because of the <u>public interest</u> in release? • Should the charge should be remitted in full or part because it would cause <u>hardship</u> to the requester?
<p>8. Communicate the decision to release subject to a charge</p> <p>Relevant part of guide:</p> <p><u>Communicating the decision to charge</u></p>	<ul style="list-style-type: none"> • This must be done as soon as reasonably practicable and within 20 working days of receipt of the request (unless that timeframe is extended). • Our <u>template charging letter</u> can assist with this. • Ensure that someone is available to the requester to assist them to change or refine their request in order to reduce or remove the need to charge.
<p>9. Prepare the information</p>	<ul style="list-style-type: none"> • Once the requester has accepted the charge and met any part of it required to be paid in advance, prepare the information for release.
<p>10. Release the information</p>	<ul style="list-style-type: none"> • Release the information without undue delay, and within the time period indicated in your letter of decision. Keep the requester up-to-date if unforeseen circumstances delay the release.

Appendix 2. Template charging letter

[Name and address of requester]

Dear [name]

Official information request for [brief detail of the subject matter of the request]

I refer to your official information request dated [date] for [quote or set out detail of request].

[Use if granting the request in full and charging]

We have decided to grant your request. However, given the amount of resource required to process your request, we have decided to charge for making the requested information available.

We estimate that the maximum charge will be [amount]. [A discount of [1–100] percent has been applied in recognition of the public interest and/or potential hardship]. Any unused component of the maximum charge will be refunded to you. For details of how this charge has been calculated refer to the enclosed estimate of costs [see [sample estimate of costs](#)].

Before we proceed further with your request, please confirm your agreement to the charge [and pay the full amount / [amount] as a deposit, with the balance to be paid on release of the information]. [Specify how payment should be made]. We will send you the information within [time period] of your payment.

[Use if granting the request in part and charging]

We have decided to grant your request in part, namely information which relates to [describe information to be released in sufficient detail to enable requester to decide whether to pay the charge]. We have also decided to refuse your request for information which relates to [describe information withheld] under section [detail relevant section(s)] of the [OIA/LGOIMA], as release would [describe relevant harm].

Given the amount of resource required to process your request, we have decided to charge for making part of the requested information available. We estimate that the maximum charge will be [amount]. [A discount of [1–100] percent has been applied in recognition of the public interest and/or potential hardship]. Any unused component of this charge will be refunded to you. For details of how this charge has been calculated refer to the enclosed estimate of costs [see [sample estimate of costs](#)].

Before we proceed further with your request, please confirm your agreement to the charge [and pay the full amount / [amount] as a deposit, with the balance to be paid on release of the information]. [Specify how payment should be made]. We will send you the information within [time period] of your payment.

[Use in all cases]

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

If you wish to discuss this decision with us, please feel free to contact [details of contact person]. [Contact person] will be able to assist you should you wish to change or refine your request in order to reduce or remove the need to charge.

Yours sincerely

[Name]

Appendix 3. Sample estimate of costs

Locations searched	•
Search terms used	•
Date range	DD/MM/YY–DD/MM/YY
Estimated no. of documents at issue/to be searched through	
Chargeable activities required	<input type="checkbox"/> Search and retrieval <input type="checkbox"/> Collation <input type="checkbox"/> Research (reading and reviewing to identify the information) <input type="checkbox"/> Editing (excising or redacting information to be withheld) <input type="checkbox"/> Scanning / copying <input type="checkbox"/> Reasonably required peer review to ensure that these tasks have been carried out correctly
Estimated minutes per document to complete chargeable activities	
Estimated total time to complete chargeable activities	
Estimated no. of pages to be photocopied	

	Quantity	Price	Totals
Labour	[A] hours	\$38/half hour, with the first hour free	\$(A - 1 x \$76)
Photocopying (if applicable)	[B] pages	\$0.20/page, with the first 20 pages free	\$(B - 20 x \$0.20)
Other (specify)		\$	\$
Discount applied due to public interest / hardship (if applicable)		[1–100] %	- [amount of discount]
Total cost			