



# *Hastings District Council*

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**OPEN**

# **SUPPLEMENTARY AGENDA**

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## **COUNCIL MEETING**

Meeting Date: **Thursday, 23 February 2017**

Time: **1.00pm**

Venue: **Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

<b>Council Members</b>	Chair: Mayor Yule Councillors Barber, Dixon, Harvey, Hazlehurst, Heaps, Kerr, Lyons, Nixon, O'Keefe, Pierce, Poulain, Redstone, Travers and Watkins
<b>Officer Responsible</b>	Chief Executive – Mr R McLeod
<b>Council Secretary</b>	Mrs J Evans (Extn 5018)



# **HASTINGS DISTRICT COUNCIL**

## **COUNCIL MEETING**

**THURSDAY, 23 FEBRUARY 2017**

**VENUE:** Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings

**TIME:** 1.00pm

## **SUPPLEMENTARY AGENDA**

- 14. Long Term Impacts from Gastro Crisis - Community Assistance Options**



**REPORT TO: COUNCIL**

**MEETING DATE: THURSDAY 23 FEBRUARY 2017**

**FROM: CHIEF FINANCIAL OFFICER  
BRUCE ALLAN**

**SUBJECT: LONG TERM IMPACTS FROM GASTRO CRISIS -  
COMMUNITY ASSISTANCE OPTIONS**

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## **1.0 SUMMARY**

- 1.1 The purpose of this report is to obtain a decision from the Council on possible option(s) for providing financial assistance to help those who continue to be badly affected by illness or related impacts following on from the August contamination event should Council wish to do so.
- 1.2 This proposal arises from the August Water contamination event and information continues to come to light that a number of those affected by this event are still being affected.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.
- 1.4 The objective of this decision relevant to the purpose of Local Government is to provide local public services which help meet the needs of young and old, people in need, visitors and locals, businesses and households.
- 1.5 This report concludes by recommending:
- That Council work with the HBDHB, ACC and MSD to further explore all avenues for financial assistance to those who continue to be badly affected by illness or related impacts following on from the August contamination event.
- That Council establish a budget provision of \$100,000 to provide funding, if necessary, for financial assistance to those with ongoing health impacts due to the contamination event, with this to be treated as unbudgeted expenditure.
- Following full exploration of all alternative funding sources, the Chief Executive be delegated authority to set criteria in conjunction with appropriate agencies to be used to allocate any Council funding.

## **2.0 BACKGROUND**

- 2.1 On 12 August 2016 the Hawke's Bay District Health Board and the Council became aware of a widespread situation of gastroenteritis in Havelock North. It was subsequently identified that the Havelock North Water supply was contaminated. A large proportion of the community were sick with confirmed or suspected cases of campylobacter.

- 2.2 This outbreak of illness has had a significant impact on businesses and households in Havelock North particularly.
- 2.3 The events that led to the Havelock North water contamination incident are being explored via a Government Inquiry. The purpose of this report is to obtain a decision from the Council on the preferred option(s) for providing financial assistance to help those who continue to be badly affected by illness or related impacts following on from the August contamination event, should Council wish to do so.
- 2.4 Council has made a number of financial assistance contributions to the Havelock North Community following the contamination event including the Havelock North Business Recovery package which cost approximately \$160,000 and saw financial assistance contributions made to 37 businesses. This was explicitly labelled as assistance rather than compensation as causation and liability issues were still an open question.
- 2.5 Financial support was also made available to the Havelock North Business Association with Central Government contributing \$100,000 and Council an additional \$10,000.
- 2.6 Council has also remitted one quarter of the Water Supply Targeted Rate from the second instalment of rates payable and represented \$57 per water connection. The full extent of the rates remission for one instalments worth of the targeted water rate has been calculated across 5,904 separately used or inhabited parts (SUIPs) and amounted to \$339,948 including GST (\$295,607 excluding GST).
- 2.7 Subsequent to these initiatives, the Mayor and other representatives of the Council have been encountering in the community hitherto healthy people affected by the gastro outbreak who are now suffering significant ongoing health impacts. To-date Council has provided no financial assistance to these affected people.

### **3.0 CURRENT SITUATION**

- 3.1 The Mayor has asked for Council to consider options for assisting affected people. One suggestion is a scheme similar to that enacted to assist businesses after the contamination event. This would see the Council setting aside some funding to enable assistance grants to be given to people to assist them with the costs of dealing with ongoing health impacts. Such a scheme would not be compensation or full cost reimbursement, and would not cover loss of earnings.
- 3.2 Criteria for such a scheme would be determined, and initial discussions are being had with the HBDHB to consider how we might involve health expertise in the information assessment and decision making aspects of such a scheme.
- 3.3 Initial conversations with the HBDHB have been very useful and other possible avenues for assistance have emerged. Other possibilities include exploring whether it might be worth exploring the matter of ACC cover further with ACC. The HBDHB have also commented that there may be other sources of funding available within existing programmes. At the time of writing those avenues were yet to be fully explored and discussions were to continue

with the HBDHB and ACC to fully understand what avenues for financial assistance might be available.

- 3.4 Initial conversations have also been had with the Ministry of Social Development (MSD) about what welfare support is available to those with ongoing afflictions including the Job Seeker Benefit with medical deferment and the Disability Allowance. Some welfare support is income or asset tested and will therefore not be available to all.

#### **4.0 OPTIONS**

##### **4.1 Option 1**

- 4.2 Establish a budget provision of \$100,000 to provide funding, if necessary, for financial assistance to those with ongoing health impacts due to the contamination event. Before committing to utilising this funding, work with the HBDHB, ACC and MSD to further explore other avenues for financial assistance to those affected.

- 4.3 Following full exploration of all alternative funding sources, the Chief Executive be delegated authority to set criteria in conjunction with appropriate agencies to be used to allocate any Council funding.

##### **4.4 Option 2**

- 4.5 Work with the HBDHB, ACC and MSD to further explore other avenues for financial assistance to those affected.

##### **4.6 Option 3**

- 4.7 Do nothing

#### **5.0 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 While this contamination event has been an extremely significant event for the people of Havelock north and the wider Hastings District, the request to establish a fund to help those with ongoing health impacts to the sum of \$100,000 is not considered significant in terms of the Significance and Engagement Policy and further consultation is not required.

#### **6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

##### **6.1 Option 1**

- 6.1.1 Establishment of a budget provision for a fund of \$100,000 to provide financial assistance to those with ongoing health impacts due to the contamination event, while working with the HBDHB, ACC and MSD to further explore other avenues for financial assistance to those affected.

- 6.1.2 While only preliminary discussions have been had with other agencies that could provide assistance, a full stocktake of what is available has yet to occur. It would therefore be prudent to undertake that full analysis before any Council funds are made available.

- 6.1.3 It is too early to assume the quantum of a potential rates surplus at year end and there is no current budget provision for such a fund, therefore any fund created is recommended to be treated as unbudgeted expenditure.

## 6.2 Option 2

6.2.1 Option 2 provides for Council to work with the HBDHB, ACC and MSD to further explore other avenues for financial assistance to those affected and not provide any additional financial support from Council. At the time of writing this report, the full extent of what financial support is available is not fully understood. This option would therefore mean that should the investigation with other agencies not be successful, that would be the end of the line for those individuals and their current financial hardships would not be remedied in any way.

## 6.3 Option 3

6.3.1 Option 3 of doing nothing is not considered a viable option. Some members of the community have been significantly impacted by this contamination event and to do nothing in trying to support them seek financial assistance from all available sources, including Council, is not an option that Council should consider.

## 7.0 PREFERRED OPTION/S AND REASONS

7.1 The preferred option is to establish a budget provision of \$100,000 to provide funding, if necessary, for financial assistance to those with ongoing health impacts due to the contamination event. Before committing to utilising this funding, Officers will work with the HBDHB, ACC and MSD to further explore other avenues for financial assistance to those affected.

7.2 Following full exploration of all alternative funding sources, the Chief Executive be delegated authority to set criteria to be used to allocate any Council funding.

7.3 This approach provides for a prudent and thorough review of what is available for those affected before committing any Council funding while providing the necessary budget for the Chief Executive to enact if required.

## 8.0 RECOMMENDATIONS AND REASONS

**A) That the report of the Chief Financial Officer titled “Long Term Impacts from Gastro Crisis - Community Assistance Options” dated 23/02/2017 be received.**

**B) That Council work with the Hawkes Bay District Health Board, ACC and the Ministry of Social Development to further explore all avenues for financial assistance to those who continue to be badly affected by illness or related impacts following on from the August contamination event.**

**C) That Council establish a budget provision of \$100,000 to provide funding, if necessary, for financial assistance to those with ongoing health impacts due to the contamination event, with this to be treated as unbudgeted expenditure.**

**D) Following full exploration of all alternative funding sources, the**



**Chief Executive be delegated authority to set criteria in conjunction with appropriate agencies to be used to allocate any Council funding.**

**With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for good quality local infrastructure and local public services in a way that is most cost-effective for households and business by:**

- a. providing local public services which help meet the needs of young and old, people in need, visitors and locals, businesses and households.**

**Attachments:**

There are no attachments for this report.