



# Ordinary Meeting of Council

## AGENDA

**10.00am Tuesday 22 March 2016**

**Council Chamber, Wairoa District Council, Coronation  
Square, Wairoa.**

The agenda and associated papers are also available on our website: [www.wairoadc.govt.nz](http://www.wairoadc.govt.nz)

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# Agenda

**Chairman:** His Worship the Mayor Mr C Little

**Councillors:** D. Eaglesome-Karekare (Deputy Mayor), M Bird, B Cairns, H Flood, J Harker, M Johansen.

	<b>Pages</b>
<b>Procedural Items</b>	
<b>1. Civic Prayer</b>	
<b>2. Apologies for Absence</b>	
<b>3. Declarations of Conflict of Interest</b>	
<b>4. Chairman's Announcements</b>	
<b>5. Items of Urgent Business not on the Agenda</b>	
<b>6. Public Participation</b>	
A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 3 minutes per person is allowed.	
<b>7. Information Pack</b>	
The purpose of this item is to receive the monthly Information Pack <i>(attached under separate cover)</i>	
<b>8. Minutes of Previous Meeting</b>	<b>4-10</b>
<b>9. Monthly Update Report</b>	<b>11-12</b>
F Power – Chief Executive Officer	
<b>General Items</b>	
<b>10. Review of Election Hoardings Policy</b>	<b>13-17</b>
S Johansen – District Planner	
<b>11. Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs)</b>	<b>18-29</b>
C McGimpsey – Governance Advisor & Policy Strategist	

<b>12.</b>	<b>Revised Information Pack Reporting Structure</b>	<b>30-33</b>
	J Baty – Corporate Services Manager C McGimpsey – Governance Advisor & Policy Strategist	
<b>13.</b>	<b>Net Promoter Score</b>	<b>34-57</b>
	J Baty – Corporate Services Manager	
<b>14.</b>	<b>Review of Smoke-free Environments Policy</b>	<b>58-64</b>
	C McGimpsey – Governance Advisor & Policy Strategist	
<b>15.</b>	<b>2016 Local Body Elections</b>	<b>65-70</b>
	J Baty – Corporate Services Manager	
<b>16.</b>	<b>Delegations - Warrant To Act</b>	<b>71-74</b>
	J Baty – Corporate Services Manager	
<b>17.</b>	<b>Mahanga Update</b>	<b>75-99</b>
	J Cox – Engineering Manager	
<b>18.</b>	<b>FAR Committee recommendation: Monthly Financial Report to 31 January 2016</b>	<b>100-120</b>
	Councillor J Harker – Chairman of Finance, Audit & Risk Committee	
<b>Receipt of Minutes from Committees/Action Sheets</b>		
<b>19.</b>	<b>Council Action Sheet</b>	<b>121-129</b>
<b>20.</b>	<b>Maori Standing Committee</b>	<b>130-132</b>
<b>21.</b>	<b>Matters arising from Forum</b>	<b>133</b>
<b>22.</b>	<b>Finance Audit &amp; Risk Committee</b>	<b>134-138</b>
<b>Public-Excluded Items</b>		
<b>23.</b>	<b>Resolution to exclude the public</b>	<b>139-140</b>
	This contains information on the general subject matter of confidential items and why they are being conducted without the public present.	
<b>24.</b>	<b>Confidential Minutes</b>	<b>141-142</b>
<b>25.</b>	<b>Confidential Action Sheet</b>	<b>143-144</b>
<b>26.</b>	<b>Confidential Minutes FAR Committee 1 March 2016</b>	<b>145-146</b>



## Minutes of an Ordinary Meeting of Council

10.00am Tuesday 23 February 2016 held in the Council Chamber, Wairoa District Council, Coronation Square, Wairoa.

**Present:** His Worship the Mayor Mr C Little (Chairman)

Councillors: M Bird, B Cairns, D Eaglesome-Karekare, J Harker.

G Symes	(Māori Standing Committee Chairman)
P Kelly	(Māori Standing Committee Representative)
F Power	(Chief Executive Officer)
H Montgomery	(Regulatory Manager)
J Cox	(Engineering Manager)
J Baty	(Corporate Services Manager)
C McGimpsey	(Governance Advisor & Policy Strategist)
A Morton	(Chief Financial Officer)
K Tipuna	(Communications Strategist)

### Procedural Items

#### 1. Civic Prayer

The karakia was given by Maori Standing Committee Chairman Mr Symes.

#### 2. Apologies for absence

Apologies were received from Councillor Flood and Councillor Cairns for lateness.

#### 3. Declarations of Conflict of Interest

None.

#### 4. Chairman's Announcements

None.

#### 5. Items of Urgent Business not on the Agenda

- Minutes of the Maori Standing Committee 12 February 2016

#### 6. Public Participation

Mr G Preston spoke on items 8 & 9 – Minutes of the previous meeting and Monthly Update report.

Mr D Caves spoke on items 7 & 9 – Information Pack and Monthly Update report

Ms M Rodgers thanked the Council for work completed by the Engineering department on an overgrown tree.

## 7. Information Pack

**Resolved:** *That the February 2016 Information Pack is received.*

***Little/Harker***

## 8. Confirmation of Minutes of the Previous Meeting

**Resolved:** *That the minutes of the Ordinary Meeting of Council held on 8 December 2015 be confirmed as a correct record of the proceedings.*

***Eaglesome-Karekare /Bird***

**Resolved:** *That the minutes of the Extraordinary Meeting of Council held on 18 December 2015 be confirmed as a correct record of the proceedings.*

***Johansen/Harker***

## 9. Monthly Update Report

The Chief Executive Officer presented his report.

Councillors discussed the following:

- Including progress on KPIs in the update report
- SH38 meeting – section of the road that this will cover
- SLT vision
- Introduction of financial reporting

**Resolved:** *That the report be received.*

***Harker/Bird***

## General items

### 10. Representatives on the Wairoa District Heritage and Museum Trust

Councillor Cairns declared an 'other specified interest' as she is the chair of the Wairoa District Heritage and Museum Trust.

Councillors discussed:

- Council's financial contribution to the Museum
- Intended change to Museum's constitution to reduce the number of Council representatives to 1
- Nature of the relationship between the Trust and the Council.

<b><u>Resolved:</u></b>	<p><i>That:</i></p> <ol style="list-style-type: none"> <li><i>1. The report be received;</i></li> <li><i>2. The Mayor meet with the Trust to discuss appointments; and,</i></li> <li><i>3. The Mayor takes the matter to the next Maori Standing Committee meeting.</i></li> </ol> <p style="text-align: right;"><b><i>Bird/Eaglesome-Karekare</i></b></p>
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### **11. Change to meeting schedule**

<b><u>Resolved:</u></b>	<p><i>That the meeting scheduled is amended so that the July Council meeting is 19<sup>th</sup> July 2016.</i></p> <p style="text-align: right;"><b><i>Eaglesome-Karekare/Johansen</i></b></p>
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### **12. District Plan Review Update**

The Chief Operations Officer presented the report.

A point of clarity was sought regarding what steps were currently completed.

<b><u>Resolved:</u></b>	<p><i>That the report be received.</i></p> <p style="text-align: right;"><b><i>Eaglesome-Karekare/Harker</i></b></p>
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Councillor Bird left the meeting at 11.04am

### **13. Election Timings**

The Corporate Services Manager (Electoral Officer) presented the report.

Councillor Bird re-entered the meeting at 11.06am.

Councillors discussed:

- Adding a referendum/poll question to the ballot papers
- Maori ward seats poll
- Council shutdown period

<b><u>Resolved:</u></b>	<p><i>That the report be received.</i></p> <p style="text-align: right;"><b><i>Johansen/Cairns</i></b></p>
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**ADJOURNED** 11.12am

**RECONVENED** 11.22am

#### **14. Net Promoter Score (NPS) Framework**

The Corporate Services Manager presented the report and played a YouTube clip (link included in the report under 'Further Information').

Councillors discussed:

- Including residents in the framework
- Ensuring data between residents and visitors is kept separate
- Purpose of the survey and the process to feed information back to relevant organisations and the community
- The purpose of the Communitrak survey
- Including the survey in rates notices
- Role of the ED team in the feedback process

<b><u>Resolved:</u></b>	<i>That Council adopt the Net Promoter Score Framework to assess and improve visitors' and residents' views on Te Wairoa, with a more detailed report to come to the March Council meeting on the processes and survey methods using this framework.</i>
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**Harker/Cairns**

#### **15. Update on 2016/17 Annual Plan Framework**

The Chief Financial Officer presented the report

Councillors discussed:

- New legislation regarding annual plan consultation
- Ability to meet timeframes

<b><u>Original motion:</u></b>	<p><i>That Council:</i></p> <ol style="list-style-type: none"> <li>1. <b>APPROVES</b> the timetable for the presentation of the draft 2016/17 Annual Plan to Council as indicated at Appendix 1,</li> <li>2. <b>APPROVES</b> that the Year 2 budget of the 2015/25 Long Term Plan (Yr2 LTP) be used as the starting point, or baseline, for the development of the 2016/17 Annual Plan,</li> <li>3. <b>NOTES</b> the statutory timetable for the adoption of the Annual Plan is 30 June 2016 (S 95(3) of the LG Act)</li> <li>4. <b>NOTES</b> that the planning intention is that there is no requirement for additional public consultation under s 95 (2A) of the LG Act, however sufficient time has been allowed for consultation in the timetable provided if Council wishes to do so.</li> </ol>
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**Eaglesome-Karekare/Harker**

**Amendment:** That (4) be re-worded to state:  
 4. **NOTES** that the planning intention is that there is no requirement for additional public consultation under s 95 (2A) of the LG Act, however sufficient time has been allowed for consultation in the timetable provided if there are significant or material changes or if Council wishes to do so.

**Cairns/Johansen****CARRIED**

**Resolved - Substantive motion:** That Council:

1. **APPROVES** the timetable for the presentation of the draft 2016/17 Annual Plan to Council as indicated at Appendix 1,
2. **APPROVES** that the Year 2 budget of the 2015/25 Long Term Plan (Yr2 LTP) be used as the starting point, or baseline, for the development of the 2016/17 Annual Plan,
3. **NOTES** the statutory timetable for the adoption of the Annual Plan is 30 June 2016 (S 95(3) of the LG Act)
4. **NOTES** that the planning intention is that there is no requirement for additional public consultation under s 95 (2A) of the LG Act, however sufficient time has been allowed for consultation in the timetable provided if there are significant or material changes or if Council wishes to do so.

**CARRIED****Receipt of Minutes from Committees/Action Sheets****16. Council Action Sheets**

Councillors reviewed the Action Sheets and sought clarity on Actions 404 and 456.

**17. Maori Standing Committee**

Councillors discussed the recommendations from the Maori Standing Committee on the 12 February 2016.

**IWITEA ROAD**

**Recommended:** That the overhanging pine trees, overgrown grass verge, blackberries and flaxes and overgrown vegetation in drains on Iwitea Road be tidied up.

This was referred to Council staff to include in their work programme.

**WAIHI DAM**

**Recommended:** That the Maori Standing Committee fully endorse the proposed letter being sent by the Wairoa District Council's Mayor and Councillors to Hawke's Bay Regional Chair and Councillors.



**Recommended:** That Council tarseal main gateway and lighting at the entranceway for Hinemihi Marae.

Councillors suggested that the Maori Standing Committee complete an inventory on roading and lighting outside of marae in the district and present a district-wide proposal back to Council.

**Resolved:** *That Council receive the Maori Standing Committee minutes from their meetings on the 22 January 2016 and 12 February 2016.*

**Eaglesome-Karekare/Little**

### Public-excluded items

#### 18. Resolution to exclude the public

**Resolved:** That the public be excluded from the following parts of the proceedings of this meeting, namely:

1. Confidential Minutes of Previous Council Meeting (8 December 2015)
2. Confidential Action Sheet
3. Te Tira Whakaemi o Te Wairoa Treaty Settlement Documentation

The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) to the passing of this resolution</b>
Confidential Minutes of Previous Council Meeting	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:
	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]

		activities	
	Confidential Action Sheet	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]
	Te Tira Whakaemi o Te Wairoa Treaty Settlement Documentation	Section 7 (2) (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations);	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]

*Harker/Eaglesome-Karekare*

**PUBLIC EXCLUDED: 12.30pm**

**RE-ADMITTED: 1.08pm**

There being no further General Business His Worship the Mayor declared the meeting closed.

**CLOSED:** The meeting closed at **1.09pm.**



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Chair

## Council

22 March 2016



### Chief Executive Officer's Monthly Report

<b>Department</b>	Office of the Chief Executive
<b>Author</b>	Chief Executive Officer – F Power
<b>Contact Officer</b>	As above
<b>1. Purpose</b>	1.1 To update Councillors on significant matters attended to by the CEO in the interval since the last report – 23 February 2016.
<b>Recommendation</b>	<i>The Chief Executive Officer RECOMMENDS that Council receive this report.</i>
<b>2. Staff movements</b>	<p>2.1 I am delighted to be able to report that Jared Olsen has commenced duties as a Building Control Officer with the Council. Jared is a local born and raised in Wairoa, including all of his schooling, Jared spent two years working as a builder in Wairoa before joining QRS where he worked in construction for four and half years. During his time at QRS he also gained a diploma in Civil Engineering from the New Zealand Institute of Highway Technology.</p> 
<b>3. Environmental issues</b>	<p><i>Waihi Dam</i></p>  <p>3.1 At the invitation of His Worship the Mayor, on 25 February 2016, the Hon David Parker (Labour Party Spokesperson</p>

**4. Events and meetings**

for the environment) visited forestry slash-impacted zones, and the Waihi Dam environmental disaster.

3.2 The Chair of the HBRC, Fenton Wilson, joined these discussions.

*LGNZ Rural and Provincial Meeting*

4.1 On 10 and 11 March His Worship the Mayor and I attended the LGNZ Rural and provincial meeting in Wellington. The meeting was well-attended by Ministers and MPs, and His Worship dined on the Thursday evening with Dr William Rolleston, National President of Federated Farmers.

*Rocket Lab*

4.2 On 14 March 2016, His Worship the Mayor and I were joined by the Hon Stuart Nash and hosted by Rocket Lab at their launch site at Mahia Peninsula.

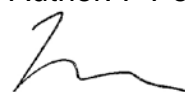
**Further Information  
Appendices  
Background Papers  
Signatories**

None.

None.

None.

Author: F Power





## Council

22 March 2016

### Review of Election Hoardings Policy

<b>Department</b>	Operations
<b>Author</b>	District Planner – S Johansen
<b>Contact Officer</b>	Chief Operating Officer – H Montgomery
<b>1. Purpose</b>	1.1 To provide Council with the outcome of the review of the Election Hoardings policy for adoption.
<b>Recommendation</b>	<i>The District Planner RECOMMENDS that Council adopt the updated Election Hoardings Policy attached as Appendix 1.</i>
<b>2. Background</b>	<p>2.1 On 9 September 2008 Council adopted a policy for election hoardings in the district for local and central government elections. This policy was due to be revised in 2015.</p> <p>2.2 This policy is based on central government legislation. The relevant legislation has not had any changes which affect the content of this policy.</p>
<b>3. Changes to policy</b>	<p>3.1 The review dates in the policy have been updated to reflect the new adoption date and review date.</p> <p>3.2 There have been no changes to the policy as there have been no changes in this area in legislation or under the district plan.</p>
<b>4. Options</b>	<p>4.1 The options identified are:</p> <ol style="list-style-type: none"> <li>Status quo – do not make any changes to the policy</li> <li>Adopt changes as per Appendix 1</li> <li>Make additional changes to the policy</li> </ol> <p>4.2 [Discussion of each option – see requirements under S77, 78, 80 of LGA 2002]</p> <p>4.3 The preferred option is to adopt changes as per Appendix 1, this meets the purpose of local government as it will help meet the current and future needs of communities for local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.</p>
<b>5. Corporate Considerations</b>	
<b>What is the change?</b>	<p>5.1 Changes to the policy include an update of adoption date, review period, review due date and the category from Regulatory to Operations to reflect the change in department name.</p> <p>5.2 This will not trigger a s17a Review under the Local Government Act</p>

<b>Compliance with legislation and Council Policy</b> <b>What are the key benefits?</b>	5.3 Complies with the District Plan 5.4 Complies with relevant legislation – Electoral (Advertisements of a special Kind) Regulations 2005
<b>What is the cost?</b>	5.5 Checks that the current policy is still in line with current legislation and allows updates to the policy to allow further reviews to occur in future and give timeframes to do this in. 5.6 There is no cost in the updating of this policy.
<b>What is the saving?</b>	5.7 There is no saving as there is no cost involved.
<b>Who has been consulted?</b>	5.8 The Council has little information on community views on this policy and no communication or consultation has taken place with any parties. This is due to the policy being bound by the regulations set out in Central Government legislation 5.9 This policy update is not of significance to Tangata Whenua
<b>Service delivery review</b> <b>Maori Standing Committee</b>	5.10 A s17a service delivery review has not been undertaken for this Policy review and is not applicable.  5.11 Has this matter been referred to the committee? No
<b>6. Significance</b>	6.1 The only parties affected by this are those who wish to run for Local or Central Government. 6.2 There will be little impact on the council budget or capacity. 6.3 The change to the policy can be reversed. 6.4 There will be no change or alteration of service levels of any council significant activity. 6.5 There will be no impact on any council strategic assets. 6.6 This policy change does not involve changing the way in which a significant activity is delivered.
<b>7. Risk Management</b>	7.1 The strategic risks identified in the implementation of the recommendations made are as follows: a. Strategic risks from the changes to the policy can be considered less than minor.
<b>Further Information</b> <b>Appendices</b> <b>Background Papers</b>	<a href="http://www.legislation.govt.nz/regulation/public/2005/0147/latest/whole.htm#DLM332261">http://www.legislation.govt.nz/regulation/public/2005/0147/latest/whole.htm#DLM332261</a> Appendix 1 - updated Election Hoardings Policy <a href="http://www.legislation.govt.nz/regulation/public/2005/0147/latest/whole.htm#DLM332261">http://www.legislation.govt.nz/regulation/public/2005/0147/latest/whole.htm#DLM332261</a>
<b>References (to or from other Committees)</b>	None.
<b>Confirmation of statutory compliance</b>	In accordance with section 76 of the Local Government Act 2002, this report is approved as: a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and, b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and

interested parties bearing in mind the significance of the decision.

**Signatories**

Author: S Johansen



Approved by: F Power





<b>Policy Name:</b>	Election Hoardings Policy		
<b>Person Responsible:</b>	District Planner	<b>File Reference:</b>	A.10.01
<b>Category:</b>	<u>Regulatory Operation</u>	<b>Status:</b>	FINAL
<b>Date Policy Adopted:</b>	<u>9 September 2008</u> <u>22 March 2016</u>	<b>Approval By:</b>	Council
<b>Review Period:</b>	As required <u>or 7</u> yearly	<b>Next Review Due By:</b>	<u>2015</u> <u>2023</u>

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Wairoa District Council has adopted the following policy for temporary signs related to central government and local body elections.

- No signs will be permitted on Council property including roads (including road reserve), streets, street furniture, bus shelters, public toilets and parks & reserves
- All signs are to be located on private property with the consent of the property owner
- The period of display of election hoardings shall be restricted to two (2) months prior to any election. All such signs must be removed before the election day.
- Signs shall not exceed 3.0m<sup>2</sup> in area and shall not be more than 4.0m in height
- Signs shall be securely braced to carry wind loads for 60 days
- Signs/hoardings must be removed if they are considered by Council to be unsafe or constitute a traffic hazard, such as blocking lines of sight on an intersection

## Council

22 March 2016



# Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs)

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; Contact Officer</b>	Governance Advisor & Policy Strategist – C McGimpsey
<b>1. Purpose</b>	1.1 For Council to consider the proposed <i>Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs)</i> resulting from a review of the Council's <i>Policy On The Appointment And Remuneration Of Directors And Trustees For Council Organisations (CO)</i> .
<b>Recommendation</b>	<i>The Governance Advisor &amp; Policy Strategist RECOMMENDS that Council adopt the revised Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs).</i>
<b>2. Background</b>	<p>2.1 Council requested at their meeting on 8 December 2015 that the <i>Policy On The Appointment And Remuneration Of Directors And Trustees For Council Organisations (CO)</i> be reviewed.</p> <p>2.2 Currently the Council has one organisation that is subject to this policy – Quality Roding Services (Wairoa) (QRS) Ltd. The current appointment and remuneration process is not as 'objective and transparent' as it could be.</p>
<b>3. Key changes</b>	<p>3.1 Name change to "Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs)" – the current policy does not talk about trustees or COs except for in the title. Council could keep the current name or change it to something else.</p> <p>3.2 A review cycle is included in the proposed revision to provide clarity on how often the policy would be revisited.</p> <p>3.3 In the previous version there was no indication of the term of appointment for directors. Appointed directors' terms have varied in length typically from 1 year onwards. Outlining the length of appointment as 3 years in the policy makes it more objective and gives prospective candidates, current directors and members of the public more certainty over how long the term will be – irrespective of who is appointed as a director.</p> <p>3.4 In the previous version of the policy there was no explicit re-appointment process. Practice has been that the appointment without advertisement process has been used for this purpose. The new version has a section regarding</p>

the reappointment process, factors to be considered, and who will conduct the process. It is suggested in the revised policy that more stringent reappointment criteria apply for directors who have served 6 years or more on the board. These added elements make the reappointment process clear to elected members, current directors, prospective candidates, and the public.

- 3.5 The appointment without advertisement process has been removed and the appointment with advertisement process relabelled as 'New appointments' and more details are given on this process to make it more transparent for all parties.
- 3.6 Currently the process for removal of a director is not clearly outlined in the policy. The only mention is "*All directors are appointed 'at the pleasure of the Council' and may be dismissed for breaches of this code*". The code referred to is the New Zealand Institute of Directors' Code of Ethics, this code has been set out specifically for the Institute of Directors' councillors, officers, employees, contractors, and branch committee members and managers – rather than as a more generic code for any director of any organisation.
- 3.7 The skills, knowledge and experience required of directors has been revised to include some additional points.
- 3.8 A section on eligibility for appointment was included in the proposed revision to give some clear guidance for prospective applicants around inherent conflicts of interest in certain circumstances. Council may wish to consider whether or not it is appropriate for elected members of the Wairoa District Council to also serve as directors and include a section on this aspect in the policy. There is some discussion around this issue in the recently issued Office of the Auditor-General guidance (see Further Information for website link).
- 3.9 Under the remuneration section the current process is still outlined, with the addition of a three-yearly review by the Finance, Audit & Risk Committee.
- 3.10 Included in the proposed revision of the policy is a Board Intern Programme (BIP), the intention of this 24 month programme is to primarily build local capacity in this space and the policy states it is preferred that candidates are from the district. There is no requirement for the BIP to be included in this policy or another policy if Council do not wish to do so. In the current wording of the policy interns would not receive any remuneration and the CCO would be responsible for any training costs incurred.
- 4.1 Feedback from QRS Ltd was that they noted that there were some matters in the policy that differ from the current practices but as this is a Council document; the policy is determined by Council. They noted that it was important that the policy is attractive to potential directors and the

#### 4. Feedback from QRS Ltd

## 5. Options

incumbents to make sure the best quality people are on the board. The general feeling was that the policy was clearer than the current one and was not overly limiting.

- 5.1 The options identified are:
  - a. Status quo – do not revise the current policy
  - b. Adopt the proposed Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs)
  - c. Adopt a policy with additional or fewer revisions
- 5.2 Option A: Council requested the revision of the policy as it believed there needed to be some changes to it. There are a number of pieces of the policy which could be more objective and transparent as per the legislative requirements – given this, it is not advisable to retain the status quo.
- 5.3 Option C: If significant additional revisions are required then additional work will be required to determine if the effects of these changes and whether or not these may trigger the Significance & Engagement Policy. The impact of this decision would be dependent on which elements of the proposed revision the Council amended (either through addition or deletion).
- 5.4 The preferred option is option B; this meets the purpose of local government as it will help meet the current and future needs of communities for good-quality infrastructure, and local public services in a way that is most cost-effective for households and businesses.

## 6. Conclusion

- 6.1 Council requested a review of this policy at a previous meeting. During the review process it was apparent that the policy was not as objective and transparent as it could be. Proposed revisions to the policy have been made with this key legislative requirement in mind.
- 6.2 It is hoped that with this added objectiveness and transparency this policy will be clearer and more attractive to potential directors and the incumbents to make sure the best quality people are on the board of Council's CCOs.

## 7. Corporate Considerations What is the change?

- 7.1 The appointment and remuneration policy for CCOs will change as a result of the decision. Key changes have been highlighted in section 3 of this report. This will not trigger a s17a review.

## Compliance with legislation and Council Policy What are the key benefits?

- 7.2 Relevant legislation – Companies Act 1993, Local Government Act 2002
- 7.3 The policy is more objective and transparent.

<b>What is the cost?</b>	7.4 There are no direct costs relating to this decision. As with the current policy there are costs associated with the appointment process.
<b>What is the saving?</b>	7.5 Not applicable.
<b>Who has been consulted?</b>	7.6 There has been no consultation on this matter. 7.7 No further consultation is required; however, Council may wish to consult to ascertain community views on this subject.
<b>Service delivery review</b>	7.8 Not applicable.
<b>Maori Standing Committee</b>	7.9 This matter has not been referred to the committee.
<b>8. Significance</b>	8.1 This has a low impact on the council budget and capacity 8.2 This policy decision can be reversed
<b>9. Risk Management</b>	9.1 The strategic risks identified in the implementation of the recommendations made are as follows: a. The policy puts off rather than attracts potential candidates.
<b>Further Information</b>	Institute of Directors Code of Practice <a href="https://www.iod.org.nz/Portals/0/Publications/Founding%20Docs/Code%20of%20Practice.pdf">https://www.iod.org.nz/Portals/0/Publications/Founding%20Docs/Code%20of%20Practice.pdf</a>
<b>Appendices</b>	Appendix 1 – Tracked changes: Appointment and Remuneration Policy for Directors of Council Controlled Organisations (CCOs)
<b>Background Papers</b>	Controller and Auditor-General guidance: Governance and accountability of council-controlled organisations <a href="http://www.oag.govt.nz/2015/cco-governance/docs/cco-governance.pdf">http://www.oag.govt.nz/2015/cco-governance/docs/cco-governance.pdf</a> Companies Act 1993 <a href="http://www.legislation.govt.nz/act/public/1993/0105/latest/DLM319570.html">http://www.legislation.govt.nz/act/public/1993/0105/latest/DLM319570.html</a> Local Government Act 2002 <a href="http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM170873.html?search=qs_act%40bill%40regulation%40deemedreg_local+government+act+2002_resel_25_h&amp;p=1&amp;sr=1">http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM170873.html?search=qs_act%40bill%40regulation%40deemedreg_local+government+act+2002_resel_25_h&amp;p=1&amp;sr=1</a> Institute of Directors Code of Ethics <a href="https://www.iod.org.nz/Portals/0/Publications/Founding%20Docs/loD_Code_of_Ethics_2014.pdf">https://www.iod.org.nz/Portals/0/Publications/Founding%20Docs/loD_Code_of_Ethics_2014.pdf</a>
<b>References (to or from other Committees)</b>	Council: 8 December 2015 QRS Director Vacancies
<b>Confirmation of statutory compliance</b>	In accordance with section 76 of the Local Government Act 2002, this report is approved as: a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

**Signatories**

Author: C McGimpsey

Approved by: F Power



## **POLICY ON THE APPOINTMENT AND REMUNERATION POLICY OF FOR DIRECTORS AND TRUSTEES FOR OF COUNCIL CONTROLLED ORGANISATIONS (CCOs)**

**Committee Responsible:**

Finance, Audit & Risk Committee

**Date Policy Adopted:**

TBC

**Supersedes:**

All previous policies

**Status:**

Draft

**Next Review Due By:**

April 2021 (5 years)

**Revision Number:**

1

**Background**

~~In accordance with section 57(1) of the The Local Government Act 2002, the purpose of this policy is to set out the process for the appointment/reappointment of directors to Wairoa District's CCOs. This policy also defines the skills required of directors and their remuneration. requires that the Council may appoint a person to a directorship of Council organisations only if the Council considers the person has the skills, knowledge and experience to:~~

~~Guide the organisation given the nature and scope of its activities  
Contribute to the achievement of the objectives of the organisation.~~

~~The Council is required to adopt a policy setting out an objective and transparent process for identifying and considering the skills required of a CCO director, and appointing the directors of CCOs  
Section 57 of the Local Government Act 2002:~~

~~*“(1) A local authority must adopt a policy that sets out an objective and transparent process for—*~~

~~*(a) the identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and*~~

~~*(b) the appointment of directors to a council organisation; and*~~

~~*(c) the remuneration of directors of a council organisation.*~~

~~*(2) A local authority may appoint a person to be a director of a council organisation only if the person has, in the opinion of the local authority, the skills, knowledge, or experience to—*~~

~~*(a) guide the organisation, given the nature and scope of its activities; and*~~

~~*(b) contribute to the achievement of the objectives of the organisation.”*~~

~~This policy is subject to review every 5 years and in addition it may be reviewed by the Finance, Audit & Risk Committee, Council, or relevant committee at any time.~~

**Skills, knowledge, and experience required of directors**

~~All directors are expected to meet a number of core competencies as well as relevant industry or other technical/specialist skills required for that board.~~

~~The Council considers that any person that it appoints to be a director of a CCO should, as a minimum, have the following skills:~~

~~Core competencies~~

The core competencies expected of all directors are:

- ~~Intellectual~~ The ability to think strategically
- Public service ethos and awareness of a public media profile
- An understanding and commitment to Council's obligation to Te Tiriti o Waitangi and the working together principles outlined in Council's Maori Policy
- Clear communication and an ability to debate in a reasoned manner
- An understanding of ~~governance issues~~ the wider interests of the publicly accountable shareholder
- ~~Either business experience or other experience that is relevant to the activities of the organisation (or both)~~ Commercial acumen
- Sound judgement and decision-making
- A high standard of personal integrity
- Commitment to the principles of good corporate citizenship
- Risk assessment and contingency management
- ~~The ability to work as a member of a~~ Effective teamwork and collaboration.

### **Eligibility for appointment**

#### Council officers

Under this policy, council officers are ineligible to serve as a director on CCOs.

Any director applying for employment with the council should resign from the board immediately following an offer of appointment.

#### CCO staff

Board members should be independent from management and should not hold executive positions in the CCO.

In the event that a board decides that one of its members should fill a vacancy in the executive team, the board member must first resign from their position on the board.

#### Conflicts of interest of candidates

Prior to being interviewed for a position on a board, an applicant will be required to declare formally any potential conflicts of interest. In making appointments to boards, Council will take into consideration an applicant's existing directorships, and any other sources of potential conflicts of interest.

Further guidance for directors as it relates to conflicts of interests can be found in the relevant CCOs constitution and sections 139 to 149 of the Companies Act 1993.

### **Appointment of Directors**

The Council is responsible for the appointment of board members to CCOs. The Finance, Audit and Risk Committee are responsible for monitoring the financial and non-financial performance and governance of CCOs.

#### Term of appointment

Directors are to serve a maximum of two three-year terms, with the option of further reappointment possible where appropriate. Directors hold office at the pleasure of the council and may be removed at any time by council resolution. To reflect current national and international best practice, Wairoa District Council's policy regarding board tenure is as follows:



- Tenure of three years – directors shall hold office for a term of up to 3 years from the date of his/her appointment
- Expiry of tenure – upon expiry of that three-year term, the directors retire from the board and, subject to the directors’ performance and skills continuing to be relevant to the board, may be eligible for reappointment
- Reappointment – a director who is retiring from their first three-year tenure, deemed eligible for reappointment and who wishes to stand, may, at the sole discretion of the council (by ordinary resolution), be reappointed for a second term of up to three years.
- Tenure exceeding six consecutive years – for circumstances where there are good reason/s for extension, a director retiring from a second tenure of three years may be reappointed for a further term. Each case will be considered on its own merits and is at the sole discretion of the council. Types of circumstances include (but are not limited to):
  - The board member has a particular skill that would be hard to replace
  - The board has undergone substantial change and stability is needed
  - The director has institutional knowledge not held by other directors
  - A director is a likely successor as chair

Where possible, appointments are staggered so that approximately one-third of each board is rotated each year. Staggering appointments to the boards ensures there is an appropriate level of institutional knowledge retained on each board, which in turn provides for continuity in the management of CCOs.

## **Appointment Process**

### Reappointments

Where a director’s term of appointment has expired and he/she would like to be considered for reappointment, the Committee may offer a further term following consideration of the performance of the director and the needs of the board as a whole. Factors to be considered include:

- The views of the board Chair through an informal “free and frank” discussion with the Committee
- Whether the current board skill composition is appropriate
- Whether any aspects of board performance need to be addressed
- Whether the process offers an opportunity for increasing board diversity
- Whether the retiring director is a potential candidate for future Chair, or alternatively whether there is a need to recruit a director as a future successor to the Chair
- Alignment of the CCO board with the Council’s strategic goals, plans and strategies

Directors should not be given any expectation that they will be offered a subsequent term of office.

After Council approval, the successful applicant/s will then be offered a letter of appointment.

Public announcement of the appointment will be made as soon as practicable after the Council has made its decision and the letter of appointment signed by the applicant.

### New appointments

~~When a vacancy has been established, the Committee will identify the skills, knowledge and experience required for the position, in conjunction with the appropriate Council and CO staff. This may involve discussions with the Chair and consideration of the results of board performance reviews and composition on the board. In any case, the Council will follow the following process for appointing directors.~~

~~The position will be advertised and a complete list of applicants will be compiled. This list will then be screened to ensure that the applicants have the required core competencies. The Committee, in conjunction with relevant staff, will prepare a recommended short list of applicants for consideration by Council.~~

~~Council will then select applicants to interview; these interviews will be undertaken by an interview panel comprised of:~~

- ~~• CEO of Wairoa District Council (or representative)~~
- ~~• His/Her Worship the Mayor of Wairoa District Council~~
- ~~• Chair of the relevant CCO board~~

~~The interview panel will assess candidates against the required skills, knowledge and experience. They will then recommend their preferred candidates to the Council for approval.~~

~~The Council will decide in open Council whether to advertise a particular vacancy or make an appointment without advertisement. When making this decision the Council will consider:~~

- ~~• The costs of any advertisement and process~~
- ~~• The availability of qualified candidates~~
- ~~• The urgency of the appointment (eg a CCO that is without a quorum cannot hold board meetings).~~

#### ~~APPOINTMENT BY ADVERTISEMENT~~

~~Where the Council decides to advertise a vacancy, it will form an ad hoc committee to consider the applications and make a recommendation to the Council. The Mayor, or a Councillor nominated by the Mayor, will chair the committee.~~

~~A shortlist of candidates will be prepared by the Mayor, the Chairperson of the Committee charged with responsibility for monitoring the CCO and the Chief Executive.~~

~~The short listed candidates will be interviewed by the relevant committee and the committee will report to Council on each of the candidates. The committee may make a recommendation if it wishes to do so.~~

#### ~~APPOINTMENT WITHOUT ADVERTISEMENT~~

~~Where the Council decides not to advertise a particular vacancy it will refer the matter to the Council Committee that is responsible for monitoring the CCO.~~

~~The Council Committee will consider the appointment at its next scheduled meeting. The committee will identify a shortlist of candidates whom it considers meet the above criteria and will forward those to Council together with a report explaining why these candidates meet the criteria. The committee may make a recommendation.~~

~~After Council approval, the successful applicant/s will then be offered a letter of appointment.~~

~~Public announcement of the appointment will be made as soon as practicable after the Council has made its decision and the letter of appointment signed by the applicant.~~

## FINAL APPOINTMENT

~~The Council will make a decision in committee (thus protecting the privacy of natural persons). Public announcement of the appointment will be made as soon as practicable after the Council has made its decision.~~

~~An elected member who is under consideration to fill a particular vacancy may not take part in the discussion or vote on that appointment.~~

### Removal of directors (including if standing for political office)

The office of a director is vacated through retirement, resignation, disqualification<sup>1</sup>, or removal, and is required by Council resolution.

Without limiting the right of the Council, the following are likely reasons for Council to remove a director, where that director:

- Is regularly absent from board meetings without good justification
- No longer has the confidence of the board or the Council
- Has breached ethical standards and this reflects badly on the board and/or Council
- Does not act in the best interests of the organisation
- Breaches the confidence of the board in any way, including speaking publicly on board issues without the authority of the board, or
- Does not act in accordance with the principles of collective responsibility.

Where the board has concerns regarding the behaviour of one of its members it should be considered by the board in the first instance and, where necessary, the board may recommend the removal of the director to the Council.

Directors who stand as a candidate in a local body or general election should advise the Chair of their board immediately. Chairs need to advise the Council's Chief Executive Officer as soon as any directors of their board stand for political office.

Any director standing for political office must stand down from their position from nomination day until the election results are notified. This measure aims to ensure that governance of the CCO is not distracted by the director's election activity, and to prevent the possibility of any conflicts of interest – real or perceived.

## **Conflicts of Interest**

~~The Wairoa District Council expects that directors of council organisations will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations the Council requires directors to follow the provisions of the New Zealand Institute of Directors' Code of Ethics. All directors are appointed 'at the pleasure of the Council' and may be dismissed for breaches of this code.~~

## **Remuneration**

Directors' fees will compensate directors fully for their normal contribution to the board, including attending board and Council/Committee meetings, meeting preparation, stakeholder management and any other agreed tasks. These fees will reflect the element of public service in serving on the board of a CCO and will accordingly be set at or below the average for comparable private sector entities.

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<sup>1</sup> The Companies Act provides a list of those persons who are disqualified from being appointed or holding office as a director of a company (e.g. a person who is an undischarged bankrupt). See section 151(2) for further information

Annually the Council will approve a pool to be distributed by the board. Fees are to be met from the CCO's own resources.

The directors' remuneration pool will be reviewed by the Finance Audit & Risk Committee once per triennium following council elections. A full review will be conducted and will include benchmarking against comparative entities. The review will consider market movement and any recommendations resulting from this review will be taken to Council.

Remuneration of directors of Council Organisations is a matter of public interest.

~~Where the Council is the sole shareholder in a particular organisation the council will set director's remuneration either by resolution at the Annual General Meeting or will review salaries on an annual basis (for those organisations that do not have such a meeting). In reaching a view on the appropriate level of remuneration for directors of Council Organisations the Council will consider the following factors:~~

- ~~• The need to attract and retain appropriate qualified people to be directors of the CCO~~
- ~~• The Levels and movement of salaries in comparable organisations (the Council will retain professional advice on salary levels and movements)~~
- ~~• The objectives of the CCO (in particular whether or not the CCO operates on a charitable basis)~~
- ~~• The past performance of the CCO~~
- ~~• Whether the CCO is operating as a trading undertaking~~
- ~~• The financial situation of the CCO.~~

~~In cases where the Council cannot exercise direct control, such as in an organisation where it is one shareholder among many, it will conduct its own monitoring of salaries against the above factors and will publicly disclose the name of any CO which it considers is not complying with the above factors.~~

### **Board Intern Programme (BIP)**

The BIP will achieve long-term benefits for CCOs and the Wairoa District Council, as well as assisting with the future governance of CCOs in the district. This is a 24 month opportunity for aspiring directors.

Potential benefits may include the following:

- Securing a bigger pool of potential directors for future appointments
- Opportunity for aspiring directors to make a contribution to the community
- Board interns will attain a better understanding of CCOs, their processes and their relationship with Council
- Board interns can develop relationships and networks with the Chair and other directors

### Core competencies

Individuals who might be considered suitable candidates, who are not current directors, may:

- Be at a stage in their career where they are looking to develop into director roles in the next few years
- Have a range of skills and sector experience which includes community and public service

- Be those who are able to commit the time and who have the support of their employer, if applicable
- Have the motivation and desire to pursue directorship opportunities

Candidates must be eligible to be a company director and be able to contribute approximately 8-10 hours a month for meetings, mentoring from the Chair and other directors, and possible training opportunities. It is preferred that candidates are located in the Wairoa district.

#### Terms of appointment

The Terms of Appointment would consider the following criteria:

- The board intern is appointed only for learning and professional development purposes, is not an employee or director and has no authority to act on behalf of the CCO or Council or otherwise participate in decision-making
- The board intern will need to ensure it is clear (both through terminology and conduct) that they are participating as an intern only, so as not to be viewed as a deemed director and therefore be subject to the liabilities that would arise from that
- The board intern will be required to safeguard and keep confidential all board papers and other information about the CCO and Council in their possession
- Any conflicts of interest (any relationships or matters that give rise to an actual or potential conflict of interest) must be disclosed and dealt with as a matter of protocol
- The board intern will be required to observe and comply with any requests or directions of the Chair, such as in relation to when they may speak or participate in discussions, and when they should remove themselves from discussions
- Any public or private statement the board intern wishes to make about involvement with the CCO must be pre-approved

#### Remuneration

The board intern is not a director and therefore cannot be paid director fees. A contractor or employee model is also not appropriate as there is no delivery of service. The costs of any training opportunities will be covered by the CCO.

#### Appointment process

A similar process to director appointments will be implemented for the BIP which includes:

- Advertising and expression of interest
- Short-listing and interview of appropriately qualified candidates
- Approval of candidates by Council



## Council

22 March 2016

### Revised Information Pack reporting structure

<b>Department</b>	Office of the Chief Executive
<b>Authors</b>	Corporate Services Manager – J Baty Governance Advisor & Policy Strategist – C McGimpsey
<b>Contact Officer</b>	Corporate Services Manager – J Baty
<b>1. Purpose</b>	1.1 To provide Council with an update on work undertaken and seek feedback for any additional changes to be made.
<b>Recommendation</b>	<p><i>The Corporate Services Manager and Governance Advisor &amp; Policy Strategist RECOMMEND that</i></p> <ol style="list-style-type: none"> <li>1. <i>The proposed new Council information document is distributed on the website, Hub and at reception;</i></li> <li>2. <i>Any ad hoc documents previously included in the Information Pack are uploaded to the Hub and, if appropriate, published on the website; and</i></li> <li>3. <i>Production of the Information Pack ceases.</i></li> </ol>
<b>2. Background</b>	<p>2.1 At their meeting on 24 November 2015 Council discussed the recent governance workshop held regarding various issues.</p> <p>2.2 One of the changes identified in the report was: <i>“The current information packs provided to Councillors – will be stream-lined in the future, to be more like councillor induction packs with updates on District or Council statistics, or relevant publications (or minutes) from external stakeholders etc.”</i></p> <p>2.3 The Council has begun utilising an electronic method of distributing material and agendas which may allow for additional materials to be distributed through this medium, and made publicly available (if appropriate) on the Council’s website, rather than in the current Information Pack.</p> <p>2.4 The Council resolved at the 24 November 2015 meeting that <i>“That the notes of the Governance Workshop be received and accepted as an accurate record of the Council discussion.</i></p> <p><i>That Ms McGimpsey and Mr Baty will follow through these changes in consultation with the Chief Executive.</i></p> <p><i>That the Report Template for Agenda Items (open and confidential) go to Council for their approval.</i></p> <p><i>That Council undertake a technological support and training day with elected members in February 2016.”</i></p> <p>2.5 Of the changes outlined in the report the Information Pack is</p>

<p><b>3. Existing information Pack structure</b></p>	<p>the only one outstanding.</p> <p>3.1 Currently each department uses a different template for their monthly report, there are some common themes across these.</p> <p>3.2 Currently, these monthly reports are part of the Information Pack and recently the Council has formally received the Information Pack at their Council meetings.</p> <p>3.3 Additional items included in the Pack can include minutes or publications from other external stakeholders, as this was an easier way to get this information to Councillors rather than sending multiple emails and letters.</p>
<p><b>4. Proposed reporting structure</b></p>	<p>4.1 The change recommended that the Information Pack “<i>be more like councillor induction packs with updates on District or Council statistics, or relevant publications (or minutes) from external stakeholders etc.</i>”</p> <p>4.2 This implies that the monthly reports would be included on the Council agenda and would no longer sit with the Information Pack. This month they have been put into the same format but the content from each report has not been altered. If Councillors wish to see changes in the content of the reports then these can be incorporated into the next reports in April.</p> <p>4.3 The type of District and Council information that sit outside of other reporting measures often do not change frequently, especially if these are based on Census data. There would be little value distributing the same document each month when there are other more efficient mediums which it could be made available to Councillors and the public. This document could be uploaded to the Hub for ease of access by Councillors, incorporated on the website, and have a few hard copies available in reception.</p> <p>4.4 The document incorporating these types of statistics is in the process of being designed and the first document would come to Council for feedback.</p> <p>4.5 For ease of access minutes and publications from external stakeholders could now be distributed to Councillors via the Hub. It is not the Council’s responsibility to ensure that these types of documents are made public (if appropriate) and circulated; it is the responsibility of that stakeholder. Council has done so in the past as the distribution of these to Councillors was via the publicly available Information Pack.</p> <p>4.6 If Council is satisfied with this reporting structure and distribution methods for the aforementioned items then the production of the Information Pack can cease.</p>
<p><b>5. Options</b></p>	<p>5.1 The options identified are:</p> <ul style="list-style-type: none"> <li>a. Status quo – continue with the Information Pack as it stands</li> <li>b. Adopt the officers’ recommendation</li> <li>c. Adopt a revised recommendation</li> </ul>

## **7. Corporate Considerations**

**What is the change?**

**Compliance with legislation and Council Policy**

**What are the key benefits?**

**What is the cost?**

**What is the saving?**

**Who has been consulted?**

**Service delivery review**

**8. Significance**

**9. Risk Management**

**Further Information Appendices Background Papers**

**References (to or from other Committees)**

5.2 Option A: Elected members have requested the reporting lines and structure be revised, in selecting this option Council would need to alter their previous resolution on the matter.

5.3 Option C: Dependent on the revisions, more work may be required on this issue.

5.4 The preferred option is Option B, this meets the purpose of local government as it will help meet the current and future needs of communities for good-quality infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

6.1 Information previously in the Council's Information Pack will be distributed via other channels.

6.2 Not applicable

6.3 There are savings in both officer time and printing costs in channelling these documents through other channels.

6.4 Certain information is more readily accessible online or through the Council agenda

6.5 There are no additional costs associated with this recommendation.

6.6 There is a saving of postage and printing costs each month.

6.7 There has been no consultation.

6.8 This does not trigger the Significance & Engagement Policy – no further consultation is required

6.9 Not applicable

7.1 Low impact

7.2 This decision can be reversed

9.1 There are no strategic risks associated with in the implementation of the recommendations made.

None.

None.

None.

Council – 24 November 2015 Wairoa District Council's Governance Workshop Report



**Confirmation of statutory compliance**

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

**Signatories**

Authors: J Baty



Approved by: F Power



C McGimpsey



**Council**  
22 March 2016



## Net Promoter Score (NPS)

<b>Department</b>	Corporate Services
<b>Author &amp; contact officer</b>	James Baty - Corporate Services Manager
<b>1. Purpose</b>	1.1 The purpose of this report is for Council to adopt the Net Promoter Score (NPS) framework as outlined in the attached proposal to assess and improve visitor's and resident's views on Te Wairoa and Council in preparation for consideration of budgetary provision in the 2016/17 Annual Plan.
<b>Recommendation</b>	<i>The Corporate Services Manager RECOMMENDS that Council adopts the Net Promoter Score (NPS) framework as outlined in the attached proposal and that a budget of \$15,000 funded from rates be included in the 2016/17 Annual Plan.</i>
<b>2. Background</b>	<p>2.1 Council has requested that officer's prepare a framework to assess and improve visitor's and resident's views on Te Wairoa and Council, as feedback to Council by 31 March 2016 in preparation for consideration of budgetary provision in the 2016/17 Annual Plan.</p> <p>2.2 At its meeting of 23 February 2016 Council resolved: <i>That Council adopt the Net Promoter Score Framework to assess and improve visitors' and residents' views on Te Wairoa, with a more detailed report to come to the March Council meeting on the processes and survey methods using this framework.</i></p> <p>2.3 This initiative contributes to Council's vision of 'Connected Communities; Desirable Lifestyles; Treasured Environments', is also contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• A strong prosperous and thriving economy.</li> <li>• Strong district leadership and a sense of belonging.</li> <li>• A community that values and promotes its culture and heritage.</li> </ul>
<b>3. NPS</b>	<p>3.1 As previously discussed, the NPS is an index ranging from -100 to 100 that measures the willingness of customers to recommend an organisation's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with an organisation's product or service and the customer's loyalty to the brand.</p> <p>3.2 Generally speaking customers are surveyed on one single</p>

question. They are asked to rate on an 11-point scale the likelihood of recommending the organisation or brand to a friend or colleague. E.g. "On a scale of 0 to 10, how likely are you to recommend Wairoa as a place to visit and stay to a friend or a colleague?" An ancillary question could be "What is the one thing more than anything else that would improve the score you have given?"

3.3 Based on their rating, customers are then classified into 3 categories: detractors, passives and promoters.

3.4 The NPS is determined by subtracting the percentage of customers who are detractors from the percentage who are promoters. What is generated is a score between -100 and 100 called the NPS. At one end of the spectrum, if when surveyed, all of the customers gave a score lower or equal to 6, this would lead to a NPS of -100. On the other end of the spectrum, if all of the customers were answering the question with a 9 or 10, then the total NPS would be 100.

3.5 The basic construct of a NPS is easy to understand, hence its popularity and widespread usage. If an organisation has more detractors than promoters the score will be negative and vice versa. A NPS provides organisations with a simple and straightforward metric that can be shared with stakeholders and others to improve future NPS results. The ultimate objective here is to convert customers who were less than happy or unimpressed into promoters who will put the word out and allow for increased positive results.

### **3.6 Summary of Detail:**

- Timing: Initial benchmark survey should be conducted as soon as practicable, second survey to be completed during peak tourism season. Once both surveys are complete WDC should decide which survey period is most advantageous for ongoing survey cycles.
- Reporting format will be similar to that presented on pages 5, 6 and 7 of the proposal presentation. Collected data can be provided in excel format for council use (all identifying data will be removed as per RANZ code or practice).
- At start of survey, respondents are asked to state whether they are a visitor or resident so that results can be separated out.
- Open ended results will be categorised so that percentage results of response categories can be provided (as per page 6). Any data which specifically names an individual or organisation will be cleaned (identifying data removed). Open ended text will also be made available as an appendix and will be presented by NPS and coded open ended response category.
- SIL Research is a member of the Research

	<p>Association of New Zealand (RANZ). Research is undertaken to the highest possible standards and in accord with the principles detailed in the RANZ Code of Practice which is based on the ESOMAR Code of Conduct for Market Research. A copy of the RANZ code of practice has been sent with this proposal.</p>
<p><b>4. Purpose of Ancillary Question</b></p>	<p>4.1 Responses to the ancillary question could be grouped by officers into a number of categories/themes to determine what Council and others can influence, and where Council and others need to concentrate efforts/resources to improve future NPS results.</p>
<p><b>5. Options</b></p>	<p>5.1 The options identified are:</p> <ul style="list-style-type: none"> <li>a. Do nothing (status quo)</li> <li>b. Adopt the NPS framework proposal as detailed.</li> <li>c. Research and consider an alternative framework</li> </ul> <p>5.2 Option A – this is a possibility. However, this option is contrary to one of Council’s critical success factors, namely, “Cultivating Wairoa’s Image and Celebration of Community Values”. It will also mean that Council continues to have no credible data for forward planning in this space.</p> <p>5.3 Option C – if Council wish they could direct officers to research alternative frameworks. A lot of work has been done in the background to arrive at recommending this framework and officers believe this method provides the best way forward.</p> <p>5.4 The preferred option is Option B. This meets the purpose of local government as it will help meet the current and future needs of communities for local public services in a way that is most cost-effective for households and businesses. It works towards one of Council’s critical success factors as indicated above and will assist with future planning.</p>
<p><b>6. Conclusion</b></p>	<p>6.1 Currently there is a distinct lack of data relating to visitor’s views in particular on Te Wairoa.</p> <p>6.2 The NPS framework provides a user-friendly way (1-2 questions) to assess views on Te Wairoa.</p> <p>6.3 The results could be tremendously valuable in terms of forward planning.</p>
<p><b>7. Corporate Considerations What is the change?</b></p>	<p>7.1 Adopting and implementing the NPS framework could change aspects of Council’s policy direction in the future but this will ultimately depend on the results. The focus of some operations could also be impacted but at this point in time these are unquantifiable.</p> <p>7.2 Adoption and implementation of the NPS framework will not trigger a s17a review.</p>

**Compliance with legislation and Council Policy**

- 7.3 Annual Plan – consideration of budgetary provision in the 2016/17 Annual Plan required.
- 7.4 Long Term Plan 2015-2025 – this framework and its associated costs are not included in the current LTP. If Council wishes to conduct this survey into the future costs will need to be included in the next LTP. In the meantime budget provision can be managed through intervening Annual Plans.
- 7.5 District Plan – there are no anticipated impacts on the District Plan.
- 7.6 Economic Development Strategy – this strategy is being developed currently and it is anticipated that the results of the NPS will assist in driving some aspects of this strategy.
- 7.7 Other Council Policies – no changes/impact identified.
- 7.8 Relevant legislation – this complies with current legislation.

**What are the key benefits?**



- 7.9 In the absence of any current data, Council and the community will have a clearer picture of how visitors perceive Te Wairoa and what Council and others can do to improve this perception.
- 7.10 The results of the NPS will contribute to current and future planning.

**What is the cost?**

- 7.11 Council currently has no budget for this but in terms of budgetary provision in the 2016/17 Annual Plan the following costs are contemplated:
- 7.12 Annual reporting (one report a year) \$7,500 plus GST
- 7.13 Bi-annual reporting (2 or more reports per year) \$6,500 plus GST for first report, \$3,500 plus GST for each report thereafter.
- 7.14 These cost cover online collection and text to cell collection. Text to cell \$1 per text sent
- 7.15 Additional costs postal collection: design and printing for postcards plus \$1 per received freepost post card survey. If necessary, consulting to assist Wairoa District Council to set up collection systems \$100 plus GST per hour.

**Who has been consulted?  
(please refer to significance and engagement policy)**

- 7.16 There has been no communication or consultation to date by Council.
- 7.17 Adoption and implementation of the NPS framework does not trigger a requirement to consult under the Significance & Engagement Policy; however, Council may wish to have a month-long consultation period in order to gain feedback from the wider public on the NPS framework.
- 7.18 Tanagta whenua have not been consulted on this framework.

<b>Maori Standing Committee</b>	7.19 This matter has not been referred to the committee.
<b>8. Significance</b>	<p>8.1 This has a low impact as there is no significant deviation from current practices or policy direction, although, as noted earlier in this report, the results of the survey could impact future practice and/or policy direction.</p> <p>8.2 The main financial impact is the resourcing of the framework.</p> <p>8.3 This framework implementation can be cancelled if no longer required.</p> <p>8.4 There is no alteration of service levels of any council significant activities.</p> <p>8.5 There is no impact on any council strategic assets.</p> <p>8.6 This decision does not change the way any significant activities are delivered.</p>
<b>9. Risk Management</b>	9.1 No strategic risks have been identified in the implementation of the proposed recommendation
<b>Further Information</b>	<ul style="list-style-type: none"> <li>• <a href="https://en.wikipedia.org/wiki/Net_Promoter">https://en.wikipedia.org/wiki/Net_Promoter</a></li> <li>• <a href="http://www.medallia.com/net-promoter-score/">http://www.medallia.com/net-promoter-score/</a></li> <li>• <a href="https://www.youtube.com/watch?v=bH242Nc5GHA">https://www.youtube.com/watch?v=bH242Nc5GHA</a></li> <li>• <a href="https://www.youtube.com/watch?v=6uxV32LXeVE">https://www.youtube.com/watch?v=6uxV32LXeVE</a></li> </ul>
<b>Appendices</b>	<p>Appendix 1 - Local Government Net Promoter Score (NPS) Wairoa Community Survey, March, 2016</p> <p>Appendix 2 - RANZ Industry Code of Practice</p>
<b>Background Papers</b>	As above.
<b>Confirmation of statutory compliance</b>	<p>In accordance with section 76 of the Local Government Act 2002, this report is approved as:</p> <p>a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,</p> <p>b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.</p>
<b>Signatories</b>	<p>Author: J Baty</p> <p>Approved by: F Power</p>  



# Local Government Net Promoter Score (NPS) Wairoa Community Survey 9 March 2016



Prepared by Dr Virgil Troy © SIL Research 2016

p: 06 834 1996, e: [virgiltroy@silresearch.co.nz](mailto:virgiltroy@silresearch.co.nz)

Research is undertaken to the highest possible standards and in accord with the principles detailed in the Research Association of New Zealand (formerly MRSNZ) Code of Practice which is based on the ESOMAR Code of Conduct for Market Research. All research processes, methodologies, technologies and intellectual properties pertaining to this project are copyright and remain the property of SIL Research.

# Wairoa DC collection options.

- SIL Recommends an ongoing year-round data collection with annual or bi annual reporting using a format similar to that shown on pages 5, 6 & 7 (final format to be agreed on).
- Data should be collected using a combination of 1 or more of the following:
  - Online collection
    - Kiosk(s) at visitor centre: Set up by visitor centre, connected to survey via internet (web browser). Visitors asked to complete it at time of visit.
    - Link can also be printed on any receipts provided if till receipting system available.
  - Postal collection
    - Freepost survey card for visitor attractions and accommodation providers. Wairoa DC to negotiate participation, perhaps offering a report sharing arrangement (less sensitive data)
  - Text to cell collection
    - Text with hyperlink to online survey sent to participants.
- Cost:
  - Annual reporting (one report a year) \$7,500 plus GST
  - Bi annual reporting (2 or more reports per year): \$6,500 plus GST for first report, \$3,500 plus GST for each report thereafter
    - Additional costs: Design and printing for postcards plus \$1 per received FREEPOST survey, Text to cell \$1 per text sent. If necessary, consulting to assist Wairoa DC to set up collection systems \$100 plus GST per hour



# The Net Promoter Score (NPS\*) Survey

- From the perspective of Economic and Regional Development, local Councils need to concentrate their efforts and resources on the most important issues facing their business community; to achieve this such issues need to be **clearly** identified.
- The SIL Research NPS Survey has been specifically designed with this in mind. The survey is concise and, unlike the overly-long surveys traditionally used, our NPS survey has the ability to get feedback quickly and in real time.
- We believe, any business feedback survey should be viewed not as 'market research' but as an 'operating management tool' that will allow councils to provide the best possible solutions and services to the businesses operating in their area.
- The NPS survey categorises business customers based on their 0-10 NPS scores into three groups:
  - Promoters: (score 9-10) are loyal enthusiasts who will speak positively about the area and refer others, fuelling growth.
  - Passives: (score 7-8) are satisfied but unenthusiastic businesses that are neither advocates or opponents of the area.
  - Detractors: (score 0-6) are unhappy businesses who can damage your brand and impede area growth through negative word-of-mouth.
- Over the next few pages we present a sample of our NPS survey report as it may apply to your council.

*\*About NPS: The NPS concept was originally published in the Harvard Business review in 2003 and since then has become a standard customer service measure in business; the New Zealand Local Government Commission employs a version of the NPS in its surveys and similar NPS measures are employed by the New Zealand Parliamentary Service.*

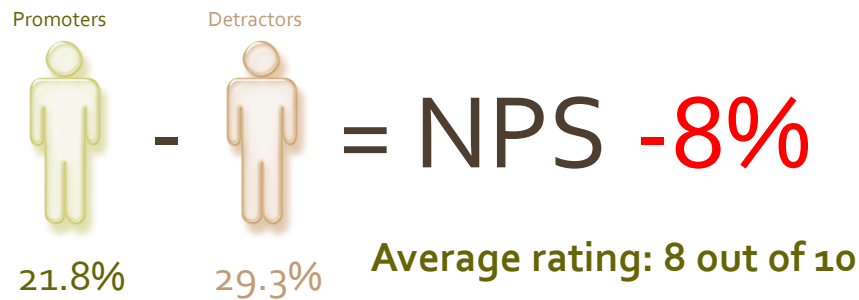
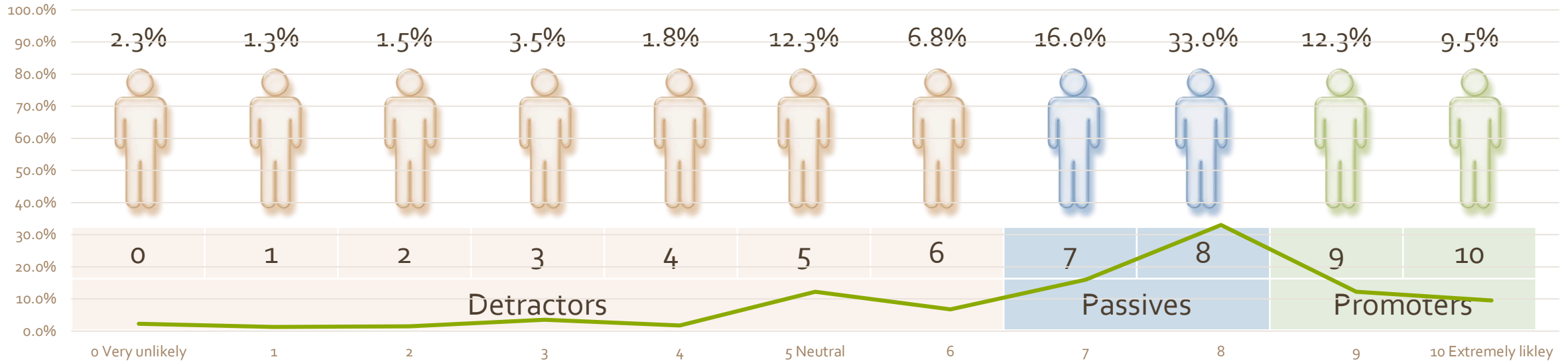
# Project Overview

- **Project Objectives:** To set up and complete a NPS survey of businesses operating in your council's territorial areas.
- **Methodology:** A minimum number of 400 surveys\* will be collected for the survey weighted across Council wards, with data collected by phone and online over a two week period.
- **Findings:** Using the 0-10 scale (*where 0 = not at all likely and 10 = extremely likely*), the District will be rated as a place where business owners would recommend a colleague or friend to do business. Businesses will be separated out as 'detractors', 'passives' or 'promoters' yielding the District a percentage Net Promoter Score.
- **NPS Percentage Score:** This score provides a strong success indication of your council's economic policies and corresponding business environment.
- **Reliability:** Based on n=400 sample size of commercial entities within the district, overall results can be reported on with a 95% confidence level +/- 5%.

\* Sample size may need to vary depending on Council areas and ward distributions

# Example of results - Net Promoter Score (NPS)

"On a scale of 0-10 where 0= not at all likely and 10=extremely likely, how likely is it that you would recommend the District as a place to do business to a friend or colleague?"

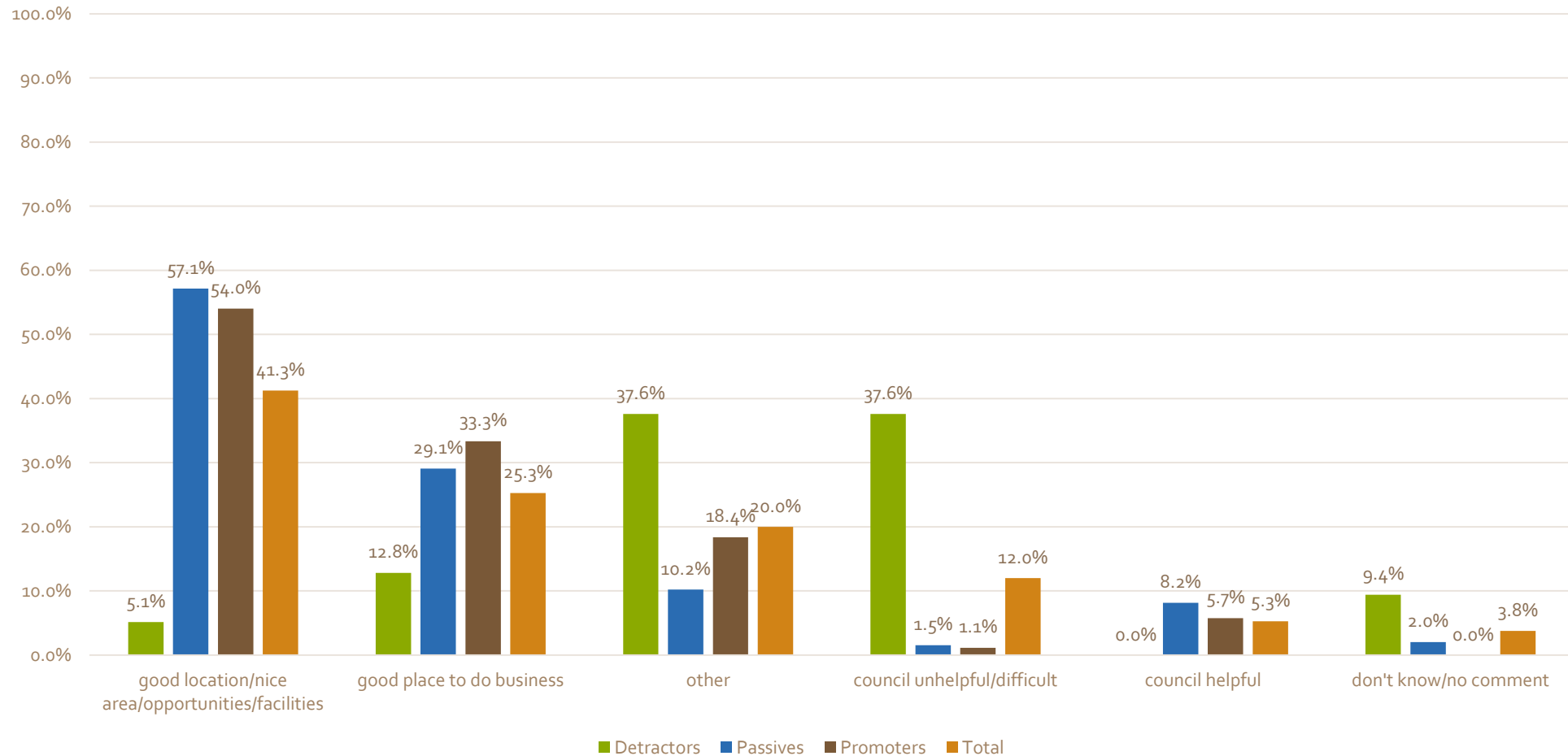


NPS by Ward	Detractors		Passives		Promoters		NPS %
	Count	Row N %	Count	Row N %	Count	Row N %	
Ward 1	3	13.60%	12	54.50%	7	31.80%	18%
Ward 2	5	20.80%	12	50.00%	7	29.20%	8%
Ward 3	11	29.70%	17	45.90%	9	24.30%	-5%
Ward 4	13	32.50%	21	52.50%	6	15.00%	-18%
Ward 5	5	23.80%	10	47.60%	6	28.60%	5%
Ward 6	21	44.70%	18	38.30%	8	17.00%	-28%
Ward 7	10	29.40%	18	52.90%	6	17.60%	-12%
Ward 8	18	29.50%	25	41.00%	18	29.50%	0%
Ward 9	13	28.30%	28	60.90%	5	10.90%	-17%
Ward 10	18	26.50%	35	51.50%	15	22.10%	-4%
<b>Total</b>	<b>117</b>	<b>29.3%</b>	<b>196</b>	<b>49.0%</b>	<b>87</b>	<b>21.8%</b>	<b>-8%</b>

© SIL Research: 2015 'SAMPLE' District Business Net Promoter Score.  
 n=4,00 businesses weighted across 10 Council wards, surveyed 2<sup>nd</sup>-11<sup>th</sup> November 2015.  
 Reliability: Based on sample size for the 9,999 commercial entities within the district,  
 overall results are reported on with a 95% confidence level +/- 5%.

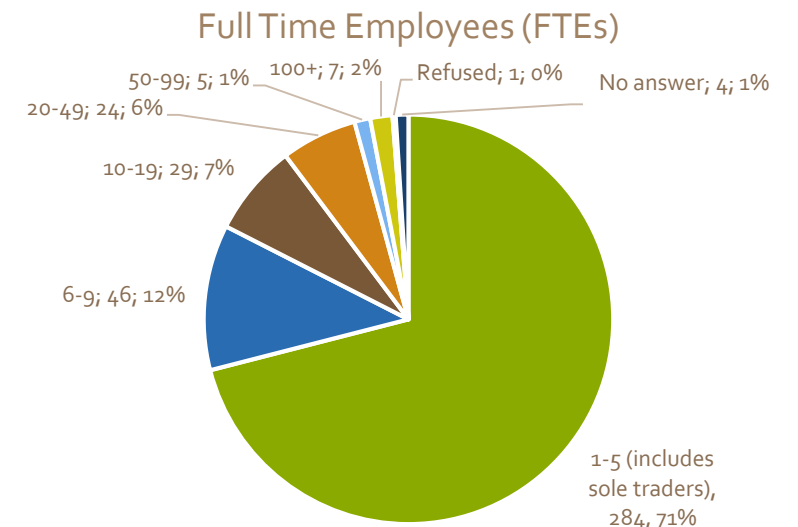
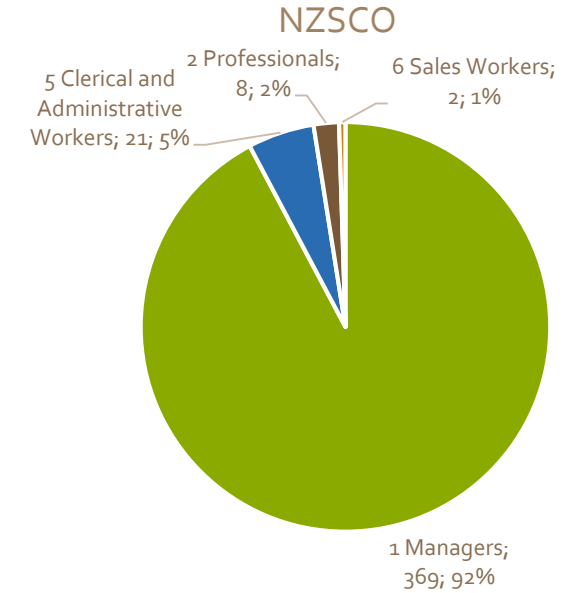
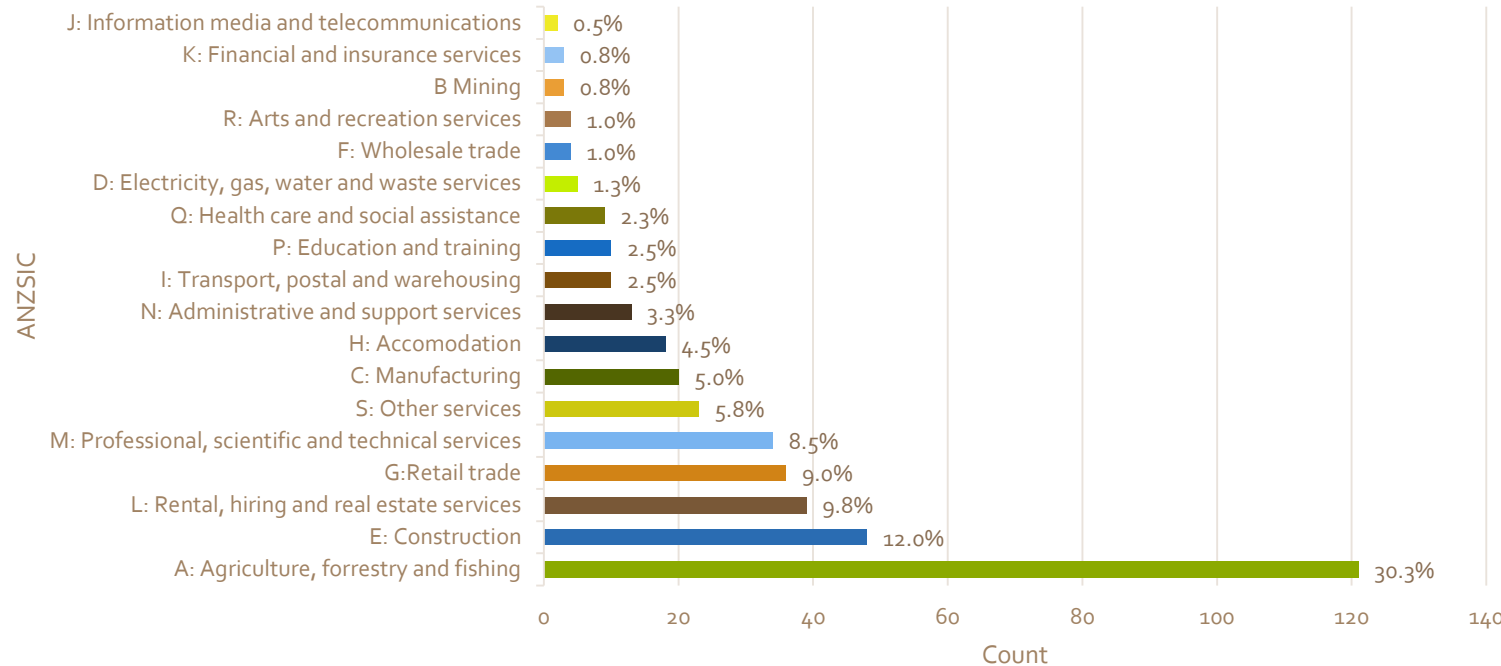
Queries: Dr Virgil Troy p:06 834 1996, e: virgiltroy@silresearch.co.nz

# Reasons for NPS rating *(categorised open-ended responses)*



Passives and Promoters cited “good location/ nice area/ opportunities/ facilities” along side “good place to do businesses” as reasons for giving a 7 or higher NPS rating. Detractors had either specific “other” issues or negative comments relating to working with the Council as their reasons for giving a 6 or less NPS rating.

# Example Demographics (who was interviewed)



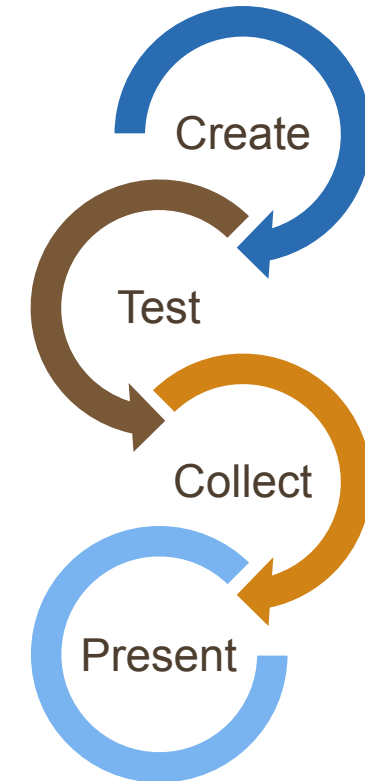
- Top three industries surveyed consisted of 30% within the agriculture, forestry or fishing sectors, 12% in construction and 10% in rental, hiring or real estate services.
- Most respondents either owned the business or were senior managers.
- 71% of business were SMEs with 1-5 Full Time Employees, 12% 6-9 FTEs, 7% 10-19 FTEs and 6% 20.49 FTEs.



# Research Process

## SIL Research would use a four step approach to undertake this research.

- **Create:** Create a survey instrument to collect the net promoter rating score across a minimum of 400 businesses. The survey will include the net promoter rating, ANZSIC, NZSCO and FTE size questions along with a request for participating businesses to complete the same survey again in 2016, 2017 & 2018.
- **Test:** The questionnaire will be tested to ensure it meets the objectives and issues identified. This will also happen prior to deployment in subsequent tracking cycles.
- **Collect:** Once the questionnaire is finalised, data will be collected via CATI and / or online survey within the agreed time frame.
- **Present:** Once collected, data is cleaned, processed, analysed using SPSS, interpreted and presented in the agreed format (similar to that presented in this document).



# Net Promoter Score tracking survey

- For the purpose of establishing and tracking a net promoter score, SIL Research recommends the use of a six monthly tracking survey.
- Tracking research is carried out twice a year with a minimum of 400 surveys collected in each survey cycle.
- A panel of respondents is created at the commencement of the first cycle and this panel is then invited to participate in subsequent cycles; completing an online version of the survey. After the first survey, each subsequent year comprises of a mixture of panel respondents and freshly recruited participants. The freshly recruited respondents are also invited to participate in the next cycle's panel, with the ability to opt-out at any time to reduce the possibility of 'over-surveying' businesses.
- Tracking research provides real-time annual trends and variations allowing for timely results and up-to-date findings for decision making, planning and ongoing tactical monitoring purposes.
- Respondent demographic data is collected in each cycle; including-Ward, FTEs (Full Time Equivalent – employees), NZSCO (New Zealand Standard Classification of Occupations – who completes the survey) and ANZSIC (Australian and New Zealand Standard Industry Classifications – what industries are represented in the survey). This allows for data slicing and ward comparisons.
- Data is collected and weighted by ward, where possible to ensure representation across the council's territorial area.

# Methodology, Timing, Reporting and Ethics

- **Timing:** Initial benchmark survey should be conducted as soon as practicable, second survey to be completed during peak tourism season. Once both surveys are complete, Wairoa District Council should decide which survey period is most advantageous for ongoing survey cycles.
  - An analysis of the two surveys will allow for the identification of any seasonal variances that may occur and will allow for an informed decision regarding the best time to complete the annual survey.
  - Timing of the survey can influence the results, however if a single collection period is selected, then SIL recommends April/May as this is a mid point just after summer and before cooler weather can influence visitor numbers.
  - If two survey periods are to be used, then they should be six months apart i.e. Spring and Autumn.
- **Presentation:** Reporting format will be similar to that presented on pages 5,6 and 7 of the proposal presentation. Collected data can be provided in excel format for Council use (all identifying data will be removed as per RANZ code of practice to protect anonymity of respondents and participating organisations).
  - The major benefit of this survey is its simplicity, however significant detail is also available. SIL recommends a general short report as presented in this proposal supplemented with the addition of open-ended results presented by category. This is available in spreadsheet format or printed word format.
  - NPS scores can be provided by collection source (i.e. participating organisations hotels, visitor attractions, etc.) Categorised open-ended responses can also be provided by participating organisation for that organisations use. This can be provided in excel format.



# Methodology, Timing, Reporting and Ethics cont.

- **Resident-visitor distinction:** At the start of the survey, respondents are asked to state whether they are a visitor or resident so that results can be separated out.
  - This allows for analysis of resident and visitor findings and a statistical comparison between the two. Note: the online survey will feature Council logo, colour scheme and simple instructions for completing the survey.
- **Verbatim:** Open ended results will be categorised so that percentages of response categories can be provided for easy review (as per page 6). Data that specifically names an individual or organisation will be cleaned (identifying data removed i.e. 'John Smith' will become '###' and 'ABC Ltd.' will become '###'). Open-ended text will also be made available as an appendix and will be presented by NPS and coded open-ended response category.
  - Cleaning of data allows for use of all verbatim comments as collected while at the same time maintaining the anonymity of the organisations they are referring to resulting in their ongoing participation. Cleaning is applied to BOTH positive and negative feedback.
  - Categorising data in this way allows for easy analysis and interpretation of open-ended responses. In addition, it allows for the review of all open-ended responses as they apply to the categories they were assigned to making them more useful and easy to reference.
- **Ethics:** SIL Research is a member of the Research Association of New Zealand (RANZ). Research is undertaken to the highest possible standards and in accord with the principles detailed in the RANZ Code of Practice which is based on the ESOMAR Code of Conduct for Market Research. A copy of the RANZ code of practice has been sent with this proposal.

# About SIL Research

- SIL Research is a full service research company, located in Napier, Hawke's Bay. We offer both quantitative and qualitative research throughout New Zealand.
- Our primary focus is the delivery of intelligent business research to assist organisations in making informed strategic, tactical and day-to-day decisions.
- Our research areas include the following:
  - Local Government, LTCCP and LOS Research (Transport, Infrastructure, Ratepayer surveys, Environment, Civil defence, Core Recreational Facilities Research)
  - General and Specific Customer Satisfaction and Opinion Research
  - Secondary and Tertiary Education Sector Research
  - Electricity Industry Sector Research
  - Primary Industries Sector Research
  - Banking, Building Society Sector Research
  - Media and Marketing Communications Research
  - Business To Business (B2B) and Business To Consumer (B2C) Research.
- Operating a 'dynamic' field force we are able to create specialised teams of researchers to undertake data collection using a wide variety of methodologies (telephone, in-depth interviews, surveys, online, focus groups etc.) to meet the specific research needs of our clients.
- Whether you're looking to better understand your customers, identify improved ways to do business or research how your organisation can achieve world class status, SIL Research can assist you with an intelligent approach to research-based problem solving.
- SIL Research is a member of the Research Association of New Zealand (RANZ). Research is undertaken to the highest possible standards and in accord with the principles detailed in the RANZ Code of Practice which is based on the ESOMAR Code of Conduct for Market Research.



# The SIL Research Team

- **Principal Researcher: Dr Virgil Troy BSc, MBA (Distinction) PhD**
  - Virgil's diverse work experience includes 15 years in broadcasting and 12 years as a Management Consultant working in a variety of industries and sectors and the most recently 10 years working in customer engagement within the Aotearoa New Zealand electricity lines industry, local government, banking and education sectors.
  - Underpinning the hands-on, practical application of business research is Virgil's academic background which includes a Bachelors Degree in Broadcasting Communications (BSc) and a Masters Degree in Business Administration (MBA with Distinction) majoring in Marketing and International Business.
  - Virgil's expertise is in CRM having completed a PhD in the subject. He currently undertakes customer engagement research for the electricity, banking, local government, education and banking sectors. His research background includes comparative analysis of industries Customer Relationship Management processes. Virgil periodically lectures in Consumer Behaviour and Communications strategies as well as 700 level Marketing Research Methods at EIT Hawke's Bay.
- **Research Analyst: Evan Jones BSc, MA Ed (Mathematics)**
  - Evan has an extensive background in statistics and mathematics in the Tertiary Education sector.
- **Contributing Research Statistician: Dr Nigel Grigg BSc (Hons), MSc, PhD**
  - Nigel's research interests centre on process management, including the use of statistical thinking and statistical methods within the process knowledge development and improvement cycle. Nigel holds degrees in applied mathematics and quality management, and completed his PhD on developing statistical thinking. He is a Chartered Mathematician and Member of the Institute of Mathematics and its applications, the Institute of Quality Assurance, the Institute of Learning and Teaching, and the Aotearoa New Zealand Statistical Association.
  - Nigel research is well published in highly respected academic journals; his work includes published papers on the use of Benchmarking in creating world class Aotearoa New Zealand organisations, Business excellence models and Multimedia Marketing.
- **Contributing Project Statistician: Dr Nihal Jayamaha BSc, MEng, MBA, PhD**
  - Nihal research interests include performance excellence (TQM and business excellence practices, tools and techniques) in the non-profit sector, particularly performance measurement issues and theory development. He also has interests in performance excellence in the healthcare sector and collaborative research involving biostatistics applications.
  - Nihal holds a BSc in Electrical Engineering, a MBA, a MEng Masters of Energy Management and a PhD in Technology. Nihal has worked extensively over a 20 year period in the electrical utility industry (in Sri Lanka and United Arab Emirates).

# Important Information

## Research Association of New Zealand [RANZ] Code of Practice

- SIL Research is a member of the RANZ and therefore is obliged to comply with the RANZ Code of Practice. A copy of the Code is available from the Executive Secretary or the Complaints Officer of the Society.
- Confidentiality
  - Reports and other records relevant to a Market Research project and provided by the Researcher shall normally be for use solely by the Client and the Client's consultants or advisers.
- Research Information
  - Article 25 of the RANZ Code states:
    - The research technique and methods used in a Marketing Research project do not become the property of the Client, who has no exclusive right to their use.
    - Marketing research proposals, discussion papers and quotations, unless these have been paid for by the client, remain the property of the Researcher.
    - They must not be disclosed by the Client to any third party, other than to a consultant working for a Client on that project. In particular, they must not be used by the Client to influence proposals or cost quotations from other researchers.
- Publication of a Research Project
  - Article 31 of the RANZ Code states:
    - Where a client publishes any of the findings of a research project the client has a responsibility to ensure these are not misleading. The Researcher must be consulted and agree in advance to the form and content for publication. Where this does not happen the Researcher is entitled to:
      - Refuse permission for their name to be quoted in connection with the published findings
      - Publish the appropriate details of the project
      - Correct any misleading aspects of the published presentation of the findings
- Electronic Copies
  - Electronic copies of reports, presentations, proposals and other documents must not be altered or amended if that document is still identified as a SIL Research document. The authorised original of all electronic copies and hard copies derived from these are held to be that retained by SIL Research.



**INDUSTRY CODE OF PRACTICE**  
**The Research Association of New Zealand Incorporated**  
**Revised July 2015**

**(Based on the ICC/ESOMAR International Code on Market and Social Research)**

***BACKGROUND AND INTRODUCTION***

The first Code of Marketing and Social Research Practice was published by ESOMAR in 1948. This was followed by a number of codes produced by national bodies and by the International Chamber of Commerce (ICC). In 1976 ICC and ESOMAR agreed that it would be preferable to have a single international code instead of two differing ones and a joint ICC/ESOMAR Code was published the following year 1977. This was revised and updated in 1986 and 1994, making the current version the fourth edition of the ICC/ESOMAR Code, under a slightly altered title.

Research Association New Zealand was established late 2013. In June 2014, the Code that was previously administered by the Market Research Society of New Zealand Inc. (MRSNZ) was reviewed and updated. This Code replaces the previous versions of both the MRSNZ and Association of Market Research Organisations (AMRO) Codes. The redrafted code was circulated to members and a final draft produced in May 2015 following consideration of the various feedback.

Effective communication between the providers and consumers of commercial and social goods and services of all kinds is essential to any modern society. There are many methods of gathering information, and the channels available are multiplying with the development and use of internet-based technologies and other interactive media. One of the most important methods of gathering information is by using various research methodologies, which in this Code is taken to include social and opinion research. Research depends for its success on public confidence that it is carried out honestly, objectively and without unwelcome intrusion or disadvantage to its participants. The publishing of this Code is intended to foster public confidence and to demonstrate practitioners' recognition of their ethical and professional responsibilities in carrying out research.

The self-regulatory framework responsible for implementing this Code has been successfully in place for many years. The use of codes of this nature and their implementation have been referred to and accepted as best practice worldwide, as a recognised means of providing an additional layer of protection for researchers, suppliers, clients and respondents.

***PURPOSE OF THE CODE***

This Code is designed primarily as a framework for self-regulation. It sets minimum standards of ethical conduct to be followed by all members and is to be applied against the background of applicable New Zealand and international law and of any stricter standards or rules that may be required in any specific market, e.g. Privacy Act, Commerce Act, Human Rights legislation, etc.

Research Association New Zealand members, through their membership, are bound by this Code, which is intended to fulfil the following objectives:

1. To set out the ethical rules which researchers (companies, individuals or clients) shall follow;
2. To enhance the public's confidence in research by emphasizing the rights and safeguards to which they are entitled under this Code;
3. To emphasize the need for special responsibility when seeking the opinions of children and young people;
4. To safeguard freedom for researchers to seek, receive and impart information (as embodied in article 19 of the United Nations International Covenant on Civil and Political Rights);
5. To minimise the need for governmental and/or inter-governmental legislation or regulation;
6. To provide a framework by which complaints against Research Association New Zealand members can be heard.

## **KEY FUNDAMENTALS OF THE CODE**

The Code is based on these key fundamentals:

1. Researchers shall conform to all relevant national and international laws.
2. Researchers shall behave ethically and shall not do anything which might damage the reputation of research.
3. Researchers shall take special care when carrying out research involving children or young people.
4. Respondents' cooperation is voluntary and must be based on adequate and not misleading information about the general purpose and nature of the project when their agreement to participate is being obtained and all such statements shall be honoured.
5. The rights of respondents as private individuals shall be respected by researchers and they shall not be harmed or adversely affected as the direct result of cooperating in a research project.
6. Researchers shall never allow personal or confidential data they collect or receive in a research project to be used for any purpose other than research.
7. Researchers shall ensure that projects and activities are designed, carried out, reported and documented accurately, transparently and objectively.
8. Researchers shall conform to the accepted principles of professional responsibility.
9. Breaches of the Code may result in Research Association New Zealand membership being revoked or suspended or the member being subject to other appropriate disciplinary measures.

## **SCOPE OF THE CODE**

The intention is that the scope of the Code is broad to incorporate present and future methodologies and members. The Code applies to all market, social and opinion research and where relevant and appropriate other research methodologies. It does not include scientific research, e.g. plant, animal, geological etc. It should be read in conjunction with other codes and guidelines adopted by Research Association New Zealand, e.g. the NZ Political Polling Code, various ESOMAR Codes and Guidelines etc.

## **INTERPRETATION**

The Code is to be applied in the spirit as well as to the letter.

## **DEFINITIONS**

1. Research, which includes market, social and opinion research, is the systematic gathering and interpretation of information about individuals or organizations using the statistical and analytical methods and techniques of the applied social sciences to gain insight or support decision making. The identity of respondents will not be revealed to the user of the information without explicit written, video or audio-recorded consent, nor will there be any sales approach made to them as a direct result of their having provided information.
2. Researcher is defined as any individual or organisation carrying out, or acting as a consultant on, a research project, including those working in client organisations.
3. Client is defined as any individual or organisation (and their agencies) that requests, commissions or subscribes to all or any part of a research project.
4. Respondent is defined as any individual or organisation from which information is collected for the purposes of a research project, whether they are aware of it or not, or is approached for interview.
5. Interview is defined as any form of contact with a respondent in order to collect information for research purposes.

## **ARTICLES**

### **Article 1 – Basic principles**

- a) Research shall be legal, honest, truthful and objective and be carried out in accordance with appropriate scientific principles.
- b) Researchers shall not act in any way that could bring discredit on the research profession or lead to a loss of public confidence in it.
- c) Research shall be conducted with professional responsibility as generally accepted in business.
- d) Research shall be clearly distinguished and separated from non-research activities including any commercial activity directed at individual respondents (e.g. advertising, sales promotion, direct marketing, direct selling etc.).

### **Article 2 – Honesty**

- a) Research shall not abuse the trust of respondents or exploit their lack of experience or knowledge.
- b) Researchers shall not make false statements about their skills, experience or activities, or about those of their organisation.

**Article 3 – Professional responsibility**

- a) Respondents' co-operation in a research project is entirely voluntary at all stages. They shall not be misled when being asked for their co-operation. Participation is consensual and the participant may withdraw their consent at any stage of the proceedings.
- b) Where incentives for participation are offered, the nature and amount of those incentives shall be made clear prior to consent being requested. Incentives must comply with all relevant legislation. Researchers must also satisfy themselves that the incentives are suitable rewards for research participation, not covert sampling or marketing incentives.
- c) Researchers shall take all reasonable precautions to ensure that respondents are in no way harmed or adversely affected as a direct result of their participation in a research project.
- d) Researchers shall not unjustifiably criticise other researchers.

**Article 4 – Transparency**

- a) Researchers shall promptly identify themselves and unambiguously state the purpose of the research.
- b) Respondents shall be able to check the identity and bona fides of the researcher without difficulty.
- c) Researchers shall on request allow the client to arrange for checks on the quality of data collection and data preparation.
- d) On request, Researchers shall supply the Client with duplicate copies of interview records, provided these do not breach anonymity and confidentiality requirement of the Privacy Act 1993 and subsequent amendments to the Act. (The provision does not apply where resulting reports are available for general purchase on a syndicated basis.)
- e) Researchers shall provide their clients with appropriate technical details of any research project carried out for the clients.
- f) Researchers shall ensure that research projects are designed, carried out, reported and documented accurately, transparently and objectively.

**Article 5 – Ownership**

Unless otherwise agreed between the Client and Researcher in writing, the following ownership principles apply.

- a) Research briefs, research data and findings from a research project (except in the case of syndicated or multi-client projects) remain the property of the Client, and may not be disclosed by the Researcher to any third party.
- b) The following records remain the property of the Researcher, and may not be disclosed by the Client to third parties:
  - i) The research techniques and methods used in the research project.
  - ii) Research proposals, discussion papers and quotations, unless these have been specifically and separately paid for by the Client.
  - iii) The contents of a report in the case of syndicated or multi-client projects, where it is clearly understood that the resulting reports are available for general purchase or subscription. In these cases, the Client may not disclose the findings to any third party other than in direct connection with their own business.

**Article 6 – Recording and observation techniques**

Respondents shall be informed about recording equipment and consents obtained during the research project introductions prior to commencing the formal research interview, except where these are openly used in a public place and no personal data are collected. If respondents so wish, the record or relevant section of it shall be destroyed or deleted. In the absence of explicit written, audio or video-recorded consent to the contrary, respondents' personal identity shall be protected. Respondents should be informed (in addition to the purpose of the research) of the reason for making recordings and how they will be used – e.g. for analysis only, etc. If the client requests a copy of a recording (including a transcription), then participant consent must be obtained.

**Article 7 – Data protection and privacy****a) Privacy policy**

Researchers are governed by the NZ Privacy Act (and related acts) and shall be able to provide a privacy policy statement to respondents from whom they are collecting data when requested.

**b) Collection and storage of data**

When collecting personal information from respondents researchers shall ensure that:

- i) Respondents are aware of the purpose of the collection;
- ii) Respondents are aware of any quality control activity involving re-contact;
- iii) Primary records (e.g. completed questionnaires, data files, group recordings) and copies of the final versions of all project documents or other records (e.g. analysis programmes) shall be retained for a period of 12 months; Secondary research records and stored research data excluding personal identifiers shall be kept for a minimum of 24 months unless explicitly agreed with the Client;
- iv) A copy of all other final versions of documents related to the research project shall be held for 24 months;

- v) In default of any agreement to the contrary, ad-hoc projects' primary records should be kept for 12 months after fieldwork finishes.

c) *Use of data*

Personal information collected and held in accordance with this Code shall be:

- i) Collected for specified research purposes and not used in any manner incompatible with these purposes;
- ii) Adequate, relevant and not excessive in relation to the purpose of the research for which they are collected and/or further processed.

Researchers shall ensure that respondents' personal identity is withheld from the client and that reasonable measures are in place to minimise inference of identity based on individual responses, e.g. in a small sample size study.

The researcher may communicate the respondent's identifiable personal information to the client, unless national provisions require stricter regulations, under the following conditions:

- iii) The respondent has explicitly expressed this wish and/or;
- iv) The respondent has given their explicit written, audio or video-recorded consent and;
- v) On the understanding that no commercial activity (as defined in Article 1d) will be directed at them as a direct result of their having provided information.

d) *Security of data and data processing*

Researchers shall ensure that reasonable security measures are employed in order to prevent unauthorised access, manipulation to or disclosure of the personal data.

If personal data are transferred to clients or third parties, reasonable measures shall be taken to ensure that respondent identity is protected.

Certain organisations, e.g. in Banking and Government, may require different, more specific measures around data exchange and security. It is incumbent on them to make these requirements known, and researchers shall comply with the client's requirements as long as they meet the Association's Code's minimum requirements.

e) *Rights of the respondent*

Appropriate measures shall be taken to ensure that respondents understand and can exercise their rights

- i) Not to participate in a research project;
- ii) To withdraw from the research at any time;
- iii) To require that their personal data are not made available to others; and
- iv) To delete or to rectify incorrect personal data which are held on them.

In the case of observational research where the particular and personal details of the observed subjects are not collected, the subjects are not considered respondents.

f) *Trans-border transactions*

When data processing is conducted in another country, all reasonable steps shall be taken to ensure that security measures are observed and that the data protection principles of this Code and the laws of that country are respected.

**Article 8 – Children and young people**

Researchers shall take special care when interviewing children and young people. The informed consent of the parent or responsible adult shall in all cases first be obtained before interviewing children aged under 14 years of age. In the case of studies containing sensitive subject matter, e.g. mature or controversial themes, parental consent shall also be obtained for children aged 14 and 15.

Informed consent implies that they are provided with information about:

- a) The nature of the research;
- b) Whether the child will be asked to test any products or samples;
- c) The nature of any incentive offered to the child.

**Article 9 – Shared interviews**

Researchers shall inform clients if the work to be carried out for them is to be combined or syndicated in the same project with work for other clients, without disclosing the identity of such clients without their permission.



**Article 10 – Subcontracting**

Researchers shall inform clients, prior to work commencing, when any part of the non-administrative work for them is to be subcontracted outside the researchers' own organisation. On request, clients shall be told the identity of any such subcontractor.

**Article 11 – Publishing findings**

- a) When reporting on the results of a research project, researchers shall make a clear distinction between the findings, the researchers' interpretation of these findings, and any recommendations based on them.
- b) Where any of the findings of a research project are published by the client, the latter shall be asked to consult with the researcher as to the form and content of publication of the findings. Both the client and the researcher have a responsibility to ensure that published results are not misleading.
- c) Researchers shall always be prepared to make available the technical information necessary to assess the validity of any published findings.
- d) Researchers shall not knowingly allow their name to be associated with the dissemination of conclusions from a research project unless they are adequately supported by the data.
- e) Researchers must take reasonable steps to lodge an objection with the client where the client presents data in any public or private arena in a misleading way and ask for it to be corrected.

**Article 12 – Responsibility**

Researchers have overall responsibility for ensuring that their research is carried out in accordance with this Code, and for taking reasonable steps to ensure that clients and other parties to the research are aware of the Code and its requirements.

**Article 13 – Effect of subsequent redress for contravention**

Subsequent correction and/or appropriate redress for a contravention of the Code by the party responsible is desirable but does not excuse the contravention.

**Article 14 – Implementation**

- a) The Code and the principles enshrined in it should be adopted and implemented nationally by the relevant self-regulatory bodies. The Code should also be applied, where appropriate, by all involved organisations, companies and individuals and at all stages in a research project.
- b) Marketers, researchers and clients should be aware of the Code and other relevant local self-regulatory documents on research. Requests for interpretation of the principles contained in this Code may be submitted to Research Association New Zealand. Complaints against members may be submitted to Research Association New Zealand Complaints Committee. Details of the procedure are to be made available to the public via the official Association website [www.researchassociation.org.nz](http://www.researchassociation.org.nz).

**Last revised May 2015. Approved at AGM July 13, 2015.**



## Council

22 March 2016

### Review of Wairoa District Council Smoke-free Environments Policy

<b>Department</b>	Office of the Chief Executive
<b>Author &amp; contact officer</b>	Governance Advisor & Policy Strategist – C McGimpsey
<b>1. Purpose</b>	1.1 To review the existing Wairoa District Council Smoke-free Environments Policy and to consider amendments to this policy.
<b>Recommendation</b>	The Governance Advisor & Policy Strategist RECOMMENDS that Council adopt the revised Wairoa District Council Smoke-free Environments Policy (attached as Appendix 1).
<b>2. Background</b>	<p>2.1 As part of the 2007-2008 Annual Plan process, Council committed to developing and implementing a Smoke-free Environments Policy. The policy was adopted on 13 May 2008 and this is the first time the policy has been reviewed since its adoption.</p> <p>2.2 Currently, as stated in the policy adopted in 2008, “Council-owned sports fields, playgrounds and open spaced reserves are deemed and promoted as smoke-free areas”. During the 2007-2008 Annual Plan process councillors supported the concept of self-regulation in achieving a smoke-free environment, as it did not require enforcement from Council, placing the onus upon individuals as to whether they acknowledged and respected signage advising of smoke-free areas. This policy continues in this vein. If Council wished to change this policy direction then further work and investigation on whether a policy or bylaw was most appropriate would be required (including costs of enforcement).</p> <p>2.3 In particular this policy contributes to the Council’s vision of treasured environments and desirable lifestyles. The community outcomes it contributes to are particularly safe and accessible recreational facilities and supportive, caring and valued communities.</p>
<b>3. Legislation and smoke-free 2025</b>	<p>3.1 Since the development of this policy, central government has set an aspirational goal for a smoke-free nation by 2025. Various other agencies have aligned their policies and strategies to reflect this aspirational goal, particularly through the use of the logo to raise awareness of this goal.</p> <p>3.2 The purpose of the Smoke-free Environments Act 1990 are:          (a) to reduce the exposure of people who do not themselves smoke to any detrimental effect on their health caused by</p>

## 4. Options

smoking by others; and  
 (b) to regulate and control the marketing, advertising, and promotion of tobacco products, whether directly or through the sponsoring of other products, services, or events; and  
 (c) to monitor and regulate the presence of harmful constituents in tobacco products and tobacco smoke.

3.3 Smoke-free New Zealand 2025 means that:

- “Our children and grandchildren will be free from exposure to tobacco and tobacco use
- The smoking prevalence across all populations will be less than 5%. The goal is not a ban on smoking.
- Tobacco will be difficult to sell and supply”.<sup>1</sup>

3.4 The proposed revised policy attached as Appendix 1 has been updated to include reference to Smoke-free 2025, including the logo.

3.5 Hawke’s Bay District Health Board (DHB) have provided feedback on the policy and would like to see the “2 metres from any external entrance to a Council owned facility/premises or air duct to an air conditioning/handling system” increased to 10 metres. They would also like to see a provision for a smoke-free CBD (or part of it), they have research available in this area which is about not just preventing children from being unnecessarily exposed to second-hand smoke but also supporting people who have quit or are trying to quit smoking.

4.1 The options identified are:

- a. Status quo – do not make any changes to the policy
- b. Make the changes suggested in Appendix 1 to the policy
- c. Make additional changes to the policy

4.2 Option A: The main changes to this policy update the policy in line with what has happened in this space since the policy was created. The policy direction and statements have not been significantly altered. If Council chose to keep the policy as it stands then the next review would be in March 2019.

4.3 Option C: Council may wish to alter some of the proposed changes or include alternative changes to the policy. Dependent on the changes it may be necessary to carry out further work and investigation on this area of policy.

4.4 The preferred option is Option B.

## 5. Conclusion

5.1 The policy direction has not been altered from the previous policy. The proposed amendments update the policy in line with central government direction since it was created.

## 6. Corporate Considerations What is the

6.1 The policy will be updated in line with Council’s decision.

<sup>1</sup> <http://smokefree.org.nz/smokefree-2025>

<b>change?</b>	6.2 This will not trigger a s17a review.
<b>Compliance with legislation and Council Policy</b>	6.3 Relevant legislation – Smoke-free Environments Act 1990
<b>What are the key benefits?</b>	6.4 Council’s policy aligns with the central government direction and/or the policy has been through a review process.
<b>What is the cost?</b>	6.5 There is no direct cost – smoke-free signs are already in place in the areas outlined in the policy. Any new signs could be accommodated within relevant existing budgets.
<b>What is the saving?</b>	6.6 Not applicable.
<b>Who has been consulted?</b>	6.7 The Hawke’s Bay District Health Board Population Health team has been contacted during the review process. 6.8 There has been no community consultation during the review process. 6.9 Under the Significance & Engagement Policy no further consultation required.
<b>Service delivery review</b>	6.10 Not applicable
<b>Maori Standing Committee</b>	6.11 This matter has not been referred to the committee.
<b>7. Significance</b>	7.1 There is a low impact as there is no change to the policy direction. 7.2 There is no impact on the council budget or capacity 7.3 This decision and/or the policy can be reversed
<b>8. Risk Management</b>	8.1 No strategic risks have been identified in the implementation of the recommendation.
<b>Further Information</b>	Smoke-free NZ website <a href="http://smokefree.org.nz/">http://smokefree.org.nz/</a> Hawke’s Bay DHB Smoke-free Survey Results 2013 <a href="http://www.hawkesbay.health.nz/file/fileid/48455">http://www.hawkesbay.health.nz/file/fileid/48455</a>
<b>Appendices</b>	Appendix 1 - revised Wairoa District Council Smoke-free Environments Policy
<b>Background Papers</b>	Smoke-free 2025 website <a href="http://smokefree.org.nz/smokefree-2025">http://smokefree.org.nz/smokefree-2025</a>
<b>References (to or from other Committees)</b>	Council – 13 May 2008
<b>Confirmation of statutory compliance</b>	In accordance with section 76 of the Local Government Act 2002, this report is approved as: a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and, b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the

**Signatories**

decision.  
Author: C McGimpsey



Approved by: F Power



<b>Policy Name:</b>	<b>Wairoa District Council Smoke-free Environments Policy</b>	<b>File Reference:</b>	C19.01.01
<b>Person Responsible:</b>	<del>Policy Analyst</del> <u>Governance Advisor &amp; Policy Strategist</u>	<b>Date Policy Adopted:</b>	<del>13 May 2008</del>
<b>Review Period:</b>	Tri-annually	<b>Status:</b>	Draft
<b>Next Review Due By:</b>	<del>May 2014</del> <u>March 2019</u>	<b>Revision Number:</b>	<del>4</del> <u>2</u>
<b>Supersedes:</b>	Previous Policies	<b>Date Last Revised:</b>	28 April 2008

### PURPOSE:

The Wairoa District Council (Council) has a duty to ensure a safe environment for people on its premises. Council recognises that exposure to second-hand smoke is a significant health risk. The Council will be proactive and demonstrate leadership by promoting a smoke-free lifestyle as being both desirable and the norm in Wairoa. Council will send a positive message that our children's health and the environment should be protected from the effects of smoking.

As part of the Government's goal for New Zealand to be smoke-free by 2025, Council will pursue its goals of a district where:

- Fewer people smoke in public places
- Businesses and organisations designate their premises as 'smoke-free'
- More smokers try to quit

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### COMMUNITY OUTCOMES:

This policy will contribute to the following Wairoa Community Outcomes:

- *A safe and secure community.*
- *A lifetime of good health and wellbeing.*
- *An environment that is appreciated, protected and sustained for future generations.*
- *Supportive, caring and valued communities.*
- *Safe and accessible recreational facilities.*
- *A community that values and promotes its culture and heritage.*

### RELEVANT LEGISLATION:

The Smoke-free Environments Act 1990 has had various amendments since 2011. In March 2011 the Government set a goal of becoming a smoke-free nation by 2025. This is an aspirational goal, rather than a commitment to ban smoking altogether.

On 3 December 2003, an amendment to the Smoke-free Environments Act 1990 was passed requiring, among other things:

- ~~a) Buildings and grounds of schools and early childhood centres to be smoke free by 1 January 2004;~~
- ~~a) Licensed premises to become smoke free indoors from 10 December 2004;~~
- ~~b) Other workplaces to become smoke free indoors including offices, factories, warehouses, work canteens and smoko rooms from 10 December 2004;~~

- ~~e) The display of tobacco products in retail outlets restricted and a smoking kills sign erected near the display from 10 December 2004; and~~
- ~~d) Access of smoking products to those under 18 years further restricted.~~

The purpose of the Act is to send a clear message about the dangers of smoking and to prevent the detrimental effect of other people's smoking on the health of people who do not wish to smoke.

#### **POLICY STATEMENTS:**

That all Council owned sports field, playgrounds and open spaced reserves be deemed and promoted as smoke-free areas.

That the public be encouraged through signage and publicity to maintain a clean, healthy environment in areas that are primarily used by the community for sporting and recreational activity.

That Council appeal using signage and publicity to gain positive environmental health benefits and seek compliance from the public as opposed to enforcement. To this end the policy will be educational as opposed to penal in seeking compliance.

Pursuant to the provisions of the Smoke-free Environment Act 1990 smoking is not permitted at any time:

- (a) In any internal area of Council owned/controlled facilities/premises
- (b) In any vehicles owned, leased, or hired by Council
- (c) Within 2 metres of any external entrance to a Council owned facility/premises or air duct to an air conditioning/handling system.

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Council will partner with organisations and agencies to encourage and support any business or organisation to designate their premises as a Smoke-free area, where staff and visitors are encouraged to refrain from smoking.

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Council will work with partner organisations and agencies to promote the benefits of becoming a Smoke-free area, and to assist businesses and organisations to join together to become a Smoke-free block.

Any events run, funded or supported by the Council will be Smoke-free events and have the display and announcement of smoke-free messages in advertising and at the event.

This policy sits alongside Council's existing Smoke-free/Auahi Kore Policy (effective 1 ~~June 2005~~ September 2012) and the Hawke's Bay District Health Board Smokefree 2025 Strategy.

#### **ENFORCEMENT**

Council will not pursue any direct enforcement of this policy. However, Council may investigate and adopt measures, including appropriate bylaws, which support the policy purpose and statements.

Council will work with organisations and agencies to support a positive approach to encouraging people to refrain from smoking in public places, and to encourage smokers to quit smoking.

#### **INFORMATION AND EDUCATION:**

The Council will work with the Hawke's Bay District Health Board, Wairoa Primary Healthcare Organisation and other health related agencies to ensure information relating to the

legislation, [quitting smoking](#) and the health impacts of smoking and passive smoking are easily accessible to the community.







**Council**  
22 March 2016

## 2016 Local Body Elections

<b>Department</b>	Corporate Services
<b>Author &amp; contact officer</b>	James Baty – Electoral Officer
<b>1. Purpose</b>	1.1 The purpose of this report is to seek approval for the voting method and order in which candidates' names are to be shown on the voting documents for the 2016 Local Body Elections.
<b>Recommendation</b>	<p><i>The Electoral Officer RECOMMENDS that:</i></p> <ol style="list-style-type: none"> <li>1. <i>The report be received.</i></li> <li>2. <i>Council adopt postal voting as its voting method.</i></li> <li>3. <i>That the names of the candidates for the 2016 Wairoa District Council triennial elections be arranged on the voting documents in alphabetical order of surname.</i></li> </ol>
<b>2. Background</b>	<p>2.1 Council resolved at its Ordinary Meeting of 9 September 2014 to maintain the status quo of First Past the Post (FPP)</p> <p>2.2 Following a Representation Review conducted in 2015 Wairoa District Council has maintained the status quo of no wards and comprises of six Councillors (plus the Mayor), elected at large. Community boards are not currently constituted in the district.</p> <p>2.3 This initiative contributes to Council's vision of 'Connected Communities; Desirable Lifestyles; Treasured Environments', is also contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Strong district leadership and a sense of belonging.</li> </ul>
<b>3. Current situation</b>	<p>3.1 Elections of members of local authorities are held once every three years, on the second Saturday in October. The next elections will be held on 8 October 2016. Some local polls may also be held in conjunction with elections. By-elections are held when a vacancy occurs.</p> <p><b>3.2 Processing:</b> Electoral functions, including the processing function, will be undertaken by Elections Services out of Auckland and Council's electoral staff at the Wairoa District Council, Coronation Square, 97-103 Queen Street, Wairoa.</p> <p><b>3.3 Voting Method:</b> The voting method will be postal voting which is the default method unless Council resolves to use booth voting. Postal</p>

voting has been used since 1983 and has proved most successful particularly in terms of voter response. Postal voting is now well established for New Zealand local government elections. Apart from one local authority reverting to booth voting in 1992, all local authorities have used postal voting since 1989 and a number prior to that. Section 36 of the Local Electoral Act 2001 (LEA) requires that every election or poll conducted for a local authority must be conducted using one or more methods of voting adopted by resolution of the local authority.

In the absence of a resolution by the local authority, Section 36 LEA prescribes that the method of voting to be used is postal voting.

Section 36 LEA also provides that if any election or poll is being conducted in conjunction with the elections of one or more territorial authorities in the same local government area, the voting method to be used for that election or poll within the district of each territorial authority is the voting method or methods to be used for the election of that territorial authority. Section 37 provides that, before passing a resolution under Section 36(1) that will apply to other elections or polls, the local authority (i.e. territorial authority) must consult the other local authorities concerned. In making its decision, the territorial authority must have regard to the results of that consultation.

At present, the only methods prescribed by the Local Electoral Regulations 2001 (LER) are booth voting and postal voting.

### **3.4 Early Processing of Votes:**

Section 80 LEA permits a local authority to process (but not count) returned voting documents over the voting period. Early processing of voting documents was introduced for the 1998 Wairoa District elections (but restricted to the 84 hours before the close of voting) and was used very successfully by many local authorities throughout the country. Because of this success and the benefits which early processing provides, the early processing period was subsequently increased to the whole three-week voting period now provided under the current legislation. The immediate benefit of adopting early processing is that much, if not all, of the cumbersome and time consuming task of extracting and checking the voting documents is undertaken progressively over the three week voting period (under strict security and under the supervision of a Justice of the Peace). This means a quicker and more accurate result can be achieved on polling day.

Under Section 80 of the LEA, it is at the electoral officer's discretion to determine whether early processing of voting documents occurs. Generally, this is regarded as good practice. Previously, a resolution of council was required,

but this was changed with the passage of the Local Electoral Amendment Act 2013.

Early processing of votes will be undertaken in respect of the 2016 Wairoa District Council triennial elections.

### **3.5 Order of Candidate's Names on Voting Documents:**

Formerly, candidates' names were required to be listed on the voting documents in alphabetical order, by surname. Clause 31(1) of the Local Electoral Regulations 2001 now allows the Council to decide whether the names are to be arranged on the voting documents in alphabetical order of surname, pseudo-random order or random order. In the absence of any Council resolution approving another arrangement, the candidates' names must be arranged in alphabetical order of surname.

The features of each arrangement are described below:

#### **(a) Alphabetical Order of Surname**

This is the order, which has been used at previous elections, and is self-explanatory.

#### **(b) Pseudo-Random Order**

Under this arrangement, the candidate names for each issue are drawn at random then placed on all voting documents for that issue in the order in which they are drawn.

#### **(c) Random Order**

Under this arrangement, the names of the candidates for each issue are shown in a different order on each and every voting document, utilising software, which permits the names of the candidates to be laser printed in a different order on each paper.

The Regulations provide that if a local authority has determined that pseudo-random order or random order is to be used, the Electoral Officer must state, in the public notice required to be given, the date, time and place at which the order of the candidates' names will be arranged.

Any person is then entitled to attend while the arrangement is in progress.

The cost of printing the voting documents employing either (a) or (b) will be identical. Should the Council adopt (c) there will be some increase in cost, because of the need to individually laser print each voting document. While it is not yet possible to give an estimate of the likely additional costs, which will arise from this arrangement, they are not expected to be substantial.

It should be noted that the candidate booklet that is produced is always printed in alphabetical order, so there is perhaps some benefit in following suit so to avoid any unnecessary voter confusion.

## **4. Options**

4.1 The options identified are:

### **4.2 Voting Method:**

- a. Do nothing.
  - b. Adopt postal voting as the voting method.
  - c. Adopt booth voting as the voting method.
- 4.3 Option A – in the absence of a resolution by the local authority, Section 36 LEA prescribes that the method of voting to be used is postal voting.
- 4.4 Option C – if Council wish they could direct that booth voting be used in relation the 2016 elections. It is understood that booth voting is not used by any other Council in New Zealand. It is not regarded as best practice. If booth voting is adopted, the electoral officer would have to carefully consider appropriate practices for this voting method. Another factor to consider when assessing the relative merits of voting methods is the cost. Postal voting over the current three-week voting period, coupled with early processing of voting documents, can result in significant cost saving compared to booth voting with its significant level of resources focused on polling day.
- 4.5 The preferred option is Option B. Postal voting was introduced, in part, on the basis that it would promote higher voter turnout at local elections and this has been the case for Wairoa. Postal voting is now well established for New Wairoa local government elections and is considered best practice. This voting method meets the purpose of local government as it will help meet the current and future needs of communities for local public services in a way that is most cost-effective for households and businesses. Voting documents will be posted out to all electors whose names appear on the final electoral roll. Delivery by New Zealand Post will commence Friday 16 September 2016, and all electors should have received their voting documents by Wednesday 21 September 2016 at the latest (regulation 51 LER).
- 4.6 Order of Candidate's Names on Voting Documents:**
- a. Arranged names on the voting documents in alphabetical order of surname.
  - b. Arranged names on the voting documents in pseudo-random order.
  - c. Arranged names on the voting documents in random order.
- 4.7 Option B – pseudo-random order (i.e. one randomised order for all voting documents) means the names will be placed in a hat (or similar receptacle), mixed together, and then drawn out, with the candidates' names being placed on the voting document in the order they are drawn. The process for selecting the order of candidates' names will be undertaken by the electoral officer, overseen by a (Justice of the Peace or a Police officer) and will take place at a specified time and location. Any person, including a candidate, is entitled to attend while the drawing of names

is in progress (clause 34(4) LER). There is a perceived benefit being that this order is pseudo-random and therefore more transparent for candidates. There could possibly be voter “turn-off” if they have to look for their preferred candidate among a list of 40 candidates for example who are not listed in alphabetical order; note candidates will appear in alphabetical order in the candidate profile book no matter what order the candidates are listed on the voting document

- 4.8 Option C – random order means an arrangement where the order of the names of the candidates is determined randomly or nearly randomly for each voting document by, for example, the process used to print each voting document. The printing of candidates’ names in random order is more expensive than either alphabetical or pseudorandom order. There could possibly be voter “turn-off” if they have to look for their preferred candidate among a list of 40 candidates for example who are not listed in alphabetical order; note candidates will appear in alphabetical order in the candidate profile book no matter what order the candidates are listed on the voting document
- 4.9 The preferred option is Option B alphabetical order of surname. The candidate booklet that is produced is always printed in alphabetical order, so there is perhaps some benefit in following suit so to avoid any unnecessary voter confusion.

## **5. Corporate Considerations Compliance with legislation and Council Policy**

- 5.1 The matters and options discussed above comply with legislation, regulations, policy and the SOLGM Code of Good Practice for the Management of Local Authority Elections and Polls 2016
- 5.2 Relevant legislation – Local Electoral Act 2001  
<http://www.legislation.govt.nz/act/public/2001/0035/latest/DLM93301.html>
- 5.3 Relevant regulations – Local Electoral Regulations 2001  
<http://www.legislation.govt.nz/regulation/public/2001/0145/latest/DLM49294.html>

### **What are the key benefits?**



- 5.4 Adoption of the recommendations will ensure a smooth election process is followed in line with best industry practice.

### **What is the cost?**

- 5.5 Cost for running the 2016 elections will be met from existing budgetary provisions in the order of \$20-\$30k.

### **Who has been consulted? (please refer to**

- 5.6 There has been no communication or consultation to date by Council and these matters do not require wider consultation.

<b>significance and engagement policy)</b>	5.7 Adoption of any of the options does not trigger a requirement to consult under the Significance & Engagement Policy.
<b>Maori Standing Committee</b>	5.8 This matter has not been referred to the committee.
<b>6. Significance</b>	<p>6.1 This has a low impact as there is no significant deviation from current practices or policy direction.</p> <p>6.2 The financial impact is already resourced in current plans.</p> <p>6.3 There is no alteration of service levels of any council significant activities.</p> <p>6.4 There is no impact on any council strategic assets.</p> <p>6.5 This decision does not change the way any significant activities are delivered.</p>
<b>7. Risk Management</b>	7.1 No strategic risks have been identified in the recommendations contained in this report as legislation provides statutory defaults in the absence of decisions.
<b>Further Information</b>	<a href="http://www.localcouncils.govt.nz/lqip.nsf/wpg_url/About-Local-Government-Participate-in-Local-Government-About-your-2016-local-elections">http://www.localcouncils.govt.nz/lqip.nsf/wpg_url/About-Local-Government-Participate-in-Local-Government-About-your-2016-local-elections</a>
<b>Confirmation of statutory compliance</b>	<p>In accordance with section 76 of the Local Government Act 2002, this report is approved as:</p> <p>a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,</p> <p>b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.</p>
<b>Signatories</b>	<p>Author: J Baty</p>  <p>Approved by: F Power</p> 



**Council**  
22 March 2016

## Delegations - Warrant To Act

<b>Department</b>	Corporate Services				
<b>Author &amp; contact officer</b>	James Baty - Corporate Services Manager				
<b>1. Purpose</b>	1.1 The purpose of this report is to present delegations and appointments relating to Council staff for Council consideration and adoption.				
<b>Recommendation</b>	<p><i>The Corporate Services Manager RECOMMENDS that:</i></p> <ol style="list-style-type: none"> <li>1. <i>The report be received.</i></li> <li>2. <i>The delegations and appointments as scheduled in the Schedule of Delegations be approved with immediate effect:</i></li> </ol> <table border="0"> <thead> <tr> <th style="text-align: left;"><b>NAME</b></th> <th style="text-align: left;"><b>DELEGATION/AUTHORITY</b></th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">Jared Olsen</td> <td> <p><i>This warrant is issued under sections 174 and 177 and clause 32 of schedule 7 of the Local Government Act 2002 ( and section 371B of the Building Act 2004) as evidence that Wairoa District Council has authorised Jared Olsen, an officer of the Council, as an enforcement officer with the following responsibilities and powers:</i></p> <p><b>A) Under the Building Act 2004:</b></p> <ul style="list-style-type: none"> <li>• <i>Section 90 – Inspections by Building Consent Authorities.</i></li> <li>• <i>Section 111 – Inspections by territorial authority.</i></li> <li>• <i>Section 124 – To deem a building to be dangerous, insanitary or earthquake-prone.</i></li> <li>• <i>Section 126 – to carry out work.</i></li> <li>• <i>Section 129 – To take measures to avert immediate danger or rectify insanitary conditions of the Act.</i></li> <li>• <i>Section 164 – Issue Notice to Fix.</i></li> <li>• <i>Section 167 – Inspection of building work under notice to fix.</i></li> <li>• <i>Section 220 – To carry out building work on default.</i></li> <li>• <i>Section 222 – Inspections by territorial authority.</i></li> <li>• <i>Section 371A – Authorised to issue</i></li> </ul> </td> </tr> </tbody> </table>	<b>NAME</b>	<b>DELEGATION/AUTHORITY</b>	Jared Olsen	<p><i>This warrant is issued under sections 174 and 177 and clause 32 of schedule 7 of the Local Government Act 2002 ( and section 371B of the Building Act 2004) as evidence that Wairoa District Council has authorised Jared Olsen, an officer of the Council, as an enforcement officer with the following responsibilities and powers:</i></p> <p><b>A) Under the Building Act 2004:</b></p> <ul style="list-style-type: none"> <li>• <i>Section 90 – Inspections by Building Consent Authorities.</i></li> <li>• <i>Section 111 – Inspections by territorial authority.</i></li> <li>• <i>Section 124 – To deem a building to be dangerous, insanitary or earthquake-prone.</i></li> <li>• <i>Section 126 – to carry out work.</i></li> <li>• <i>Section 129 – To take measures to avert immediate danger or rectify insanitary conditions of the Act.</i></li> <li>• <i>Section 164 – Issue Notice to Fix.</i></li> <li>• <i>Section 167 – Inspection of building work under notice to fix.</i></li> <li>• <i>Section 220 – To carry out building work on default.</i></li> <li>• <i>Section 222 – Inspections by territorial authority.</i></li> <li>• <i>Section 371A – Authorised to issue</i></li> </ul>
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*infringement notices.*

- *Section 372 – Issue of infringement notices.*

**B) Under the Local Government Act 2002:**

- *Section 164 – Seizure of property not on private land.*
- *Section 171 – general power of entry.*
- *Section 172 – Power of entry for enforcement purposes.*
- *Section 173 – Power of Entry I cases of emergency.*

**C) Under the Fencing of Swimming Pools act 1987:**

- *Section 11 – Power of entry for territorial authority officers.*

**D) Under the Resource Management Act 1991:**

- *Section 38 – Authority & Responsibility of Enforcement Officers*

**E) Under the Civil Defence Emergency Management Act 2002:**

- *Inspect buildings to prevent or limit the extent of the emergency.*
- *Issue signs (placards) to prevent or limit the state of emergency.*
- *Secure or otherwise make safe dangerous structures and materials.*
- *Evacuate premises or exclude people (hoardings and cordoning) if necessary for the preservation of human life.*
- *Restrict public access to roads and public places (cordoning) to prevent or limit the extent of the emergency.*

## 2. Background

- 2.1 The issuing of warrants must be done by Council and not delegated to a staff member or committee.
- 2.2 Warrants only expire if the staff member's appointment is terminated or the authority is revoked by Council except in the case of Rural Fire Officers which have a ten year life.
- 2.3 It is a criminal offence to hold oneself out as having a warrant when you don't or your warrant doesn't cover the matter at hand (Section 236 of the LGA 2002).
- 2.4 The Council may appoint enforcement officers for enforcement roles relating to offences against bylaws made under the Local Government Act 2002 (the Act) and infringement offences specified in regulations made under



the Act. Under Section 177(1) of the Act an enforcement officer is:

*A person appointed by a local authority to exercise the powers of an enforcement officer in relation to offences against, and infringement offences under, this Act, including enforcement of the bylaws of the local authority.*

### 3. Options

- 3.1 The options identified are:
- a. Do nothing.
  - b. Adopt postal voting as the voting method.
- 3.2 Option A – while an option this is not feasible it is ultra vires for a Council Officer to conduct certain functions without the appropriate warrant.
- 3.3 The preferred option is Option B. This option ensures that Council Officers are operating within the law and the appropriate delegated authority. This option meets the purpose of local government as it will help meet the current and future needs of communities for local public services in a way that is most cost-effective for households and businesses.

### 4. Corporate Considerations Compliance with legislation and Council Policy

- 4.1 The matters and options discussed above comply with legislation, relevant regulations and best practice.
- 4.2 Relevant legislation – Local Government Act 2002  
<http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM170873.html>

### What are the key benefits?

- 4.3 Adoption of the recommendations will ensure that Council Officers are properly delegated as enforcement officers with the appropriate responsibilities and powers conferred on them under legislation.

### What is the cost?

- 4.4 There are no significant costs associated specifically with this delegation process.

### Who has been consulted? (please refer to significance and engagement policy)

- 4.5 This matter does not require wider consultation.
- 4.6 Adoption of any of the options does not trigger a requirement to consult under the Significance & Engagement Policy.

### Maori Standing Committee

- 4.7 This matter has not been referred to the committee.

### 5. Significance

- 5.1 This has a low impact as there is no significant deviation from current practices or policy direction.
- 5.2 The financial impact is already resourced in current plans.

**6. Risk Management**

- 5.3 There is no alteration of service levels of any council significant activities.
- 5.4 There is no impact on any council strategic assets.
- 5.5 This decision does not change the way any significant activities are delivered.
- 6.1 No strategic risks have been identified in the recommendations contained in this report.

**Confirmation of statutory compliance**

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

**Signatories**

Author: J Baty



Approved by: F Power





## Council

22 March 2016

### Mahanga Update

<b>Department</b>	Engineering
<b>Author &amp; Contact Officer</b>	Engineering Manager - J Cox
<b>1. Purpose</b>	<p>To respond to questions from Council on:</p> <p>1.1 the Mahanga village water supply compliance with the Health (Drinking Water) Amendment Act 2007;</p> <p>1.2 the Judges Parade-Happy Jack Road stream crossing and associated wetland discussions; and</p> <p>1.3 To seek Council's direction on these 2 items</p>
<b>Recommendation</b>	<p>The Engineering Manager RECOMMENDS that Council receives this report and offers direction as it considers appropriate.</p>
<b>Executive summary</b>	<p>This report responds to directed questions from Council in anticipation of Council setting a direction or course of action to progress the matters affecting the Mahanga community.</p>
<b>2. Background</b>	<p>2.1 Council resolved that staff bring back further information on items related to Mahanga.</p> <p>2.2 Currently Council has set aside a budget in the LTP for a water supply upgrade and Judges Parade-Happy Jacks Stream crossing.</p> <p>2.3 Council previously resolved to conduct a referendum in relation to these two items.</p> <p>2.4 Progressing these items is relevant to Council's vision of connected communities, desirable lifestyles and treasured environments.</p> <p>2.5 The water supply upgrade proposal is a result of the Health Act 1956 and its 2007 and 2013 amendments</p> <p>2.6 The upgrade proposal for the Judges Parade-Happy Jacks Road stream crossing is a result of village stormwater and sewage issues as well as village concerns regarding water retention for the wetlands.</p>
<b>3. Council questions</b>	<p>3.1 What are the Stream crossing options for Happy Jacks Road?</p> <p>1. Do nothing and end the section of road on both sides of the stream- No cost</p> <p>2. Attempt to maintain 4 wheel drive access by maintaining an informal ford crossing using road metal- Cost \$1000 per</p>

annum

3. Install a Concrete ford designed to allow fish passage- estimated cost \$40,000

4. Install a Culvert structure – estimated cost \$30,000

5. Install a Low level bridging structure- estimated cost \$75,000

### 3.2 Provide information on what the stream crossing will mitigate

Installing an engineered structure in the bed of the stream will allow all weather access as well as set the level of the outlet which can then be maintained accordingly. This will effectively determine how much water is retained in the wetland and will also allow the outlet to be maintained so water can flow unimpeded thus reducing stormwater concerns in the upstream village

### 3.3 Provide information on the requirements/legalities around water tanks for residents in this area and requiring their installation retrospectively

See legal advice note Lawson and Robinson (appendix 1)- The construction of some residences without rain water storage facilities could be argued as a potential liability claim against Council should the water supply be discontinued. The limit of this liability could be up to \$5000 per property

### 3.4 Determination from the Ministry of Health regarding Council's obligations and if there is the ability to keep the supply as a non-potable supplementary supply

The Health act 1956 and amendments is the relevant legislation governing general powers and duties of local authorities in respect of public health

Legal advice (appendix 1) indicates that Council

- a. is a drinking water supplier as defined in the act
- b. must ensure the supply is protected from contamination.
- c. is required to take all practicable steps to ensure that the supply complies with the drinking water standards

### 3.5 The legality of the roading corridor for Happy Jacks Road

The stream crossing linking Judges parade and Happy jacks road lies in the legal road corridor - Maori Land Plan 204 appendix 2

### 3.6 Information on the intended and actual number of connections to the water supply

61 properties are connected to the existing supply and it is expected that a further 30 properties in new subdivisions would connect over the next 10 years

### 3.7 Residents' rights to connect to the water supply

The WDC water supply bylaw 2011 indicates that Water shall be supplied to every premises that is entitled to an ordinary or extraordinary supply of water, subject to: (i) The premises lying within a water supply area if such an area has been constituted by the Council; and (ii) The exclusion of its use under any restrictions made and publicly notified by the Council under section 3.5.3; and (iii) Payment of the appropriate charges in respect of that property; and (iv) The conditions of supply, and (v) Any other charges or costs associated with subdivision or development

### 3.8 The process for a road stoppage/closure

The Local Government Act 1974 is used where the proposal to stop a road has a wider public interest (or the potential for such) and therefore requires public notification. This involves Council erecting signs on the unformed legal road, sending letters to surrounding property owners, and at least two public notices, a week apart, in local newspapers. Details of the road stopping are made available to the general public for inspection together with the reasons why the road is to be stopped. Members of the public have 40 days to object.

If no objections are received within the time limit the Council may declare the road stopped by Public Notice. Once this has been done the road ceases to be a road.

In the event that objections are received the process can become lengthy and would proceed as follows:

- Council must decide whether the objections are justified by holding a hearing in front of a Council Committee at which persons who have objected are entitled to be in attendance and their concerns heard.
- Following this the Committee will decide whether or not to uphold the objections. If the objections are upheld, then the road stopping cannot proceed and the process stops.
- Council may decide to reject the objections and continue with the road stopping. In this event if the objections are not withdrawn or otherwise resolved the Council must send the objections and full documentation regarding the proposed Road Stopping, to the Environment Court.
- The Environment Court may hold a court hearing, or may be able to arrange mediation to resolve any objections

## 5. Further Information

before a hearing.

- If the Environment Court approves the stopping Council will continue with the process to stop the road.
- If the Environment Court rejects the Road Stopping, the process ends - the Environment Court decision is final.

### Drinking water supply

This report is answering Council questions rather than identifying all the detailed options available; however, in order to inform Council so they can advise staff on direction, it may be useful to consider the following course of action alternatives.

- a. Further research
- b. Appointment of a Mahanga advisory group
- c. Progressing a referendum on the matter
- d. Progressing the discontinuation of water supply process
- e. Progressing the drinking water upgrade to a defined point including financial modelling options

No action is not a practicable option based on the legal advice relating to the Health Act (Appendix 1).

### Judges Parade/Happy jacks stream crossing

The 6 ha area known as the Mahanga wetlands is owned by three parties and a large area of it has a registered conservation covenant over it. The stream originating in the wetlands crosses the road reserve and currently the road reserve has road ends signs installed at each end and is essentially not used as an access track. Council is currently not maintaining the outlet of the stream due to Community concerns around the upstream wetlands and the uncertainty of the appropriate level to maintain the outlet to.

Flooding and sewerage concerns are apparent in the properties adjacent to the stream and there is some ardent property owner complaints.

Discussions with DOC, HBRC, WDC and wetland property representatives have indicated a willingness to work together to discuss options associated with enhancement of the wetlands whilst mitigating the adverse stormwater effects. These discussions are continuing and HBRC have commissioned a report on restorations options of the Wetlands (Appendix 3).

The Mahanga marae has hosted hui where the outlet has been discussed and they wish to be fully consulted throughout the discussions.

The Council may consider offering a direction on progressing

	<p>this matter and be guided but not limited by the following course of action alternatives:</p> <ol style="list-style-type: none"> <li>a. allow the current discussion processes to unfold;</li> <li>b. Progress to referendum on the stream crossing;</li> <li>c. Write to HBRC requesting that the outlet level point be determined</li> <li>d. Apply for a resource consent to construct a crossing of the stream; or</li> <li>e. Recommence clearing of the outlet of the stream</li> </ol>
<p><b>6. Corporate Considerations</b>  <b>What is the change?</b>  <b>Compliance with legislation and Council Policy</b></p>	<p>6.1 Annual Plan – NA          6.2 Long Term Plan 2015-2025 – Council has set aside money for this work and the direction of the Council will set the platform for expenditure          6.3 District Plan – Nil          6.4 Economic Development Strategy – Nil          6.5 Other Council Policies – Nil          6.6 Relevant legislation – Health Act</p>
<p><b>What are the key benefits?</b></p>	<p>6.7 Progressing these two items will be helpful for the Mahanga community to advance forward.</p>
<p><b>What is the cost?</b></p>	<p>6.8 Costs included in LTP</p>
<p><b>What is the saving?</b></p>	<p>6.9 NA</p>
<p><b>Who has been consulted?</b></p>	<p>6.10 Council has undertaken numerous hui with the Mahanga community on these issues since 2007 and community views have been widely canvassed. Essentially the community is challenged as to proceeding further on these two issues.          6.11 It is anticipated that the community and tangata whenua need to be involved with the final solution.</p>
<p><b>Service delivery review</b>  <b>Maori Standing Committee</b>  <b>8. Significance</b></p>	<p>6.12 NA          6.13 This matter has not been referred to the Maori Standing Committee.          6.14 Financial, property and ecological impacts are possible consequences of any course of action.          6.15 The Mahanga community is very active in the discussions.          6.16 Impact on the Council's budget are not significant.          6.17 Any decision, policy or proposal would be difficult to reverse.          6.18 An improvement in the service levels for water supply and transport may be an outcome.          6.19 No impact on any of the Council's strategic assets.</p>

**7. Risk Management**

- 6.20 Does this decision involve changing the way in which a significant activity is delivered?- NA
- 6.21 Tangata whenua will be consulted and a key partner in the decision making process.
- 7.1 The strategic risks identified in the discussion are as follows:
- a. Public perception of the Council;
  - b. Initially high public health risk due to Council's knowledge of the contaminated supply – however, this is mitigated by notification of the hazard;
  - c. High legal risk due to non-compliance with legislation regarding drinking water supply;
  - d. Ecological risk to the wetlands depending on the course of action that the Council follows.

**Further Information Appendices**

- None.
1. Lawson and Robinson legal opinion
  2. Maori Land Plan
  3. Ecological values and restoration options Mahanga wetlands.

**Background Papers  
References (to or from other Committees)  
Confirmation of statutory compliance**

- None.
- 20 June 2013 Council report  
23 June 2015 LTP  
27 October 2015 Council report
- In accordance with section 76 of the Local Government Act 2002, this report is approved as:
- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
  - b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

**Signatories**

Author: J Cox



Approved by: F Power





30 November 2015

Wairoa District Council  
PO Box 54  
Wairoa

**Attention:** Mr Power/Mayor Little



**E-MAILED**

Dear Sirs

### **MAHANGA WATER SUPPLY**

1. We refer to your instructions to review the status of the Mahanga Beach water supply and, as a result of that consideration, the application of the Health (Drinking Water) Amendment Act 2007.
2. We have been provided with a substantial amount of information and historical documents by Jamie Cox and we have reviewed these. The writer also has some background knowledge relating to the Mahanga water supply and some of the problems that have become apparent in recent times.
3. For the reasons that we outline below we consider:
  - (a) That the Mahanga water supply falls within the provisions of the health Act, that the supply is the supply of drinking water and is therefore required to comply with the provisions of the Health Act relating to drinking water standards.
  - (b) Even if the claims that the water was not intended to be "potable" could be sustained, the supply would still fall within one of the other alternative definitions of "drinking water".
  - (c) As a result we believe Council is required to comply with the relevant provisions of the Health Act as amended by the Health (Drinking Water) Amendment Act 2007.

## BACKGROUND

4. By way of background, Mahanga Beach is a small settlement at the northern end of Pukenui Beach on the northern extremity of the isthmus of Mahia Peninsula.
5. The Mahanga Beach community has a population of approximately 50 although this increases over summer holiday periods to around 100 residents.
6. When the Mahia Beach settlement was developed in the late 1960s and 1970s, a water supply was installed by the developer, the Schick Family, apparently due to the need to provide a fire fighting and supplementary water supply to the houses at Mahanga. We anticipate that the reference to a supplementary supply flows from the expectation that most houses at Mahanga Beach would have likely had a rain water tank collecting water from the roof.
7. The water supply comprises of 2 bores but there does not appear to be much information about the depth and hydrology of those bores.
8. The scheme involves a combination of reticulation and storage via holding tanks as well as the pumped supply from the two bores. The houses in the settlement are fed by gravity flows from the reservoir tank.
9. The water supply system is permitted to take water from underground via a resource consent (water permit). From the information that we have been provided the water permit (WP951106T) was originally granted to Jan Louise Schick. This was renewed as a resource consent granted to Louise Schick pursuant to Section 21(3) of the Water and Soil Conservation Act 1967. The water right granted had an expiry date of 31 May 1995 and was expressly stated as being *"for the purpose of providing a public water supply"*.
10. It is apparent that sometime around in 1996, ownership of and responsibility for the Mahanga Water Supply Scheme transferred to Council. On file there is a letter dated 17 February 1995 from the District Council to the Hawke's Bay Regional Council referring to the renewal of consent to take water for the supply at Mahanga and to the fact that the consent was still in the name of Mrs Schick.
11. The Scheme was taken over by Council in 1996 and the water permits in question were transferred to the Wairoa District Council by the Hawke's Bay Regional Council at that time.

12. The consent granted in 1996 expired on 31 May 2008. It was renewed on 30 October 2008 as Resource consent WP070611T with the holder of the consent being Wairoa District Council. The consent is to take ground water *“to provide a water supply to a residential subdivision and public toilet”*.
13. It has been suggested that the Mahanga Water supply is not and was not intended to be a Potable water supply and hence the need to consider the applicability of the Health(Drinking Water) Amendment Act 2007.

### **The Health (Drinking Water) Amendment Act 2007**

14. The Health (Drinking Water) Amendment Act 2007 came into force on 17 October 2007. The purpose of the amendment to the Health Act 1956 was to:

*“...protect the health and safety of people and communities by promoting adequate supplies of safe and wholesome drinking water from all drinking water supplies.”<sup>1</sup>*

15. The issue then becomes whether or not the supply of water at Mahanga falls within the definition of “drinking water”. This term is defined in the Act as:

*“drinking water—*

*(a) means—*

*(i) water that is potable; or*

*(ii) in the case of water available for supply, water that is—*

*(A) held out by its supplier as being suitable for drinking and other forms of domestic and food preparation use, whether in New Zealand or overseas; or*

*(B) supplied to people known by its supplier to have no reasonably available and affordable source of water suitable for drinking and other forms of domestic and food preparation use other than the supplier and to be likely to use some of it for drinking and other forms of domestic and food preparation use; but*

*(b) while standards applying to bottled water are in force under the Food Act 1981, does not include—*

*(i) any bottled water that is covered by those standards; or*

*(ii) any bottled water that is exported; and*

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<sup>1</sup> Section 69A of the Health Act 1956

*(c) to avoid doubt, does not include any water used by animals or for irrigation purposes that does not enter a dwellinghouse or other building in which water is drunk by people or in which other domestic and food preparation use occurs”*

16. As you will see, the definition of drinking water includes but is not limited to water that is “potable” and includes water that is held out by its supplier as being suitable for drinking and other forms of domestic and food preparation use or supplied to people known by its supplier to have no reasonably available and affordable alternative source of drinking water.
17. We consider that, irrespective of whether the water is “potable” or intended to be potable, the Mahanga Water supply will fall within either of the two alternative definitions of drinking water. The water is held out by Council as being suitable for “*drinking and other forms of domestic and food preparation use*” and/or “*is supplied to people that is known by Council to have no other source of water*”. In this regard we refer to the fact that building consents have been granted by Council with connection to the water supply being the source of water rather than any onsite storage and collection of rain water from the roof.
18. We also consider that the resource consents, referring as they do to the reason for the water take as being for “*a public water supply*” and “*to provide a water supply to a residential subdivision and public toilet*”, reinforces that this is a water supply that was intended for use by the public and for the purposes of the residential development at Mahanga.
19. This would reinforce the contention that the water has held out by Council as being suitable for drinking and/or other forms of domestic and food preparation use. We do not believe that the argument that the water was intended to be non-potable or other than a supply of drinking water is sustainable.
20. As a result of falling within the definition of “drinking water”, Council is a “*drinking water supplier*” as defined in the Act and the supply is a “*drinking water supply*”.
21. From the application of the Health Act (as amended), Council is required to be included in the Register of Drinking Water Suppliers<sup>2</sup> and is required to ensure that there is an “adequate supply” of drinking water to each point of supply<sup>3</sup>. The term

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<sup>2</sup> Section 69J

<sup>3</sup> Section 69S

adequate supply is defined in section 69G with the definition relating to the quantity of water supplied.

22. With regard to quality, the status as a drinking water supplier brings in to play the requirements of section 69U including the requirement that Council is a drinking water supplier being required to take reasonable steps to contribute to the protection from contamination of each source of water from which drinking water is taken and the protection of that draw water from contamination. Section 69U (2) also requires Council to take reasonable steps to protect the drinking water supply system from contamination.
23. In addition, Council is required by section 69V to take all practicable steps to ensure that the drinking water that it supplies complies with the Drinking Water Standards issued by the Ministry of Health. One means of ensuring that practicable steps are taken is to ensure that Council complies with an approved water safety plan relating to the drinking water standards.
24. The requirement to comply with the Drinking Water Standards applies to all drinking water suppliers that supplies made by Council as the supplier but is subject to an exemption or variation granted under section 69ZZD(2)(k). That section provides:

**69ZZD Special powers of designated officers during drinking-water emergency**

- (1) *If a drinking-water emergency in relation to drinking water has been declared, a designated officer may exercise all or any of the emergency powers given by subsection (2) for the purpose of preventing, reducing, or eliminating the risk of harm to people arising from the drinking water supplied to them.*
- (2) *The emergency powers are to—*
- (a) take immediate action, or require any person to take immediate action, to prevent, reduce, or eliminate any risk to public health arising from a drinking-water supply;*
  - (b) require any drinking-water supplier to stop supplying, or, as the case requires, transporting drinking water that is not potable;*
  - (c) require all persons within a specified area to use an alternative drinking-water supply;*
  - (d) require emergency work to be done to provide an alternative supply of drinking water, and, subject to subsection (4), to recover the reasonable costs of that work from—*
    - (i) any 1 or more drinking-water suppliers specified in the drinking-water emergency declaration; or*
    - (ii) any 1 or more drinking-water suppliers within the geographical area specified in the drinking-water emergency declaration;*
  - (e) forbid the discharge of any substance or organism that might contaminate or*

*pollute a source of drinking water or a drinking-water supply system:*

*(f) require any place, building, vehicle, vessel, rail wagon, or thing to be isolated, quarantined, or disinfected, or any thing to be relocated or secured:*

*(g) close any public place, or any part of a public place, that does not have an adequate supply of safe drinking water:*

*(h) cancel any public event, function, or gathering at any place that does not have an adequate supply of drinking water:*

*(i) require any person to leave any place, or not to enter any place, in the vicinity of the emergency:*

*(j) require any person to stop any activity that, in the designated officer's opinion, may be contributing to the drinking-water emergency:*

***(k) grant to any drinking-water supplier or other person a conditional or unconditional exemption from the duty to comply with all or any of the provisions of this Part or the drinking-water standards during the period of the drinking-water emergency:***

*(l) take any other action reasonably necessary to control, reduce, or avoid the risk of harm to people arising from the drinking water supplied to them.*

25. As you will see, the exemptions referred to in section 69ZZD(2)(k) relates to the exercise by designated officers of emergency powers in the case of a drinking water emergency, not to the day to day operation of the scheme.
26. There are other requirements that also flow from the status of water supply system such as the requirement to monitor and to maintain records and we are happy to discuss these as required. There may also be options available in the extent to which the standards are to be met. For current purposes, it appears clear that Council is a drinking water supplier in respect of the Mahanga Beach water supply and is bound to comply with the Health (Drinking Water) Amendment Act 2007 as it amended the Health Act 1956.

### **All Practicable Steps**

27. The requirement imposed by the Health Act as amended is to take "all practicable steps". What are all practicable steps is defined in section 69H of the Health Act 1956 as:

**69H All practicable steps**

- (1)** *In this Part, all practicable steps, in relation to the achievement of any particular result by a person, means all steps to achieve that result that it is reasonably practicable to take in the circumstances,—*

*(a) having particular regard to—*

*(i) their availability; and*

*(ii) subject to subsection (3), their affordability, in light of the person's financial position; and*

*(b) having regard to—*

*(i) the nature and severity of the harm that may be suffered if the result is not achieved; and*

*(ii) the current state of knowledge about the likelihood that harm of that nature and severity will be suffered if the result is not achieved; and*

*(iii) the current state of knowledge about harm of that nature; and*

*(iv) the current state of knowledge about the means available to achieve the result, and about the likely efficacy of each.*

**(2)** *To avoid doubt, a person required by this Part to take all practicable steps is required to take those steps only in respect of circumstances that the person knows or ought reasonably to know about.*

**(3)** *A person who wishes to rely on subsection (1)(a)(ii) as a reason for not taking any step or steps to achieve a result—*

*(a) must keep a full and complete record of that person's financial position and those of any associated person (as defined in [section YA 1 of the Income Tax Act 2007]); and*

*(b) if a drinking-water assessor or designated officer asks why the person has failed to take that step or steps, must, as soon as practicable and in any event not more than 28 days later,—*

*(i) tell the assessor or officer that the step or steps are not affordable in light of the person's financial position; and*

*(ii) give a copy of the records referred to in paragraph (a) to the officer or assessor.*

28. As you will see, the provisions of section 69H allow consideration to be given to the availability of other steps as well as the affordability and the financial position of Council. We are not sure of whether that would assist Council in this regard although it may be possible to argue that the cost of taking practicable steps are prohibitive to the extent that they cannot be properly paid for or met by the rate payers who would be expected to pay for that service. Again, this is likely to be a significant hurdle for Council but it may be something that is worth discussing with the Ministry of Health.

### **Alternatives to the Water Supply**

29. The other option is that Council could seek to decommission the water supply. We do not believe that it is an option for the water supply to be transferred in to private ownership as this would effectively not address the issue and any new owner or operator of the water supply is likely to be caught by exactly the same provisions that apply to Council as it would effectively become a drinking water supplier in its own right.

30. The possibility exists of decommissioning the water supply and requiring property owners to find an alternative source of water either from underground water or from roof water. We understand that a number of building consents have been granted on the basis that the water is to be supplied by the scheme and as a result those buildings do not provide for the collection and storage of rain water onsite.
31. We would imagine that there may be some opposition to the decommissioning of the scheme altogether and the public input that has been obtained over the last few years would tend to support that view. We would also expect that there would be claims for compensation or some other potential liability created for Council to pay for the provision of an alternative source of water for these houses such as a rain water tank and amendments to their guttering to allow the collection of rain water. Again, this is likely to be a disincentive to Council.

### Conclusion

32. We consider that the Mahanga water supply falls within the provisions of the health Act and that the supply is the supply of drinking water (as defined) and is therefore required to comply with the provisions of the Health Act relating to drinking water standards.
33. Even if the claims that the water was not intended to be potable could be sustained (and from the documentation we have perused we do not think it can be sustained), the supply would still fall within one of the other alternative definitions of "drinking water".
34. As a result we believe Council is required to comply with the relevant provisions of the Health Act as amended by the Health (Drinking Water) Amendment Act 2007.

Please do not hesitate to contact us if there is anything that requires clarification.

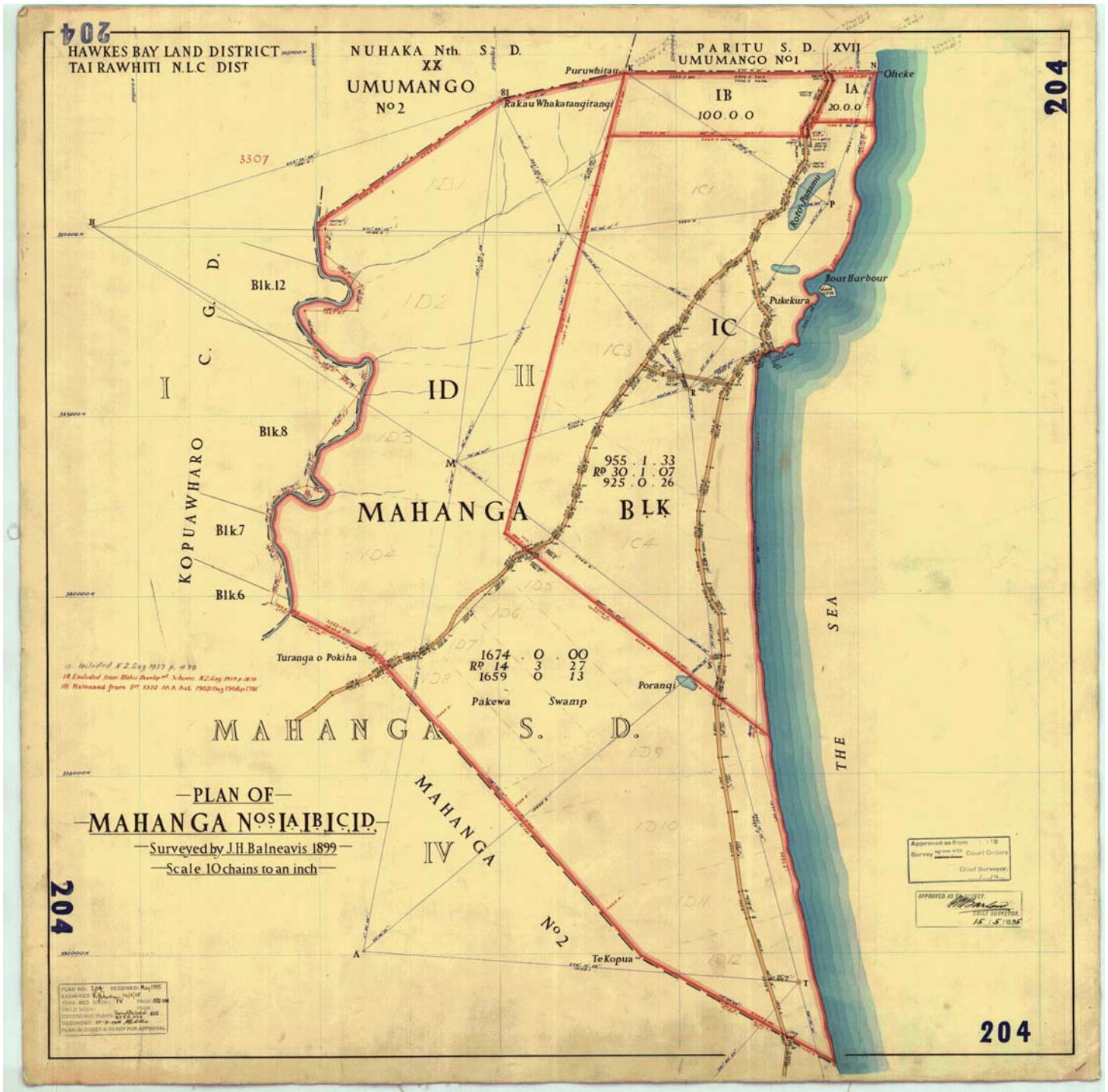
Yours faithfully

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# Mahanga Wetland – Ecological Values and Restoration Options

## 1. Background

The 6 ha raupo reedland wetland adjacent to the Mahanga Beach settlement is ecologically significant. Some of the ecological values are threatened by changes to the hydrology, invasive weeds, reclamation by landfill, predators and wild fire. Establishment of the Mahanga beach settlement around the wetland has created some pressures which are impacting on the ecological values and how the wetland can be managed. Alternatively some residents consider the wetland limits their enjoyment to stay in the settlement.

The report outlines the history of the wetland, ecological values, threats and steps taken to protect the wetland. It also discusses opportunities to restore/enhance the wetland and how this might sit alongside broad community interests.

## 2. Methods

Existing information, including cadastral and topographical data, aerial photographs, flora and fauna observations was collated from a variety of sources. Sources included files and reports held by the Department of Conservation, Fish and Game NZ and Hawkes Bay Regional Council. Some landowners also provided documents and photographs.

Field observations of existing vegetation and habitats were made during the site visit in December 2014. The hydrology and landforms were visually assessed as a precursor to preparing enhancement options and identifying the potential effects of these, both positive and negative. Comprehensive surveys of flora and fauna were not undertaken.

## 3. Location and Tenure

The Mahanga wetland is reedland dominated by raupo and is located on private land adjacent to the Mahanga Beach settlement. The Steel family own the largest part of it followed by the Krzanich and Pearse families. The Hine Rauiri Stream, which connects the wetland with the sea, passes through the Steel, Krzanich, Williams and Mexted properties. The greater part of the wetland has a registered Conservation Covenant over it (Refer Section 4 and Appendix 1). The Covenant sets out obligations for the respective landowners and the Department of Conservation for the protection and management of the wetland.

## 4. Site History

Mahanga wetland and the land around it have been settled and used for many hundreds of years as evidenced by the numerous archaeological features recorded in the area. The stream flowing out of the wetland is named Hine Rauiri and a spring on this stream called Tamatea spring. The wetland and associated streams and springs would have been an important source of cultural materials and food as well as being of spiritual significance.

Prior to the establishment of the Mahanga beach settlement the wetland was reportedly connected to the extensive complex of swamps and small lakes extending south behind

Pukenui Beach towards the Kopuawhara River and Mangawhio Lagoon. To the north-east it was connected to the raupo wetlands which still exist today on the north side of Happy Jacks Road. The construction of Mahanga Road and the installation of the main road culvert at the north-west corner of the wetland cut off an area of raupo/manuka swamp, the remnants of which can be seen today. It is reported that small canoes were paddled and dragged via wetlands from Mahanga to the Kopuawhara River by Maori highlighting the historical connectedness of wetlands in the area.

This raupo reedland is bisected by a manmade drain extending from Mahanga Road down towards the coast where it links to what was essentially a natural stream channel about 150 metres upstream of the current Happy Jacks Road ford. The channel of this stream named Hine Rauiri Stream has the appearance of a drain but appears to have always been present providing water to and from the Tamatea spring situated 20 metres upstream of the ford. There are also three lateral drains off the main one plus another drain which runs along behind the main residential area. Aerial photographs from 1930 and 1942 both show the existence of the main drain but not the lateral drains which apparently were constructed in the 1990's. About this time a small pond was excavated in the middle of the wetland. The material removed from the bed of the wetland to make some of the lateral drains was placed in a manner to create a vehicle track from the avocado orchard on the western side to where the Krzanich property is today so the landowner at that time could drive across the wetland to his land on the other side. The tracks are not negotiable by vehicle now but they do provide a dry site for invasive plants like pampas and blackberry.

The combined effect of these drains plus the clearing out of the Hine Rauiri Stream down to and beyond the Happy Jacks Road ford will have impacted on the hydrology of the wetland by lowering water levels. This means it will dry out more frequently than would have naturally occurred.

From the limited ground level data sighted the overall wetland appears to be relatively flat with a modest fall from west – east and south – north. A detailed assessment of levels across the entire wetland is warranted to ensure a better understanding is obtained of how the wetland functions hydrologically and what restoration options exist.

Prior to 2002 the wetland was grazed but this ceased after subdivision and establishment of the Conservation Covenant.

The ecological significance of this wetland was recognised in November 2002 when Jan Louise Schick, the then landowner, was carrying out a subdivision of life style blocks and mutually agreed with the Department of Conservation that the greater part of the wetland should have a Conservation Covenant under section 77, Reserves Act 1977 placed over it. The covenant sets out how the land should be managed and protected and how work to achieve this might be funded. The obligations of the landowners and Department of Conservation are recorded in the document. Refer Appendix 1 (Conservation Covenant 5423939.7 and Deposited Plan 312555). The Covenant binds the original landowner (Schick) and the landowner's successors in perpetuity.

During the sale of the lifestyle blocks the major part of the covenanted wetland was sold to the Steel's and a smaller part included in the block purchased by the Krzanich family and another small piece more recently acquired by the Pearse family.

A poled electricity line crosses the wetland.

## **5. Ecological Context**

The Mahanga wetland lies within the Mahia Ecological District but very close to the northern boundary with the Tiroto Ecological District. The Mahia Ecological District encompasses the Mahia Peninsula, the narrow isthmus which connects it to the mainland and Portland Island. The interior of the isthmus, between the dune ridges in the north east and south west coast, has been infilled by alluvium from the Kopuawhara Stream, but leaving the tidal estuary of Mangawhio Lagoon and numerous freshwater wetlands among the dunes extending back towards Mahanga.

In 2001 the Department of Conservation engaged Landcare Research to complete a survey of potential protected natural areas in the Mahia Ecological District. Their report (Whaley et al 2001) identified four wetlands comprising 22 ha (RAP MAH 1- Recommended Area for Protection) close to Mahanga settlement. They were deemed worthy of protection because of their wildlife habitat values for Australasian bittern and the wetland vegetation communities they supported. This RAP includes this wetland. Refer Appendix 2. They reported that all sites were being adversely grazed by stock and goats in addition to drainage that had modified this wetland. They stated that "Although each wetland is small individually, their collective value is enhanced by their closeness as a near continuous chain". They also pointed out that freshwater wetlands and lakes made up 57 ha of the Mahia Ecological District (2.3% of all areas surveyed) and 0.3% of the Ecological District. The Mahanga wetland comprising 6 ha is therefore important.

Freshwater wetlands across the region are threatened and recent analysis shows only 2% remain today.

## **6. Resource Descriptions**

### **6.1 Landform**

Mahanga wetland is formed in the hollows between the dune systems paralleling Pukenui Beach and the small alluvial/foot slopes of the main hill slopes behind and south of Mahanga Beach. North of Happy Jacks Road the two small wetlands there formed in hollows in the hummocky debris of a large ancient landslide off the same hill-slopes. Lake Rotopounamu to the north is a larger deeper hollow formed in the same was (Whaley et al 2001).

## 6.2 Hydrology

The main catchment to the wetland lies to the west and comprises c100 ha of mainly steep native forest and pasture rising to about 200m asl. The wetland receives mainly surface water flowing through a culvert under Mahanga Road some of which is from springs from the hill to the west. This is supplemented from the small Tamatea spring and possibly other small springs in the wetland. At low tide during winter, spring and early summer water can be seen flowing from the Hine Rauiri Stream into the sea. On 16 December 2014 I estimated the flow to be 10litres/sec. During spring tides and storm surges sea water pushes up across Happy Jacks Road and into the Hine Rauiri Stream without reaching the wetland proper. The area is subject to cyclonic events and significant quantities of water can flow into the wetland.

## 6.3 Freshwater Wetland Functioning

Wetlands need water to function because this is what the plants, invertebrates, birds and fish within the wetland have adapted to use. The water depth, seasonality and nutrient status will influence the type of plants present which in turn influence the animals which the habitat supports. In addition to this the composition of the plant community and ratio of open water to emergent vegetation will influence the type and abundance of birds.

## 6.4 Vegetation

The main Mahanga wetland can be classified as palustrine (Johnson and Brooke 1989) and is a swamp dominated by raupo reedland with small areas of manuka scrub on the northern and western fringe and scattered flax. There are also some small areas of Carex sedgeland and Juncus rush scattered throughout.

The wetland is bisected by a number of straight man made drains. The material excavated to create the drains has created a slighter higher and therefore drier site alongside the drains which has provided a site suitable for invasive weeds like pampas, blackberry and other exotic plants. These same plants together with Japanese honeysuckle, willows and silver poplar are also becoming an increasing problem around the edge of the wetland and sometimes extending into the wetland. If the wetland is allowed to dry out it will provide improved conditions for this suite of invasive plants.

In places around the edge native plantings (ngaio, karamu, cabbage tree, mahoe, karo, taupata, kawakawa and kowhai) have been carried out by residents. These are thriving and create a seed source which is allowing self seeding and dispersal by birds to occur. There are also some non natives like tree lucerne which are providing a food source for some native birds.

## 6.5 Birds

The wetland provides good habitat for a number specialised bird species which are cryptic and difficult to locate and see, some of which have been classified as threatened or at risk. These include bittern, spotless crane and fern bird. The first two use the wetter parts of the wetland and fern bird parts of the drier margin.

The threatened bittern has been regularly observed in or flying over parts of the wetland. During spring 2014 a male bird was recorded by a local resident on a number of occasions calling (booming) from the wetland and during my December 2014 visit a photograph was taken of a bird capturing a small eel. Bittern require large areas of shallow water (<0.4m) and a good food supply (small eels, inanga, frogs and large invertebrates). There are only about 100 bittern remaining in Hawkes Bay which means comparatively they are rarer than brown kiwi and blue duck.

Spotless crane have been recorded occasionally while a small population of fern bird are often heard or seen close to that part of the wetland with scattered manuka towards the north-east corner.

Other more common and readily seen birds which use the area include white faced heron, kingfisher, pukeko, grey teal, grey duck, shoveler and mallard duck.

Insufficient water in the wetland will impact adversely on the value for wetland birds.

#### **6.6 Fish**

In April 2011 a fish survey (netting, spotlighting) carried out by Fish & Game and DOC staff located a number of inanga distributed through the wetland and Hine Rauiri Stream. A small number of short finned eel were also caught. (Unpublished data Cheyne2011)

A number of ripe inanga about to spawn in the bankside vegetation were caught in minnow nets set on the water surface on the edge of the Hine Rauiri Stream close to the Tamatea Spring. The date and time of capture coincided with the spring tides for that month which is the time inanga spawn. During a spotlight survey for inanga the previous evening a school of adult inanga were recorded deep in the same pool. This is significant as it will most likely be the only site within the catchment that inanga spawn. Their hatched larvae get washed out to sea and return about six months later as what we know as whitebait. These fish spend the next few months in the stream and wetland feeding on small invertebrates before maturing then spawning.

Spawning inanga require dense live grasses together with other plants on the stream banks near the upstream point where the autumn spring tides reach. For a small stream like this they may only spawn over a 10 metre stretch. During my recent visit the stream bank vegetation present at the spawning site in 2011 was largely absent and showed signs of having been sprayed. Replanting and maintenance of appropriate grasses is warranted.

Similarly the mature short finned eels migrate to sea to spawn and the elvers later return to wetlands like this to grow and mature. There was a recent record of children visiting the settlement catching a large eel near Happy Jacks Road which was likely to be a long finned eel.

Protection of the wetland habitat, spawning sites and migration routes is important for these fish species which also provide an important food source for birds like bittern.

### **6.7 Invertebrates**

Recent macro-invertebrate and water quality surveys of the stream have been carried out by Murray Palmer, Gisborne to provide information for the Environment Court hearing considering the subdivision proposal. He recorded a wide range of species which varied seasonally and included water fleas, damselflies, water beetles, Potamopyrgus snails, dragon flies, leeches, isopods, mosquito larvae, seed shrimp, midge larvae, caddis flies and true flies.

## **7. Ecological/Biodiversity Values**

In its current state the Mahanga wetland and Hine Rauiri Stream has moderate to high ecological values.

The major vegetation communities are native and in reasonable condition because of the lack of stock grazing over recent years. The diversity of native plants is greater than adjacent wetlands included in the three other sites in RAP MAH 1. No known threatened plants have been recorded. Invasive weeds like pampas, Japanese honeysuckle, willows and poplars are a threat if left uncontrolled.

The wetland supports a limited number of bird species with the threatened (nationally endangered) bittern, fern bird and spotless crane being significant. The presence of a booming male bittern in spring 2014 indicates potential breeding which is regionally very significant. A 2012 region wide survey of booming males only located 51 birds. More bittern would probably use the wetland if there was more open water areas <0.4 m deep.

Inanga, short and long fin eel have been recorded in the stream and wetland. In 2011 ripe adult inanga that were ready to spawn were caught close to the Tamatea spring in the Hine Rauiri Stream. While a small site it is still significant because it will be the only place in the catchment where they spawn. There have also been fewer than 15 inanga spawning sites located in the region in spite of extensive efforts by DOC and HBRC staff.

The wetland therefore has significant botanical, bird and fisheries values that justify protecting and enhancing. This should involve raising water levels by installation of a simple weir, maintenance of fish passage to and from the sea, enhancement of bankside vegetation for inanga spawning, invasive plant control and mammalian predator (mustelids, feral cats) control.

## **8. Threats**

The main threats to the ecological values, both historically and in the future, are varied. They include the following:

1. Lowered water levels by drains passing through the wetland

2. Lowering the Happy Jacks Road ford and reducing the height of the natural rock sill where the Hine Rauiri Stream enters and crosses the beach
3. Loss of connectivity with other wetlands in the area
4. Dumping of soil and other material on the wetland margin
5. Channelling the Hine Rauiri Stream, changing the stream bank profile and removing bankside vegetation (inanga spawning habitat)
6. Channelling and draining wetlands and springs in the upper catchment on the topside of Mahanga Road
7. Invasive weeds (mainly pampas, willows, poplars, Japanese honeysuckle, convolvulus)
8. Wild fires
9. Mammalian predators
10. Human disturbance

### 9. Restoration To Date

The Schick family pre 2000 planted a number of native trees and plants on the western side of the wetland and this was followed by the Steel's who planted a range of trees and plants on the eastern fringe. The Krzanick's also carried out some planting on their part of the wetland along with excavating two areas of dry raupo swamp to create shallow ponds which the bittern are now using regularly.

Steel also managed to obtain funding from the Biodiversity Condition Fund in 2010 to engage EcoWorks, a Gisborne based contractor, to spray the large number of pampas that had become established throughout the wetland particularly on the drier mounds formed by draining cleanings and the old vehicle tracks. A significant number of the pampas were killed but reinvasion by wind born seed is still occurring and follow up action is required.

Some mammalian predator traps were also funded but I am unsure whether they are still operational.

### 10. Restoration/Enhancement Issues

#### 10.1 Ecological

Historically, before the construction of drains in the wetland and upstream of Mahanga Road, water levels in the wetland would have been higher and there would have been some areas of open water. The current hydrological regime is limiting potential biodiversity values by impacting on wetland bird and fish habitat. The man made drains will have lowered water levels overall. This has reduced the amount of water which can be held in the wetland during winter to help offset the high evapotranspiration water losses over summer and autumn which reduces the size and quality of habitat available. The wetland is characterised by an extensive raupo reedland which would support more specialised wetland bird species if more open water was present. This could be achieved by raising water levels and judiciously deepening out some sites to create areas of open water.



Where the stream crosses the beach and close to the high tide level there is a natural sill of boulders which help maintain the invert level of the stream. There have been reports that the sill has been interfered with to facilitate lowering of water levels in the stream and wetland. The sill appears to be a natural feature and should not be altered.

The natural character of the wetland and quality of the native plant communities are also affected by the suite of invasive weeds particularly pampas, Japanese honeysuckle, convulvulus, blackberry, willows and silver poplar. This is exasperated by the old lines of drain cleanings which provide a drier site for colonisation by these weeds.

Fish passage for migrating inanga and eels between the wetland and sea must be maintained along with the small sensitive inanga spawning site by the Tamatea spring which requires revegetating with appropriate grasses so inanga have some vegetation to spawn in.

Introduced mammalian predators like mustelids, feral cats and Norway rats can be a problem and an on-going control programme may be justified. Domestic cats and uncontrolled dogs can also generate considerable disturbance to wildlife in an environment like this and needs to be considered if opening the area up for public access is considered.

Tree planting in the wetland is very much a cosmetic approach as it adds little to the overall biodiversity value and these resources are better directed towards other beneficial initiatives like water level management. Planting of appropriate food producing species for native birds (tui, bellbird, pigeon) on the open dry land around the wetland will add some value. These could comprise a mix of native plants (flax, kowhai, coprosma) and introduced plants (tree lucerne, banksias and selected flowering eucalyptus).

## **10.2 Landowners**

Two of the three owners of the wetland have indicated support for enhancement of the wetland by restoring the hydrology and implementing an appropriate weed control programme. However this is not universally supported by some homeowners around the wetland who are dependent on their surface water runoff in rainfall events passing into the wetland. Runoff from roads serving the houses in the area also follows this course. Similarly failing septic tank drainage fields maybe contributing faecal contamination into the wetland.

Raising water levels universally throughout the wetland would impact on drainage and create some angst amongst some surrounding landowners. There is however options for restoring the wetland and enhancing biodiversity values while avoiding these impacts on homeowners.

## **11. Ecological Restoration/Enhancement Options**

### **11.1 Overview**

A key objective of this report is to help identify the best protection and enhancement options for the Mahanga wetland. Four options are presented. Refer map Appendix 3. While the primary focus has been on identifying means of enhancing and where possible

restoring ecological values, an important principle has been to consider other issues and devise an approach that resolves non-ecological concerns to the extent it is possible to do so. A detailed survey of ground levels across the entire wetland would assist with the evaluation of the options.

### **11.2 Option 1 Maintain status quo**

This effectively means to do nothing with the result being all the issues raised in this report are not addressed. Water levels would probably continue to be lowered with habitat values declining although this could be offset by climate change and rising sea levels. Poor quality of current whitebait spawning habitat would remain. Invasive pest plants such as pampas, willows, silver poplar and Japanese honeysuckle would continue to spread.

Ecologically there is nothing positive to be gained from this approach.

### **11.3 Option 2 Restore water levels across entire wetland with weed control**

The most practical way to restore water levels in the wetland is to construct a simple weir across the Hine Rauiri Stream and a bund (< 1 metre high) linking higher ground at both ends. This could be used to raise the water level c 0.5 metres across the wetland.

This would significantly improve habitat for bird and fish whilst largely retaining the existing plant communities but in a different configuration.

This could be complemented with construction of a small number of open ponds to benefit bittern and fish.

Fish passage for inanga and eel would need to be provided past the weir.

The downside of this approach is it may compromise the drainage (stormwater and wastewater) needs of some people living around the wetland.

This option would be complemented with a weed control plan which sets out clear objectives and a work plan acceptable to the owners of the wetland and other landowners.

### **11.4 Option 3 Restore water levels across part of wetland with weed control**

There is a culvert in the main drain where the first lateral drain meets this drain. The culvert could be readily blocked with the objective to raise the water level c 0.5 metres across the wetland upstream of this point. Some topping up of the existing lateral drain cleanings maybe required. A short bund (<1 metre high) linked to the high ground on the south may be required.

This could be complemented with construction of a small number of open ponds to benefit bittern and fish.

This would significantly improve habitat for bird and fish whilst largely retaining the existing plant communities but in a different configuration. This would have the same benefits as Option 2 but benefit a slightly smaller area of wetland.

Fish passage for inanga and eel would need to be provided past the weir.

The downside of this approach is it may compromise the drainage (both stormwater and wastewater) needs of some people living around the wetland.

This option could be complemented with a weed control plan which sets out clear objectives and a work plan acceptable to the owners of the wetland and other landowners.

#### **11.5 Option 4 Restore water levels across part of wetland with weed control**

Similar to Option 3 but would allow the drains at the rear of the houses to be widened and the material removed formed into a bund on the western side (wetland side) of the drain. This bund would continue down to the main drain, cross the main drain and keyed into slightly higher ground on the northern side of the main drain.

This could be complemented with construction of a small number of open ponds.

This would significantly improve habitat for bird and fish whilst largely retaining the existing plant communities but in a different configuration. This would have the same benefits as Option 2 but benefit a slightly smaller area of wetland.

Fish passage for inanga and eel would need to be provided past the weir.

The downside of this approach is it may compromise the drainage (both stormwater and wastewater) needs of some people living around the wetland.

This option could be complemented with a weed control plan which sets out clear objectives and a work plan acceptable to the owners of the wetland and other landowners.



## Council

22 March 2016

### FAR Committee recommendation: Monthly Financial Report to 31

#### January 2016

<b>Department</b>	Finance
<b>Committee Chairman</b>	Councillor J Harker
<b>Contact Officer</b>	Chief Financial Officer – A Morton
<b>1. Purpose</b>	1.1 To present the January 2016 monthly Financial Report to Council
<b>Recommendation</b>	<p>The Finance Audit and Risk Committee RECOMMENDS that Council:</p> <ol style="list-style-type: none"> <li>1. <b>receive</b> and <b>adopt</b> the financial reports ending 31 January 2016</li> <li>2. <b>Notes</b> that the reporting regime established with this report is a work in progress</li> <li>3. <b>Provides</b> feedback and requests for any additional information that Council would like to see included in the reports moving forward to CFO and FPM</li> </ol>
<b>2. Summary</b>	<ol style="list-style-type: none"> <li>2.1 Council has requested that monthly results be prepared for review, in addition to the requirement to present quarterly financial reports to Council</li> <li>2.2 The Finance, Audit and Risk Committee received and endorsed the report for forwarding to Council in open session on 1 March 2016, requesting one change to the document supplied.</li> </ol>
<b>3. Discussion</b>	<ol style="list-style-type: none"> <li>3.1 The Finance and Risk Committee received the tabled monthly financial report for the 7 months of the 2015/16 Financial Year.</li> <li>3.2 Discussion was held on the contents of the report and the Councillors sitting on the Committee commented on and thanked the finance team for their efforts in coming up with such a comprehensive document for consideration. Comment was also made that the information supplied assisted in effective and better understanding of the Council's financial results and position so far this year.</li> <li>3.3 A question was raised as to who assessed the overall financial health of the Council in the report. It was advised that this was an internal assessment comparing to budgeted expectations.</li> <li>3.4 Included in the Financial Risk table is an amount of \$1.5M of HIGH Risk, being the write off of renewed assets,</li> </ol>

primarily roads, for 2015/16. It was noted that this write off occurs every year and is unbudgeted, hence the assessment. However this write off is recovered every three years when a revaluation of the engineering assets is undertaken. The Committee felt that with these costs being recovered on revaluation, that the risk assessment should be LOW for this entry and asked that this be changed.

3.5 Committee also asked for the following developments to be considered for future reports:

- a. Addition of a simplified front summary sheet
- b. Phasing of the year to date budgets
- c. A forecast of the projected annual results be included
- d. Whether some or all of the supplied financial data be excluded in the monthly report where it would ease the process of preparing the document
- e. Greater analysis of the results be included

3.6 CFO advised the current planning, and work underway to determine how to achieve future report development includes:

- a. Phasing of the year to date budget was completed last week and is currently being updated into our system for the February report
- b. Inclusion of Forecasting along with Capital and balance sheet forecasting
- c. Inclusion of Service Level Activity cost reports that would have SLT member input to the report

#### **4. Conclusion**

4.1 Council is in a strong financial position.

4.2 Council is tracking on budget for the year

4.3 External Debt is within limits set within the Long-Term Plan measures

#### **Appendices**

Appendix 1 – January 2016 Financial Report

#### **Confirmation of statutory compliance**

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

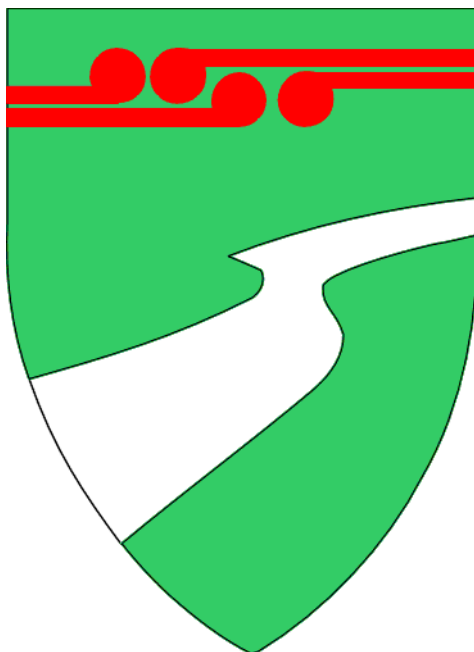
b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

#### **Signatories**

Author: Cr J Harker  
(Chairman of FAR  
Committee)

Approved by: A Morton

# WAIROA DISTRICT COUNCIL



## MONTHLY FINANCIAL REPORT

31 January 2016

(2015/16 PERIOD 7)



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## OVERVIEW

This report is for the 2015/16 Financial Year (FY) representing the periods from 1 July 2015 to 31 January 2016, or period 7 of this FY.

Overall Financial Health Assessment:



The council has a strong financial position with sufficient cash reserves to meet current and planned requirements without the need for additional borrowings.

For the year to date the Council operations records a net \$1.31M excess income over expenditure.

All Service Areas of Council are within their current Annual budgets.

External long-term debt has not been increased in the year to date, nor is there any expectation that new borrowings will be required this financial year (Budget \$0.55M).

Financial Risks are detailed on page 10 of this report and total: \$2.84M. The summary of assessed risk levels for all items at this time is:

### Summary of Risks

Crystallised	541,000	19%
Low	550,000	19%
Medium	250,000	9%
High	1,500,000	53%
<b>Total</b>	<b>2,841,000</b>	

### Financial Health

As at the end of the month WDC's cash, liquidity and Working Capital positions were:

Measure	Actual	Annual Budget or Target
Debtors Collection Period <sup>(1)</sup>	TBC Days	TBC Days
Working Capital	\$11,559,628	\$5,655,471
Working Capital Ratio <sup>(2)</sup>	5.1:1	1.25:1
Liquid Ratio <sup>(3)</sup>	4.5:1	1:1

1. The average number of days that it takes a Debtor to pay his/her account

2. Working Capital Ratio represent the total current assets available to meet each dollar of total current liabilities in the Balance Sheet

3. Liquid Ratio represents the cash available to pay each dollar of trade creditors as at the end of the period

### Debt Measures

The following measures are recorded, in addition to the Working Capital and Liquid Ratios above, being the expected borrowing limitations as per the Investment and Liability Policy, for the management of Debt.

Measure	Not to Exceed	of	2011/12	2012/13	2013/14	2014/15	2015/16 (YTD)
Debt Servicing	10%	Operating Revenue	0.00	0.00	1.16	1.52	2.06
Debt Servicing	7.50%	Rates	0.00	0.00	2.06	2.71	2.46
Net External Debt <sup>(4)</sup>	100%	Total Revenue	-44.92	-30.62	-25.62	-33	-95.39

4. Net External Debt is calculated as Term Borrowings plus Current Liabilities; less Cash, Term Deposits and Financial Assets at fair Value. As at 31 January Net Debt is \$(11.9M), indicating that we have greater cash reserves than external debt.





## Financial Position Indicators

### Current Assets

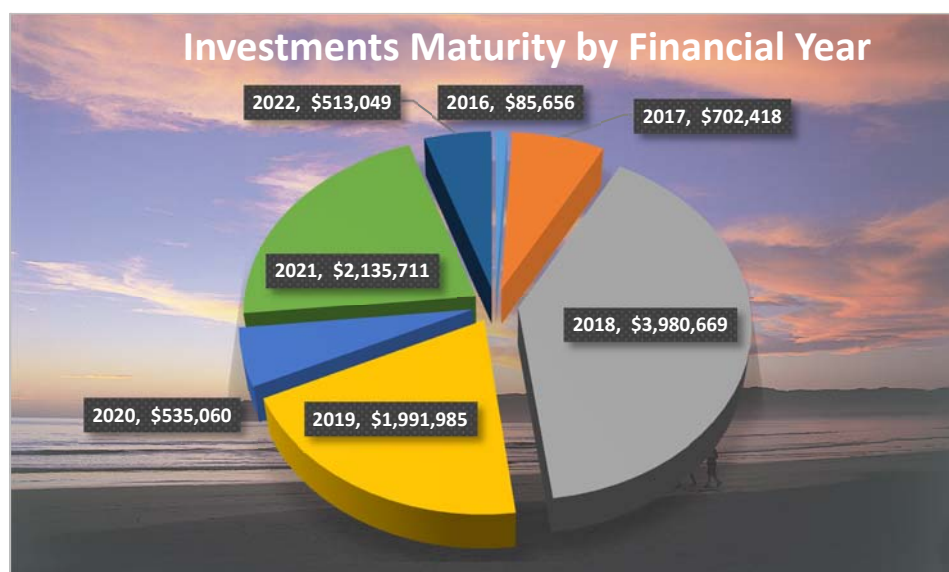
The Council continues to hold sufficient cash reserves to meet operational requirements and continues to work on clearing trade debtors. Current balances are:

Measure	Actual	Annual Budget or Target
Cash on Hand & Term Deposits	\$8,478,098	\$140,775
Receivables	\$5,807,404	\$5,984,866
Total Current Assets	\$14,375,078	\$9,625,700

The third Instalment of this year’s rates have been charged to Ratepayers and is reflected in the Receivables shown above. The majority of this charge is expected to be received on the 22<sup>nd</sup> February. Work continues on reducing term debtors. Additional analysis of this area is currently being considered and expected to be included in future returns.

### Investments

WDC long term cash investments hold a current market value of \$9,944,548, of which \$85,656 is due to mature this financial year. The weighted average investment maturity term is 3.05 years or 36.6 months, with a weighted average coupon interest rate of 5.19%. Current maturity of all investments in the upcoming Financial Years is represented as:



### Capital Programs

Current Year capital programs are on target at this time. Year to date total expenditure of \$3.05M has been incurred with \$2.71M in capital subsidies having been billed out or received. Graphic representation of current spending is currently under development.



**Current Liabilities**

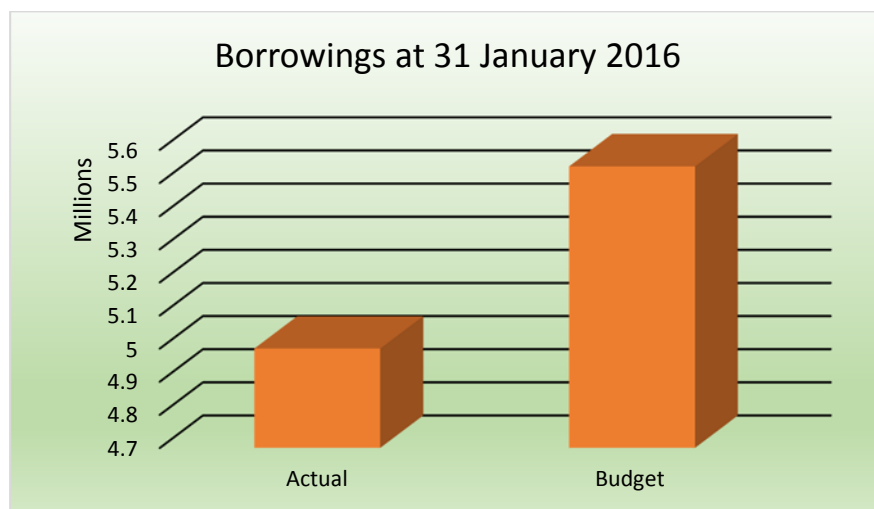
As at the end of the period Council had the following debts due and payable within the next 12 months:

Measure	Actual	Budget or Target
Trade and Employee Liabilities	\$1,864,431	\$3,970,229
Contract Retentions	\$687,438	\$NIL
Total Current Liabilities	\$2,815,451	\$3,970,229
Creditor Payment Days <sup>(1)</sup>	48 Days	30 Days

(1) The average number of days that it takes a Creditor's invoice to be paid

All measures in this area show that the Council remains in control of its normal terms of trade creditors, in that suppliers continue to be paid within the required timeframes. The implementation of the Electronic Purchasing Order System has reduced the timeframe for Creditors to be paid where the appropriate process' are used. The additional 18 days over and above the targeted payment time for Creditor Payments is due, in the main, to major contract claims, as the invoices are delayed from the contractor. Our systems are recording the costs in the Financial Period that the work is undertaken by the Contractor. Employee Liabilities are the normal addition of Holiday and Sick pay accrued by staff.

**Term Debt**



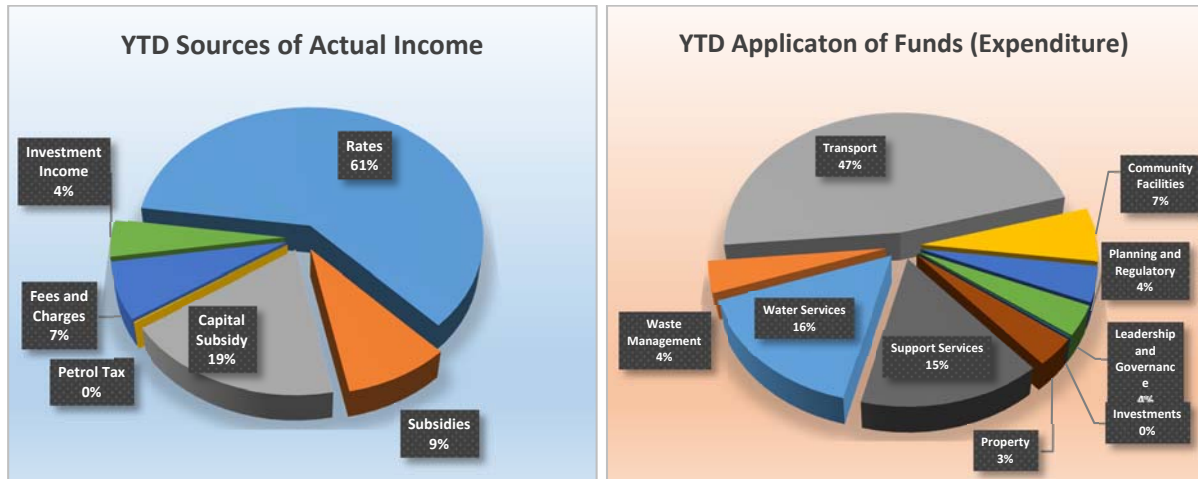
External Borrowing remains unchanged at \$5M, against a budgeted debt level of \$5.55M for the year. New borrowing was budgeted in order to fund increased service capacity for new capital project spending in this year. At this time expectations are that there will be no additional external borrowings required for the financial year and that all new capital projects will be funded from internal cash reserves.

In addition to the above, Council holds \$0.48M (Budget \$0.86M) liability for the Landfill Aftercare requirements.

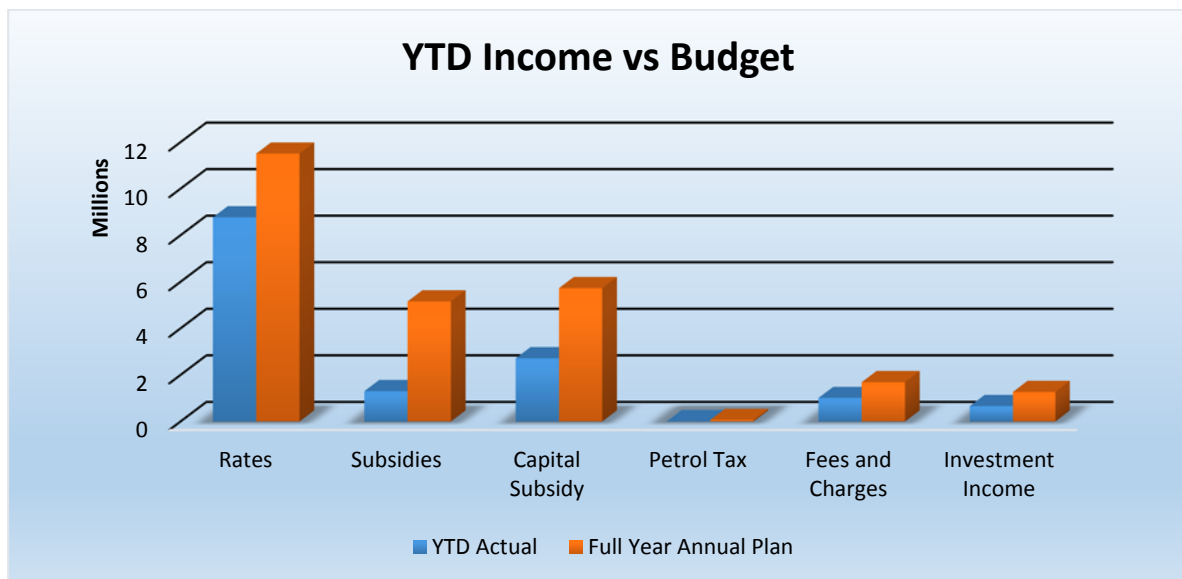


### Sources of Income and Application of Funds

For the year to date Council has a net operational position of \$1.31M excess income over expenditure on an accruals basis, with the full year budget of \$2.21M excess income over expenditure. Total income year to date was \$14.5M and Application of funds for the year to date has been \$13.2M. Income and expenditure are analysed for the year to date as:



Budget phasing of the 2015/16 Budget is currently in progress and is expected to be completed for the 29 Feb 2016 Monthly report.



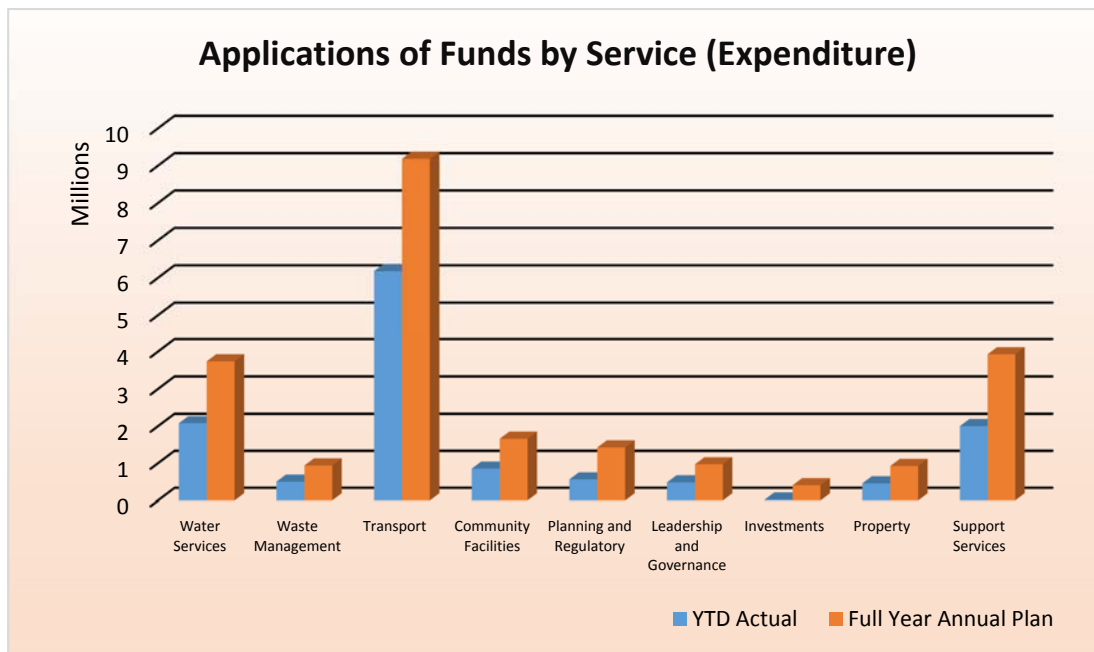
This report contrasts the Actual income invoiced for the year to date with the total budget for the year, not the year to date budget. This phasing of the budget will be updated for the February report.

The variance in Rates is due to the fourth instalment not yet being charged to the ratepayer. The under-recovery of subsidies is primarily due to work not yet completed for the year to date for which a subsidy is expected to be recovered. NZTA has been invoiced for the emergency flooding works this month, recovering \$1.3M.



Capital Subsidy Budgets include \$1M for the Community Pool development, \$0.5M of this was received in the prior Financial Year. Of the balance of \$0.5M yet to be received from the Lotteries Commission, \$0.4M of this was received on the 22<sup>nd</sup> February 2016 and will be reflected in the February Report.

The Council has used the funds received, in comparison with the full year budget thus:

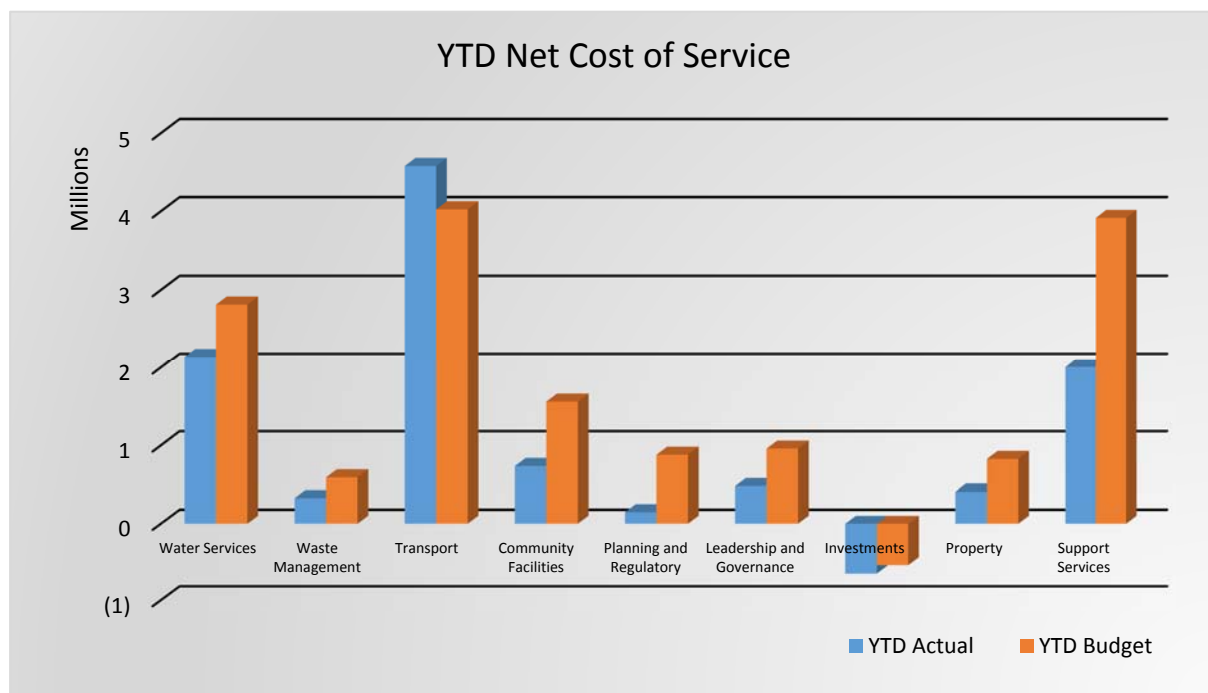


We note that the costs represented as Support Services in this report, are allocated in the Annual Plan as internal corporate overheads to the core services. For this report the Support Services budgets have been restated in order that the Support Services budget can be shown separately. The core services budgets have been reduced accordingly. These costs will be allocated to Core Services in the Annual Report preparation process. At this time these costs are not allocated to the core functions on a monthly basis.

This report contrasts the Year to Date Actual expenditure with the Full Year Budgets. The Phasing of the budget will be considered and updated for the February 2016 report. Costs continue to be expended within expectations for the year and all units are on-target to remain within the expected full year expenditure levels.

### Council Net Cost of Services

The net cost of service represents the operating costs for the service, less the income generated from the service, excluding Rating income, for the areas of service provision provided by Council to the community. These are summarised as shown below. Note that the Year to Date Budget (phasing) is yet to be completed and is expected to be updated for the 29 February 2016 Report.



This report contrasts year to date actual spending against the full year budget.

The Transport overspend is due to under recovered subsidies as compared to the full year budgeted position. This is expected due to timing differences in the information being considered and is expected to correct itself as the year moves forward.

#### 2016/17 Annual Plan Preparation

Work is currently underway on the preparation of the 2016/17 Annual Plan. The next milestone in this process is 15 March 2016, when SLT members are expected to return the completed cost centre reports to Finance.

Planning continues to expect that no public consultation should be needed under s 95(2A) of the Local Government Act 2002, allowing that where there is no Significant or Material adjustment to the budget no consultation is required.

A report to Council was lodged for the meeting on 23 February 2016 requesting approval of the timetable and the basis of the development of the Annual Plan, that being Year 2 of the 2015/25 Long Term Plan. Council was also asked to note the planning expectation of application of the s 95(2A) Local Government Act 2002 exemption from public consultation. Should Council wish to go to public consultation despite the exemption, the timetable will be reviewed to enable adoption of the budget by the statutory deadline of 30 June 2016.



## ACTIVITY ANALYSIS

These tables contrast the year to date expenditure with the full year budgets. Budget monthly phasing is currently in progress and is expected to be completed for the February 2016 Report. Support Services budget has been restated from the Annual Plan, where these are factored into the core service area's budgets as internal overhead allocations.

### Sources of Income

Income has been received from:

Income Type:	YTD Actual (\$ 000)	Full Year Annual Plan (\$ 000)	Budget Remaining
Rates	8,771	11,507	-2,736
Subsidies	1,303	5,158	-3,855
Capital Subsidy	2,715	5,728	-3,013
Petrol Tax	16	65	-49
Fees and Charges	1,009	1,689	-680
Investment Income	663	1,267	-603
<b>Total Income</b>	<b>14,477</b>	<b>25,414</b>	<b>-10,937</b>

The 2.7M of rates variance is instalment number 4 not yet charged to the ratepayers.

Budgeted Capital Subsidies includes of \$1M of Grants for the building of the Pool. Of this \$0.5M was received last financial year (2014/15) but was brought forward into the current year as the funding had not been received at the time the LTP was prepared. The balance \$0.5M budget is a Grant from the Lotteries Commission which is expected to be received within the balance of this financial year.

### Application of Funds

Expenditure has been incurred in the following service areas:

Service Area	YTD Actual (\$ 000)	Full Year Annual Plan (\$ 000)	Budget Remaining
Water Services	2,082	3,741	1,659
Waste Management	505	940	435
Transport	6,183	9,188	3,005
Community Facilities	856	1,662	806
Planning and Regulatory	566	1,429	862
Leadership and Governance	486	974	487
Investments	21	408	387
Property	460	928	468
Support Services	2,005	3,930	1,925
<b>Total Expenses</b>	<b>13,165</b>	<b>23,200</b>	<b>10,034</b>

All units expect to be within full year budgets at this time. Support services and actual costs are allocated to the core service areas as internal overheads at the end of the year.

DEVELOPMENT? – ACTIVITY BASED FIS'S – WITH COMMENTARY FROM SLT MEMBER



## FINANCIAL RISKS

The following Financial Risks have been assessed as the end of the Period:

Area	Risk	Amount	Type	Description	Risk Level
CEO	Forestry Slash Clean-up	\$41,000	Cost	Funds expended on clean-up of HBRC controlled beaches	Crystallised
Corporate	Loan Advances	\$550,000	Use of Cash Reserves	Expectation that No loan funds are advanced to meet new increased service capital projects. Funds to be taken from Cash Reserves	Low
Roading	Loss on Disposal of Assets	\$1,500,000	Cost	Losses on Disposals of Renewed assets is not Budgeted or Funded. Value based on Prior Year impact. Recovered every 3rd year on revaluation	High
Water Treatment	Opoutama & Mahia Waste Water Scheme	\$250,000	Cost	Scheme assessed as an Operational Cost by Auditors. Budgeted as Capital in LTP. Value is as per costs to date for this year	Medium
Water Treatment	Waihi Dam Silt	TBA	Cost	Additional Flocculent Purchased to mitigate the additional silt discharged into the Wairoa water supply. Net effect TBC, expected recovery from Dam Operator	Low
Community Centre	HBRC Pool Grant	\$500,000	Income Under-Recovery	Grant Funding was received in 2014/15, budget was brought forward as at time of LTP development funds had not been	Crystallised

**Assessment Key:**

Crystallised	Event has Happened
Low	Event is not expected to be significant or Material
Medium	Event will impact on Council Operations, PR or Budget (+/- \$100k-\$1M)
High	Event is Significant, Material (+/- \$1M) and/or has a negative non-financial impact on Council Operations





## FINANCIAL ACCOUNTS

### Whole of Council Funding Impact Statement

	Actual 2015/16 (YTD)	Operating Budget 2015/16 (YTD)	Operating Budget 2015/16 (Full Year)	Actual 2014/15 (YTD)	Actual 2014/15 (Full Year)
<b>Sources of Operational Funding</b>					
<b>Source of Operating Funding</b>					
General Rates uniform annual charges rates penalties	(8,771,143)	(11,507,490)	(11,507,490)	(8,552,163)	(11,161,472)
Subsidies and grants for operating purposes	(1,302,735)	(5,157,909)	(5,157,909)	(995,777)	(3,423,725)
Fees charges and targeted rates for water supply	(1,682,746)	(2,202,885)	(2,202,885)	(4,008,233)	(5,511,393)
Interest and Dividends from Investments	(657,718)	(884,936)	(884,936)	(985,592)	(1,216,512)
Local authorities fuel tax fines infringement fees and other receipts	(15,676)	(65,000)	(65,000)	(19,124)	(77,283)
<b>Total Source of Operating Funding</b>	<b>(12,430,018)</b>	<b>(19,818,220)</b>	<b>(19,818,220)</b>	<b>(14,560,890)</b>	<b>(21,390,385)</b>
<b>Application of Operating Funding</b>					
Payments to staff and suppliers	11,002,140	17,423,363	17,423,363	12,557,832	22,280,835
Finance costs	215,673	1,096,724	1,096,724	216,042	581,073
Internal Charges and Overheads applied	0	(172,463)	(172,463)	0	(151,170)
Other operating funding applications	(92,934)	0	0	(69,129)	(134,373)
<b>Total Application of Operating Funding</b>	<b>11,124,879</b>	<b>18,347,624</b>	<b>18,347,624</b>	<b>12,704,745</b>	<b>22,576,366</b>
<b>Surplus (Deficit) of Operating Funding</b>	<b>1,305,138</b>	<b>1,470,596</b>	<b>1,470,596</b>	<b>1,856,144</b>	<b>(1,185,981)</b>
<b>Source of Capital Funding</b>					
Subsidies and grants for capital expenditure	(2,714,897)	(5,728,000)	(5,728,000)	(2,587,565)	(6,407,577)
(Increase) decrease in debt	0	(550,000)	(550,000)	0	0
Lump sum contributions	0	0	0	(0)	(0)
<b>Total Source of Capital Funding</b>	<b>(2,714,897)</b>	<b>(6,278,000)</b>	<b>(6,278,000)</b>	<b>(2,587,565)</b>	<b>(6,407,578)</b>
<b>Total Sources of capital funding</b>	<b>(2,714,897)</b>	<b>(6,278,000)</b>	<b>(6,278,000)</b>	<b>(2,587,565)</b>	<b>(6,407,578)</b>
<b>Application of Capital Funding</b>					
Capital expenditure - to improve the level of service	2,639,450	3,307,000	3,307,000	1,537,221	6,022,079
Capital expenditure - to replace existing assets	1,135,156	7,295,515	7,295,515	1,825,136	1,830,488
Increase / (Decrease) in Reserves	245,429	(2,853,919)	(2,853,919)	1,081,353	(2,630,970)
<b>Total Application of Capital Funding</b>	<b>4,020,035</b>	<b>7,748,596</b>	<b>7,748,596</b>	<b>4,443,710</b>	<b>5,221,597</b>
<b>Total application of capital funding</b>	<b>4,020,035</b>	<b>7,748,596</b>	<b>7,748,596</b>	<b>4,443,710</b>	<b>5,221,597</b>
<b>Surplus (Deficit) of Capital Funding</b>	<b>(1,305,138)</b>	<b>(1,470,596)</b>	<b>(1,470,596)</b>	<b>(1,856,144)</b>	<b>1,185,981</b>
<b>Funding Balance (General Rates)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Depreciation</b>					
Depreciation and Amortisation	2,592,607	4,964,184	4,964,184	0	4,444,469



## Whole of Council Activity Statement

ANNUAL BUDGET 2015/16	ACTUAL 2015/16 (to date)	Remaining Budget	ACTUAL 2014/15 (to date)
<b>Net Operating Cost of Service</b>			
<b>Revenue</b>			
2,812,581 Water Services	2,139,120	673,461	2,291,556
590,122 Waste Management	329,288	260,834	336,606
4,024,372 Transport	4,579,534	(555,162)	1,753,453
1,559,516 Community Facilities	734,692	824,824	596,100
878,827 Planning and Regulatory	149,636	729,191	141,445
957,556 Leadership and Governance	479,727	477,829	410,976
(542,566) Investments	(652,479)	109,913	(921,870)
825,850 Property	409,966	415,884	55,331
3,914,820 Support Services	2,004,707	1,910,113	2,032,421
<b>Rates</b>			
(11,507,490) Investments	(8,771,143)	(2,736,347)	(8,552,163)
<b>Capital Subsidies</b>			
(100,000) Water Reticulation System	0	(100,000)	0
0 Water Treatment Plant	0	0	0
0 Sewerage	(1,055,000)	1,055,000	(1,000,000)
(4,628,000) Roading Subsidised	(1,659,897)	(2,968,103)	(1,587,565)
(1,000,000) Community Centre	0	(1,000,000)	0
<b>(2,214,412)</b>	<b>Total Net Cost of Service</b>	<b>(902,564)</b>	<b>(4,443,710)</b>

Support Services budgets are allocated to the Core Services as internal overhead charges. For the purposes of this report budgets have been restated to remove Support Services costs from within Activity Areas. This ensures that actual and budget costs are comparable.



## Statement of Comprehensive Income and Expenditure

	<b>Council 2015/2016 Actual (YTD)</b>	<b>Council 2015/2016 Operational Plan (YTD)</b>	<b>Council 2015/2016 Operational Plan (Full Year)</b>	<b>Council 2014/15 Actual (YTD)</b>	<b>Council 2014/15 Actual (Full Year)</b>
<b>Income</b>					
Rates	(8,771,143)	(11,507,490)	(11,507,490)	(8,552,163)	(11,161,472)
Subsidies	(1,302,735)	(5,157,909)	(5,157,909)	(995,777)	(3,423,725)
Capital Subsidy	(2,714,897)	(5,728,000)	(5,728,000)	(2,587,565)	(6,407,577)
Petrol Tax	(15,676)	(65,000)	(65,000)	(19,124)	(77,283)
Fees and Charges	(1,009,082)	(1,688,767)	(1,688,767)	(3,735,573)	(4,985,712)
Investment Income	(663,446)	(1,266,852)	(1,266,852)	(993,356)	(1,234,419)
Reserves	0	0	0	0	0
Other Income	0	0	0	0	0
<b>Total Income</b>	<b>(14,476,979)</b>	<b>(25,414,018)</b>	<b>(25,414,018)</b>	<b>(16,883,558)</b>	<b>(27,290,187)</b>
<b>Expenditure</b>					
Water Services	2,082,088	3,741,294	3,741,294	5,058,400	8,244,032
Waste Management	504,859	940,122	940,122	422,706	1,108,734
Transport	6,182,531	9,187,871	9,187,871	2,998,445	11,367,938
Community Facilities	856,440	1,662,342	1,662,342	730,634	1,827,224
Planning and Regulatory	566,391	1,428,507	1,428,507	590,792	1,415,565
Leadership and Governance	486,430	973,606	973,606	413,855	1,986,709
Investments	21,339	408,170	408,170	83,148	(68,163)
Property	459,766	927,774	927,774	108,633	628,454
Support Services	2,005,287	3,929,920	3,929,920	2,033,235	2,560
<b>Total Expenditure</b>	<b>13,165,131</b>	<b>23,199,606</b>	<b>23,199,606</b>	<b>12,439,848</b>	<b>26,513,053</b>
<b>(Surplus) / Deficit</b>	<b>(1,311,848)</b>	<b>(2,214,412)</b>	<b>(2,214,412)</b>	<b>(4,443,710)</b>	<b>(777,135)</b>

Support Services budgets are allocated to the Core Services as internal overhead charges. For the purposes of this report budgets have been restated to remove Support Services costs from within Activity Areas. This ensures that actual and budget costs are comparable.



## Financial Position

	Council 2015/2016 Actual (YTD)	Council 2015/2016 Operational Plan (YTD)	Council 2015/2016 Full Year Operational Plan	Council 2014/15 Actual (YTD)	Council 2014/15 Full Year Actual
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	8,478,098	140,775	140,775	11,821,858	10,253,892
Inventories	3,921	38,291	38,291	3,921	40,082
Trade and Other Receivables	5,807,404	5,984,866	5,984,866	3,976,115	6,847,635
Financial Assets at Fair Value	85,656	3,461,768	13,320,660	9,095,999	7,621,424
<b>Total Current Assets</b>	<b>14,375,078</b>	<b>9,625,700</b>	<b>19,484,592</b>	<b>24,897,893</b>	<b>24,763,034</b>
<b>Non Current Assets</b>					
Property Plant and Equipment	242,534,648	236,119,642	236,119,642	243,735,041	245,765,924
Work in Progress	3,659,026	10,582,515	10,582,515	3,362,357	0
Loans and Other Receivables	90,247	0	0	247	90,247
Investment Property	277,000	277,000	277,000	277,000	277,000
Biological Assets	150,380	69,946	69,946	150,380	150,380
Investments in Subsidiary	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Available for Sale Financial Assets	22,992	22,992	22,992	22,992	22,992
Intangible Assets	149,248	143,277	143,277	106,132	156,733
Trust Funds and Deposits	9,858,892	9,858,892	0	0	0
<b>Total Non Current Assets</b>	<b>257,992,433</b>	<b>258,324,264</b>	<b>248,465,372</b>	<b>248,904,148</b>	<b>247,713,276</b>
<b>Total Assets</b>	<b>272,367,511</b>	<b>267,949,964</b>	<b>267,949,964</b>	<b>273,802,042</b>	<b>272,476,310</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trust Funds and Deposits	(263,581)	0	0	(267,903)	(248,372)
Trade Payables	(1,556,122)	(3,822,346)	(3,822,346)	(166,262)	(2,740,235)
Employee Benefit Liabilities	(308,310)	(147,883)	(147,883)	(349,808)	(482,140)
Contract Retentions	(687,438)	0	0	(719,695)	(765,351)
Accrued Interest	0	0	0	0	0
Borrowings	0	0	0	0	0
Taxation	0	0	0	0	0
<b>Total Current Liabilities</b>	<b>(2,815,451)</b>	<b>(3,970,229)</b>	<b>(3,970,229)</b>	<b>(1,503,669)</b>	<b>(4,236,097)</b>
<b>Non Current Liabilities</b>					
Trade Payables	0	0	0	0	0
Employee Benefit Liabilities	(121,063)	0	0	(131,549)	(121,063)
Borrowings	(5,000,000)	(5,550,000)	(5,550,000)	(5,000,000)	(5,000,000)
Landfill Aftercare	(478,126)	(859,562)	(859,562)	(859,225)	(478,126)
<b>Total Non Current Liabilities</b>	<b>(5,599,189)</b>	<b>(6,409,562)</b>	<b>(6,409,562)</b>	<b>(5,990,774)</b>	<b>(5,599,189)</b>
<b>Total Liabilities</b>	<b>(8,414,639)</b>	<b>(10,379,791)</b>	<b>(10,379,791)</b>	<b>(7,494,443)</b>	<b>(9,835,286)</b>
<b>Net Assets</b>	<b>263,952,871</b>	<b>257,570,173</b>	<b>257,570,173</b>	<b>266,307,599</b>	<b>262,641,024</b>
<b>Equity</b>					
<b>Retained earnings</b>					
Restricted Reserves	(137,091,404)	(110,373,637)	(110,373,637)	(137,177,699)	(138,382,541)
Unrestricted Reserves	0	0	0	0	2,068,271
Current Year Surplus (Deficit)	(1,311,848)	(2,214,412)	(2,214,412)	(4,443,710)	(777,135)
<b>Total Retained earnings</b>	<b>(138,403,252)</b>	<b>(112,588,049)</b>	<b>(112,588,049)</b>	<b>(141,621,409)</b>	<b>(137,091,404)</b>
<b>Other Reserves</b>					
Revaluation Reserves	(102,371,188)	(124,590,386)	(124,590,386)	(103,576,030)	(102,371,188)
Sinking Fund	0	0	0	0	0
Special Funds	(23,178,431)	(20,391,738)	(20,391,738)	(21,110,160)	(23,178,431)
<b>Total Other Reserves</b>	<b>(125,549,620)</b>	<b>(144,982,124)</b>	<b>(144,982,124)</b>	<b>(124,686,190)</b>	<b>(125,549,620)</b>
<b>Total Equity</b>	<b>(263,952,871)</b>	<b>(257,570,173)</b>	<b>(257,570,173)</b>	<b>(266,307,599)</b>	<b>(262,641,024)</b>



## Cashflow

	Actual to Date 2015/16	Full Year Budget 2015/16	Remaining Budget 2015/16
<b>OPERATING ACTIVITIES</b>			
Cash was provided from:			
Rates received	8,771,143	13,077,245	4,306,102
Other Revenue	6,630,487	12,079,897	5,449,410
	<u>15,401,629</u>	<u>25,157,142</u>	<u>9,755,513</u>
Cash was applied to:			
Payments to Suppliers & Employees	14,218,362	20,555,817	6,337,455
Taxation	-	-	-
Interest Paid	215,673	473,078	257,405
	<u>14,434,035</u>	<u>21,028,895</u>	<u>6,594,860</u>
Net Cash Flow from Operations	<u>967,595</u>	<u>4,128,247</u>	<u>3,160,652</u>
<b>INVESTING ACTIVITIES</b>			
Cash was provided from:			
Decrease in Loans & Other Receivables		70,000	70,000
Sale of Property, Plant & Equipment		1,400,000	3,723,124
Sale of Financial Assets	(2,323,124)	1,400,000	3,723,124
	<u>(2,323,124)</u>	<u>1,470,000</u>	<u>3,793,124</u>
Cash was applied to:			
Increase in loans & advances			
Purchase of Intangibles			
Purchase of Financial Assets			
Purchase of Property, Plant & Equipment	420,265	10,600,149	10,179,884
	<u>420,265</u>	<u>10,600,149</u>	<u>10,179,884</u>
Net Cash Flows from Investing Activities	<u>(2,743,389)</u>	<u>(9,130,149)</u>	<u>(6,386,760)</u>
<b>FINANCING ACTIVITIES</b>			
Cash was provided from:			
Loans Raised	-	550,000	550,000
	<u>-</u>	<u>550,000</u>	<u>550,000</u>
Cash was applied to:			
Borrowings Repaid	-	2,334,615	-
	<u>-</u>	<u>2,334,615</u>	<u>-</u>
Net Cash Flows from Financing Activities	<u>-</u>	<u>(1,784,615)</u>	<u>550,000</u>
Net Increase/(Decrease)	<u>(1,775,794)</u>	<u>(6,786,517)</u>	<u>(2,676,108)</u>
Plus opening cash & cash equivalents	10,253,892	6,927,292	(3,326,600)
Cash & cash equivalents at end of year	<u>8,478,098</u>	<u>140,775</u>	<u>(6,002,708)</u>
Made up of:			
Cash	2,188,708	140,775	(2,047,933)
Short Term Deposits	6,289,389		
Bank Overdraft	-	-	-
	<u>8,478,098</u>	<u>140,775</u>	<u>(2,047,933)</u>



**RECONCILIATION OF OPERATING SURPLUS WITH NET CASH FLOW  
FROM OPERATING ACTIVITIES:  
For the Period Ended 31st January 2016**

	<b>Actual to Date 2015/16</b>
<b>Surplus / Deficit</b>	1,311,848
<b>Add / (less) non cash items:</b>	
Depreciation and amortisation	-
Impairment	
Gains on Investments held at fair value	
 <b>Add / (less) items classified as investing or financing activities:</b>	
(Gains) / Losses on disposal of property, plant and equipment	
<b>Add / (less) movements in working capital items:</b>	
(Inc) / Dec Accounts receivable	1,040,232
(Inc) / Dec Prepayments	-
(Inc) / Dec Inventories	36,162
Inc / (Dec) Accounts payable	(1,420,644)
Inc / (Dec) Income in Advance	-
Inc / (Dec) Accrued Expenses	-
Inc / (Dec) Employee benefits	(2)
 <b>Net cash inflow / (outflow) from operating activities</b>	 <u>967,595</u>



## Capital Program

Year to date capital expenditure is:

ANNUAL BUDGET 2015/16		ACTUAL 2015/16 (to date)	Remaining Budget
<b>Capital Projects</b>			
55,000	Library	18,944	36,056
370,000	Water Reticulation	281,312	88,688
392,000	Water Treatment	121,383	270,617
450,000	Stormwater	36,106	413,894
775,000	Sewerage	133,219	641,781
95,000	Waste Management	18,725	76,275
45,000	Wairoa Airport	0	45,000
6,075,000	Roading Subsidised	700,454	5,374,546
348,000	Roading Non Subsidised	68,321	279,679
55,000	Infrastructural Business Unit	14,436	40,564
60,715	Parking	0	60,715
265,000	Parks and Reserves	150,834	114,166
1,035,000	Community Centre	1,889,951	(854,951)
0	Visitors Information Centre	1,250	(1,250)
51,000	Pensioner Housing	684	50,316
85,000	Cemeteries	10,600	74,400
25,000	Environmental Health	0	25,000
60,000	Building Inspection	71,722	(11,722)
61,000	ByLaw Control	43,227	17,773
85,000	Civil Defence	54,587	30,413
0	Rural Fire	972	(972)
0	Council	4,869	(4,869)
0	Property Corporate	2,196	(2,196)
17,000	Information Centre Building	0	17,000
0	Chief Executive Officer	1,692	(1,692)
55,003	Administration Services	4,787	50,216
87,800	Information Services	27,639	60,161
35,000	Engineering Services	1,113	33,887
Prior Year	Work in progress	(611,562)	611,562
<b>10,582,515</b>	<b>Planned Capital Spending</b>	<b>3,047,463</b>	<b>7,535,052</b>
<b>Capital Subsidies</b>			
(100,000)	Water Reticulation System	0	(100,000)
0	Water Treatment Plant	0	0
0	Sewerage	(1,055,000)	1,055,000
(4,628,000)	Roading Subsidised	(1,659,897)	(2,968,103)
(1,000,000)	Community Centre	0	(1,000,000)
<b>4,854,515</b>	<b>Net Planned Capital Spending</b>	<b>332,567</b>	<b>4,521,948</b>

The Community Centre Overspend is the funding brought forward for capital projects from 2014/15, however this adjustment to the budgets for the year cannot be reflected in the Annual Plan. Finance is investigating the options available to reflect these changes in future reports.



## Net Operating Cost of Service by Service Activity

	ACTUAL 2015/16 (YTD)	Operating Budget 2015/16 (YTD)	Operating Budget 2015/16 (Full Year)	ACTUAL 2014/15 (YTD)	ACTUAL 2014/15 (Full Year)
<b>Net Operating Cost of Service</b>					
<b>Water Services</b>					
Income	(228,596)	(1,426,607)	(1,426,607)	(3,031,742)	(3,582,141)
Operating Cost	2,344,020	4,121,443	4,121,443	5,311,535	8,721,826
Maintenance Cost	23,696	28,200	28,200	11,763	29,981
Capital Costs	0	89,545	89,545	0	0
<b>Total Water Services</b>	<b>2,139,120</b>	<b>2,812,581</b>	<b>2,812,581</b>	<b>2,291,556</b>	<b>5,169,666</b>
<b>Waste Management</b>					
Income	(175,571)	(350,000)	(350,000)	(86,100)	(359,009)
Operating Cost	504,859	930,000	930,000	422,706	1,108,734
Capital Costs	0	10,122	10,122	0	0
<b>Total Waste Management</b>	<b>329,288</b>	<b>590,122</b>	<b>590,122</b>	<b>336,606</b>	<b>749,725</b>
<b>Transport</b>					
Income	(1,602,996)	(5,163,499)	(5,163,499)	(1,244,992)	(4,191,497)
Operating Cost	1,840,265	3,778,204	3,778,204	610,572	6,668,407
Maintenance Cost	4,342,265	5,408,000	5,408,000	2,387,873	4,699,531
Capital Costs	0	1,667	1,667	0	0
<b>Total Transport</b>	<b>4,579,534</b>	<b>4,024,372</b>	<b>4,024,372</b>	<b>1,753,453</b>	<b>7,176,441</b>
<b>Community Facilities</b>					
Income	(121,748)	(102,826)	(102,826)	(134,534)	(121,668)
Operating Cost	663,835	1,272,028	1,272,028	538,334	1,463,392
Maintenance Cost	192,604	356,300	356,300	192,300	363,832
Capital Costs	0	34,014	34,014	0	0
<b>Total Community Facilities</b>	<b>734,692</b>	<b>1,559,516</b>	<b>1,559,516</b>	<b>596,100</b>	<b>1,705,556</b>
<b>Planning and Regulatory</b>					
Income	(416,755)	(549,680)	(549,680)	(449,348)	(569,298)
Operating Cost	533,643	1,402,589	1,402,589	506,599	1,279,649
Maintenance Cost	5,646	13,250	13,250	723	6,590
Job Costing	27,102	0	0	83,471	129,326
Capital Costs	0	12,668	12,668	0	0
<b>Total Planning and Regulatory</b>	<b>149,636</b>	<b>878,827</b>	<b>878,827</b>	<b>141,445</b>	<b>846,267</b>
<b>Leadership and Governance</b>					
Income	(6,704)	(16,050)	(16,050)	(2,879)	(12,724)
Operating Cost	486,060	957,106	957,106	413,582	1,986,436
Maintenance Cost	370	5,000	5,000	273	273
Capital Costs	0	11,500	11,500	0	0
<b>Total Leadership and Governance</b>	<b>479,727</b>	<b>957,556</b>	<b>957,556</b>	<b>410,976</b>	<b>1,973,985</b>
<b>Investments</b>					
Income	(673,818)	(950,736)	(950,736)	(1,005,017)	(1,294,328)
Operating Cost	21,339	408,170	408,170	83,148	(68,163)
<b>Total Investments</b>	<b>(652,479)</b>	<b>(542,566)</b>	<b>(542,566)</b>	<b>(921,870)</b>	<b>(1,362,491)</b>
<b>Property</b>					
Income	(49,800)	(274,390)	(274,390)	(53,302)	(246,858)
Operating Cost	404,188	936,290	936,290	62,058	692,114
Maintenance Cost	55,578	108,565	108,565	46,575	87,510
Capital Costs	0	55,385	55,385	0	0
<b>Total Property</b>	<b>409,966</b>	<b>825,850</b>	<b>825,850</b>	<b>55,331</b>	<b>532,766</b>
<b>Support Services</b>					
Income	(580)	(86,461)	(86,461)	(813)	(3,740,578)
Operating Cost	2,005,287	3,990,306	3,990,306	2,033,235	3,740,578
Capital Costs	0	10,975	10,975	0	0
<b>Total Support Services</b>	<b>2,004,707</b>	<b>3,914,820</b>	<b>3,914,820</b>	<b>2,032,421</b>	<b>(0)</b>
	<b>10,174,191</b>	<b>15,021,078</b>	<b>15,021,078</b>	<b>6,696,018</b>	<b>16,791,914</b>

For the purposes of this report budgets have been restated to remove Support Services costs from within Activity Areas. This ensures that actual and budget income and costs are comparable.



**ACTIONS FOR THE SPECIAL MEETING OF WAIROA DISTRICT COUNCIL HEARING/DELIBERATIONS LONG-TERM PLAN SUBMISSIONS HELD ON TUESDAY 14 AUGUST 2012**

Item	Title	Description	Who	Timeframes	Status
192.	MARINE PARADE – UPGRADE PROPOSALS	That: 1. The report be received. 2. Council defer the construction of new footpaths programme for year 1 (2012-2013) of the LTP 2012-2022 and redirect this funding of \$110,000 to the Marine Parade Gardens Upgrade and that the other components of the beautification project be deferred until further notice.	Engineering Finance	Awaiting VIP input	Remaining budget available for roundabout.

**ACTIONS FOR THE SPECIAL MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 12 FEBRUARY 2013**

Item	Title	Description	Who	Timeframes	Status
220.	WAIKOKOPU RESERVES MANAGEMENT PLAN	Council adopt the Draft Waikokopu Reserve Management Plan for consultation.	Engineering	Immediate	RMP complete, ready for consultation.

**RECOMMENDATIONS FOR THE SPECIAL MEETING OF WAIROA DISTRICT COUNCIL HELD ON THURSDAY 20 JUNE 2013**

Item	Title	Description	Who	Who	Timeframes	Status
247	JOE HEDLEY	Mokotahi Reserve public toilets Tidying and sealing the trailer park at Mokotahi	That this matter be referred to the Reserve Management Plan process. Work with the Fishing Club to draft up an appropriate proposal and investigate funding options.	Engineering	June 2016	RMP has not been updated. Public toilets funding is approved in LTP- Work to be completed pre-Christmas
259	D CAVES	Establishment of a public cemetery for Mahia	That Council continue the process of finding the most appropriate location for a public cemetery at Mahia.	Engineering	June 2016	Continue to search for land. No funding available.

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 10 SEPTEMBER 2013**

<b>Item</b>	<b>Title</b>	<b>Description</b>	<b>Who</b>	<b>Timeframes</b>	<b>Status</b>
291.	PSYCHOACTIVE SUBSTANCES	That Council instruct staff to include discussion on location and hours of retailing of psychoactive substances with the community consultation on retailing of alcohol.	Regulatory	Consultation is dependent on the availability of all parties and can take some time but initial consultation should be complete by May 2016. A draft will then be prepared and provided to Council for comment before being put out for public consultation.	Draft prepared. Undergoing internal review. Initial consultation is being undertaken with the relevant statutory bodies.

**ACTIONS FOR THE EXTRAORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON THURSDAY 28 NOVEMBER 2013**

<b>Item</b>	<b>Title</b>	<b>Description</b>	<b>Who</b>	<b>Timeframes</b>	<b>Status</b>
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Item	Title	Description	Who	Timeframes	Status
310.	LOCAL ALCOHOL & LOCAL APPROVED SUBSTANCES POLICIES	<p>1. Council commence consultation on the formation of a Local Alcohol Policy and a Local Approved Products Policy separately but during the same time frame i.e. two separate surveys; and further</p> <p>2. Council use the surveys attached to this report as the basis of its initial community consultation and direct staff to formulate an online survey taking the best questions from the template survey provided by the Health Promotion Agency and leave the matter of psychoactive substances as a standalone issue.</p>	Regulatory	Consultation is dependent on the availability of all parties and can take some time but initial consultation should be complete by May 2016. A draft will then be prepared and provided to Council for comment before being put out for public consultation.	Drafted and initial consultation being undertaken with relevant statutory bodies.

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 10 DECEMBER 2013**

Item	Title	Description	Who	Timeframes	Status
317.	LANDFILL UTILISATION	<p>That:</p> <p>1. Council receive the report.</p> <p>2. Council trial the acceptance of up to 1000 tonne per annum of out of district domestic waste through the current system for commercial operators</p> <p>3. Council investigate the options associated with providing a controlled regional waste management service and direct further research as required.</p>	Engineering	Immediate	Out of district waste accepted as per trial. Proposal to accept GDC waste was rejected by GDC. WDC has been included in HB waste futures

Item	Title	Description	Who	Timeframes	Status
					study.

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 24 FEBRUARY 2015**

Item	Title	Description	Who	Timeframes	Status
404.	DRAFT WAIROA DISTRICT COUNCIL OFFICER DELEGATIONS MANUAL	That: 1. The report be received. 2. Council refer the Draft Wairoa District Council Officer Delegations Manual to the Community Partnership Committee (once formed) for review and reporting to Council, noting that Council Officers will continue to work on the manual in the meantime.	Regulatory	There is no timeframe on this project and given current workload it may be beneficial to have a legal consultant undertake the first review.	Consultant has been engaged to review the manual.

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 23 JUNE 2015**

Item	Title	Description	Who	Timeframes	Status
426.	DELIBERATIONS – DRAFT LONG TERM PLAN 2015-25 FIRE APPLIANCES	That Council defer the decision to the 2016/17 Annual Plan. Carry out a thorough appraisal of the current appliances and equipment to ensure the Council meet the needs of our community. \$10,000 for the appraisal to be funded from rates.	Regulatory Finance	Immediate	Contractor engaged to do review. Report expected from contractor in March 2016.
427.	DELIBERATIONS – DRAFT LONG TERM PLAN 2015-25 MAHANGA WATER SUPPLY	That a referendum on decommissioning the supply will be held after the re-organisation poll for affected ratepayers. An information sheet will be sent to affected ratepayers. The budgetary provision remains in the plan, spending of this conditional to the result of the referendum.	Engineering Finance	Immediate	On hold pending further information see action 452

Item	Title	Description	Who	Timeframes	Status
428.	DELIBERATIONS – DRAFT LONG TERM PLAN 2015-25 HAPPY JACKS ROAD PROPOSED WORKS	That this issue is added as an additional question to the Mahanga water supply referendum. A report on the referendum will be presented to Council after the reorganisation poll.	Engineering Finance	Immediate	On hold pending further information see action 452
430.	DELIBERATIONS – DRAFT LONG TERM PLAN 2015-25 ROADING & RATES:	That Council await the outcome of the rates review and a report is presented to Council on the work of the Engineering Manager's forestry special interest group.	Engineering Finance	Immediate	Awaiting outcome of rating review. Last councillor workshop in March 2016.
433.	DELIBERATIONS – DRAFT LONG TERM PLAN 2015-25 INTERNSHIPS	That Council support the existing internship programme. An ongoing benefit-cost analysis will be reported back to Council.	Office of the Chief Executive Finance	Immediate	Benefit-cost analysis scheduled for Council meeting in December 2016.

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 28 JULY 2015**

Item	Title	Description	Who	Timeframes	Status
443.	CCTV STRATEGY	That Council enter into a CCTV camera lease and professional monitoring agreement and implement as appropriate a number of flexible battery-operated infrared cameras to monitor isolated crime spots.	Engineering	Immediate	See action 458

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 27 OCTOBER 2015**

Item	Title	Description	Who	Timeframes	Status
452.	REFERENDUM – MAHANGA WATER SUPPLY	That the item be deferred to the next meeting of Council.	Engineering	Legal opinion received	Awaiting MoH determination

## ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 24 NOVEMBER 2015

Item	Title	Description	Who	Timeframes	Status
454.	ECONOMIC DEVELOPMENT STRATEGY	That a workshop on the Draft Economic Development Strategy be included on the next Forum agenda.	Office of the Chief Executive	TBC	Redrafting being undertaken after was taken to ED Committee for feedback.
455.	WAIROA DISTRICT COUNCIL'S GOVERNANCE WORKSHOP REPORT	<ul style="list-style-type: none"> <li>• That the notes of the Governance Workshop be received and accepted as an accurate record of the Council discussion.</li> <li>• That Ms McGimpsey and Mr Baty will follow through these changes in consultation with the Chief Executive.</li> <li>• That the Report Template for Agenda Items (open and confidential) go to Council for their approval.</li> <li>• That Council undertake a technological support and training day with elected members in February 2016.</li> </ul>	Office of the Chief Executive Corporate Services	Report re Information Pack structure at March 2016 Council	Awaiting decision re Information Pack structure
456.	COUNCIL REPORTING TEMPLATES	That: <ol style="list-style-type: none"> <li>1. Council adopt the report templates as attached in Appendix A and Appendix B; and</li> <li>2. There is a review period of 3 months as this is an evolving process and subject to change.</li> </ol>	Office of the Chief Executive	Implementation at February 2016 meeting Review at April 2016 meeting	To be reviewed at Council in April

Item	Title	Description	Who	Timeframes	Status
457.	DISCUSSION OF MEETING WITH HBRC	<p>That:</p> <ol style="list-style-type: none"> <li>1. The CEs of WDC and HBRC work together on formulating a plan around the river in flooding and normal conditions;</li> <li>2. Council request HBRC add an additional monitoring system on the Wairoa Bridge;</li> <li>3. The CEs of WDC and HBRC work together to clean up beaches and public areas affected by forestry slash and formulate a plan going forward;</li> <li>4. Council considers litigation options in relation to forestry slash; and</li> <li>5. WDC officers seek clarity from HBRC on their commitment to clear debris out of the river for kai gathering.</li> </ol>	Office of the Chief Executive Engineering	To be confirmed with HBRC	Forestry slash clean-up of logs in the Taylors Bay area complete

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 8 DECEMBER 2015**

Item	Title	Description	Who	Timeframes	Status
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Item	Title	Description	Who	Timeframes	Status
458.	Alteration of prior resolution on CCTV implementation	That: 1. The report be received; and 2. That the resolution of 28 July 2015 relating to CCTV installation in the Wairoa urban area be altered to: "That Council enter into a CCTV camera lease and implement a suitable monitoring process to meet necessary requirements and install as appropriate a number of flexible battery-operated infrared cameras to monitor isolated crime spots"	Engineering	Immediate	Design issues are to be resolved
459.	QRS Director vacancies	That: 1. The report be received; 2. The 2 directors be reappointed until 30 June 2016; 3. Council proceed to advertise the two QRS Wairoa Ltd Director positions 4. The Policy on the Appointment and Remuneration of Directors and Trustees for Council Organisations (CO) is reviewed	Office of the Chief Executive	Advertising in relation to the 2 directors to commence in March, terminate April.  Policy to be reviewed in April 2016.	In progress

**ACTIONS FOR THE ORDINARY MEETING OF WAIROA DISTRICT COUNCIL HELD ON TUESDAY 23 FEBRUARY 2016**

Item	Title	Description	Who	Timeframes	Status
462.	Representatives on the Wairoa District Heritage and Museum Trust	<i>That:</i>  1. <i>The report be received;</i>  2. <i>The Mayor meet with the Trust to discuss appointments; and,</i>  3. <i>The Mayor takes the matter to the next Maori Standing Committee meeting.</i>	Mayor	TBC	TBC



Item	Title	Description	Who	Timeframes	Status
463.	Net Promoter Score (NPS) Framework	<i>That Council adopt the Net Promoter Score Framework to assess and improve visitors' and residents' views on Te Wairoa, with a more detailed report to come to the March Council meeting on the processes and survey methods using this framework.</i>	Corporate Services	Report to March Council	Complete
464.	Update on 2016/17 Annual Plan Framework	<p><i>That Council:</i></p> <ol style="list-style-type: none"> <li><i>1. <b>APPROVES</b> the timetable for the presentation of the draft 2016/17 Annual Plan to Council as indicated at Appendix 1,</i></li> <li><i>2. <b>APPROVES</b> that the Year 2 budget of the 2015/25 Long Term Plan (Yr2 LTP) be used as the starting point, or baseline, for the development of the 2016/17 Annual Plan,</i></li> <li><i>3. <b>NOTES</b> the statutory timetable for the adoption of the Annual Plan is 30 June 2016 (S 95(3) of the LG Act)</i></li> <li><i>4. <b>NOTES</b> that the planning intention is that there is no requirement for additional public consultation under s 95 (2A) of the LG Act, however sufficient time has been allowed for consultation in the timetable provided if there are significant or material changes or if Council wishes to do so.</i></li> </ol>	Finance		

WAIROA DISTRICT COUNCIL**MAORI STANDING COMMITTEE**

Minutes of the Maori Standing Committee held at the Hurumua Marae, 18 Hurumua Road, Wairoa on Friday, 11 March 2016 at 12.56pm.

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**Present:** Graeme Symes (Chairman) (Rakaipaaka)

E Foster (Wairoa Honengenenge), K Hammond (Wairoa Hopupu), G Hawkins (Pahauwera), P Kelly (Wairoa Matangirau), H Nissen (Ruakituri), P Whaanga (Mahia Mai Tawhiti)

Councillors: M Bird, H Flood

C McGimpsey (Governance Advisor and Policy Strategist)  
D Tipoki (Maori Relationships Manager)

Mr P Kelly in the Chair.

**KARAKIA**

The karakia was given by Mr K Hammond.

**APOLOGIES**

Apologies were received from His Worship the Mayor, C Little, F Power (WDC's CEO), and S Jury (Wairoa Whanui).

<b><u>Resolved:</u></b>	<i>That the apologies received from His Worship the Mayor, C Little, F Power (WDC's CEO), and S Jury (Wairoa Whanui) be accepted.</i>
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***Cr Flood/Nissen***

## CALLS FOR CONFLICT OF INTEREST

## CALL FOR ITEMS OF URGENT GENERAL BUSINESS NOT INCLUDED IN THE AGENDA AND NOTICES

Ohanga o Takitimu  
Ruawhāro Marae Committee – Naming of Reserve

K Hammond  
P Whaanga

## PUBLIC FORUM

## Confirmation of Minutes

**MAORI STANDING COMMITTEE ORDINARY MEETING HELD  
12 FEBRUARY 2016**

Minutes of an Ordinary Meeting of the Maori Standing Committee held on Friday, 12 February 2016 were presented.

<b><u>Resolved:</u></b>	<i>That the minutes of an Ordinary Meeting of the Maori Standing Committee held on Friday, 12 February 2016 be accepted.</i>
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***G Hawkins/E Foster***

**SUSPENSION OF MODEL STANDING ORDERS**

<b><u>Resolved:</u></b>	<i>That the Māori Standing Committee suspend standing orders for the duration of the meeting</i>
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***G Hawkins/E Foster***

## General Item

### **MAORI RELATIONSHIPS MANAGER'S REPORT**

**A 28.01**

The Maori Relationships Manager presented his report.

**Resolved:** *That the report be received.* **K Hammond/H Nissen**

The Committee discussed the Next steps for Freshwater consultation document attached to the Maori Relationships Manager's report and forming a working group to look at the proposal in more detail.

The working group will report back to the next MSC Meeting and will consist of:  
P Kelly, K Hammond, H Nissen, Cr Flood, E Foster and P Whaanga.

**Resolved:** *That a working group will report back to the April meeting on the Next steps for freshwater consultation document.* **K Hammond/Cr Flood**

Mr G Symes entered the meeting at 1.11pm and resumed the Chair.

The Committee discussed the Visual Identity Project signage issue regarding Waikaremoana and the application of the Maori Policy in this circumstance.

**Action:** The Maori Relationships Manager will work on a checklist to be used internally to prevent this type of issue arising again.

**Resolved:** *That:*

- 1. The sign be removed until appropriate consultation is conducted through the Maori Relationships Manager, the Committee's Economic Development Committee representative, and the appropriate takiwa representative Neuton Lambert (Waikaremoana); and,*
- 2. The Visual Identity Project staff take note of the processes in the Maori Policy, in particular section 7 of the policy.*

**K Hammond/H Nissen**

The committee discussed the Waihi Dam, recent visit by Hon David Parker and Matt Todd's attendance at the recent Council Forum. The committee discussed the role of the HBRC Maori Committee and how the committee could link in to this process.

**Action:** Cr Flood will do a chart outlining the structure of Maori representation at HBRC and bring it back to the April MSC meeting.

The Committee discussed the draft Maori Policy and made some small amendments to it. Mr K Hammond and the Maori Relationships Manager would tidy up the glossary section before it went to Council in April.

**Resolved:** *As requested by the CEO, the Maori Standing Committee recommends the Council adopts the revised Maori Policy, resulting from the Committee's review of this policy, for public consultation.* **K Hammond/H Nissen**

## General Business

### **Ruawhara Marae Committee – Naming of Reserve**

Mr P Whaanga passed on a request from the Ruawhara Marae Committee that the Council name the reserve in Opoutama, as a gesture of their appreciation for the work the Council has done in the area.

The committee discussed the gesture and the process involved with naming a piece of land, including the research that would need to be undertaken.

...3  
*Maori Committee*  
*11 March 2016*

**Action:** Mr Whaanga would pass on to the Ruawharo Marae Committee the Committee's thanks but they would prefer that the people name the reserve.

### **OHANGA O TAKITIMU**

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Mr K Hammond updated the committee on a recent workshop he had attended regarding Ohanga o Takitimu – which is an economic development initiative.

**CLOSED:** The meeting closed with a karakia by Mr K Hammond at 2.50pm.



## **Matters arising from Forum**

*Youth Council Presentation – Councillors Aleisha Rutherford and Tangi Utikere, Palmerston North City Council*

- Youth Council and how it integrates into the Council's structure, policies, plans and strategies

*Waihi Dam – Matt Todd*

- Focusing on fixing the issue then looking toward preventive measures
- Will come back to discuss how Eastland Group could help with community initiatives/projects



## Minutes of an Ordinary Meeting of Finance, Audit & Risk Committee

10.30am Tuesday 1 March 2016 held in the Council Chamber, Wairoa District Council, Coronation Square, Wairoa.

**Present:** Councillor J Harker (Chairman)

His Worship the Mayor Mr C Little, Councillor D Eaglesome-Karekare (Deputy Mayor), Philip Jones (entered at 10.45am)

F Power (Chief Executive Officer)  
 J Cox (Engineering Manager)  
 A Morton (Chief Financial Officer)  
 J Baty (Corporate Services Manager)  
 C McGimpsey (Governance Advisor and Policy Strategist)  
 C Hankey (Financial Planning Manager)

### Procedural Items

**1. Civic Prayer**

The civic prayer was given by the Corporate Services Manager

**2. Apologies for absence**

None

**3. Declarations of Conflict of Interest**

None

**4. Chairman's Announcements**

None

**5. Items of Urgent Business not on the Agenda**

Late item – Monthly Financial Report to 31 January 2016

**6. Public Participation**

None

**7. Minutes of the Previous Meeting**

**Resolved:** *That the minutes of the Ordinary Meeting of the Finance, Audit & Risk Committee held on 4 November 2015 be confirmed as a correct record of the proceedings.*

***Eaglesome-Karekare/Little***

**8. Health & Safety Update**

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The Corporate Services Manager presented the report.

**Resolved:** *That the report be received*

***Eaglesome-Karekare/Harker***

## 9. Health & Safety Monitoring of Contractors

The Engineering Manager presented the report.

Points of clarification were sought regarding:

- Inclusion of the Community Centre on the list and Council's responsibilities under the Health & Safety at Work Act 2015 regarding owning the facilities

Philip Jones entered the meeting at 10.45am

**Resolved:** *That the report be received.*

***Little/Eaglesome-Karekare***

## Late item: Monthly Financial Report to 31 January 2016

The Chief Financial Officer presented the report and noted that it was a working document.

Points of clarity were sought on:

- Why there was a variance on pg 4 of the report → financial treatment
- Definition of a crystallised risk → the risk has happened
- Content of the monthly report versus the quarterly report
- Ability to include forecasting in future reports

**Resolved:** *That the Committee:*

1. *Receives this report*
2. *Endorses the report and will forward the report for presentation to Council*
3. *Notes that the reporting regime established with this report is a work in progress*

***Eaglesome-Karekare /Harker***

## 10. Resolution to Exclude the Public

**Resolved:** *That the public be excluded from the following parts of the proceedings of this meeting, namely:*

1. *Confidential Minutes of Previous Meeting*
2. *Audit – Report on Control Findings*

3. *Independent review of procurement processes for the sealed road maintenance contract*

*The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:*

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b> <i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:</i>	<b>Ground(s) under section 48(1) to the passing of this resolution</b> <i>48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</i>
Confidential Minutes of Previous Meeting	Section 7 (2) (c) protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or (ii) would be likely otherwise to damage the public interest; or (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; (i) enable any local authority holding the	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]



		information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	
Audit – Report on Control Findings	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons; (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]	
Independent review of procurement processes for the sealed road maintenance contract	Section 7 (2) (b) protect information where the making available of the information – (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]	

*Harker/Eaglesome-Karekare*

**PUBLIC EXCLUDED: 11.05am**

**PUBLIC READMITTED: 12:15pm**

**General Business**

There being no further General Business Councillor Harker declared the meeting closed.

**CLOSED:**           The meeting closed at **12:16pm.**

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Chair

RESOLUTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following parts of the proceedings of this meeting, namely:

1. Confidential Minutes of Previous Council Meeting (8 December 2015)
2. Confidential Action Sheet
3. Confidential Minutes FAR Committee 1 March 2016

The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48(1) to the passing of this resolution</b>
Confidential Minutes of Previous Council Meeting	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:  (i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]
Confidential Action Sheet	Section 7 (2) (a) protect the privacy of natural persons, including that of deceased natural persons (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]

<p>Confidential Minutes FAR Committee 1 March 2016</p>	<p>Section 7 (2) (c) protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or (ii) would be likely otherwise to damage the public interest; or (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</p>
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