Minutes of the Meeting of the Whanganui District Council held at 1.00pm on Wednesday, 6 September 2017, in the Council Chamber, Municipal Office Buildings, 101 Guyton Street, Whanganui

Present: Mayor Hamish McDouall (Chair), Deputy Mayor Cr Jenny Duncan, Cr Charlie Anderson, Cr Philippa Baker-Hogan, Cr Murray Cleveland, Cr Josh Chandulal-Mackay, Cr Helen Craig, Cr Kate Joblin, Cr Alan Taylor, Cr Rob Vinsen and Cr Graeme Young.

In Attendance: Mr David Matthews (Chair, Wanganui Rural Community Board).

Apologies: Cr David Bennett and Cr Hadleigh Reid.

Officers in Attendance: Mr Kym Fell (Chief Executive), Mr Mike Fermor (General Manager – Finance), Ms Sarah Pomeroy (Communications and Marketing Manager) and Ms Anna Palamountain (Governance Services Officer). Secretary: Mrs Karyn Turner (Governance Services Officer).

Prayer
Cr Graeme Young read the Prayer.

Apologies
Council’s Resolution
Proposed by Mayor McDouall, seconded by Cr Cleveland:

THAT apologies from Cr David Bennett and Cr Hadleigh Reid are received.

CARRIED

Declarations of Interest
No declarations of interest declared.

Additional Information

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<td>Lower Whanganui River Control Structures</td>
<td>Rowan McGregor</td>
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<td>11.</td>
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<td>Kym Fell</td>
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Council’s Resolution
Proposed by Mayor McDouall, seconded by Cr Anderson:

1. THAT the additional information tabled is taken with the relevant item.

CARRIED
Public Engagement Forum
Mayor McDouall welcomed Ross Fallen to the Council’s first public engagement forum.

Mr Fallen spoke on the current review of electoral systems for local body elections. While there had been discussion on Single Transferable Vote (STV) versus First Past the Post (FPP) he was unsure whether there was good public understanding of STV. Mr Fallen supported a change to STV but said if the status quo prevailed in a Council vote he believed another resolution was required that would enable FPP and STV, and other topics, such as a ward system, iwi representation, the number of councillors, built into a binding referendum and included in the same envelope as the voting documents for the 2019 elections. Mr Fallen believed this would better engage the public and provide a clear outcome of what the people in Whanganui District wanted.

Mayor McDouall advised the second speaker, Gordon Anderson, was unable to attend the meeting.

Confirmation of Council Minutes – 8 August 2017
Council’s Resolution
Proposed by Cr Craig, seconded by Cr Chandulal-Mackay

THAT the minutes of the Whanganui District Council meeting held 8 August 2017 are confirmed.

CARRIED

Reports to Council
1. Iwi Engagement

Bryan Nicholson, Chief Operating Officer, reports:

Executive summary
This report outlines Council’s recent engagement with iwi.

Background
Formal relationships exist between the Council and Te Rūnanga o Tupoho and Te Rūnanga o Tamaupoko, with regular hui scheduled throughout the year that focuses on all levels — political, social, economic and environmental — for the benefit of all of Whanganui.

The following hui have been held and matters discussed:

Tamaupoko Link
Wednesday, 16 August 2017, at Whanganui District Council.
• Reflecting iwi/Council relationships.
• Tripartite agreement.
• Staged approach to recycling.
• Iwi representation.
• Identification of regional tourism and economic opportunities.
• Roading update.
• Iwi engagement on Strategy and Policy.
• Emergency planning and training.
• Next hui scheduled for 27 September 2017 at Pipiriki.

The unconfirmed minutes of the Tamaupoko Link hui held on 16 August 2017 are attached (Ref A).

Iwi Engagement Framework

Council has recently employed a Community Relationships Officer who will be working on an Iwi Engagement Framework to support Iwi participation in Local Government and lessen the impact of Council consultation on Iwi.

This document will reflect a greater understanding of Iwi communication processes and provide Council officers with realistic and mutual expectations of Iwi response. This framework is being designed in collaboration between the Community Relationships Officer and Iwi representatives, and will include input from other Council groups who are in frequent engagement with Iwi.

A part of this framework will include scheduled interim meetings to allow Council staff ‘face-to-face’ time with Iwi representatives, and enable the Strategy Group to provide further depth into any strategy, policy or regulatory work that Council intends to start, progress and complete over the 10-Year Plan period as per the Strategy and Policy Snapshot.

It is intended that this framework of engagement will allow Iwi representatives to disperse information back through to their respective Rūnanga and hapū with greater understanding, and in turn provide more effective feedback back to Council. The interim meetings will also allow operational matters of lesser priority to be undertaken and completed through the joint efforts of designated Iwi representatives and the Community Relationships Officer. Updates can then be provided prior to the scheduled six-weekly working party/link meetings with Iwi.

The desired outcome is that discussion at the six-weekly link meetings will be more focused around significant issues and joint efforts and in alignment with the Council/Iwi Relationship documents.

Other Engagement

Engagement has been undertaken with Iwi, but is not specific to, the following matters:
• Council and Iwi are currently working through a schedule of fees for Iwi attendance at meetings and working groups.
• Signing of the Iwi Accord for the Wastewater Treatment Plant.
• Two Council/Iwi Land Divestment Policy and Sensitive Land issues workshops have been held.
• Renewal of dredging consent for the Port.
• Lower River Infrastructure.
• Port Revitalisation.
• Te Awa Tupua Settlement Technical Advisory Group meeting.
• Plan Change 48 Outstanding Natural Landscapes – working with Tupoho and Tamaupoko on cultural assessment report.
• Plan Change 46 Otamatea West – working with Ngaa Rauru Kiitahi and Tupoho on cultural assessment report.
• Queens Park Management Plan – working with Tupoho regarding future options for the reserve.

References – Agenda Attachments
A Unconfirmed minutes of the Tamaupoko Link hui held on 16 August 2017.

**Significance of decision** – In terms of the Significance and Engagement Policy 2014, the decision is not significant.

Council’s Resolution
Proposed by Mayor McDouall, seconded by Cr Taylor:

1.1 THAT the Iwi engagement information is noted.

1.2 THAT the unconfirmed minutes of the Tamaupoko Link hui held on 16 August 2017, are received.

CARRIED

2. **Voting System for the 2019 Local Authority Triennial Elections**

Noeline Moosman, Electoral Officer reports:

**Purpose**
As requested at the Council meeting held 8 August 2017, Council resolved to receive public feedback prior to making a decision.

Under Section 27 of the Local Electoral Act 2001, a local authority may resolve to change the electoral system method of voting) two years prior to the next triennial election which is to be held on Saturday, 12 October 2019. The local Electoral Act provides for the choice between the First Past the Post (FPP) and Single Transferable Voting (STV) systems

**Summary**
A presentation was given at the Council meeting held on Tuesday, 8 August 2017 on the two voting systems to be considered for the local authority triennial elections. The two electoral systems for consideration are First Past the Post (FPP) and Single Transferable Voting (STV). Council resolved to seek public engagement on this matter and the following methods were utilised to obtain feedback:

• A survey was on Viewpoint Whanganui asking people to select their preferred voting system (FPP or STV).
• This was promoted through:
  o Council’s Facebook page
  o A media release on the front page of Council’s website
  o Emailed out to networks including: Councillors; Youth Committee; WRCB; Mainstreet; Chamber of Commerce; Tupoho; Tamaupoko (survey was also translated into Te Reo); Our District, Your Say - online community panel; Ratepayers Association; and GreyPower.

• Advertising in the Wanganui Chronicle
  o 2 full page advertisements
  o Community link

• Advertised in the River City Press newspaper.

• A public meeting held on Wednesday 23 August at the War Memorial Centre and hosted by Mayor Hamish McDouall
  o viewing of a video explaining STV
  o printed brochures based on information from Department of Internal Affairs (DIA) explain both voting systems
  o laptops set up for attendees to complete the survey on the night.

The results from the survey indicated that 187 completed the survey and from that 63% preferred First Past the Post, and 37% preferred Single Transferable Voting. Additional commentary from some respondents is collated and attached (Ref B). The information gathered from the public engagement is not binding on Council but will assist with the decision making process.

**Key Issues**

Council must resolve by 12 September 2017 to adopt one of the three recommendations presented today. A poll conducted with the next triennial election to be held in October 2019 will be cost effective, but will not stop a demand for a poll by the electors of the Whanganui District on the electoral system to be used for the October 2019 election. The cost to conduct a binding poll is approximately $50,000.

**Legislative timetable**

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<tr>
<th>Who</th>
<th>Provision</th>
<th>Timing</th>
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<tr>
<td>Local Authority</td>
<td>Sec 27 – may resolve to change the electoral system to take effect for the next two elections.</td>
<td>No later than 12 September 2017 – two years before the next triennial election.</td>
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<tr>
<td>Local Authority</td>
<td>Sec 28 – must give public notice of the right for electors to demand an electoral system poll, and that notice must include a statement that a poll is required to countermand any local</td>
<td>By 19 September, two years before the next triennial election. i.e. for the 2019 October election.</td>
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<tr>
<td>Authority</td>
<td>Resolution</td>
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<tr>
<td>5% of Electors</td>
<td>Sec 29 – may demand a poll on a proposal that a specified electoral system be used at a triennial election – approximately 1,563 electors enrolled as eligible to vote. At any time – demand must be made in writing; signed by a specified number of electors; delivered to the principal office of the local authority.</td>
<td></td>
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<tr>
<td>Local Authority</td>
<td>Sec 31 – may resolve to hold a poll on the electoral system. No later than 21 February 2018 – the year before election year i.e. 21 February 2018.</td>
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<tr>
<td>Local Authority</td>
<td>Conduct the poll on the electoral system. No later than 21 May 2018.</td>
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References – Agenda Attachments
B Viewpoint comments voting poll.

Discussion
Mrs Moosman responded to questions. The vote capture for Single Transferable Voting (STV) was undertaken twice by different operators. If this did not reconcile a third visual overview was undertaken by the electoral officer and a Justice of the Peace to verify the elector’s intentions. An elector could mark as many or as few as they wished. Very few electors marked all candidates. In the last District Health Board election there were not a great number of voting papers requiring a third overview. A key reason for the number of informal votes was the elector had ticked the document rather than numbered or had put a line through the document. If there was a gap between numbers on the paper, the paper was valid up to the missing number. If a poll or referendum was undertaken at the 2019 local body elections, this would be binding for the following two elections. Although used for District Health Board elections, if STV was adopted by the Council, an education package would need to be rolled out to assist the public through the process. The voting document itself was endorsed by the Department of Internal Affairs and Mrs Moosman believed the instructions should remain simple.

Cr Vinsen queried how the proposed recommendations would be taken as they included an ‘either/or’. Mayor McDouall said from Councillors’ informal discussion, feedback from the public meeting, and also noted in Mr Fallen’s public forum presentation, the recommendation proposed to be put was the first bullet point – That the Council retains the First Past the Post electoral system for the next triennial election to be held Saturday, 12 October 2019, with the decision being publicly notified by 19 September 2017, and to hold an electoral system poll in conjunction with the 2019 triennial elections on the electoral system to be used for the 2022 and 2025 triennial election.

Proposed by Cr Craig, seconded by Mayor McDouall:
- That the report is received.
- That the Council retains the First Past the Post electoral system for the next triennial election to be held Saturday, 12 October 2019, with the decision being publicly notified by 19 September 2017, and to hold an electoral system poll in conjunction with the 2019 triennial elections on the electoral system to be used for the 2022 and 2025 triennial election.
notified by 19 September 2017, and to hold an electoral system poll in conjunction with the 2019 triennial elections on the electoral system to be used for the 2022 and 2025 triennial election.

Speaking to her motion, Cr Craig said democracy and the type of voting system was important and a referendum was the best way for voters to have their say. Referring to the cost of a referendum held outside the triennial election process she did not see any urgency for this. It was sensible to hold this at the next election and it would then clearly guide the Council to what the public wanted.

Referring to Mr Fallen’s public forum presentation, Cr Vinsen said the people owned the voting system and it was their democratic right to vote for an electoral system through a referendum. He also believed it impractical to have a separate referendum for this matter now and the next election was the right time. A referendum would also provide opportunity to ask key questions such as a return to rural/urban wards, whether the urban ward should be split into smaller wards, and the subject of Maori wards. Cr Vinsen also believed fluoridation was another matter that needed a public decision.

Cr Duncan said while this was an important issue, she agreed it was not urgent and the benefit of waiting until the next election would provide the opportunity to further explore representation issues and how the STV system worked. Cr Taylor agreed with the comments made and considered a referendum held in conjunction with the 2019 elections would offer a great opportunity for the community to speak. Also endorsing previous comments, Cr Chandulal-Mackay said it was evident there was confusion in the community on how STV worked. Through speaking about this in the last month he had gained a more thorough understanding and supported STV as a fairer system. Cr Joblin agreed with the fairness of the STV system and said she was surprised when crunching numbers that in terms of increasing diversity, there had materially been a higher rate of women elected where STV had been used. She supported the motion that a referendum be held. While Cr Baker-Hogan believed this matter should have been communicated earlier to the community, a referendum at the next local body election was the perfect time for the community to strongly have their say.

Cr Young said from the current consultation undertaken he had found very little support for moving away from First Past the Post (FPP). It was fair to say however, there was little understanding of the STV process and significant education would need to occur.

Mayor McDouall said from informal canvassing on this issue, he had received some positive responses. He also believed it key that in recent consultation undertaken the Council had gone out without stating a preference. At the public forum he had heard people interested in STV but they needed understanding. The Council would now have two years to resolve that. He agreed a referendum would also provide the opportunity to ask other representation questions.

The motion was put.
Council’s Resolution
Proposed by Cr Craig, seconded by Mayor McDouall:

2.1  **THAT** the report is received.

2.2  **THAT** the Council retains the First Past the Post electoral system for the next triennial election to be held Saturday, 12 October 2019, with the decision being publicly notified by 19 September 2017, and to hold an electoral system poll in conjunction with the 2019 triennial elections on the electoral system to be used for the 2022 and 2025 triennial election.

**CARRIED UNANIMOUSLY**

**ACTION:** Noeline Moosman

3.  **2018 Meeting Schedule**

Charlotte Almond, General Manager Strategy, reports:

**Introduction**
This report outlines the proposed schedule of meetings for 2018 (Ref C).

**Background**
At the Council meeting held on 4 July 2017, the Council resolved to amend the frequency of meetings of the Property and Community Services Committee and the Infrastructure and Special Projects Committee to bi-monthly, with the Strategy and Finance Committee meeting remaining at six-weekly intervals for the remainder of the year.

The Council also resolved that the month of July have no scheduled meetings.

Traditionally, no committee meetings are scheduled for January to allow managers and key staff to take annual leave.

**Strategic context**
Council is required to hold meetings that are necessary for the good governance of the District in accordance with the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987.

Under the Leading Edge Strategy it is Council’s strategic objective to demonstrate strong, positive and empowering leadership to support unity and drive our District forward.
Factors to consider

- **Financial considerations**
  There are no financial considerations.

- **Legal compliance**
  Clause 8.9 of Standing Orders states:
  *Where Council adopts a meeting schedule it may cover any period that Council considers appropriate and may be amended. Notification of the schedule, or an amendment, will constitute notification to members of every meeting on the schedule or the amendment. This does not replace the requirements under LGOIMA to also publicly notify each meeting.*
  [cl 19 (6) Schedule 7, LGA]

- **Policy implications**
  The current Standing Orders do not restrict the proposed schedule of meetings.

- **Risks**
  A special Council or Committee meeting can be held to pass any urgent business arising out of the meeting cycle and is permitted under current standing orders.

  A decision was made for the Strategy and Finance Committee meetings to remain at six-weekly intervals in 2017 as the agendas were comparatively large. It is anticipated that policy and strategy work will reduce in 2018 and a bi-monthly meeting will be sufficient.

**Significance**

The recommended decision is not significant according to the Council’s Significance and Engagement Policy.

**Engagement**

Not applicable.

**Assessment of options**

The Council has the ability to determine the frequency of Committee and Council meetings which it considers necessary to achieve good governance. The meeting schedule presented for adoption gives effect to the resolution of 4 July 2017 *(Ref C).*

The 2018 schedule provides for a monthly Council meeting cycle and a bi-monthly committee meeting cycle for the Property and Community Services Committee, the Infrastructure and Special Projects Committee, and the Strategy and Finance Committee.

It is noted, however, that the final two Strategy and Finance Committee meetings in 2018 are only scheduled six weeks apart to allow for any final business to be brought to the Committee’s attention, and to enable its minutes to be tabled at the December 2018 Council meeting.
It has been necessary to schedule a Council meeting on 19 July 2018 to meet the financial requirements for the striking of the rates.

Meetings for the Wanganui Rural Community Board and Youth Committee have been scheduled on a six-weekly cycle. The Audit and Risk Committee meets quarterly.

Tentative meetings for the Statutory Management Committee have been scheduled on a monthly basis to be used if required. Meetings of the Tupoho Working Party and Tamaupoko Link have been tentatively scheduled on a six-weekly cycle and are subject to confirmation by the respective working parties.

Compilation and finalisation of Council’s draft 10-Year Plan will be undertaken in the first quarter of 2018, with workshops scheduled in February, and public consultation and deliberations scheduled for May 2018.

Meeting dates of Whanganui District Council Holdings Limited and Whanganui & Partners are yet to be finalised.

During the year Council and Committee meetings and workshops may be added or withdrawn from the schedule.

Early endorsement of the 2018 meeting calendar is desirable to enable forward work programme planning and alignment of 10-Year planning requirements.

**Conclusion**

The proposed 2018 calendar has been scheduled to allow for meetings to be evenly scheduled throughout the year on a cyclical basis and is also cognisant of the Council’s desire to have no meetings in July.

**References – Agenda Attachments**

C Meeting Schedule 2018.

**Discussion**

Cr Craig queried the date of the first meeting of the Property and Community Services Committee set one week prior to the Council’s first meeting. She said it would be unlikely that resolutions from that meeting would get to the Council meeting and suggested an alternative could be to swap the dates of those two meetings. In response, Louise Davies, Governance Services Officer, said in plotting the meeting schedule, cognisance was taken of report preparation and compiling briefing papers. There had been a direction to keep January 2018 relatively free from meetings to enable staff to take annual leave. If the Council’s first meeting was scheduled for 7 February 2018, report preparation would be required mid-January. An attempt had also been made to spread Standing Committee meetings over February and March.

Cr Duncan expressed surprise that with its heavy workload, the Strategy and Finance Committee meetings would move to a two-monthly cycle. In reply Mayor McDouall acknowledged that while he had not had direct consultation with Cr Joblin, Chair of Strategy
and Finance Committee, he had spoken to her about the governance review and had indicated his preference that all standing committees met bi-monthly in 2018. Mayor McDouall said he had met with Charlotte Almond, General Manager Strategy, and it was expected that by February 2018, the current heavy workload would decrease and it was anticipated two-monthly meetings were feasible. If this proved incorrect, Mayor McDouall was happy to reconsider this. He also noted that if an urgent matter arose an extraordinary meeting could be called. Cr Joblin said given the current workload she was also surprised to see two-monthly meetings scheduled, however if the workload was expected to be less she was acceptable to two-monthly meetings. Cr Joblin referred to the period of time between the last Strategy and Finance Committee’s 2017 meeting and its first meeting in March 2018. From a governance perspective this was a long period not to receive a financial report and she requested whether it was possible to present a financial report to the Council’s first meeting on 13 February 2018.

**ACTION:** Mike Fermor

In reply to Cr Taylor’s query on meeting dates for the number of Council working parties and whether these could be included in a further updated schedule, Mrs Davies said this could be accommodated once dates were available.

**ACTION:** Governance (Louise Davies)

### Significance of decision – In terms of the Significance and Engagement Policy 2014, the decision is not significant.

**Council’s Resolution**

Proposed by Mayor McDouall, seconded by Cr Craig:

3.1 **THAT** the Meeting Schedule 2018 is adopted.  

**CARRIED**

**ACTION:** Louise Davies

4. **Whanganui & Partners Progress Update**

Adrian Dixon, Whanganui & Partners Manager, reports:

**Executive summary**

The Board and Team of Whanganui & Partners have been working closely together to prioritise project initiatives and budgets while continuing to undertake business as usual activities. Recruitment plans are in place to replace the recently announced departures.

**Background**

Following extensive consultation, strategic planning meetings and forums the Whanganui & Partners Statement of Intent was finalised. Implementation is now underway.
Update

The launch of the Maori Business Innovation Hub (with financial support from Te Puni Kokiri (TPK)) is due to occur in September 2017. This is also the Innovation Quarter and a co-working space for Whanganui & Partners, Te Manu Atatū, and Whanganui Chamber of Commerce.

Recent Data released by Statistics New Zealand and Infometrics showed Whanganui & Partners exceeded the Visitor/Tourism sector targets for the 2016/17 financial year.

Key results were:

- Year Ending (YE) June 2017 Spend – $128 million 6% increase (National Average 6%), Whanganui’s target was a 5% annual increase in visitor guest nights and spend.
- YE June 2017 Visitor Guest Nights (total) – 4% increase, Whanganui’s target was a 5% increase from 2014 to 2017 – this has been well and truly exceeded.
- Perception – 37% increase in consideration of Whanganui as a place to visit from 2015 to 2017.

The Quarterly Report for August 2017 is attached (Ref D).

Next Steps

The Whanganui & Partners Board and Team will continue to implement the Statement of Intent reporting to Council as agreed.

References – Agenda Attachments

D Quarterly Report – August 2017

Discussion

Adrian Dixon, Whanganui & Partners Manager, and Myles Fothergill, Whanganui & Partners Chair, presented the quarterly report for Whanganui & Partners.

Mr Fothergill advised that the quarterly report provided was not fully up-to-date due to the adjournment of the last meeting of Whanganui & Partners (W&P). The meeting was reconvened and concluded on 5 September 2017. Providing a verbal update, Mr Fothergill said the Statement of Intent had been updated in line with Council requirements and submitted back to the Council. At its reconvened meeting, the Board prioritised and allocated funding to projects, with some funding allocated subject to further information being received. All funding had now been allocated. W&P would work with the Council’s Communications Team on a communications plan to enable project information to be rolled out informing the Council and the public what was being undertaken by W&P. Further work was being undertaken to complete the longer-term strategic plan. It needed to be ensured that this document, the 2018 economic development strategy and W&P’s 2018 Statement of Intent (SOI) dovetailed together and had the synergies required. Referring to the SOI, Mr Fothergill said it was expected this would contain much more project detail, what W&P was doing and specifically the outcomes expected.
A further matter discussed had been submissions referred to W&P from the Council’s Annual Plan process. While there had been some suggestion that these be referred back to the Council, it was agreed that these be taken on board but the Board would provide a much more robust application process. Firstly this would help with the submission and certainly help with any request for funding from W&P. There were several applications on the table that did not provide any real detail on financial structure, how the money was to be used, nor the outcomes of that. The Board was unable to proceed with these requests because of insufficient information. Mr Fothergill said rather than just turning down those requests the Board wanted to put a system in place that included a detailed application process and a solid matrix for assessing those applications with some consistency.

Mr Fothergill and Mr Dixon responded to questions of clarification on matters included in the quarterly report.

Job Growth – Since report completion, Mr Dixon had received clear data on job growth in Whanganui and this would be circulated to Elected Members. This data was good news with job numbers starting to grow.

**ACTION:** Adrian Dixon

Education – The mission to China had been 100% funded and organised by Education New Zealand. A detailed report from Education New Zealand and from those who attended from Whanganui region was now available and would be circulated.

**ACTION:** Adrian Dixon

Mr Dixon was now driving the Business Friendly project within his team. His personal deadline for training and internal communication plans for this was 22 September 2017. Mr Dixon explained the Digital plus App Development was a cross-over of about three projects working to similar end goals. The ‘Yellow’ projects were due for launch this year but were formally on hold as Yellow had faced some technology barriers with its testing platform. One project scope was for Yellow to take the responsibility of creating business digital profiles and an effective web presence for Whanganui businesses. The two related items being worked on were the business community survey to update W&P’s system, records and data and as part of skills for industry work and the 100% Sweet programme, the survey assist to understand Whanganui business growth paths, aspirations and what they need in the future. The further digital app reference in the report was a tool being investigated that would capture a range of data across Central and Local Government to enable potential new business operators to identify the right geographic locations, based on foot traffic, spend, population in specific areas. This would enable the W&P team to better develop proactive businesses cases to attract businesses but also interested investors.

Mr Fothergill said branding and marketing were considered not only critical to W&P but to Whanganui and the Council. The Board agreed branding and marketing sat within W&P and it needed to have ownership, management and control of this. He said there were some instances where pamphlets, brochures and letterheads, while colourful, did not align with the brand and some of the brand had been changed and moved around. The Strategic Lead Destination position had been revised and was now Strategic Lead Destination/Marketing.
The responsibilities of that role included managing, marketing and promoting the Whanganui Brand – ‘Whanganui all you need and then some’.

Mr Dixon said Ministry of Social Development (MSD) had again confirmed funding support for the Skills for Industry programme and to work with W&P on some of the Accelerate 25 projects where these created employment for people on their register. MSD would help co-ordinate those projects and also have the wage subsidy programmes in place. He said conversation with MSD had also extended to possible community projects in the Town Centre Revitalisation Strategy and what funding support could be available for those.

Mr Fothergill further explained there was often confusion with MSD funding. This funding needed to link with MSD clients. W&P funded the 100% Sweet programme and, moving forward, the intention was to secure sustainable funding. Industry needed a high level of skills and currently with the Youth Guarantee programme and MSD’s $250,000, W&P considered this would meet the needs of school leavers up to the age of 18 years and then the additional funding beyond that. With 100% Sweet, W&P wanted to ensure this was in schools over a period of time, so Year 10 students’ decisions were aimed at when they left school in Year 13 and the career path they would take. Mr Fothergill said W&P had made a decision to support 100% Sweet and although specific job outcomes could not be given in the first year, it was expected to attribute 100 placements in and around meaningful employment for young people, thereby giving businesses the support they needed to grow, which then would equate to jobs.

Mr Fothergill said W&P engaged with Air Chathams on a regular basis. A wrap-around branding on its aircraft or the potential for a tail wrap as an alternative had been discussed. Currently with two aeroplanes operating, Air Chathams had suggested waiting until the scheduling was sorted but had since reported back that development occurring at the Auckland airport may create a space to achieve an even higher profile than on the tail of a plane. Air Chathams was working on this and had undertaken to report back with a proposal or concept on this opportunity.

In response to a question on W&P transparency to the public, Mr Fothergill said W&P’s Board was very clear on its financial accountability and that it was dealing with public funds. Kym Fell, Chief Executive, said public access to W&P had been made easier with quarterly public open meetings at which the public could ask questions of the Board.

It was queried whether future reports would contain more statistics with one-year or five-year comparisons. In response, Mr Fothergill said this could be included if required. Effectively what would be seen in future reports, while having regard to statistics, would be how they matched W&P’s expected outcomes and where they fitted with strategic goals. If additional information was required in reporting this could be requested. Two areas of focus for the Board were reducing duplication of services throughout the community and the Council. One example was that W&P use the Council’s Human Resources and Communications services rather than out-sourcing, and looking at how much time W&P staff spent working on compliance and reporting. He said once this was known W&P could look at how it could minimise the reporting function and get more of the ‘doing’ happening.
In was queried whether the current changes in personnel would impact on the energy required to continue all the projects currently underway and whether some of this could be undertaken by contract. Mr Fothergill said W&P did not want to lose momentum in the short term would contract out some of its work if required. W&P’s current focus was to ensure it had the foundation and organisation right and the Board totally focussed on governance.

In reply to a question on the Intelligent Communities Forum funding application, Mr Fothergill said after much consideration the Board had decided against funding to attend the Forum. It had however, agreed to pay the full members’ fee for another year which meant Whanganui retained its status as one of 32 cities worldwide that were full members. There were approximately a further 110 associate members. Mr Fothergill said the decision not to fund attending the awards this year was based on the information received on the value of being a member and having access to the tools and database. He said while there was some benefit in attending the awards, unfortunately the cost at $60,000 was considered excessive and that funding was better applied elsewhere. Mr Fothergill noted that Rene Olmos, Strategic Lead Innovation, would lead a review of the awards to test alignment with W&P strategic goals, the Economic Development Strategy and the Leading Edge Strategy.

Cr Duncan advised the cost to attend the forum was approximately $10,000 not $60,000 and she considered this was a seriously lost opportunity. Mr Fothergill clarified that the application information provided for W&P to consider was for funding of $60,000 to enter the awards.

| Significance of decision | — In terms of the Significance and Engagement Policy 2014, the decision is not significant. |

**Council’s Resolution**

Proposed by Mayor McDouall, seconded by Cr Anderson:

4.1 **THAT** the information is noted.

CARRIED

The meeting adjourned at 2.56pm.
The meeting resumed at 3.07pm.

5. **District Plan Review Phase 6 – Proposed Plan Change 46 (Otamatea West) Public Notification**

Rachael Pull, Senior Policy Planner, reports:

**Introduction**
The purpose of this report is to seek approval to publicly notify proposed Plan Change 46 (Otamatea West).
Background
Section 73 of the Resource Management Act 1991 (RMA) provides for councils to initiate plan changes as necessary and appropriate. The process for initiating changes to a district plan is set out in the First Schedule to the RMA.

In December 2016, a Scoping Report was presented to Council identifying options to provide additional land for residential activities at Otamatea. At that meeting the Council resolved to commence a change to the District Plan and to complete a structure planning exercise to inform and facilitate such a Plan change.

The development of a Structure Plan and Plan Change for Otamatea West will facilitate comprehensive infrastructure design and urban planning of the area for residential development over the next 50 years. This work has now been completed and approval to publically notify Plan Change 46 is now sought.

Strategic context
Councils are required to identify and provide sufficient future development capacity for a 30 year period. Local research indicated a shortage of residential development capacity at Otamatea. In order to effectively and efficiently provide sufficient residential development capacity, preparation of a Structure Plan and District Plan change has occurred to define Council expectations relating to infrastructure costs and provide urban design outcomes for such development. This work has taken into account the Infrastructure Asset Management Plans and the 10-Year Plan, enabling Council to proactively budget and plan completion of physical works in a timely manner. The proposed works achieve the Community, Connectivity, Environment and Economy objectives of the Leading Edge Strategy.

Factors to consider
- Financial considerations
  The District Plan review has been included and funded in the Annual and 10-Year Plans.

- Legal compliance
  This work is consistent with Council functions under Sections 10 and 11 of the Local Government Act 2002 (LGA 2002) including requiring Council to provide communities with good-quality local infrastructure and performance of regulatory functions in a way that is most cost-effective, and Section 31 of the Resource Management Act 1991 (RMA) which requires Council to manage the effects of land use.

  A comprehensive Structure Plan and Plan Change process will assist Council to make effective decisions saving time and cost, and providing greater certainty and clarity for developers and the wider community.

  The works will assist Council to fulfil section 101B LGA 2002 and the National Policy Statement on Urban Development Capacity 2016 requirements to plan for infrastructure provisions out to a 30 year horizon.
• **Policy implications**
The development of a Structure Plan and a Plan Change is consistent with the existing policy to provide for projected residential growth in an efficient and cost effective manner.

• **Risks**
The risks including of acting and not acting, are outlined in the Section 32 RMA Evaluation Report attached (Ref E). As outlined above, this Plan Change addresses core functions of Council. No action could result in exposure of the Council to the risk of failing to adequately provide for future development requirements as outlined in the evaluation report.

**Other considerations:**
It is intended that Plan Change 46 be publicly notified on Saturday 9 September 2017. This will provide the public with an opportunity to formally submit on the proposal, and also on the submissions of others. After this, a public hearing will be held where submitters can give further evidence regarding their submissions.

**Significance**
In terms of the Significance and Engagement Policy, the recommended decision is not deemed significant.

**Engagement**
Re-zoning of a similar area was proposed in late 2015, but was withdrawn to await detailed modelling of the potential infrastructure implications. Early discussions with some landowners were initiated at that time.

Engagement has been undertaken in accordance with the requirements of the RMA in developing this Plan Change. Consultation and engagement is detailed within the attached report (Ref E).

**Assessment of options**
There are two parts to this Plan Change to provide for residential growth at Otamatea to consider. The first is the consideration of the Otamatea Development Overlay and the second is the rezoning of additional land and adoption of a Structure Plan within the District Plan. A full assessment is considered in the section 32 report. Below is a summary of the options.

**Part 1: Otamatea Development Overlay**
The options are to keep or remove the overlay that restricts density in the Otamatea area to a minimum of 1,000 square metres. The establishment of the Otamatea Development Overlay was only ever intended to be a short term restriction on development, to enable Council to obtain a more detailed understanding of the stormwater and wastewater urban reticulated network capacity and its ability to service additional residential development at Otamatea. Modelling of these networks has been completed. Council now has a good understanding of works, and associated costs, required to upgrade the network to
accommodate projected residential demand out to 2065. It is now appropriate to re-examine whether the overlay is still necessary and appropriate as a Plan method to achieve the purpose of the RMA.

The infrastructure modelling work has confirmed that with some minor upgrades, the infrastructure networks can handle a higher density of housing than is provided by the overlay. The Residential Growth Study signals that of the 455 new infill dwellings that could potentially be demanded at Otamatea by 2065, only 120 dwellings can be accommodated within the existing Residential Zone if the overlay is retained. By removing the overlay, up to 510 dwellings could potentially be accommodated.

This option meets Council’s legal requirements to provide for residential growth.

**Part 2: Rezone additional land at Otamatea West to Residential**

The options are to keep the status quo (lifestyle zone), rezone the land with no supportive guidance (Structure Plan) or rezone the land and adopt the Structure Plan.

By rezoning the land and adopting the Structure Plan into the District Plan, Council maximises the potential returns for developers and Council by focusing on land that is feasible to develop and where market demand is signalled.

The larger lot size proposed reflects the average existing lot size in this area, which directly reflects what the market in this area is demanding. This lot size minimum will also assist to avoid oversupply of land in the area beyond what is predicted out to 2065.

**Conclusion**

Approval is sought to publicly notify Plan Change 46 in accordance with the 1st Schedule of the RMA. The Plan Change reflects core functions of Council for both the LGA and RMA. Appropriate consultation has been undertaken and notification should occur as soon as possible, provisionally 9 September 2017.

**References – Agenda Attachments**


**Discussion**

Ms Pull responded to questions. The Plan Change had been displayed at the Council’s stand at the Home Show. Ms Pull said the majority of the public were very supportive with the only negative feedback in regard to traffic safety and the State Highway. The Council would continue to work on this with New Zealand Transport Agency. The majority of the land would be rezoned residential and therefore the height recession rule would apply.

The stormwater impact in the Otamatea West area was queried. Mark Hughes, General Manager Infrastructure, explained this area had been fully modelled, well considered and addressed for stormwater, wastewater and potable water. The Council’s investment in this area would be reflected in development contributions and this would be reported to the Council.
It was queried whether it would be more economical to address archaeological site issues ahead of initial stages of development to avoid a continuation of negotiations with each developer. Ms Pull said theoretically it was easier to do this in bulk, however, the fact it was sand country, where to dig was unknown until a plan was presented. While the important archaeological sites were known, there would be more unknown until digging commenced in the area and therefore the individual sites would be the responsibility of the developer. The Council had worked with Iwi from the beginning of this plan change and this would continue throughout this process and comments were predominantly positive. While there were middens that Iwi wanted to protect they were open to working with the Council for the rest of the area.

**Significance of decision** – In terms of the Significance and Engagement Policy 2014, the decision is not significant.

**Council’s Resolution**
Proposed by Mayor McDouall, seconded by Cr Taylor:

5.1 **THAT** after having particular regard to the Evaluation Report, Plan Change 46 (Otamatea West) is approved for public notification in accordance with the requirements of the First Schedule of the Resource Management Act 1991. **CARRIED**

**ACTION:** Rachael Pull

6. **Further Rate Remission after the 20-21 June 2015 Weather Event**

Iain Brown, Regulatory and Customer Services Manager reports:

**Introduction**
The purpose of this report is to consider further rates remissions for those properties adversely affected by the 20 and 21 June 2015 weather event.

**Background**
The June 2015 weather event was reported as a one in 400 year weather event for the urban area. Significant damage occurred throughout the Whanganui District. Initially around 400 people were evacuated from their homes and 200 people were isolated in the rural area.

The weather event had an uneven and significant effect on a number of properties and the people living in those properties in the District. This report considers the most severely affected ratepayers who have lost the use of their dwellings for over twenty-four months. It is likely that some people will never return to these dwellings.

Rates remissions were granted for a number of properties over the last two years as detailed below.
A summary of rates remissions granted to date is:

- 129 properties received a 50% rates remission in August 2015 – cost $181,073.
- 13 properties received a remission in August 2015 between 5% to 37.5% – cost $11,597.
- 10 properties (Red stickered) received a further 50% remission in March 2016 – cost $14,087.

At 14 August 2017 seven properties continued to be assessed with dangerous building notices. While work is underway on some of these properties, it is unlikely the owners will have use of these properties for some time. The current dangerous building notices are due for review on 30 November 2017.

Of the seven outstanding buildings four are still worthy of consideration for further rates remission assistance. These being: 51 Anzac Parade, 12 Mowhanau Drive, 20 Shakespeare Road and 80 Hipango Terrace.

The above four properties are in varying states of litigation with the Earthquake Commission (EQC) or are in the Building and Consent Planning arena awaiting remediation work. The other three have been remedied in other ways or are of a level of damage that does not preclude the owners utilising the property. One of these properties has since been on-sold.

**Strategic context**

Council has two policies, the Rates Remission Policy and the Rates Postponement Policy refer attachments (Ref F), which set out the circumstances where Council can consider changes to properties’ rates. These policies are prepared in accordance with the Local Government Act 2002.

In respect of the weather event, under existing policies Council can consider either:

- Remission for financial hardship for residential properties on application; or
- Remission for properties affected by natural calamity on application.
- Remission for properties affected by natural calamity without application, where it is aware of the impacts of a natural calamity and determines it is reasonable in the circumstances to do so.

This paper considers the third type of remission ‘Remission for properties affected by natural calamity without application’. However, this will not preclude an application by a ratepayer for the other two scenarios.

One key pillar of the Council’s Leading Edge Strategy is the ‘Community’, under the banner of ‘Deeply United’. This is about supporting each other, working in partnerships and helping our community during tough times.

**Factors to consider**

- **Financial considerations**
  The cost to Council of the recommendation would be to reduce its rates take in the 2017/18 year by an estimated $5,804. This would bring total rate remission for storm affected properties to $227,266.
• **Legal compliance**
The recommendations comply with Council’s Rates Remission Policy which is compliant with the Local Government Act 2002.

• **Policy implications**
The recommendations comply with Council’s Rates Remission Policy which is compliant with the Local Government Act 2002.

• **Risks**
Council needs to apply its policy so that it is equitable to those people/properties who were affected by the weather event.

**Significance**
In terms of the Significance and Engagement Policy, the recommended decision is not significant.

**Engagement**
One of the property owners has contacted Council seeking a further remission.

**Conclusion**
The Council should consider an additional and final six-month rates remission for the four properties listed above still adversely affected by the 20 and 21 June 2015 weather event with a dangerous building notice still in place.”

**References – Agenda Attachments**
F Rates Remission Policy and Rates Postponement Policy.

**Significance of decision** – In terms of the Significance and Engagement Policy 2014, the decision is not significant.

**Council’s Resolution**
Proposed by Cr Craig, seconded by Cr Duncan:

6.0  **THAT** the following residential properties with ‘dangerous building notices’ still in place from the 20 and 21 June 2015 weather event are provided an additional and final 50% remission on their 2017/18 rates:

- 51 Anzac Parade
- 12 Mowhanau Drive
- 20 Shakespeare Road
- 80 Hipango Terrace

**CARRIED**

**ACTION:** Iain Brown/Noeline Moosman
# Actions Arising from Previous Minutes

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| 1  | Council meeting 4 July 2017 4. Revocation of Reserve Status of Part Durie Hill Bowling Club Land – Windsor Terrace | THAT subject to the completion of the Reserves Act 1977 revocation process Whanganui District Council provides delegated authority to the Chief Executive to sell those parts of 14 Windsor Terrace as outlined in yellow on the plan below at no less than the current market value to Windsor Developments Limited. THAT the area marked (b) on the plan below is vested as legal road. | Leighton Toy  
Sale and purchase documentation being worked on. | 50          |
| 2  | Council meeting 8 August 2017 2. Voting System for the 2019 Triennial Local Body Elections | THAT Council seeks public feedback prior to a final decision being made at the 6 September 2017 Council Meeting. | Noeline Moosman | 100        |
| 3  | 3. Proposed Change to the Governance and Administration of the Manawatu – Wanganui Disaster Relief Trust | THAT Council receives this report, and  
a. Confirms Mayor Hamish McDouall as the Whanganui District Council representative on the Manawatu – Wanganui Regional Disaster Relief Fund Trust board.  
b. Supports Cr Bruce Gordon’s appointment as Chair of the Manawatu – Wanganui Regional Disaster Relief Fund Trust Board.  
c. Acknowledges that the Manawatu – Wanganui Regional Disaster Relief Fund Trust will now be administered by Horizons Regional Council. | Governance | 100        |
| 4  | 5. Report from Local Government New Zealand (LGNZ) Conference | THAT the policy implications from the Local Government New Zealand Conference remits are referred to the Strategy and Finance Committee.  
THAT the Council note the Local Government New Zealand Annual General Meeting remit process and action it accordingly.  
THAT a paper on Elected Member training come to the Council for further consideration. | Charlotte Almond | 100        |

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7. **Actions Arising from Previous Minutes**

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THAT the Council note the Local Government New Zealand Annual General Meeting remit process and action it accordingly.  
THAT a paper on Elected Member training come to the Council for further consideration. | Charlotte Almond | 100        |
Discussion

Action 5: Item 6. Remuneration Authority Determinations July 2017 – Cr Taylor queried the remuneration for non-elected members who sat as commissioners on the Council’s District Plan Hearings. In response, Charlotte Almond, General Manager Strategy, explained the Council had adopted a policy on remuneration of non-elected members on committees, set at $100.00 per hour for a chair and $80.00 per hour for members. All non-elected members had been advised of the Council resolution and the rates that applied. In reply to a further question, Ms Almond said she understood it had come as a surprise to some members but was unaware whether or not accepted. It was however Council policy.

Policy on Determining Significance – In terms of the Significance and Engagement Policy 2014, the decision is not significant.

Council’s Resolution

Proposed by Mayor McDouall, seconded by Cr Chandulal-Mackay:

7.0 THAT the information is noted. CARRIED
8. **Lower Whanganui River Control Structures**

Rowan McGregor, Manager Special Projects, reports:

**“Introduction**

The purpose of this report is to update the Council on meetings held with technical experts and proposed partners concerning the need to address the deferred maintenance on the Whanganui River Control Structures between the Cobham Bridge and Tasman Sea.

Attached (Ref G) is an item presented by Ramon Strong, Group Manager River Management, to Horizons Regional Council’s (HRC) meeting held 29 August 2017. Mr Strong will be in attendance at this Council Meeting (6 September 2017) to talk to aspects of his report and answer any questions.

**Background**

The river control structures in question, including along South Spit and the Moles, or breakwaters, were built by the then Harbour Board between 1880 and 1980, and most structures have had limited or no maintenance for over three decades.

The structures are essential infrastructure to protect public and private land and buildings.

Item 7 of the Infrastructure and Special Projects Committee’s agenda, 15 March 2017, adopted at the Council Meeting of 4 April 2017 provided a detailed background to the issue and included a Tonkin and Taylor (T+T) report of 9 February 2017. The T+T report set out the maintenance work required over a 20 year period and provided preliminary rough order of costs for the repair work divided between structural, up to $10.5M, and activity/amenity, of up to $5.75M, a total of up to $16.25M.

The essence of the three Council resolutions resulting from the above item was to undertake additional investigative work in time for the 2018-2028 10-Year Plan and that Officers work with HRC over the appropriate apportionment of responsibility for the repair work.

A one-day workshop was held on 25 July 2017 with seven participants made up from Whanganui District Council (WDC), HRC, along with port and river engineers. The aim was to use the collective expertise for cost effective solutions and push out timings for proposed expenditure as far as prudently possible bearing in mind escalating deterioration and risk of physical failure. ‘Needs not wants’ was an important underlying factor in assessing cost and time frames. This approach was to minimise rates, but a consequence will be greater risk and various aesthetic issues associated with the lower river infrastructure will remain in an untidy state for longer than would otherwise be the case.

At an afternoon workshop on the Port Revitalisation Programme held 26 July 2017, Government Officials advised that there is now more emphasis towards applying for funds for public infrastructure, such as the lower river control structures, and it would require an agreed position involving WDC, HRC and Iwi. Officials have suggested that the business case be completed late 2017.
WDC and HRC managers met with representatives of Ngā Tāngata Tiaki and Tupoho on 23 August 2017 to start the process of reviewing the current status of the lower river and preparation of a joint agenda going forward that the three parties would need to work on to result in a formal memorandum of understanding (MOU)

Horizons Regional Council Item

Particular points of note in the HRC item (Ref G) area:

a. HRC taking over ownership of the structural elements of the lower river control structures, (refer page 2 para 6.1 and page 7 para 9.4).

b. An austere structural repairs programme reduces costs to $3M over 12 years (pages 5 & 6 para 8.11) plus monitoring costs of $15,000 pa. The work programme could be enhanced if government funding becomes available (page 2 para 6.3).

c. WDC is to retain responsibility for components performing activity or amenity functions on the structures, ie fishing platforms, roads, pathways. (refer page 5, para 8.9).

d. Of the structural elements, as a starting point, WDC will be asked to pay 30% of the cost (refer page 7 para 9.9 for why).

e. WDC to also retain responsibility for structures directly related to the Port, (page 7, para 9.8 and table 1).

Concerning matters a to e above, in the writer’s opinion, the only area of debate is should WDC pay a percentage of the structural cost, and if so what would be fair and reasonable.

Responsibility issues

Arguments for HRC taking total responsibility for the structures are:

• HRC is mandated to undertake flood management and erosion control.
• HRC expenditure comes with a regional contribution.
• HRC has the in-house expertise in river management.

Arguments for WDC offering to pay a percentage of the structural costs are:

• HRC did not build the structures in question and there is a significant level of deferred maintenance.
• If WDC is contributing, we are, subject to our budget processes, at the table having an influence on design, cost, and time frames.
• While the infrastructure in question will need to be maintained if there is a working commercial port or not, addressing the deferred maintenance gives security to proposed future development of the port, as well as protecting the requirements of providing for recreational trailer boat fishing, safe harbour, etc.

References – Agenda Attachments

G HRC Item on Lower Whanganui River Control Structures.
Additional information was tabled:
Rowan McGregor, Manager Special Projects, further reports:

With reference to the above item included in the Council’s Order Paper, the information below is from Horizons Regional Council’s meeting held on 29 August 2017. The resolutions from the unconfirmed minutes are as follows:

**LOWER WHANGANUI RIVER CONTROL STRUCTURES - MONITORING, MAINTENANCE AND RENEWAL**  
*Report No 17-153*

17-117 Moved Patrick/Burnell

*It is recommended that Council:*

a. receives the information contained in Report No. 17-153.

b. acknowledges and respects the particular status of Te Awa Tupua in accordance with the deed of settlement and the legislation enacted early this year that gives effect to that settlement.

c. agrees that responsibility for different components of Lower Whanganui River channel alignment and erosion control infrastructure most appropriately rests with one or other of the Whanganui District or Horizons Regional Councils, subject to Te Awa Tupua consideration and the interests of Whanganui River iwi.

d. Instructs the Chief Executive to pursue a Memorandum of Understanding or similar agreement including Councils and tangata whenua, that recognises and gives effect to Treaty of Waitangi settlements, in particular Te Awa Tupua, in considering the governance and management of lower river infrastructure.

*CARRIED*

**Discussion**

Mayor McDouall welcomed Ramon Strong, Horizons Regional Council’s Group Manager River Management, and Cr David Cotton. Mr McGregor advised Cr Nicola Patrick’s apology for absence.

Mr Strong said there had been reasonable discussion when this item was considered at Horizons Regional Council’s (HRC) Catchment Committee meeting held 29 August 2017. It was fair to say however, that from a HRC’s perspective, no-one was ‘jumping for joy’ but there was understanding around the logic and a degree of acceptance. Mr Strong said with the potential for catastrophic scenarios with the management of the lower Whanganui River, there was some imperative for urgency. Representatives from both Councils would undertake an inspection by jet boat on 28 September 2017. If time allowed, the issues at Anzac Parade would also be looked at.

Mr Strong and Mr McGregor responded to questions. Mr Strong saw the north and south moles having a priority over other issues. One aspect of the technical session in July 2017
was in regard to half tide and full tide heights and whether just undertaking minor works on the south mole to half-tide level would be adequate in that situation. In an operational context, Mr Strong was under no illusion as to some of the challenges and how quickly things could change in that environment. When there were no certainties, monitoring and observation and doing this systematically and regularly so changes could actually be seen, was key to making prudent decisions. He agreed monitoring and observation did not fix the problem, however, in that type of environment a huge amount of money could be spent in a short space of time with very little achieved. Over the years the moles had been closely examined by a range of technical experts. He concurred with the view the time for action had arrived and the jet boat inspection undertaken in May 2017 had reinforced that. Part of ensuring value for money spent was taking a considered and methodical approach to the river management.

Mr McGregor said technical experts advised the south mole looked worse than it actually was and it could provide the function for the port’s current activities by being maintained as a half-tide breakwater. The north mole was badly deteriorated and work on a better understanding of this had started. Two weeks ago an underwater profile of the mole was undertaken by boat with side-mounted sonar and a dig into the silt to inspect the foundations was probable.

Responding to a question on the suggested apportionment of responsibility included in HRC’s report, Mr Strong explained the tiered approach to the Lower Whanganui River Scheme. The direct benefit area was the large portion of Balgownie protected by Balgownie stopbank. There was also a corridor that ran along Anzac Parade, protected by the Kowhai Park stopbank, and a wider classification spread over the Whanganui urban boundary. A further classification extended over the entire Whanganui District. The highest rates would be paid by those in Balgownie and along Anzac Parade as those properties had the most direct benefit.

Cr Cotton was asked for his view on the Whanganui District Council’s contribution of 30% as a starting point for discussion. Cr Cotton said both organisations struggled to have sufficient money to fund all the programmes they wanted to do and to keep the rates at a level acceptable to the public. He considered the approach of working together was solid and the way forward was to put some of those rates over the entire region. While both organisations would help with funding, at the end of the day it was the same ratepayer. He considered the funding fair in the way the split had been put forward and as a regional councillor his responsibility was for the region and he needed to look at this from a regional point of view.

It was queried whether Whanganui ratepayers received their fair ‘piece of pie’ from rate contributions to HRC. In reply Mr Strong said HRC’s current river management funding policy was to fund 80% of the contribution from targeted rates and 20% from the common regional general rate. The common rate for river management was on a capital value basis at the same rate across the region. While there were ‘swings and roundabouts’ with that, HRC’s proposal would even that up a little in terms of the contribution that Whanganui ratepayers made to the common river management rate, and the portion that comes back
to Whanganui would increase. The funding model used by HRC was similar to most other regional councils.

It was queried whether reinstatement of the south spit groynes was envisaged. Mr Strong said part of the monitoring strategy was to monitor closely the deterioration of those key structures and there would be some intervention on hand as and when budget allowed.

**Significance of decision** – In terms of the Significance and Engagement Policy 2014, the decision is not significant.

**Council’s Resolution**
Proposed by Mayor McDouall, seconded by Cr Duncan:

8.1 THAAT the information is noted.

8.2 THAAT Ramon Strong, Allan Cook and Horizons Regional Council be thanked for the attention and priority that they have given to this matter in recent months.

8.3 THAAT it is noted that additional information is provided in the Chief Executive’s Report. CARRIED

**Minutes of Committees for Adoption / Receipt**

**Youth Committee – 10 July 2017**

Yth Crs Helena Hazelhurst and Rhea Colaabavala, Co-Chairs of the Whanganui District Council’s Youth Committee, presented the minutes of the Youth Committee’s meeting held on 10 July 2017.

In summary:

- Youth Committee’s achievements in the last 12 months were outlined.
- Postponement of the Youth Committee’s ‘Night at the Opera’ due to a prior booking of both technicians at the Royal Wanganui Opera House. The feasibility of holding this in the future would be discussed by the Youth Committee.
- ‘In Our Hands’ workshops and Art Exhibition. This successful event involved three workshops with local artists, all fully booked and an Art Exhibition. The first workshop was screen-printing on bags, the second was a clay workshop and the third was a sketching class. The purpose of the arts workshops was to celebrate Whanganui’s culture in a youth environment and to provide an opportunity for youth to display their talent, expand their creativity and most important, have fun. Following the workshops, an Art Exhibition was held, open to those aged 12 to 24 years, and those attending the workshops were encouraged to enter the pieces they had created. The attendance of Crs Josh Chandulal-Mackay and Helen Craig at the prizegiving was appreciated.
- A ‘Summer Music Festival’ would be the Youth Committee’s ‘flagship’ event this year to be held at Cooks Gardens on 9 December 2017. This would be a positive and fun event for youth in the Whanganui Region, with the theme ‘mental health and self-care’.
Six youth councillors attended the Youth Recreation Chat on 24 August 2017 facilitated by Cr Helen Craig.

Two Youth Councillors hosted students from the Council’s Sister City Nagazumi, Japan.

Pathways had presented its plan to the Youth Committee for a youth space, or youth hub for Whanganui. This was beneficial as the Youth Committee has been investigating ideas on establishing a youth hub and Pathways’ ideas aligned directly with the Youth Committee. Further discussion was planned to determine whether the Youth Committee could work alongside Pathways in this initiative.

A ‘Meet the Councillors’ event was planned that would provide the opportunity to meet one-on-one to discuss common interests and ideas in an informal setting. The Youth Committee sought ideas from Elected Members as to a suitable date and the form this could take.

Cr Craig congratulated the Youth Committee on its Arts Workshops and Exhibition and recorded thanks to the three artists who had freely given their time to run the workshops.

The Co-Chairs agreed with Cr Joblin’s suggestion that it would be beneficial to undertake some information sharing prior to the ‘Meet the Councillors’ meeting, to determine what the thinking was in regard to a youth hub. This would then enable discussion. Cr Joblin wanted to see the Youth Hub progressed as much as possible.

**Council’s Resolution**

Proposed by Mayor McDouall, seconded by Cr Craig:

THAT the minutes of the Youth Committee’s meeting held on 10 July 2017 are received, and the recommendations and reports contained therein, are adopted.

**Property and Community Services – 1 August 2017**

Cr Helen Craig, Chair, presented the minutes of the Property and Community Services Committee’s meeting held on 1 August 2017.

**Council’s Resolution**

Proposed by Cr Craig, seconded by Cr Baker-Hogan:

THAT excluding Item 12: Sensitive Land, Harbour Endowment, Airport Road and South Spit and Item 13: Actions Arising from Previous Minutes (Confidential), the minutes of the Property and Community Services meeting held on 1 August 2017 are received, and the recommendations and reports contained therein, are adopted.

**Wanganui Rural Community Board – 2 August 2017**

Mr David Matthews, Chair, presented the minutes of the Wanganui Rural Community Board’s meeting held on 2 August 2017.

Mr Matthews thanked Elected Members for attending the Eastown rail yards site visit. He said there were ‘pluses and minuses’ for both Eastown and Taupo Quay rail yards. He personally supported staying at Eastown rail yard because of the distance logging trucks would need to
travel through the urban/town area to the Taupo Quay rail yard. There was also more distance from the yard to road at Eastown allowing time for mud to drop from trucks.

Mr Matthews referred to the impact of forest harvesting on the roading network. The original $20M shortfall in funding had been revised to $15M for the 2020/2030 period. This was still over $2.00 per tonne and in the 10-year period approximately $1.5M per annum would be required. Mr Matthews said currently the Funding Assistance Rate (FAR) was set at 61% and capped at $11M. If the cap was increased this would considerably lower the $2.00 per tonne currently required. Other options being suggested that he did not agree with were a targeted rate that could be a significant cost per hectare, or separately rating each forestry property.

In reply to a question on the legality of imposing rates on forestry logging, Mayor McDouall said the Council could impose a rate, and this would be a discussion for the 10-Year Plan review.

Cr Taylor considered it worth waiting to see what came forward with the Road Controlling Authorities’ suggestion to use a distance by land use charge as a rating base. He said pastoral farmers may well pay less rates when the loads were shifted more proportionately. He suggested it premature to discount this as a possibility. Cr Cleveland had attended a recent Regional Transport Committee meeting and said the impact on roading from forest harvesting was a problem for all councils. There had been a strong feeling this needed to be addressed as a collective group across the region.

**Council’s Resolution**
Proposed by Cr Cleveland, seconded by Cr Chandulal-Mackay:

THAT the minutes of the Wanganui Rural Community Board meeting held on 2 August 2017 are received.

**Council’s Resolution**
Proposed by Cr Cleveland, seconded by Cr Baker-Hogan:

THAT excluding Item 10: Buy Local Premium, Item 15: Debtors – Legal Action to Recover Outstanding Rates, Item 16: Rates Remission, Item 17: Remission on Rates for Property of Historic Significance, Item 18: Financial Commitments, Item 19: Debtors’ Report and Item 20: Actions Arising from Previous Minutes (Confidential), the minutes of the Strategy and Finance Committee meeting held on 15 August 2017 are received, and the recommendations and reports contained therein, are adopted.
Item 10: Buy Local Premium  
Proposed by Cr Cleveland, seconded by Cr Young:

- That the information is noted.

Cr Vinsen referred to his intention recorded in the Strategy and Finance Committee’s minutes (page 328 of the Order Paper) to give notice to move to revoke the Council’s existing resolution and propose instead a return to the Strategy and Finance Committee’s original resolution. Cr Vinsen said the Council’s resolution at its meeting held 4 July 2017 included that further examination be undertaken of the potential risks of altering the ‘Buy Local Premium’. In his opinion this provided opportunity to put a new motion reflecting what had come from that discussion. He sought the opportunity to propose a new motion as he did not believe the Strategy and Finance Committee’s resolution passed at its meeting held 15 August 2017 – ‘That the information is noted’ – was an appropriate resolution.

Proposed by Cr Vinsen, seconded by Cr Anderson:

- That after consideration of the matter at the meeting of the Strategy and Finance Committee held on 15 August 2017, the ‘Buy Local Premium’ is reinstated as 5% for contracts up to $1M and $50,000 for contracts over $1M.

Cr Baker-Hogan referred to the specific period required before a Council resolution could be redebated. Mayor McDouall advised he would adjourn the meeting to seek further clarity.

Kym Fell, Chief Executive, advised this was a recommendation against the advice of the General Manager Finance, and the advice of the Audit and Risk Committee.

Cr Joblin advised an amendment to the Committee’s resolution.

Proposed by Cr Joblin, seconded by Cr Craig:

- That the Council reaffirms its support for the Procurement Policy that includes a ‘Buy Local Premium’ of 5% for contracts up to $100,000.

The meeting adjourned at 4.45pm to enable clarification of Cr Vinsen’s notice of motion. The meeting resumed at 4.54pm.

Mayor McDouall advised Cr Vinsen’s notice of motion did not meet the requirements of Standing Order 21: Revocation or alteration of resolutions, and therefore he could not accept the motion.

Mayor McDouall further advised that the amendment to the Strategy and Finance Committee’s motion did not reflect Council’s current policy and would require the words ‘and a flat $5,000 premium on contracts over $100,000 in value’ added. The additional words were accepted by Cr Joblin and Cr Craig.

Proposed by Cr Joblin, seconded by Cr Craig:

- That the Council reaffirms its support for the Procurement Policy that includes a ‘Buy Local Premium’ of 5% for contracts up to $100,000 and a flat $5,000 premium on contracts over $100,000 in value.
Mayor McDouall sought clarification from Mike Fermor, General Manager Finance. Mr Fermor said the intention of the item to the Strategy and Finance Committee’s meeting was to present an impartial report that outlined the benefits and risks the Council was potentially exposed to. The majority of contracts were awarded to local contractors, demonstrating that Council in practice did support the local economy. However, of those contracts awarded to contractors outside Whanganui, local suppliers were often used and local staff employed. Mr Fermor said there was a need to balance the risk of increasing the premium to any potential benefits gained. There was a cost to contractors to tender with large tenders being potentially very costly. The Council wanted best value for money and the lowest possible price. This was achieved by having a good number of tenders thereby achieving competition in the market place. While there was no data or evidence of it happening, there was a possibility that if an out-of-town contractor saw they were disadvantaged in tendering by up to $50,000 for a ‘Buy Local Premium’, in addition to the normal costs of preparing a tender, this may be sufficient to deter them from tendering, thereby reducing competition and pushing up costs to Council. Mr Fermor said the biggest risk with a high threshold was the potential for legal challenge. The costs of a challenge through the court would be high. Mr Fermor also noted that best practice outlined by Central Government was not to have a ‘Buy Local Premium’ and these guidelines had been confirmed by the Office of the Auditor General.

Mayor McDouall advised the amendment to the Committee’s resolution was now the motion for debate.

Crs Joblin, Craig, Cleveland and Mayor McDouall spoke in favour of the amended motion. Cr Cleveland did not want to lose the opportunity of having out-of-town contractors tendering and providing the best price. He believed the level recommended sent a good signal to the community. Cr Joblin said the Five Principles of Government Procurement applied to contracts over $100,000. This procurement policy with the $5,000 premium fitted well under that and in her view did not raise the risk of having a tender process challenged. It supported the local economy and was prudent with ratepayer dollars. Cr Craig said while she was concerned about outside contractors being ‘put off’, she believed the Buy Local Premium was at a healthy level, and supported local business but it was also about how the Council worked. Mayor McDouall believed the Council was a leader in the area of supporting local business and it did not want to be so far out in front that could bring challenge. He said it was important to listen to the advice of the Audit and Risk Committee and Council officers and have clearly in mind the principles of Government Procurement.

Cr Vinsen spoke against the amended motion and noting this had been debated several times before, said a key matter was that it was not illegal to have a Buy Local Premium. If there was risk at $50,000, he considered there was surely risk at $5,000 and therefore queried the point of having a Buy Local Premium. If the Council was to have a Buy Local Premium he believed it needed to be at a level that showed the Council supported the community.

The amendment was put.
Council’s Resolution
Proposed by Cr Joblin, seconded by Cr Craig:

THAT the Council reaffirms its support for the Procurement Policy that includes a buy local premium of 5% for contracts up to $100,000 and a flat $5,000 premium on contracts over $100,000 in value.

CARRIED

Crs Anderson, Chandulal-Mackay, Vinsen and Young recorded their votes against.

The substantive motion was put.

CARRIED

Crs Anderson, Chandulal-Mackay, Vinsen and Young recorded their votes against.

Council’s Resolution
Proposed by Mayor McDouall, seconded by Cr Joblin:

THAT the report to Item 10: Buy Local Premium contained within the minutes of the Strategy and Finance Committee’s meeting held on 15 August 2017 is received.

CARRIED

Public Excluded Items – Motion to Exclude the Public
Proposed by Cr Craig, seconded by Mayor McDouall:

THAT the public be excluded from the following parts of the proceedings of this meeting:

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Item No</th>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Ground(s) under section 48(1) for the passing of this resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council Meeting 6 September 2017</td>
<td>9. Council-Controlled Organisations Governance Manual (Removed from agenda)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Actions Arising from Previous Minutes – Confidential</td>
<td>Commercial.</td>
<td>Good reason to withhold exists under section 7.</td>
<td>Section 48(1)(a)</td>
<td></td>
</tr>
<tr>
<td>11. Chief Executive Report</td>
<td>Commercial and staff matters.</td>
<td>Good reason to withhold exists under section 7.</td>
<td>Section 48(1)(a)</td>
<td></td>
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</tbody>
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This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 LGOIMA and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

<p>| Meeting                  | Item No | General subject of each matter to be considered | | |
|--------------------------|---------|------------------------------------------------|| |
| Council Meeting 6 September 2017 | 9. Council-Controlled Organisations Governance Manual (Removed from agenda) | | | |</p>
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<th>Section 7(2)(b)(ii) and Section 7(2)(i)</th>
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<tbody>
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<td></td>
<td>11. Chief Executive’s Report</td>
<td>Protection of privacy of natural persons and commercial and industrial negotiations.</td>
<td>Section 7(2)(a), Section 7(2)(b)(ii) and Section 7(2)(i)</td>
</tr>
</tbody>
</table>

CARRIED

The meeting adjourned at 5.12pm.
Motion to Reopen the Meeting to the Public
Proposed by Cr Baker-Hogan, seconded by Cr Craig:

THAT the meeting be reopened to the public and the preamble, discussion and resolutions associated with Item 10 – Actions Arising from Previous Minutes and Item 11 – Chief Executive Report remain confidential until all parties have either accepted the terms of the proposals or agreed to cease negotiations. The Mayor or Chief Executive may then release press reports on the matter.

CARRIED

The meeting closed at 6.15pm.

* * *