

Council

Open Agenda



Notice is hereby given that an ordinary meeting of Matamata-Piako District Council will be held on:

Date: Wednesday 9 August 2017
Time: 9:15am
Venue: Council Chambers
35 Kenrick Street
TE AROHA

Membership

Mayor

Jan Barnes, JP

Councillors

Donna Arnold
Teena Cornes
Paul Cronin
Neil Goodger
Brian Hunter
Peter Jager

James Sainsbury
Ash Tanner
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1 Meeting Opening

2 Apologies

At the close of the agenda no apologies had been received.

3 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

4 Urgent Additional Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
 - (i) The reason why the item is not on the agenda; and
 - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
 - (i) That item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

5 Declaration of interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

6 Confirmation of minutes

Minutes, as circulated, of the Ordinary Meeting of Matamata-Piako District Council, held on 12 July 2017

7 Matters Arising

8 Announcements

9 Notices of Motion

Significant and Engagement Policy Review 2017

Trim No.: 1896030

Executive Summary

Council is required to have a Significant and Engagement Policy. The purpose of the Policy is to provide the community with assurances on when they can expect council to engage with them. The Local Government Act 2002 (the Act) provides for council to amend its policy *from time to time*. To ensure the Policy remains relevant to our community, it would be timely to review the Policy in line with the Long Term Plan project.

Recommendation

That:

1. **The report is received.**
2. **Council determines that it has *sufficient information about community interests and preferences to enable the purpose of the policy to be achieved* and adopts the amended Significant and Engagement Policy as attached to this report.**
OR
3. **Council approves the amended Significant and Engagement Policy as attached to this report with the inclusion of the preferred financial threshold ; and**
 - a) **determines it has sufficient information about community interests on this matter and therefor will not consult on the amended Policy;**
OR
 - b) **determines it does not have sufficient information about community interests on this matter and therefor approves the amended Policy for consultation.**

Content

Background

Section 76 of the Local Government Act 2002 requires council to adopt a Significant and Engagement Policy by 1 December 2014. The current Policy was adopted 28 November 2014. The 2014 Policy was developed in collaboration with staff from the other local authorities within the Waikato Region. A standardised template for the policy was developed with a standard set of definition to ensure consistency in approach across the region.

The purpose of the policy is—

- a) to enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities; and
- b) to provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets, or other matters; and
- c) to inform the local authority from the beginning of a decision-making process about—
 - i) the extent of any public engagement that is expected before a particular decision is made; and
 - ii) the form or type of engagement required.

Issues

Frequency of review

There is no legislative requirement to the frequency of review. The Act provides for Council to amend its policy *from time to time*. To ensure the Policy remains relevant to our community, it would be timely to review the Policy and amend as appropriate, in line with the Long Term Plan process.

Financial threshold or impact assessment

One of the ways councils decisions impact on the ratepayer and/or wider community is through the impact on rates or user fees and charges. Some councils in the region have included in their Significant and Engagement Policy a threshold for assessing the significance of financial impact. Council's existing policy does not have such a paragraph. During the development of the Policy in 2014 the Council at that time made a decision not to include a specific threshold for financial impact, and chose to assess this on a case by case basis as proposals are brought to Council.

Council is asked to consider whether it is appropriate to include criteria for assessing significance relating to financial impact. This could be stated as a percentage increase to total expenditure, percentage increase to total rates, or other more specific criteria;

Option A – leave as is with no reference to financial thresholds OR

Option B – insert a specification for “the level of financial consequences of the proposal or decision” under paragraph 7, setting the financial thresholds for assessing the financial significance.

The following are some examples;

- The unbudgeted operating expenditure greater than 5 per cent of total operating expenditure in that year, excluding amortisation and depreciation; OR
- A funding decision involving expenditure exceeds 20 per cent of the total asset class value; OR
- A financial transaction with a value of greater than 10% of rates revenue in the year of the decision.

Revised Schedule 1 – Strategic Assets

The proposed changes to the Policy are mainly editorial in nature, with some names of buildings and assets requiring updating and the addition of the Silver Fern Farms Events Centre, which was not completed when the Policy was adopted in 2014. Refer to Tracked Changes Policy attached.

Consultation requirement

Council is required to consult with its communities on any amendments and changes to its policy *unless* it considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the policy to be achieved.

The Significant and Engagement Policy 2014 was subject to community consultation in 2014.

Additional consultation has also been conducted with regards to specific projects related to assets included in Schedule 1 of the Policy – Strategic Assets, including the future of the Matamata Memorial Centre, development of the Silver Fern Farms Events Centre and the Hauraki Rail Trail development and extension (part of the Roding network).

In accordance with LGA Section 76, in deciding whether community consultation is required, Council must consider whether it has *sufficient information about community interests and preferences to enable the purpose of the policy to be achieved*.

It is the officers' recommendation that Council has sufficient information about community interests and preferences for option A above.

Council has not previously consulted the community on a financial threshold for assessing significance. If Option 2 is the preferred option, Council is asked to consider whether it has sufficient information about community interests on this matter and whether or not to consult.

Analysis

Options considered

Option 1 - Council determines that it has *sufficient information about community interests and preferences to enable the purpose of the policy to be achieved* and adopts the amended Significant and Engagement Policy as attached to this report.

OR

Option 2 - Council approves the amended Significant and Engagement Policy as attached to this report with the inclusion of the preferred financial threshold ; and

- a) Council determines it has sufficient information about community interests on this matter and therefor will not consult on the amended Policy;

OR

- b) Council determines it does *not* have sufficient information about community interests on this matter and approves the amended Policy for consultation.

Analysis of preferred option

There is no preferred option.

Legal and statutory requirements

The Significant and Engagement Policy is required by section 76AA of the Local Government Act 2002. The Act sets out the purpose of the policy and the requirements for what the policy must set out.

In accordance with LGA Section 76, in deciding whether community consultation is required, Council must consider whether it *sufficient information about community interests and preferences to enable the purpose of the policy to be achieved*.

If consultation is required, Council must consult in accordance with section 82 – Principles of consultation.

Impact on policy and bylaws

There is no impact on any other policies and bylaws.

Consistency with the Long Term Plan / Annual Plan

The review of the Significant and Engagement Policy is consistent with the Strategy and Engagement Activity Plan of the 2015-25 Long Term Plan.

Impact on Significance and Engagement Policy

This report recommends that Council either adopt or approve for consultation the amended Significant and Engagement Policy.

Communication, consultation and decision making processes

The consultation requirements for this issue are discussed above under Issues.

Consent issues

There are no consent issues.

Timeframes

If Council resolves to adopt the amended Policy, the amended Policy will come into effect immediately.

If Council resolves to approve the amended Policy for consultation, it is recommended that staff undertake community consultation in accordance with Section 82 and prepares a report on submissions received for Council's consideration in November/December. The proposed timeline for consultation is set out below;

Draft Policy approved for consultation	9 August
Newspaper advertisement (Council in Focus)	27 September
Submissions close	27 October
Council report on results and decision	22 November

Contribution to Community Outcomes

The Significant and Engagement Policy contributes to the 2015-25 Long Term Plan Community Outcomes relating to Decision Making, and in particular

2a Our community/iwi will be informed and have the opportunity to comment on significant issues.

Council has developed a new set of Community Outcomes for the 2018-28 Long Term Plan. The Significant and Engagement Policy contributes to the following outcome for the 2018-28 LTP;

We encourage community engagement and provide sound and visionary decision making.

Financial Impact

i. Cost

Option 1 – Approve the amended Policy

There is no cost to implement this option.

Option 2 – Approve for consultation

The consultation process for policy reviews, including advertisement and processing submissions, will be approximately \$5,000 plus staff time.

There may be opportunities to coordinate the consultation on the Policy with other policy and/or bylaw consultations.

ii. Funding Source

This is funded within existing budgets for the Strategies and Plans Activity.

Attachments

- A. REVIEW - Significance and Engagement Policy 2014 with track changes to Council 9 August 2017

Signatories

Author(s)	Ann-Jorun Hunter Policy Planner	
Approved by	Michelle Staines-Hawthorne Corporate Strategy Manager	
	Don McLeod Chief Executive Officer	

Community Funding Assistance

Trim No.: 1911545

Executive Summary

Community Funding Assistance sits within the Strategy and Engagement Activity of the Long Term Plan. Council provides community funding through various grants and funding policies. As part of the Activity Plan reviews for the 2018-28 Long Term Plan (LTP)

Council has resolved that they would like to review the LTP grant funding process. This report attaches broad criteria and a proposed process for reviewing proposals prior to finalising the draft Long Term Plan budgets.

Recommendation

That:

1. The information is received.
2. Council confirms its approach to review the annual operating grants provided through the Long Term Plan.

Content

Background

Council currently provides funding assistance to support community groups and funding to support economic development in our district with a total budget of \$538,900 per year. The majority of this funding (\$457,900) is identified through the Long Term Plan.

	Policy	Funding Source	Annual Plan 2017/18	Contestable?	Meets demand?
Long Term Plan Grants - Community groups total - Morrinsville Chamber of Commerce - Matamata Public Relations Association - Hamilton & Waikato Tourism	No	General Rates	\$105,900 \$70,000 \$50,000 \$150,000	Every three years – in line with LTP	Maybe
Enviroschool funding	No	Waste Minimisation Levy	\$10,000	No	Maybe
Sport Waikato	No	General Rates	\$72,000	No	Maybe
Resource Consents Funding Assistance	Yes – 2015	General Rates	\$15,000	Yes	Yes

Significant Natural Features Funding	Yes – 2015	General Rates	\$15,000	Yes	Yes
Heritage Buildings and Protected Trees funding assistance	Yes – 2016	General Rates	\$10,000 and \$6,000	Yes	Too early to say
Community Ward Grants	Yes – 2014	General Rates	\$15,000	Yes	No
Rates remission incl pan charge remission		General Rates	\$15,000	Yes	Yes

Council last reviewed its grants and funding framework in 2013/14, which saw a move towards entering formal funding agreements with community groups and organisations relating to what benefit the community and council can expect for the funding allocated. Council has agreements in place for all recipients of LTP/Annual Plan grants. These agreements set out what the expectations of the parties are in terms of community benefit from the funding. Some of the contestable grants have a policy, setting out the criteria and eligibility for that particular grant. There is currently no policy guiding the decision making for the LTP Grants.

As part of the planning for the 2018-28 Long Term Plan, Council held two workshops to discuss the future role of Council in the provision of Community Funding Assistance, and considered this matter at its July Corporate and Operations Committee meeting.

In order to provide Council with an opportunity to consider funding proposals in the context of its overall draft budgets Council is consulting with the wider community and existing grant-holders on the need and nature of grants it provides to groups within the community.

Applicants will be invited to submit their proposals for funding to Council and to speak to their proposals in person. Council will then consider the proposals as part of its overall budgeting process in December 2017.

The purpose of the review is to establish the level of funding for grants in Council's overall draft Long Term Budget. This will also assist Council and community groups to have an early understanding of the level of funding that will be available from 31 July 2018.

Issues

Long Term Plan Grants

There is currently no policy setting the eligibility criteria or application and assessment process for the Long Term Plan grants. Many of the current grant recipients have received annual funding assistance from Council for more than 10 years, and their agreements with Council have been renewed each Long Term Plan.

During its July Corporate and Operations Committee meeting, Council indicated a desire to review these grants.

It resolved to take the following approach - *retain the grants budget in the draft Long Term Plan at current levels but take a right debate style approach and ask not just the existing grant holders by the wider community whether there are any grants that should be funded – potentially inviting other community groups to apply. Decisions on the funding levels for the draft budgets for consultation would be made prior to the end of the year.*

It is proposed that the attached policy and criteria are used to guide applications and Council decision making.

Council should consider whether to hold a hearing on applications prior to making a decision on funding.

Grants supporting Economic Development

Council currently provides funding to Hamilton & Waikato Tourism, Morrinsville Chamber of Commerce and Matamata Public Relations Associations. These are all provided under individual Service Level Agreements with each of the organisations. Under the existing framework, these funding agreements sit within the Grants and Funding activity.

It is proposed that Council reviews the level of funding and terms and conditions of these SLAs as part of the Economic Development activity, which is subject to a separate report to Council on this agenda.

Analysis

Options considered

Council approve or amend the proposed process and application criteria.

Analysis of preferred option

There is no preferred option.

Legal and statutory requirements

There are no legal requirements.

Impact on policy and bylaws

The impact on the relevant policies is set out within the report.

Consistency with the Long Term Plan / Annual Plan

The Community Funding Assistance review forms part of the review of the Strategy and Engagement Activity Plan and the 2018-28 Long Term Plan.

Impact on Significance and Engagement Policy

Any changes to current funding arrangements may have a significant impact on individual community organisations that rely on ongoing funding assistance from Council to remain operational and deliver their services for the benefit of the community.

Communication, consultation and decision making processes

It is recommended that the following communications are undertaken:

- Letters to current grant recipients 10 August
- Website/offices 11 August
- Advert in paper 16 August

- Facebook 14 August, 28 August
- e-newsletter 14 August
- Information meetings 21, 23 and 24 August

Consent issues

There are no consent issues.

Timeframes

The suggested timeframes is as follows

- Report to Council with application form and policy - 9 August
- Applications open 14 August
- Applications close 2 October 5pm
- Hearing day and decisions 18 October

Contribution to Community Outcomes

The Community Funding Assistance provided through the Grants and Funding activity contributes to the following Outcomes;

Economic Opportunities

We are a business friendly Council.

Healthy Communities

Our community is safe, healthy and connected.

We encourage the use and development of our facilities.

Vibrant Cultural Values

We promote and protect our arts, culture, historic and natural resources.

Financial Impact

i. Cost

The cost of each option is set out above.

ii. Funding Source

Council will allocate funding under its draft LTP budget.

Attachments

A. Draft Long Term Plan Grants Proposal Policy

Signatories

Author(s)	Ann-Jorun Hunter Policy Planner	
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Approved by	Michelle Staines-Hawthorne Corporate Strategy Manager	
	Don McLeod Chief Executive Officer	

Voting systems

Trim No.: 1907466

Executive Summary

The purpose of this report is to seek Council's confirmation on which voting system to use for the 2019 local body elections. The First Past the Post (FPP) voting system was used by Council for the 2016 elections and is used by most councils throughout New Zealand.

Council may resolve to change the voting system to Single Transferable Vote (STV) if it so wishes, and this report highlights the process and timelines associated with changing the voting system.

Recommendation

That:

1. The information be received.
2. Council confirms the First Past the Post (FPP) system as the electoral system for the 2019 triennial elections and this decision be publicly notified by 19 September 2017 in accordance with statutory requirements including the public's right to demand a poll on this decision;
- OR
3. Council resolves to change the electoral system from the First Past the Post (FPP) system to Single Transferable Vote (STV) for the 2019 triennial elections and that this decision be publicly notified by 19 September 2017 in accordance with statutory requirements including the public's right to demand a poll on this decision;
- OR
4. Council resolves to undertake a poll of electors on the electoral system to be used for the next two triennial elections, such a poll to be held by 21 May 2018 using the postal voting method.
5. Council indicates its position on online voting should the opportunity arise.

Content

Background

In line with the purpose to "allow diversity (through local decision-making) in relation to the particular electoral system to be used for local elections and polls", the Local Electoral Act 2001 (LEA) provides Councils and communities with a choice between FPP or STV for local elections and polls. The choice of electoral system is also designed to help achieve the *LEA* principle of "*fair and effective representation for individuals and communities*".

If it decides to change the electoral system from that used at the last triennial election, or retain the same electoral system as used at the last triennial election, Council must give public notice of the right of the community to demand a poll on the issue.

What systems councils use

Council used the STV system for the 2004 elections and then changed back to use the FPP electoral system for the 2007, 2010, 2013 and 2016 elections. The FPP system is used by most councils nationally.

The STV option was first offered for the 2004 local government elections. As a result of that option, 10 city/district councils used STV at the 2004 elections.

After the 2004 elections, two councils (including Matamata-Piako) resolved to change back to FPP. The remaining eight councils used STV at the 2007 elections. After the 2007 elections a further two councils resolved to change back to FPP. STV was used by eight councils for the 2016 elections (there are 78 councils nationally).

District Health Board (DHB) elections must be held using the STV system under the New Zealand Public Health and Disability Act 2000. This means that in the majority of cases each ballot paper contains both systems. Territorial authorities are required to conduct the DHB elections on their behalf.

Online voting

At the time of writing this report, there was no indication from central government whether online voting would occur at the 2019 elections. Council was previously part of an online voting trial however this was cancelled by central government. Council has previously indicated its interest in being involved in a trial. Council may wish to formally express its interest in trialling online voting for the next election if the opportunity arises.

Issues

Process to Follow

The LEA provides local authorities and/or their communities with three options for choosing which system is used:

1. Council can make a decision on which electoral system is to be used, with the required public notification to follow; or
2. Council may resolve to hold a poll to determine which system should be used; or
3. Electors may demand that a poll be held on the matter.

There are specific timeframes and conditions associated with each of these options. Briefly, Council must make a decision by 12 September 2017. Council's decision must be publicly advertised by 19 September, and the community notified of its right to demand a poll to countermand any resolution.

The LEA requires a local authority to comply with the following timeline when deciding which electoral system will be used. The following table shows the change options, requirements and time constraints in relation to the 2019 triennial elections.

Who	Timing	Provision	Section of LEA
Council	By 12 September 2017	A local authority MAY resolve to change the electoral system for the next two triennial elections or, resolve to do nothing.	Section 27 of the LEA
Council	By 19 September 2017	A local authority MUST give public notice of the right of 5% of the electors to demand a poll on the future electoral system for the next two triennial elections, and if a resolution has been made by a local authority by 12 September 2017, then this must be included in the notice.	Section 28 of the LEA
Council	By 21 February	A local authority MAY resolve to undertake	Section 31 of

Who	Timing	Provision	Section of LEA
	2018	a poll of electors on a proposal that a specified electoral system be used for the next two triennial elections, with the poll being held by 21 May 2018.	the LEA
5% of electors	By 21 February 2018	Should a valid demand for a poll be received by 21 February 2018, a poll MUST be held by 21 May 2018. The outcome of a poll is binding on the local authority for two triennial elections (2019 and 2022).	Section 29 of the LEA

Further explanation of the options is set out below:

1. Ability of Council to resolve which Electoral System is to be used

Section 27 of the LEA provides that the Council may resolve, of its own volition, to change an electoral system which is different to the system used at the previous triennial election. If it decides on a change, it must do so no later than 12 September, two years prior to the next triennial election (being October 2019) unless it decides to hold a poll of electors. Therefore, if Council wishes to consider changing its system from FPP to STV for the 2019 elections, it must do so before 12 September 2017. (The LEA includes a provision that should a Council resolve to change its electoral system by resolution, and no poll is held, the new system must be used for the next two elections.)

A resolution to retain FPP will take effect for the 2019 elections and will continue in effect until either Council resolves otherwise, prior to 12 September two years prior to the 2022 elections, or a poll of electors is held.

Council must give public notice no later than 19 September 2017 of the right for electors to demand a poll on the electoral system whether or not the local authority has resolved to change the electoral system.

2. The Council may decide of its own volition to hold a Poll of Electors

Council can also decide of its own volition to hold a poll of electors at any time during the process (no later than 21 February 2018), irrespective of whether a valid demand has been received, or the time has expired for electors to demand a poll.

The results of the poll are binding and will determine whether FPP or STV is to be used for at least the next two triennial elections, and for all subsequent elections until either a further resolution under Section 27 LEA takes effect or a further poll is held.

3. Electors' Right to demand a Poll

Prior to 19 September 2017, Council must give public notice of the right to demand a poll on the electoral system to be used. If the Council has passed a resolution under Section 27 of the LEA to change the electoral system from FPP to STV, the public notice must include:

- notice of that resolution; and
- a statement that a poll is required to countermand that resolution.

Section 29 of the LEA allows 5% of the number of electors enrolled at the previous triennial election to demand a binding poll to be held on a proposal to determine which electoral system is to be used for the next two triennial elections. The poll demand must be made in writing to the Chief Executive and must be made no later than 21 February 2018.

Timetable and conduct of poll

Following the passing of a resolution by Council or validation of a demand for a poll the Chief Executive must, as soon as practicable, give notice of the resolution or the valid poll demand to the electoral officer.

There are various timeframes associated with a poll. If Council opts to hold a poll the electoral officer will work through the timetable requirements of the LEA.

Explanation of voting system options

An explanation of both electoral systems is provided in the attached paper. Although this guide was prepared in 2008 the explanations about the two electoral systems remain current.

Issues Council may wish to consider when choosing an electoral system, include:

- Additional election costs if STV is adopted
- Public confusion with two electoral systems running simultaneously between DHB and other Councils on the same voting form
- Costs associated with public consultation / education / poll.

First Past The Post

Under FPP electors vote by indicating their preferred candidate(s), and the candidate(s) who receives the most votes is declared the winner regardless of the proportion of votes that candidate(s) obtained. This is a very simple method of electing candidates and is widely used throughout the world.

Although FPP is very simple, some people have argued that the results of an FPP election may not always reflect the wishes of the majority of voters. The following examples show how results of FPP elections may vary.

Example 1	Number of Votes	Percentage of Votes
Candidate One	51	51%
Candidate Two	49	49%
	Total Votes = 100	Total = 100%

Where one candidate has a clear majority of votes, it can be seen that the majority of people did support the winning candidate.

Example 2	Number of Votes	Percentage of Votes
Candidate One	34	34%
Candidate Two	33	33%
Candidate Three	33	33%
	Total Votes = 100	Total = 100%

In this example, candidate one would be the winning candidate however they fell well short of securing a majority (i.e. over 50%) but simply gained one more vote than the other two candidates.

Example 3	Number of Votes	Percentage of Votes
Candidate One	70	70%
Candidate Two	10	10%
Candidate Three	10	10%
Candidate Four	10	10%
	Total Votes = 100	Total = 100%

In this example, the winning candidate received 70% of the total votes.

However, the winning candidate might receive more votes than any other one candidate, but receive fewer votes than the other candidates put together.

Example 4	Number of Votes	Percentage of Votes
Candidate One	40	40%
Candidate Two	30	30%
Candidate Three	20	20%
Candidate Four	10	10%
	Total Votes = 100	Total = 100%

In this case, the winning candidate got 40 per cent of the total votes, the other candidates received 60 percent of votes. It could be said that the election result did not reflect the wishes of the majority.

Some people have also argued that even when the winning candidate gets the majority of the votes, many people's votes are "wasted".

Single Transferable Vote

Under an STV electoral system, voters rank candidates in their order of preference. A good example to consider is an election to select three councillors for a ward in a council election. Under STV, a person would write '1' next to the name of their favourite candidate, '2' next to their second favourite candidate and so on.

STV means that each person has one vote, but can indicate preferences for all the candidates. Using STV means each voter has a single vote that is transferable from one candidate to another in the order the voter prefers them.

The number of votes required for a candidate to be elected depends on the number of positions to be filled and number of valid votes. The number of vacancies and votes determines the quota a candidate must reach to be elected. The formula for deciding the quota is the total number of valid votes, divided by the number of vacancies plus one.

Analysis

Options considered

In summary, Council may consider adopting one of the following options:

Option A - Make a decision and publicly notify it

Council could make a decision to retain the status quo (FPP) or change to STV. The decision will be publicly notified by 19 September 2017. The public notice will include notice of the resolution, the electoral system to be used, and that a poll will be required to countermand it.

Option B - Resolve to hold a poll

Council could defer its decision and simply resolve to hold a poll of electors. The decision to hold a poll could be made at any time prior to 21 February 2018, but a public notice by 19 September 2017 would still be required.

This option would need to be budgeted for, together with some public education costs. If Council is required to hold a poll or separately chooses to hold a poll, the cost is estimated to be \$55,000. There currently is no budget to fund this.

Option C - Do nothing

Council could effectively do nothing and simply give public notice by 19 September 2017 that electors have the right to demand a poll on the electoral system to be used for the next two

triennial elections. If no demand for a poll is received, status quo remains, that is FPP continues to be used for the 2019 elections.

Analysis of preferred option

This report and attached document does not provide a preferred option either way. It presents arguments for and against both systems and encourages Council to make an informed choice about the electoral system best suited for our community.

Legal and statutory requirements

The legal requirements are set out under the LEA and the associated regulations. The requirements are addressed elsewhere in this report.

Impact on policy and bylaws

There is no policy and bylaw impact.

Consistency with the Long Term Plan / Annual Plan

This is not a matter related to the Long Term Plan or Annual Plan. Costs of elections are budgeted for under the Community Leadership activity.

Impact on Significance and Engagement Policy

This is not a significant decision according to the Council's Significance and Engagement Policy. There is an opportunity for the community to demand a poll on the issue and have their opinions known on the voting system.

Communication, consultation and decision making processes

Local body elections ask voters to choose representatives for their local council, DHBs and regional council.

The LEA principles include that electors have a reasonable and equal opportunity to cast an informed vote in polls.

Should a poll be required (by either a public demand or by Council resolution) Councils electoral officer will need to develop a timetable to undertake this in line with the LEA. Council would need to develop its own publicity information on the two electoral voting systems.

Sections 52, 54 and 65 of the LEA set out requirements relating to public notices on polls. Regulation 46 requires any information on polls provided to electors by the electoral officer to be neutral on the matter in question. In this case the advantages and disadvantages of the two electoral systems must be presented in a neutral manner.

Consent issues

There are no consent issues.

Timeframes

The statutory timeframes have been addressed elsewhere in this report.

Contribution to Community Outcomes

The decision on a voting system contributes to the 2015-25 Long Term Plan Community Outcomes relating to Decision Making, and in particular:

2a Our community/iwi will be informed and have the opportunity to comment on significant issues.

Council has developed a new set of Community Outcomes for the 2018-28 Long Term Plan. A decision on this issue contributes to the following outcome for the 2018-28 LTP:

We encourage community engagement and provide sound and visionary decision making.

The selection of voting system is about community involvement in decision making and the way voters elect the Mayor and Councillors.

Financial Impact

i. Cost

There are no unbudgeted costs if the current FPP system is retained.

If Council is required to hold a poll or separately chooses to hold a poll, the cost is estimated to be \$55,000. This is based on a previous estimate from an election service provider to undertake a Maori Representation Poll.

ii. Funding Source

If Council wishes to hold a poll it should identify a funding source.

Attachments

A. Local Government Electoral Option 2008

Signatories

Author(s)	Niall Baker Acting Senior Policy Planner	
Approved by	Michelle Staines-Hawthorne Corporate Strategy Manager	
	Don McLeod Chief Executive Officer	

Waikato Regional Airport - Review of Directors Fees and Tenure

Trim No.: 1912984

Executive Summary

This report seeks a decision on a request from Waikato Regional Airport Limited to review the directors fees and tenure.

Recommendation

That:

1. Council resolve whether to support the change in director's fees for Waikato Regional Airport Limited.
2. Council resolve whether to support the amendments to the tenure of directorships.
3. Council nominate an elected member to vote accordingly at the Waikato Regional Airport Limited Annual General Meeting.

Content

Background

Waikato Regional Airport Limited has written to all shareholding Councils requesting a change in director's fees effective from July 2017.

Issues

Council will need to consider whether the change in fees is appropriate given the length in time since they were last reviewed, and commensurate directorships across the commercial sector.

Waikato Regional Airport Limited has attached to its letter a report reviewing the director's fees. Staff have also attached a summary of directors fees available from the New Zealand Institute of Directors.

Council will also need to consider whether the changes to the tenure of directorships are appropriate.

Analysis

Options considered

There are no preferred options.

Legal and statutory requirements

Shareholding Councils are required to vote on any change to directors fees and amendments to the Waikato Regional Airport Limited constitution.

Impact on policy and bylaws

There are no impacts on policies or bylaws.

Consistency with the Long Term Plan / Annual Plan

Waikato Regional Airport Limited is identified as a Council Controlled Organisation in Council's Long Term Plan.

Impact on Significance and Engagement Policy

This matter is not considered significant.

Communication, consultation and decision making processes

Waikato Regional Airport Limited will be advised of Council's decision at its Annual General Meeting.

Consent issues

There are no consent issues.

Timeframes

The Waikato Regional Airport Limited Annual General meeting will be held on 5 October 2017.

Financial Impact

The proposal does not impact Council's financial position directly, directors fees will be paid out of the revenue of Waikato Regional Airport Limited.

Attachments

- A. Waikato Regional Airport - Directors Fees and Tenure
- B. 2016 Directors Fees Summary

Signatories

Author(s)	Michelle Staines-Hawthorne Corporate Strategy Manager	
Approved by	Don McLeod Chief Executive Officer	

Horrell Road Traffic Update And Options

Trim No.: 1908845

Executive Summary

As part of Plan Change 47 the rezoning of part of Horrell Road was considered.

The option consulted on for the plan change is not supported by the NZ Transport Agency and they require a right turn bay at the Murray/State Highway 26 intersection and additional road widening at the Horrell/State Highway 26 intersection.

A peer review was conducted and the conclusion of this is that right turn bays at both intersections is desirable, but from an effects based approach the proposed widening at Horrell Road is appropriate.

Council has the following options

- removing the zoning of Horrell Road as part of Plan Change 47 and re-look at the options,
- to proceed with a hearing to debate this matter around right turn bays,
- to proceed with including option 2A and the right turn bay and additional road widening in the Plan Change.

Recommendation

That:

1. **Council receives the report;**
2. **Council determines which option it wishes to proceed with.**

Content

Background

Council staff provided an updated report on the Horrell Road Traffic on the 28 June 2017.

This report provides a further update on the peer review and has revised the options for Council to consider.

As part of Plan Your Town (PC 47) approximately 76 ha (potential creation of an additional 57 lots) on Horrell Road, Morrinsville, was proposed to be rezoned from Rural to Rural Residential. As a consequence of the proposed rezoning, a designation for a new intersection/road layout was proposed to improve traffic safety and efficiency. This included intersection widening at both Horrell and Murray Roads.

Through the consultation process, Council received a number of submissions on this matter, one of which was from NZ Transport Agency who did not support the proposed rezoning or designation.

Prior to notification a Traffic Assessment by Ian Carlisle from Traffic Design Group (TDG) was completed which looked at a number of different options, the full report was circulated as part of the plan change documentation:

- Option 1. Existing Horrell Road with existing SH26 intersection

\$1m – Transportation Ranking 6

This option retains the current road infrastructure to access the area from Horrell Road and associated SH26 intersections of Horrell Road/SH26 and Murray/SH26.

The option includes upgrading of the Murray Road rail crossing and construction of a right turn bay at the intersection of Murray Road and SH26.

- Option 1a. Ban exit movements out of Horrell Road/SH26 intersection

\$1.2m – Transportation Ranking 5

This option retains the current Horrell Road/SH26 intersection for entry into Horrell Road but eliminates the right turn out and left turn out.

The option includes upgrading of the Murray Road rail crossing and construction of a right turn bay at the intersection of Murray Road and SH26.

- Option 2. Relocate Horrell Road/SH26 intersection to the west.

\$1.7m – Transportation Ranking 3

This option involves relocation of Horrell Road to the west by approximately 40m. This

option includes the upgrading of Murray Road Rail crossing and construction of a right turn bay at the intersection of Murray Road and SH26.

- Option 2a. Relocate Horrell Road/SH26 intersection to the west.

\$1.3m initially, with a final figure of \$1.6m (to include Land Purchase for the new road) – Transportation Ranking 4

This option involves what's prescribed in option 2 above with an alternative tie into existing Horrell Road at a new "T" intersection and retains the intersection of Horrell Road and Murray Road in the current form with some widening.

- Option 3. Relocate Horrell Road/SH26 intersection to 260m West – Short Alignment

\$2.3m – Transportation Ranking 1

This option involves relocation of Horrell Road to the west by approximately 260m. This option includes the upgrading of Murray Road Rail crossing and construction of a right turn bay at the intersection of Murray Road and SH26.

- Option 3a. Relocate Horrell Road/SH26 intersection to 260m West – Short Alignment

\$1.4m – Transportation Ranking 2

This option involves what's prescribed in option 3 above with an alternative tie into existing Horrell Road at a new "T" intersection and retains the intersection of Horrell Road and Murray Road in the current form.

- Option 4. Relocate Horrell Road/SH26 intersection to 260m West – Long Alignment

\$2.1m – Transportation Ranking 1

This option involves what's prescribed in option 3 above but with a different alignment to tie into Horrell Road.

- Option 4a. Relocate Horrell Road/SH26 intersection to 260m West – Long Alignment

\$1.8m – Transportation Ranking 2

This option involves what's prescribed in option 4 above with an alternative tie into existing Horrell Road at a new "T" intersection.

- Option 5. New Access Road

\$3.1m – Transportation Ranking 1

This option involves the construction of a new access road running parallel to Horrell Road around the middle of the zone area and connecting back to Horrell Road at the north of the growth area.

Plan Change 47 was consulted on with recommending Option 2a. The option included some widening at both intersections.

It must be noted that none of the options included the additional widening at Horrell Road. The Murray Road right turn bay has been included in some of the options.

Issues

The NZ Transport Agency was consulted on with all the options. Their original informal response was that they were happy to consider any options apart from Options 1 and 1a and as a result Council pursued option 2a as part of Plan Change 47.

However, as already outlined above, the NZ Transport Agency submitted against Option 2a through the formal submission process. After discussions with council staff following the close of submissions, the NZ Transport Agency have come back with a final decision that they will accept Option 2a but require additional widening at Horrell Road and a right turn bay at Murray Road/SH 26.

Unfortunately, the additional widening at Horrell Road/SH 26 and right turn bay at Murray Road/SH 26 will require a re-design of both intersections and land purchase from the adjoining land owners as the current road reserve cannot accommodate the right turning bay and additional widening. The additional cost for the widening and right turn bay at the intersections is estimated to be \$260,000, which does not include the actual land purchase costs.

Throughout this process, Ian Carlisle, Council's independent engineering advisor, has advised us that on an effects bases (i.e. as a result of the rezoning), he does not consider that the additional widening at Horrell Road/SH 26 is necessary and that the right turn bay at Murray Road would be desirable, but is not essential.

As we have not been able to reach agreement with the NZ Transport Agency, the matter was not considered as part of Plan Change 47 Hearing last month. Therefore this matter needs to be considered separately and be heard by an independent Commissioner as Council will be requiring authority for the new road.

After the 28 June meeting, Alastair Black from Graymatter was engaged to conduct a peer review of the findings. Graymatter used the same methodology as the NZ Transport Agency and concluded that right turn bays would be desirable and the safest solution at both State Highway intersections. He however also concluded that that Diagram E (as suggested by TDG) provides similar outcome as the additional widening requested at Horrell Road by the NZ Transport Agency (ie a right-turn bay at this intersection would not be necessary).

The purpose of the peer review was to provide Council with an indication of the potential strength of its position at a Hearing. It was considered that Council's position would be stronger if another independent Traffic Engineer were to confirm TDG's conclusions.

In response to the peer review Council's traffic expert Mr Carlisle has provided further detailed information to support the case of not warranting the additional widening and right turn bays, especially at Horrell Road which is as follows:

Based on the best available NZ Transport Agency crash models the effect of the proposed improved Horrell Road intersection (improved sight lines) is to reduce potential crashes by 40%. The effect of adding a right turn bay is less than this. The key point being that the proposed intersection is an improvement on the existing resulting in betterment to all road users. If it were not for Roache Road users, it would be possible to consider closing this intersection to right turns altogether.

Furthermore there is no injury crash record that is attributable to either sight distance or lack of a right turn bay. Therefore the intersection does not rank in NZ Transport Agency priority for treatment.

In conclusion.

Technically the traffic advice is not much different, right turn bays provide the most desirable and safest outcome for both intersections.

The alternative argument is that the impact of the additional 0.5 metre widening specifically at Horrell Road is not warranted when looking at a benefit cost analysis.

This would appear to be the essence of the argument if considered at a hearing (if Council accepts that a right-hand turn bay into Murray Road should be included).

Analysis

Options considered

Council has the following options on how to proceed with this particular matter:

1. Remove the Horrell Road re-zoning entirely from the Plan Change and re-evaluate how to proceed. Council then has the option of reassessing potential options with the NZ Transport Agency and can initiate a separate plan change for this area or abandon the zoning altogether.

Council needs to be aware that a number of options have already been considered and presented to the NZ Transport Agency previously and unless they are options 3 – 5, they are unlikely to give their support. Note also that right-hand turns into Murray Road and Horrell Road will still need to be addressed.

2. Proceed with Option 2a and the land purchase to provide for the right turn bay at Murray Road and additional road widening at Horrell Road. A hearing will still be required to hear the other submitter's issues however we would expect evidence in support/neutral submissions from NZ Transport Agency.

This will require the land purchase to be completed and if the property owners aren't agreeable, the land will need to be acquired through the Public Works Act.

There is still the option that the NZ Transport Agency be approached before the hearing to see whether they would agree to only having a right turn bay at Murray Road intersection as most of the right turning traffic utilises this intersection and accept the reduced level of road widening at Horrell Road (0.5m less than Council proposed). The Horrell Road intersection right turning manoeuvre is only really being utilised by Roach Road Traffic so therefore is showing minimal movements.

An alternative option is to engage our traffic expert to move the alignment of State Highway 0.5 metres further north, to allow for the additional road widening at Horrell Road without the land purchase requirement. The initial feedback has been that this would compromise the alignment of the State Highway but a more detailed survey and design work may need to be completed to confirm this.

3. Proceed to a hearing with Option 2a, (without the right turn bay and additional widening). The hearing will need to be chaired by an independent commission given that Council are the requiring authority for the designation.

With the peer review having been completed, this will need to be presented to the hearings commissioner as it is part of the technical work commissioned by Council and has then been made available to our technical experts.

It is our expectation that a Commissioner presented with evidence from the NZ Transport Agency and an independent peer review may adopt the right turn bay and NZ Transport Agency requested road widening should Council wish to proceed with the rezoning. Mr Carlisle's evidence is likely to be that the reduced standard of upgrade measures is fully adequate whilst acknowledging that the NZ Transport Agency preferred option would still be superior. The NZ Transport Agency will also take the view that they have already compromised from the most suitable traffic upgrade options, being Options 3-5. Should Council consider that the rezoning is required and appropriate for the benefit of the community, then the right turn bay and additional road widening is a necessary consequence of the rezoning.

Analysis of preferred option

Council needs to consider all the options and make a decision on how to progress this matter.

Council's independent Planning Consultant has provided the following comments with regards to the options outlined.

If Council is seeking to advance a solution to enable the plan change to proceed, it should accept the right turn bay at Murray Road and road widening to 3m at Horrell Road and the financial impacts of this decision. This will avoid the somewhat competing evidence and the reasonably high potential for a legal appeal to the Environment Court should any decision go against the NZ Transport Agency position for upgrade works.

We could approach NZ Transport Agency with the option of a right turn bay only for Murray Road and provide additional information to support the reduced road widening at Horrell Road and ascertain whether this would be acceptable with the fall-back position being the NZ Transport Agency requested works.

The final option is to go to a hearing and put up Mr Carlisle as our technical expert and allow the hearings process to run with the Commissioner to provide a recommendation on the plan change back to Council. If this includes a right turn bay and higher standard of road widening as a mitigation measure, Council could still withdraw the plan change at that stage.

Legal and statutory requirements

Council is currently in a plan change process and is not able to make any decisions outside of the process that may influence the outcome. It is therefore recommended that Council decide to either

remove the Horrell Road designation and rezoning from Plan Change 47 or it continues to proceed with its consulted Option 2a by including the right turn bay and widening or by taking the technical matter to a hearing.

Impact on policy and bylaws

No impacts on the policy or bylaws.

Consistency with the Long Term Plan / Annual Plan

Council has to make provision for growth through its Long Term Plan. Plan Change 47 is a District Plan Change that sets up the framework and rules to allow for the identified growth.

Impact on Significance and Engagement Policy

Not applicable.

Communication, consultation and decision making processes

This is part of Plan Change 47 and has been consulted on with the residents and general public.

Consent issues

No consent issues.

Timeframes

This is very dependent on the chosen option. A hearing can be set up for September.

Contribution to Community Outcomes

Financial Impact

i. Cost

Costs have already been incurred with regards to the detailed traffic investigation and consultation on Horrell Road. To date these are estimated to be at least \$40,000. Additional costs have been incurred through the plan change process however these costs are difficult to identify separately.

The cost for 2A, without the additional widening or right turn bay, is \$1.6m. This figure has been included in the draft Long Term Plan.

Further costs will be incurred for all the options.

Option 1 – There will be no external costs to meet with NZ Transport Agency to consider options however if a separate plan change is initiated this is likely to cost around \$50,000 - \$100,000 depending on the chosen option and the objection and hearing process.

Option 2 – The total cost of the hearing is likely to be at least \$20,000. This will include a commissioner for the hearing and expertise for the traffic evidence.

Depending on the outcome of the hearing, the physical costs will range from \$0 - \$280,000 plus. For the extended widening at Horrell Road this would result in an additional \$80,000 and \$180,000 for the Murray Road right turn bay plus the land purchase for both.

Option 3 – The total cost for this will be an estimated \$260,000 plus the land purchase cost and planning fees.

ii. Funding Source

The planning cost will be funded from the plan change operating budget. Any physical works will need to go into the Long Term Plan and funded through operating, capital or development contributions.

Attachments

There are no attachments for this report.

Signatories

Author(s)	Susanne Kampshof Asset Manager Strategy and Policy	
	Ally van Kuijk District Planner	
Approved by	Manaia Te Wiata Group Manager Business Support	

Delegated Authority for Private Plan Changes

Trim No.: 1911633

Executive Summary

Council periodically receives applications for private plan changes that propose alterations to the District Plan. In relation to private plan changes, under the Resource Management Act 1991 (the Act), Council has the option to adopt, accept, reject or convert the request to a resource consent application.

Council is limited as to the matters on which it can reject a private plan change, and it therefore vital that Council has the ability to make a submission on any private plan change application that it accepts. Given that Council is the decision maker for a private plan change, they cannot also lodge a submission on it.

As Council is permitted to delegate to an employee certain functions, powers and duties under the Act, the ability to make a submission, on behalf of Council, is sought for the Chief Executive Officer and Group Manager Community Development in relation to private plan changes.

Recommendation

That:

1. **In accordance with section 34A(1) of the Resource Management Act 1991, delegated authority is given to the Chief Executive Officer or Group Manager Community Development to submit on Council's behalf on any private plan change lodged with Council.**

Content

Background

Private plan changes to amend the district plan are lodged with Council for a variety of reasons; they propose generally to give the applicant certainty in relation to their activities and prevent the ongoing need to apply for resource consents and allow additional development.

It is vital that Council has the capacity to lodge a submission on any private plan change to ensure that its position is represented and can be taken into account during any hearings process.

As Council as the decision maker for a private plan change it cannot also make a submission to the plan change. The following section of the Act states that Council may delegate to any of its committees or employees certain roles:

34A Delegation of powers and functions to employees and other persons

(1) A local authority may delegate to an employee, or hearings commissioner appointed by the local authority (who may or may not be a member of the local authority), any functions, powers, or duties under this Act except the following:

- (a) the approval of a proposed policy statement or plan under clause 17 of Schedule 1:
- (b) this power of delegation.

In this instance, we seek that under section 34A(1) of the Act, the Chief Executive Officer and the Group Manager Community Development be granted delegated authority to make a submission on any private plan change lodged with Council.

Legal and statutory requirements

Under Clause 34A of the Resource Management Act 1991, Council is permitted to delegate certain specific aspects of its authority to employees.

Impact on policy and bylaws

There will be no impact on policy or bylaws.

Impact on Significance and Engagement Policy

This is not a significant decision. The report considers the issue of Council delegating its authority under the provisions of the Resource Management Act 1991.

Communication, consultation and decision making processes

There are no issues with Council's communication, consultation and decision making processes.

Consent issues

There are no consent issues.

Timeframes

Delegated authority is sought as soon as possible as Council is aware of a number of private plan change applications being prepared, some of which will be lodged with Council in the near future.

Financial Impact

i. Cost

There will be no financial impact.

Attachments

There are no attachments for this report.

Signatories

Author(s)	Mark Hamilton Environmental Policy Planner	
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Approved by	Dennis Bellamy Group Manager Community Development	
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Plan Change 47: Delegated authority to appoint an independent hearing commissioner

Trim No.: 1911662

Executive Summary

While Council is normally called on to adjudicate plan change hearings, in some instances this may not be appropriate and an independent hearings commissioner may be required to hear submissions and make a decision.

At times, commissioners may need to be appointed at short notice, outside of the Council meeting schedule. Council is permitted to delegate to an employee certain functions, powers and duties under the Resource Management Act 1991 (the Act). On behalf of Council the ability to appoint an independent hearings commissioner is sought for the Chief Executive Officer and the Group Manager Community Development. This commissioner will then consider a section of Plan Change 47 where there is a conflict of interest for Council

Recommendation

That:

1. **In accordance with sections 34(1) of the Resource Management Act 1991, delegated authority is given to the Chief Executive Officer or the Group Manager Community Development to appoint an independent hearings commissioner who can hear a section of Plan Change 47 on Council's behalf.**

Content

Background

While Council is normally called on to adjudicate plan change hearings, this may not be appropriate in some instances, for example, if there are conflicts of interest. Therefore, at such times, an independent hearings commissioner is required to hear submissions and make a decision on the matters raised in the hearing.

Council's Delegation Policy and Delegation Register 2017 allows the Chief Executive Officer or the Group Manager Community Development to appoint independent hearings commissioners for resource consent hearings. However, they are not permitted to appoint independent hearing commissioners to consider proposed policy statements or plans or any change to a proposed policy statements or plan.

Section 34 of the Resource Management Act state that Council may delegate to any of its committees or employees certain roles:

34 Delegation of functions, etc, by local authorities

(1) A local authority may delegate to any committee of the local authority established in accordance with the Local Government Act 2002 any of its functions, powers, or duties under this Act.

In this instance, we seek that under section 34 of the Act, the Chief Executive Officer or the Group Manager Community Development be granted delegated authority to appoint an independent

hearing commissioner who can hear a section of Plan Change 47 for which Council has a conflict of interest.

Analysis

Options considered

- i) To ask Council to delegate permanent authority for the Chief Executive Officer and the Group Manager Community Development to appoint independent hearings commissioners who can decide on any proposed policy statement or plan.
- ii) To ask Council to delegate authority to the Chief Executive Officer and the Group Manager Community Development to appoint an independent hearings commissioner who can decide on any necessary aspect of Plan Change 47 only.

Analysis of preferred option

That delegated authority is given to the Chief Executive Officer or the Group Manager Community Development to appoint an independent hearings commissioner who can make a decision on the sections of Plan Change 47 where there is a conflict of interest.

Council has previously indicated that it has an appetite for decision making and, in the first instance, it wishes to hear all plan changes itself. Limiting the delegated authority to appoint an independent hearings commissioner solely to this aspect of Plan Change 47 ensures that Council retains its overall responsibility for District Plan changes.

Legal and statutory requirements

Under section 34A of the Resource Management Act 1991, Council is permitted to delegate its authority to employees.

Impact on policy and bylaws

There will be no impact on policy or bylaws.

Impact on significance policy

This is not a significant decision. The report considers the issue of Council delegating its authority under the provisions of the Resource Management Act 1991 and the Local Government Act 2002.

Communication, consultation and decision making processes

There are no issues with Council's communication, consultation and decision making processes.

Consent issues

There are no consent issues

Timeframes

Delegated authority is sought as soon as possible as a part of Plan Change 47 may need to be heard by an independent hearing commissioner.

Financial Impact

This will be from existing budgets.

Attachments

There are no attachments for this report.

Signatories

Author(s)	Mark Hamilton Environmental Policy Planner	
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Approved by	Dennis Bellamy Group Manager Community Development	
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Freshwater Update

Trim No.: 1906453

Executive Summary

This report further updates council on developments in respect of freshwater and in particular a Symposium organised by Local Government NZ and the release by the Waikato Regional Council (WRC) of their Waikato Freshwater Strategy.

The way fresh water is managed is going to change. This includes the allocation, cost and disposal. This is being driven both at a national and regional level.

These changes will affect all existing and potential users. As this is an essential resource, there are many stakeholders involved and some potentially conflicting objectives.

It would appear that central government wishes to delegate as much responsibility as possible to regional government. This would result in a significant flow-on affect to local government especially in terms of efficiencies in respect of water usage and the treatment of wastewater and thus the cost to ratepayers.

MPDC will need to take a close interest in the development of the WRC 2018-28 long term plan which will reflect the issues discussed above

The WRC strategy is a bold step in addressing matters but is likely to significantly change the way water is allocated, costed and disposed of. The only certainty is that there will be significant additional costs to be met by both regional and district ratepayers.

Recommendation

That: The report be received.

Content

Background

This report updates Council on recent developments with regards to freshwater issues.

Local Government NZ organised a Freshwater Symposium in late May. The focus of this symposium was stated to be “*managing water quality and funding: how do we move to integrated policy that gets the right outcomes for communities*”.

The symposium was extremely well supported by local government, primary sector organisations, environmental organisations and government departments including MfE and Audit and was stated to be the best response of any the LGNZ have organised.

There was a lot of sharing of points of view but also quite a conflict between competing interests. There was very little discussion about point discharges and takes but a lot about the diffuse discharges and especially the effect of dairy conversions

Waikato Regional Council released their new freshwater strategy in late June. This is stated to be designed “*to tackle significant pressures on water availability and quality in the region.*”

The strategy, “*which was developed after extensive consultation with iwi and regional stakeholders, takes a long term view of the issues and suggests a range of new policy tools and instruments to better manage water*”.

The strategy will now be available during the development of the WRC 2018–28 long term plan which is stated to have a “*continuing strong focus on water allocation and quality issues*” which they see as a core part of their work.

Issues

LGNZ Symposium. Key aspects included:

- Iwi Perspective: The Chairperson of the Iwi Chairs Forum acknowledged there were multiple views among Maori but stressed Maori wanted to be part of the decision making. They wanted a higher value attributed to water so it was used wisely

Further they wanted a right of say over water; responsibility to protect, nurture and care for water; and a right of access and use for all purposes that contribute to their wellbeing; and a say in allocation.

- Government Perspective: The Minister for the Environment noted NZ was dependent on its fresh water resource and had been slack in managing for quantity and quality. He noted that a balance was needed between central and regional government responsibilities and felt that the RMA was a success in dealing with point source discharges and that rather the problem was diffuse discharges.

He further noted that currently allocations were based on “first come – first served which was not satisfactory. The dilemma is what to replace it with and the harder question is the allocation of nutrient rights

- Primary Sector Perspective: Views were expressed by various interested parties ranging from acknowledging that having to feed the animals was detrimental to the environment and we needed to assess the true value of food; noting that farmers needed to understand reasoning to improve behaviour; to justifying irrigation but qualifying by stating operators needed to be well trained and also provide proof of wise use.
- Academic Perspective: A renown New Zealander currently a professor at the University of Texas pointed out that in 100 years NZ’s population had grown by 4 times but the economy had grown by 18 times.

He noted that NZ had a water quality challenge that involved both central and local government and the balancing between agriculture and the environment.

He emphasised that knowledge is created by (a) deduction; (b) experimental in a lab; and (c) observations of actual events. An example of (a) was Isaac Newton; (b) was Louis Pasteur and (c) Charles Newton.

Modelling was comprehensive but only approximate while observations were accurate but sparse. There was a need for quality data to a common standard.

- Challenges for Freshwater Management: The Prime Minister’s Chief Science Advisor was of the view that water is exploitable for hydro power, irrigation, industry etc.

He pointed out that there were many measures for water quality and it needed the right measure in the right place. Further there were gaps and inconsistencies in current monitoring and a need for a more standardised approach. There needs to be regular monitoring at the same place.

He stated we need to be more aggressive in regards to potable water and noted that deforestation (and its replacement by pastoral farming) has had significant effects on water quality.

Not all catchments can achieve significant progress in a short time as many effects are due to land use. We need to consider the distribution of contamination which is why transparent and consistent (& standardised) monitoring is needed.

He further noted that we cannot solve water issues in isolation from agricultural and pastoral issues and noted that farming (& tourism) is the heart of our economy. We need good economic growth to afford environmental gains.

We need progressive improvement rather than specific standards – trends rather than numbers!

Waikato Freshwater Strategy. This is stated to have the overarching goal to “*achieve the best use of fresh water through time via better allocation systems using new methods based on better information*”.

The strategy notes current allocation options are limited to regulations conferred 50 years ago to address the pollution of point source discharges. They are no longer fit-for-purpose.

It recognises that water quality is a function of the volume allocated, catchment characteristics, climate and land use.

It also recognises that allocation not only involves using fresh water out of a water body but also using fresh water within a water body for the attenuation of contaminants. Thus the volume of water available for extraction, and the volume remaining for dilution, are closely related.

The strategy also explicitly recognises the integrating function of the region’s freshwater, linking activities occurring on the land with those directly relating to and occurring in freshwaters and then transferring the effects into the Coastal Marine Area.

In our context the activities occurring on land affects the major river systems of the Piako and Waihou Rivers – and ultimately the Hauraki Gulf

It notes the freshwater choices available to future generations will be limited if we do not change our current use and practices and proposes the following ‘game-changing’ actions:

- Advocacy – including seeking access to wider policy options to price water that is taken out of water bodies for use and for the use of water remaining in water bodies to assimilate contaminants (e.g. a pollution charge). Essentially WRC want the ability to charge both for water extracted and also for the water remaining in the waterbody and used to dilute discharges.

They want to use a combination of market instruments and information opportunities to alter behaviour to decide who gets what, where and for how long. In other words they want to change from the current “first in – first served” system to one that will have taxes and charges based on resource use to create an economic incentive to reduce consumption or similar.

They seem to think that imposing an additional cost on resource users provides an incentive to adjust behaviour so that they use less of the resource. To achieve a particular limit the tax or charge is set at a rate that provides an incentive for resource users to reduce use to the point where they would be better off paying the tax rather than further reducing use. Those who get the greater value from water use will be able to use more before they reach this point.

- Smarter Methods - including moving from a predominantly measurement and monitoring approach to one using new technologies to model future freshwater scenarios with

measurement as a check. In short, transitioning from fixing problems to preventing them from occurring.

WRC wants to transition from a predominantly regulatory system to one where rules complement and support other policy options (e.g. economic instruments and persuasive methods) for behaviour change.

- Better information – including reviewing and upgrading their various databases which have been developed in response to different legislation at different times using different approaches

WRC also wants to design, build and manage a database system that enables spatial, holistic management of fresh water by integrating freshwater quality and quantity; high flows with low flows; between ground and surface water bodies; point source/diffuse source inputs over time; climate change projections; and risk management.

Analysis

Analysis of LGNZ Symposium

It is clear that there is pressure on Central Government (and regional and local government) to address freshwater issues and its own Chief Science Advisor has produced a report urging politicians to address freshwater issues which in his view is clearly linked to intensive farming and urbanisation.

The various parties affected have their own agendas and these are often in conflict. Local government has the specific need to provide potable water for its residents and industries, and to be able to dispose of the resulting waste in a cost effective manner.

It would appear that central government wishes to delegate as much responsibility as possible to regional government and that there will be a significant flow-on affect on local government especially in terms of efficiencies in respect of water usage and the treatment of wastewater and thus the cost to ratepayers.

There is also pressure to charge for the water itself as currently it is only the infrastructure that is paid for.

Analysis of WRC Freshwater Strategy

This strategy reflects in general the comments above but specifically flags greater restrictions on takes and discharges and thus increased costs to users and disposers. In the end it is our ratepayers who must meet the increased costs including the indication that there will be a charge on the volume of water taken

A specific issue is the statement that many watercourses are fully allocated including the Piako/Waitoa catchment. However (as buried in the document) is the clarification that this relates to the cumulative effects of permitted activities associated with pastoral farming. In other words water that farmers could potentially use as a permitted use but which they do not.

An example is the farms between the Morrinsville water intake which draw their water from the council pipeline (and hence its consent) but their potential ability to extract from the stream is also allowed for.

Legal and statutory requirements

Council must comply with all legal and statutory requirements in respect of water takes and discharges and this will get more onerous in the years ahead.

Impact on policy and bylaws

The WRC Freshwater Strategy will impact on future policy and bylaws

Consistency with the Long Term Plan / Annual Plan

Future freshwater decisions outside this council's control will undoubtedly increase MPDC rates.

Communication, consultation and decision making processes

MPDC will need to take a close interest in the development of the WRC 2018-28 long term plan which will reflect the issues discussed above

Contribution to Community Outcomes

There is little doubt that the health of our environment is important to our communities but care needs to be taken to ensure measures are practical and economic.

Financial Impact

i. Cost

Unknown at this stage

ii. Funding Source

Ratepayers

Attachments

There are no attachments for this report.

Signatories

Author(s)	Graham Robertson Senior Utilities Engineer	
Approved by	Susanne Kampshof Asset Manager Strategy and Policy	
	Manaia Te Wiata Group Manager Business Support	

CEO Professional Development

Trim No.: 1913108

Executive Summary

The Chief Executive's employment agreement provides for personal development.

Each September an organisation known as the International City Managers Association (ICMA) holds the largest conference for local government practitioners, in the world.

There are multiple work streams covering all manner of local government policy and practise. These may include Economic Development opportunities, urban planning, community facilities and community consultation and engagement.

Council authorised Don McLeod's attendance in 2005 and at that stage the number of delegates exceeded 5000 from America, Australasia and Europe.

In September 2018 the conference is to be held in Baltimore USA and Don McLeod has asked Council to consider approving his attendance.

Recommendation

That:

1. **The Chief Executive Officer's professional development is held over to 2018 to attend the International City Managers Association conference in Baltimore, USA.**

Attachments

There are no attachments for this report.

Signatories

Author(s)	Caroline Hubbard Committee Secretary	
Approved by	Don McLeod Chief Executive Officer	

Mayoral Diary for July 2017

Trim No.: 1909760

The Mayoral Diary for the period 1 July 2017 to 31 July 2017 is attached.

Recommendation

That the report be received.

Attachments

A. Mayor Diary for July 2017

Signatories

Author(s)	Jan Barnes Mayor	
Approved by	Don McLeod Chief Executive Officer	

Exclusion of the Public: Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason 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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 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 relevant part of the proceedings of the meeting in public, as follows:

C1 Waharoa Industrial development

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. .	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C2 Chief Executive Officers Performance Review

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege. . s7(2)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. .	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

C3 Easter 2017 Flooding Event

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege. . s7(2)(i) - The withholding of the	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

	information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	
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