

Notice is hereby given that an ordinary meeting of the Horowhenua District Council will be held on:

**Date:** Wednesday 13 March 2019  
**Time:** 4.00 pm  
**Meeting Room:** Council Chambers  
**Venue:** 126-148 Oxford St  
Levin

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## **Council OPEN AGENDA**

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### **MEMBERSHIP**

<b>Mayor</b>	Mr Michael Feyen	
<b>Deputy Mayor</b>	Mr Wayne Bishop	
<b>Councillors</b>	Mr Ross Brannigan	
	Mr Ross Campbell	
	Mr Neville Gimblett	
	Mr Barry Judd	
	Mrs Victoria Kaye-Simmons	
	Mrs Jo Mason	
	Mrs Christine Mitchell	
	Ms Piri-Hira Tukapua	
	Mr Bernie Wanden	
<b>Reporting Officer</b>	Mr David Clapperton	(Chief Executive)
<b>Meeting Secretary</b>	Ms Sue Hori Te Pa	

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**Full Agendas are available on Council's website**  
[www.horowhenua.govt.nz](http://www.horowhenua.govt.nz)

**Full Agendas are also available to be collected from:**  
Horowhenua District Council Service Centre, 126 Oxford Street, Levin  
Te Awahou Nieuwe Stroom, Foxton,  
Shannon Service Centre/Library, Plimmer Terrace, Shannon  
and Te Takeretanga o Kura-hau-pō, Bath Street, Levin



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**1 Apologies**

**2 Public Participation**

Notification to speak is required by 12 noon on the day of the meeting. Further information is available on [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz) or by phoning 06 366 0999.

See over the page for further information on Public Participation.

**3 Late Items**

To consider, and if thought fit, to pass a resolution to permit the Council to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

**4 Declarations 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.

**5 Confirmation of Minutes**

**5.1 Meeting minutes Council, 27 February 2019**

**6 Announcements**

Horowhenua New Zealand Trust

There will be a presentation from the Trust.



# Proceedings of the Community Wellbeing Committee 12 February 2019

File No.: 19/61

## 1. Purpose

To present to the Council the minutes of the Community Wellbeing Committee meeting held on 12 February 2019.

## 2. Recommendation

- 2.1 That Report 19/61 Proceedings of the Community Wellbeing Committee 12 February 2019 be received.
- 2.2 That the Council receives the minutes of the Community Wellbeing Committee meeting held on 12 February 2019.

## 3. Issues for Consideration

There are no items considered by the Community Wellbeing Committee that require further consideration by Council.

## Attachments



There are no attachments for this report.

### Confirmation of statutory compliance

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

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

## Signatories

Author(s)	Samantha Hutcheson <b>Community and Youth Development Lead</b>	
Approved by	Nicki Brady <b>Group Manager - H2040 &amp; Partnership Development</b>	

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# Community Wellbeing Committee

## OPEN MINUTES

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Minutes of a meeting of the Community Wellbeing Committee held in the Council Chambers, Horowhenua District Council, 126-148 Oxford Street, Levin on Tuesday 12 February 2019 at 1.00 pm.

### PRESENT

<b>Chairperson</b>	Cr Bernie Wanden	
<b>Members</b>	Ms Kelly Bevan	(Whaioro Trust)
	Ms Katie Brosnahan	(Ministry of Social Development)
	Mr Oliver Parrant	(Youth Voice 2018 representative)
	Mayor Michael Feyen	(ex-Officio)
	Ms Eve Fone	(Oranga Tamariki)
	Mr Jim Greening	(Ministry of Education)
	Ms Eleanor Gully	(Access & Inclusion representative)
	Ms Lisa Holgate	(Department of Corrections)
	Dr Betty-Lou Iwikau	(Raukawa Whanau-Ora Ltd)
	Sgt Beth Purcell	(NZ Police)
	Ms Brenda Rea	(Central PHO)
	Ms Maureen Scott	(Horowhenua-Ōtaki Children's Team)
	Ms Kelly Isles (attending on behalf of Ms Jo Smith)	(MidCentral DHB)
	Sister Sosefina	(Housing Compassion)
	Ms Margaret Williams	(Grey Power representative)

### IN ATTENDANCE

Reporting Officer	Ms Samantha Hutcheson	(Acting Community Development Manager)
	Mrs Nicki Brady	(GM H2040 & Partnership Development)
	Mrs Lacey Winiata	(Community Engagement Manager)
	Ms Michelle Rogerson	(Community Development Advisor)
	Ms Leteisha Te Awhe-Downey	(Tertiary Scholarship Student – Community Engagement)
	Ms Trish Hayward	(Communications Advisor)
	Mr David McCorkindale	(GM Strategy & Development)
	Ashley Cotter-Hope	(Projects Coordinator, Strategy & Development)
	Miss Sharon Bowling	(Meeting Secretary)

### ALSO IN ATTENDANCE

Mr Liam McLeavey (Pathways Horowhenua / Education Horowhenua)

### PUBLIC IN ATTENDANCE

At commencement of the meeting there was 1 member of the public in attendance. 1



## 1 Apologies

Apologies were recorded for Crs Barry Judd and Jo Mason, Keith Hilson, Jo Smith, Di Rump, Mark Robinson, Patrick Rennell, Mike Fletcher and James Etuale.

MOVED by Mayor Feyen, seconded Ms Maureen Scott:

*THAT the apologies received be accepted.*

**CARRIED**

## 2 Public Participation

No requests for public participation were received.

## 3 Confirmation of Minutes

MOVED by Sgt Beth Purcell, seconded Ms Maureen Scott:

*THAT the minutes of the meeting of the Community Wellbeing Committee held on Tuesday, 11 December 2018, be confirmed as a true and correct record.*

**CARRIED**

## 4 Reports

### 4.1 Community Services Report to 12 February 2019

To present to the Community Wellbeing Committee the Community Services Report 12 February 2019.

MOVED by Ms Lisa Holgate, seconded Ms Eleanor Gully:

*THAT Report 19/21 on Community Services Report to 12 February 2019 be received.*

*THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.*

**CARRIED**

Sam Hutcheson requested that the report be taken as read, highlighting some of the salient points, including:

- Youth Network focus on youth mental health and housing
- Life to the Max (LTTM) has reached a 6-month milestone re youth development service provided at Youth Space
- Tertiary Preparation workshops facilitated by Leteisha Te Awhe-Downey; involved all 3 colleges
- Christmas activities e.g. Fill A Shoebox
- The Community Development, Community Consultation, Vibrant Communities, Creative Communities and Shannon Community Development Grants Round open; the Community Development Team are available to provide assistance with applications
- New e-newsletter *Locally Sourced* – a sharing of community stories
- Graffiti eradication (Lisa Holgate advised that Corrections are able to assist with graffiti eradication; Gill Allen to make contact with Lisa directly)
- MCDHB Suicide Prevention Training

Leteisha Te Awhe-Downey and Oliver Parrant were invited to the table to speak about the re-model of Youth Voice to ŷEP – Youth Empowerment Project – and the new co-designed framework of communication supporting it to engage and mobilise youth in the Horowhenua district.

The Youth Voice (YV) re-model was the result of feedback from former YV members, district young people and stakeholders, all who prefer an action-driven approach to enhance aspects in the community in relation to the wants and needs of youth (defined as those 12-24 years of age).

The new framework at full capacity will involve 58 young people including an eight person Leaders Team (from diverse backgrounds and district wide). The Leaders Team will engage and moderate a closed group Facebook page to have conversations with the wider group comprising of 50 ŷEP young people. The ŷEP young people use their own experiences and day to day interactions with peers to contribute youth perspective which presented back to the Leader Team via the closed FB group. ŷEP Leaders discuss the feedback and liaise with stakeholders. ŷEP is a vehicle for authentic youth engagement, consultation, information sharing and placemaking through events.

ŷEP will adopt the Aotearoa Inspiring Communities (<http://inspiringcommunities.org.nz>) “learning by doing” approach focusing on five core Ngā Mātāpono/Community-Led Development (CLD) principles: Grow from shared local visions; Build from strengths; Work with diverse people and sectors; Grow collaborative local leadership and Learn by doing.

The key values for ŷEP are: Wairuatanga (spirit of place), Kaitiakitanga (physical place) and Kotahitanga (people of the place).

It was noted that to connect to those young people not engaged in education and/or employment is achieved through assistance from e.g. the colleges and Life to the Max. Two ŷEP Leaders are responsible for stakeholder engagement. ŷEP will encourage young people from all sectors to be involved at some level in the framework. It was noted that at least one Life to the Max young person is in the Leader group with other representation from local Iwi and all colleges.

Recognising that most young people struggle to attend all meetings as they can feel reserved, self-conscious, over-committed or have lack of transport, Facebook was chosen as the social media platform of engagement for ŷEP, as it enables them to become involved and have a voice. Two ŷEP leaders are responsible for the set up and maintenance of the FB group, emails and potentially Instagram; however all eight Leaders are responsible to moderate and add only conversation appropriate comments to Facebook.

Agencies (Raukawa Whanau-Ora, Corrections, Ministry of Social Development) offered to provide contacts, avenues and/or arrange visits to meet and engage with those youth disenfranchised/vulnerable groupings to support the reach to ŷEP.

Whilst support for Facebook as the best platform was echoed, heed around the use of Facebook was also highlighted as an avenue also for suicide radiation. It was clarified that the Facebook group is private, created by invitation only, with approval by the administrator. All engagement/comments are approved individually before being uploaded.

Young people without Facebook accessibility would be reached via the group's day-to-day interactions, e.g. community events, colleges, Instagram promoting events, team courses etc.

The Committee were congratulatory and supportive of the YEP and the work which is planned. It was noted that guidance and connections will be crucial to success of the Youth Empowerment Project.

Sam Hutcheson spoke to a tabled Briefing Note around Refugee Settlement, inviting members to expand on any knowledge they had around the topic. The Committee were advised that the Ministry of Business, Innovation and Enterprise (MBIE) will attend the next CWC meeting.

Comment was made that there will be a mix of learnings, challenges and opportunities regards refugee settlement. The issue around the ability to provide appropriate housing for the current population of the district was also raised; and the potential impact(s) on services such as transport.

Based on comments around the current housing situation and associated implications, Katie Brosnahan offered to facilitate a visit by MHUD, along with a speaker around refugees, for a future meeting.

*A copy of the Briefing Note is **attached** to the official minutes.*

## **H2040 & Community Plans**

A PowerPoint was presented to the Committee around Horowhenua 2040 (H2040) and Community Plans by Nicki Brady and David McCorkindale respectively.

*A copy of the presentation is **attached** to the official minutes.*

## **5 Horowhenua 2040 Workshop**

An interactive Horowhenua 2040 Workshop followed the meeting proper, with two activities for the Committee to participate:

1. How does your work contribute to the #H2040 Vision – people, place, community
2. Re-examine the Terms of Reference for the Committee – what best helps us work together re: meetings, between meetings, reporting/evaluating, other

A brief summary of the workshop outcomes was given by Nicki Brady. It was advised that the outcomes will be shared once feedback from those members who were unable to attend is compiled and included.

In closing, the Chair reiterated the grants round being open and highlighted the forthcoming Nigel Latta events.

3.05 pm

There being no further business, the Chairperson declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT  
RECORD AT A MEETING OF THE COMMUNITY  
WELLBEING COMMITTEE HELD ON

**DATE:**.....

**CHAIRPERSON:**.....

# Proceedings of the Finance, Audit & Risk Subcommittee 27 February 2019

File No.: 19/62

## 1. Purpose

To present to the Council the minutes of the Finance, Audit & Risk Subcommittee meeting held on 27 February 2019.

## 2. Recommendation

- 2.1 That Report 19/62 Proceedings of the Finance, Audit & Risk Subcommittee 27 February 2019 be received.
- 2.2 That the Council receives the minutes of the Finance, Audit & Risk Subcommittee meeting held on 27 February 2019.

## 3. Issues for Consideration

There are no items considered by the Finance, Audit & Risk Subcommittee that require further consideration by Council.

## Attachments

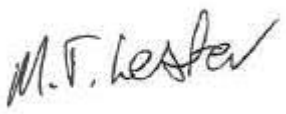

There are no attachments for this report.

### Confirmation of statutory compliance

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

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

## Signatories

Author(s)	Mark Lester <b>Group Manager - Corporate Services</b>	
Approved by	David Clapperton <b>Chief Executive</b>	

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# Finance, Audit & Risk Subcommittee

## MINUTES

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Minutes of a meeting of the Finance, Audit & Risk Subcommittee held in the Council Chambers, Horowhenua District Council, Levin, on Wednesday 27 February 2019 at 4.30 pm.

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### PRESENT

<b>Chairperson</b>	Mr P Jones
<b>Members</b>	Cr B F Judd
	Cr W E R Bishop
	Cr R J Brannigan
	Cr R H Campbell
	Mayor M Feyen
	Cr N G Gimblett
	Cr V M Kaye-Simmons
	Cr C B Mitchell
	Cr B P Wanden

### IN ATTENDANCE

Mr D Law	(Chief Financial Officer)
Mr D M Clapperton	(Chief Executive)
Mr M J Lester	(Group Manager – Corporate Services)
Mr D McCorkindale	(Group Manager – Strategy & Development)
Mr I McLachlan	(Group Manager – Customer & Regulatory Services)
Mrs N Brady	(Group Manager - H2040 & Partnership Development)
Mr G O'Neill	(Alliance Planning Manager)
Mr D Haigh	(Growth Response Manager)
Mr J Paulin	(Finance Manager)
Mr A Chamberlain	(Financial Accountant)
Mrs K J Corkill	(Meeting Secretary)

### PUBLIC IN ATTENDANCE

There were six members of the public in attendance at the commencement of the meeting.

#### 1 Apologies

Apologies were recorded for Crs Mason and Tukapua.

MOVED by Cr Wanden, seconded Cr Kaye-Simmons:

*THAT the apology from Councillors Mason and Tukapua be accepted.*

**CARRIED**

## **2 Public Participation**

None requested.

## **3 Late Items**

There were no late items.

## **4 Declarations of Interest**

There were no declarations of interest.

## **5 Confirmation of Minutes – 30 January 2019**

MOVED by Mayor Feyen, seconded Cr Campbell:

*THAT the minutes of the meeting of the Finance, Audit & Risk Subcommittee held on Wednesday, 30 January 2019, be confirmed as a true and correct record.*

**CARRIED**

A minor correction was noted, on page 3, second bullet point, a 'k' was required after \$525.

## **6 Announcements**

There were no announcements.

## **7 Reports**

### **7.1 Health & Safety Update - SafePlus - MW LASS - February 2019**

#### **Purpose**

To provide an update to the Finance, Audit & Risk Subcommittee on the outcome of the MW LASS review of the recently SafePlus summary report following Regional Council SafePlus assessments of health and safety capability in November/ December 2018.

MOVED by Cr Wanden, seconded Cr Gimblett:

*THAT Report 19/44 Health & Safety Update - SafePlus - MW LASS - February 2019 be received.*

*THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.*

**CARRIED**

### **7.2 Projects Update**

#### **Purpose**

To provide the Finance, Audit and Risk Subcommittee with an update of the projects being undertaken by the Infrastructure Projects Team.

Mr Clapperton introduced the new format for reporting on both capital and non-capital projects and sought feedback as to whether the content and layout would provide the information required by Elected Members. He went into some detail on the rationale behind what had been provided, the difference between capital and non-capital projects, and noting that it was proposed that updates on the various projects going forward would only occur if there had been a change. He added he was looking at how to improve the financial reporting and would discuss with Officers how to break major projects down into their component parts for more detailed monitoring.

Responding to a query with regard to iwi consultation by Council, Mr Clapperton explained this could be very complex as there were multiple Iwi groups who could have an interest in a location and it was up to Iwi themselves to determine who Council should be consulting with.

With the Chair raising the issue of risk and suggesting in some cases what was recorded could be a little optimistic, particularly when there were resource consents involved, Mr Clapperton acknowledged that the resource consent process under the RMA could be intense and the risk around consents should be reviewed so it was consistent.

MOVED by Cr Campbell, seconded Cr Wanden:

*THAT Report 19/43 Projects Update be received.*

*THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.*

**CARRIED**

### **7.3 Seven Month Report 1 July 2018 - 31 January 2019**

#### **Purpose**

To present to the Finance, Audit & Risk Subcommittee the financial report for the seven months to 31 January 2019.

Noting that the report was up to the end of January, Mr Law gave a PowerPoint presentation covering the predicted year end result; revenue year-to-date and expenditure year-to-date.

A response was then provided to a query in relation to the essential services ratio, and more information was requested with regard to new dwelling consents as to which were individual dwellings or were part of a development.

MOVED by Mr Jones, seconded Cr Gimblett:

*THAT Report 19/35 Seven Month Report 1 July 2018 - 31 January 2019 be received.*

*THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.*

**CARRIED**



## 7.4 Risk Update

### Purpose

To provide Council with an overview on risk management across the organisation.

Requesting that the report be taken as read, Mr McLachlan said it was a snapshot of all the risks in all the Risk Registers and showed that the risk journey continued. There would be more risks identified going forward and some would drop off. In general most of the areas of Council were identifying risks and passing them on to him.

MOVED by Mayor Feyen, seconded Cr Kaye-Simmons:

*THAT Report 19/45 Risk Update be received.*

*THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.*

**CARRIED**

5.25 pm

There being no further business, the Chairperson declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT  
RECORD AT A MEETING OF THE FINANCE,  
AUDIT & RISK SUBCOMMITTEE HELD ON

**DATE:**.....

**CHAIRPERSON:**.....



# Monitoring Report to 13 March 2019

File No.: 19/26

## 1. Purpose

To present to Council the updated monitoring report covering requested actions from previous meetings of Council.

## 2. Recommendation

- 2.1 That Report 19/26 Monitoring Report to 13 March 2019 be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## Attachments



No.	Title	Page
A	Horowhenua District Council Monitoring Report	20

### Confirmation of statutory compliance

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

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

## Signatories

Author(s)	David Clapperton <b>Chief Executive</b>	
Approved by	David Clapperton <b>Chief Executive</b>	

<p style="text-align: center;"><b>MONITORING REPORT</b></p> <p style="text-align: center;"><b>HOROWHENUA DISTRICT COUNCIL</b></p>							
Item No.	Meeting Date	Item Description	Resolved / Action	Responsible Officer	Date to Action by	Date Completed	Officer Comment
17/534	27 November 2017	Provisional Local Alcohol Policy – Appeals	<i>THAT Council resolves that the Hearings Committee of Council be directed to act on behalf of Council on this matter as may be required following notification by the Licensing Authority.</i>	V Miller			Currently pursuing a negotiated out-of-court solution with appellants. Awaiting result of these efforts through ARLA processes.
18/171	18 April 2018	CE's Report to 18 April 2018 – Electric Vehicle Charging Stations	<i>THAT the Chief Executive be requested to investigate a commercial rental or other revenue source from the placement of Electric Vehicle charging stations on Council-owned land.</i>	D McCorkindale			Negotiations have commenced with the intended provider for Electric Vehicle charging stations in Foxton and Shannon on receiving a commercial return on these sites in Council land. Officers have received some initial push-back and are awaiting the formal response from the provider to the proposed terms of the lease.
18/582	10 October 2018	Notice of Motion – Local Government Commission	<i>THAT following an approach to the Palmerston North City</i>	D Clapperton			The Local Government Commission briefed Council on the process

MONITORING REPORT							
HOROWHENUA DISTRICT COUNCIL							
Item No.	Meeting Date	Item Description	Resolved / Action	Responsible Officer	Date to Action by	Date Completed	Officer Comment
		Possible Boundary Change	<i>Council by a group of residents from Tokomaru and Opiki, the Horowhenua District Council resolves to fully participate in any proposed Horowhenua District boundary change which may be considered by the Local Government Commission and in doing so Horowhenua District Council will ensure open dialogue with neighbouring local authorities.</i>				for considering the Boundary Change Application, on Wednesday 27 February. The application will proceed under the 'Structure and Reorganisation' process within Schedule Three of the Local Government Act. This will provide an opportunity for the community to participate in considering the best option that best promotes good local government.  The next step for the Local Government Commission is public notification and a call for alternative applications.
18/575	10 October 2018	Options for Potential Disposal – Court House	<i>THAT Council resolves not to retain the Court House Museum as per</i>	A Nelson	26 February 2019		A draft EOI has been produced. Officers are

MONITORING REPORT							
HOROWHENUA DISTRICT COUNCIL							
Item No.	Meeting Date	Item Description	Resolved / Action	Responsible Officer	Date to Action by	Date Completed	Officer Comment
		Museum	<p><i>the original Officer recommendation. THAT Horowhenua District Council disposes of the Foxton Court House Museum using an Expression of Interest process that requires proponents to complete seismic strengthening whilst preserving the heritage and character of the building.</i></p> <p><i>THAT the Chief Executive be delegated the authority to execute the disposal of Foxton Court House Museum.</i></p>				currently undertaking due diligence and researching any encumbrances upon the title.
18/640	21 November 2018	Proceedings of the Strategy Committee - 7 November 2018	<p><i>THAT as recommended by the Strategy Committee:</i></p> <p><i>(i) Council officers be instructed to keep a watching brief on developments at a</i></p>	D Clapperton		Ongoing	The Productivity Commission published an issues paper for their inquiry into local government funding and financing.

MONITORING REPORT							
HOROWHENUA DISTRICT COUNCIL							
Item No.	Meeting Date	Item Description	Resolved / Action	Responsible Officer	Date to Action by	Date Completed	Officer Comment
			<p><i>national level as they relate to the funding of infrastructure and that of Local Government services in general.</i></p> <p><i>(ii) Investigations and analysis continue so to ensure that Council is ready to consider the introduction of new policy tools if considered appropriate as part of the 2021-2041 LTP or earlier if Government legislation changes.</i></p>				<p>The issues paper describes local government in New Zealand and how funding and financing currently works. It asks questions about current pressure points and ways that councils can manage cost pressures. It then seeks views on options for future funding and financing tools.</p> <p>The issues paper can be found <a href="#">here</a> .</p> <p>Submissions closed 15 February 2019 with a draft report expected in June 2019. A final report to Government is due 30 November 2019.</p> <p>SOLGM lodged its submission to the Inquiry making 32</p>

MONITORING REPORT HOROWHENUA DISTRICT COUNCIL							
Item No.	Meeting Date	Item Description	Resolved / Action	Responsible Officer	Date to Action by	Date Completed	Officer Comment
							<p>recommendations for the Commission to consider over a wide range of issues.</p> <p>The SOLGM submission can be found <a href="#">here</a>.</p> <p>LGNZ also made a submission which can be found <a href="#">here</a>.</p>
18/484	21 November 2018	Review of Draft Shannon Reserves Management Plan	<i>THAT the Horowhenua District Council approves the Draft Shannon Reserves Management Plan for further public consultation.</i>	A Nelson			<p>The draft plan is currently out for consultation. Consultation, period closed on 01/03/2019. Seven submissions received and currently being evaluated. Hearing date yet to be set.</p>



# Chief Executive's Report to 13 March 2019

File No.: 19/27

## 1. Purpose

For the Chief Executive to update Councillors, or seek endorsement on, a number of matters being dealt with.

## 2. Recommendation

- 2.1 That Report 19/27 Chief Executive's Report to 13 March 2019 be received.
- 2.2 That these matters or decisions be recognised as not significant in terms of s76 of the Local Government Act 2002.
- 2.3 That the Horowhenua District Council gives approval for the Foxton Beach Freeholding Account Strategy and Policy to be reviewed with feedback to be sought from the Foxton Beach Community.

## 3. Chief Executive Updates

### 3.1 Growth Statistics Update

Horowhenua's economic growth continued over the 2018 year, with some areas exceeding national averages. Horowhenua's GDP grew by 3.1% to \$933 million for 2018, compared to a national growth of 2.7% (as at December 2018).

There have also been improvements to Horowhenua's job market, with total employment expanding by 2.8% to the year March 2018. This compares to an average growth of -0.1%pa over the last 10 years for the district. Construction has made the largest contribution to employment growth in the district accounting for an extra 68 jobs, this was followed by job growth in retail and education and training. The unemployment rate, which currently sits at 7.5%, is a slight increase from the September 2018 quarter (7.4%) but still sits much lower than the 10 year peak of 10.1%. Job seekers recipients decreased by 2.4% to 1,471 compared to the previous year.

Statistic's New Zealand released their subnational population estimates for the year to June 2018 showing the Horowhenua population to be 33,030 (at 30 June 2018 - Statistics NZ). Horowhenua's population is estimated to have grown by 1.7% or 540 people, Population growth for the past two years has exceeded forecasted projections. Since 2013 the district has seen on average an additional 587 people a year move to Horowhenua.

Building and Resource Consents continue to be tracking positively with most aspects showing an increase in activity compared to the same time last year. This is notable in that the 2017/18 year hit a new high for the level of activity against the last 10 years.

Current Resource Consent update after eight months of current financial year:

- 162 consents have been lodged as at 28 February 2019 compared to 127 at the same time last year.
- 67 subdivision consents approved as at 28 February 2019, compared to 46 at the same time last year.
- As at 28 February 2019 a total of 90 new allotments have been created as a result of s223 (approval of title plan) & 59 new allotments have been created as a result of s224 (completion of physical works) certificates being issued for subdivisions.

Current Building Consent update after eight months of the current financial year:

- Value of consents issued as at 28 February 2019 is \$69,554,881 compared to \$60,439,698 for the same period last year.
- 435 consents issued as at 28 February 2019, compared to 425 for the same period last year.
- 157 new dwelling consents at 28 February 2019 against 143 for the same period in the 2017/2018 year.
- 431 building consents were lodged as at 28 February 2019 compared to 446 for the same period in the 2017/18 year.

### 3.2 **Horowhenua 2040 – Stakeholder and Partnership Development Update**

Achieving the purpose of H2040 requires the collaboration with stakeholders and partners to improve community well-being, education, employment and business opportunities for a growing population, and to leverage our unique resources to achieve greater socio-cultural, environment and economic development outcomes for all.

Updating stakeholders on the Horowhenua 2040 community conversation has been the focus through Council community networks during the month of February. These meetings were the first for each network in 2019 which provided an opportunity to seek views from each network on how they see their priority and focus areas feeding into Horowhenua 2040. Two partnership development meetings also took place with Downer and Recreational Services on 28 February 2019. The purpose of this first meeting was to introduce H2040, discuss the themes which have emerged in community conversation and the community ideas and initiatives to transform Horowhenua received through the submission process. Both meetings provided an opportunity to understand from a key partner lens their views on how the District is changing and the opportunities and challenges that this presents.

### 3.3 **Foxton Beach Freeholding Account Strategy and Policy**

It is now almost ten years (7 October 2009) since the Foxton Beach Freeholding Account Strategy and Policy (as **attached**) was adopted by Council. It is pleasing to note that the 10 year objective set in 2009 has been met with the Fund having been built up to \$5m worth of current assets. The Fund balance has also been prudently managed as per Council's Investment Policy to ensure an acceptable return on investment. A copy of the Foxton Beach Freeholding Account Projected Forecast for January 2019 is **attached**.

It is timely for the Strategy and Policy to be reviewed and Council's approval is now sought to go out to the Foxton Beach community to seek feedback on the community's aspirations with regard to the Fund going forward and to update the Strategy and Policy as required.

### 3.4 **Te Takeretanga o Kura-hau-pō**

This provides an update to Councilors on the vacant café area within Te Takeretanga o Kura-hau-pō.

In September 2012 owners of Libretto Café entered into a lease with Horowhenua District Council to operate the café within Te Takeretanga o Kura-hau-pō. The original lease was for a period of six years with a three year right of renewal in September 2018.

In August 2018 HDC received written confirmation that the café operators did not wish to renew the lease and after careful consideration would cease trading as Libretto Café. The current operators agreed to continue operations until 2 December 2018 to allow HDC staff to run an Expression of Interest process to identify a potential tenant to continue operating within the space.

Horowhenua District Council advertised for Expressions of Interest in the vacant café area with the aim that a suitable contractor would be identified to start operating from 3 December. The expression of interest was advertised using the following channels:

- Horowhenua District Council website
- Local media release and advertisements in the local papers
- Direct email to local cafes within Levin
- Government Electronic Tender Service (GETS)
- Regional advertising (“NZ Herald”, “Dominion Post”)
- Face to face approach to local operators close to Te Takeretanga o Kura-hau-pō

There were a number of questions and meetings with potential operators during the Expression of Interest period; however no formal Expressions of Interest were received. Conversations have continued post the Expression of Interest period closing and HDC has fielded new enquiries throughout this time.

Not having a café operating within the facility has changed the feel of the space. Staff have tried to mitigate this as best as possible by offering free tea and coffee to customers between the hours of 10am and 2pm. They have also temporarily changed the configuration of tables and couches around in the area directly in front of Libretto Café to make the space more appealing.

While the café space within Te Takeretanga o Kura-hau-pō is still vacant, HDC Staff are currently in conversation with one interested party and this is progressing positively. I am confident that we will see a new operator occupying the café in the not too distant future.

## Attachments



No.	Title	Page
A	Delegations Register ( <i>Under Separate Cover</i> )	
B	Foxton Beach Freeholding Account Strategy and Policy - adopted 7 October 2009	29
C	Financial Reporting - Foxton Beach Freeholding Account - January 2019	40

### **Confirmation of statutory compliance**

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

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

## Signatories

Author(s)	David Clapperton <b>Chief Executive</b>	
Approved by	David Clapperton <b>Chief Executive</b>	



**FOXTON BEACH  
FREEHOLDING  
ACCOUNT  
(AKA FOXTON BEACH ENDOWMENT FUND)**

**STRATEGY AND POLICY**

**Adopted by the  
Horowhenua District Council  
on 7 October 2009**

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**FOXTON BEACH FREEHOLDING ACCOUNT  
(AKA FOXTON BEACH ENDOWMENT FUND)  
STRATEGY AND POLICY**

**Introduction**

This strategy and policy document applies to the current and future use of the Foxton Beach freeholding account (also known as the Foxton Beach endowment fund), and referred to herein as the fund.

The Horowhenua District Council decided it would be wise to develop a strategy in consultation with the Foxton Beach community to guide the use of the fund to ensure that the considerable sum of money available from the lease, freeholding and sale of the original land, additional land purchased and other investment return by the fund is used in a way that meets the legislative requirements of the endowment and provides for the wellbeing of the inhabitants of Foxton Beach.

**Background**

Land for the Foxton Harbour Board, initially 407 acres, was scheduled in 1876, but this was increased under pressure from Council and others and a new Harbour Board was established in 1908 with approximately 1000 acres of land endowed by the Minister of Marine.

What became the Freeholding account came from land (leasehold payments) endowed by the Crown under the Reserves and Other Lands Disposal Act 1956 to the Manawatu County Council as the Corporation administering and controlling the land after the Harbour Board's abolition in 1955. The Council paid a negotiated amount for the endowment, allowing for the need to upgrade roads, and was entitled to lease areas of land under 21 year perpetually renewable leases.

The lands were later increased by the freeholding of land after passage of the Reserves and Other Lands Disposal Act 1965 (acknowledging claims and making payment extinguishing Maori rights to certain parcels of land) and the Reserves and Other Lands Disposal Act 1968 (allowing the sale of freehold land to leaseholders and the sale of unleased land). The latter Act placed conditions on the use of funds:

"The Council shall from time to time spend the net proceeds from the sale or lease of any of the endowment land on the provision of services and public amenities for the benefit of the inhabitants of Foxton Beach township, or on the improvement, maintenance, or repair of any existing services on public amenities. For the purpose of this subsection, the term "services" includes roads, road lighting, water supply, drainage, sewerage, and other public works."

Freehold sections at Foxton Beach were sold by the Manawatu County and District Councils or subsequently the Horowhenua District Council to current owners under this legislation, and the proceeds of those sales have been added to the fund for use as provided for (offsetting reduced lease income after freeholding).

In November 1989 the Horowhenua District Council in line with the directions of the Local Government Commission on the vesting of property laid down in the Reorganisation Scheme for the Horowhenua District received property (and funds), located at Foxton Beach commonly known as the Foxton Beach Township Endowment Land.

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Over the intervening years the Horowhenua District Council has with the support of the Foxton Community Board, utilised the Freeholding Fund to carry out both major and minor projects to the benefit of the beach community.

From its initial application towards the upgrading of Seabury Avenue, commenced during the later years of Manawatu District Council's control, the Freeholding Fund has been used for water and sewerage reticulation, stormwater drainage, development of the Pinewood Motor Camp, foreshore protection works and land acquisition (for future subdivision in conjunction with Council owned land).

Over more recent years the fund has been applied towards the subdivision of endowment land, creating new sections to meet the growing demand for property within the Beach settlement. This was undertaken as a means of generating more income for the fund as leaseholders purchased the Freeholding rights to their properties, reducing the annual revenue for the fund from this source.

Over the period 1989 to the present time the Foxton Community Board has during its various terms of office recommended to Council the use of the fund to offset funding shortfalls from Council to advance projects/works that might not have progressed without this fund. Council was also able to bring forward works listed on the various Council programmes identified for Foxton Beach using the fund.

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## Strategy

### Vision

Foxton Beach will continue to benefit indefinitely from the fund realised through the lease and sale of endowment land and investment of those funds.

### Principles

- Sustainability:** The fund shall be applied to enhance the current and future wellbeing of the inhabitants of Foxton Beach
- Beneficial:** The fund shall be applied to services and amenities in ways that consider the social, environmental, cultural and economic wellbeing of the inhabitants of Foxton Beach
- Complementary:** The fund is not the sole resource for funding infrastructure and other development, and should be used in a way complementary to other sources to maintain a sense of community responsibility, ownership and fairness
- Responsiveness:** The fund shall be applied for infrastructure, but also retain some flexibility to meet needs that are currently unforeseen
- Managed Risk:** The fund monies excess to current requirements shall be invested as per Council's Investment Policy, with all investment returns being retained in the Foxton Beach Freeholding Account

### Goal

Application of the fund shall enhance the wellbeing of inhabitants of Foxton Beach. The fund shall be managed in such a way as to assist the inhabitants of Foxton Beach in accessing or benefiting from services and amenities in the present, and to maintain the ability to continue to do so in the future.

### Sustainability

To sustain the fund indefinitely Council will sell Endowment land and other land purchased by the fund. The proceeds through the sale of subdivided land, funded through the fund, will be retained in the fund.

Council will access expertise in order to maximise profits from the sale of Freeholding Account land or subdivided land funded through the fund.

Over the next 10 years the fund will be built up to \$5m worth of current assets, at which time this amount will become the minimum balance. Funds in excess of \$5m will be available for expenditure on services and amenities as per the policy.

Until the balance reaches \$5m Council will progressively increase the current balance (\$495k at 30 June 2008) whilst still applying the fund to priority expenditure identified in Council's LTCCP.



An indicative budget will be prepared on an annual basis to show the management of the fund over the next 10 years.

The fund balance will be prudently managed as per Council's Investment Policy ensuring an acceptable return on investment.

Revenue and expenditure from the Pinewood Motor Camp will be included in the Free-holding Account balances.

# Policy

## Objectives of policy

The policy will ensure that the Foxton Beach inhabitants' wellbeing is enhanced by the application of the fund to providing services and amenities, *and that the fund retains the capability to benefit both current and future inhabitants of the area.*

## Purpose of policy

This policy has been developed to support the Foxton Beach Freeholding Account Strategy, and to assist with decision-making on the application of funds and prioritisation of the use of the fund.

## Purpose of the Freeholding Account

The Reserves and Other Lands Disposal Act 1968 specified conditions on the use of funds, which still apply:

*The council shall from time to time spend the net proceeds from the sale or lease of any of the endowment land on the provision of **services and public amenities for the benefit of the inhabitants** of Foxton Beach Township, or on the **improvement, maintenance, or repair of any such services and amenities**, or on the **improvement, maintenance, or repair of any existing services or public amenities**. For the purposes of this subsection, the term "services" includes roads, road lighting, water supply, drainage, sewerage, and other public works.*

Council has added to this purpose of the Freeholding Account as:

- Providing an alternative source of funding
- Advancing capital works
- Reducing rates for water and sewerage
- Facilitating amenities and services of Foxton Beach that may not be provided by Council

## Custodian of account

The Horowhenua District Council is the appointed 'Corporation' controlling the fund, and the Foxton Community Board will perform an advocacy or advisory role.

## Beneficiaries of the Freeholding Account fund

The beneficiaries of the Foxton Beach freeholding Account funds are the residents of Foxton Beach

## Investment Policy

The fund monies excess to current requirements shall be invested as per Council's Investment Policy with all investment returns being retained in the Foxton Beach Freeholding Account.

The key clauses from the Investment policy relevant to the fund include:

## **1. Legislation Provisions**

The Local Government Act 2002 requires:

- investments to be managed prudently and in a manner that promotes the current and future interests of the community (s.101 (1))
- an Investment Policy to be adopted by Council (s.102 (4)(c))
- specific content of such a policy (s.105)

The Council must also make its investments in accordance with the provisions of the Trustees Act 1956 as they apply to the investment of trust funds. In exercising its powers of investment Council is required to exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.

## **2. Objectives**

- In making investments, Council may consider:
  - the desirability of diversifying investments
  - the nature of existing investments
  - the risk of capital loss or depreciation
  - the potential for capital appreciation
  - likely income returns
  - the length of term of proposed investments
  - the marketability of proposed investments, both during their term and upon maturity
  - the effect of proposed investments in relation to tax liability
  - the likelihood of inflation affecting the value of a proposed investment

The objectives of the Investment Policy are, in a hierarchy of priority:

- firstly, to minimise the risk of loss of capital
- secondly, to ensure that planned expenditures are not hindered by a lack of available funds, and
- thirdly, to maximise the returns from investment

### 3. TREASURY INVESTMENTS

#### 3.1 Investment Limits and Management of Credit Risks

Financial instrument investments will be limited to the following issuers, instruments and limits:

Issuers	Minimum Long Credit Rating	Instruments	Limit Overall	Limit Per Credit
NZ Govt	A1	Treasury Bills Government Stock	100%	Unlimited
Local Authorities	A (if rated)	Local authority stock Local authority debentures (Pledged from rates)	100%	\$1m
Major Registered Banks	A-	Money market call deposits Money market term deposits Transferable certificates of deposit Negotiable certificates of deposit Bank bills Promissory notes	100%	\$2.5m
State Owned Enterprises (with prior approval of Council)	A-		10%	\$0.5m

These are considered to be low risk investments. There will be no exposure to medium to high-risk investments.

#### 3.2 Management Of Interest Rate Risks

The mix of financial instrument investments shall be limited as follows:

- Fixed rate investments as a percentage of total financial instrument investments: 50%-90%
- Floating rate investments as a percentage of total financial instrument investments: 10%-50%
- Call investments will not be less than \$250,000
- Fixed rate investments with a duration of:
  - Less than 1 year: 50%-90%
  - 1-2 year: 10%-30%
  - 2-5 years: 10%-30%
  - 5+ years: 0%-10%

The potential use of interest rate instruments will be monitored, but their use will require a specific approval by Council and be backed by prior independent advice as to an assessment of risks and revenues.

#### 3.3 Management of Liquidity Risks

The duration and liquidity of investments will be managed to provide sufficient funds for planned expenditure and to otherwise allow the payment of obligations as they fall due.

#### 3.4 Disposition of Income and Proceeds

Returns from investments will be applied in proportion to any special designated funds, and otherwise to form part of general operating revenues.

### **3.5 Accountabilities**

The management of treasury investments will be carried out by the Accountant under delegation from the District Treasurer.

To measure the performance of investment management the weighted average rate of interest will be compared to prevailing 90-day bill rates and shall not be more than 0.5% less than those rates.

The District Treasurer will report quarterly to Finance & Strategic Planning Committee meetings on investment portfolio status, comparison of interest rates to benchmarks and any instances where the policy has not been able to be complied with.

### **3.6 Internal borrowing**

Council may, from time to time, instead of raising loans or borrowing on overdraft, internally borrow from any Special Fund accounts on such terms and conditions as it thinks appropriate in any instance, but without interrupting the normal cash flow requirements of any such fund. Such terms and conditions may include, amongst other matters, a nil rate of interest and deferral or future waiving of repayments.

Repayments may be made directly to the source fund or through an internal Loan Repayment Fund.

Internal borrowing arrangements will not be subject to clauses 3.2 or 4 of the Investment Policy.

## **4 Community Group Advances**

As at 30 June 2005 Council held secured advances to community groups to the value of \$0.03m.

Interest from these advances is used to offset general rates.

Advances may only be made pursuant to a specific resolution of Council.

Such advances will only be made in the future where such advances will strategically fit Council's core activities. There is no such provision in the LTCCP.

## **5 Foxton Beach Endowment Property**

As at 30 June 2007 Council owned \$6.3m in Foxton Beach endowment property. Rental income from these properties is credited to the Foxton Beach Freeholding Fund.

Use of this fund is governed by Section 21 of the Reserves And Other Lands Disposals Act 1956 and subsequent amendments, and is made only pursuant to a specific resolution of Council or by incorporation in the annual budgets.

Council has a general preparedness to dispose of endowment property by way of sale to lessees at market valuation or subdivision and sale at market valuations. Any proceeds from sale will be credited to the Foxton Beach Freeholding Fund.

## **6 General Property**

As at 30 June 2005 Council owned \$17.5m in land and buildings other than those referred to above or used for infrastructural assets, parks or reserves.

Rental income from these properties is used to offset general rates.

The properties are only purchased, sold or leased pursuant to a specific resolution of Council.

Such properties will only be purchased in the future where such acquisitions will strategically fit Council's activities. The LTCCP identifies the need to purchase property for possible roading, sporting, civic and cemetery needs.

Council has an ongoing policy to rationalise its ownership of property. The LTCCP identifies the possible disposal of rental housing other than pensioner flats, surplus recreational and rural hall land. Any proceeds from sale will be set aside for major renewal or capital expenditure projects.

## **7 Foreign Exchange**

Council has occasional exposure to foreign exchange in purchasing goods and services in the normal cause of business, but any other foreign exchange dealings are prohibited.

### **Spending Policy**

The fund has the potential to continue for an extended period, if managed appropriately. Proceeds from the ongoing sale/freehold of properties and remaining leases can be used to provide for current and future services and amenities, including infrastructure upgrades and other services.

*An inflation-adjusted proportion of income from the fund will be retained with the base principal to ensure that future generations are also able to benefit from the endowment.*

Expenditure shall be governed by the following principles:

**Sustainability:** The fund shall be applied to enhance the current and future wellbeing of the inhabitants of Foxton Beach

**Beneficial:** The fund shall be applied to services and amenities in ways that consider the social, environmental, cultural and economic wellbeing of the inhabitants of Foxton Beach

**Complementary:** The fund is not the sole resource for funding infrastructure and other development, and should be used in a way complementary to other sources to maintain a sense of community responsibility, ownership and fairness

**Responsiveness:** The fund shall be applied for infrastructure, but also retain some flexibility to meet needs that are currently unforeseen

The fund will be used for Capital Works only, on existing and future infrastructure. The fund will not be used for operating or maintenance costs of existing infrastructure, which will be funded from rates or other revenue sources

The fund will only be used on items included in the Council's LTCCP (10 year plan) or Annual Plan.

Expenditure items identified in the LTCCP or Annual Plan will be derived from the Horowhenua Development Plan (refer Appendix A for Development Plan infrastructure capital items) or relevant Asset Management Plan (refer to Appendix B for Asset management expenditure items for Foxton Beach that are not included in the Horowhenua Development Plan)

Any works related to growth should be funded from Development Contributions and not the Free-holding a/c.

Generally the fund will be used on capital projects within the Foxton Beach boundary. However, the fund can be used where a service or amenity is not provided within the Foxton Beach boundary but will benefit the residents of Foxton Beach. The service or amenity must be located within the Kere Kere Ward.

### **Maximum level of contribution**

The maximum contribution from the fund will be 50% of any total project cost.

### **Prioritisation**

The following will be used by Council as a guide to the prioritisation of funds and how/where the funds will be used:

- Whether expenditure has been identified in the LTCCP
- Priority items identified by the Foxton Community Board in the Annual Plan/ LTCCP process
- Community consultation during the Annual Plan / LTCCP process
- The Principles of the Foxton Beach Freeholding Account Policy have been met
- Whether the minimum account balance level will be breached during the preceding 12 months

**Foxton Beach Free Holding Account - Projected Forecast to 30/06/2021**

	Annual Report 30/06/2018	Actual Cash only 31/01/2019	Projected LTP 2018-2038						
			30/06/2019	30/06/2020	30/06/2021	30/06/2022	30/06/2023	30/06/2024	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Income</b>									
Interest (est) 4.3% pa	191	122	223	217	214	129	130	139	
Land Lease Income from Pinewood Camp	34	18	30	30	30	30	30	30	
Rents (full year charged in October)	65	39	65	98	98	95	95	95	
Gain on Assets sales	0	-	-	-	-	-	-	-	
<b>Total Income</b>	<b>290</b>	<b>179</b>	<b>318</b>	<b>345</b>	<b>342</b>	<b>254</b>	<b>255</b>	<b>264</b>	
Less: funded items									
Grant - Foxton & Beach Bowling Club	-	(87)	-	-	-	-	-	-	
Loss on Assets sales		-	-	-	-	-	-	-	
Development Contributions	(140)	-	-	-	-	-	-	-	
Administration	Note 1 (69)	(47)	(160)	(164)	(170)	(170)	(170)	(170)	
Maintenance	Note 2 (19)	-	(5)	(5)	(5)	(5)	(5)	(5)	
Rates/Depreciation (if any)	Note 3 (55)	(6)	(14)	(14)	(14)	(14)	(14)	(14)	
<b>Total Expenditure</b>	<b>(283)</b>	<b>(140)</b>	<b>(179)</b>	<b>(183)</b>	<b>(189)</b>	<b>(189)</b>	<b>(189)</b>	<b>(189)</b>	
<b>Surplus/(Deficit) 30th June</b>	<b>7</b>	<b>39</b>	<b>135</b>	<b>156</b>	<b>153</b>	<b>65</b>	<b>255</b>	<b>264</b>	
Balance at 1 July	4,780	5,320	5,320	5,420	5,361	3,214	3,252	3,482	
A. Section Sales per year	718	-	-	-	-	-	-	-	
B. Endowment Properties freeholding	457	215	60	60	60	60	60	60	
Foxton Beach Reserves Projects per LTP 2015-2025 incl pump track	(318)	-	(95)	(92)	(90)	(87)	(85)	(82)	
Forbes Road Sub division extention	-	-	-	(183)	(2,270)	-	-	-	
Bond Street and Nash Parade Stormwater approved 30 Aug 17 \$432,000 +/-	(315)	(3)	-	-	-	-	-	-	
Installation of 2 lamps Foxton Beach launching Wharf and Ramp area	(9)	-	-	-	-	-	-	-	
Surplus(Deficit) from Trading	7	39	135	156	153	65	255	264	
<b>Balance 30th June</b>	<b>5,320</b>	<b>5,571</b>	<b>5,420</b>	<b>5,361</b>	<b>3,214</b>	<b>3,252</b>	<b>3,482</b>	<b>3,724</b>	
A. Sales of sections are proceeds received less commission and GST for Forbes Road Subdivision									
B. Sales of Endowment Freeholding is net proceeds received									



<b>Note 1</b>		<b>Note 2</b>		<b>Note 3</b>		
Administration	31/01/2019	Maintenance	31/01/2019	Rates/Grants(if any)	31/01/2019	30/06/2018
HDC administration	(35)	Water	0	Rates	(6)	(55)
Legal expenses	(3)	General	(5)	Grants	(87)	-
Valuations	(1)		(5)		(93)	(55)
Consents & Surveys	0					
Consultancy	(8)			<b>Not included in Cash Flow Surplus/(Deficit)</b>		
Sale costs	0				31/01/2019	30/06/2018
Advertising	0			Depreciation	(9)	(34)
	(47)			Gain on Sale	17	128
				Loss on sale	-	(60)
					8	34



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# Elections Processes - 2019 Local Body Elections

File No.: 19/59

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## 1. Purpose

To obtain Council's decision as to the order of candidates' names on the voting papers, and a decision regarding communications during the pre-election period for the 2019 triennial election.

## 2. Recommendation

- 2.1 That Report 19/59 Elections Processes - 2019 Local Body Elections be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.
- 2.3 That Council resolves that the candidates' names on the voting papers for the Horowhenua District Council be in ..... order.
- 2.4 That Council adopts the recommendations of the Office of the Auditor General regarding communications in a pre-election period.

## 3. Background/Previous Council Decisions

- 3.1 The 2019 Triennial Elections will be held on 12 October 2019. To manage this process, the Council has again appointed Mr Warwick Lampp of *Electionz.com* as Electoral Officer. The Council is required to have an Electoral Officer at all times, with the Electoral Officer's accountabilities defined by statute. The role operates independently of any direction from the Council. The Electoral Officer is not accountable to the Chief Executive.
- 3.2 The Electoral Officer has advised that Council is required to determine the order in which candidate names are presented on the voting paper.
- 3.3 These two matters are discussed in the ensuing paragraphs, and **appended** to this report for the Council's information, is a copy of the timetable for the 2019 Triennial Elections.
- 3.4 The timetable identifies that the business end of the election takes prominence on Friday 19 July when nominations are called for. The delivery of voting papers over the period 20 – 25 September signals the start of the voting process. Voting Papers must be returned by noon on Saturday 12 October 2019.

## 4. Issues for Consideration

- 4.1 There are two issues for Council to consider:

### Order of Names

Regulation 31 of the Local Electoral Regulations 2001 provides that the names on the voting paper may be in alphabetical order of surname, pseudo random order or random order.

- The alphabetical order is quite straight forward and has been used by this Council for at least the last 4 elections, and by-elections in the intervening years.

- In the case of pseudo random order, the candidates' names are drawn out of a hat immediately after the close of nominations, and are printed on all papers in the order as drawn.
- Where full random order is used, the printing process operates to select a new random order of names for each individual paper, i.e. every voting paper is different.
- There is no difference in cost whether the papers are printed with the names in alphabetical, pseudo random or random order.

There is anecdotal comment that having the candidates' names in a random or pseudo random order on the voting paper could provide a more level playing field, particularly in an election where there is a large number of candidates for a large number of vacancies.

### Communications Prior to the Election

The other issue for the Council to consider is communications in the pre-election period. The Office of the Auditor General (OAG) has produced the *Good Practice Guide for Managing Public Communications by Local Authorities (2004)*.

- 4.2 The guidelines contain several principles relevant to communications in the pre-election period (see attachment b). They note that it is neither possible nor practicable to stop all communications during the pre-election period, and that routine council business must continue. It can require careful judgement to draw the line between ordinary and appropriate communication, and communication that could be seen as creating an electoral advantage.
- 4.3 The principles discussed in the guidelines as relevant in a pre-election period are that:
- a local authority should not promote, nor be perceived to promote, the re-election prospects of members in a local authority-funded publication;
  - a local authority should exercise care in the use of its resources for communications that are presented in such a way that they raise, or could have the effect of raising, a member's personal profile in the community; and
  - a local authority's communications policy should recognise the risk that communications about members, in their capacities as spokespersons for the authority, during a pre-election period could result in the member achieving an electoral advantage at ratepayers' expense.
- 4.4 The guidelines also state that photographs or information that may raise the profile of a member in the electorate should not be used during the pre-election period.
- 4.5 The pre-election period is deemed to be the three months before the close of polling day (as it is for the purposes of calculating electoral expenses).

### Attachments

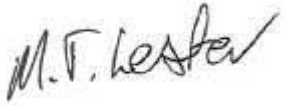
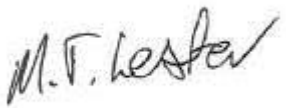
No.	Title	Page
A	Timetable 2019 Local Elections	46
B	OAG Guidelines for Managing Public Communications by Local Authorities	47

**Confirmation of statutory compliance**

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

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

### Signatories

Author(s)	Mark Lester <b>Group Manager - Corporate Services</b>	
Approved by	Mark Lester <b>Group Manager - Corporate Services</b>	

## 2019 Local Government Election

### Timetable

1 March – 30 April 2019	Ratepayer roll enrolment confirmation forms sent to existing ratepayers [Reg 16, LER].
1 March – 3 July 2019	Preparation of ratepayer roll [Reg 10, LER].
1 May – 31 May 2019	National Public Notice of ratepayer roll qualifications and procedures campaign.
25 June 2019	EEC enrolment update campaign commences.
17 July 2019	Public notice of election, calling for nominations.
19 July 2019	Nominations open / roll open for inspection [Sec 42, 52, 53, LEA].
16 August 2019	Nominations close (12 noon) / electoral roll closes [Sec 5, 55, LEA, Reg 21, LER].
21 August 2019	Public notice of candidate [Sec 65, LEA].
16 September 2019	Electoral officer certifies final electoral roll.
20 September 2019	EEC letter sent to unpublished roll electors.
20 – 25 September 2019	Delivery of voting documents [Sec 5, LEA, Reg 51, LER].
20 September – 12 October 2019	Progressive roll scrutiny [Sec 83, LEA], special voting period, progressive processing.
12 October 2019	Election day - voting closes 12 noon – counting commences. Provisional results available as soon as practicable after close of voting [Sec 85, LEA].
8 - 13 October 2019	Official count [Sec 84, LEA].
17 – 23 October 2019	Declaration/public notice of results [Sec 86, LEA].



**The Controller and  
Auditor-General**  
*Tumuaki o te Mana Arotake*

**Good Practice  
for Managing  
Public Communications  
by  
Local Authorities**

April 2004

## Foreword

We first published our *Suggested Guidelines for Advertising and Publicity by Local Authorities* in 1996. We published a revised version of those *Guidelines* in 1999.

Since 1999, a number of factors have contributed to significant change in the environment in which local authorities are involved in “advertising and publicity”. Probably the two major factors are the advances in communications technology and the rate of adoption of the new technology, and (more recently) the enhanced requirements for communication in the Local Government Act 2002.

We saw as a consequence of that significant change the clear need to revisit the *Guidelines* to reassess their validity and determine what changes might be needed to preserve their usefulness. This publication reflects the fresh approach we have taken to the subject – still principles-based, but with an emphasis on the wider concept of “communication” rather than “advertising and publicity”.

As previously, this update represents what we believe is a code of good practice. The guidance it contains is no more authoritative than that. Further, the guidance is intended neither to be an operating manual nor to cover every conceivable situation.

Local authorities will have to determine what practical application they make of our good practice guidance in particular situations. To do so, and to reflect the more open approach to disclosing how local government manages itself, we recommend that the adoption and application of the guidance in this publication be incorporated in a formal communications policy.



K B Brady  
Controller and Auditor-General

14 April 2004



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## 1 Introduction

### The importance of Council communications

- 1.1 Communication with the public is a major part of any Council's activities. It can consume large amounts of ratepayers' money.
- 1.2 Some types of public communications are mandatory – for example, notifying Council meetings, or issuing a statutory plan for consultation. Others are discretionary – for example, a Council-funded newsletter, a media release explaining a recent decision, or a pamphlet about disposal of household waste.
- 1.3 Councils communicate with the public by many different means. For any communication, a Council has a broad range of choices – both as to the medium to be used (e.g. whether to pay for newspaper advertising or use the Council's web site) and the degree of sophistication involved.
- 1.4 Choice introduces judgment and subjectivity. The dilemma of the communicator is in reconciling the potentially conflicting criteria of:
  - making the communication attractive so that the audience will give it their attention, absorb it, understand it, and (if that is what is expected) act on it;
  - meeting acceptable standards of probity; and
  - presenting accurate, complete, and fairly expressed information.
- 1.5 The skill required of the communicator is to observe the relevant principles and apply the highest possible standards, and, importantly, to learn from experience.

### Why this guide?

- 1.6 Communication of information at public expense or in an official capacity always carries the risk of criticism. The commonest complaints (except for statutory notifications) are that a communication is unnecessary, unbalanced, or politically biased. The best defence to any complaint is that the communication meets acceptable standards.
- 1.7 The Auditor-General is often asked to express a view on whether a particular communication is acceptable. Some requests come from the Council, before publication. Others come from members of the public afterwards, complaining about what has been done.

- 1.8 Until 1996, there was no authoritative guidance as to what standards were acceptable in Council communications. Our suggested guidelines – first published in that year, and now updated for the second time – have aimed to fill that vacuum. Just as we bring an independent perspective to our job as the auditor of local authorities, we try to describe good practice that reflects not only the theory and practice of communications but also the expectations of the public.
- 1.9 We derive our guidance from:
- our knowledge of the kinds of official communications that may cause concern in both the central and the local government sectors;
  - our experience, not only in giving help to communicators but also in dealing with complaints from the public; and
  - our consultations with a range of Council communications staff and advisers and with Local Government New Zealand.
- 1.10 The feedback we received from our consultations was that independent guidance is a valuable and necessary aid, not only for Council Members but also for communications staff and advisers. Guidance can:
- provide a general framework for the conduct of a Council's communications activities;
  - help with clarifying roles and responsibilities – especially as between Members and communications staff and advisers; and
  - set benchmarks for particular types of communications – especially as to what is acceptable in the political context and at critical times such as during a pre-election period.

## The objects and scope of the guide

- 1.11 The statements of good practice in this guide are designed to meet three objectives in relation to a Council's communications practices:
- to ensure that Council communications resources are applied effectively and efficiently, and in a manner that produces good value for money;
  - to ensure that those who are permitted to use Council communications facilities do so for legitimate purposes; and
  - to promote appropriate standards of conduct by those who consume Council communications resources, or use Council facilities, or otherwise communicate on behalf of the Council.

- 1.12 This wide scope is consistent with our role as the auditor of local authorities, which includes examining the extent to which they, and their members and staff:
- carry out activities effectively and efficiently, consistent with Council's own policies;
  - comply with statutory obligations;
  - avoid wasteful use of resources; and
  - act with probity and financial prudence.<sup>1</sup>
- 1.13 The guide itself is produced under the authority of section 21 of the Public Audit Act, as a report on matters arising out of the performance and exercise of those functions.

### What is the status of the guide?

- 1.14 Our guidance is not binding on Councils. Each Council is free to adopt its own standards – which must of course be consistent with the relevant principles of the Local Government Act 2002 (LGA).<sup>2</sup>
- 1.15 We recommend that every Council consider adopting a formal communications policy framed to suit its particular needs. The policy should:
- embrace these guidelines – or a variation of them (stricter or otherwise) that the Council considers appropriate to its circumstances; and
  - clearly direct Members and communications staff and advisers<sup>3</sup> on how the policy is to be applied in particular cases.
- 1.16 Although this guide is not binding on Councils, they and the public should be aware that it establishes the criteria that we will use in future in order to form a view on the appropriateness of a Council's public communications.

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<sup>1</sup> Public Audit Act 2001, section 16.

<sup>2</sup> Section 14 of the LGA.

<sup>3</sup> Including those engaged as consultants.

## 2 Scope – What are “Communications”?

2.1 Our guidance applies to any communication by a Council, or a Member or employee or office holder of a Council, or a Member of a Community Board, where:

- the Council meets the cost (wholly or in part); or
- the person making the communication does so in an official capacity on behalf of the Council or a Community Board.

2.2 We make no distinction between:

- mandatory and discretionary communications;
- communications in the Council’s own publications and the news media generally;
- Council-funded advertisements and other forms of publicity; or
- electronic (including web site or e-mail) and hard copy publication.

The underlying principles are the same in each case.

2.3 Common examples of communications by Councils include:

- statutory documents – such as draft, final, and summary versions of the Long Term Council Community Plan or an Annual Report under the LGA;
- information on a web site, or in a poster or pamphlet, about Council services available to the public, or the rights, entitlements, and responsibilities of people affected by a Council activity;
- newspapers and newsletters reporting Council news and activities;
- material explaining a particular proposal, decision, policy, or bylaw of the Council;
- marketing material promoting the Council, its communities, or a regional brand;
- Council-funded advertising about a particular event, proposal, or Council policy;
- educational material about issues affecting the community; and
- media releases initiating or responding to public comment about matters affecting the Council or its communities.

- 2.4 In a different category are communications by Members using Council resources or facilities. We address this type of communication in paragraphs 4.33-4.40 on pages 19-20.
- 2.5 The guide does not apply to:
- normal day-to-day correspondence between Members and their constituents on appropriate matters, *except* during a pre-election period when the content of the correspondence should not be inconsistent with Principle 12 on page 22; and
  - communications by Members using their own resources.

### 3 Communications – Whose Responsibility?

- 3.1 Corporate governance principles stress the different roles of the governing body and the management of an organisation. For local authorities, section 39 of the LGA reflects these principles.
- 3.2 Members (i.e. the governing body) and management of a Council share different elements of the communications function. In essence:
- Members are accountable to the community for the Council's decisions and actions. What the Council says in its communications is, therefore, ultimately the Members' responsibility.
  - The mechanics of communications are operational activities, which form part of the everyday business of the Council. Moreover, effective communication often requires professional input. Most Councils employ (or engage on contract) professional advice and assistance for some or all of their communications activities. The chief executive is responsible for the effective and efficient management of those people and their activities.
  - Communications is also an area of risk. Those who are authorised to communicate on behalf of a Council, and those who exercise editorial or quality control, need to have access to sources of professional advice when necessary (including legal and strategic communications advice). Obtaining that advice is also a management responsibility.
- 3.3 The communications function thus straddles the divide between governance and management in the Council organisation. Each Council should allocate the respective roles and responsibilities according to its own size and needs. For example, in a small Council the Mayor might be the primary spokesperson on all issues, whereas in a larger Council the role might be shared between the Mayor and a communications manager.
- 3.4 The governance/management divide also affects the crucial elements of policy development, quality control, and editorial supervision. We think these elements are best regarded as management functions, for which the chief executive is responsible.
- 3.5 The respective roles and responsibilities need to be well understood by all concerned and put into practice effectively.<sup>4</sup> This is especially important when the Council employs professional communications staff – who could, for example, feel undermined by Members intervening in editorial decisions.

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<sup>4</sup> See section 39(e) of the LGA. The local governance statement required by section 40 of the LGA could be the appropriate place to record particulars of the division of roles and responsibilities.

- 3.6 A useful approach is to regard the roles of Members and management as complementary, and to encourage everyone to work together in partnership for the good of the Council and the community.



## 4 Principles and Practice

- 4.1 In this section we set out 13 principles that we believe should underpin a Council's policy and practice on communications. We supplement each of the principles with commentary.
- 4.2 We stress that the principles are intended as general statements, which are to be applied in a flexible and common sense manner. Likewise, the commentary cannot expect to foresee all possible situations that might arise.

### Legitimacy and justification

#### ***Principle 1 –***

**A Council can lawfully, and should, spend money on communications to meet a community's (or a section of a community's) justifiable need for information about the Council's role<sup>5</sup> and activities.**

- 4.3 Communications are a necessary and legitimate Council expense. Councils are also justified in employing, or otherwise engaging, professional advice and assistance for their communications activities.
- 4.4 However, no communication should be undertaken without justification or regard for the cost.
- 4.5 The main elements of justification are:
- establishment of an identifiable need for information on the part of a particular audience;
  - the chosen method of communication should be one that is effective in reaching those who have the need; and
  - once the method has been identified, the communication should be made in the most cost-efficient manner.
- 4.6 Consideration should also be given to evaluating the effectiveness of the communication. What is known to have been an effective communication supports the justification for that communication and can be a benchmark to support future communications.

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<sup>5</sup> *The role of a local authority is to—*  
(a) *give effect, in relation to its district or region, to the purpose of local government ...;*  
*and*  
(b) *perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment.*  
(LGA, section 11)

- 4.7 A communication will be lawful when it:
- is authorised by a Council resolution or under a delegation; and
  - complies with any specific legal requirements as to form, content<sup>6</sup>, timing, or method of publication<sup>7</sup>.
- 4.8 A Council can also exercise significant power over individuals and groups in the community. Consequently, a Council has an obligation to ensure those people know how they are being affected by the Council's actions, and what their rights and responsibilities are in relation to those actions.
- 4.9 Council communications are all the more important in the environment of the LGA. Consultation with the community is fundamental to the working of the Act, and effective communication is vital to effective consultation.

**Principle 2 –  
Communications should be consistent with the purpose of  
local government<sup>8</sup> and in the collective interests of the  
communities the Council serves.**

- 4.10 A Council is a corporate entity, with statutory role and purpose. The role and purpose include promoting the well-being of communities in its district or region. A Council may serve many communities, both in the geographical sense and in the sense of communities of interest. It should always act within the scope of its role and purpose, and in the collective interests of its communities.
- 4.11 Sometimes, a Council will need to communicate with only some of its communities about a particular issue, or with part of a community. But it should always be able to justify any communication as being in the collective interests of them all.

<sup>6</sup> Including the avoidance of defamatory comment, or misleading or deceptive conduct under the Fair Trading Act 1986.

<sup>7</sup> E.g. use of the special consultative procedure under the LGA.

<sup>8</sup> *The purpose of local government is—*  
*(a) to enable democratic local decision-making and action by, and on behalf of, communities; and*  
*(b) to promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.*  
(LGA, section 10)

**Principle 3 –  
Communications should comply with any applicable  
Council policies and guidelines as to process (including  
authorisation) and content.**

- 4.12 We encourage all Councils to adopt a policy on communications: see paragraph 1.15 on page 9.

## Collective position

**Principle 4 –  
Communications on Council policies and decisions should  
reflect the collective position of the Council.**

- 4.13 Wherever possible, the Council should “speak with one voice”, and its communications should represent the corporate or collective position.
- 4.14 A communication by an authorised spokesperson appointed by the Council (whether that person is a Member or an employee) should identify that person in his or her official capacity (for example, as a Committee chairperson). The purpose of the communication should always be to meet the Council’s, not the spokesperson’s, communications objectives. The person responsible should be careful to ensure that what is being said is portrayed as the Council’s position, not the personal views of the spokesperson.
- 4.15 Some Councils allow the Mayor to produce a regular “column” in a Council-funded or other local publication, or to make regular broadcasts on local radio or television. The purpose of such communications should be to give voice to the Council’s corporate position on its activities, through the elected leader.
- 4.16 Communication of a Member’s personal perspective, views or opinions (including in a regular “column”, broadcast, etc) should be the exception rather than the rule, and should be subject to Principles 9 to 11 (see pages 19-21).

**Principle 5 –  
Communications on Council business should always be  
clearly attributed to the Council as the publisher.**

- 4.17 A communication might, for example, identify the Council by reference to the name of the Council or by use of its corporate logo. A communication designed to meet the Council’s statutory obligations (such as a draft annual plan) should not only say who authorised its publication (usually the chief executive officer) but also identify the statutory provision under which it is being published.

- 4.18 For commentary about the identification of sponsors, see paragraphs 5.3-5.7 on pages 25-26.

## Standards of communication

### *Principle 6 –*

**Factual and explanatory information should be presented in a way that is accurate, complete, fairly expressed, and politically neutral.**

- 4.19 **Accurate** means what it says. That which is held out to be true should be founded on ascertainable facts, and be carefully and precisely expressed consistently with those facts. No claim or statement should be made that cannot be substantiated.
- 4.20 A communication will be **complete** when it consists of all the information necessary for the audience to make a full and proper assessment of the subject matter.
- 4.21 Information will be **fairly expressed** when it is presented in an objective, unbiased, and equitable way. In particular:
- the audience should always be able to distinguish facts from analysis, comment, or opinion; and
  - when making a comparison, information should state fully and accurately the nature of what is being compared, and inform the audience of the comparison in a way that does not mislead or exaggerate.
- 4.22 Information will be **politically neutral** when it presents the Council's collective position, or, where there is no collective position, sets out the issues in a manner that does not refer to the positions taken by any individual Member or political party or group of Members.

## Consultation and public debate

### *Principle 7 –*

**Communications about matters that are under consideration by the Council, or are otherwise a matter of public debate, should present the issues in an even-handed and non-partisan way.**

- 4.23 Communications about matters that will be the subject of a future decision by the Council should be distinctly different from those that follow a decision.

- 4.24 In the “before” phase, all relevant facts and other considerations should be taken into account, and all significant points of view should be aired. The aim is to enable the Council to make itself aware of, and then to have regard to, the views of all its communities in relation to a particular decision<sup>9</sup>, while also meeting all its statutory obligations in respect of consultation<sup>10</sup>.
- 4.25 In particular, a “before” phase communication should:
- avoid the appearance and reality of bias or pre-determination – especially when summarising facts or arguments;
  - present the issues in an objective manner, avoiding subjective opinion or comment; and
  - mention both the advantages and the disadvantages of particular options.
- 4.26 Mention of individual Members’ or political parties’ positions should always be avoided.
- 4.27 In the “after” phase, the emphasis should be on what has been decided and its implications for the Council and its communities.
- 4.28 This principle applies whether the purpose of the communication is to satisfy LGA requirements, or otherwise.

***Principle 8 –***

**If engaging in public debate with an interest group or a section of the community, a Council should use the news media (rather than a Council funded publication) and designated spokespersons (rather than professional communications advisers) unless there is a particular justification for not doing so.**

- 4.29 A Council may be justified in responding to publicity that is unfair, unbalanced, or inaccurate. The object should be to put the record straight, including a measure of rebuttal.
- 4.30 But it is important to keep a balance and perspective. Council resources should not be used merely to engage in a public argument.
- 4.31 The preferred approach in such cases should be to make use of the news media, through release and publication of a written statement or making an authorised spokesperson available for interview. Use of Council-funded publications or professional advisers to engage in debate with interest groups could create the perception that Council resources are being used for the benefit of one section of the community against another, or in a way that results in an unequal public relations contest.

<sup>9</sup> LGA, sections 14(1)(b) and 78.

<sup>10</sup> LGA, sections 82-90.

- 4.32 An example of where a Council-funded publication to engage with an interest group could be justified is when the group has issued public statements encouraging citizens to commit acts of civil disobedience or to actively break the law.

## Communications by Members

### *Principle 9 –*

**If the Council’s Communications Policy permits them, communications by Members of their personal perspective, views or opinions (as opposed to communication of Council matters in an official capacity) should:**

- **be clearly identified as such; and**
  - **be confined to matters that are relevant to the role of local authorities<sup>11</sup>.**
- 4.33 Members are collectively responsible for Council decisions. Communication of Council business to the community often falls to a designated spokesperson. See Principle 4 and paragraphs 4.13-4.15 on page 16.
- 4.34 But Members are also individually responsible to the communities that elected them. It is for the Council to decide whether and, if so, on what terms to make resources available to Members to communicate with constituents or the wider community in their capacity as individual Members.
- 4.35 An example of a communication that could involve a Member expressing personal views is a “Members’ column” in a Council-funded newspaper or on a Council web site.
- 4.36 It is important that the Communications Policy, and the relevant part of the communications budget, also sets out clearly the limits in relation to such communications. The policy should say:
- What types of communications are permitted and in what circumstances, and the range of permitted subject matter.
  - Whether the material can or should be subject to editing and, if so, by whom.
  - What procedures apply in respect of authorisation, attribution, and editorial and quality control. These are for the Council to determine. However, whether or not material is edited, the Member must formally subscribe to what is being published.

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<sup>11</sup> Under sections 10 and 11 of the LGA – see footnotes 5 (page 14) and 8 (page 15).

- 4.37 Note, however, that a Member's freedom to talk about Council business is subject to confidentiality requirements (such as under Standing Orders) and the Council's Code of Conduct – especially as regards Members' conduct towards each other and their disclosure of Council information.<sup>12</sup>
- 4.38 Here are our views on some other examples of a Member communicating personally:
- It is not appropriate for a Member to use a Council newsletter or web site to express views on a matter of central government responsibility (such as defence and foreign relations) that has no direct bearing on the Council's activities.
  - It may be appropriate (but only when the Council is undertaking no formal consultation process) for a Member to use Council facilities to consult with the public on an issue under consideration by the Council, or to explain his or her position on a contentious decision, but not to seek political support on an issue that the Council has not considered. References to, or the use of a logo or slogan of, a political party or grouping are unacceptable.
  - Members should not be permitted to use Council communications facilities for political or re-election purposes. (See Principles 12 and 13 on pages 22-24 for more information on communications in the pre-election period.)
  - Staff protocols on the use of the Internet, e-mail, and other communications facilities for personal purposes should also apply to Members. The minimal cost of allowing use of such facilities can easily be outweighed by the perception that public resources are being misused.

**Principle 10 –  
Politically motivated criticism of another Member is unacceptable in any Council-funded communication by a Member.**

- 4.39 Neither the inherently adversarial nature of much Council politics nor the right of free speech can justify Council communications resources being used to enable one Member to engage in political debate with, or to criticise, another Member. Preventing such misuse should be an objective of the Council's policy on where editorial control and the power to authorise communications should lie.
- 4.40 Members are, of course, free to use their own resources for such purposes.

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<sup>12</sup> LGA, Schedule 7, clause 15.

## Members' personal profile

### *Principle 11 –*

**Care should be exercised in the use of Council resources for communications that are presented in such a way that they raise, or could have the effect of raising, a Member's personal profile in the community (or a section of the community). In permitting the use of its resources for such communications, the Council should consider equitable treatment among all Members.**

- 4.41 Two related objectives underlie this principle:
- It is important that the public know who their Councillors are. Councils are justified in using, or in some circumstances permitting Members to use, Council facilities for communications that have the objective of raising a Member's personal profile.
  - Giving a "human face" to a piece of information can be an effective communications strategy to attract attention and make the information relevant and understandable to its audience.
- 4.42 It is acceptable for Councils to use photographs of Members, personal quotes/attributions, and other standard journalistic techniques provided they are consistent with these objectives. However, Councils need to bear in mind the inherent risks of favouritism and unequal treatment of members.
- 4.43 For example, a "photo opportunity" shot, in a Council-funded publication, of a Mayor or Committee Chairperson announcing a Council decision helps to draw the reader's attention to the decision, and thereby improve the effectiveness of its communication, but could also have an unintended and beneficial spin-off effect for the Member's personal or political profile in the community.
- 4.44 Allowing Members representing a particular Ward to issue their own newsletter to constituents could have a similar effect. There is nothing wrong with such an idea in principle. However, the principle of equitable treatment makes it important that the same communications opportunity is available to Members representing other Wards. Matters such as editorial and quality control and attribution should also rest with the Council's communications staff in accordance with Council policy.



## Communications in a pre-election period<sup>13</sup>

### ***Principle 12 –***

**A local authority must not promote, nor be perceived to promote, the re-election prospects of a sitting member. Therefore, the use of Council resources for re-election purposes is unacceptable and possibly unlawful.**

- 4.45 Promoting the re-election prospects of a sitting Member, directly or indirectly, wittingly or unwittingly, is not part of the proper role of a local authority.
- 4.46 A Council would be directly promoting a Member's re-election prospects if it allowed the member to use Council communications facilities (such as stationery, postage, internet, e-mail, or telephones) explicitly for campaign purposes.
- 4.47 Other uses of Council communications facilities during a pre-election period may also be unacceptable. For example, allowing Members access to Council resources to communicate with constituents, even in their official capacities as members, could create a perception that the Council is helping sitting Members to promote their re-election prospects over other candidates.
- 4.48 For this reason, we recommend that mass communications facilities such as –
- Council-funded newsletters to constituents; and
  - Mayoral or Members' columns in Council publications –
- be suspended during a pre-election period.
- 4.49 Promoting the re-election prospects of a sitting Member could also raise issues under the Local Electoral Act 2001. For example:
- Local elections must be conducted in accordance with the principles set out in section 4 of the Local Electoral Act – see Appendix 1 on page 27. The principles apply to any decision made by a Council under that Act or any other Act, subject only to the limits of practicality. A breach of the principles can give rise to an “irregularity” which could result in an election result being overturned.<sup>14</sup>

<sup>13</sup> By “pre-election period” we mean the three months before the close of polling day for the purposes of calculating “electoral expenses”: see Local Electoral Act 2001, section 104. However, a Council may decide to apply restrictions over a longer period.

<sup>14</sup> See *Aukuso v Hutt City Council* (District Court, Lower Hutt, MA 88/03, 17 December 2003).

- The publication, issue, or distribution of information, and the use of electronic communications (including web site and e-mail communication), by a candidate are “electoral activities” to which the rules concerning disclosure of electoral expenses apply.
- 4.50 “Electoral expenses”<sup>15</sup> include:
- the reasonable market value of any materials applied in respect of any electoral activity that are given to the candidate or that are provided to the candidate free of charge or below reasonable market value; and
  - the cost of any printing or postage in respect of any electoral activity.
- 4.51 A Member’s use of Council resources for electoral purposes could therefore be an “electoral expense” which the Member would have to declare – unless it could be shown that the communication also related to Council business and was made in the candidate’s capacity as a Member.

***Principle 13 –***

**A Council’s communications policy should also recognise the risk that communications by or about Members, in their capacities as spokespersons for Council, during a pre-election period could result in the Member achieving electoral advantage at ratepayers’ expense. The chief executive officer (or his or her delegate) should actively manage the risk in accordance with the relevant electoral law.**

- 4.52 Curtailing all Council communications during a pre-election period is neither practicable nor (as far as mandatory communications, such as those required under the LGA, are concerned) possible. Routine Council business must continue. In particular:
- Some Councils publish their annual reports during the months leading up to an October election, which would include information (including photographs) about sitting Members.
  - Council leaders and spokespersons need to continue to communicate matters of Council business to the public.

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<sup>15</sup> Also defined in section 104.

- 4.53 However, care must be taken to avoid the perception, and the consequent risk of electoral irregularity, referred to in the commentary to principle 12. Two examples are:
- journalistic use of photographic material or information (see paragraph 4.42 on page 21) that may raise the profile of a Member in the electorate should be discontinued during the pre-election period; and
  - access to Council resources for Members to issue media releases, in their capacities as official spokespersons, should be limited to what is strictly necessary to communicate Council business.
- 4.54 Even if the Council's Communications Policy does not vest the power to authorise Council communications solely in management at normal times, it should do so exclusively during the pre-election period.

## 5 Other Commonly Arising Issues

### Use of surveys and market research

- 5.1 Councils should target their communications resources to best effect. In appropriate cases, professional advice should be sought, and soundly obtained survey and market research information may be used.
- 5.2 Councils should meet acceptable standards in survey and market research information. To assist Councils to meet those standards:
- we reproduce in Appendix 2 on page 28 the ten principles identified by Statistics New Zealand underpinning its *Protocols for Official Statistics*; and
  - they can find useful guidance in the Statistics New Zealand publication *A Guide to good survey design*<sup>16</sup>.

### Joint ventures and sponsorship

- 5.3 Many Councils seek to be involved with their communities, and may engage in collaborative ventures with other public agencies and business and community groups.<sup>17</sup> Communication (for example, to promote public education or changes in people's behaviour) may be a feature of such ventures.
- 5.4 There is no reason in principle why a Council should not join with another agency or group to publish information for the benefit of the community – provided the activity is consistent with the Council's role and purpose. The use of private or community sponsorship for a Council communication may be a feature of such co-operation.
- 5.5 Examples of joint communication could include:
- a joint venture with the Police to issue information about individual and community safety in the Council's district; and
  - the use of business sponsorship for a Council advertisement of a community event.

<sup>16</sup> ISBN 0-477-06492-2; revised July 1995. Copies can be ordered through the Statistics New Zealand web site at:  
[www.stats.govt.nz/domino/external/web/prod\\_serv.nsf/htmldocs/A+Guide+to+Good+Survey+Design+\(2nd+edition\)](http://www.stats.govt.nz/domino/external/web/prod_serv.nsf/htmldocs/A+Guide+to+Good+Survey+Design+(2nd+edition))

<sup>17</sup> Section 14(1)(e), LGA.

- 5.6 The Council's Communications Policy should, if the Council wishes to involve a partner, address:
- the types of communications for which joint ventures or sponsorship are appropriate; and
  - the controls and procedures designed to manage the associated risks – such as perception of Council “capture” by a business or community group, actual or potential conflict of interest, and community attitude to the nature of the problem.
- 5.7 As a minimum, the Communications Policy should:
- require all mandatory communications to be funded solely by Council;
  - require every communication joint venture or sponsorship proposal to be supported by a sound business case that is approved at an appropriate level within the Council organisation;
  - set out the criteria for selecting a communication joint venture partner or sponsor, in order to avoid conflict of interest and prevent a partner or sponsor from gaining (or being perceived to gain) inappropriate commercial or political advantage;
  - require both the Council and the joint venture partner or sponsor to adhere to the principles (including those in respect of editorial control) that it has adopted in the Communications Policy; and
  - contain clear guidance as to the placement of logos, slogans, and other sponsorship references.

## Appendix 1

### Principles of the Local Electoral Act 2001

#### 4 Principles

- (1) The principles that this Act is designed to implement are the following:
  - (a) fair and effective representation for individuals and communities:
  - (b) all qualified persons have a reasonable and equal opportunity to—
    - (i) cast an informed vote:
    - (ii) nominate 1 or more candidates:
    - (iii) accept nomination as a candidate:
  - (c) public confidence in, and public understanding of, local electoral processes through—
    - (i) the provision of a regular election cycle:
    - (ii) the provision of elections that are managed independently from the elected body:
    - (iii) protection of the freedom of choice of voters and the secrecy of the vote:
    - (iv) the provision of transparent electoral systems and voting methods and the adoption of procedures that produce certainty in electoral outcomes:
    - (v) the provision of impartial mechanisms for resolving disputed elections and polls.
- (2) Local authorities, electoral officers, and other electoral officials must, in making decisions under this Act or any other enactment, take into account those principles specified in subsection (1) that are applicable (if any), so far as is practicable in the circumstances.
- (3) This section does not override any other provision in this Act or any other enactment.

## Appendix 2

### Statistics New Zealand Principles Applicable to the Production of Official Statistics

- 1 The need for a survey must be justified and outweigh the costs and respondent load for collecting the data.
- 2 A clear set of survey objectives and associated quality standards should be developed, along with a plan for conducting the many stages of a survey to a timetable, budget and quality standards.
- 3 Legislative obligations governing the collection of data, confidentiality, privacy and its release must be followed.
- 4 Sound statistical methodology should underpin the design of a survey.
- 5 Standard frameworks, questions and classifications should be used to allow integration of the data with data from other sources and to minimise development costs.
- 6 Forms should be designed so that they are easy for respondents to complete accurately and are efficient to process.
- 7 The reporting load on respondents should be kept to the minimum practicable.
- 8 In analysing and reporting the results of a collection, objectivity and professionalism must be maintained and the data impartially presented in ways which are easy to understand.
- 9 The main results of a collection should be easily accessible and equal opportunity of access is enjoyed by all users.
- 10 Be open about methods used; documentation of methods and quality measures should be easily available to users to allow them to determine if the data is fit for their use.

A full copy of *Protocols for Official Statistics* can be obtained by contacting Statistics New Zealand through its web site [www.stats.govt.nz](http://www.stats.govt.nz).





# Documents Executed and Electronic Transactions Authorities Signed

File No.: 19/28

## 1. Purpose

To present to Council the documents that have been executed, Electronic Transactions Authorities and Contracts that have been signed by two elected Councillors, which now need ratification.

## 2. Recommendation

- 2.1 That Report 19/28 Documents Executed and Electronic Transactions Authorities Signed be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.
- 2.3 That the Horowhenua District Council hereby ratifies the signing of documents and Electronic Transaction Authorities as scheduled:
  - (a) Renewal of Lease between Horowhenua District Council and Poplar Partnership Limited for an area of 58.1917 hectares more or less at Target Reserve. Renewed for a term of five (5) years from 1 October 2017, with the final expiry date of 30 September 2022.
  - (b) Deed of Variation and Renewal of Lease between Horowhenua District Council and Ministry of Social Development for part ground floor, Corner Salisbury and Durham Streets, Levin. Renewed for a term of three (3) years from 1 November 2018 to 31 October 2021. Two further rights of renewals, with a final expiry date of 31 October 2030.

## 3. Issues for Consideration

This report provides a mechanism for notifying the execution of formal documents by two elected Councillors and signing of Electronic Transactions Authorities.

## Attachments



There are no attachments for this report.

### **Confirmation of statutory compliance**

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

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

## Signatories

Author(s)	David Clapperton <b>Chief Executive</b>	
Approved by	David Clapperton <b>Chief Executive</b>	

# Resource Consenting (Planning) Matters Considered Under Delegated Authority

File No.: 19/29

## 1. Purpose

To present details of decisions made under delegated authority in respect of Resource Consenting (Planning) Matters.

## 2. Recommendation

- 2.1 That Report 19/29 Resource Consenting (Planning) Matters Considered Under Delegated Authority be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

## 3. Issues for Consideration

The following decisions were made under delegated authority:

- (i) Subdivision and Land Use Consents Approved:

### Subdivision Resource Consents Approved – 30/01/19 – 28/02/19

Approved Date	File Ref	Applicant	Address
11/02/2019	502/123	R Young	20 Read Street, Levin
15/02/2019	502/120	Clarkson Electrical Limited	50 Russell Street, Foxton
18/02/2019	502/124	T L Sanson	15 Worcester Street, Levin
20/02/2019	502/42	Jagpak Limited	53 Makahika Road, Levin Rural
22/02/2019	502/127	R Beyer	1 Warren Street, Foxton Beach

### Land Use Resource Consents Approved – 30/01/19 – 28/02/19

Approved Date	File Ref	Applicant	Address
31/01/2019	501/41	Hessels Poultry Farm Limited	State Highway 1, Foxton/Himatangi
08/02/2019	501/75	MenzShed Foxton Incorporated	37-47 State Highway 1, Foxton
13/02/2019	501/71	Homestead Construction Limited	19 Durham Street, Levin
13/02/2019	501/74	I L Ransom	173 Kahukura Avenue, Waitare Beach
20/02/2019	501/77	J C Law & P L Lekner	22 Drake Street, Waikawa Beach
21/02/2019	501/76	J D & S E Hearfield	367 Muhunoa East Road, Levin Rural

- (ii) Road Names Approved

None during the reporting period.

## Attachments



There are no attachments for this report.

### Confirmation of statutory compliance

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

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

## Signatories

Author(s)	Megan Leyland <b>Consents Manager</b>	
Approved by	Ian McLachlan <b>Group Manager - Customer &amp; Regulatory Services</b>	

File No.: 19/58

## Earthquake Prone Buildings - Priority Areas/Buildings

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### 1. Purpose

To re-table the following recommendation from the Hearings Committee of Council for Council to make a decision to support or to not support:

*THAT Horowhenua District Council adopts the extended area in Levin as a priority area, thus making all buildings in the identified Levin area priority buildings, with Shannon and Foxton to have no priority areas.*

### 2. Executive Summary

2.1 Council consulted on the Statement of Proposal using the Special Consultative Procedure (SCP) under the Local Government Act 2002 (Act) with submissions closing 26 March 2018. Twenty eight (28) submissions were received and considered at the 15 June 2018 meeting of the Hearings Committee. During deliberations it was decided to extend the proposed priority area in Levin. As a result the hearing was adjourned for further consultation to be carried out.

2.2 Council consulted on the revised Statement of Proposal which focused on the extension to the proposed priority area in Levin with submissions closing 27 July 2018.

2.3 The Hearings Committee of Council made the following recommendation to Council:

*THAT Horowhenua District Council adopts the extended area in Levin as a priority area, thus making all buildings in the identified Levin area priority buildings, with Shannon and Foxton to have no priority areas.*

2.4 At the 29 August meeting of Council the following recommendation was carried:

*THAT the recommendation from the Hearings Committee that the Horowhenua District Council adopts the extended area in Levin as a priority area, thus making all buildings in the identified area priority buildings, with Shannon and Foxton to have no priority areas, lay on the table until the report from the Minister of Building and Construction is made available.*

### 3. Recommendation

3.1 That Report 19/58 Earthquake Prone Buildings - Priority Areas/Buildings be received.

3.2 That this decision is recognised as not significant in terms of S76 of the Local Government Act.

3.3 That the Horowhenua District Council adopts either:

(1) the extended area in Levin as a priority area, thus making all buildings in the identified Levin area priority buildings, with Shannon and Foxton to have no priority areas.

(2) no priority areas in Horowhenua.

## 4. Background / Previous Council Decisions

- 4.1 The Horowhenua District Council is responsible for adhering to, and implementing the provisions of the Building Act 2004.
- 4.2 On 30 August 2017 Council adopted the Policy on Dangerous and Insanitary Buildings 2017 of which the Earthquake-prone Buildings section of the policy was removed as it was superseded by The Building (Earthquake-prone Buildings) Amendment Act 2016.
- 4.3 The Building Act 2004 contains the earthquake-prone building provisions, The Building (Earthquake-prone Buildings) Amendment Act 2016

Section 133AA of the Building Act 2004 sets out the scope of buildings to which the earthquake-prone building provisions apply. All priority buildings must also be within this scope.

Section 133AE of the Building Act 2004 contains the definition of priority buildings which includes two broad categories of priority building:

- those that are prescribed in the Building Act 2004 – these include certain hospital, emergency and education buildings, and
  - Those that are described in the Building Act 2004 and determined with community input. This category includes parts of unreinforced masonry (URM) buildings that could fall in an earthquake onto certain thoroughfares with sufficient vehicular or pedestrian traffic to warrant prioritisation, and buildings that could collapse and impede transport routes of strategic importance.
- 4.4 Council has 2.5 years from 1 July 2017 to identify priority areas and earthquake-prone buildings within those areas.
  - 4.5 Council must undertake public consultation to identify the thoroughfares with sufficient vehicular and pedestrian traffic where there are parts of URM buildings that could fall in an earthquake.
  - 4.6 Council has discretion to identify certain buildings for prioritisation. If a territorial authority identifies that there are buildings that could impede transport routes of strategic importance if they were to collapse in an earthquake, the special consultative procedure needs to be undertaken to identify routes for the purpose of prioritising those buildings.
  - 4.7 If only part of a building fits the definition of a priority building, then only that part would be considered as a priority building.
  - 4.8 At the 24 January 2018 Council briefing, Council discussed priority buildings to determine the priority areas for consultation.

The areas identified in the Statement of Proposal – Priority Buildings – Earthquake-prone Buildings were determined by using the following guidance as set out in the *GUIDANCE - Priority Buildings - A guide to the earthquake-prone building provisions of the Building Act*, July 2017, Ministry of Business, Innovation and Employment (MBIE):

Territorial authorities must identify parts of URM buildings on thoroughfares with sufficient vehicular and pedestrian traffic to warrant prioritisation using the following key steps. Using the special consultative process to identify any part of a public road, footpath or other thoroughfare:

1. with sufficient vehicular or pedestrian traffic to warrant prioritisation; and
2. on which there are URM buildings or parts of URM buildings that could fall in an earthquake (note: territorial authorities are not required to identify the specific URM buildings in the consultation documentation).

Sufficient traffic indicates use, and where the use of an area or building is greater, the exposure to the risk posed by that particular building also increases. To prepare for the special consultative procedure, the guidance document was able to provide criteria specific to rural communities to assist with the identification of roads, footpaths or other thoroughfares with sufficient pedestrian or vehicular traffic, upon which they must then consult with their communities, see tables below:

a) High pedestrian areas

Description of use	Description of area	Example of application to city or metropolitan area	Example of application to small town or rural area
Areas relating to social or utility activities	Areas where shops or other services are located	City and suburban areas with shops, cafes, restaurants, bars, theatres and malls	Areas such as the shopping area on the main street, the local pub, community centre
Areas relating to work	Areas where concentrations of people work and move around	Areas around office buildings or other places of work where there is a concentration of workers	Areas around businesses in small towns and rural areas where there is a concentration of workers in numbers larger than small shops or cafes
Areas relating to transport	Areas where concentrations of people access transport	Areas around transport hubs, train stations, bus stops, car parks	Areas around bus stops, train stations, tourist centres
Key walking routes	Key walking routes that link areas where people are concentrated	Routes from transport hubs or other areas relating to transport to areas where shops, other services or areas people work are located	Routes from bus stops or other areas relating to transport to areas where shops, other services or areas people work are located

b) Areas with high vehicular traffic

Description of use	Description of area	Example of application to city or metropolitan area	Example of application to small town or rural area
Key traffic routes	Key traffic routes regularly used by vehicles including public transport	Central business district streets, well trafficked suburban streets, arterial routes, heavy use bus routes	Well trafficked main streets or sections of state highways, arterial routes
Areas with concentrations of vehicles	Areas where high concentrations of vehicles build up	Busy intersections, areas where traffic builds up at peak hours	Busy intersections

4.9 At the 31 January 2018 meeting of Council it was resolved to consult on the Statement of Proposal – Priority Buildings – Earthquake-prone buildings using the Special Consultative Procedure (SCP) with submissions closing 26 March 2018 – Report 18/48 refers.

4.10 At the 15 June 2018 Priority Buildings Earthquake-prone Buildings Hearing Council's Hearings Committee, comprising of Councillors Jo Mason (Chairperson), Bernie Wanden and Ross Brannigan heard public submissions. During deliberations the Hearings Committee decided that they would extend the proposed area in Levin. As a result the hearing was adjourned for further consultation to be carried out.

4.11 Council consulted on the revised Statement of Proposal which focused on the extension to the proposed priority area in Levin with submissions closing 27 July 2018.

4.12 At the 29 August meeting of Council the following recommendation was carried:

*THAT the recommendation from the Hearings Committee that the Horowhenua District Council adopts the extended area in Levin as a priority area, thus making all buildings in the identified area priority buildings, with Shannon and Foxton to have no priority areas, lay on the table until the report from the Minister of Building and Construction is made available.*

4.13 An official report from the Minister of Building and Construction has not been received, however, Council as the Territorial Authority has an obligation to adhere to the timeframes set out in the Building (Earthquake-prone Buildings) Amendment Act 2016. To ensure Council remains within these timeframes it was decided that the recommendation from the Hearings Committee needs to be re-tabled at the March 2019 meeting of Council.

4.14 At the 27 August Council Briefing, Council discussed Priority Areas/ Buildings

4.15 More information regarding Earthquake-prone Buildings – Priority Areas/Buildings can be found within the following documents:

- Building (Earthquake-prone Buildings) Amendment Act 2016
- Priority Buildings: A guide to the earthquake-prone building provisions of the Building Act

## 5. Discussion

5.1 Council has mandatory requirements to implement The Building (Earthquake-prone Buildings) Amendment Act 2016, the Act is prescriptive and sets out processes for the identification of priority buildings, identification of potentially earthquake-prone buildings, issuing earthquake-prone building notices and enforcing timeframes for building owners to strengthen or demolish. The identification of priority buildings is one part of a multi-part process, Council Officers are committed to educating about and implementing the legislation in a complimentary manner.

The intent for priority areas is to ensure that areas where there is a higher risk to human safety (due to the number of people/vehicles in an area) in the event of an earthquake are addressed sooner.

Priority areas are significant because earthquake-prone buildings in these areas must be identified and remediated in half the usual time (to reduce the risks to life safety more promptly). Horowhenua is in a high seismic risk area, timeframes for strengthening or demolition are set out in the table below:

Action	Priority areas	Other areas
Council identification of potentially earthquake-prone buildings	2.5 years	5 years
Remediation after being issued an earthquake-prone building notice.	7.5 years	15 years

Verandahs of buildings will be assessed as part of the building Earthquake-prone Building profiling exercise that will be undertaken to identify potentially earthquake-prone buildings.

5.2 Limitations: No quantitative data (Metrics) from Central Government to support what is high pedestrian or vehicular traffic.



Example: X number of pedestrians passing per minutes, X number of cars passing per minutes

The decision is based on local knowledge and input from the community

- 5.2 If it is decided that there will be a Priority area, building owners of Earthquake-prone Buildings in the identified Priority area only, will have half the time to strengthen or demolish their buildings - **7.5 years** from the date of an Earthquake-prone Building notice being issued.
- 5.3 If it is decided that there will be **no** Priority area, all Building owners of Earthquake-prone Buildings in Horowhenua will have the full amount of time to strengthen or demolish their buildings - **15 years** from the date of an Earthquake-prone Building notice being issued.

## 6. Options

The Council needs to consider all background information pertaining to Priority Areas/Buildings.

- 6.1 There are two (2) options:
  - (1) Horowhenua District Council adopts the extended area in Levin as a priority area, thus making all buildings in the identified Levin area priority buildings, with Shannon and Foxton to have no priority areas.
  - (2) No priority areas are identified in Horowhenua.
- 6.2 The consultation demonstrated that the community is very much divided in their opinions on whether Council should agree to make the buildings within the identified areas priority buildings. It is likely that there will be members of the community who do not agree with the decision, which ever decision is made.
- 6.3 There are no preferred options.

## 7. Consultation

Consultation was undertaken as required by the Building (Earthquake-prone Buildings) Amendment Act 2016. No further consultation is required.

## 8. Legal Considerations

There are no legal requirements or statutory obligations affecting the options or proposals.

## 9. Financial Considerations

There is no financial impact.

## 10. Other Considerations

In December 2018 New Zealand Transport Agency (NZTA) confirmed its preferred route for the final stage of the Wellington northern corridor (O2NL).

In July 2017 Council adopted a 50th percentile growth scenario developed by Sense Partners which equates to an additional 5,138 households, and 10,063 additional people by 2040, and NZIER's projection of 3,000 additional jobs by 2036. The Council adopted projected increase in population by some 33% over 22 years – a significant increase for the district over this period.

## 11. Next Steps

Following the resolution of the Council, Horowhenua District Council as the Territorial Authority will proceed with required actions as per the Building (Earthquake-prone Buildings) Amendment Act 2016.

## 12. Supporting Information

<b>Strategic Fit/Strategic Outcome</b> – Not applicable
<b>Decision Making</b> – Not applicable
<b>Consistency with Existing Policy</b> – Not applicable
<b>Funding</b> – Not applicable

### Confirmation of statutory compliance


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

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

## 13. Appendices

No.	Title	Page
A	Earthquake Prone Buildings - Priority Areas - Priority Buildings - Levin - Map and Lot numbers - 23 August 2018	83

Author(s)	Cathryn Pollock <b>Project Coordination Lead</b>	
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Approved by	Ian McLachlan <b>Group Manager - Customer &amp; Regulatory Services</b>	
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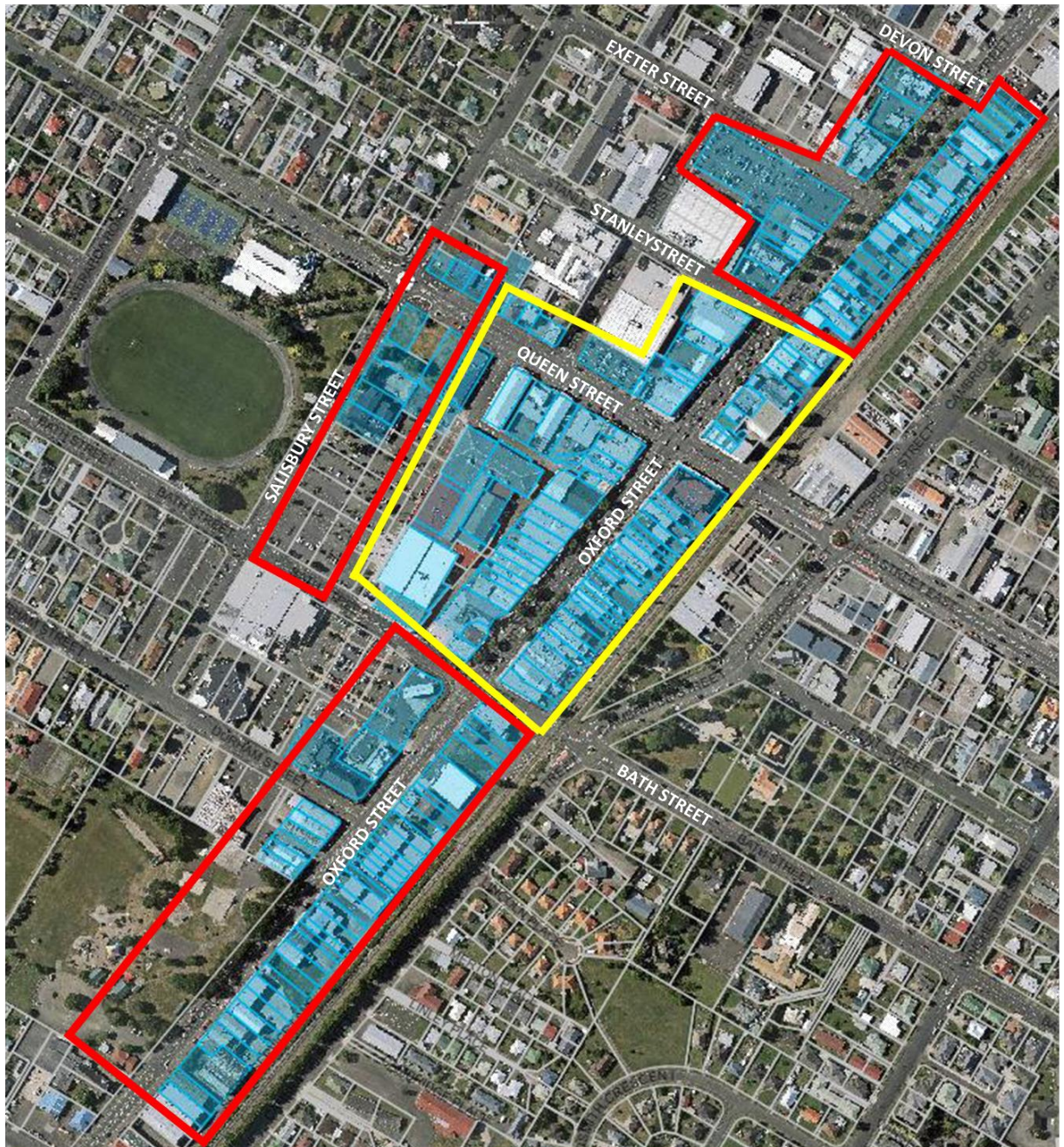
## Levin

**Highlighted Blue:** Proposed Priority Buildings

**Outlined in red:** Extension to the proposed priority area

**Outlined in Yellow:** Original proposed priority area

**Please note:** Buildings included in the priority area are not automatically deemed as earthquake-prone. Council will work through a process to determine which buildings are potentially earthquake-prone.





## Earthquake-prone Buildings – Priority Buildings

**Buildings only** located in the below list will become *Priority* buildings as they are located in the identified priority area.

**Please note:** Buildings included in the priority area are not automatically deemed as earthquake-prone. Council will work through a process to determine which buildings are potentially earthquake-prone using the Earthquake-prone Building Methodology.

Lot 1 DP 2234	Lot 2 DP 88634	Lot 12 DP 31985
Lot 1 DP 16073	Pt Lot 1 DP 13576	Lot 1 DP 11351
Lot 2 DP 80214	Pt Lot 10 Blk II DP 1006	Lot 1 DP 11351
Lot 3 DP 11351	Lot 2 DP 54202	Lot 1 DP 11351
Lot 1 DP 31784	Pt Lot 2 DP 14448	Lot 1 DP 11351
Pt Sec 12 Blk IX TOWN OF Levin	Lot 1 DP 54202	Lot 1 DP 11351
Lot 1 DP 88747	Pt Lot 7 Blk II DP 1006	Lot 1 DP 11351
Lot 2 DP 69377	Pt Lot 5 Blk II DP 1006	Lot 9 Blk I DP 1006
Lot 1 DP 31552	Sec 1 SO 20515	Pt Lot 5 DP 11351
Lot 1 DP 321619	Lot 2 DP 18107	Lot 1 DP 58846
Lot 1 DP 44278	Lot 1 DP 18107	Lot 3 DP 54202
Pt Lot 2 DP 6344	Lot 2 DP 17880	Lot 1 DP 31985
Lot 1 DP 43841	Lot 1 DP 24681	Lot 2 DP 31985
Pt Lot 17 DP 1006	Lot 1 DP 17880	Lot 10 Blk I DP 1006
Lot 2 DP 10799	Pt Lot 2 DP 34541	Lot 3 DP 31985
Pt Lot 16 Blk II DP 1006	Pt Lot 1 DP 34541	Pt Lot 6 Blk II DP 1006
Lot 1 DP 10799	Pt Lot 1 DP 45705	Lot 12 DP 31985
Pt Lot 15 Blk II DP 1006	Lot 1 DP 69377	Lot 3 DP 19530
Pt Lot 15 Blk II DP 1006	Lot 2 DP 88747	Lot 10 DP 31985
Pt Lot 14 Blk II DP 1006	Lot 14 DP 31985	Lot 5 DP 31985
Lot 7 DP 54202	Lot 14 DP 31985	Pt Sec 3 Blk XI TOWN OF Levin
Pt Lot 14 Blk II DP 1006	Lot 1 DP 88192	Lot 8 DP 54202
Pt Lot 13 Blk II DP 1006	Lot 2 DP 58846	Pt Lot 11 Blk I DP 1006
Pt Lot 12 Blk II DP 1006	Lot 2 DP 321619	Lot 3 DP 17880
Pt Lot 2 DP 13576	Lot 14 DP 31985	Lot 2 DP 21464
	Lot 1 DP 31552	

Lot 1 DP 21464	Lot 26 DP 2175	Pt Lot 17 Blk I DP 1006
Pt Sec 2 Blk XI TOWN OF Levin	Lot 2 DP 76597	Lot 2 DP 16804
Lot 4 DP 31985	Lot 1 DP 76597	Lot 15 Blk I DP 1006
Pt Lot 6 Blk II DP 1006	Lot 21 DP 2175	Lot 1 DP 16804
Lot 1 DP 88634	Lot 20 DP 2175	Lot 1 A Plan 366
Lot 3 DP 88634	Lot 18 DP 2175	Pt Lot 15 DP 1734
Pt Lot 18 DP 1006	Lot 17 DP 2175	Lot 1 DP 34078
Pt Lot 1 DP 6344	Lot 1 DP 11576	Pt Lot 14 DP 1734
Pt Sec 8 Blk X TOWN OF Levin	Pt Sec 9 Blk VIII Town of Levin	Sec 10 Blk VI TOWN OF Levin
Pt Sec 12 Blk IX TOWN OF Levin	Lot 24 Blk I DP 1006	Lot 11 DP 2175
Lot 1 Blk I DP 1006	Lot 25 Blk I DP 1006	Lot 23 Blk I DP 1006
Lot 1 Blk I DP 1006	Lot 26 Blk I DP 1006	Lot 33 Blk I DP 1006
Pt Lot 2 Blk I DP 1006	Lot 1 DP 70205	Lot 1 DP 59409
Pt Lot 2 Blk I DP 1006	Lot 2 DP 70205	Lot 48 DP 2175
Pt Sec 7 Blk XI TOWN OF Levin	Lot 35 Blk I DP 1006	Lot 1 DP 5746
Lot 1 DP 11351	Pt Lot 11 DP 1734	Lot 1 DP 16966
Lot 1 DP 11351	Lot 16 Blk I DP 1006	Lot 2 DP 16966
Lot 1 DP 11351	Lot 1 DP 88252	Lot 27 Blk I DP 1006
Lot 1 DP 11351	Lot 19 DP 2175	Pt Sec 11 Blk VI TOWN OF Levin
Lot 1 DP 11351	Lot 3 DP 348886	Lot 21 Blk I DP 1006
Lot 1 DP 11351	Lot 1 DP 436742	Pt Sec 5 Blk IX TOWN OF Levin
Lot 1 DP 11351	Pt Lot 2 DP 436742	Lot 2 DP 18410
Lot 1 DP 11351	Pt Sec 28 Levin SUBURBAN	Lot 27 DP 2175
Lot 1 DP 497156	Lot 19 Blk I DP 1006	Lot 10 DP 2175
Lot 2 DP 497156	Pt Sec 5 Blk IX TOWN OF Levin	Lot 2 A Plan 366
Lot 3 DP 497156	Lot 28 Blk I DP 1006	Pt Lot 16 DP 1734
Pt Sec 12 Blk IX TOWN OF Levin	Pt Lot 18 Blk I DP 1006	Lot 3 DP 16804
Pt Lot 13 DP 1734	Lot 3 DP 2175	Pt Lot 6 DP 2175
Pt Lot 12 DP 1734	Lot 22 Blk I DP 1006	Lot 4 DP 2175
Pt Lot 47 DP 2175	Lot 1 DP 901	Pt Lot 1 DP 2175

Lot 9 DP 2175  
Lot 4 DP 16804  
Lot 5 DP 2175  
Lot 2 DP 2175  
Lot 32 Blk I DP 1006  
Lot 20 Blk I DP 1006  
Pt Lot 13 DP 2175  
Lot 14 DP 2175  
Lot 15 DP 2175  
Lot 16 DP 2175  
Lot 12 DP 2175  
Lot 1 DP 16913  
Lot 12 DP 2234  
Pt Lot 6 DP 2175





# Horowhenua Water Working Party - Draft Terms of Reference

File No.: 19/54

## 1. Purpose

To seek the Horowhenua District Council's adoption of the Terms of Reference for the Horowhenua Water Working Party.

## 2. Recommendation

- 2.1 That Report 19/54 Horowhenua Water Working Party - Draft Terms of Reference be received.
- 2.2 That this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.
- 2.3 That the Horowhenua District Council adopts the Terms of Reference for the Horowhenua Water Working Party.

## 3. Background/Previous Council Decisions

In light of impending growth in the Horowhenua and to meet the requirements of overarching planning documents such as the One Plan and Council's Water Supply Bylaw, Council has proposed to establish a Horowhenua Water Working Party to evaluate options for long term augmentation of water sources in the Horowhenua District.

## 4. Issues for Consideration

Attached are draft Terms of Reference for the proposed Horowhenua Water Working Party for consideration by Council.

## Attachments



No.	Title	Page
A	Draft Terms of Reference – Horowhenua Water Working Party - March 2019	91

### Confirmation of statutory compliance

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

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

## Signatories

Author(s)	Rob Green <b>Acting Group Manager - Infrastructure Services</b>	
Approved by	David Clapperton <b>Chief Executive</b>	

## Terms of Reference – Horowhenua Water Working Party

### Introduction

Impending growth in the Horowhenua resulting from improved transport connections to the south will place pressure on existing water supply systems to provide adequate quantities of water for residential, commercial and industrial needs.

The Horizons One Plan stipulates that a municipal water supplier must demonstrate that it is meeting reasonable use targets when applying for resource consents for new or renewed water take permits. In addition, there is a limitation on the total water abstraction quantity that can be taken from the Ōhau River under Levin's recently renewed resource consent due to the need to sustain a life supporting base flow in the river. Unless additional water sources can be consented, in combination with implementation of water demand management strategies discussed below, then as demand increases through population growth and economic activity the margin between demand and supply will diminish.

During the lead up to preparation of the Long Term Plan (2018-38) Council consulted with a number of small communities as to whether they wished to have a feasibility study prepared for the reticulation of water and or wastewater services. Several communities (Ōhau and Waitarere Beach) agreed to the feasibility studies and one obvious option, for Ōhau at least, is to connect to the existing Levin scheme. However, the additional demand from Ōhau (and any other community connections approved in future) will further reduce the margin between availability and demand unless an additional sustainable source of water can be identified.

There are limited options available for augmentation of the District's water sources. One of the problems is that periods of peak demand during summer coincide with low flow in the Ōhau River and other potential surface water sources so, if HDC's desired levels of service are to be maintained, then either increased water storage will be required or alternative additional sources of water will need to be identified, consented, and then implemented. Ability to access groundwater may also be limited due to impacts on Lake Horowhenua. Similarly flows from the Mangahao River are controlled by a consented hydro facility upstream.

Steps are in hand to diminish water usage by introducing pressure management to reduce the amount of water lost through system leakage. In other jurisdictions universal water metering has been shown to reduce per capita water consumption which has the effect of delaying upgrades to infrastructure to provide additional supply. Likewise, there appear to be a number of extraordinary connections that may or may not have been approved on a historical basis and may contravene Council's water Supply Bylaw. Some of these are known to be using water for stock purposes which is further reducing the quantity of water available for potable purposes.

The effects of climate change are predicted to result in higher intensity storms and longer duration droughts. Any prolonged drought is likely to make the water situation worse as flows in the Ōhau River would be expected to reduce further while peak water demand would increase.

It is proposed to establish a Horowhenua Water Working Party that is charged with evaluating options for long term augmentation of water sources in the Horowhenua District. The Working Party should be responsible for reporting to the Horowhenua District Council.

The proposed draft Terms of Reference for the HWWP are:

## Name

The body will be known as the Horowhenua Water Working Party (HWWP)

## Vision Statement

### The HWWP vision is to:

- Develop sustainable and viable managed water regime to meet current and future residential, commercial and industrial needs of Horowhenua District Council;
- Evaluate options for augmentation of existing water supplies to provide for environmental, social and cultural needs of the District's current and future potable water consumers.

## Objectives

To provide a forum to:

Enable community views, expectations and information of the HWWP to be shared to:

- provide input into future decision making by the HDC with regard to sustainably meeting the needs of Horowhenua's potable water consumers now and in the future
- assist in understanding the value of water to the community
- recommend the commissioning of such technical reports as are appropriate for the investigation into the feasibility of augmenting water sources in the Horowhenua District Council
- review the findings of such reports and recommend any actions to HDC in implementing the recommendations of the reports
- communicate progress towards meeting the HWWP's Objectives to members' respective organisations.

## Membership

The HWWP shall comprise an independent Chairperson plus one representative of:

- Chief Executive – Horowhenua District Council
- Horowhenua District Council Officer
- Horizons District Council Officer
- Drinking Water Assessor – MCDHB
- One HDC Councillor
- One HRC Councillor
- Iwi representatives
- Department of Conservation
- Federated Farmers
- Relevant government department representative (eg. DIA).
- Community Forum Member(s)

Each member may have a nominated alternate who may attend and fully participate at a meeting in the event of the member's absence or unavailability. Membership can be adjusted to include other affected areas as the project progresses.

### **Chairperson**

The Chairperson will Chair and facilitate discussions at all of the meetings of the HWWP. The Chairperson will be appointed by, but shall be independent of, the Horowhenua District Council

### **Status**

The HWWP is an advisory body that can make recommendations to Horowhenua District Council.

### **Meeting Record**

Notes and minutes of each meeting shall be recorded by an Administrative Officer of the Horowhenua District Council. The Administrative Officer shall also be responsible for scheduling meetings at the direction of the Chairperson.

### **Duration of the HWWP and Meeting Frequency**

The HWWP shall be dissolved only when it is agreed by the Horowhenua District Council that it has served its purpose and has identified a sustainable long term additional water source(s) for Horowhenua District Council.

Meetings shall be convened as required but not less than quarterly each year.

### **Operational Protocols**

- All members of HWWP will be committed to open, honest and collaborative discussion.
- All contributions made to the Working Party meetings shall be deemed to be on a without prejudice basis.
- Group representatives are at liberty to report and discuss Working Party proceedings with their respective organisations except where the HWWP identifies that it would not be appropriate to release materials such as those containing interim, commercially sensitive, or personal information.
- Public comment or media releases in relation to HWWP business shall only be made by the Chair.
- The HWWP may invite experts to assist in Group discussions on a particular matter. Where such experts are to be invited and payment for attendance is required then it shall be first agreed with the HDC.
- To the fullest extent possible HWWP should strive for consensus in respect of its findings and recommendations.
- Failure to comply with the Operational Protocols as set out herein, and/or the Terms of Reference may result in loss of membership by the individual concerned.
- It will be the Chair's responsibility to ensure that all members are afforded equal rights to contribute to the meeting.



File No.: 19/71

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## Foxton Flood Relief Pipeline

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### 1. Purpose

To provide Council with an update, for information, on work being progressed jointly with Horizons Regional Council (Operations) to address stormwater and flooding issues in Foxton.

### 2. Executive Summary

Foxton experiences significant flooding issues with under capacity in the urban stormwater network (HDC) and Horizons Foxton East Drainage Scheme (FEDS) being contributing factors. A jointly funded project (Horizons-HDC) to alleviate flooding issues has been provided for in both organizations LTP's for implementation in years 1-3. Consultation with the community via the LTPs and Foxton Community Board has raised concern regarding the total rating burden on Foxton ratepayers due to the proposed cost sharing split between Horizons and HDC. A revised proposal is being developed that would increase the cost share for HDC (from 40% to 60% of the estimated \$3M project cost). The impact of this would be to increase HDC's total contribution but would reduce the overall rate burden on Foxton ratepayers. HDC's share will be funded from existing stormwater capital expenditure budgets 2019/20.

### 3. Recommendation

- 3.1 That Report 19/71 Foxton Flood Relief Pipeline be received.
- 3.2 That this decision is recognised as not significant in terms of S76 of the Local Government Act.
- 3.3 That Officers ensure that key stakeholders within the Foxton community are kept informed as the proposal is refined and modified (i.e. finalised).

### 4. Background / Previous Council Decisions

- 4.1 Foxton experiences flooding during heavy rainfall events. Proposals are being developed jointly with Horizons Regional Council to alleviate flooding issues.
- 4.2 Within the urban area, stormwater drainage is problematic due to low lying land, elevated groundwater, and capacity limitations in the stormwater network. Horizons has also acknowledged that its river management activities – the Foxton East Drainage Scheme (FEDS)– are a contributing factor to the urban flooding issues. The FEDS borders the urban area and has limited capacity to convey upstream stormwater effectively around and through the urban area to the Foxton Loop.
- 4.3 A draft Stormwater Catchment Management Plan process has been undertaken by HDC through which a combined Horizons-HDC solution was identified as an option for implementation. The proposal is to construct a “relief” pipeline from the FEDS through the urban area (preliminary alignment suggested along Cook Street) which would be of sufficient capacity to provide urban levels of service along with a portion of the FEDS flows such that the remainder of the FEDS could operate effectively.

- 4.4 HDC and Horizons have included funding totalling \$3M in their respective LTPs for preferred option confirmation, detailed design and construction. Further engineering work is required to confirm the preferred option and to enable more detailed costings to be established. A Request for Proposal document seeking tenders from consultants to complete an options evaluation, detailed design and tender documentation has recently closed.
- 4.5 The current provision in the LTPs is based on a cost split of 60% from Horizons and 40% from HDC. Feedback from consultation expressed significant concern at this funding arrangement, as the targeted rate component of Horizons funding resulted in a high total rate burden on Foxton ratepayers.
- 4.6 The proposed funding was discussed at the Foxton Community Board meeting in May 2018, with the outcome being that a more equitable funding split be developed.
- 4.7 Regional Council and District Council officers have since worked together to develop a more equitable funding arrangement. This report details the funding arrangements now proposed.

## 5. Discussion

- 5.1 A joint proposal has been developed between HDC and Horizons to alleviate flooding issues within Foxton. Funding allocation has been provided in both organizations LTPs for years 1-3, based on a 60:40 cost split between Horizons and HDC respectively. The proposal is still to be developed through options critique and detailed design phases. The focus of this paper relates to the relative funding split between Horizons and HDC. Horizons LTP also noted that the targeted rate classification for the FEDS was not fit for purpose and modifications to the targeted rate classification would be considered.
- 5.2 The causes of the flooding issues arise from both within the urban area as well as from the need to convey stormwater from above the urban area through or around the urban area to Foxton Loop. Improvements to the urban stormwater network are required to meet District Council levels of service. Improvements to Horizons FEDS are also required by Horizons in order to meet the scheme design standards and to address flooding effects from the FEDS on the urban area. The proposed relief pipeline will address both objectives.
- 5.3 The estimated cost of the relief pipeline is \$3M. This is a preliminary estimate of cost and may change as the preferred option is further developed. The project is to be implemented by an initial options critique, detailed design and construction work over the current and following two financial years.
- 5.4 A cost sharing basis of 60% Horizons : 40% HDC was originally proposed by Horizons via its LTP process. Consultation with the community by both HDC and Horizons identified that this cost split created an unacceptable total rate burden on Foxton ratepayers. This is a consequence of the rating policies of each organization. Horizons' targeted rating policy distributes the burden largely to direct beneficiaries which would result in the entire 40% share of the cost being a burden on Foxton ratepayers. HDC's rating policy spreads the rating burden for stormwater services as a 100% targeted rate across all urban properties in the district (i.e. those that receive stormwater benefits). Foxton ratepayers would also contribute to the scheme cost via the HDC district wide rates.



- 5.5 A reallocation of costs between the two organizations is proposed in order to reduce the total rating impact on Foxton ratepayers.
- 5.6 The current proposal is for:
- A 40% Horizons : 60% HDC funding split. This will be consulted on via the 2018-19 Annual Plan consultation process.
  - Horizons to modify its targeted rate classification for the FEDS as the current classification system is no longer considered fit for purpose.

## 6. Options

- 6.1 Alternatives considered to improve the FEDS included attenuation upstream of the urban area (detention dam or ponds) and diversion of flow south in to the Whirokino Scheme. Both of these would still require HDC to separately fund and undertake upgrades of urban stormwater networks to meet the HDC's level of service.
- 6.2 Attenuation is problematic in the relatively flat, sand country and would require pumping between and during events to retain effectiveness. A proposed relief pipeline was identified as the preferred option as it addresses capacity issues in both the FED and urban network. Alternative alignments were considered for the relief pipeline; however, the Cook Street alignment is currently preferred as it is the shortest route between Kings Canal and Foxton Loop, ties in to a major junction point of the FEDS where surface water backup and ponding occurs, and provides for enhanced stormwater conveyance within the urban network.
- 6.3 Current proposals do not include for pumping of the outlet from the relief pipeline to Foxton Loop. Pumping is not considered necessary at this time but may be required in future due to effects of climate change. Funding for pumping has not been included in either organization's LTP funding allowances. The solution will be designed and constructed in a way that enables pumping to be easily added at a later stage.

### 6.1 Cost

Preliminary costs for the investigation, design and construction are \$3M. These costs are rough-order preliminary costs only and may change as the proposed option is developed (either through refinement / modification of the proposal and / or through more refined cost estimation.

Cost estimates may change as a result of modifications to the preferred option (eg change / optimisation of alignment; optimisation of pipe sizing) and through a more detailed assessment of factors such as ground conditions (sandy soils, high groundwater, other services) which may impact construction costs. With respect to the latter, allowance was made for such conditions in the preliminary cost estimates, however, a more detailed assessment will be required.

As noted above, costs do not include provision for pumping which may be required in future to address effects arising from climate change.

Project costs will be jointly funded between Horizons and HDC as discussed below.

#### 6.1.1 Rate Impact

LTP provision is for Council to fund 40% of the estimated \$3M project cost (ie \$1.2m).

The proposal is for a reallocation of cost sharing between Horizons and HDC such that HDC will now fund 60% of the project costs (ie \$1.8M). The reasons for this are to lessen the rating burden on the Foxton community.

Funding is provided for the proposed works in HDC's LTP as part of the District Wide Stormwater improvements programme. It is expected that the additional cost to be met by HDC will be met within the funding allocation of this programme.

The LTP currently includes the following funding for District wide Stormwater Improvements:

Year 1 - 2018/19: 1.329m \*  
Year 2 - 2019/20: 544k  
Year 3: 2020/21: 509k

\*It is presumed that 1.2m of this budget was intended as the contribution towards the Foxton Relief pipeline.

Given the slight delay in engaging consultant resources for the design of the project, it is not likely that any construction work will occur this current year. There is sufficient budget in the District Wide Stormwater capital programme over the 2018/19 and 19/20 to fund the entire \$1.8m share of cost from existing budgets.

The proposal has been developed in consideration of the rating burden on Foxton ratepayers as both Horizons and HDC ratepayers. Horizons fund its flood protection schemes through targeted rating classification system. Horizons have proposed modifications to its targeted rate classification for the Foxton East Scheme and will be consulting on that proposal in the 2018-19 Annual Plan. While the proposed modification to the targeted rate classification provides some rebalance, if Horizons were to fund 60% of the project costs, as originally proposed, the rating impact is estimated at \$58 per \$100,000 capital value per year within the direct benefit area (urban area). Reducing Horizons contribution to the project costs to 40% as currently proposed lowers the town rate for the FEDS to around \$38 per \$100,000 capital value.

Irrespective of the proportions of the cost to be met by HRC and HDC all of the cost will ultimately be paid by HDC ratepayers. The increase in HDC share simply changes the incidence of payment whereby the direct contribution from beneficiaries reduces and the district wide contribution increases.

## 6.2 Community Wellbeing

There are no negative impacts on Community Wellbeing arising. The proposed funding ratio between Horizons and HDC provides a more equitable funding arrangement for Foxton ratepayers.

## 6.3 Consenting Issues

Consenting status of stormwater discharges to Foxton Loop are not clearly defined. Current discharges are expected to meet PA status in One Plan. There is a risk that a resource consent may be required if Permitted Activity criteria regarding flooding, erosion and hydraulic capacity of the Loop are unable to be adequately addressed.

There is also a risk that consent may be required in future if wetland enhancements in and around Foxton Loop result in the stormwater discharges being assessed as discharging to an at-risk habitat. This risk is not related to the project but is related to

the habitat classification of the Loop and would affect all stormwater discharges to the Loop.

#### 6.4 LTP Integration

Project costs are currently provided in the LTP. It is anticipated that the unused portion of this year's budget will be carried forward to 2019/20.

### 7. Consultation

- 7.1 The proposed costs share between Horizons and HDC has been developed in response to feedback from LTP consultation.
- 7.2 Community engagement as to the recommended options for alleviating flooding and the proposed approach to funding is intended to be undertaken jointly with Horizons Regional Council. The form of engagement is yet to be determined but is likely to involve an information package sent to ratepayers and at least one public meeting.

### 8. Legal Considerations

There are no legal requirements or statutory obligations affecting options or proposals.

### 9. Financial Considerations

Refer to discussion under 6.1 above. The proposal is to re-distribute the proposed cost share arrangement between Horizons and HDC to reduce the total rating impact on Foxton ratepayers.

### 10. Other Considerations

There are no other considerations.

### 11. Next Steps

The next steps are to:

- Consultation with Foxton community as to the proposed funding model.
- Development of the proposed option to design phase.

### 12. Supporting Information

<b>Strategic Fit/Strategic Outcome</b>
The proposal is within the Stormwater Activity as set out in the LTP and contributes to the strategic community outcomes of Enabling Infrastructure and Thriving Communities.
<b>Decision Making</b>
The report has been provided for information purposes. A decision is not required.
<b>Consistency with Existing Policy</b>
The report has been provided for information purposes. The information presented is consistent with Council policy.
<b>Funding</b>

Funding is provided through the LTP – District Wide Stormwater Improvements project.

Risk Area	Risk Identified	Consequence	Likelihood	Risk Assessment (Low to Extreme)	Managed how
Strategic					
Financial	Project costs vary from estimates / funding allocation	Minor-Moderate	Likely	Significant	Managed by Group Manager & Advisory to CE. Develop and agree project delivery agreement with Horizons
Service Delivery	Delays in design / construction	Moderate	Likely	Significant	
Legal					
Reputational					


### **Confirmation of statutory compliance**

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

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

## **13. Appendices**

There are no attachments for this report.

Author(s)	Rob Green <b>Acting Group Manager - Infrastructure Services</b>	
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Approved by	David Clapperton <b>Chief Executive</b>	
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