COUNCIL

AGENDA

Meeting to be held

THURSDAY 19 MAY 2016
8.30am

In the Manawatu District Council Chambers,
135 Manchester Street, Feilding

Please Note
The Strategic Planning and Policy Committee
will convene immediately following the
conclusion of the Council meeting

Dr Richard Templer
Chief Executive
MEMBERSHIP

Chairperson

Her Worship the Mayor, Mrs Margaret Kouvelis

Deputy Chairperson

Councillor Tony Jensen

Members

Councillor Steve Bielski
Councillor Barbara Cameron
Councillor Shane Casey
Councillor Wayne Ellery
Councillor Jo Heslop
Councillor Albert James
Councillor Andrew Quarrie
Councillor Alison Short
Councillor Howard Voss
ORDER OF BUSINESS

1. MEETING OPENING

Rev Anne Bennett, of the Rongotea Uniting Parish, will open the meeting in prayer.

2. APOLOGIES

3. REQUESTS FOR LEAVE OF ABSENCE

Councillor Alison Short: 25 May to 10 June 2016

Councillor Howard Voss: 1 June to 24 June 2016

4. CONFIRMATION OF MINUTES

Draft resolution

That the minutes of the Council meeting held 21 April 2016, and extraordinary Council meeting held 27 April 2016, be adopted as a true and correct record.

5. DECLARATIONS OF INTEREST

Notification from elected members of:

5.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

5.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members’ Interests) Act 1968

6. PUBLIC FORUM

6.1 SUSAN GALEA

Susan Galea will be in attendance to speak about a cost incurred – animal control.

7. NOTIFICATION OF LATE ITEMS

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

7.1 The Council by resolution so decides; and

7.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

8. MINUTES OTHER COMMITTEES
9. OFFICER REPORTS

9.1 TANGIMOANA COMMUNITY COMMITTEE

9.2 DISTRICT PLAN REVIEW BUDGET

9.3 CAPITAL EXPENDITURE FOR IN-HOUSE RETICULATION SERVICE

9.4 CHANGE OF DIRECTORS FOR HEARTLAND CONTRACTORS LIMITED

9.5 PURCHASE OF ADDITIONAL MANAWATU-WANGANUI LASS LIMITED SHARE CAPITAL

9.6 ESTABLISHMENT OF AN AUDIT AND RISK COMMITTEE

9.7 AMENDMENT TO COMMITTEE TERMS OF REFERENCE

9.8 REMUNERATION AUTHORITY – SUBMISSION OF MEMBERS’ ALLOWANCE AND REIMBURSEMENT POLICY

9.9 ELECTION 2016 – ORDER OF CANDIDATE NAMES ON VOTING PAPERS

10. CONSIDERATION OF LATE ITEMS

11. PUBLIC EXCLUDED BUSINESS

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

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

<table>
<thead>
<tr>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Grounds under Section 48(1) for the passing of this resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Confirmation of minutes re Reappointment of Trustees to Feilding Civic Centre Trust and Manawatu Community Trust Trustee Vacancies</td>
<td>Section 7(2)(a) - protect the privacy of natural persons, including that of deceased natural persons</td>
<td>Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.</td>
</tr>
</tbody>
</table>

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

12. **ADJOURNMENT**

The meeting will be adjourned and reconvene at 7.30pm

13. **NEW ZEALAND CITIZENSHIP CEREMONY**

Twenty-four candidates to attend the Citizenship Ceremony to swear allegiance to the Queen of New Zealand before Her Worship the Mayor of the Manawatu District Council.

<table>
<thead>
<tr>
<th>NAME</th>
<th>NATIONALITY</th>
<th>FORM OF OATH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Corey Davis REGNERUS</td>
<td>American</td>
<td>Affirmation</td>
</tr>
<tr>
<td>Mr Rudolf Albert SCHULZ</td>
<td>Australian American</td>
<td>Affirmation</td>
</tr>
<tr>
<td>Mr Suresh BHATTARAI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Ms Chitra Kala BISTA BHATTARAI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Ms Priyanka KARKI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Mrs Mon Maya BHATTARAI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Mr Bhim Bahadur BHATTARAI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Ms Pinu BHATTARAI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Mr Man Bir CHHETRI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Mrs Jit Maya BHATTARAI CHHETRI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Miss Roma PAUDEL CHHETRI</td>
<td>Bhutanese</td>
<td>Oath</td>
</tr>
<tr>
<td>Master Gopal CHHETRI</td>
<td>Bhutanese</td>
<td>No Oath (Minor)</td>
</tr>
<tr>
<td>Mr Alexandre Luiz BARRETO DE PAIVA</td>
<td>Brazilian</td>
<td>Oath</td>
</tr>
<tr>
<td>Mrs Elisabete BUZAS STOWERS-HULL</td>
<td>Brazilian</td>
<td>Oath</td>
</tr>
<tr>
<td>Mr Jeremy Peter CROWLEY</td>
<td>British</td>
<td>Affirmation</td>
</tr>
<tr>
<td>Mr Craig Ian DAKIN</td>
<td>British</td>
<td>Affirmation</td>
</tr>
</tbody>
</table>
Mr Christopher Paul WHITMORE          British          Oath
Mrs Cherrie LAWSON-WHITMORE          British          Oath
Mrs Mirjana MOFFAT                   Croatian         Oath
Mr Lars Rath PEDERSEN                Danish           Affirmation
Mr Colin BROWN                       Dutch            Oath
Mr Esmeraldo Frondarina DAGDAG       Filipino         Oath
Mr Eddie Santos IGNACIO              Filipino         Oath
Mrs Mary Grace Silvestre IGNACIO     Filipino         Oath

14. MEETING CLOSURE
Minutes of a meeting of the Council held on Thursday 21 April 2016, commencing at 8.30am in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Mayor Margaret Kouvelis (Chairperson)
Cr Steve Bielski
Cr Barbara Cameron
Cr Shane Casey
Cr Wayne Ellery
Cr Jo Heslop
Cr Albert James
Cr Tony Jensen
Cr Andrew Quarrie
Cr Alison Short
Cr Howard Voss

IN ATTENDANCE: Shayne Harris (Acting Chief Executive)
Brent Limmer (General Manager - Community and Strategy)
Hamish Waugh (General Manager – Infrastructure)
Michael Hawker (Project Delivery Manager)
Janine Hawthorn (Community Development Officer)
Doug Tate (Community Facilities Manager)
Sandra Crosbie (Communications Officer)
Colleen Morris (Principal Financial Adviser)
Alta Els (Business Improvement Adviser)
Tineke Naylor (Executive Officer to the Mayor)
Allie Dunn (Business Support Team Leader)

MDC 16/281 MEETING OPENING

Pastor Ian Thompson, of The Hub Church, opened the meeting in prayer.

MDC 16/282 APOLOGIES

There were no apologies.

MDC 16/283 REQUESTS FOR LEAVE OF ABSENCE

RESOLVED

That Councillor Albert James be granted leave of absence from 17 May 2016 to 21 May 2016.

Moved by: Councillor Barbara Cameron
Seconded by: Councillor Howard Voss
CARRIED
MDC 16/284 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Council meeting held 17 March 2016, and extraordinary Council meeting held 30 March 2016, be adopted as a true and correct record.

Moved by: Councillor Tony Jensen
Seconded by: Councillor Wayne Ellery
CARRIED

MDC 16/285 DECLARATIONS OF INTEREST

There were no declarations of interest.

MDC 16/286 PUBLIC FORUM - KYLE BROWN

Kyle Brown, recipient of a Representative Grant to attend the Junior Touch Rugby Nationals held in Christchurch on 11 February 2016 as a member of the Manawatu U15 boys Touch Team, spoke about his experience at the competition. Out of the nine games he played in, they won four games and lost five games. Their final standing was eighth out of the fourteen teams participating.

MDC 16/287 PUBLIC FORUM - FEILDING HIGH SCHOOL TRACK AND FIELD TEAM

Members of the Feilding High School Track and Field Team, recipients of a Representative Grant to attend the 2015 New Zealand Secondary Schools Track and Field and Road Athletic Championships held in Timaru from 4 to 6 December 2015, spoke about their experiences at the championships. They gave a powerpoint presentation that highlighted results that the members had achieved. They noted that they were training in Palmerston North and Masterton as there were no suitable training facilities for discus and hammer locally.

MDC 16/288 PUBLIC FORUM - STEP ‘N THYME

Fay Tunnicliffe and Val Talbot, recipients of a representative grant to attend the Nationals for Leisure Marching held in Invercargill in March 2016, thanked Council for the grant and spoke about their experience at the nationals. They noted that they practice twice each week, learn a new display each year and hold a display day each year in November. This year’s display day would be at the Civic Centre on 27 November 2016.

MDC 16/289 NOTIFICATION OF LATE ITEMS

There were no late items notified for consideration.

MDC 16/290 RECOMMENDATION FROM STRATEGIC PLANNING AND POLICY COMMITTEE – LOCAL ECONOMIC DEVELOPMENT SERVICES

Report of the General Manager – Community and Strategy dated 22 March 2016 presenting for consideration and adoption recommendations of the Strategic
Planning and Policy Committee meeting held on 17 March 2016 proposing options about future funding and delivery of local economic development services.

RESOLVED

1. That Council agrees to contribute $80,000 per annum of existing funding currently used to purchase Information Services to the Central Economic Development Agency for the provision of Information Services in the Manawatu District.

2. That Council agrees to contribute $23,000 per annum of existing funding currently used towards renting a building to the Central Economic Development Agency as a contribution towards accommodation costs.

3. That Council agrees to administer the current Central Business District Security service at a cost of approximately $79,000 per annum.

4. That Council agrees to transfer $100,000 per annum of existing funding used to purchase events and other local economic development services to the Community Development Fund for events and local economic development services that meet the criteria of Community Development Funding Policy.

5. That Council agrees to transfer $77,000 per annum of existing funding into the internal Economic Development Opportunity and Collaboration budget to be used on any opportunities, shared projects, local services and or further support for the Central Economic Development Agency.

Moved by: Councillor Tony Jensen

Seconded by: Councillor Shane Casey

CARRIED

MDC 16/291 HIWINUI COMMUNITY COMMITTEE

Report of the General Manager – Community and Strategy dated 6 April 2016 to consider a deviation from Council’s Community Committee policy to allow for the continuation of the Hiwinui Community Committee in its current form, beyond the 2016 Local Government Elections.

RESOLVED

That Council agree to deviate from its Community Committee policy to allow the Hiwinui Community Committee to continue in its current form beyond the 2016 Local Government Election, being held on 8 October 2016, for a further three-year term thereby avoiding the need to hold a public meeting to elect a new Committee.

Moved by: Councillor Barbara Cameron
Seconded by: Councillor Jo Heslop

CARRIED

MDC 16/292 MAKINO AQUATIC CENTRE REDEVELOPMENT – APPLICATION FOR FUNDING

Report of the General Manager – Community and Strategy dated 1 April 2016 seeking a resolution of Council to apply to Pub Charity for funding of $60,666 towards furniture for the Makino Aquatic Centre Redevelopment Project.

RESOLVED

That Council apply to Pub Charity for funding of $60,666 for the purchase of furniture for the Makino Aquatic Centre Redevelopment Project.

Moved by: Councillor Alison Short

Seconded by: Councillor Albert James

CARRIED

MDC 16/293 RISK APPETITE STATEMENT


RESOLVED

That the Risk Appetite Statement be adopted.

Moved by: Councillor Wayne Ellery

Seconded by: Councillor Howard Voss

CARRIED

MDC 16/294 ADOPTION OF FOOD ACT 2014 FEES AND CHARGES


RESOLVED

That Council adopt the following Food Act 2014 fees and charges with an effective date of 22 April 2016:

<table>
<thead>
<tr>
<th>Function</th>
<th>Fees (inclusive GST)</th>
<th>Timing of payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration Application for registration of Food Control Plan based upon a template or model issued by MPI of</td>
<td>$233 fixed fee Based on: 1.5 hour EHO (@$138/hr) 0.25 hour admin (@$104/hr)</td>
<td>Payable on application for registration</td>
</tr>
<tr>
<td>Function</td>
<td>Fees (inclusive GST)</td>
<td>Timing of payment</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>a business subject to a National Programme</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewal of Registration Application for renewal of registration</td>
<td>$164 fixed fee Based on: 1 hour EHO (@$138/hr) 0.25 hour Admin (@$104/hr)</td>
<td>Payable on application for registration</td>
</tr>
<tr>
<td>Amendment to Registration Amendment to registered food control plan based on a template or model issued by MPI or to registration of a business subject to a National Programme</td>
<td>$138/hr for every hour of processing time by EHO</td>
<td>Invoiced to applicant upon issue of registration. Payable within 20 working days of issue of invoice.</td>
</tr>
<tr>
<td>Verification Verification including site visits and compliance checks with food plans. Also covers any follow up verification site visits to check remedial actions.</td>
<td>$138/hr</td>
<td>Invoiced to applicant upon issue of registration. Payable within 20 working days of issue of invoice.</td>
</tr>
<tr>
<td>Compliance and Monitoring</td>
<td>$138/hr</td>
<td>Payable within 20 working days of issue of invoice.</td>
</tr>
<tr>
<td>• Complaint driven investigation resulting in issue of improvement notice by food safety officer</td>
<td>$138/hr</td>
<td></td>
</tr>
<tr>
<td>• Application for review of issue of improvement notice</td>
<td>$138/hr</td>
<td></td>
</tr>
<tr>
<td>• Monitoring of food safety and suitability</td>
<td>$138/hr</td>
<td></td>
</tr>
<tr>
<td>Premises transitioning to Food Act 2014</td>
<td>Food hygiene registration payment will be transferred to the Food Act</td>
<td>Payable on application for registration</td>
</tr>
</tbody>
</table>
Moved by:  Councillor Tony Jensen  
Seconded by:  Councillor Jo Heslop  
CARRIED  

MDC 16/295 Elected Members Remuneration 2016-17 – Submission to Remuneration Authority  


It was agreed that this item of business would be adjourned until after the morning tea break.  

MDC 16/296 LGNZ Conference and AGM 2016  


RESOLVED  

That Her Worship the Mayor Margaret Kouvelis, Deputy Mayor Tony Jensen, Councillors Barbara Cameron, Alison Short and Howard Voss and incoming Chief Executive Richard Templer attend the 2016 Local Government New Zealand Conference in Dunedin.  

Moved by:  Councillor Tony Jensen  
Seconded by:  Councillor Albert James  
CARRIED  

MDC 16/297 Application of the Common Seal  

Report of the General Manager – Business dated 8 April 2016 informing Council of documents that have been sealed under the Common Seal under delegation since the last schedule was prepared.  

RESOLVED  

That the following schedule of Sealed Documents be received.  

<table>
<thead>
<tr>
<th>Date</th>
<th>Document</th>
<th>Party to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/02/2016</td>
<td>Warrants of authority for newly appointed officer</td>
<td>Warrants issued to officer</td>
</tr>
</tbody>
</table>
MINUTES  |  MEETING  |  TIME
---|---|---
COUNCIL | THURSDAY 21 APRIL 2016 | 8.30AM

Date  |  Document  |  Party to:
---|---|---
Environmental Health officer – Laurie Franks

Moved by:  Councillor Howard Voss
Seconded by:  Councillor Alison Short
CARRIED

MDC 16/298 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

The meeting adjourned for a tea break at 9.55am and reconvened at 10.15am

MDC 16/295 ELECTED MEMBERS REMUNERATION 2016-17 – SUBMISSION TO REMUNERATION AUTHORITY – RECONVENED ITEM


RESOLVED

That the Council propose the following positions to receive additional payments for submission to the Remuneration Authority for approval:

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Position Description</th>
<th>Estimation of extra time involved in carrying out the additional responsibilities</th>
<th>% Additional Pay recommended above base Councillor rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy Mayor</td>
<td>Responsibility to assist and deputise for the Mayor in a range of civic, regional and national forums. Chairing of Council meetings in the absence of the Mayor.</td>
<td>40% more than a Councillor with no additional responsibilities</td>
<td>40%</td>
</tr>
<tr>
<td>Committee Chairperson</td>
<td>Responsibility for chairing of committee meetings and efficient running of the</td>
<td>25% more than a Councillor with no</td>
<td>25%</td>
</tr>
</tbody>
</table>
Moved by: Tony Jensen
Seconded by: Shane Casey
CARRIED

MDC 16/299 PUBLIC EXCLUDED BUSINESS

RESOLVED

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

a) Confirmation of public excluded minutes
b) Reappointment of Trustees to Feilding Civic Centre Trust
c) Manawatu Community Trust Trustee Vacancies

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

<table>
<thead>
<tr>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Grounds under Section 48(1) for the passing of this resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Confirmation of minutes re Feilding Civic Centre Trust Trustee Vacancies, Review of Three Waters Reticulation and Appointment of Chief Executive</td>
<td>Section 7(2)(a) - protect the privacy of natural persons, including that of deceased natural persons; and Section 7(2)(i) – enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</td>
<td>Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.</td>
</tr>
</tbody>
</table>
COUNCIL THURSDAY 21 APRIL 2016 8.30AM

General subject of each matter to be considered

Reason for passing this resolution in relation to each matter

Grounds under Section 48(1) for the passing of this resolution

b) Reappointment of Trustees to Feilding Civic Centre Trust
Section 7(2)(a) - protect the privacy of natural persons, including that of deceased natural persons

As above

As above

c) Manawatu Community Trust Trustee Vacancies

As above

As above

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

Moved by: Councillor Wayne Ellery

Seconded by: Councillor Albert James

CARRIED

The meeting went into public excluded session at 10.18am and resumed open session at 10.25am. For items MDC 16/300 to MDC 16/304 refer to public excluded minutes.

MDC 16/305 REAPPOINTMENT OF TRUSTEES TO FEILDING CIVIC CENTRE TRUST BOARD

Report of the General Manager – Community and Strategy dated 18 March 2016 seeking reappointment of Trustees to the Feilding Civic Centre Trust Board.

RESOLVED

That Council reappoints Stuart Osborne, Lindsay Taylor and Tony Chapman as Trustees to the Feilding Civic Centre Trust Board for a further term of 18 months.

Moved by: Councillor Alison Short

Seconded by: Councillor Albert James

CARRIED

MDC 16/306 MANAWATU COMMUNITY TRUST TRUSTEE VACANCIES

Report of the General Manager – Community and Strategy dated 7 March 2016 presenting the options available to fill vacancies on the Manawatu Community Trust board due to Trustees David Broderick and Rod Titcombe’s terms expiring on 30 June 2016.
RESOLVED

1. That the Council advertises the two Trustee vacancies as per Council’s Appointment of Directors Policy.

2. That an ad hoc committee appointed by Her Worship the Mayor consider applications and make a recommendation to Council to appoint two Trustees by 23 June 2016.

Moved by: Councillor Wayne Ellery
Seconded by: Councillor Howard Voss

CARRIED

MDC 16/307 MEETING CLOSURE

Her Worship the Mayor declared the meeting closed at 10.26am.

Approved and adopted as a true and correct record:

__________________________________________________________________________
CHAIRPERSON

__________________________________________________________________________
DATE
Minutes of an extraordinary meeting of the Council held on Wednesday 27 April 2016, commencing at 1.30pm in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Mayor Margaret Kouvelis (Chairperson)
Cr Steve Bielski
Cr Barbara Cameron
Cr Shane Casey
Cr Wayne Ellery
Cr Jo Heslop
Cr Albert James
Cr Tony Jensen
Cr Andrew Quarrie
Cr Alison Short
Cr Howard Voss

IN ATTENDANCE:
Shayne Harris (Acting Chief Executive)
Brent Limmer (General Manager - Community and Strategy)
Hamish Waugh (General Manager – Infrastructure)
Michael Hawker (Project Delivery Manager)
Glenn Young (Utility Projects Manager)
Chris Pepper (Senior Projects Engineer)
Veronique Lim (Graduate Engineer)
Andrew van Bussell (Operations Manager)
Tracey Hunt (Strategy Manager)
Colleen Morris (Principal Financial Adviser)
Wendy Thompson (Principal Planning Adviser)
Cynthia Ward (Senior Policy Planner)
Andrea Harris (Opus International Consultants Ltd)
Paul Stein (Communications Adviser)
Sandra Crosbie (Communications Officer)
Allie Dunn (Business Support Team Leader)

MDC 16/308 MEETING OPENING

Her Worship the Mayor declared the meeting open.

MDC 16/309 APOLOGIES

There were no apologies.

MDC 16/310 REQUESTS FOR LEAVE OF ABSENCE

There were no requests for leave of absence.

MDC 16/311 DECLARATIONS OF INTEREST

There were no declarations of interest.

MDC 16/312 NOTIFICATION OF LATE ITEMS

There were no late items notified for consideration.
MINUTES
EXTRAORDINARY MEETING
COUNCIL
WEDNESDAY 27 APRIL 2016
TIME
1.30PM

MDC 16/313 SECTIONAL DISTRICT PLAN REVIEW – PROPOSED PLAN CHANGE 55 – DISTRICT WIDE RULES


RESOLVED


That the General Manager – Community and Strategy be authorised to make minor amendments to proposed Plan Change 55 prior to public notification.

Moved by: Councillor Tony Jensen
Seconded by: Councillor Howard Voss

CARRIED

MDC 16/314 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

MDC 16/315 MEETING CLOSURE

Her Worship the Mayor declared the meeting closed at 2.05pm.

Approved and adopted as a true and correct record:

----------------------------------------
CHAIRPERSON DATE
Tangimoana Community Committee

Purpose

To consider a deviation from Council’s Community Committee policy to allow for the continuation of the Tangimoana Community Committee in its current form, beyond the 2016 Local Government Elections.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That Council agree to deviate from its Community Committee policy to allow the Tangimoana Community Committee to continue in its current form beyond the 2016 Local Government Election, being held on 8 October 2016, for a further three-year term thereby avoiding the need to hold a public meeting to elect a new Committee.

Report prepared by:
Janine Hawthorn
Community Development Adviser

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2 Background

2.1 The Tangimoana Community Committee had been in recess for a number of years and was re-established in 2013. Since that time, the Committee had been struggling to retain its members with the Committee operating for a period of time with only three.

2.2 Council received notification from the Chairperson of the Tangimoana Community Committee in April 2015 that the remaining three members of the Committee would be resigning. This would therefore result in the Tangimoana Community Committee going back into recess.

2.3 Following this advice from the Chairperson, Council hosted a public meeting on 2 May 2015 to gauge whether there was any support from within the community for a Committee to continue in Tangimoana.

2.4 Approximately 80 people attended the public meeting with unanimous support for a Committee to continue in Tangimoana with nine members being appointed from the floor.

3 Discussion and Options considered

3.1 Council’s current Community Committee policy states that all community committees’ term of membership shall generally coincide with local government terms of office i.e. three years.

3.2 The Council calls public meetings in each community in order to elect committees as soon as practicable after each local government election.

3.3 The next local government election is being held on 8 October 2016.

3.4 The current Tangimoana Community Committee has only been in office for 12-months and although it is a very enthusiastic Committee, it is only just now starting to build a relationship with not only its community but with Council in progressing projects.

4 Operational Implications

4.1 There are no capital or operating expenditure implications or maintenance costs associated with this paper.
5 Financial implications

5.1 There are no financial implications.

6 Statutory Requirements

6.1 There are no statutory requirements associated with this paper.

7 Delegations

7.1 Council has the authority to make a decision on this matter.

8 Consultation

8.1 There is no consultation required in relation to this matter.

9 Cultural Considerations

9.1 There is no cultural consideration required for this paper.

10 Conclusion

10.1 Given the short time since the current Tangimoana Community Committee has been in office, it would be counter-productive to put not only the Committee but the community through the process of having to re-elect a new Committee which may result in losing the momentum that has been built with this Committee over the last 12-months.
Council Meeting

Meeting of 19 May 2016

Business Unit: Community and Strategy
Date Created: 26 April 2016

District Plan Review Budget

Purpose

Seeking Council permission to bring forward existing expenditure for the District Plan Review.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Council agree to bring forward up to $151,000 from existing budget in 2016/17 to 2015/16 for the District Plan Review.

Report prepared by:
Tracey Hunt
Strategy Manager

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

2 Background and discussion

2.1 Council is currently reviewing the District Plan. This is a legal requirement as per the Resource Management Act 1991.

2.2 Reviewing the District Plan is a complex project undertaken every 10 years. It requires assistance from technical subject matter experts, lawyers and commissioners. These external consultants work alongside of the Council’s Planning Team to ensure that the review is based on robust evidence, is fully integrated and is legally compliant.

2.3 Significant progress is being made on the District Plan Review. Informal feedback stage of the process has been completed and has enabled the Council to respond and address to issues raised by the community during this phase. In some cases this has required additional assistance from external consultants, additional time and additional budget. This is not unexpected for a project of this nature.

2.4 Additional funding is required as the budget of $341,000 for the 2015/16 is now exhausted. In the 2016/17 year, $259,000 has been included in the budget to continue with the District Plan Review. However, to enable progress to continue without delay it is proposed that up to $151,000 of this budget be brought forward to be used in 2015/16. This will leave a remaining $107,500 to be spent in 2016/17. This proposal has been discussed during Key Status Project Reporting on the District Plan in April and also during 2016/17 Annual Plan deliberations.

2.5 The Planning Team are working alongside consultants recently involved in District Plan Reviews and hearings in other local authorities. Based on their experience they have now advised that the remaining 2016/17 budget of $107,500 will not be enough to cover legal fees, further specialist advice and the hearing costs required to complete the Review. Council has signalled support for the additional funding and a separate decision to increase funding in 2016/17 by $300,000 has been provisionally agreed to through the 2016/17 Annual Plan. This decision will be confirmed when the Annual Plan is adopted on 23 June 2016.

3 Options

3.1 Council may choose to bring forward up to $151,000 from 2016/17 to 2015/16. This is the Officer’s preferred option and would enable the agreed District Plan Review programme to continue without delay.
3.2 Council may choose to decline the request to bring forward $151,000 from 2016/17 to 2015/16. The District Plan Review programme would be significantly delayed by this decision.

4 Operational Implications
4.1 Not applicable.

5 Financial implications
5.1 There is no financial impact as a result of this decision. The funding requested in this report is already in budget.

6 Statutory Requirements
6.1 Council is currently reviewing the District Plan. This is a legal requirement as per the Resource Management Act 1991.

7 Delegations
7.1 Council has delegated authority to make a decision on this matter.

8 Consultation
8.1 Community consultation has not been undertaken on the proposal to reschedule funding.

9 Cultural Considerations
9.1 The District Plan Review team has engaged with Nga Manu Taiko and Te Kaunihera Working Party.

10 Conclusion
11 Additional funding of up to $151,000 is required in 2015/16 to complete the District Plan Review programme. It is proposed that this funding be brought forward from the existing budget in 2016/17.
Capital Expenditure for In-house Reticulation Service

Purpose

The purpose of this report is to obtain Council’s approval for unbudgeted capital expenditure in relation to the three waters in-house reticulation service.

Significance of decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That Council approve unbudgeted capital expenditure of $538,000 in the 2015/16 financial year for the establishment of the three waters in-house reticulation service.

2. That council approve new loan raising for $538,000 in the 2015/16 financial year to fund the capital expenditure required to establish the three waters in-house reticulation service.

Report prepared by:
Colleen Morris
Principal Financial Adviser

Approved for submission by:
Hamish Waugh
General Manager - Infrastructure
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2 Background

2.1 At its meeting of 17 March 2016 Council approved the three waters reticulation operations and maintenance to be delivered as an in-house function.

2.2 A capital investment is required to equip the team to enable them to deliver the service. The reticulation team will be based at the Feilding Wastewater Treatment Plant (FWWTP) that will facilitate the sharing of resources to minimise the cost. A relocatable building will be purchased and sited next to the main building.

2.3 A portion of the capital work is considered renewals to the existing building and will be covered by the existing renewal budget for the FWWTP. This work includes reroofing the storage shed and refurbishing the ablution facilities.

2.4 Capital expenditure totalling $538,000 is required to establish the service

- Site work – office building and up-grading the storage sheds $90,000
- Heavy plant – vehicles, trailers and diggers $279,000
- Other equipment $82,000
- Computers and office furniture $17,000
- Inventory – vehicle stock, on-site stock and critical spares $70,000

**Total $538,000**

2.5 This is new capital and does not replace any assets already owned by Council. There are no existing funds available to fund this. In line with the Council’s Financial Strategy, this expenditure will be funded by loan funds.

2.6 Leasing the larger plant items (truck and digger) has been considered however the annual cost of the lease greatly exceeds the annual cost of owning the assets (including interest).

2.7 Capital expenditure is required to be spent in the 2015/16 financial year to ensure the service is operational on 1 July 2016. There is no capital budget in the 2015/16 year for this activity.
3 Discussion and options considered

3.1 During the process of obtaining costs, leasing of heavy plant was considered. However, the cost of leasing was greater than the cost of owning the assets.

3.2 There are a number of plant items that have not been included in the cost. The usage of these plant items is unknown at this stage. Plant will be hired as required, until we have determined our usage of the items and whether it is more economical to purchase.

4 Operational implications

4.1 The Long Term Plan allowed contract expenditure to cover all costs of this service. All future operational costs associated with bringing this service in-house are comparable to the contract costs. Operational costs include depreciation and interest.

5 Financial implications

5.1 There is no budget for this expenditure in the Long Term Plan. This report requests Council to approve the budget and associated loans for this expenditure.

5.2 In the Long Term Plan, Council’s proposed borrowings come close to its borrowing cap, as set in the Financial Strategy, particularly in years four to six. Underspending this year has provided an increased buffer between our proposed borrowings and the cap. However, it is likely that a portion of the underspent capital expenditure will be carried forward to future years. We will continue to be vigilant of our borrowing levels in future years.

5.3 The operating costs of running the reticulation team in-house are comparable to the cost of out-sourcing the service. The operating costs associated with the in-house service include the depreciation and interest costs resulting from the capital expenditure included in this report. There is no change to the 2016/17 overall operating cost to Council.

6 Statutory Requirements

6.1 There are no statutory requirements in relation to this report.

7 Delegations

7.1 Council is required to approve any new loan borrowing and unbudgeted capital expenditure greater than $100,000.

8 Consultation

8.1 There are no community consultation requirements associated with this matter.

9 Cultural considerations

9.1 There are no cultural considerations to be taken into account in relation to this matter.
10 Conclusion

10.1 Council approval is requested for unbudgeted capital expenditure of $538,000 for the establishment of the three waters in-house reticulation service. This expenditure is to be funded by loans.
Change of Directors for Heartland Contractors Limited

Purpose

The purpose of this report is to obtain Council approval to appoint Richard Templer as a Director of Heartland Contractors Limited.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That Council approves the appointment of a Director to Heartland Contractors Limited without advertising.

2. That the Council appoints the Chief Executive, Richard Templer, as a Director of Heartland Contractors Limited.

Report prepared by:
Colleen Morris
Principal Financial Adviser

Approved for submission by:
Shayne Harris
General Manager - Business
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
</table>

2 Background

2.1 Council owns 100% of Heartland Contractors Limited. The company has not operated since March 2002. Council continues to keep the company registered as it has significant income tax losses that can be utilised in the future if Council were to become involved in taxable activities.

2.2 As the company is inactive in 2009, Council replaced the external directors with the Mayor, Deputy Mayor and Chief Executive. As the company is not involved in any activity there can be no perceived conflict of interest.

2.3 Following the appointment of a new Chief Executive, Council is required to appoint him as director of the company.

3 Discussion and Options considered

3.1 No alternative options have been considered.

4 Operational Implications

4.1 There are no expenditure or operational implications with this paper.

5 Financial implications

5.1 There are no financial implications.

6 Statutory Requirements

6.1 There are no statutory requirements.

7 Delegations

7.1 The Director – Appointment of, to Council Organisations and Council Controlled Organisations, and Remuneration Policy applies.
7.2 The policy requires Council to make a decision on whether to advertise the director’s vacancy or to make the appointment without advertising. As the company was inactive in 2009, it was agreed that the Mayor, Deputy Mayor and the Chief Executive would be directors until the company became active. It is recommended that we follow this decision and appoint the director without advertising the position.

8 Consultation

8.1 No consultation is required.

9 Cultural Considerations

9.1 There are no cultural considerations to be addressed.

10 Conclusion

10.1 Council are requested to appoint the Chief Executive, Richard Templer, as a Director of Heartland Contractors Limited.
Council
Meeting of 19 May 2016

Business Unit: Business
Date Created: 19 April 2016

Purchase of additional Manawatu-Wanganui LASS Limited share

Purpose

The purpose of this report is to obtain Council approval for the purchase of an additional $15,000 share capital in Manawatu-Wanganui LASS Limited (MW LASS).

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That Council approve the purchase of an additional $15,000 share capital in Manawatu-Wanganui LASS Limited.

Report prepared by:
Colleen Morris
Principal Financial Adviser

Approved for submission by:
Shayne Harris
General Manager - Business
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
</table>

2 Background

2.1 Council is one of seven councils with equal shares in MW LASS. The seven councils include the councils within Horizons regional with the exception of Palmerston North City Council. Our current investment is $1,000.

2.2 MW LASS is tasked with identifying and facilitating shared services within the region. Examples of projects under the MW LASS umbrella include:

- Shared insurance project
- Archives Central
- Internal audit
- Rating valuations and District Valuation Roles
- Regional information systems strategy plan
- Debt Management Central

2.3 The company operates to break even. Currently MW LASS budgets for projects and then charges participating councils a share of the proposed costs. In the past, this has created surpluses within the company, which are then credited back to the participants. To avoid this process it is proposed that the company invoice actual costs in arrears. Additional working capital is required to enable the revised process.

2.4 Currently the company has issued a credit note of $15,000 for unspent project contributions. This will be used to offset the additional share capital contribution.

3 Discussion and Options considered

3.1 The Investment Policy states:

“Shares are held for strategic purposes that facilitate other activities within Council. Shares are not purchased solely for investment purposes.”

3.2 The additional investment in the company is to increase the company’s capacity to facilitate share services within the region. It provides the company with additional working capital to continue with projects.
4  Operational Implications
4.1 There are no operating implications.

5  Financial implications
5.1 This investment is a Treasury investment and will be funded by existing cash and investments. It is exchanging one investment (in this case a debtor) for another. There are no other financial implications.
5.2 As the additional share capital investment will be offset by a credit note received from the company the transaction will be cash neutral.

6  Statutory Requirements
6.1 There are no statutory requirements.

7  Delegations
7.1 The Investment Policy requires the investment and disposal of equity investments to be approved by Council.

8  Consultation
8.1 No consultation is required.

9  Cultural Considerations
9.1 There are no cultural considerations to be addressed.

10 Conclusion
10.1 Council is requested to approve the purchase of an additional $15,000 share capital in Manawatu-Wanganui LASS Limited.
Council

Meeting of 19 May 2016

Business Unit: Business
Date Created: 12 May 2016

Establishment of an Audit and Risk Committee

Purpose

The purpose of this report is to seek Council approval to establish an Audit and Risk Committee.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That the Council approves the establishment of an Audit and Risk Committee.

2. That the Council approves the following terms of reference for the Audit and Risk Committee:

   2.1 Membership shall be as defined in Clauses 3 and 4 of this report

   2.2 The Audit and Risk Committee shall report to Council

   2.3 The Audit and Risk Committee shall advise Council on all the following matters:

      1. Financial reporting including the following
         I. long term planning including the financial strategy;
         II. appropriateness of accounting policies;
         III. annual report; and
         IV. internal report (monthly and/or quarterly)

      2. Risk management and the system of internal controls
         I. setting the Council’s appetite for risk;
         II. understanding the key risk areas including likelihood and consequences;
         III. effectiveness of internal controls; and
         IV. fraud risk and procurement risk

      3. External audit
         I. relationship with auditor;
         II. understanding scope and engagement;
         III. review significant audit findings/recommendations; and
         IV. monitor progress on recommendations.
4. Internal audit

I. appointment and relationship with internal auditor;
II. scope of work; and
III. responses to internal audit recommendations.

2.4 The Audit and Risk Committee shall meet at least four times a year. The Chair of the Audit and Risk Committee may convene additional meetings, as they deem necessary.

2.5 The quorum of the committee shall be three members present at a meeting.

2.6 The Chief Executive is responsible for the operational reporting to the committee

3. That Council approves the appointment of the following, as members of the Audit and Risk Committee.

Mayor Margaret Kouvelis and three councillors. The be appointed by the Mayor.

4. That the Council approves the appointment of an independent member of the subcommittee. That person to be selected by the Audit and Risk Committee.

Report prepared by:
Shayne Harris
General Manager Business

1 **Background**

1.1 Following the last election in 2013, the Auditor General’s office suggested that local Authorities should consider establishing an Audit and Risk Committee.

1.2 The formation of an Audit and Risk Committee was further endorsed by Audit New Zealand in their recent Management report for the year ended 2015. In that report Audit New Zealand said:

“An effective Audit committee can have a positive impact on the identification and management of risk, while providing valuable support to management and the governing body. In March 2008, the Auditor General published a good practice guide, “Audit committees in the public sector”.

1.3 Below is an extract from the guidance:

“Audit committees have a valuable contribution to make in improving the governance, and so the performance and accountability, or all public entities. They can play an important role in examining an organisations policies, processes, systems, and controls. An effective audit committee shows that the organisation is committed to a culture of openness and continuous improvement.”

1.4 To date the Manawatu District Council has incorporated the responsibility of the Audit function into the terms of reference of the Strategic Planning and Policy (SP&P) committee. Below is the extract for the SP&P Committee terms of reference.
To liaise from time to time with representatives of the Office of the Auditor-General and Audit New Zealand; and
By arrangement with the Chief Executive, receive reports and meet, as appropriate, with the Council’s internal audit service provider.

1.4 There is no mention in any of the Council committees’ terms of reference, which relates to managing risk.

2 Discussion and Options considered

2.1 The Local Government Act 2002 (LGA) requires a local authority to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner, that promotes the current and future interests of the community.

2.2 The LGA also states that a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.

2.3 Whenever local government undertakes action to support their intended outcomes, there will always be risk. These risks cannot be avoided but must be identified and managed.

2.4 The role of an audit and risk committee is to use good governance skills to gain an assurance that risks have been identified and where possible have been mitigated. An audit and risk committee is the ideal structure to achieve this.

2.5 The role of elected members is to set direction and context within which the administration can operate, to exercise stewardship of the community’s assets for today and the future, and to manage risk, promote transparency and strengthen accountability.

2.6 It is the role of governance to ensure the integrity and reliability of financial reporting which are cornerstones of transparency and accountability. Auditing does assist in that process.

2.7 In all actions, there are risks, financial and non-financial. These risks must be identified, mitigated and then managed. This is the role of management. The role for governance is to gain an assurance that there is a robust process to manage risks appropriately.

2.8 An audit and risk committee in a local government setting has four key areas of focus:

1. Financial reporting including the following
   I. long term planning including the financial strategy;
   II. appropriateness of accounting policies;
   III. annual report; and
   IV. quarterly report

2. Risk management and the system of internal controls
   I. setting the Council’s appetite for risk;
   II. understanding the key risk areas including likelihood and consequences;
   III. effectiveness of internal controls; and
   IV. fraud risk and procurement risk

3. External audit
   I. relationship with auditor;
   II. understanding scope and engagement;
III. review significant audit findings/recommendations; and
IV. monitor progress on recommendations.

4. Internal audit
   I. appointment and relationship with internal auditor;
   II. scope of work; and
   III. responses to internal audit recommendations.

3 Operational Implications
3.1 There are no specific operational implications. Resourcing for the committee will come from existing staffing. It is acknowledged that internal and external reporting will require change.

4 Financial implications
4.1 The financial consideration for the establishment of this committee was presented to Council as part of a submission to the Annual Plan by the General Manager – Business.
4.2 The financial impact is an increase in budget of $15,000.
4.3 All other support for the committee will come from existing resourcing.

5 Statutory Requirements
5.1 Schedule 7 to the Local Government Act 2002 sets out the ability of the Council to appoint subordinate decision-making structures. Clauses 30, 31 and 32 contain powers for the Council to appoint committees, subcommittees and joint committees; set the membership of committees and subcommittees, and delegate authority to the committees and subcommittees.
5.2 The Council has the ability under Clause 31(3) of the Local Government Act 2002 to appoint a non-elected member as a member of the committee.
5.3 The operation of the Audit and Risk Committee will be in accordance with the best practice guidelines for Audit and Risk committees issued by the Auditor General’s Office.

6 Delegations
6.1 Council will delegate the authorities referred to in the Audit and Risk Committee terms of Reference.

7 Consultation
7.1 There is no requirement for any consultation in forming an Audit and Risk Committee

8 Cultural Considerations
8.1 There are no cultural considerations to be taken into account.
9 Conclusion

9.1 It is my conclusion that an Audit and Risk Committee should be established, reporting to the Council. There is no doubt from the information received from the Auditor General’s Office and Audit New Zealand that forming an Audit and Risk Committee has significant advantages for the Council.
Amendment to Committee Terms of Reference

Purpose

To propose changes to the Terms of Reference of the Strategic Planning and Policy Committee and the Workshop Committee.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

1. That the Terms of Reference for the Strategic Planning and Policy Committee be amended to change the committee’s meeting cycle from “Following Council meeting on the third Thursday of each month …” to “The first Thursday of each month …”

2. That the Terms of Reference for the Workshop Committee be amended to change the committee’s meeting cycle from “The last Tuesday of each month” to “The first and third Thursdays of each month, following the preceding Council or Committee meeting.”

3. That the Schedule of Meetings for 2016 adopted by Council on 18 November 2015 be amended to reflect the changes to the meeting cycles for the Strategic Planning and Policy Committee and the Workshop Committee.

Report prepared by:
Allie Dunn
Business Support Team Leader - Corporate

Approved for submission by:
Shayne Harris
General Manager - Business
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

| Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga. | The Manawatu will attract and retain residents. | Manawatu district develops a broad economic base from its solid foundation in the primary sector. | Manawatu and its people are connected via quality infrastructure and technology. | Manawatu's built environment is safe, reliable and attractive. | Manawatu District Council is an agile and efficient organisation. |

2 Background

2.1 The adopted the current Terms of Reference for its committee structure at its inaugural meeting for the triennium held on 24 October 2013.

2.2 The Terms of Reference include the nomination of the days that the various committees hold their regular meetings.

2.3 It is proposed to amend the Terms of Reference for the Strategic Planning and Policy Committee, to improve the efficiency and effectiveness of its meetings.

3 Discussion and Options considered

3.1 The current Terms of Reference set the following day and time for meetings of Council and the Strategic Planning and Policy Committee:

- Council – Third Thursday of the month (8.30am)
- Strategic Planning and Policy Committee – Third Thursday of the month (8.45am)

3.2 The Council also holds a “Project Time” following the Council meeting where officers are able to update the Council on progress with projects that are underway.

3.3 A Workshop of the Council is held on the last Tuesday of each month, starting at 8.30am.

3.4 The current meeting cycle is illustrated in figure 1 below:
3.5  Holding the meetings of Council and the Strategic Planning and Policy Committee on the same day causes some inefficiencies. The business of Council usually takes longer than the 15 minutes currently allocated, especially when members of the public participate in the public forum at the beginning of the Council meeting.

3.6  Often there can be presenters arranged to speak at the Strategic Planning and Policy Committee, which necessitates the Council meeting being adjourned so that the presenters arranged for the Strategic Planning and Policy Committee are not kept waiting.

3.7  The Strategic Planning and Policy Committee often makes recommendations to Council for approval. Under the current structure there is a delay of four weeks from the time that the committee makes its recommendation until the day that the Council can consider and give its approval.

3.8  With the Strategic Planning and Policy Committee, and the Council meetings being held on the same day, the elected members are receiving papers for both meetings at the same time, and this has an impact on the amount of preparation they are needing to do prior to these meetings.

3.9  It is proposed to amend the Committee Terms of Reference so that the Strategic Planning and Policy Committee is held on a different day to the Council meeting. The proposed meeting cycle would see the Strategic Planning and Policy Committee meeting being held on the first Thursday of each month, to be followed by the Workshop Committee meeting.

3.10 Any recommendations from the Strategic Planning and Policy Committee would then be able to be included on the agenda for the Council meeting being held two weeks later.
3.11 The meeting of Council would remain scheduled for the third Thursday of each month, and this is proposed to be followed by the Workshop Committee meeting, replacing Project Time.

3.12 The workload for elected members relating to reading of reports and preparation prior to the meetings would be spread more evenly.

3.13 The proposed meeting cycle is illustrated in figure 2 below:

![Figure 2 Proposed Meeting Cycle](image)

4 Operational Implications

4.1 There are no capital / operating expenditure implications or maintenance costs associated with this report.

5 Financial implications

5.1 There are no financial implications associated with this paper.

6 Statutory Requirements

6.1 Schedule 7 to the Local Government Act 2002 sets outs the ability of the Council to appoint subordinate decision-making structures. Clauses 30, 31 and 32 contain powers for the Council to appoint committees, subcommittees and joint committees; set the membership of committees and subcommittees, and delegate authority to the committees and subcommittees.

6.2 The Council each year adopts a schedule of meetings for the coming year as set out in clause 19(6) the Local Government Act 2002. This schedule would be amended to reflect any changes in the meeting cycle adopted by Council, and the notification of the amended schedule would constitute notification of the amended meeting dates and times.
7 Delegations

7.1 The Council has the authority to appoint committees and delegate responsibilities, duties or powers in accordance with Clause 30 of Schedule 7 of the Local Government Act 2002.

7.2 Any changes to the Committee Terms of Reference would be reflected in the Council’s Delegations Manual.

8 Consultation

8.1 There are no consultation requirements associated with this matter.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this matter.

10 Conclusion

10.1 The amendment of the Committee Terms of Reference to move the day that the Strategic Planning and Policy Committee meetings are held, along with a change to the day and regularity of Workshops, will improve the efficiency and effectiveness of the Council’s decision-making.
Council

Meeting of 19 May 2016

Business Unit: Business
Date Created: 03 May 2016

Remuneration Authority - Submission of Members Allowance and Reimbursement Policy

Purpose

To adopt an elected members’ allowances and expense reimbursement policy for recommendation to the Remuneration Authority.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the Council adopt the Elected Members’ Allowances and Expense Reimbursement Policy for recommendation to the Remuneration Authority as follows:

<table>
<thead>
<tr>
<th>Position</th>
<th>Expense / Allowance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>All elected members</td>
<td>Taxis</td>
<td>Council expects the use of taxis to be moderate, conservative and cost effective relative to other transport option. Wherever practicable shuttle or bus services are to be used in lieu of taxis.</td>
</tr>
<tr>
<td>All elected members</td>
<td>Expenses relating to travel and attendance at conferences / seminars / training programmes</td>
<td>Elected members may incur travel and accommodation costs while conducting Council business elsewhere in New Zealand. As a general principle, travel cost for accompanying spouses, partners or other family members are a personal expense and will not be reimbursed by Council.</td>
</tr>
<tr>
<td>All elected members</td>
<td>Exceptional circumstances for council related meetings.</td>
<td>Council may arrange overnight accommodation when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.</td>
</tr>
<tr>
<td>Position</td>
<td>Expense / Allowance</td>
<td>Description</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>All elected members</td>
<td>General community related expenses</td>
<td>From time to time elected members may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at commemorative events. The Chief Executive should previously approve such expenditure. The items should be appropriate to the occasion and expenditure should be moderate and conservative.</td>
</tr>
<tr>
<td>Councillors</td>
<td>Vehicle mileage</td>
<td>Vehicle mileage will be paid as follows:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For visits to the Council office, members living more than 15 kilometres away from the Council office may claim the mileage allowances for distances travelled more than 30 kilometres in any one day.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Note: members living within 15 kilometres of the Council office will meet their own cost of getting to and from the Council office.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For other travel by members on Council business, no threshold distance will apply.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mileage will be paid up to the maximum rate per kilometre as set out in the current Remuneration Authority determination.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mileage will be paid to eligible members on receipt of a completed and signed mileage claim, and approved by the Chief Executive.</td>
</tr>
<tr>
<td>Councillors</td>
<td>Communications Allowance</td>
<td>Councillors may claim an allowance in accordance with the following limits:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Personal computer: $150</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Electronic tablet: $150</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Printer: $40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mobile phone: $60</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Internet connection: $250</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Council related toll and mobile charges: $400</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Note: the total allowance paid is not to exceed $1,050.</td>
</tr>
</tbody>
</table>
ELECTED MEMBERS’ ALLOWANCES AND EXPENSE REIMBURSEMENT POLICY

1 JULY 2016 TO 30 JUNE 2017

<table>
<thead>
<tr>
<th>Position</th>
<th>Expense / Allowance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>Vehicle</td>
<td>The Mayor will be provided with a vehicle for Council business only</td>
</tr>
<tr>
<td></td>
<td>Telephone costs</td>
<td>Full payment by Council of a mobile phone including rental and all Council associated charges.</td>
</tr>
<tr>
<td></td>
<td>Stationery and consumables</td>
<td>Supply of reasonable amounts of paper and printer consumables for Council business.</td>
</tr>
</tbody>
</table>

Report prepared by:
Allie Dunn
Business Support Team Leader - Corporate

Approved for submission by:
Shayne Harris
General Manager - Business

1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
<th>Manawatu District Council is an agile and efficient organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

2 Background

2.1 The responsibility for determining the remuneration, allowances and expenses payable to elected members of Councils sits with the Remuneration Authority.

2.2 The Remuneration Authority has advised Council that it has reviewed the allowances that it will be setting in its determination and noted that there will be an adjustment to the mileage allowances.

2.3 The Council is now required to review its Allowances and Expense Reimbursement Policy, and forward this to the Remuneration Authority for approval no later than 10 June 2016.
2.4 The Remuneration Authority's determination will apply from 1 July 2016, and will remain in place through to 30 June 2017.

3 Discussion and Options considered

3.1 The payment of allowances and reimbursement of expenses to elected members requires the approval of the Remuneration Authority.

3.2 In agreeing to any Council proposal for reimbursement of expenses and payment of allowances, the Remuneration Authority is required to satisfy itself that proposed expense reimbursement or allowance policies do not distort the remuneration of members, i.e. are more like additional remuneration payments than allowances for expenses.

3.3 It is also important to bear in mind the tax status of an elected member. The Inland Revenue Department classes elected members as self-employed for taxation purposes. This means elected members have the ability to claim deductions for expenses incurred in the course of carrying out their elected member duties as part of their annual tax return.

Current Allowances and Recovery Expenses Policy

3.4 The current policy allows for the following expenses and allowances:

<table>
<thead>
<tr>
<th>Position</th>
<th>Expense / Allowance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>All elected members</td>
<td>Taxis</td>
<td>Council expects the use of taxis to be moderate, conservative and cost effective relative to other transport option. Wherever practicable shuttle or bus services are to be used in lieu of taxis.</td>
</tr>
<tr>
<td>All elected members</td>
<td>Expenses relating to travel and attendance at conferences / seminars / training programmes</td>
<td>Elected members may incur travel and accommodation costs while conducting Council business elsewhere in New Zealand. As a general principle, travel cost for accompanying spouses, partners or other family members are a personal expense and will not be reimbursed by Council.</td>
</tr>
<tr>
<td>All elected members</td>
<td>Exceptional circumstances for council related meetings.</td>
<td>Council may arrange overnight accommodation when travel or business requirements do not allow for the return on the same day, e.g. if it is unreasonable for an elected member to travel to their home after a late meeting.</td>
</tr>
<tr>
<td>All elected members</td>
<td>General community related expenses</td>
<td>From time to time elected members may have unforeseen costs arise for items relating to community events, e.g. payment of koha, or purchasing a wreath for attendance at commemorative events. The Chief Executive should previously approve such expenditure. The items should be</td>
</tr>
<tr>
<td>Position</td>
<td>Expense / Allowance</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>All elected members</td>
<td>Vehicle mileage</td>
<td>Vehicle mileage will be paid for all travel on Council business that exceeds, in any one day, the relevant threshold distance. The threshold distance will be personal to each elected member. It will depend on the distance of a round commuting trip from the elected member’s home to the Council office:</td>
</tr>
</tbody>
</table>
|                   |                     | a) members living more than 15 kilometres away from the office may claim the allowance for round trip distances travelled more than 30 kilometres in any one day.  
|                   |                     | b) members living less than 15 kilometres away from the office may claim mileage for round trip distances travelled more than their round trip from home to the council office, in any one day. |
|                   |                     | Mileage will be paid up to the maximum rate per kilometre as set out in the current Remuneration Authority determination. |
|                   |                     | Mileage will be paid to eligible members on receipt of a completed and signed mileage claim, and approved by the Chief Executive. |
| Mayor             | Vehicle             | The Mayor will be provided with a vehicle for Council business only |
|                   | Telephone costs     | Full payment by Council of a mobile phone including rental and all Council associated charges. |
|                   | Stationery and consumables | Supply of reasonable amounts of paper and printer consumables for Council business. |

3.5 It is proposed that the above policy be amended to reflect the changes made to the mileage rules by the Remuneration Authority, and the addition of a Communications Allowance. These are detailed below.
Payments Set by the Remuneration Authority in its Determination

Mileage Allowance

3.6 The Remuneration Authority has made two changes to the allowance, as follows:

1 In line with the Inland Revenue Department’s decision last year, the first five thousand kilometres claimed should now be reimbursed at 74c per kilometre, instead of 77c at present. The rate for travel in excess of 5000 kilometres remains at 37c.

2 In response to issues raised by elected members, the 30 kilometre threshold will now apply only to visits to the Council office. For other travel by elected members, no threshold distance will apply.

Communications Allowance

3.7 The Remuneration Authority allows for a communications allowance to be paid to elected members. This recognises that particular communications equipment and services are required by members to perform their functions. If members are required to use their own equipment and communication services, the Council may pay an allowance in accordance with the following limits:

- Personal computer $150
- Electronic tablet $150
- Printer $40
- Mobile phone $60
- Internet connection $250
- Council related toll and mobile charges $400

3.8 Note: the total allowance paid is not to exceed $1,050.

3.9 The mileage and communications allowances have pro rata provisions for members not in position for the full twelve months of the determination. This affects both members who do not return after the election, and those who are elected for the first time in October.

4 Operational Implications

4.1 There are no capital / operating expenditure implications or maintenance costs associated with this paper.

5 Financial implications

5.1 The payment of allowances and reimbursement of elected member expenses has been budgeted for in the 2016-17 Annual Plan.

6 Statutory Requirements

6.1 The remuneration of elected members is governed by statute via the Local Government Act 2002. Part 1 of Schedule 7 of the Local Government Act 2002 sets out the requirements around the remuneration of members.
6.2 Section 6 of this part sets out the requirements for the Remuneration Authority to determine remuneration, allowances, and expenses payable to Mayors, Deputy Mayors, Committee Chairs and members of Councils.

6.3 Section 7 of this part sets out the mandatory criteria that the Remuneration Authority must have regard to in determining remuneration.

6.4 Section 9 of this part sets out the requirement for the Remuneration to deliver to the Minister of Local Government a copy of every determination it makes under clause 6 and to publish each determination in the Gazette within 14 days of delivering it to the Minister.

6.5 Section 19 of the Remuneration Authority Act 1977 applies to determinations made and those determinations made under this Act remain in force until superseded by a further determination.

7 Delegations

7.1 The Council has authority to make recommendations to the Remuneration Authority on this matter.

8 Consultation

8.1 There are no community consultation requirements associated with this matter. However it is a requirement of the Remuneration Authority that both the determination and the expenses policy be available for perusal by the public. These will be made available via the Council’s website.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this matter.

10 Conclusion

10.1 Council’s recommended policy for elected members’ expenses and allowances will be forwarded to the Remuneration Authority for approval.
Election 2016 - Order of Candidate Names on Voting Papers

Purpose

To seek a decision on the order in which the candidates’ names will be shown on the voting documents to be used at the 8 October 2016 elections.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations

That the names of the candidates for election to the Manawatu District Council at the 8 October 2016 Local Government elections be arranged on the voting documents in random order, by surname.

Report prepared by:
Allie Dunn
Business Support Team Leader - Corporate

Approved for submission by:
Shayne Harris
General Manager - Business
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand

<table>
<thead>
<tr>
<th>Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga.</th>
<th>The Manawatu will attract and retain residents.</th>
<th>Manawatu district develops a broad economic base from its solid foundation in the primary sector.</th>
<th>Manawatu and its people are connected via quality infrastructure and technology.</th>
<th>Manawatu’s built environment is safe, reliable and attractive.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2 Background

2.1 Clause 31(1) of the Local Electoral Regulations 2001 allows the Council to decide the order in which candidates’ names will be arranged on the voting documents.

2.2 In the absence of any Council resolution approving an alternative arrangement for the order of candidate names, the candidates’ names must be arranged in alphabetical order of surname.

3 Discussion and Options considered

3.1 The Council can decide to arrange the candidates’ names on the voting documents in pseudo-random order, random order, or alphabetical order, by surname. Any decision to choose an order of candidates’ names needs to be completed before 28 June 2016.

3.2 The features of each arrangement are described below:

Arrangement 1 - Pseudo-Random Order

3.3 Under this arrangement, the candidates’ names for each issue are placed in a ‘hat’ mixed together, and then drawn out, with the candidates’ names being placed on all voting documents for that issue in the order in which they are drawn.

3.4 The Regulations provide that if a local authority has determined that pseudo-random order is to be used, the Electoral Officer must state, in the public notice required to be given, the date, time and place at which the order of the candidates’ names will be arranged. Any person is then entitled to attend while the arrangement is in progress.

Arrangement 2 - Random Order

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

3.6 This is the arrangement used by the Manawatu District Council in the 2013 elections, and the preceding by-election.
Arrangement 3 - Alphabetical Order of Surname

3.7 This order is self-explanatory, and is the default order should the Council not adopt either of the available alternatives.

4 Operational Implications

4.1 There are no capital / operating expenditure implications or maintenance costs associated with this paper.

5 Financial implications

5.1 There are no financial implications associated with this matter.

6 Statutory Requirements

6.1 The statutory requirements are set out in Clause 31(1) Local Electoral Regulations 2001.

7 Delegations

7.1 The Council has authority to decide this matter.

8 Consultation

8.1 There are no community consultation requirements associated with this matter. However as the Manawatu District Council will also be conducting the election on behalf of Horizons Regional Council and MidCentral Health, discussions have been held with both Electoral Officers to see what order of candidates’ name system their respective organisations have adopted. Horizons has adopted the alphabetical order of surname method with MidCentral Health yet to make a decision but is anticipated that this also will be alphabetical order. Other Territorial Authorities in the Manawatu-Wanganui region have also been consulted and are mixed between alphabetical order and random order.

9 Cultural Considerations

9.1 There are no cultural considerations associated with this matter.

10 Conclusion

10.1 The Manawatu District Council has used the “random” order of candidates’ names at the previous election in 2013, and in the preceding by-election. There have been no issues reported relating to the order of candidates’ names at those elections.