

## **Minutes of a meeting of the Governance Committee**

**Held in Council Chamber, Civic House, Trafalgar Street, Nelson**

**On 6 November 2014, commencing at 9.01am**

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Present: Her Worship the Mayor (R Reese), Councillors I Barker, K Fulton, E Davy, P Matheson, B McGurk, G Noonan, P Rainey, John Peters, John Murray.

In Attendance: Chief Executive (C Hadley), Manager Communications (P Shattock), Group Manager Corporate Services (N Harrison), Senior Strategic Advisor (N McDonald), Group Manager Infrastructure (A Louverdis), Group Manager Community Services (C Ward), Senior Accountant (T Hughes), Manager Administration (P Langley), and Administration Adviser (F O'Brien)

Apology: Councillor L Acland

### **1. Apologies**

Resolved

***THAT apologies be received and accepted from Councillor Acland.***

Davy/McGurk

Carried

### **2. Confirmation of Order of Business**

The Chairperson advised that the Nelson Enterprise Loan Trust Public Forum item would be dealt with later in the meeting.

### **3. Interests**

Councillor Rainey stated that he had a conflict of interest with the item regarding Nelson Enterprise Loan Trust of the Public Forum and that he would leave for this portion of the meeting.

## **4. Public Forum**

### **4.1 Campaign to make Nelson a Fairtrade City**

John Marshall and Rebecca Sheehy tabled documents (A1269606 and A1269600), which clearly outlined what they were requesting from Council and also which gave a brief introduction to Fair Trade Nelson and their campaign goals.

It was explained that there would be an initial joining fee of \$500 and an annual fee of \$400 associated with belonging to the Fair Trade Cities Organisation. Council would be expected to support one Fair Trade event each year to increase media coverage and have a link on the Nelson City Council webpage. It was noted that promotion could be tied into Nelson events, specifically Ecofest which could be an excellent vehicle to endorse this.

In response to a question it was clarified that Nelson could become the fourth New Zealand Fair Trade city following Wellington, Dunedin and Auckland.

In answer to a further question regarding labour and employment conditions within its system it was clarified that these were included in the campaign against child labour and the promotion fair wages. It was clarified, as an advocacy group, that none of its members were involved in fair trade companies.

### **4.2 Significance and Engagement Policy**

Chris Allison and John Paul Pochin spoke on behalf of Bicycle Nelson Bays about past engagement with Council. They indicated this helped to identify problems before projects were finalised. They voiced their opinion that they no longer had the opportunity to comment on projects. Councillors were surprised at these comments and it was stated that there had been excellent engagement on recent key projects such as Rocks Road.

The speakers clarified that they wished for informal engagement on all projects for feedback, especially those on a small scale. They stated they had expertise, training and knowledge of best practice which would have been beneficial to Council. They noted that they had always supported and promoted Council projects.

## 5. Confirmation of Minutes – 25 September 2014

Document number A1255587, agenda pages 8-17 refer.

It was noted that the minutes be confirmed subject to the following changes:

- That the spelling of Her Worship the Mayor's name be corrected in the attendees list.
- That the spelling of the word Princes Drive be corrected in item 7.

Resolved

***THAT the minutes of the meeting of the Nelson City Council – Governance Committee, held on 25 September 2014 with corrections, be confirmed as a true and correct record.***

Noonan/McGurk

Carried

## 6. Status Report

There were no Status Report updates.

## 7. Chairperson's Report

The Chairperson gave a verbal report noting his personal concerns regarding the number of empty properties in Nelson City. He referenced agenda item 10 regarding Community Outcome Descriptors and proposed the importance that the CBD remained a vibrant area.

## 8. Rural Fire: Proposed Funding Model

Document number A1259473, agenda pages 18-26 refer.

Manager Emergency Management, Roger Ball and Ian Reide presented the report introduced explained their positions on Waimea Rural Fire Committee. They outlined their report which proposed a new capability based funding model and a request for a figure to be set to go forward for the Long Term Plan. This would not result in a change to operations.

Mr Ball advised that the capability model was based on a third split between Council, Department of Conservation and Tasman District Council meaning that in the event of a fire all localities would be able to assist. This split was questioned and it was explained that the funding model sought to address complex factors dealing with mainly risk and response. Nelson City Council has a large urban rural interface and would need to call on the services of Waimea Rural Fire Association and other agencies in case of a fire. A multi agency

exercise took place replicating the Atawhai and this proved the case. Taking into account 95-98% of fires to date were man-made this risk was even more apparent in the decision. It was noted that a table would have been helpful in the report to clarify the figures.

In answer to a question it was stated that small forest owners currently pay a levy of \$40000 and fire authority carry insurance to the value of \$21000 as they do not carry their own. It was questioned why Hira was treated differently and clarified that this was for training and testing of equipment with stakeholders holding equipment.

Councillors Fulton and McGurk moved and seconded the recommendation in the officer's report. With their agreement the second clause of the motion was amended to include "that the document be used as the basis to commence negotiation" in substitution of "be confirmed".

Resolved

***THAT the report Rural Fire: Proposed Funding Model (A1259473) and its attachment (A1261150) be received;***

***AND THAT the proposed capability funding model as set out in document A1261150 be used as a basis to commence negotiations.***

***AND THAT officers negotiate with the Waimea Rural Fire Committee and other stakeholders over Nelson City Council's contribution to the new funding model and submit a recommended figure for approval in the Long Term Plan 2015/2025.***

Fulton/McGurk

Carried

Attendance: Councillor Rainey left the meeting at 10.03am

## **9. Nelson Enterprise Loan Trust Interest Free Loan**

Document number A1258529, agenda pages 75-86 refer.

Bruce Dyer gave a Powerpoint presentation (A1270720) and tabled a newsletter (A1270793).

He explained the 17 year history of Nelson Enterprise Loan Trust and illustrated the various successes that had emerged from investment.

Attendance: Councillor Noonan left the meeting at 10.12am.

In response to a question about the history of the Trust Mr Dyer explained that the initial loan was provided to give them the ability to offer small loans to businesses which would not otherwise be able to attain them. As the loan amount to the Trust and the following loans given out were of low amounts it was stated that there was little risk to all involved.

In response to a question regarding the type of grants that the Trust had received from Tasman District Council Mr Dyer stated that there had been three grants altogether, all similar amounts. The most recent of which had been for \$2500.

There was a suggestion that the loan should be written off as there was little intention to repay. It was noted that the system in place showed commitment to Nelson Enterprise Loan Trust and the process should continue.

Resolved

***THAT the report Nelson Enterprise Loan Trust Interest free loan (A1258529) and its attachments (A1251733, A1261929, A1262026) be received;***

Mayor/Barker

Carried

Recommendation to Council

***THAT the \$25000 interest free loan to Nelson Enterprise Loan Trust be rolled for a further three years through to September 2017.***

Mayor/Barker

Carried

Attendance: The meeting adjourned from 10.25am to 10.30am during which time Councillor Noonan and Councillor Rainey returned to the meeting and Councillor Fulton left the meeting.

## **10. Finance Report for period ending 30 September 2014**

Document number A1262300, agenda pages 27-43 refer.

Group Manager Corporate Services, Nikki Harrison presented the report.

The upgrades to be done on Saxton field were questioned regarding the breakdown of costs. Group Manager Community Services, Chris Ward explained that staff have been working on Saxton field to make sure it is available for large events, such as cricket. He advised some infrastructure needed to be upgraded. The buildings in question were the cricket/athletics and utilities buildings.

Regarding the Bank lane canopy, councillors expressed their disappointment that this work would not proceed in the current financial year and it was suggested that the funding assigned to Bank Lane Canopy not be used for the development of buildings at Saxton Field.

A query was raised regarding increasing WIFI costs and whether there would eventually be a set annual fee. Funds had been set aside to support teething problems and requests for enhancements such as data increase. This was a conservative amount and the full amount was unlikely to be used.

Attendance: Councillor Fulton returned to the meeting at 10.43am.

Councillors queried whether the figures for parking were surprising. Ms Harrison clarified that these met expectations and stated that there had been some changes which accounted for this. Officers had begun to issue Warrant of Fitness and Registration renewal warnings and the effect of this would be more pronounced in the next quarter.

It was queried whether there were any figures to reflect whether parking changes had affected the CBD business. It was noted that the effect may be significant and figures were requested.

In response to a question whether rates would be able to compensate for the entire \$800000 parking shortfall it was stated that this was a permanent deficit and needed to be considered. It was queried as to whether there were any other costs that contributed to parking not reflected in figures and it was noted that the bulk were incurred through staff time.

Progress on the Southern Arterial was mentioned and Her Worship the Mayor said she aimed to meet with the new Minister of Transport to gather further information.

It was agreed that the recommendations would be moved in parts.

Resolved

***THAT the report Finance Report for the Period ending 30 September 2014 (A1262300) and its attachments (A1263456, A1263699, A1258411, A793514, and A1265270) be received and the variations noted.***

***AND THAT the Committee note the impact on revenue of the free parking initiative to 30 September 2014 per attachment eight.***

Murray/Davy

Carried

Recommendation to Council

***THAT Council approves unbudgeted operating expenditure of \$13,557 for the 2014/15 year to continue to provide free WiFi to the Central Business District;***

Mayor/Peters

Carried

Deputy Mayor Matheson and Councillor Rainey moved the second clause of the recommendation in the officer report.

Councillor Noonan seconded by Councillor Davy moved the following amendment.

***AND THAT Council approves additional capital expenditure of up to \$62,000 for capital works at Saxton Field.***

The amendment was put and carried and became the substantive motion.

Recommendation to Council

***AND THAT Council approves additional capital expenditure of up to \$62,000 for capital works at Saxton Field.***

Matheson/Rainey

Carried

**11. Development Contributions Policy Review Statement**

Policy Advisor, Susan Moore-Lavo presented the report.

Document number A1264142, agenda pages 44-46 refer.

Resolved

***THAT the report Development Contributions Policy Review Statement (A1264142) be received;***

***AND THAT the matter of the principles guiding the review of the Development Contributions Policy be considered by full Council on 20 November 2014 to enable statutory timeframes to be met.***

Davy/Barker

Carried

Recommendation to Council

***THAT the principles guiding the review of the Development Contributions Policy be considered and that this direction be made publicly available by 1 December 2014.***

Davy/Barker

Carried

## **12. Community Outcomes Descriptors**

Document number A1247915, agenda pages 47-52 refer.

Policy Advisor, Susan Moore-Lavo presented the report.

Resolved

***THAT the report Community Outcomes Descriptors (A1247915) and its attachment (A1250263) be received.***

Noonan/Fulton

Carried

Recommendation to Council

***THAT the descriptors explaining the Community Outcomes be adopted to inform the Long Term Plan 2015-25.***

Noonan/Fulton

Carried

## **13. Adoption of the Significance and Engagement Policy**

Document number A1262170, agenda pages 53-74 refer.

Policy Advisor, Susan Moore-Lavo presented the report.

In response to a question, Senior Strategic Adviser Nicky McDonald clarified that engagement was very good with Bicycle Nelson Bays, but that she would request examples from Bicycle Nelson Bays of poor engagement.

Resolved

***THAT the report Adoption of the Significance and Engagement Policy (A1262170) and its attachments (A1262973, A1241702 and A1264506) be received;***

Rainey/McGurk

Carried

Recommendation to Council

***THAT the Significance and Engagement Policy be adopted.***

Rainey/McGurk

Carried

#### **14. Exclusion of the Public**

Resolved

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

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

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Particular interests protected (where applicable)</b>
<b>1</b>	<b>Governance Committee – Public Excluded – 25 September 2014</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"><li>• Section 7(2)(i) To carry out negotiations</li><li>• Section 7(2)(a) To protect the privacy of natural persons</li><li>• Section 7(2)(h) To carry out commercial activities</li></ul>

Governance Committee  
6 November 2014

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
2	<b>Additional Trustee for Economic Development Agency</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:  • Section 7(2)(a) To protect the privacy of natural persons

Noonan/Peters

Carried

The meeting went into public excluded session at 11.26am and resumed in public session at 11.42.

### 15. Re-admittance of the Public

Resolved

***THAT the public be re-admitted to the meeting.***

Barker/Matheson

Carried

There being no further business the meeting ended at 11.42am

Confirmed as a correct record of proceedings:

\_\_\_\_\_ Chairperson \_\_\_\_\_ Date