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## Minutes of a meeting of the Nelson City Council Governance

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

On Tuesday 3 April 2012, commencing at 10.07am

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Present: His Worship the Mayor, Councillors I Barker (Portfolio Holder), A Boswijk, G Collingwood, R Copeland, E Davy, K Fulton, J Rackley, P Rainey, R Reese, D Shaw, M Ward

In Attendance: Acting Chief Executive (R Johnson), Acting Executive Manager Regulatory (M Bishop), Chief Financial Officer (N Harrison), Executive Manager Support Services (H Kettlewell), Executive Manager Network Services (A Louverdis), Kaihautu/Executive Manager Community Relations (G Mullen), Executive Manager Strategy and Planning (M Schruer), Manager Human Resources (S Gully), Manager Environmental Inspections Limited (S Lawrence), Manager Policy and Planning (N McDonald), and Administration Adviser (L Canton)

Apologies: Were received and accepted from Councillor P Matheson

### Opening Prayer

Councillor Davy gave the opening prayer.

#### 1. Conflicts of Interest

No updates to the Conflicts of Interest Register were noted.

Councillor Ward and Councillor Shaw declared a conflict of interest with item 8. Bishop Suter Trust Draft Statement of Intent 2012/2013 and Half Yearly Report.

#### 2. Confirmation of Minutes

2.1 Approval of the Draft Long Term Plan 2012-2022 for Review by Audit New Zealand – 16 March 2012

Document No. 1255737, agenda pages 1-4 refer.

Resolved

***THAT the minutes of the meeting of the Nelson City Council to Approve the Draft Long Term Plan 2012-2022 for Review by Audit New Zealand, held on Friday 16 March 2012, be confirmed as a true and correct record.***

Barker/Fulton

Carried

### **3. Mayor's Report**

Document No. 1262547, circulated separately.

Resolved

***THAT Council retrospectively approves travel and programme registration costs of \$627 plus disbursements for Councillor Shaw to attend the forum to review the Urban Design Protocol and the presentations on "Urbanism Downunder" on 29 and 30 March 2012;***

***AND THAT Council approves travel and accommodation costs of \$750 plus disbursements for the Mayor to attend the briefing on the reform package for Local Government in Auckland on 4 April 2012.***

Davy/Copeland

Carried

His Worship the Mayor gave a summary of his recent visit to Nelson's sister city, Huangshi, in China, organised by the Nelson Regional Economic Development Agency. He said that trip had explored commercial opportunities in China, establishing a number of business connections, and there was good potential for developing further business opportunities.

### **4. Status Report - Governance**

Document No. 1034743, agenda page 5 refer.

Resolved

***THAT the Status Report - Governance (1034743) be received.***

Barker/Collingwood

Carried

### **5. Chief Executive Report - Governance**

Document No. 1243493, agenda page 6 refer.

Resolved

**THAT the Chief Executive Report - Governance (1243493) be received.**

Barker/Davy

Carried

5.1 Business Incubation Report

The Executive Manager Support Services, Hugh Kettlewell, explained that Council had requested the report from the Economic Development Agency, following submissions to the 2011/2012 Annual Plan. It was suggested that the Acting Chief Executive arrange for submitters to be advised that the completed report was now available.

Resolved

**THAT the Nelson Regional Economic Development Agency report 'Entrepreneurial Ecosystems and Incubation: Options for the Nelson Region' (1254232) be received.**

Barker/Davy

Carried

**6. Nelmac Limited Draft Statement of Intent and Half Yearly Report 2012/13**

Document No. 1245742, agenda pages 7-25 refer.

Lee Babe, Nelmac Limited Chief Executive, and Richard Jenkins, Nelmac Limited Board Chair, joined the meeting. Mr Jenkins gave an overview of the Nelmac Limited Draft Statement of Intent, noting that profit was ahead of budget, and the second half year was expected to meet budget.

Mr Babe explained that a recent strategic planning process had established a future vision and core values, among which business sustainability was a key aspect. In response to a question, Mr Babe said that environmental sustainability had real commercial value, and the company was positioning itself well to take advantage of this opportunity. Both Mr Jenkins and Mr Babe advised they would be happy to share their learning from the strategic planning exercise with Council.

In response to further questions, Mr Jenkins advised that Nelmac was comfortable balancing the needs of Council as a client with its aim of achieving projected growth. He added that the above target achievements in quality standards and sustainability practices would be reflected in next year's Statement of Intent.

His Worship the Mayor congratulated Nelmac on its results and praised their service to the community during the December 2011 floods.

Resolved

***THAT the Nelmac Limited Statement of Intent 2012/13 be approved for signing;***

***AND THAT the Nelmac Limited half yearly report for the period ending 31 December 2011 be received.***

Barker/Collingwood

Carried

Attendance: Councillor Reese left the meeting at 10.45am.

## **7. Bishop Suter Trust Draft Statement of Intent 2012/2013 and Half Yearly Report**

Attendance: Councillors Shaw and Ward sat back from the table and took no part in the discussion or decision-making on this item.

Document No. 1245746, agenda pages 26-72 refer.

Craig Potton, Chair of the Bishop Suter Trust, and Trust Directors John Hambleton and Julie Catchpole, joined the meeting and invited questions from Councillors.

In response to a question, Ms Catchpole advised that the Ministry of Education was reviewing the Learning Experiences Outside the Classroom funding, and had extended the current contract until mid-2014. She added that Suter 2000 Trust funds were likely to be released once work to alter the Trust Deed was completed.

Attendance: Councillor Reese returned at 10.50am

In response to a question about increased expenses, Mr Potton advised that the Suter intended to stay on budget for the remainder of the financial year by cutting costs wherever possible.

There was a discussion about the possibility of funding from the Ministry of Arts, Culture and Heritage regional museums policy fund. Mr Potton advised that a commitment from local government was a prerequisite for such funding, so inclusion of the Suter redevelopment in the Long Term Plan would improve the Gallery's position to make an application.

He added that the Minister of Arts, Culture and Heritage had informally indicated a contribution of approximately \$3 million, based on a third share each being contributed by the Council, the Ministry, and the community. However, as this was a large demand from the Nelson community, Mr Potton said that the Suter instead hoped for \$4 million each from the Council and the Ministry, and \$2 million from community.

In response to a further question, Mr Kettlewell confirmed that Council to date had considered the Suter to be a core service under the Local Government Act.

Resolved

***THAT the Bishop Suter Trust Statement of Intent 2012/13 be approved for signing subject to any minor alterations as necessary;***

***AND THAT the Bishop Suter Trust half yearly report for the period ending 31 December 2011 be received.***

Fulton/Rainey

Carried

**8. Nelson Regional Economic Development Agency Draft Statement of Intent 2012/13**

Document No. 1245747, agenda pages 73-110 refer.

Bill Findlater, Economic Development Agency Chief Executive, and Paul Dalzell, Economic Development Agency Board Chair joined the meeting.

During a discussion about the Regional Economic Development Strategy, Mr Findlater confirmed that the current budget allowed for preliminary work to update the Strategy, and additional funding would be required in the second half of 2013. There was agreement that the recommendation on the table should reflect that the expected completion date for the Strategy document had been changed from March 2013 to December 2013.

Councillors then discussed seed funding. Mr Findlater clarified that \$50,000 had been identified in the draft Long Term Plan to investigate what a seed fund could achieve should it be established.

In response to questions about equity forecasts, Mr Dalzell said that the intention was to return the equity figure to \$300,000 by the end of the financial year, providing there were appropriate projects to warrant the expenditure. There followed a brief discussion about whether it was appropriate for Council, in its Governance role, to consider what individual projects had been approved by the Agency, or whether it should instead take a more high level strategic view to ensure targets expressed in the Statement of Expectation were met.

There was a discussion about industry clusters. Mr Findlater advised that in addition to the wine sector, clusters were currently being targeted in engineering and aviation, and a national natural products cluster was seeking projects in the Canterbury rebuild. Mr Dalzell added that the Agency's role was to facilitate clusters, drawing on outside expertise as needed and if affordable, but the drive, leadership and vision must come from within industry.

Resolved

**THAT the Nelson Regional Economic Development Agency Statement of Intent 2012/13 be approved for signing subject to:**

- ***The Draft Long Term Plan for the inclusion of the \$50,000 funding to investigate the establishment of an economic fund.***
- ***The provision of forecasts for two additional years as required in all Statements of Intent.***
- ***Amendment of the timeline for completion of the Nelson Tasman Regional Economic Development Strategy document to December 2013.***

**AND THAT the Nelson Regional Economic Development Agency half yearly report for the period ending 31 December 2011 be received.**

Davy/Collingwood

Carried

**9. Ridgeways Joint Venture Statement of Intent and Half Yearly Report 2012/13**

Document No. 1247199, agenda pages 111-121 refer.

Seddon Marshall, Partner representative, joined the meeting. He noted that the housing market had been very slow nationally, and while hill sections were harder to sell, Ridgeways had sold over 200 sections, with 17 remaining unsold. He noted that in addition to profits already generated by the joint venture, \$3.4 million was expected from the remaining sections, of which \$1.7m would come to Council.

There was a discussion about the unsold sections. Mr Marshall advised that the common factor among the unsold sections was the less appealing view, rather than section size. In response to questions, he said low income housing had not been considered for these sections.

In response to further questions, Mr Marshall confirmed that no land had been affected by the flood event in December 2011, the pedestrian ways and plantings had met expectations, and there had been no consideration of comprehensive development on surplus reserve land.

Resolved

**THAT the Ridgeways Joint Venture Statement of intent for 2012/13 be approved for signing.**

**AND THAT the Ridgeways Joint Venture half yearly report for the period ending 30 September 2011 be received.**

Shaw/Barker

Carried

## **10. Fees and Charges: Dog Control and Environmental Health**

Document No. 1246206, agenda pages 122-127 refer.

Attendance: Councillor Collingwood noted a possible conflict of interest as submitter to the Proposed Dog Control Policy and Bylaw Review, and did not participate in the discussion or decision-making for this item.

Acting Executive Manager Regulatory, Mandy Bishop, and Manager Environmental Inspections Limited, Stephen Lawrence, joined the meeting.

There was a discussion about whether fees and charges could be set before the review of the Dog Control Policy and Bylaw was completed, as the fees included dog registration. A view was expressed that as a number of submissions to the review had called for a different level of service to that currently provided, setting fees now could signal predetermination. The Acting Chief Executive advised that if Council chose to make such changes, it could also determine when they would take effect. Mr Lawrence added that the Dog Control Act set the registration year and this could not be varied by Council.

Ms Bishop advised that there was some flexibility within the contract with Environmental Services Limited to provide a different level of service within currently agreed budgets. In response to a question, Ms Bishop noted there was a surplus in the Dog Control account in the area of tens of thousands of dollars.

Resolved

**THAT the Dog Control Fees and Charges for 2012/2013 be adopted as detailed in Attachment 1;**

**AND THAT the Environmental Health and other activities fees and charges for 2012/2013 be adopted as detailed in Attachment 2;**

**AND THAT the charges for Dog Control and Environmental Health activities apply as from 1 July 2012 until such time as they are varied or amended by Council.**

Barker/Davy

Carried

**11. Submission to the draft Tasman District Council Long Term Plan**

Document No. 1258047, circulated separately.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987, the reason why the item was not on the agenda, and the reason why discussion of this item could not be delayed until a subsequent meeting, is because it came to hand after the agenda had closed and it needs to be considered at this meeting because of the need for urgency. Accordingly, a procedural resolution is required before any discussion can take place.

Resolved

**THAT the item regarding Submission to the Tasman District Council draft Long Term Plan 2012-2022 be considered at this meeting, pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, because of the need for urgency.**

Rainey/Collingwood

Carried

Manager Policy and Planning, Nicky McDonald, joined the meeting.

There was general agreement that Councillors should speak to the submission at the Tasman District Council hearing and the recommendation be amended to reflect this.

It was suggested that the Great Taste Trails be included in the submission as a discussion point. Ms McDonald confirmed that this would be included for discussion at the Regional Funding Forum prior to the hearings. She also noted that the figures were being updated and copies would be provided to Councillors.

Recommendation

**THAT the Submission to the Tasman District Council Proposed Long Term Plan 2012-2022 (1258047) be approved;**



**AND THAT the Submission be spoken to at the Tasman District Council hearing.**

Collingwood/Rainey

Carried

Councillor Reese asked that her abstention from this vote be recorded.

**12. Exclusion of the Public**

Recommendation

**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:***

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Public Excluded Governance Status Report</p> <p>This report contains information regarding the Nelson City Council Tasman District Council Engineering Services Agreement; and</p> <p>Information about a report containing commercially sensitive information regarding the Nelson Regional Sewerage Business Unit, and governance options regarding the Nelson Regional Sewerage Business Unit</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(h) To carry out commercial activities</li> <li>• Section 7(2)(i) To carry out negotiations</li> </ul>
2	<p>Nelmac Limited Appointment of Director 2012</p> <p>This report contains</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the</li> </ul>

	information regarding the appointment of a director to Nelmac, and contains a recommendation that the appointment be released to the public in due course.	disclosure of information for which good reason exists under section 7	privacy of natural persons <ul style="list-style-type: none"> <li>• Section 7(2)(c) To protect information that is subject to an obligation of confidence</li> <li>• Section 7(2)(i) To carry out negotiations</li> </ul>
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Boswijk/Collingwood

Carried

The meeting went into public excluded session at 12.18pm and resumed in public session at 12.28.

### 13. Re-admittance of the Public

Resolved

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

Miccio/Boswijk

Carried

There being no further business the meeting ended at 12.29pm.

Confirmed as a correct record of proceedings:

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