

Minutes of an ordinary meeting of the Gore District Council, held in the Council Chambers, 29 Bowler Avenue, Gore, on Tuesday 14 February 2017, at 7.40pm

Present His Worship the Mayor (Mr Tracy Hicks, JP), Crs Beale, Bolger, Davis, Dickson, Gardyne, P Grant, Highsted, Phillips, Reid and Sharp.

In Attendance The Chief Executive (Mr Stephen Parry), Chief Financial Officer (Mr Luke Blackbeard), Parks and Recreation Manager (Mr Ian Soper), Transport Manager (Mr Peter Standring), HR/Administration Manager (Susan Jones), Communications/Promotions Manager (Sonia Gerken), 3 Waters Asset Manager (Mr Matt Bayliss), 3 Waters Project Manager (Mr Sam Bunting), Building Control Manager (Mr Russell Paterson) and 11 members of the public in the gallery.

Apology Cr D Grant apologised for absence.

1. NEW ZEALAND CITIZENSHIP CEREMONY (SC1068)

His Worship conferred New Zealand citizenship on Jaime Penaranda, a Filipino citizen, Jennifer, Roland and Marielle Penuis, Filipino citizens and Dr Seamus Traynor, an Irish citizen. All read the relevant Oath or Affirmation of Allegiance and each family was presented with a New Zealand kowhai and the New Zealand citizenship story book provided by the Department of Internal Affairs.

The regional Town Crier read a message to the new citizens.

The meeting adjourned at 7.51pm and resumed at 8.03pm with one member of the public in the gallery. The regional Town Crier departed at 8.03pm.

His Worship called for any conflicts of interest.

Cr Dickson declared a conflict with item 10 (Gore Health Inc constitution), Cr Highsted with item 10 (Gore Health Inc constitution), Cr Phillips with item 15 (installation of fire hydrant at Tulloch Park) and Cr Beale with item 19 (new car wash financial contribution).

2. CONFIRMATION OF MINUTES

RESOLVED on the motion of Cr Beale, seconded by Cr Highsted, THAT the minutes of the ordinary meeting of the Gore District Council, held on Tuesday 13 December 2016, as presented, be confirmed and signed by the Mayor as a true and complete record.

3. NEW CODE OF CONDUCT (SC0110)

A memo had been received from the Chief Executive advising that under the Local Government Act 2002, the Council must adopt a Code of Conduct for its members. The Council had had a Code of Conduct in place since 2003. A copy of the current code had been circulated.

Local Government New Zealand (LGNZ) had undertaken a comprehensive review of Codes of Conduct operating within Councils with the aim of bringing about more consistency and addressing problem areas such as independence of investigation, what constituted a breach of the Code, clarifying who could make a complaint and providing for a number of additional sanctions and penalties. A copy of the guidelines produced by LGNZ and the new Code of Conduct template had also been circulated. Details were provided of the significant additions that had now been included.

RESOLVED on the motion of Cr Phillips, seconded by Cr Dickson, THAT the Council approve the revised Code of Conduct prepared by Local Government New Zealand.

2017/01

4. LOCAL GOVERNANCE STATEMENT – REVIEW (SC0110)

A memo had been received from the Chief Executive advising that section 40 of the Local Government Act 2002 required local authorities to prepare and make publicly available following each triennial general election of members, a Local Governance Statement.

An updated Local Governance Statement which took cognisance of the changes in the Council's membership following the 2016 local authority elections had been circulated.

RESOLVED on the motion of Cr Highsted, seconded by Cr Reid, THAT the updated Local Governance Statement be adopted and made available to the public.

2017/02

5. RENEWAL OF SOUTHLAND TRIENNIAL AGREEMENT (SC1657)

The Chief Executive had advised that under section 15 of the Local Government Act 2002, all local authorities within a specified region must enter into an agreement containing protocols for communication and coordination among them during the period until the next triennial general election of members. A copy of an updated triennial agreement, which had been prepared by Environment Southland, had been circulated with the agenda.

RESOLVED on the motion of Cr Bolger, seconded by Cr Davis, THAT the Council endorse the triennial agreement and authorise the Mayor and Chief Executive as signatories.

2017/03

6. FINANCIAL REPORT FOR DECEMBER 2016

A financial report for December 2016 had been prepared by the Accountant and was perused by the Council.

RESOLVED on the motion of Cr Bolger, seconded by Cr P Grant, THAT the financial report for the six months ended 31 December 2016, be received.

2017/04

7. FORESTRY OPPORTUNITIES FOR CARBON EMISSION OFFSETS (SC0366)

A memo had been received from the General Manager District Assets following the undertaking of a desktop exercise to identify any opportunities for the establishment of forests in order to offset carbon emissions within the District. The scheme's definition of a forest and forest land was outlined.

The draft Gore District Reserve Management Plan (volume 4) noted the presence of approximately 14 hectares of forestry at Dolamore Park. Of that, 13 hectares had been identified that met the scheme's definition and therefore may be suitable in generating carbon credits to offset the Council's carbon emissions, however, it was felt the cost of realising the carbon credits would likely be greater than the benefits to be accrued.

Cr Dickson asked if there would be a one off administration cost to set up the carbon credit scheme with the value of carbon credits possibly increasing.

The Chief Executive said there would be but what carbon credits did in the future as far as price was concerned was unknown.

Cr Highsted said there were ongoing compliance costs associated with the credits and reporting. He questioned whether there would be any surplus once those costs had been met.

RESOLVED on the motion of Cr Reid, seconded by Cr Highsted, THAT the report be received.

2017/05

8. GORE AND DISTRICTS HEALTH INCORPORATED – CONSTITUTIONAL REVIEW (SC1661)

Crs Dickson and Highsted declared an interest in this item and did not participate.

A report had been received from the Chief Executive advising that in September 2014, the Council agreed to undertake a review of the constitution of Gore and Districts Health Incorporated (GDHI). The review had been prompted by frustration from a legacy of unease and uncertainty in the eyes of GDHI elected board members. GDHI was the sole shareholder of Gore Health Limited and it was that entity that was charged with governing and managing the hospital services. GDHI had a prime responsibility for asset management and appointment of directors of Gore Health Limited. A copy of the original report presented to the Council in September 2014 together with excerpts of the minutes from that meeting had been circulated with the agenda.

With the passage of time since the review had been requested, the relationship between GDHI and Gore Health Limited was well understood and working very effectively. Health services in Gore had also established considerably with strong contributions being made by both Gore Health Limited and now GDHI.

The Chief Executive did not believe there was a problem that required fixing in relation to the constitution of GDHI, nor did he believe a concerted effort to change the constitution would enhance governance performance.

RESOLVED on the motion of Cr P Grant, seconded by Cr Davis, THAT the report be received and noted,

AND THAT the Council resolve that amendments to the constitution of Gore and Districts Health Incorporated are not required at this point in time.

2017/06

9. QUARTERLY DEBT REPORT (SC1195)

A memo had been received from the Chief Financial Officer, together with a copy of a quarterly debt report provided by Bancorp.

Cr Gardyne questioned whether the Council was getting value for money from Bancorp by paying \$2,000 a month.

The Chief Financial Officer said the Council had relied on banking advice in the past and sought independent advice about 18 months ago. Bancorp was appointed to provide treasury advice. The Audit and Risk Committee had recently agreed to renew the relationship. Even though the Council paid a fee, Bancorp had reduced the Council's cost of borrowing.

Cr Highsted said while there was some cost to the advice, the Council had previously been left with relying on bank advice to guide the Council's treasury strategy. He felt Bancorp provided professional and independent advice.

RESOLVED on the motion of Cr Gardyne, seconded by Cr Dickson, THAT the report be received.

2017/07

10. GORE AND DISTRICTS ST JAMES THEATRE TRUST (SC1749)

A memo had been received from the Chief Financial Officer, together with the annual report of the St James Theatre Trust or the year ending 31 March 2016.

The Council had loaned \$250,000 to the Trust for the completion of the fly tower project in 2008. The loan had been fully impaired. In August 2014, the Council resolved to write the loan off over ten years at the rate of \$25,000 per year.

RESOLVED on the motion of Cr Davis, seconded by Cr Phillips, THAT the information be received.

2017/08

11. ANNUAL PLAN TIMETABLE (SC1480)

The Chief Financial Officer advised he was working through the annual plan budgeting process for the 2018 annual plan. Legislation introduced in 2015 saw Councils move away from consulting with their residents in the traditional manner with the introduction of consultation documents as a means of engaging with the community. If there were no changes to a Council's Long Term Plan or major issues requiring specific feedback from the public, then a Council was not required to put out a Consultation Document.

There were no new significant issues in the 2018 annual plan that required specific community feedback as the issues had not changed from those in the LTP 2015-2025. Public feedback would still be invited through an information document and that feedback would be the subject of a report to the Council. That would give the Council

time to evaluate the feedback and assess any requests for additional funding from community groups.

In response to Cr Highsted, the Chief Executive said a trigger for a Consultation Document being issued would be rating increase changes, projects that had not been profiled and the like.

The Chief Executive said in response to Cr Dickson, the community would be notified by a lift-out in a local paper, hard copies and the Council's newsletter, Chinwag.

The suggested timeline was as follows:

Draft financial statements, detailed budgets and rating examples workshop	Wednesday 1 March
Second financial workshop (if required)	Tuesday 7 March 5.00pm
Information document - first look (minor changes possible)	Tuesday 21 March 5.00pm
Information document adopted and released	Council meeting 4 April
Feedback summarised and considered	Council meeting 16 May
Annual Plan adopted and rates set	Council meeting 27 June

Cr Davis did not believe the Council should consult if there was nothing specific to consult on, but there was certainly a need to communicate with the public especially if there were emerging issues that it needed to know about.

RESOLVED on the motion of Cr P Grant, seconded by Cr Phillips, THAT the report be received.

2017/09

12. BUILDING CONTROL DEPARTMENT – STAFFING (SC1666)

A report from the Chief Executive had been circulated that profiled resourcing challenges within the Building Control Department. The challenges had been highlighted by both a recent Ministry of Building, Innovation and Employment (MBIE) audit and new legislation placing additional responsibilities on territorial authority building control departments. A copy of the executive summary from MBIE that highlighted the additional resourcing required had been circulated with the agenda.

The Chief Executive said about 85% of the cost of any new resource would be recovered from user charges.

Cr Highsted asked where the MBIE report fitted in. Was it a requirement for accreditation?

The Building Control Manager said it was a recommendation but a timely reminder that Building Control Authorities had to lift their game.

Cr Beale asked if Gore staff numbers would align with other similar sized Councils.

The Manager confirmed it would. The level of compliance kept on increasing even with the technology available.

Cr Davis asked with the other vacancies in the lower South Island, was there any possibility of a cadetship.

The Manager said there was, but that option tended to be utilised by large Councils such as Auckland who had in-house staff available to train and mentor staff. There was a lot of training available from the Building Officers Institute and qualifications for those who were keen to make a career out of building control.

RESOLVED on the motion of Cr Highsted, seconded by Cr Phillips, THAT provision be made in the 2017/18 Council budget for the employment of a Compliance Officer in the Building Control Department with responsibility for compliance schedules, building warrants of fitness, swimming pool fencing and earthquake-prone buildings,

AND THAT the Council note that this position would be funded via a mixture of user charges and rates.

2017/10

13. INSTALLATION OF HYDRANT AT TULLOCH PARK (SC0633)

Cr Phillips declared an interest in this item and did not participate.

A memo had been received from the 3 Waters Project Manager advising that the fire hydrant requested by the Mataura Fire Brigade to be installed at Tulloch Park was able to be funded through reserves from the interest derived from delays in the water treatment upgrade project. There would be no impact on the reduction of the maintenance budget. The expected cost of the hydrant installation was \$27,915.

RESOLVED on the motion of Cr P Grant, seconded by Cr Beale, THAT the report be received.

2017/11

14. STORMWATER TROUBLESHOOTING WORKING PARTY (SC1751)

A memo had been received from the Chief Executive advising that a number of intractable problems had been experienced by staff with the management of stormwater following rainfall events. The problems had tended to be localised, but for the small number of property owners affected, were acute and distressing.

A working party comprised of Councillors and senior staff had been suggested to critically review and evaluate each problem area to see if some meaningful relief from the problems encountered could be given without downstream repercussions for other property owners.

RESOLVED on the motion of Cr Davis, seconded by Cr Bolger, THAT a working party comprised of Cr Beale (Chairperson), Cr Bolger, Cr P Grant, Cr Phillips and Cr Gardyne be formed to evaluate and troubleshoot areas in Gore and Mataura that are afflicted with stormwater and/or waste water run-off,

AND THAT the working party submit a report and recommendations to provide timely relief to affected parties, to the Council by 31 August 2017.

2017/12

15. SOUTHLAND REGIONAL DEVELOPMENT STRATEGY ACTION PLAN (SC1752)

A report had been received from the Chief Executive advising that the Southland Regional Development Strategy (SoRDS) action plan had been publicly released on 30 November 2016. The launch of the action plan was the culmination of two years worth of effort from both local government and private sector interests in Southland.

Development of the action plan had been led by a SoRDS governance group chaired by Mr Tom Campbell.

A copy of the summary of the three key challenges behind SoRDS, the nine projects and 40 actions arising therefore had been circulated with the agenda.

Cr Davis expressed concern at the potential cost to the Council which was unknown at this point.

His Worship said there would be some cost but full consultation with all of the Councils would take place in due course. The Council needed to be aware of why the strategy had been developed which was mainly aligned to a demographic “time bomb” in Southland. There needed to be something developed that could attract the next generation. It was not something that was unique to Southland. Other provinces and rural areas in New

Zealand were all competing for the same thing. How the new vehicle would look and the cost of it was still being worked through.

RESOLVED on the motion of Cr Beale, seconded by Cr Bolger, THAT the Council endorse the Southland Regional Development Strategy action plan,

AND THAT the Council note that a further report on options for progressing the implementation of the action plan in regards to structures and funding will be prepared once these matters have been considered by the Southland Mayoral Forum.

2017/13

16. SERVICE DELIVERY REVIEW NEEDS ASSESSMENT (SC0756)

A report from the General Manager District Assets had been circulated advising that Councils were required by section 17A of the Local Government Act 2002 to undertake services reviews of all their activities by 17 August 2017. A guide on conducting service delivery reviews produced by SOLGM had been circulated with the agenda.

An assessment had been completed by Richard Kirby Consulting Ltd and a copy had been circulated with the agenda.

Cr Davis referred to WasteNet that had gone through a review process at a cost of \$20,000 only to be told there was nothing needing change. She felt the legislation was silly in some respects and ended up costing Councils a lot of money that did not necessarily need to be spent.

RESOLVED on the motion of Cr Bolger, seconded by Cr Davis, THAT the report be received,

THAT a comprehensive LGA s17A review be undertaken for the service delivery function for 3 Waters activities,

THAT the Council endorse the recommendations contained in the report that an LGA s17A review not be undertaken for aquatic services, MLT event centre, property and library services,

AND THAT a comprehensive LGA s17A review not be undertaken for the service delivery function for cemeteries and parks and reserves activities due to the costs of a review outweighing any potential benefits.

2017/14

17. NEW CAR WASH DEVELOPMENT AT 5 HYDE STREET, GORE – FINANCIAL CONTRIBUTIONS REVIEW (SC

Cr Beale declared an interest in this item and did not participate. He did advise that he did not believe Mr Richard Wilson was the owner of the development.

A memo had been received from the Chief Executive advising that the new car wash facility being developed by Ezy Clean Car Wash at 5 Hyde Street, Gore had an estimated cost of \$1.1 million. Under rule 9.9(3) of the Council's District Plan, the Council could require payment of a commercial and industrial development contribution where the activity being established exceeded a value of \$500,000. The maximum contribution that could be imposed was 0.5% of the cost of the development plus GST.

In October last year, Council staff opted to impose the maximum amount of \$5,500.

Just prior to Christmas, Mr Richard Wilson approached His Worship to see if the decision on financial contributions could be reviewed. A copy of the email to His Worship and the interim response had been circulated with the agenda.

RESOLVED on the motion of Cr Highsted, seconded by Cr Davis, THAT the matter of financial contributions for Ezy Clean car wash be deferred pending receipt of a further report profiling financial contributions waived or imposed on commercial and industrial developments.

2017/15

The meeting concluded at 9.15pm