



# **A G E N D A**

## **Ordinary Council Meeting**

**Council Chambers,  
36 Weld Street  
Hokitika**

**Thursday 23 February 2017  
commencing at 11.30 am**

His Worship the Mayor R.B. Smith  
Deputy Mayors Cr H.M. Lash and Cr L.J. Martin  
Crs D.L. Carruthers, R.W. Eatwell, D.M.J. Havill ONZM,  
J.A. Neale, G.L. Olson, D.C. Routhan.



## ORDINARY COUNCIL MEETING

**AGENDA FOR AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, TO BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 23 FEBRUARY 2017 COMMENCING AT 11.30 AM**

*Tanya Winter*  
*Chief Executive*

*17 February 2017*

### **COUNCIL VISION**

Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.

This will be achieved by:

- Involving the community and stakeholders.
- Delivering core services that meet community expectations and demonstrate value and quality.
- Proudly promoting, protecting and leveraging our historic, environmental, cultural and natural resource base to enhance lifestyle and opportunity for future generations.

#### **Purpose:**

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
- (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

## Health & Safety Snapshot

	Accidents	Incidents	Near Misses
November 2015	0	1	0
December 2015	0	0	0
January 2016	0	1	0
February 2016	0	0	0
March 2016	1	0	0
April 2016	0	1	0
May 2016	0	1	0
June 2016	0	1	0
July 2016	0	0	0
August 2016	1	0	0
September 2016	0	1	0
October 2016	0	0	0
November 2016	0	0	0
December 2016	0	0	0
To the 17 February 2017	0	0	1

### **1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:**

#### **1.1 Apologies & Leave of Absence**

#### **1.2 Interest Register**

### **2. CONFIRMATION OF MINUTES:**

#### **2.1 Ordinary Council Meeting – 25 January 2017**

*Pages 7 - 24*

### **3. GENERAL BUSINESS:**

#### **3.1 Chair of WDPL and HAL**

*The Chair of WDPL and HAL has been invited to provide a strategic update on the companies.*

*Lunch from 1.00 pm to 1.30 pm.*

#### 4. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION':

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

##### 4.1 Confidential Minutes

##### 4.2 Regional Growth Study

##### 4.3 District Economic Stimulus Fund Update (DESF)

##### 4.4 CE Performance Review and Contract

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
4.1	Confidential Minutes	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)
4.2	Confidential Report	Confidential Report	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)
4.3	District Economic Stimulus Fund (DESF)	Confidential Update	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)
4.4	CE Performance Review and Contract	Confidential Report	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)

## 5. AGENDA ITEMS FOR DECISION:

- 5.1 Local Government Commission – Submission on West Coast Governance Arrangements** **Pages 25 - 32**

*Chief Executive*

- 5.2 CCO Director Appointments** **Pages 33 - 35**

*Group Manager: Corporate Services*

- 5.3 Planning Update** **Pages 36 - 43**

*Group Manager: Planning, Community and Environment*

- 5.4 West Coast Wilderness Trail – Project Update** **Pages 44 - 48**

*Chief Executive*

- 5.5 Mayor and Councillors Expenses**

*His Worship the Mayor*

**Recommendation:**

*That the Policy on Elected Members' Allowances and Recovery of Expenses Policy for the period 1 July 2016 to the 30 June 2019 be amended as follows:*

Mayor	
Telephone costs	Full payment by Council of cell phone rental, data and all associated business call charges.

- 5.6 Proposed Sale of Land at Blue Spur to the Adjoining Landowner** **Pages 49 - 66**

*Group Manager: Corporate Services*

- 5.7 Marks Road Beautification \$10,000**

*His Worship the Mayor*

**Recommendation:**

*Council approval is sought on application of funds, to release \$10,000 of funding for the Marks Road Reserve to the Haast Community Group.*

- 5.8 Proposed Transfer of Land for Management to WDPL and Write Off of Irrecoverable Rates** **Pages 67 - 72**

*Group Manager: Corporate Services*

## **6. AGENDA ITEMS FOR DISCUSSION:**

- 6.1 Grease Traps, Franz Josef**  
*Deputy Mayor Lash*
- 6.2 Hokitika Carparking Plan**  
*Group Manager: District Assets*
- 6.3 Franz Josef Wastewater Treatment Plant**  
*Group Manager: District Assets*
- 6.4 Township Development Funds/Community Rates**  
*Cr Eatwell*
- 6.5 Shared Landfill with Grey**  
*His Worship the Mayor*
- 6.6 Annual Plan**  
*Group Manager: Corporate Services*
- 6.7 Waiving of Consent Fees for Community Halls**  
*Group Manager: Planning, Community and Environment*

**Date of next Ordinary Council Meeting – 23 March 2017  
in the Council Chambers**

**MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE HOKITIKA-WESTLAND RSA, 24 SEWELL STREET, HOKITIKA ON THURSDAY 26 JANUARY 2017 COMMENCING AT 10.43 AM**

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**1 MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:**

**1.2 Members Present**

His Worship the Mayor R.B. Smith (Chair)  
Deputy Mayors Crs H.M. Lash and L.J. Martin  
Crs D.L. Carruthers (part of the meeting), R.W. Eatwell, D.M.J. Havill (ONZM), J.A. Neale, G.L. Olson.

**Apologies:**

Cr D.C. Routhan.

Moved Deputy Mayor Martin, seconded Cr Olson and **Resolved** that the apology from Cr D.C. Routhan be received and accepted

**Staff in Attendance:**

T.L. Winter, Chief Executive; V. Goel, Group Manager: District Assets; J.D. Ebenhoh, Group Manager: Planning, Community and Environment; D.M. Maitland, Executive Assistant; L.A. Crichton, Finance Manager; K.A. Jury, Corporate Planner.

**1.2 Interest Register**

His Worship the Mayor circulated the Interest Register and one amendment was noted.

## 2. CONFIRMATION OF MINUTES:

### 2.1 Ordinary Council Meeting – 15 December 2016.

Moved Deputy Mayor Martin, seconded Cr Olson and **Resolved** that the Minutes of the Ordinary Council Meeting, held on the 15 December 2016 be confirmed as a true and correct record of the meeting.

*The following items were then taken out of order to the agenda papers.*

## 4. AGENDA ITEMS FOR DECISION

### 4.1 Section 33 RMA: Transfer of Functions to West Coast Regional Council

*The Group Manager: Planning, Community & Environment spoke to this report.*

*Mr Gerard McCormack, Consents and Compliance Manager, West Coast Regional Council attended this part of the meeting.*

#### Key Items noted:

- *The Group Manager: Planning, Community and Environment advised that no staff would be freed up if the transfer were to take place.*
- *The transfer would however improve efficiency within the planning department.*
- *Councillors supported the concept of transferring the resource management functions to the West Coast Regional Council.*
- *His Worship the Mayor noted his concern that he had emailed the West Coast Regional Council regarding the Hokitika Sea Outfall and the associated abatement notice as there is a no surprises policy between Westland District Council and the West Coast Regional Council.*

Moved His Worship the Mayor, seconded Cr Havill and **Resolved** that

- A) Council resolves to transfer certain resource management functions relating to mining (processing, monitoring and compliance functions) as per the 2013 Statement of Proposal; and
- B) Council seeks the West Coast Regional Council approval of an appropriately updated Deed of Transfer similar to that agreed in principle but not signed in 2013.



*His Worship the Mayor thanked Mr McCormack for attending the meeting.*

#### **4.2 Easter Shop Trading Policy**

*The Group Manager: Planning, Community & Environment spoke to this report and advised that Council can implement a policy for Easter Shop Trading.*

##### Key Items noted:

- *That there may be geographical challenges in getting all elected members together for a meeting once submissions are received for a hearing. Cr Neale asked if the matter could be heard earlier and not necessarily via a special meeting of Council.*
- *The Chief Executive to investigate the options and report back on the procedure, particularly if no submitters wish to be heard in person at a hearing.*

Moved Cr Eatwell, seconded Deputy Mayor Lash and **Resolved** that:

- A) Council adopts the Statement of Proposal attached to the Agenda.
- B) Council undertakes a Special Consultative Procedure as per Section 83 of the Local Government Act 2002, with an opening date for submissions of 30 January 2017 and a closing date of 3 March 2017.

#### **4.3 Marks Road Reserve \$5,000 Reimbursement**

*The Finance Manager spoke to this report.*

Moved Cr Olson, seconded Cr Eatwell and **Resolved** that Council approves the St John South Westland Area Committee's request for reimbursement of survey costs of \$4,703.91 plus GST.

#### **4.4 West Coast Wilderness Trail – Project Update**

*The Chief Executive spoke to this report and provided an update and noted that due to the recent weather conditions there has been very little progress on physical works on the West Coast Wilderness Trail.*

Key Items noted:

- Week of the 30 January 2017, work on 4 of the 5 sections in the Project Completion Plan will be underway.
- Representatives of Ministry of Business, Innovation and Employment (MBIE) will be meeting with Trail Managers and stakeholders in early February 2017 regarding future funding criteria and capital works.
- Deputy Mayor Martin expressed concern regarding Council applying to themselves for consents.
- The Chief Executive advised that work on landowner approval for Kaniere Tram is ongoing.

Action Items:

- A) *The Chief Executive to provide an update from the Project Manager, West Coast Wilderness Trail and also the planning team, regarding archaeological sites, perceived contamination site, and an update on resource consents and email to the Mayor and Councillors.*
- B) *Deputy Mayor Martin asked that the monthly resource consents be brought into the monthly reporting to Council.*

Moved Deputy Mayor Lash, seconded Cr Neale and **Resolved** that the report from the Project Manager: West Coast Wilderness Trail be received and staff note the considerable frustration in the delays regarding the Kaniere Tram section of the cycle trail.

**4.5 Blue Spur Water Treatment Plant PH Correction – Retrospective Approval for Unbudgeted Expenditure**

*The Group Manager: District Assets spoke to this item.*

Moved Deputy Mayor Martin, seconded Cr Olson and **Resolved** that:

- A) Council retrospectively approves the unbudgeted expenditure to a maximum of \$50,000 for the installation of pH correction at the Blue Spur Water Treatment Plant.
- B) The funding source will be a variance to budget, funded from the Hokitika Water Supply Budget.

## **5. AGENDA ITEMS FOR DISCUSSION:**

### **5.1 West Coast Whitebaiters Association Letter – Taramakau Bridge Proposal – Proposal for access to Gentle Annie Walk Track**

*A letter had been received from Des McEnaney, President of the West Coast Whitebaiters Association regarding the Taramakau Bridge Proposal, Gentle Annie Walk Track.*

#### **Action Item:**

- A) *The letter from Mr. McEnaney and a map of the area concerned to come back to the 23 February 2017 Council Meeting for a decision (no report required).***

### **5.2 Signage on Old Christchurch Road**

*His Worship the Mayor advised that he had been asked by a local constituent from an Automobile Association and also Fire Brigade perspective expressing concern regarding the increase usage of the Old Christchurch Road through Kawhaka.*

*It was noted that there has been an increased usage of campervans using this road also.*

*The Group Manager: District Assets advised that appropriate signage has been ordered for the Old Christchurch Road.*

#### **Action Item:**

- A) *Councillors noted that signage is underway and the Group Manager: District Assets will advise Councillors when signage has been erected.***

### **5.3 Grey District Council – Offer to share Butlers Landfill**

*His Worship the Mayor spoke to this item regarding McLeans Pit Landfill.*

#### **Action Items:**

- A) *It was noted this was for Councillors information only at this stage. Council are supportive of the direction.***
- B) *Council to go back to Grey District Council regarding the rate in the dollar amount.***

C) *The item to be discussed in the Confidential Section of the 23 February 2017 Council Meeting.*

### **3. GENERAL BUSINESS**

#### **3.1 Jim Little, Chief Executive, Tourism West Coast**

*Jim Little, Chief Executive of Tourism West Coast (supported by Melissa Alexander and Kelly McLeod) provided a presentation to Council regarding the following:*

- *Visitor Spend on the West Coast*
- *Council Funding*
- *The Power of the Tourism Industry*
- *Where the money goes*
- *How and Why RTOs are funded*
- *Who do Councils fund tourism and no other sectors?*
- *What is a Visitor?*
- *West Coast Regional Growth Study – Tourism*
- *Marketing Strategy and Brand Implementation*
- *Focus on increasing length of stay from 2.0 to 3.2 nights*
- *Marketing new icons and existing icons.*
- *Increase number of jobs*
- *Regional Tourism Expenditure*

*His Worship the Mayor thanked Jim Little, Kelly McLeod and Melissa Alexander for attending the meeting and providing an update for Council.*

#### **3.2 Hon Damien O'Connor**

*His Worship the Mayor welcomed the Hon Damien O'Connor and noted that he is the first MP to address the Council for the new Triennium.*

##### Key Items noted:

- *Westland High School – support for the school due to the recent fire that occurred at the High School which is a challenge for the school.*
- *Infrastructure and whether there are the resources for an update. Hokitika is deserving. Bringing together all the relevant parties for a meeting.*
- *Tourism – the most valuable thing in the world at the moment is water.*
- *Issues around Franz Josef/Waiau are a challenge for Council.*
- *Broadband coverage in Haast.*

- *Mobile phone coverage. People need to know they are coming into a Wilderness area. Really good reasons for extension of mobile phone coverage for emergency services.*
- *Roading.*
- *Sea level rise, climate change.*
- *Fault Avoidance Zone in Franz Josef/Waiau.*

Mr O'Connor congratulated the Mayor and Councillors on their election to Council.

Cr Carruthers noted the vulnerability to the West Coast should there be a major landslide or earthquake.

Cr Havill noted that more passing bays for vehicles are required on the West Coast due to the increased volumes of traffic on State Highway 6 and 73.

*Mr O'Connor thanked the Council for the opportunity to address the Council and advised that he is happy for ongoing dialogue with Council.*

*The meeting adjourned for lunch at 12.32 pm and reconvened at 1.04 pm.*

## **Additional Items for Consideration**

### **Footpath – Bella Vista to Caltex Garage:**

Deputy Mayor Lash spoke to this item.

#### **Key Item noted**

A) *It was noted that there is a schedule for footpath repair/replacement.*

#### **Action Item:**

- *The Group Manager: District Assets to ask staff to investigate and come back with how much is currently in the budget and a prioritization schedule for footpath repairs/replacement.*

### **Shared Services – Agreements between the Councils**

The Chief Executive advised that Councils are working on this item all the time.

Key Items noted:

- District Library.
- Back-office functions and telephone systems.
- Alpha One System (building consents).
- Work driven by the Local Government Commissions, Mayors and Chairs and CEs.
- Future discussions regarding roading teams, consenting teams and one Regional Plan.
- Noted the LGC reports are ready to be presented and a time needs to be arranged for presentation of the reports.

**Action Item:**

- A) ***The Chief Executive to circulate the two Local Government Commission Reports to the Mayor and Councillors.***

**Request from Businesses in Weld/Tancred Streets**

His Worship the Mayor spoke to this item and advised that several businesses in the Weld/Tancred Street area would like a plan in place for the next flood event, including having pallets with sand bags on them being available.

**Action Item:**

- A) ***Pallets with sandbags to be placed accessible for those businesses affected in the Tancred/Weld Street area next time flooding is imminent in that area. District Assets staff to look at the practical side of this item on a temporary basis until October 2017.***

**Premises at 74 Revell Street, Hokitika**

- Concern regarding carparking for commercial premises which needs to be revisited.

**5.4 Hokitika Carparking Plan**

*The Group Manager: District Assets spoke to this item and referred the Mayor and Councillors to the email that he had circulated prior to the Council Meeting regarding Hokitika car parking matters.*

Key Items noted:

- Alfresco dining
- Sealing of carparks
- Planning for cars, buses and campervans in the CBD
- Signage for local businesses
- Bike racks

The Group Manager: District Assets advised that he is attending a meeting with Enterprise Hokitika as a stakeholder regarding the above item.

Deputy Mayor Martin advised that there are various plans over the years that have been prepared for carparking in the CBD and there needs to be a cohesive and coordinated approach going forward.

**Action Items:**

- A) *Councillors noted the issue has been highlighted and referred to District Assets as a priority, and staff will bring back a concept plan to Council for parking in the CBD.*
- *Deputy Mayor Martin to work with the District Assets team regarding this matter.*
  - *The item to come back to the Council for further discussion/input.*

**5.5 Events Liquor Licensing**

*Councillor Eatwell spoke to this item regarding liquor licensing requirements for two recent local events –Kumara Race day and the Hokitika Races.*

**Key Items noted:**

- *Management of liquor licensing for such events has become more restrictive.*
- *There have been different interpretations of the law.*
- *The District Licensing Committee need to satisfy the requirements of the Sale and Supply of Alcohol Act to make a practical way of catering for patrons at special events.*
- *Noted that there are various interpretations of the Sale and Supply of Alcohol Act.*

The Group Manager: Planning, Community and Environment spoke to this item regarding the legislation change with regard to the Kumara Racing Club regarding BYO. Hokitika Races had applied for a special licence.

His Worship the Mayor advised that it is a critical issue for our events. Kumara Race Day Security had to go from 4 people to 22 people.

**Action Items:**

- A) *Staff to organize a meeting between His Worship the Mayor, Deputy Mayor Lash, Cr Eatwell, and Cr Olson, with*

*representatives of Crown Public Health and the West Coast Police regarding liquor licensing matters for major events on the West Coast.*

## **5.6 Air B&B Rating**

*Cr Eatwell spoke to this item.*

### **Key Items Noted:**

- *Cr Eatwell advised that some moteliere view AirB&B's as competition to their accommodation businesses and a fairer way of addressing the matter for accommodation providers is required.*
- *Deputy Mayor Martin advised that Council has the ability to define a commercial activity in the Rating Policies and charging a division of rates.*
- *Deputy Mayor Lash advised that there are Air B&B's operating in South Westland also.*
- *The Corporate Planner advised that Council staff have a procedure in place for tidying up the rating database for those properties that were perceived to be operating a commercial businesses.*

### **Action Item:**

- *Corporate Planner to circulate the staff procedure to the Mayor and Councillors.*

## **5.7 Wanganui Flat Subdivision Rating**

*Cr Eatwell spoke to this item and referred to correspondence that he had in regard to this matter.*

### **Key Items noted:**

- *A subdivision was consented to by Westland District Council in 16 November 2006. The property owners are being charged rates and they have asked for a relief on their rates as they have been negotiating this for quite some time.*
- *Licences to Occupy were then offered to people for the legal road at La Fontaine, Harihari.*
- *A rates rebate from Council is accordingly sought.*

### **Action Item:**

- A) *The background information from Cr Eatwell to be forwarded to staff to research and come back with a recommendation to Council.*



## 5.8 Planning Matters

*His Worship the Mayor spoke to this item.*

### Key Items:

- *Concern regarding some planning matters that have been around for a long time.*
- *Asked that staff delegations be urgently reviewed.*
- *Employing a consultant should be a Council decision.*
- *Going to a hearing or not going to a hearing should be a Council decision.*
- *Discussion regarding the District Plan Review.*
- *Delegations Review.*
- *Communications.*
- *Systems and processes.*

Moved His Worship the Mayor, seconded Cr Havill and **Resolved** that if an issue of signage compliance, caparking for resource consents, the employment of consultants or contractors, the notification of a resource consent and decisions on whether to go to a hearing, to be referred to Deputy Mayor Lash in the first instance as portfolio holder for approval.\*

*Cr Neale recorded her vote against the motion.*

*\*Formal amendment requested: "...to be referred to Deputy Mayor Lash in the first instance as portfolio holder for input." Note: This does not constitute a change in delegations.*

### **District Plan Review:**

His Worship the Mayor spoke to this item.

### Key Items noted:

- A) A discussion was held on having either a full review or a rolling review of the District Plan.
- B) Cr Havill reminded Councillors that it is a *Westland* District Plan.

### Action Item:

- A) *Deputy Mayor Martin, Deputy Mayor Lash and Cr Neale to come back to Council with a process going forward.*

## 5.9 Revenue to Council for services provided by Westland District Property Limited

*His Worship the Mayor spoke to this item.*

*Key Item noted:*

- *Councillors asked that a very clear set of directions be provided to the Airport/WDPL companies regarding, moss, water and bees on Council land, ensuring there is no disconnect with the CCOs regarding these matters.*

*Action Item:*

- A) *The Chief Executive and Group Manager: Corporate Services to review the policy for consistency, ensuring there is no disconnect between the companies and Council.*

**5.10 Community Owned Halls: Council costs for consents charged to the community**

*Deputy Mayor Lash spoke to this item.*

*Key Item noted:*

- *Asked that Council reconsider waiving the consent costs for community-owned halls.*

*Action Item:*

- *Staff to come back to the 23 February 2017 Council Meeting with a report and options.*

**5.11 Christmas 2017 and New Year**

*His Worship the Mayor spoke to this item.*

*Key Item noted*

- *Noted there is \$10,000 available in the budget for township decorations that could be used by a community group to obtain funding to develop lighting, projections and events for Christmas 2017 and the New Year.*

*Action Items:*

- A) *Staff were instructed to call for expressions of interest from interested parties to take the item forward and call for*

*expressions of interest from a community group and start planning now for Christmas/New Year.*

- B) *Expressions of Interest to be considered at the 23 March 2017 Council Meeting.*

## 5.12 Update on Review of CCO Structure

*The Chief Executive spoke to this item.*

*Key Item noted:*

- *The Group Manager: Corporate Services has made contact with the Tax Team and they have come back with a price for updating their tax advice.*

*Action Item:*

- *His Worship the Mayor and the Group Manager: Corporate Services invite the Tax Team to meet with Elected Members in the next month to discuss tax advice.*

*The meeting adjourned for afternoon tea at 3.00 pm and reconvened at 3.18 pm.*

*Cr Carruthers was not in attendance for this part of the meeting.*

## 5.13 2017/18 Annual Plan Update

*The Corporate Planner spoke to this item and went through potential changes identified by elected members for 2017/18 (Year 3 of the Long Term Plan).*

<i>Activity</i>	<i>Is it a variation to what is in the LTP? e.g. Change to LOS, changed ownership of a strategic asset, change to the R&amp;F Policy If not, is it still something significant enough to consult about?</i>
<b>Waste management</b>	Butlers – Fees and Charges, Grey DC
<b>Increase spending on:</b>	
<b>More cleaning of public toilets that are frequently used e.g. FJ, Whataroa, Kumara</b>	Investigate. Confirm extensions to grants for the LTP.
<b>District cemeteries – consider method of funding the maintenance. Includes Stafford, Harihari, Whataroa, Fox Glacier and Haast.</b>	Move to increase spending and increased level of service. Stafford Cemetery. Look at how much is being paid now for maintenance.

<b>Structure of CCO's</b>	Group Manager: Corporate Services
<b>Fees and charges (Jackson Bay wharf fees, other...)</b>	
<b>Township Development Funding – to account for other settlements</b>	Ōkārito and Bruce Bay communities. Consultation item so that all the communities have input into splitting the township development funding. Ōkārito and Bruce Bay meetings have been held. Refers to the split funding. Boundary change and remodelling change.
<b>i-SITE / Museum / Customer Service functions</b>	Explore the option in the short-term.
<b>Cost of Democracy</b>	Providing the budgets to Councillors
<b>Rating for depreciation</b>	By June 2017, the Austerity Depreciation Funding Policy will have expired, hence workshop required before then.
<b>Strengthen Carnegie building</b>	Possibly funded externally. Funding to be confirmed.
<b>Seal Keogans Road</b>	
<b>Christmas lights and decorations</b>	Seek expressions of interest from a community group.
<b>New public litter bins in all the towns</b>	Note: looking at all the townships.
<b>Lazar Park playground equipment (was in Year 1, not done, not carried forward)</b>	
<b>Contribution to Driftwood and Sand</b>	
<b>Footpaths in Hokitika</b>	
<b>Waterfront Development</b>	

*Cr Carruthers returned to the meeting at 3.21 pm.*

#### **5.14 Lazar Park Upgrade**

*Key Item noted:*

*Deputy Mayor Martin spoke to this item and advised that Lazar Park is in need of an upgrade, mainly due to flooding and that \$45,000 was originally in the budget for these works.*

*Action Item:*

- That staff be instructed to include Lazar Park Upgrade at \$45,000 back into the budget.*

## **5.15 Hokitika Foreshore Working Group and Terms of Reference**

*Cr Carruthers spoke to this item and stated that a meeting of interested persons will be held to drive the project forward.*

### Key Items noted:

- *First step is to sort out plans, implications and coordinate the project.*
- *Hokitika Lions Club are keen to get underway with the work at Sunset Point.*
- *Suggestion that there are representatives from Council, Community Organisations, Westland Arts Inc (WAI), Hokitika Lions, Heritage Hokitika and people who have volunteered to be involved.*
- *A working group to be established, and a meeting held to identify how the work and plans will be progressed.*

### Action Items:

- A) *Agreed that a meeting of the Hokitika Foreshore Working Party be held as the first step to identify a way forward for all parties involved.*
  
- B) *There be a report back to Council from the first meeting of the Hokitika Foreshore Working Party.*

## **Carnegie Building – Update**

The Museum Director and Group Manager: Planning, Community and Environment spoke to this item and provided an update for Council on the buildings and the Hokitika Museum operations, including the Research Centre at 47 Revell Street. It was noted that the research centre is open for public enquiries and cataloguing work is underway.

### Key Items discussed:

- *If the Hokitika Museum could be opened up, partially or in full.*
- *The strengthening work.*
- *An update from the consultant.*
- *Leasing or renting the building.*
- *Fire safety and the distance to fire exits.*

## **5.16 Hokitika-Westland RSA Update – Balance Works**

### Key Item noted:

- *The Group Manager: District Assets spoke to this item and noted that the balance works related to outside works only, including the footpath outside the building which was damaged when the building was demolished; and*

*the sealing of the carpark behind the RSA building near the swimming pool. The works would be a variation to Council's existing sealing contract.*

**Action Items:**

- *District Assets staff investigating the \$20,000 available in the reserves account which is proceeds from the rental income.*
- *The Group Manager: District Assets sought a verbal assurance regarding proceeding with the sealing works and a retrospective report to Council may be required.*

**6. MATTERS CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'**

Moved Deputy Mayor Martin, seconded Cr Havill and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 4.20 pm.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

- 6.1 **Confidential Minutes**
- 6.2 **Tender Approval: Kumara and Whataroa Water Treatment Plant Upgrades – Contract 16/17/08**
- 6.3 **Tender Approval : Hokitika Stormwater Upgrade Works - Contract 16/17/09**
- 6.4 **Franz Alpine Resort**
- 6.5 **CE Performance Review and Contract**
- 6.6 **Elected Members and Staff**

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
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6.1	Confidential Minutes – 15 December Council Meeting	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
6.2	Confidential Report – Tender Approval: Kumara and Whataroa Water Treatment Plant Upgrades – Contract 16/17/08	Confidential Report	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
6.3	Confidential Report – Tender Approval: Hokitika Stormwater Upgrade Works – Contract 16/17/09	Confidential Report	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
6.4	Franz Alpine Resort – Confidential Update	Confidential Update	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
6.5	CE Performance Review and Contract – Confidential Update	Confidential Update	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
6.6	Elected Members and Staff – Confidential Update	Confidential Update	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)

This resolution is made in reliance on Section 48(1)(a) and 48(2)(a)(i) and (ii) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

No.	Item	Section
6.1, 6.5, 6.6	Protection of privacy of natural persons/organisations.	Section 7(2)(a)
6.2, 6.3	Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 7(2)(a)
6.4	Protection of privacy of natural persons/organisations. Maintain legal professional privilege	Section 7(2)(g)

Moved Deputy Mayor Martin, seconded Cr Havill and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and accordingly the meeting went back to the open part of the meeting at 4.40 pm.

**MEETING CLOSED AT 4.40 PM**

Confirmed by:

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**Mayor Bruce Smith**  
**Chair**

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**Date**

**Date of next Ordinary Council Meeting**

**23 March 2017**

**11.00 am**



# Report

**DATE:** 23 February 2017  
**TO:** Mayor and Councillors  
**FROM:** Chief Executive

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## LOCAL GOVERNMENT COMMISSION SUBMISSION ON WEST COAST GOVERNANCE ARRANGEMENTS

### 1 SUMMARY

- 1.1 The purpose of this report is to present the draft submission on the West Coast governance arrangements prepared by the West Coast Chief Executives for consideration and approval by Council.
- 1.2 This issue arises from the Local Government Commission seeking alternative proposals by 15 March 2017 and the idea that all four West Coast Councils should submit together.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approve the submission attached as **Appendix 1**, and authorise the Mayor to sign on behalf of Westland District Council.

### 2 BACKGROUND

- 2.1 The Local Government Commission (LGC) is calling for alternative reorganisation applications and other proposals for change to West Coast local government arrangements. This follows the Commission receiving a local government reorganisation application from two West Coast residents in 2015. This application was for a unitary authority for the West Coast. One council for all the West Coast undertaking both regional council and district council functions.

2.2 To progress the application the Commission had to be satisfied there was “demonstrable community support” for reorganisation across the West Coast. Following a community engagement programme on the West Coast in June and early July 2016, the Commission decided there was community support for some change. It is now undertaking the next step in the process: the call for alternative applications, or other proposals for change, relating to West Coast local government arrangements.

2.3 Alternative applications are other suggestions for local government reorganisation and may relate to all or to one or more parts of the West Coast area. An alternative application must include a description of the type of local government change or changes proposed, a map or description of the affected area, what the changes are seeking to achieve and what improvements would result from these changes.

2.4 The LGC have encouraged the West Coast Councils to put in their own submission, and have indicated that they would look favourably on applications that show Councils are all on the same page, and can demonstrate that we are prepared to challenge status quo to work more effectively together. They have indicated that a shared service model – provided it extends on what we are already doing would be seriously looked at as an option.

### **3 CURRENT SITUATION**

3.1 At the direction of the November Mayors & Chairs meeting – The CEs of the four councils, plus Development West Coast have put together the attached submission which advances our current work in this area. This builds on the work already being done on regional efficiency, and these reports provide the evidential background for our submission.

3.2 The submission does not provide details of the ‘how’ - only the aspirations of what we are trying to achieve. Councils would have a window of six plus months to develop the detail, and the LGC have indicated that they will resource us to complete this work.

3.3 This submission has to be in by 15 March 2017 so it is critical that this be discussed and approved by Council now.

### **4 OPTIONS**

- 4.1 The options available to Council are:
  - 4.1.1 Approve the draft submission attached as **Appendix 1**.
  - 4.1.2 Suggest amendments to the submission
  - 4.1.3 Prepare a separate submission from Westland District Council
  - 4.1.4 Do not submit at all

## 5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 In accordance with Council's Policy on Significance and Engagement this decision is assessed to have a low to moderate degree of significance. However, while the decision on whether to submit or not is not assessed as having high significance, the outcome of the consultation process could have a substantial impact on Council's future. This is, in effect, Council's only chance to have a say on the future governance arrangements on the West Coast, and the outcome of this process could affect the way services are delivered to Westland communities into the future. There is also a high level of public interest in the ultimate decision to be made by the LGC.
- 5.2 In approving this submission Council are part of a consultation process being run by another agency – the Local Government Commission. There is no requirement for Council to consult on the decision to make a submission.

## 6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Approving the attached submission would demonstrate to the LGC and the community that all four councils can and will work together to get the best outcome for our region now and in the future. Having all four councils signatories to the same submission reduces the risk that the LGC imposing a model on us that we do not support. The disadvantage of this approach is that Council might not fully support what is in the submission, or may wish to emphasise or highlight some parts of it more than others. If this is the case, Option 3 might be preferred.
- 6.2 Council might agree with the general approach of the submission but have some amendments to make. These will need to be circulated to the other Councils and agreed to before they can be included.
- 6.3 Council could choose to not approve this submission and submit individually. This would be a viable option if the content and approach in the joint submission is not supported. If this option is taken Council are reminded of the deadline of 15 March and the need to have sufficient information to support a robust alternative proposal.

- 6.4 Council could decide not to submit at all. This is not advised as it could send a signal to the LGC that Council are not interested in future governance arrangements on the West Coast. It is likely that the Westland community are expecting Council to make a submission and some people could feel disappointed that their own Council did not submit on what is seen as an important process.
- 6.5 There are no financial implications associated with the decision to make a submission.

## 7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is Option 1 – that Council approve the joint submission from all four West Coast Councils. The submission has been developed since direction was provided by Mayors and Chairs in November 2016. This would send a strong signal to the LGC that all West Coast councils are on the same page, are working together well, and see a future as separate entities but with collaboration at the core of how services are delivered to our communities.

## 8 RECOMMENDATIONS

- A) **THAT** Council approve the joint submission from the West Coast Councils to the Local Government Commission on West Coast governance arrangements.
- B) **THAT** the Mayor is authorised to sign the submission on behalf of Westland District Council.

**Tanya Winter**  
**Chief Executive**

Appendix 1: Draft submission on alternative governance arrangements for the West Coast



date

Chief Executive Officer  
Local Government Commission  
PO Box 5362  
**Wellington 6140**

Dear Suzanne

### **Submission on Alternative Arrangements for the West Coast**

We write in our capacity as the Mayors of the Buller, Grey and Westland District Councils and the Chair of the West Coast Regional Council, noting that this submission is also supported by the Chair of Development West Coast. As the West Coast Mayors and Chairs Forum we have a strong commitment to working together and cooperating on matters that benefit the West Coast and our economy as a whole.

We would like to thank the Local Government Commission for the opportunity to make this submission and for having extensive dialogue on the reorganisation review process to date. We submit the following for your consideration.

#### **Our region**

The West Coast has a number of unique characteristics which sets it apart from the rest of New Zealand.

The West Coast has a small population of 32,600, sparsely scattered over a long and narrow coastline. The length of the region, the same as the distance between Auckland to Wellington, requires careful consideration as to how to provide efficient and effective services and functions to the communities along this narrow strip. Some of our communities already have significant distance to travel to engage with our officers, and we work closely with them to ensure that they feel empowered and included within our local government services.

Of the 23,000 square kilometres or 2,300,000 hectares land area on the West Coast, the Department of Conservation manages 1,964,141 hectares, or approximately 84% of this. This land management has a significant impact on the ratepayer base for the region and the districts. As a result, we have long had to consider how to deliver a multitude of functions in a cost effective and value for money way. This in part, has contributed to a desire to approach shared services between the four Councils, which over the past years had led to a number of efficiencies and cost savings.

#### **Our history**

The West Coast has been stereotyped by a history of 'patch protection', considered as parochial and very much focused on individual district matters. While some of this may have occurred in the past, it is no longer the case. Together we are focused on creating a region that is successful, that has communities that are resilient with a diversified economy, supported through efficient local government service delivery.

In 2015 the four West Coast Councils signed a memorandum of understanding to *A Commitment to Regional Efficiency*. The MOU documented the range of collaborative approaches already in place amongst the four Councils and then the future intentions for further collaboration (a copy of the MOU is appended to this submission).

#### **Our future – what do we want to achieve?**

We are of the firm belief that a status quo model with enhanced shared services will provide the best format for the delivery of local government functions across the region. Better alignment between the Councils will make working across the region more streamlined for business, and having more shared service options will provide for more regionally consistent service delivery.

The New Zealand Initiative has undertaken significant investigation into local government structures around the world. Amalgamating councils is not always the answer. The devolution of responsibility to local government has led to remarkable success in the Netherlands, Switzerland as well as the UK. As such, we believe that greater focus on shared services is a much more productive alternative to a Unitary Council.

There are several key projects that are seen to be crucial to a better delivery of services, and which we wish to progress development and implementation. These include:

- A single district plan across the region  
Unifying the district plans across the West Coast brings many advantages to the region. Not only will it standardize the regulatory framework, creating a more seamless environment to undertake the consenting process within, but it provides further certainty to investors. More importantly the cost of undertaking this, and any potential appeal and court processes, will be minimized. It has also been recognised that there is a lack of resource in the policy space across the District Councils to undertake individual reviews. This process better utilizes staff capacity across the region and ensures we are able to have in place a fit for purpose district plan to cater to the needs of not only the individual districts, but the region as a whole.
- Unified regulatory services  
There are opportunities to review the delivery of a number of regulatory functions between Councils. This includes consent processing, compliance monitoring and building consent work. Similar to the outcomes of the single district plan, this again provides opportunity to streamline processes, making it easier to work through the consenting process delivering savings in both time and money to investors, businesses and the community generally. Some of this is already occurring in the building area and with some RMA functions delegated to a neighbouring district or the regional council.
- A shared pool of 'expertise'  
As small Councils it is inherently difficult to fund a number of services adequately on an individual basis. This expertise would add significantly to the capability and capacity of our Councils individually and collectively as these are functions that are generally only found in larger Councils and it is unlikely that as individual entities we would ever have the resources to perform these functions well. The current situation sees many of these functions 'tacked on' to existing roles, performed by those who have little time to undertake them to the level they need to be.

We believe that there is merit in the development of a shared pool of expertise, including but not limited to:

- Human resources (high level strategic advice)
  - Risk management
  - Health and safety
  - Procurement and contracts
  - Policy and strategy
  - Quality assurance
  - Business improvement
  - Business development / funding (seeking external funding opportunities)
  - Strategic communications
  - Information management
  - Iwi engagement
  - Rates and accounting services
- WC4 Collaborative Information Systems  
The four West Coast Councils have a strategy and roadmap for proposed information systems projects that will be worked on collaboratively. The aim is to provide a high level of service that meets business needs, while containing costs through a combination of collaborative purchasing and sharing of services and effort where practical. There have been a number of projects that have recently been completed, or are being rolled out in the coming weeks which further highlights how the Councils are already working a collaborative space. These projects include:
    - The installation of high speed network connections between the Councils. This enables better communication / collaboration between the Councils and enhanced delivery of online services to the community.

- Based on this new network we are installing a shared phone system that will make it much easier for communication directly between staff from the different Councils. This will be delivered over the next few weeks.
- The next step is to enable a user to have a single logon that will enable access to the computer network at more than one Council. This has become important now we have positions that are shared between Councils and there is increasing interest in pooling of staff resources.
- A single Emergency Management web site has been created for the whole region and will be made public over the next few weeks.
- A regional web map portal has been created using the latest technologies as a joint project for the Buller District Council and West Coast Regional Council. The next step for this is to also display Grey and Westland District map information so it becomes a one-stop-shop.
- The three District Councils have worked together to roll out the Alpha-One system for Building Consents
- Aerial photography for the Buller and Grey Districts has been delivered and work has started on capturing images for Westland District.
- All four Councils have worked together on a 'Request for Information' for the supply of a document management system. A number of proposals have been received and we will now choose a preferred vendor and proceed to implementation.
- The new technologies are already being used for video conferencing considerably reducing the need to travel.

A roadmap of future projects in the IT space has already been developed which includes some key projects such as:

- The implementation of an electronic document management system so that document storage and handling can be much more consistent across Councils.
- The Councils are also working together to use the new network to improve the resiliency of our information systems and disaster recovery ability in the case of an event that affects our systems.

### **Our future – the pathway forward**

We believe that to be successful as a region we need to be present in our communities. The issues that each part of the region faces are diverse and require close consultation and engagement with the community.

As outlined above, and in the appended MOU, the region is already committed to identifying how we can do things together to provide for more efficient and effective local government service delivery. Key to the success of such initiatives relies significantly on the governance that surrounds it. We propose that the Mayors and Chairs forum is the vehicle that can champion and drive forward the collaboration progress between the Councils. We are committed to building on the strong foundation that has been established to date.

We propose the following pathway forward:

- Review and update the memorandum of understanding: A Commitment to Regional Efficiency. Note that this is currently underway following local government elections. This would include ensuring there is a clear purpose and agreed outcomes put in place.
- Have the memorandum endorsed and supported by each of our individual Councils.
- Every year review and undertake a stock take of initiatives that can be put forward for investigation, development and implementation based on its potential to provide increased service delivery, efficiency and effectiveness to the West Coast communities. This may be undertaken in conjunction with Local Government assistance.
- Agree on checks and balances – how we would ensure that initiatives are progressed and that they do not remain as good ideas on a shelf.
- Implement a reporting back mechanism which outlines progress, as well as the successes and failures. This would be shared with our Councils and our communities. Shared services and other collaborations must deliver tangible benefits by way of either improved levels of service, or reduced costs. The overriding priority is that the benefits should outweigh the costs and the end result must be an improved service/facility for the region's residents.

We would also note the amendments to the Local Government Act, and the inclusion of Section 17A requiring Councils to consider their services and determine the best way to deliver these. This is an activity that Councils throughout New Zealand are undertaking, not just those on the West Coast. We would also note that we support the intent of Section 17A reviews as while it may be a legislative requirement, it is simply good practice

The Section 17A review is another mechanism by which we can identify potential areas for collaboration and other shared services. We consider that many of these have already been identified in what we want to achieve in the future above.

### **What will success look like?**

As we look to our future it is important we consider what success will look like, particularly for our communities. We desire a region where our communities are economically and socially better off, well represented and served. The West Coast will be a region where investors and industry find it straightforward to engage and interact with Councils, with services that are delivered to a high and consistent standard across the region. We are confident that this can be achieved through the approach we have identified.

### **In summary**

In summary we submit that:

- A status quo model with enhanced shared services, an approach that we are already progressing, will provide the best format for the delivery of local government functions across the region.
- To be successful as a region we need to be present in our communities.
- Initiatives to progress collaboration and shared services for the future will rely significantly on the governance of the Mayors and Chairs forum to champion this.

We thank you for the opportunity to make this submission and look forward to hearing both the views of our communities and further discussions with yourself.

Yours sincerely

Garry Howard  
**Mayor, Buller District Council**

Tony Kokshoorn  
**Mayor, Grey District Council**

Andrew Robb  
**Chair, West Coast Regional Council**

Bruce Smith  
**Mayor, Westland District Council**

John Sturgeon  
**Chair, Development West Coast**



# Report

**DATE:** 23 February 2017  
**TO:** Mayor and Councillors  
**FROM:** Group Manager: Corporate Services

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## **CCO DIRECTOR APPOINTMENTS**

### **1 SUMMARY**

- 1.1 The purpose of this report is for seek Council approval of appointments to the Boards of Directors for Westroads Ltd (WRL) and Hokitika Airport Ltd (HAL).
- 1.2 This issue arises because, following resignations, the number of directors is currently below what is considered to be the optimum level, and because in November 2016 it was resolved that all matters concerning governance of CCOs be referred to Council.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approves the recommended appointments to the Boards of the CCOs.

### **2 BACKGROUND**

- 2.1 At the 24 November 2016 Ordinary Council Meeting, Council:
  - 2.1.1 revoked its Policy on Appointment and Remuneration of Directors of Council Organisations (COs) and Council Controlled Organisations (CCOs),
  - 2.1.2 undertook to investigate a proposal to reorganise the group structure of its CCOs, and
  - 2.1.3 appointed Cr Routhan to the Board of WHL.

- 2.2 At the same meeting Council stated its preference for elected member representation on the Boards of its CCOs and for independent directors to be based on the West Coast.
- 2.3 During December 2016 and January 2017 directors from each of the CCOs resigned and a new common Chair was appointed to the Boards of HAL and Westland District Property Ltd.
- 2.4 Another director has resigned from the Board of HAL, effective 28 February 2017.

### **3 CURRENT SITUATION**

- 3.1 Expressions of interest were sought from elected members on 1 February 2017 and two candidates were confirmed for each position.
- 3.2 On consultation with the Chair of WRL it was determined that this role had specialist requirements and an independent candidate would be sought. The Chair has confirmed that a preferred candidate has been identified and a recommendation will be provided to Council ahead of its meeting on 23 February 2017.
- 3.3 For the vacant position with HAL, expressions of interest were received from Deputy Mayor Martin and Deputy Mayor South Lash. The Chair of HAL has reviewed the applications and recommends the appointment of Deputy Mayor Martin.

### **4 OPTIONS**

- 4.1 Do nothing
- 4.2 Approve the appointments recommended by the respective Chairs
- 4.3 Approve alternative appointments

### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 The decision to appoint directors to CCOs is administrative in nature and therefore assessed as having a low level of significance.
- 5.2 Direct engagement with the company Chairs was undertaken. Wider community engagement is not necessary on this matter.

## 6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Do nothing  
Vacancies will persist in the two CCOs. There will be a small saving in director fees but at the potential cost of sub optimal governance.
- 6.2 Approve the appointments recommended by the respective Chairs  
The CCOs will return to their full complement of directors following a considered appointment process.
- 6.3 Approve alternative appointments  
Council may disagree with the recommendations of the Chairs and nominate alternative candidates. This may have an impact on the relationship between Council and its appointed Chairs. Council could also decide to run a publicly notified recruitment process. There would be cost and delay with this option.

## 7 PREFERRED OPTIONS AND REASONS

- 7.1 The preferred options is 2: Approve the appointments recommended by the respective Chairs. The Chairs have provided recommendations based on their assessment of the compatibility of the candidates with their knowledge of the companies they represent and their understanding of the requirements of the positions.

## 8 RECOMMENDATIONS

- A) **THAT** Council approves the recommendation of the Chair of Westroads Ltd for appointment to the Board of the company.
- B) **THAT** Council approves the recommendation of the Chair of Hokitika Airport Ltd for the appointment of Deputy Mayor Martin to the Board of the company.
- C) **THAT** Council endorses the appreciation from the Chair of Hokitika Airport Ltd of the application from Deputy Mayor South Lash.

**Gary Borg**  
**Group Manager: Corporate Services**

# Report



**DATE:** 23 February 2017

**TO:** Mayor and Councillors

**FROM:** Group Manager: Planning, Community and Environment

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## PLANNING UPDATE

### **1 SUMMARY**

- 1.1 The purpose of this report is to provide the first of what will be an ongoing series of monthly reports to the Council on its planning activities under the Resource Management Act 1991, including resource consent processing, monitoring and enforcement, and policy development including the review of the Westland District Plan.
- 1.2 This issue arises from Elected Members' request to be better informed on planning matters.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives this report and provides verbal feedback on what it would like to see in future reports.

### **2 BACKGROUND**

- 2.1 Council's planning department performs a number of functions under the Resource Management Act 1991 (RMA), including resource consent processing, monitoring and enforcement, and policy development including the review of the Westland District Plan.
- 2.2 Currently, Elected Members receive a weekly list of resource consents received, and a quarterly report on performance and statutory timeframes for the issuance of resource consents. The Council of the previous triennium did not request any additional regular reporting on RMA matters. Prior to that, there had been regular reporting to Council via Committees.

2.3 The current Council is interested in knowing more about the ongoing activities of the Council's planning department, on a monthly basis. The exact reporting requirements have not yet been outlined, but staff understand that Elected Members are interested in the following:

- Resource consent applications received, by type and location
- Resource consents issued, by type and location, and compliance with statutory timeframes
- Resource consent applications notified (limited or full public), by type and location
- Resource consent applications that went to or are going to a hearing (due to submitters wishing to be heard)
- Status of significant resource consent applications not otherwise covered by the above
- Significant compliance monitoring and enforcement activity
- Progress with the District Plan Review
- Process improvements of note

2.4 It is likely that a separate report will be coming in March or April on the District Plan Review and how this relates to work at the regional scale. This month's report will therefore focus primarily on resource consent processing, with brief update on compliance monitoring and enforcement activity, the District Plan Review and recent process improvements.

2.5 Like monthly financial reports, it is proposed that the monthly planning reports will focus on the previous calendar month – in this case the month ending 31 January. It is theoretically possible to report on activity up to the date of the writing of this report (e.g. 15 February), but in practice it would be difficult to ensure that the information is accurate and complete up to the mid-month stage. It would be preferable to provide a verbal supplement to this report at the Council meeting on any significant matters arising since the close of the previous calendar month.

### 3 CURRENT SITUATION

#### 3.1 Resource consent applications received

3.1.1 A total of 13 applications were received in January 2017. Four of these were rejected under s88 of the RMA for being incomplete and may be resubmitted. Of the remaining 9, in terms of their activity status under the District Plan:

- 4 are controlled activities (the Council must approve them as long as they meet controlled activity standards); these are all for residential activities in the rural zone.
- 1 is a discretionary activity (the Council can approve or decline it); it is for a residential activity which does not meet the controlled activity standards for the rural zone.
- 1 is a restricted discretionary activity (the Council can approve or decline, but must restrict its analysis to matters specified in the District Plan); this is for a mining activity.
- 2 are non-complying activities (the Council can approve or decline, but to approve them it must be convinced that the effects will be minor and that approval will not be contrary to the objectives and policies of the District Plan); one is for off-site signage and another is for a commercial activity (helicopter site office) in the rural zone.
- 1 is a discretionary three-lot subdivision

3.1.2 In terms of location, 6 are in the wider Hokitika area (including Kowhitirangi, Rimu, Blue Spur and Stafford), 1 is in the Kumara area, 1 is in Franz Josef and 1 is in the Whataroa area.

3.1.3 Further details of each application received are not provided in this report but have been included in the weekly e-mail updates to Elected Members on the consents received. The updates include the name of the applicant, the location, and the proposed activity.

#### 3.2 Resource consents issued

3.2.1 Three consents were issued in January. One was for indigenous vegetation clearance in Hari Hari (discretionary activity), one was for power lines in the Otira Gorge (restricted discretionary activity), and one was a hearing commissioner's decision on a dwelling in the rural zone off One Mile Road north of Hokitika (discretionary activity).

3.2.2 In terms of compliance with statutory timeframes, the consents in Hari Hari and Otira Gorge were both issued within the 20 working day limit. The other consent mentioned above off One Mile Road was over the 100 days allowed for notified consents, due to staff changes in 2016.

### **3.3 Resource consent applications notified**

3.3.1 No applications were limited notified (to specified parties) in January. To put this in context 17 applications were limited notified in the calendar year 2016.

3.3.2 No applications were fully publicly notified in January. To put this in context, only 1 application was fully publicly notified in the calendar year 2016 (modification of St Mary's Church in Hokitika), 1 in 2015 (Renton's building demolition in Hokitika), and 1 in 2014 (Westland Milk Products expansion in Hokitika).

3.3.3 So far in February, some applications have been found to have affected parties, but these only proceed to limited notification if the applicants are unsuccessful in gaining affected party approval (APA).

### **3.4 Resource consent applications that went to or are going to a hearing**

3.4.1 The outcome of notification is not always that a hearing occurs. Sometimes there are no submitters, or the submitters are in support of the project. Other times the submitters and the applicant agree to consent conditions before a hearing.

3.4.2 No hearings were held in January.

3.4.3 Upcoming hearings are scheduled for:

- Tuffy Investments Ltd (campground in Davie St, Hokitika): 27 February
- Okuru Enterprises Ltd (water extraction facility at Tuning Fork Creek, Okuru): 17 March

### **3.5 Status of other significant consents not otherwise covered above**

3.5.1 It is yet to be determined with Elected Members what the significance threshold is for this section of the report. Enquiries to the planning department from Elected Members as to the status of any consent are welcome at any time.

3.5.2 In general a common status not covered by the above sections is “on hold.” There are a few reasons why an application may be on hold. One is that it could be on hold for further information under s92 of the RMA. If a consent is accepted as complete, Council has only one opportunity to ‘stop the clock’ and issue a Request for Further Information (RFI) in this way; the clock is restarted when the information is provided by the applicant. Another reason is that it could be on hold at the applicant’s request to seek affected party approval (APA). It could also be on hold at the applicant’s request to provide further information that might resolve an issue prior to it going to a hearing. There are now limits in the RMA on how long an application can be on hold in total, though this limit is fairly generous at 130 working days.

### **3.6 Significant compliance monitoring and enforcement activity**

3.6.1 One abatement notice was issued in early January, in relation to off-site signage. That matter is now on hold while a resource consent application is awaited. A nearby party has also applied retrospectively for resource consent for existing offsite signage.

3.6.2 The West Coast Regional Council has been undertaken compliance visits and reports for our Council in relation to mining activities. They have issued some warning letters rather than abatement notices at this stage. There are reportedly dozens of mining operations that have the required resource consents from the Regional Council but not from Westland District Council. When the transfer of RMA functions in relation to mining goes ahead, the Regional Council will be in a good position to provide a seamless service in relation to these operations – i.e. informing operators that they need a consent in relation to the Westland District Plan, and then processing the applications. The Regional Council is planning to consider the transfer of functions at its March meeting.

3.6.3 The Council’s Senior Planner has begun work on a draft compliance monitoring and enforcement strategy, in collaboration with other West Coast Councils. The principles of the strategy will include a graduated approach prioritising education, then gradually moving through formal measures as required, e.g. warning letters and abatement notices, before any more serious action such as prosecution is taken.



- 3.6.4 One of the first steps for the compliance work is a stocktake of all existing resource consent conditions that are supposed to be monitored, and a review of the files to see what has actually been monitored. Another task will be identifying any types of activity that are perceived to be occurring frequently without the necessary consent (e.g. offsite signage) and doing a similar stocktake to understand the scale of the issue. This will assist in discussions with Elected Members about approach and priorities.

### **3.7 Progress with the District Plan Review**

- 3.7.1 Council resolved to withdraw Plan Change 7 (Managing Fault Rupture Risk in Westland) in December 2016. No other changes have yet been made as part of the District Plan Review, which was due to occur in 2012.
- 3.7.2 The previous Council approved a work plan for a 'rolling review' that would complete the District Plan Review by 2022; however, the current Council may consider this to be more urgent. In any case, a meeting will soon be set up with a subset of Councillors to discuss the way forward, as per the resolution at the December 2016 meeting.
- 3.7.3 The Council has \$98,000 budgeted in the current financial year for consultant assistance on the District Plan Review, and just over \$100,000 for the 2017/18 financial year. It is possible that this year's funding may need to be carried over depending on discussions with Elected Members about the pace and priorities for the Review, as well as the overall financial situation in the planning area.
- 3.7.4 It is important to note that the District Plan Review will take place in the context of Local Government Commission (LGC) investigations into shared services and/or amalgamation with respect to RMA functions. A decision will need to be made whether to progress the Westland District Plan Review or defer it further until the outcome of the LGC work is known, e.g. whether the intention is to have one District Plan, three Unitary Plans, etc.

### **3.8 Process improvements of note**

- 3.8.1 It is assumed that the Council is not interested in the detail of the improvements that are being made in response to recent reviews of the Council's planning function, and that it is more interested in seeing results in terms of timeliness and improved public perception of customer service in this area.

3.8.2 Nevertheless, it can be briefly noted that system improvements have been made to track the status and progress of resource consents electronically. A duty planner system has been set up so that there is a clear person to handle planning enquiries nearly all hours of the working day. Public enquiries and pre-application meeting notes are now recorded and kept in a central location. New templates have also been introduced for key reports such as the Section 95 determination around affected parties and notification. Plans for the near future include the development of flow charts to help ensure that no steps are missed or mishandled in the consenting process.

3.8.3 On the resourcing front, both the Senior Planner and Planner who began working for Council in November 2016 are settling in well, and the vacant Planning Manager position will be advertised shortly. In the meantime, the Group Manager: Planning, Community and Environment has been based in the Planning department area and undertaking some of the key Planning Manager responsibilities as time and ability allows.

#### **4 OPTIONS**

4.1 As this is a report for information purposes, the options are simple; Council can receive the report or not receive the report.

4.2 Elected Members are invited to provide feedback on the content and format of the report, so that as it evolves from month to month it can be of greater benefit.

4.3 Eventually a simple 'dashboard' that provides a sense of volume, type, location and timeliness of consents could possibly be developed to replace a text-heavy report.

#### **5 SIGNIFICANCE AND ENGAGEMENT**

5.1 The decision to be made today is of low significance as it is simply to receive the report or not.

5.2 No consultation or engagement has been undertaken in relation to the content of this report, aside from preliminary discussion with Deputy Mayor Helen Lash about the type of information that would be helpful. More feedback is

welcome.

## **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

6.1 There are no significant differences between the options of receiving the report or not, aside from a possible perception that receiving the report would signal that the Council is interested in these matters and finds the information useful.

## **7 PREFERRED OPTION AND REASONS**

7.1 The preferred option is that Council receives this report and provides verbal feedback on what it would like to see in future reports.

## **8 RECOMMENDATION**

A) **THAT** Council receives this report and provides verbal feedback on what it would like to see in future reports.

**Jim Ebenhoh**

**Group Manager: Planning, Community and Environment**

# Report



**DATE:** 23 February 2017  
**TO:** Mayor and Councillors  
**FROM:** Project Manager: West Coast Wilderness Trail

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## WEST COAST WILDERNESS TRAIL – PROJECT UPDATE

### 1.0 SUMMARY

- 1.1 The purpose of this report is to provide an update to Council on the West Coast Wilderness Trail (WCWT) project.
- 1.2 This report arises from the obligation to keep Council fully informed on the progress of the project. In particular it aims to provide Council with reassurance that the adopted Project Completion Plan and project management framework is in place for the remaining milestones that require completion in order for it to be declared officially open.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives the report.

### 2.0 BACKGROUND

- 2.1 A report was submitted to council in September 2016 providing an update status on the outstanding cycleway activities required to be actioned for completion by mid-August 2017. This included five (5) projects identified by MBIE that need to be actioned. Four (4) of those projects requiring action relate directly to the trail being on State Highway 6 and the need for a safer trail alignment.
- 2.2 Monthly report updates will continue to be provided to council for the period of the Project Completion Plan which is to be delivered by August 2017, and the trail will then be capable of achieving 'Great Ride' status.

- 2.3 The Nga Haerenga (the journeys) Great Rides currently consists of 22 trails throughout New Zealand covering 2,600km. In addition to the 'Great Rides' there are also 2,600km of 'Heartland Rides', a vision to link the trails with the support of NZ Cycle Trail Inc (NZCT) and NZ Transport Agency (NZTA).

### 3.0 CURRENT SITUATION

#### Project Completion Plan

- 3.1 Item 1 Taramakau. Physical work commenced at the site the week before Christmas for Stage 1 through the bushland. Following exceptionally bad weather the project was put on hold, but has recommenced and the placing of sub-base gravels has commenced (Refer Appendix 1 photos). Stage 2 boardwalk is still with NZTA and a draft Notice to Contractor has been prepared and will be released to the contractor mid-February. There is a maximum 5 day approval for the works to be costed and approved so work should commence in early March. The Licence to Occupy application has been completed. This is a complex document with four scenarios/stages for the issuance. An Outline Plan has been drafted for Westland District Council.
- 3.2 Item 2 Hokitika-Kaniere Tramway. The request for further information has been accepted by Heritage NZ so processing date commenced 1<sup>st</sup> February. The Land Use consent lodged with council has also has further information submitted. The tender document (Contract 16-17-10) advertising is on-hold until there is better understanding of conditions that may be imposed by Planners with consents. A bridge engineer has inspected the site and provided a design fee for two bridges. The third bridge will now be altered to be a culvert due to financial constraints.
- 3.3 Item 3 Golf Links Road. The basic alignment along Oliver's boundary was cleared of vegetation and the selective tender (Contract 16-17-11) is awaiting release once the Licence to Occupy has been granted. The Licence to Occupy application has been completed. An Outline Plan has been drafted for Westland District Council.
- 3.4 Item 4 Mahinapua. The new trail has been cleared for a length of 1,500m across Ngai Tahu land and is an obvious alignment for prospective tenderers to view. The working bee was very successful and another session will be scheduled soon. An engineering challenge has arisen with ground conditions in one location and will require further construction methodology to be reviewed. An Agreement in Principle is held with the Hoppers and we await the DoC agreement for both the land and old railway bridge upgrade (Refer Appendix 1 photos). Further input is required with Fish & Game.
- 3.5 Item 5 Ruatapu. There has been no progress on this trail section due to project prioritisation. We were recently advised by MBIE that we are required to complete this project as part of the 'sign-off' process but the design standard may be relaxed due to an enhancement project that will see the trail removed from this road section.

## **Financial**

- 3.6 There has been minimal capital expenditure on the West Coast Wilderness Trail in recent months, however we are about to move into a major spending period with both physical works and technical designs. A review of all construction cost will be undertaken at the end of February.
- 3.7 An internal finance and risk audit process has been implemented consisting of the Chief Executive, Group Manager: Corporate Services and Project Manager.

## **General**

- 3.8 The meeting held with NZCT/MBIE in early February has resulted in a number of projects being identified as suitable for Maintaining Great Rides (MGR) funds and council has been requested to lodge an application for those projects in March to be considered for acceptance and the funding may be made immediately after the trail has been 'signed-off' in August 2017. There is currently an over-allocation of the major grant funds but under-allocation of MGR funds.
- 3.9 The third shelter is currently under construction and may be installed by the end of February.

## **4.0 OPTIONS**

- 4.1 The options available to Council are that Council can choose to receive this report or not receive it.

## **5.0 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 This matter is of low significance as it merely provides Council with an update on progress on a project that is already approved and funded.
- 5.2 Engagement and consultation is not required.

## **6.0 RECOMMENDATION**

- 6.1 **THAT** Council receives this report.

**David Inwood**

**Project Manager: West Coast Wilderness Trail**

Taramakau Cycle Trail Construction



Taramakau Cycle Trail Construction



Mahinapua Alignment



Mahinapua Alignment – Rail Bridge





# Report



**DATE:** 23 February 2017

**TO:** Mayor and Councillors

**FROM:** Group Manager: Corporate Services

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## **PROPOSED SALE OF LAND AT BLUE SPUR TO THE ADJOINING LANDOWNER**

### **1 SUMMARY**

- 1.1 The purpose of this report is to seek Council approval to sell a piece of land at Blue Spur to the adjoining landowner.
- 1.2 This issue arises from an application from the adjoining owner to purchase the surplus land.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council identifies this portion of land as surplus and agrees to the sale of land under Section 40(4) of the Public Works Act 1981.

### **2 BACKGROUND**

- 2.1 The land in question was purchased by Council in 1995 from Alan and Alma Pegley for the Blue Spur water treatment plant. A map of the land is included in Appendix 1.
- 2.2 A similar proposal was declined by Council in September 2013 amid concerns that the land may be required for additional future capacity at the water treatment plant.
- 2.3 In August 2015 Council completed an upgrade to the Hokitika water treatment facility that significantly increased production capacity. This has had no impact on the site. The land has a natural drain running across and

cannot be used for any works which include placing of any reservoirs in the future.

- 2.4 Section 40(2) of the Public Works Act states that the land must be offered back to the original seller at current market value. However, under Section 40(4) of the Act, if because of the size, shape or situation of the land Council could not expect to sell the land to any person who did not own land adjacent to the land to be sold, the land may be sold to an owner of adjacent land at a price negotiated between the parties.

### **3 CURRENT SITUATION**

- 3.1 The applicant currently leases this portion of land from Council to graze stock.
- 3.2 The land in question is a small surplus part of the land originally acquired for the Blue Spur water treatment plant. The area of the land is about 2950m<sup>2</sup> and because of size and shape constraints, is only suitable for disposal to the adjoining owner.
- 3.3 A copy of the valuation from January 2013 is attached as Appendix 1.
- 3.4 QV have indicated that the valuation is unlikely to have materially changed since the date of valuation.

### **4 OPTIONS**

- 4.1 Option 1 – Do nothing; retain the land.
- 4.2 Option 2 – Sell the land to the adjoining landowner.

### **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 This decision is assessed as being of low significance. There is no financial liability, no cost incurred, no business risk and no loss to operational capability.
- 5.2 No consultation is required as this matter does not impact on any other stakeholders.

### **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

- 6.1 Option 1: Do Nothing.

No implications for Council. Status quo remains and Council retains the land.

6.2 Option 2: Sell the land.

All legal and conveyancing costs will be passed to the applicant. Council will receive payment for the area identified, subject to negotiations. The valuation report attached in Appendix 1 suggests a value of \$3,000. Upon completion the land would be subdivided and title for this portion would pass to the purchaser, along with liability for the associated proportion of rates.

**7 PREFERRED OPTION AND REASONS**

7.1 The preferred option is Option 2. Council has the opportunity to realise nominal revenue for land that otherwise has limited operational value.

**8 RECOMMENDATIONS**

A) **THAT** Council identifies Part Lot 1 DP 2985 as shown on the plan marked Appendix 1 as available for disposal.

B) **THAT** because of the size, shape and situation of the property Council instructs the Chief Executive to disposed of the land identified in (A) to the adjoining landowner under Section 40(4) of the Public Works Act 1981, for a sum no less than \$3,000, with all associated costs to be borne by the purchaser.

**Gary Borg**  
**Group Manager: Corporate Services**

**Appendix 1:** Valuation report, maps and GIS overlay.

QV VALUATIONS HOKITIKA  
51 TANCRED STREET, PO BOX 109, HOKITIKA, NEW ZEALAND  
PHONE (03) 755 8685, FAX (03) 755 8686, FREEPHONE 0800 16 44 44

Hau Hau Road  
Blue Spur  
Hokitika

MARKET VALUATION  
For  
Westland District Property Limited



Our Ref: 25760/21000 pt (521996)

10 January 2013

Westland District Property Ltd  
PO Box 22  
HOKITIKA

Attention: Bruce Smith

## VALUATION

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### Instruction details

Property address: Hau Hau Road, Blue Spur  
Hokitika

Inspection: A full property inspection was completed on 29 August 2012.

Purpose of valuation: Market value – possible sale of a small area of land to the adjoining owner.

Instructed by: Mark Pizey.

### Valuation as at 29 August 2012

The property valued comprises a narrow undeveloped strip of land fronting Hau Hau Road behind the Hokitika town water supply tanks. The land will need to be surveyed and the valuation is on the basis that the land will be added to the adjoining title. There are two options being considered with the respective land areas being approximately 1500 and 3000 square metres.

Based on sales evidence detailed within this report, together with our knowledge of this locality, we consider the market value of the subject property, as unencumbered by any mortgage or charge, to be as follows:

#### Option 1 – 1500 square metres

Land value	\$	1,000
Value of improvements	\$	0
<b>Market value</b>	<b>\$</b>	<b>1,000</b>

#### Option 2 – 3000 square metres

Land value	\$	3,000
Value of improvements	\$	0
<b>Market value</b>	<b>\$</b>	<b>3,000</b>

These valuations are inclusive of Goods and Services Tax, if any. This valuation is subject to the attached valuation conditions and is based on a selling period of three to six months. The valuer has no financial interest or otherwise in the property and no relationship with the vendors, purchasers or agents.

All survey and associated costs would be met by the acquiring land owner.

### Risk summary

The table below indicates significant risk factors referred to in this report.

FACTORS	RISK			COMMENTS
	LOW	MED	HIGH	
Location		Yellow		Popular lifestyle location.
Title planning	Green			To be added to a fee Simple title – rural zone.
Condition			Red	Unmaintained and undeveloped.
Land site		Yellow		Undulating to low lying.
Saleability			Red	The adjoining owner is the only likely purchaser.
Price stability		Yellow		Values have eased slightly for vacant land.

### Market evidence

In order to establish the market value for the subject property we have, in accordance with normal valuation practice, considered and analysed a number of sales.

The method of valuation used is usually referred to as the direct comparison approach. This approach involves the analysis of sales and making comparisons with the subject property after allowance for differences such as location, dwelling size, quality, views, other buildings, layout, other improvements, building platform, land size, contour and special features.

A selection of the sales considered is summarised as follows:

Address	Sale date	Gross price
Golf Links Road, Takutai	May 2012	\$61,000
Arthurstown Road, Southside	Jul 2011	\$75,000
36 Providence Drive, Three Mile	Oct 2012	\$67,000
Blue Spur Road, Blue Spur	Mar 2011	\$50,000
336 Woodstock-Rimu Road	Aug 2011	\$30,000
Woodstock-Rimu Road	Jun 2011	\$50,000
Blackball, Grey Valley	Apr 2012	\$40,000

Full details of these sales including photographs are included in the Sales Evidence section.

### Comments on subject property and sales

The areas of land subject to this report are two small parcels of irregular shape and of poor quality. They will provide limited utility to the adjoining owner except for stock grazing and additional frontage which may be of some benefit for secondary access. The proximity to the water tanks is also a detriment.

It is considered that the highest and best use of the land would be for rural or lifestyle use and as added to the adjoining title.

During the past three years there has been a significant reduction in demand for property in general and with an oversupply of vacant lifestyle blocks within the wider Hokitika area there has been a reduction in value levels from the peak of the market. Sales of established dairy farms have also reduced with values easing slightly from the peak of the market. Land values for good quality rural land in Westland would be in the \$20,000 to \$25,000 per hectare range.

A range of rural sales have been considered to determine the values provided which have been based on the before and after valuation approach which effectively determines the value on the land as added value to the adjoining land.

## PROPERTY DESCRIPTION

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### Legal description – current title

Appellation	Lot 1 Deposited Plan 2985
Computer register (Certificate of Title)	WS8B/235
Land area	1.9525 ha
Tenure	Fee Simple
Owner	Westland District Council

Please refer to the attached Certificate of Title for any interests noted.

The property is Designated within the Westland District Plan for Public Water Supply Reservoir and Treatment purposes.

The land subject to this valuation would be subdivided from the existing title and merged with the adjoining title WS 8C/86 owned by Mark Pizey.

### Land description

Access to the current property is from Shallow Rush Road with most of the site developed as a Water reservoir with several storage tanks. The areas of land subject to this valuation are positioned behind the tanks fronting Hau Hau Road. The road formation rises in an easterly direction and is several metres above the level of the site with a wide area of undeveloped road reserve adjoining the boundary.

Option one comprises a triangular shaped parcel at the eastern end with a frontage of 25 metres to Lot 1 DP 3452 (Pizey) with a creek behind the developed reservoir site forming the approximate new boundary for a distance of 100 metres before joining the Hau Hau Road boundary. The area appears to have been grazed with some temporary stock fencing existing and cover comprises gorse and other regenerating vegetation. Some trees adjoin on the road reserve. The area of this option is approximately 1500 square metres.

Option two is an extension of option 1 to include part of the developed site and a narrow strip of cleared land to the west. The area of this option is approximately 3000 square metres.

Please refer to the appended plans which identify the proposed boundaries.



## Location

The subject property lies on the southern side of Hau Hau Road, 100 metres from the intersection with Pine Tree Road. Surrounding properties comprise several new homes and Hokitika's water treatment plant. The central business area of Hokitika is located four kilometres north west of the subject property.

The locality is reasonably popular being within easy commuting distance of town with house values being in the middle to upper price range.

A comprehensive range of banking, legal and shopping facilities are available in nearby Hokitika, which is the main servicing town for the Westland region.

## Zoning

The property is zoned Rural under the Operative Westland District Resource Management Plan.

The plan states in the policy unit description. Performance standards ensure that in terms of environmental effects, including the effects of the location of activities, the impact on natural and physical resources within the zone is minimised. An increase in population in the rural area will have benefits for rural communities in terms of increased use of local services and facilities but must also be weighed against any impact on land use and the wider environment. Neither subdivision nor new dwellings are therefore permitted as of right and will be carefully considered.

Permitted Activities include (inter alia) any agricultural, existing residential, forestry below an altitude of 1000 metres (except clearance of indigenous vegetation as specified in section 5.6.2.1C of the plan) prospecting or recreational activity.

Subdivision to a minimum site area of 5000m<sup>2</sup> is a discretionary activity

The present rural/residential use is considered a permitted activity under the operative plan.



## Improvements description


There are no improvements on the property.



## SALES EVIDENCE

A selection of the sales considered are detailed as follows:

No photo available	<b>Golf Links Road, Takutai</b>		
	Sale date	May 2012	Level to low lying site fronting Golf Links Road, close to Hokitika. Would require extensive backfilling to form a building site.
	Sale price	\$61,000	
	Land area (m <sup>2</sup> )	5002	
 Photo date - 18 November 2011	<b>Arthurstown Road, Southside</b>		
	Sale date	Jul 2011	A front corner site within a recent subdivision south of the Hokitika bridge. One of several sites sold at this level.
	Sale price	\$75,000	
	Land area (m <sup>2</sup> )	5000	
 Photo date - 29 September 2011	<b>36 Providence Drive, Three Mile</b>		
	Sale date	Oct 2012	A vacant 5190 square metre residential/lifestyle section situated within a recent subdivision located at Three Mile, five kilometres north of Hokitika. Previous sale May 2011 for \$74,000.
	Sale price	\$67,000	
	Land area (m <sup>2</sup> )	5190	
 Photo date - 4 July 2011	<b>Blue Spur Road, Blue Spur</b>		
	Sale date	Mar 2011	A slightly low lying site with a gorse cover fronting the Blue Spur Road. Previous sale in 2005 for \$54,000.
	Sale price	\$50,000	
	Land area (m <sup>2</sup> )	9245	
No photo available	<b>336 Woodstock-Rimu Road</b>		
	Sale date	Aug 2011	A low lying site on the corner of Adairs Road on the fringe of the Rimu Township. Poorer building site.
	Sale price	\$30,000	
	Land area (m <sup>2</sup> )	2496	

 <p>Photo date - 9 May 2012</p>	<b>Woodstock-Rimu Road</b>		
	Sale date	Jun 2011	A cleared site fronting the Rimu Road with a reasonable outlook to the north. Undeveloped.
	Sale price	\$50,000	
	Land area (m <sup>2</sup> )	8067	
<b>Blackball, Grey Valley</b>			
	Sale date	Apr 2012	A level area of regrowth providing some grazing. Purchased by an adjoining owner
	Sale price	\$40,000	
	Land area (ha)	4.608	

## VALUATION CONDITIONS

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### Definition of market value

This valuation provides our assessment of the market value. Market Value is the estimated amount for which a property should exchange for on the date of the valuation between a willing buyer and a willing seller in an arms-length transaction where the parties had each acted knowledgeably, prudently and without compulsion.

This value may change in the future due to market conditions and changes to the state of the property.

### Risk analysis

The risk analysis provided is our interpretation of market and property risks at the time of valuation.

- **Location risk** is based on the popularity of the suburb and impacting local features.
- **Title/Planning**, an assessment of risk is made based on any defects/detriments on the title and/or non-compliance with town planning requirements.
- **Condition** is an assessment made from an internal inspection.
- **Land site** considers risks associated with the physical characteristics of the land.
- **Saleability** reflects the property's saleability at the time of valuation based on property's characteristics, type and location.
- **Price stability** is a future prediction based on past performance of the location and property type, together with the economic outlook.

### Structural survey

This report is not a building, environmental, geotechnical or boundary survey and no responsibility is taken for the omission of building or other defects which may not be apparent without such surveys including "Leaky Building Syndrome". All plumbing and wiring, fittings and devices are assumed to be in proper working condition unless stated otherwise, and to conform to current building codes and bylaws. Any heating installations, which do not conform to current codes and/or bylaws, have been valued accordingly.

### Property services

In preparing this report and unless stated, services to the property have not been tested, and are assumed to be in proper working condition i.e. water supply, power, phone supply, wastewater and stormwater disposal systems and other services.

### Land information memorandum

Our valuation is made on the basis that there is no outstanding requisition from the Local Authority in respect of the land or improvements and that the property complies with both the Building and Resource Managements Acts. Should this not prove to be the case we reserve the right to reconsider the assessed Market Value.

**Information supplied by other parties**

Where it is stated in the report that information has been supplied to us by another party, this information is believed to be reliable but we can accept no responsibility if this should prove not to be so. Where information is given without being attributed directly to another party, this information has been obtained by our search of records and examination of documents or by enquiry from Government or other appropriate departments.

**Land survey**

We have made no survey of the property and unless otherwise stated assume that all improvements lie within the title boundaries. No guarantee is given that the land is not subject to statutory rights not recorded on the relevant Computer Register and not apparent from normal inspection of the property. We assume no responsibility in connection with such foregoing matters.

**Lease details**

Where a property is leased, this report records the nature of the information supplied. That information has been accepted and relied upon at face value. It has been assumed that the information supplied is complete and accurate, and that the lease is fully enforceable.

**Noxious substances/Contaminated sites**

Substances such as asbestos, other chemicals, toxic waste or other potentially hazardous materials, could if present, adversely affect the value of the property. The stated value is based on the assumption that there is no material on or in the property that would cause loss in value. No responsibility is assumed for any such conditions and the recipient of this report is advised that the valuer is not qualified to detect such substances, quantify the impact, or estimate the remedial cost. No historical search of land use has been made.

**Professional indemnity insurance**

We certify that Quotable Value holds current professional negligence insurance for an amount not less than the subject valuation.

**Purpose**

This valuation has been completed for the specific purpose stated and is not to be used for any other purpose. No responsibility is accepted in the event that this report is used for any other purpose.

**Third Parties**

Our responsibility in connection to this valuation is limited solely to the client to whom the valuation is addressed. No other party may rely on this valuation.

**Publication**

Neither the whole nor any part of this valuation or any reference thereto may be included in any document, circular or statement without our approval of the form and context in which it will appear.

**Compliance Statement (International Valuation Standards)**

- The statements of fact presented in the report are correct to the best of Valuer's knowledge;
- the analyses and conclusions are limited only by the reported assumptions and conditions;
- the Valuer has no interest in the subject property;
- the Valuer's fee is not contingent upon any aspect of the report;
- the valuation was performed in accordance with an ethical code and performance standards;
- the Valuer has satisfied professional education requirements;
- the Valuer has experience in the location and category of the property being valued;
- the Valuer has made a personal inspection of the property; and
- no one, except those specified in the report, has provided professional assistance in preparing the report;

Thank you for the opportunity to provide valuation services. This report was carried out by David Shaw. David has been valuing since 1984, he has the qualifications and experience to carry out a valuation of this nature. This valuation report has been completed in accordance with the New Zealand Institute of Valuers (NZIV) and Property Institute of New Zealand (PINZ) Code of Ethics, and Valuation Standards.

Please do not hesitate to contact me should you require any further assistance or clarification.

Yours faithfully

**QV Valuations**



**David J Shaw**  
REGISTERED VALUER  
NZIV, MPINZ  
Holding an Annual Practising Certificate

Appended

1. Copy of computer register
2. Plans of the land valued.



**COMPUTER FREEHOLD REGISTER  
UNDER LAND TRANSFER ACT 1952**

Search Copy



R. W. Muir  
Registrar-General  
of Land

**Identifier** WS8B/235  
**Land Registration District** Westland  
**Date Issued** 04 September 1995

**Prior References**

WS8A/962 WS8A/963

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**Estate** Fee Simple  
**Area** 1.9525 hectares more or less  
**Legal Description** Lot 1 Deposited Plan 2985

**Proprietors**

The Westland District Council

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**Interests**

Subject to the Rules and Regulations for Mining on Private Property within the Provincial District of Westland  
Fencing Agreement in Transfer 102372.7 - 4.9.1995 at 11.00 am  
Land Covenants in Transfer 102372.7 - 4.9.1995 at 11.00 am





OPTION 1



OPTION 2



# Report



**DATE:** 23 February 2017  
**TO:** Mayor and Councillors  
**FROM:** Group Manager: Corporate Services

---

## **PROPOSED TRANSFER OF LAND FOR MANAGEMENT TO WESTLAND DISTRICT PROPERTY AND WRITE OFF OF IRRECOVERABLE RATES ARREARS**

### **1 SUMMARY**

- 1.1 The purpose of this report is to seek Council approval to transfer two properties in Hokitika, for management purposes, to Westland District Property Ltd [WDPL], and the write-off of rates arrears deemed irrecoverable.
- 1.2 This issue arises from expressions of interest received by WDPL to lease the two properties to nearby landowners.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in September 2014, which will be set out in the next Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council transfers the two properties, for management purposes, to WDPL so that leases can be concluded and administered on Council's behalf, and that rates arrears and penalties arising from a previous lessee are written off.

### **2 BACKGROUND**

- 2.1 The first property, valuation number 2576021101, LOT 3 DP 343226 BLK I KANIERE SD SUBJ TO EASEMENT, is on the corner of Hau Hau Road and Pinetree Road, Hokitika. It was originally leased to Prospect Management Services Ltd. The debtor company liquidated in December 2014 and vacated the section. Title on the land remains with Council. The 0.76ha property has a couple of open shelter sheds, and suitable grazing land.
- 2.2 A map of the land is attached as Appendix 1.

- 2.3 The second property, valuation number 2574048400, PT RES 452 BLK I KANIERE SD, is also off Hau Hau Road, opposite the transfer station and adjoining the border of the Racecourse Terraces Estate development. The 7.38ha property is mainly undeveloped scrub.
- 2.4 A map of the land is attached as Appendix 2.

### **3 CURRENT SITUATION**

- 3.1 There is an easement through the first property, LOT 3 DP 343226 BLK I KANIERE SD SUBJ TO EASEMENT, containing an electricity transmission line; this limits its potential to be sold for domestic residential use.
- 3.2 The property has \$2,473.64 (including penalties) of outstanding rates; the original lease is terminated due to default of payments. With the former tenant company in liquidation and the land owned by Council, avenues for recovery have been exhausted. As at 30 June 2016 the balance was \$1,961.14. This amount was provided for as a doubtful debt in Council's Annual Report for that year.
- 3.3 WDPL has an individual interested to lease the land for grazing, and pay future rates, with the possibility of purchase in the longer term. Section 11(b) (ii) of the Local Government (Rating) Act 2002 [LGRA] requires that the lease must be for a minimum of 10 years, including renewals, for the lessee to be identified as the ratepayer on the Rating Information Database [RID].
- 3.4 The second property, PT RES 452 BLK I KANIERE SD, opposite the dump station, is classified as a reserve and thus non-rateable. A very small corner portion of grassed area is currently leased for \$100 per year by WDPL to a local pony owner.
- 3.5 A purchaser of one of the sections on Racecourse Terraces Estate is keen to lease long term a small portion of land behind his section to extend his backyard. The potential tenant is aware that Council may at any time require the land for other purposes, as a condition of lease. There is a possibility that other landowners on the Racecourse Terraces Estate may also wish to extend their backyards.

## **4 OPTIONS**

- 4.1 Regarding the proposed transfer
  - 4.1.1 Option 1: Do nothing; retain the properties within Council.
  - 4.1.2 Option 2: Transfer the two properties to WDPL, for management purposes.
- 4.2 Regarding the proposed write-off
  - 4.2.1 Option 3: Do nothing
  - 4.2.2 Option 4: Approve the write-off

## **5 SIGNIFICANCE AND ENGAGEMENT**

- 5.1 This matter is assessed as being of low significance. Transfer of the properties to WDPL for management purposes will not change ownership in the land, yet will enable WDPL to develop commercial opportunities and generate revenue and cash flow for the group. A write-off of irrecoverable rates is similarly administrative.
- 5.2 No consultation is required because no other parties would be affected. The terms of any leases granted will specify the nature of permitted activities and occupations, as well as protecting Council's rights to the land.

## **6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)**

- 6.1 Regarding the proposed transfer:
  - 6.1.1 Option 1: Do Nothing.  
The ongoing rates for unit 2576021101 will revert to Council and both sections will remain unoccupied.
  - 6.1.2 Option 2: Transfer the two properties to WDPL for management purposes.  
All legal costs, if any, will pass to the prospective tenants. The new tenant will become the ratepayer for unit 2576021101 and WDPL will earn nominal lease revenue from each section.
- 6.2 Regarding the proposed write off:
  - 6.2.1 Option 3: Do Nothing.  
The arrears will remain on Council's balance sheet indefinitely and would inaccurately appear on the RID as a debt against any future ratepayer; or else Council would be required to discharge the arrears should the rating unit be sold.

- 6.2.2 Option 4: Approve the write-off.  
The rates account would be cleared and this would remove any stigma that a prospective ratepayer may perceive with the account. Since most of the arrears are already provided for, there would be an adverse variance of \$512.50, being the current year's rates and penalties invoiced to date. A further \$237.45 is due to be invoiced on 1 April 2017.

## 7 PREFERRED OPTIONS AND REASONS

- 7.1 The preferred options are:
- 7.1.1 Option 2: Transfer the two properties to WDPL for management purposes, and
  - 7.1.2 Option 4: Approve the write-off.
- 7.2 These options enable Council and group to earn continuing revenue from land that it owns and reduces rates arrears.

## 8 RECOMMENDATIONS

- A) **THAT** Council transfers LOT 3 DP 343226 BLK I KANIERE SD SUBJ TO EASEMENT and PT RES 452 BLK I KANIERE SD to WDPL for management purposes, with any lease for rating unit 2576021101 required to satisfy S11(b) LGRA.
- B) **THAT** Council approves the write-off of \$2,473.64 rates arrears and penalties, on valuation number 2576021101.
- C) **THAT** Council is entered on the RID as the ratepayer for valuation number 2576021101 until a new ratepayer is confirmed.

**Gary Borg**  
**Group Manager: Corporate Services**

**Appendix 1:** Map showing location of LOT 3 DP 343226 BLK I KANIERE SD SUBJ TO EASEMENT

**Appendix 2:** Map showing location of PT RES 452 BLK I KANIERE SD

Created By: anonymous  
Print Date: 21/12/2016  
Print Time: 2:50 PM



Scale: 1:2871  
Original Sheet Size A4

Projection: NZGD49 / New Zealand Map Grid  
Bounds: 2346128.56604989,5828707.13074886  
2346525.39376451,5829200.46878034

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Print Date: 8/02/2017  
Print Time: 3:08 PM



Scale: 1:5000  
Original Sheet Size A4

Projection: NZGD2000 / New Zealand Transverse Mercator 2000  
Bounds: 1435030.64085279,5267348.19301945  
1435955.35910341,5268497.80698195

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