

# MASTERTON DISTRICT COUNCIL

## COUNCIL AGENDA

## MEETING

**WEDNESDAY 23 FEBRUARY 2022**  
**3.00PM**

### MEMBERSHIP

Her Worship (Chairperson)

Cr G Caffell

Cr D Holmes

Cr G McClymont

Cr T Nelson

Cr C Peterson

Cr B Gare

Cr B Johnson

Cr F Mailman

Cr T Nixon

Cr S Ryan

Notice is given that a meeting of the Masterton District Council will be held at 3.00pm on Wednesday 23 February 2022 by zoom.

**RECOMMENDATIONS IN REPORTS ARE NOT TO BE CONSTRUED AS COUNCIL POLICY UNTIL  
ADOPTED**

18 February 2022



## Values

1. **Public interest:** members will serve the best interests of the people within the Masterton district and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively and uphold the values of honesty, integrity, accountability and transparency.
3. **Ethical behaviour:** members will not place themselves in situations where their honesty and integrity may be questioned, will not behave improperly and will avoid the appearance of any such behaviour.
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** will treat people, including other members, with respect and courtesy, regardless of their ethnicity, age, religion, gender, sexual orientation, or disability. Members will respect the impartiality and integrity of Council staff.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by this Code, and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to ensure they fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which MDC operates, including a regular review and assessment of MDC's collective performance.

These values complement, and work in conjunction with, the principles of section 14 of the LGA 2002; the governance principles of section 39 of the LGA 2002; and our MDC governance principles:

<b>Whakamana Tangata</b>	Respecting the mandate of each member, and ensuring the integrity of the committee as a whole by acknowledging the principle of collective responsibility and decision-making.
<b>Manaakitanga</b>	Recognising and embracing the mana of others.
<b>Rangatiratanga</b>	Demonstrating effective leadership with integrity, humility, honesty and transparency.
<b>Whanaungatanga</b>	Building and sustaining effective and efficient relationships.
<b>Kotahitanga</b>	Working collectively.

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## **AGENDA**

1. Karakia
2. Conflicts of Interest (Members to declare conflicts, if any)
3. Apologies
4. Public Forum
5. **Late items for inclusion under Section 46A(7) of the Local Government Official Information and Meetings Act 1987**
6. **Items to be considered under Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987:**
  - Minutes of the Council Meeting held with the public excluded on 15 December 2021
  - Report of the Audit and Risk Committee meeting held with the public excluded on 16 February 2022
7. **Confirmation of Minutes of the Council Meeting held on 15 December 2021 (240/21)**  
Pages 101-110
8. **Report of the Infrastructure and Services Committee meeting held 2 February 2022 (005/22)**  
Pages 301-303
9. **Report of the Audit and Risk Committee meeting held 16 February 2022 (013/22)**  
Pages 401-405

## **FOR DECISION**

10. **NOTICE OF MOTION – THREE WATERS MEMORANDUM OF UNDERSTANDING (014/22)**  
Pages 121-127
11. **AWARDS AND GRANTS DELEGATIONS AND PROCESS (015/22)** Pages 128-131
12. **REVIEW OF THE WAIRARAPA LOCAL ALCOHOL POLICY (017/22)** Pages 132-154
13. **CIVIC FACILITY PROJECT COMMITTEE TERMS OF REFERENCE AND DELEGATIONS (018/22)**  
Pages 155-162
14. **ROADING PROCUREMENT STRATEGY 2022-2025 (019/22)** Pages 163-197
15. **2022/23 ANNUAL PLAN AND CONSULTATION APPROACH (020/22)** Pages 198-209

## **FOR INFORMATION**

16. **BURLING PARK PLAYGROUND UPDATE (021/22)** Pages 210-212

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17. ELECTIONS UPDATE (022/22)

Pages 213-218

18. CHIEF EXECUTIVE'S REPORT (023/22)

Pages 219-230

19. MAYOR'S REPORT

A verbal report will be provided

## **MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED COUNCIL MEETING – WEDNESDAY 23 FEBRUARY 2022**

MOVED BY:

SECONDED BY:

That the public be excluded from the following parts of the proceedings of the meeting of the Masterton District Council:-

### Confirmation of Minutes

20. Minutes of the Council meeting held with the public excluded on 15 December 2021

21. Report of the Audit and Risk Committee meeting held with the public excluded on 16 February 2022

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government

Official Information and Meetings Act 1987 for the passing of this resolution are as follows:-

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
Confirmation of minutes of the Council meeting held with the public excluded on 15 December 021	Refer to pages 109-110	Refer to pages 109-110
Report of the Audit and Risk Committee meeting held with the Public excluded on 16 February 2022	Refer to pages 405-406	Refer to pages 405-406

**MINUTES OF THE MEETING OF THE MASTERTON DISTRICT COUNCIL HELD AT  
WAIATA HOUSE, 27 LINCOLN ROAD, MASTERTON, ON WEDNESDAY 15 DECEMBER  
2021 AT 3.00PM**

**PRESENT**

Mayor Lyn Patterson (Chair), Councillors G Caffell, B Gare, D Holmes, B Johnson, G McClymont, F Mailman, T Nelson, T Nixon, C Peterson and S Ryan (by zoom) and iwi representative Tiraumaera Te Tau (by zoom).

**IN ATTENDANCE**

Chief Executive, Manager Finance, Manager Community Facilities and Activities, Manager Communications and Engagement, Manager People and Culture, Regulatory Services Manager, Environmental Services Manager, Planning and Consents Manager, Policy Manager, Senior Policy Advisor, and Governance Advisor.

**KARAKIA**

Her Worship led the karakia.

**CONFLICTS OF INTEREST**

Councillor Nixon declared in relation to the Three Waters item that she was a member of the Water Users Group and in relation to the Business Wairarapa Funding Request item that she was a member of Business Wairarapa.

Councillor McClymont declared in relation to the Business Wairarapa Funding Request item that he was a member of Business Wairarapa.

Councillor Johnson declared a conflict of interest in relation to the public excluded Land Acquisition item.

**APOLOGIES**

No apologies were received

**PUBLIC FORUM**

- Brain Eccles, Managing Director and Dallas Crellin, Service Delivery Manager, Farm Focus were in attendance to receive their Cyber Gold Award.

**LATE ITEMS FOR INCLUSION UNDER SECTION 46A(7) OF THE LOCAL  
GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987**

The meeting was advised of a late item for inclusion in the agenda:

- Submission on Economic Regulation for Three Waters

This item had not been available for inclusion with the agenda and could not be held over until a later meeting.

Moved by Mayor L Patterson **that in terms of section 46A(7) of the Local Government Official Information and Meetings Act 1987 the items be dealt with at this meeting.**  
Seconded by Councillor T Nixon and CARRIED.

**ITEMS TO BE CONSIDERED UNDER SECTION 48(1)(A) OF THE LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987**

- Minutes of the Council Meeting held with the public excluded on 27 October 2021
- Minutes of the Extraordinary Council Meeting held with the public excluded on 24 November 2021
- Report of the Audit and Risk Committee Meeting held with the public excluded on 17 November 2021
- Report of the Awards and Grants Committee Meeting held with the public excluded on 24 November 2021
- External Appointment to the Civic Facility Project Committee
- Appointment of Civic Facility Architect
- Land Acquisition

Moved by Mayor L Patterson  
**That in terms of section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 the items be dealt with at this meeting.**  
Seconded by Councillor B Gare and CARRIED

**CONFIRMATION OF MINUTES OF THE COUNCIL MEETING HELD ON 27 OCTOBER 2021 (207/21)**

Moved by Councillor G Caffell  
**That the minutes of the meeting of the Masterton District Council held on 27 October 2021 be confirmed.**  
Seconded by Councillor Holmes and CARRIED

Councillor Caffell requested a correction to the item relating to the Response to Masterton Action Group Petition - that the word 'decide' be changed to "recommend" so the paragraph would read "... the establishment of a working group to look at the options for the site and to **recommend** whether a referendum should be held."

**CONFIRMATION OF MINUTES OF THE EXTRAORDINARY COUNCIL MEETING HELD ON 9 NOVEMBER 2021 (209/21)**

Moved by Councillor T Nixon  
**That the minutes of the extraordinary meeting of the Masterton District Council held on 9 November 2021 be confirmed**  
Seconded by Councillor F Mailman and CARRIED

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## **CONFIRMATION OF MINUTES OF THE EXTRAORDINARY COUNCIL MEETING HELD ON 24 NOVEMBER 2021 (230/21)**

Moved by Councillor G McClymont

**That the minutes of the extraordinary meeting of the Masterton District Council held on 24 November 2021 be confirmed**

Seconded by Councillor C Peterson and CARRIED

## **REPORT OF THE INFRASTRUCTURE AND SERVICES COMMITTEE MEETING HELD 17 NOVEMBER 2021 (225/21)**

The report of the Infrastructure and Services Committee meeting held on 17 November was taken as read. The following items had been considered

- Approval of Submission to the Ministry for the Environment: Te Hau Mārohi Ki Anamata: Transitioning to a Low-Emissions and Climate-Resilient Future Discussion Document
- Amendments to the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedule
- Three Waters Reforms Update
- Regulatory Services Infrastructure and Services Update
- Community Facilities and Activities Infrastructure Update
- Infrastructure Update

Moved by Councillor Johnson

**That the Report of the Infrastructure and Services Committee meeting held on 17 November (225/21) including the following resolutions be confirmed**

### **APPROVAL OF SUBMISSION TO THE MINISTRY FOR THE ENVIRONMENT: TE HAU MĀROHI KI ANAMATA: TRANSITIONING TO A LOW-EMISSIONS AND CLIMATE-RESILIENT FUTURE DISCUSSION DOCUMENT** (210/21)

***That the Infrastructure and Services Committee:***

- 1. notes that the three Wairarapa District Councils have agreed to make a joint submission in response to the Ministry for the Environment's Te hau mārohi ki anamata: Transitioning to a low-emissions and climate-resilient future discussion document, and***
- 2. approves the three Wairarapa District Council's draft submission on the Te hau mārohi ki anamata: Transitioning to a low-emissions and climate-resilient future discussion document (Refer Attachment 1 to Report 210/21).***

### **AMENDMENTS TO THE WAIRARAPA CONSOLIDATED BYLAW, PART 10: TRAFFIC BYLAW SCHEDULE** (211/21)

***That the Infrastructure and Services Committee:***

- 1. Endorses and recommends that the following proposed amendments to the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedule are adopted by Council:***

a. *The addition of Schedule 2F: No Stopping Areas on Streets.*

**Schedule 2F: No Stopping Areas on Streets.**

<b>Location</b>		<b>Description</b>	<b>Date of Resolution</b>
<b>Primary</b>	<b>Secondary</b>		
<b>South Belt</b>	<b>High Street</b>	<i>The eastern side of South Belt, commencing at the point of 11.9 metres northeast of the intersection of South Belt and High Street, extending in a south-eastern direction for a distance of 97 metres.</i>	<b>15 December 2021</b>
<b>High Street</b>	<b>South Belt</b>	<i>The southern side of High Street, commencing at a point of 9.4 metres east of the intersection of High Street and South Belt, extending in an eastern direction, for a distance of 59 metres.</i>	<b>15 December 2021</b>

**THREE WATERS REFORMS UPDATE (212/21)**

*That Council receives the information in Report 212/21 Three Waters Reforms Update for Wellington Councils.*

**REGULATORY SERVICES INFRASTRUCTURE AND SERVICES UPDATE (213/21)**

*That the Infrastructure and Services Committee notes the contents of Report 213/21.*

**COMMUNITY FACILITIES & ACTIVITIES INFRASTRUCTURE AND SERVICES UPDATE (214/21)**

*That the Infrastructure and Services Committee notes the contents of Report 214/21.*

**INFRASTRUCTURE UPDATE (215/21)**

*That the Infrastructure and Services Committee notes the information contained in Report 215/21.*

Seconded by Councillor G Caffell and CARRIED

**REPORT OF THE AUDIT AND RISK COMMITTEE MEETING HELD 17 NOVEMBER 2021 (226/21)**

The report of the Audit and Risk Committee meeting held on 17 November was taken as read. The following items had been considered

- Service Provision Report: Aratoi First Quarter
- Service Provision Report: Destination Wairarapa First Quarter
- Non-Financial Performance 2021-22 First Quarter Report
- LGFA Annual General Meeting
- Monitoring of Policies



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- Health & Safety Quarterly Report
- NZTA Investment Audit
- Three Months to Date Financial Report

Moved by Mayor L Patterson

**That the Report of the Audit and Risk Committee meeting held on 17 November (226/21) including the following resolutions be confirmed:**

**SERVICE PROVISION REPORT ARATOI FIRST QUARTER**(216/21)

***That Council receives Service Provision Report 216/21, which provides the summary results of Key Result Areas for the 1 July – 30 September 2021 quarter, from Aratoi Regional Trust.***

**SERVICE PROVISION REPORT: DESTINATION WAIRARAPA FIRST QUARTER**(217/21)

***That the Audit and Risk Committee receives Service Provision Report 217/21 that includes a summary of results of key deliverables for the first quarter, 1 July – 30 September 2021, from Destination Wairarapa.***

**NON-FINANCIAL PERFORMANCE 2021-22 FIRST QUARTER REPORT** (218/21)

***That the Audit and Risk Committee receives the Quarter 1 non-financial performance report for the 2021/22 financial year.***

**LGFA ANNUAL GENERAL MEETING** (219/21)

***That the Audit and Risk Committee notes the proxy vote to be cast under delegated authority on behalf of the Council at the Local Government Funding Agency's Annual General Meeting being held on 23 November 2021.***

**MONITORING OF POLICIES** (220/21)

***That the Audit and Risk Committee***

- (a) ***notes that the following policies are monitored by the Audit and Risk Committee;***
- ***Asset Management Policy***
  - ***Fraud, Dishonesty and Corruption Control Policy***
  - ***Workplace Health and Safety and Staff Wellbeing Policy***
  - ***Procurement Policy***
  - ***Revenue and Financing Policy***
  - ***Risk Management Policy***
  - ***Significance and Engagement Policy***
  - ***Sensitive Expenditure Policy***
  - ***Treasury Management Policy, and***
- (b) ***notes the status update for each of these policies in Report 220/21.***

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## **HEALTH & SAFETY QUARTERLY REPORT** (221/21)

*The Audit and Risk Committee notes the content and receives the Health and Safety Report for the quarter (1 Jul 2021 to 31 Oct 2021).*

## **NZTA INVESTMENT AUDIT** (222/21)

*That the Audit and Risk Committee receives the update on the actions arising out of the September 2020 NZTA Investment Audit Report.*

## **THREE MONTHS TO DATE FINANCIAL REPORT** (223/21)

*That the Audit and Risk Committee receives the 2021/2022 Three Months to Date Financial Report and Commentary*

Seconded by Councillor T Nelson and CARRIED

## **REPORT OF THE AWARDS AND GRANTS COMMITTEE MEETING HELD 24 NOVEMBER 2021** (229/21)

Moved Councillor G Caffell

**That the Report of the Awards and Grants Committee meeting held on 24 November be confirmed.**

Seconded by Councillor B Johnson and CARRIED

## **PROGRESSING MORE HOUSING AT PANAMA VILLAGE: ADOPTION OF CONSULTATION OPTIONS FOR THE AMENDMENT OF THE LONG TERM PLAN 2021-31** (232/21)

The report seeking Council agreement on the preferred and alternative options for making the vacant land at Panama Village available for public housing, and the preferred use for any proceeds, for inclusion in the Consultation Document for the amendment of the Long-Term Plan 2021-31 was presented by the Senior Policy Advisor.

Moved by Mayor L Patterson

**That Council:**

- a. **Approves the preferred and alternative options for making vacant land at Panama Village available to someone else to develop public housing for inclusion in the Consultation Document for the amendment of the Long-Term Plan 2021-31 (Consultation Document):**
  - i. **Preferred Option: Authorise Council to sell the vacant land at Panama Village on the condition that it is used for public housing.**
  - ii. **Alternative Option: Authorise Council to lease the vacant land at Panama Village on the condition that it is used for public housing.**
- b. **Approves for inclusion in the Consultation Document the use of any proceeds resulting from the sale or lease of the vacant land at Panama Village for reinvestment in Council's existing housing stock or associated infrastructure.**
- c. **Delegates authority to the Chief Executive to revise the phrasing of the options and proposed use of funding proceeds in response to legal and/or Audit advice received.**

- d. **Notes that the draft Consultation Document to progress more housing at Panama Village will be submitted to Council for adoption in February 2022, following Audit approval**

Seconded by Councillor B Gare and CARRIED

## **BUSINESS WAIRARAPA FUNDING REQUEST** (233/21)

The report seeking approval from Council to provide funding of \$30,000 in 2021/22 to Business Wairarapa to provide business liaison and economic development support services to businesses in the Wairarapa region was presented by the Policy Manager.

In response to a request for information about the cost of the surveys included in the proposal staff advised they would follow up and report back.

Moved by Mayor L Patterson

### **That the Council:**

- a) **Notes that Business Wairarapa is requesting \$60,000 per annum in 2021/22 and 2022/23 from the three Wairarapa District Councils to provide business liaison and economic development services for businesses in the Wairarapa region;**
- b) **Notes that Business Wairarapa has recently completed a 2020/21 contract for services with the Masterton District Council to provide business liaison and economic development services for businesses in the Wairarapa region;**
- c) **Notes that the MDC contract for services with Business Wairarapa was part of Council's wider COVID-19 recovery response in 2020/21;**
- d) **Approves funding of \$30,000 in 2021/22 to Business Wairarapa to provide business liaison and economic development services for businesses in the Wairarapa region; and**
- e) **Agrees that funding is conditional on support from Carterton and South Wairarapa District Councils.**

Seconded by Councillor F Mailman and CARRIED

Councillors McClymont and Nixon abstained from voting.

## **SUBMISSION ON ECONOMIC REGULATION FOR THREE WATERS REFORM**

(237/21)

The report seeking Council's endorsement of a joint submission from councils in the Wellington Region on economic regulation and consumer protection as part of the Government's wider three waters reforms was presented by the Manager Finance.

Moved by Mayor L Patterson

### **That Council**

- i. **agrees to jointly submit with other councils in the Wellington Region on the design of economic regulation and consumer protection in response to the Ministry of Business, Innovation and Employment consultation document, and**

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- ii. **endorses the contents of the draft submission attached to Report 237/21 (Attachment 1)**

Seconded by Councillor Peterson and CARRIED

## **CHIEF EXECUTIVE'S REPORT (234/21)**

The Chief Executive's Report providing an update as at 8 December 2021 was taken as read.

The Civic Facility Project Committee was discussed, and the Committee Chair noted that the decision reports to date had come straight to Council as the Committee had no delegation to make decisions and that those decisions had been made with the public excluded as they were commercially sensitive decisions. It was anticipated that the first formal meeting of the Committee would be in the new year.

Moved by Mayor L Patterson

**That Council notes the information contained in the Chief Executive's report 234/21.**

Seconded by Councillor G Caffell and CARRIED

## **MAYOR'S REPORT (235/21)**

The Mayor's report providing an update on activities since the last report to Council was taken as read.

The Greater Wellington Regional Council Upper Ruamāhanga Floodplain Management Plan was discussed, and it was noted that it was a complex situation and would not be easy to solve – elected members needed to make sure they understood what was involved as there would be implications for ratepayers.

Members thanked the Mayor for getting out in the community and being a good ambassador for the community.

Moved Mayor L Patterson

**That Council receives the information in the Mayors Report (Report 235/21).**

Seconded Councillor Mailman and CARRIED

## **MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED COUNCIL MEETING –WEDNESDAY 15 DECEMBER 2021**

MOVED BY: Councillor B Gare

That the public be excluded from the following parts of the proceedings of the meeting of the Masterton District Council:-

## Confirmation of Minutes

17. Minutes of the Council meeting held with the public excluded on 27 October 2021
18. Minutes of the Extraordinary council meeting held with the public excluded on 24 November 2021
19. Report of the Audit and Risk Committee meeting held with the public excluded on 17 November 2021
20. Report of the Awards and Grants Committee meeting held with the public excluded on 24 November 2021

## General Business

21. External Appointment to the Civic Facility Project Committee
22. Appointment of the Civic Facility Architect
23. Land Acquisition

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

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
Confirmation of minutes of the Council meeting held with the public excluded on 27 October 2021	Refer to pages 108-109	Refer to pages 108-109
Confirmation of minutes of the Extraordinary Council meeting held with the public excluded 24 November 2021	Refer to pages 102-103	Refer to pages 102-103
Report of the Audit and Risk Committee meeting held with the Public excluded on 17 November 2021	Refer to pages 405-406	Refer to pages 405-406
Report of the Awards and Grants Committee meeting held with the Public excluded on 24 November 2021	Refer to pages 601-602	Refer to pages 601-602
External Appointment to the Civic Facility Project Committee	7(2)(a) To protect the privacy of natural persons, including that of deceased natural persons)	s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.

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Appointment of the Civic Facility Architect

7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

7(2)(b).the withholding of the information is necessary to protect information which if public would; (i). disclose a trade secret; or (ii). unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information

7(2)(c) the withholding of the information is necessary to protect information which is subject to an obligation of confidence where the making available of the information would be likely to: (i). prejudice the supply of similar information, or information from the same source, where it is in the public interest that such information should continue to be supplied; or (ii). would be likely otherwise to damage the public interest.

s48(1)(a)

That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.

Land Acquisition

7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

s48(1)(a)

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist. Where the local authority is named or specified in the First Schedule to this Act, under section 6 or section 7 except section 7(2)(f)(i) of this Act.

Seconded by Councillor D Holmes and CARRIED

**The meeting moved into public excluded at 3.56 pm**

**The meeting moved out of public excluded at 5.12 pm**

**The meeting closed 5.12 pm**

**REPORT OF THE INFRASTRUCTURE AND SERVICES COMMITTEE MEETING HELD  
BY ZOOM ON WEDNESDAY 2 FEBRUARY 2022 AT 2.00 PM**

**PRESENT**

Councillor Johnson (Chair), Mayor Lyn Patterson, Councillors G Caffell, B Gare, D Holmes, F Mailman, T Nelson T Nixon, C Peterson, S Ryan and iwi representative Tiraumaera Te Tau.

**IN ATTENDANCE**

Chief Executive, Manager Finance, Manager Community Facilities and Activities, Communications and Engagement Manager, Manager Strategy and Governance, Manager Regulatory Services, Roading Services Manager, Policy Manager, Senior Project Manager, Governance Advisor

**CONFLICTS OF INTEREST**

No conflicts were declared

**APOLOGIES**

Moved Councillor Johnson

**That the apology from Councillor McClymont for non-attendance be received.**

Seconded by Mayor L Patterson and CARRIED

**PUBLIC FORUM**

There was no public forum

**LATE ITEMS FOR INCLUSION UNDER SECTION 46A(7) OF THE LOCAL  
GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987**

There were no late items

**AMENDMENTS TO THE WAIRARAPA CONSOLIDATED BYLAW, PART 10: TRAFFIC  
BYLAW SCHEDULE (001/22)**

The report seeking adoption of further temporary amendments to the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedule (Traffic Bylaw Schedules), Schedule 2Q. to extend the use of Council owned car parking spaces at the Library and the Departmental Building carpark to 30 June 2022 for allocation to COVID-19 Vaccination Clinic visitors was taken as read.

Moved by Councillor Nixon

**That the Infrastructure and Services Committee adopts further temporary amendments to the Wairarapa Consolidated Bylaw, Part 10: Traffic Bylaw Schedule (Traffic Bylaw Schedules), Schedule 2Q, as specified below:**

***Schedule 2Q: Temporary restriction extended from 21 May 2021 - 31 March 2022 to 21 May 2021 - 30 June 2022 on the use of council owned car parking***

# 302

*spaces at the Library and the Departmental Building carpark (Chapel Street) allocated to COVID-19 Vaccination Clinic visitors.*

Seconded by Mayor L Patterson and CARRIED

## **REGULATORY SERVICES INFRASTRUCTURE AND SERVICES UPDATE** (002/22)

The report providing the Infrastructure and Services Committee with an update from the Building Control Services Team, Consents and Planning team and Environmental Services team was taken as read

In relation to the attachment to the report [the Ministry for the Environment's discussion document on the RMA reforms] and a question about providing feedback on the document, it was advised that a Wairarapa wide response was being discussed. A workshop was requested.

Staff were congratulated on the result of the Recognised Agency Surveillance Assessment which had no corrective action requests.

Moved by Councillor B Johnson

**That the Infrastructure and Services Committee notes the contents of Report 002/22.**

Seconded by Tiraumaera Te Tau and CARRIED

## **COMMUNITY FACILITIES & ACTIVITIES INFRASTRUCTURE AND SERVICES UPDATE** (003/22)

The report providing the Infrastructure and Services Committee with an update on key projects and summary of progress, including highlights and any new issues, was presented by the Manager Community Facilities and Activities

In relation to the Positive Aging Strategy, Senior Net was raised as another organisation that could be included. The Blue Zones website was also mentioned as a source of information the Co-ordinator could consider. Staff advised they would provide that information to the Co-ordinator.

Moved by Councillor Johnson

**That the Infrastructure and Services Committee notes the contents of Report 003/22.**

Seconded by Councillor Peterson and CARRIED.

## **INFRASTRUCTURE UPDATE** (004/22)

The report providing the Committee with an update on key infrastructure projects and areas of focus was taken as read.

In relation to a question about the Animal Shelter it was advised that a workshop would be held.



# 303

Moved by Councillor Johnson

**That the Infrastructure and Services Committee notes the information contained in Report 004/22.**

Seconded by Councillor Nelson and CARRIED.

**The meeting closed at 2.59 pm**

unconfirmed

# 401

013/22

## REPORT OF THE AUDIT & RISK COMMITTEE MEETING HELD BY ZOOM ON WEDNESDAY 16 FEBRUARY 2022 AT 2.00 PM

### PRESENT

Philip Jones (Chair), Mayor L Patterson, Councillors B Gare, G McClymont, T Nixon, T Nelson, and iwi representative Tiraumaera Te Tau

### IN ATTENDANCE

Councillor D Holmes, Chief Executive, Manager Governance and Strategy, Manager Regulatory Services, Communications and Engagement Manager, People and Capability Manager, Policy Manager, Senior Policy Advisor, Financial Accountant and Governance Advisor.

### CONFLICT OF INTEREST

No conflicts were declared.

### LATE ITEMS FOR INCLUSION UNDER SECTION 46A(7) OF THE LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

There were no late items.

### APOLOGIES

Moved Councillor Nelson

**That the apologies from Councillor Peterson for non-attendance be accepted.**

Seconded by Mayor L Patterson and CARRIED

### MINUTES OF PREVIOUS MEETING TO BE RECEIVED (226/21)

Moved by Councillor T Nixon

**That the minutes of the previous meeting of the Audit and Risk Committee held 17 November 2021 be received.**

Seconded by Mayor L Patterson and CARRIED

Due to the attendance of Council's Appointed Auditor, John Whittal, the item on the Report to the Council on the Audit for the Year ended 30 June 2021 was taken first.

John introduced Council's new Auditor, Jacques DuToit, who would be leading Council's 2022 audits.

### REPORT TO THE COUNCIL ON THE AUDIT FOR THE YEAR ENDED 30 JUNE 2021 (011/22)

The report providing the Audit and Risk Committee with the Report from Council's Auditors, Audit New Zealand on their audit of Council for the year ended 30 June 2021 was taken as read.

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The Auditor advised that there was nothing significant in the report. The new recommendation in relation to the process for the independent review of journals was discussed and it was advised that journals were being independently reviewed but better evidence of that review needed to be provided. Staff will report back on the matter in due course.

Audit advised that they would follow up on the other outstanding recommendations as part of the 2022 audit.

The Chair thanked the Appointed Auditor for his assistance over the time he has undertaken Masterton District Council audits.

Moved by Mayor L Patterson

**That the Audit & Risk Committee receives the Report on the Audit of Masterton District Council for the year ended 30 June 2021 attached to Report 011/22.**

Seconded by Councillor T Nixon and CARRIED

## **PROCUREMENT POLICY** (010/22)

The report seeking endorsement from the Audit and Risk Committee of the revised Procurement Policy (Attachment 1) was taken as read. The Senior Policy Advisor advised the Policy was an update of the previous policy drawing on best practice across local government.

Matters discussed included: the 'Value Wairarapatanga' principle, how that would be applied and the importance of engaging with Māori and Māori business in that process; the reporting of procurement exceptions to assure Council that the Policy was being followed; the need for clarity around the 'value over the whole of life, rather than just the initial cost' statement to make it more explicit that cheaper didn't necessarily mean best value over the longer term; the need to be aware of the importance of supporting contractors to ensure a robust supply chain (which included contractors); and, the need to report back on the implementation and effectiveness of the Policy.

Moved by Councillor Nixon

**That the Audit and Risk Committee:**

- a) notes a review of the Procurement Policy is complete;**
- b) notes the revised Procurement Policy was approved by the Strategic Leadership Team on 3 February 2022; and**
- c) endorses the revised Procurement Policy included as Attachment 1 to Report 010/22**

Seconded by Tiraumaera Te Tau and CARRIED

# 403

## **SERVICE PROVISION REPORT – ARATOI AND NUKU ORA** (006/22)

The report providing the Committee with the quarterly progress report against key result areas for Aratoi Regional Trust, and the six-month report against key initiatives for Nuku Ora was taken as read.

An update on progress on Council's Service Agreement and Memorandum of Understanding (now expired) with Aratoi was requested.

Moved by Councillor Nixon

**That Council receives Service Provision Report 006/22, which covers:**

- (a) **the summary results of the key result indicators for the quarter 1 October – 31 December 2021 from Aratoi Regional Trust**
- (b) **the summary results of the key initiatives for the six months 1 July – 31 December 2021 from Nuku Ora**

Seconded by Councillor Gare and CARRIED

## **SERVICE PROVISION REPORT – DESTINATION WAIRARAPA** (007/22)

The report providing the Audit and Risk Committee with the second quarter (1 October – 31 December 2021) progress report on key deliverables of Destination Wairarapa was taken as read.

In response to a request for information about how the providers were tracking financially, which was relevant given the uncertain times, it was advised that that was available to elected members on request.

Moved by Councillor Gare

**That the Audit and Risk Committee receives Service Provision Report 007/22 that includes a summary of results of key deliverables for the second quarter, 1 October – 31 December 2021, from Destination Wairarapa.**

Seconded by Councillor Nelson and CARRIED

## **NON-FINANCIAL PERFORMANCE 2021/22 SECOND QUARTER REPORT** (008/22)

The report advising the Committee of performance against non-financial measures for the period from 1 July 2021 to 31 December 2021 was taken as read.

Whether a self-inspection system for swimming pools was possible was raised. Staff advised that they would investigate, but it was noted that there were statutory requirements Council needed to adhere to.

Moved by Philip Jones

**That the Audit and Risk Committee receives the Quarter 2 non-financial performance report for the 2021/22 financial year.**

# 404

Seconded by Councillor B Gare and CARRIED

## **HEALTH AND SAFETY QUARTERLY REPORT (009/21)**

The report providing an update to assist elected members carry out their role as officers under the Health and Safety at Work Act 2015 was presented by the Manager People and Culture.

A correction on page 459 of the report was advised – the report stated under point 3 that “all staff will need to be fully vaccinated” when that wasn’t the case. The agenda on the Council website had been updated to reflect the correction made.

Moved by Mayor L Patterson

## **The Audit and Risk Committee notes the content and receives the Health and Safety Report for the second quarter (1 November 2021 to 31 January 2022).**

Seconded by Councillor Nelson and CARRIED

## **6 MONTHS TO DATE FINANCIAL REPORT 2021/22 (012/22)**

The report providing the Committee with the financial report for the six months to 31 December 2021 was taken as read.

In relation to a question about the rates receivable it was advised that the Manager Finance was of the view that the by the end of the year payments would be back on track.

Moved by Councillor T Nixon

## **That Audit & Risk Committee receives the 6 months to date financial report and commentary, including the Operating and Capital Expenditure Statements contained in Report 012/22.**

Seconded by Mayor L Patterson and CARRIED

## **MATTERS TO BE TAKEN WITH THE PUBLIC EXCLUDED**

Moved by Councillor T Nixon

Under section 48 (1) of the Local Government Official Information and Meetings Act 1987 the following matters will be taken with the public excluded :-

### Minutes of the previous meeting

13. Receive the Minutes of the previous meeting held with the public excluded 17 November 2021.

### General Business

16 SLT Risk Discussion.

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section

# 405

48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution is as follows:-

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
Minutes of Previous Meeting held 17 November 2021	See page 405-406	s48(1)(d) That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceeding to which this paragraph applies
SLT Risk Discussion	<p>7(2)(c)(i) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.</p> <p>7(2)(c)(ii) The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to damage the public interest.</p>	s48(1)(d) That the exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceeding to which this paragraph applies

Seconded by Tiraumaera Te Tau and CARRIED

**The public was excluded at 3.04pm**

**The meeting returned to open session at 3.40pm**

**The meeting concluded at 3.40pm**

<b>To:</b>	Your Worship the Mayor and Councillors
<b>From:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	<b>Notice of Motion from Councillor Nixon – Three Waters MOU</b>
<b>NOTICE OF MOTION</b>	
<b>PROPOSED MOTION:</b>	
That the Council:	
<ol style="list-style-type: none"> <li>1. Agrees to Masterton District Council becoming a Partner Council and signatory to the Memorandum of Understanding for the Three Waters campaign to oppose Government's intention and convince them to reconsider their position in favour of other options that better deliver a set of reform proposals that meet the needs of communities, councils and Government, and</li> <li>2. Agrees to sign the Memorandum of Understanding between partner Councils in relation to a proposed Three Waters Campaign. The purpose of the campaign is to convince the Government to alter its intention to proceed with legislation that would compel Councils to transfer their Three Waters assets to another legal entity without the agreement of an affected council to that transfer</li> <li>3. Notes that the total cost to join the campaign as a provincial council is \$15,000, and requests the Chief Executive to find the funds for this purpose from existing operational budgets.</li> </ol>	

### **PURPOSE**

In accordance with Standing Order 27.1 a Notice of Motion (the motion is set out above) has been received from Councillor Tina Nixon for inclusion in the agenda for the Council meeting being held on Wednesday 23 February 2022. The Notice of Motion is attached (see Attachment 1).

The other relevant clauses in the Standing Orders relating to Notices of Motion are as follows:

#### **27.3 Mover of notice of motion**

Notices of motion may not proceed in the absence of the mover unless moved by another member authorised to do so, in writing, by the mover.

#### **27.4 Alteration of notice of motion**

Only the mover, at the time the notice of motion is moved and with the agreement of a majority of those present at the meeting, may alter a proposed notice of motion. Once moved and seconded no amendments may be made to a notice of motion.

#### **27.5 When notices of motion lapse**

Notices of motion that are not moved when called for by the Chairperson must lapse.

## NOTICE OF MOTION

**Date: 14th February 2022**

**To: Mayor Lyn Patterson and Councillors**

**From: Cr Tina Nixon**

**Subject: Notice of Motion for 23<sup>rd</sup> February 2022 Council Meeting**

**The purpose of this report is for Council to decide on whether to become a Partner Council and formally join the Three Waters Campaign through signing of the Memorandum of Understanding (MoU).**

### MOTION

That the Council:

1. Agrees to Masterton District Council becoming a Partner Council and signatory to the Memorandum of Understanding for the Three Waters campaign to oppose Government's intention and convince them to reconsider their position in favour of other options that better deliver a set of reform proposals that meet the needs of communities, councils and Government, and
2. Agrees to sign the Memorandum of Understanding between partner Councils in relation to a proposed Three Waters Campaign. The purpose of the campaign is to convince the Government to alter its intention to proceed with legislation that would compel Councils to transfer their Three Waters assets to another legal entity without the agreement of an affected council to that transfer
3. Notes that the total cost to join the campaign as a provincial council is \$15,000, and requests the Chief Executive to find the funds for this purpose from existing operational budgets.

### Background

- a) The purpose of this report is for Council to consider becoming a Partner Council and formally join the Three Waters Campaign through signing of the Memorandum of Understanding (MoU). (Attachment No. 1)
  - b) The signatory councils oppose the Government's intention and will agree to work cooperatively with other councils to campaign to convince the Government to reconsider its position in favour of other options that better deliver a set of reform proposals that meet the needs of communities, councils, and Government.
    - i. The purpose of the MoU is to:
    - ii. Set the objective of the campaign.
-



- iii. Specify the governance arrangements in respect of the campaign's management and operation.
  - iv. Specify the basis on which Partner Councils agree to participate, and continue to participate, in the campaign.
  - v. Specify the cost-sharing arrangements; and
  - vi. Set the process by which councils other than the initial Partner Councils may sign-up to join these arrangements.
- c) The Prime Minister's speech at the opening of Parliament for 2022 specifically made mention of the 3 waters and the government's intent to form 4 regional entities. I was prompted to submit motion due to this being signaled before the 3 waters working group, which our Mayor is part of, has a chance to make recommendations on such issues as the number of entities and governance arrangements.
- d) On Wednesday 27 October 2021 the Minister for Local Government announced that the Three Waters Reform process would become mandatory for all councils. The Government intends to introduce legislation into the House before Christmas 2022 which would in effect force councils to hand over control and effective ownership of their water assets to one of the four new water entities.
- e) Government had previously promised that, as part of a signed Memorandum of Understanding (MoU), councils would have an option whether to join (opt-in/opt-out). Many councils have objected strongly to the Government's decision to remove the ability of councils to opt out.
- f) On 30 September 2021 Masterton District Council sent a formal letter giving feedback to the Government on its Three Waters proposal. This letter also provided a list of questions, as agreed by Council. To date, many of these questions still remain unanswered.
- g) The Minister's announcement has left many mayors and councils extremely disappointed, and many members of the community have also expressed their dissatisfaction. Mayors of a significant number of councils met informally on 29 October 2021 to canvass ideas about what they could do to resist the proposal.
- h) Normally this sort of process would be run by Local Government New Zealand (LGNZ). However, LGNZ, through the Memorandum of Understanding (MoU), has said they will not actively oppose a mandatory approach. The view of some councils is that LGNZ did not have a mandate from its membership to sign this MoU.
-

- i) Following the meeting involving the mayors, more than 20 of them decided to commence a campaign designed to get Government to change its mind on compelling councils to adopt their proposed model.
- j) The councils have engaged Malcolm Alexander (former Chief Executive of LGNZ) to oversee and co-ordinate the campaign.
- k) Councils were asked to give their intention to join as a Partner Council by Friday 19 November 2021, however councils can join after this date. Additionally, councils can decide to leave the 'group' at any time.
- l) Subsequent to the Minister's announcement Cabinet has established a working group made up of local government and iwi representatives to recommend strengthened governance and accountability arrangements for the Three Waters Reform Programme.
- m) There is considerable public interest in the Three Waters Reform and the decision to mandate the proposed model has not been well received by many parts of the community.
- n) No formal consultation has occurred in the Masterton District on the reform, but several groups have been engaged and their feedback is that they are opposed to the Government's Three Waters Reform proposal.
- o) At this point no formal discussions have occurred with local iwi to determine their position on the Government's announcement to mandate the reform.

Signed: Councillor Tina Nixon



## **Attachments**

- 1 3 Waters MoU - Final
-

**Memorandum of Understanding**  
*between*  
**Partner Councils**  
**In relation to their 3 Waters Campaign**

**Dated                      November 2021**

**1. Introduction**

The Government of New Zealand has announced that it will be introducing a Bill into Parliament before Christmas 2021 for passage into law in 2022. That Bill will compel territorial and unitary authorities (“councils”) in New Zealand to transfer their rights and interests in: drinking water assets; wastewater assets; and stormwater assets (together known as “3 Waters assets”), to four new entities who will henceforth own and operate those assets. This transfer is likely to occur without fair compensation being paid to councils for the compelled transfer of those assets.

The signatory councils (“Partner Councils”) to this Memorandum of Understanding (“MoU”) oppose the Government’s intention and have agreed to work cooperatively together to campaign to convince the Government to reconsider its position in favour of other options that better deliver a set of reform proposals that meet the needs of communities, councils and Government (“the Campaign”).

**2. Purpose**

The purpose of this MoU is to:

1. Set the objective of the Campaign;
2. Specify the governance arrangements in respect of the Campaign’s management and operation;
3. Specify the basis on which Partner Councils agree to participate, and continue to participate, in the Campaign;
4. Specify the cost-sharing arrangements; and
5. Set the process by which councils other than the initial Partner Councils may sign-up to join these arrangements.

**3. Campaign Objective**

The purpose of the Campaign is to convince the Government to alter its intention to proceed with legislation that will compel councils to transfer their 3 Waters assets into the ownership and/or operational control of another legal entity without the agreement of an affected council to that transfer. Campaign Partners will engage with their communities and the Government to reach an agreement on a reform package that can appropriately meet all parties objectives.

In pursuit of that objective, the Campaign will develop an overall strategy which will include actions to be undertaken both nationally and locally.

In developing and executing the Campaign strategy, Campaign Partners agree that:

1. Message and policy discipline is important and that any proposed departure by an individual Partner Council from agreed messaging and/or agreed policy positions, should be discussed first amongst Partner Councils;
2. Appropriate reform of the 3 Waters sector is required to meet health and environmental regulatory standards, and that there needs to be an ongoing obligation on 3 Waters asset owners to develop proposals in their respective areas that can credibly meet those standards over time;
3. They support the creation of Taumata Arowai to incentivise improved performance by 3 Waters asset owners;
4. Structural reform of 3 Waters assets should respect community property rights in those assets; and
5. They will not disparage or defame any natural person.

#### **4. Governance Arrangements**

All Partner Councils are members of the governing Plenary. Each Partner Council has one vote.

Day to day governance of the campaign will be overseen by an Oversight Group made up of up to seven representatives of Partner Councils. The Oversight Group shall regularly report to the Plenary to ensure all Partner Councils are fully informed about the status of the Campaign.

The Oversight Group may appoint a Small Group of Partner Council chief executives and consultants to assist it, and Partner Councils, in strategy development and tactical execution of the Campaign strategy.

#### **5. Basis of Participation**

Partner Councils agree to adhere to, and execute, the agreed Campaign strategy.

If a Partner Council chooses not to adhere to the Campaign strategy it will first advise the Plenary of its intentions before proceeding with any action that is at odds with the Campaign strategy. On such advice, the Plenary shall meet to discuss the matter and the Plenary shall use its best endeavours to resolve any dispute.

In the event the Plenary is unable to resolve the dispute, it may by majority vote suspend the Partner Council from further participation in the Campaign. Cost obligations for a suspended Partner Council will cease from the date of the suspension but previously incurred cost obligations must be met by the Partner Council.

Any Partner Council may, at any time, cease its participation in the Campaign with the provision of one week's notice in writing to the Plenary. Cost obligations for a retiring Partner Council will cease from the date that the one week's notice in writing takes effect but previously incurred cost obligations must be met by the Partner Council.

## 6. Cost-sharing Arrangements

Each initial Partner Council agrees to pay into the Campaign fund the following amount:

1. If it is a Metropolitan Sector council - \$20,000;
2. If it is a Provincial Sector council – \$15,000;
3. If it is a Rural Sector council – \$10,000.

The Campaign fund will be held in trust and administered by Timaru District Council under the oversight and direction of the Plenary.

## 7. Additional Partner Councils

Councils that wish to become a Partner Council after the date that this MoU has been agreed may do so by application in writing to the Plenary.

Applications must include:

1. Evidence of a clear mandate to become a Partner Council; and
2. An acknowledgment that the applying council agrees to abide by the objectives and principles of the Campaign, including the governance and cost-sharing arrangements;

If the Plenary approves an application, then the additional council must pay into the Campaign fund an amount relevant to its Sector status, as specified in Clause 6, in order to activate its Partner Council status.

## 8. MoU Not Legally Binding

Partner Councils agree that it is not the intention for any of the provisions of this MoU to be legally binding.

Signed by the following mandated representatives of each Partner Council:

Signature:

Signature

Position:

Position:

Council:

Council:

Date:

Date:

<b>To:</b>	Your Worship and Elected Members
<b>From:</b>	Corin Haines, Manager Community Facilities and Activities
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	Awards and Grants Delegations and Process
<b>DECISION</b>	
<b>Recommendations:</b>	
<p>That Council approve the following amendments to criteria and process for the Community Wellbeing Grant and Community Events Fund:</p> <ul style="list-style-type: none"> <li>i. That the delegation of decision-making for granting applications for \$6,000 or less to staff for up to 50% of the total Community Wellbeing Grant and \$3,000 or less to staff for up to 50% of the total Community Events Funds, be removed.</li> <li>ii. That any applicant can speak to their application, and this will be indicated by a tick box as part of the application.</li> <li>iii. The Awards and Grants Committee meeting to hear applicant presentations will be online with both Committee members and applicants attending via Zoom or MS Teams links (or similar technology).</li> </ul>	

### **Purpose**

To detail proposed amendments to the process for the Council's Community Wellbeing Grant and Community Events Fund.

### **Executive Summary**

Each year Council has committed funds for both the Community Wellbeing Grant and Community Events Fund to support the outcomes of *He Hiringa Tangata, He Hiringa Whenua*.

In June 2020 Council passed a series of recommendations to amend the criteria and process for the Community Wellbeing Grant and Community Events Fund. These were:

1. Expanding the criteria to explicitly include "disaster recovery" response initiatives that our community has identified, while still meeting the eligibility criteria of being not-for profit, and excluding health and education providers or activities that benefit only few individuals
2. Where government funding or other external funding is available, applicants are required to have made an application, e.g. the Foodbank from the Food Secure Community Grants Fund

3. Elected Members' delegate decision-making for granting applications for \$3,000 or less to staff for up to 50% of the total Community Wellbeing Grant and the Community Events Funds
4. Community Wellbeing Grants change from one funding round per annum to two funding rounds per annum in July and early in the new year
5. Community Events Fund to be an open ended/rolling funding round where grants are received throughout the year.

These amendments were adopted and during 2020/21 the Community Wellbeing Grant and Community Events Fund were administered in this way.

There was no discernible increase in applications through having two rounds per year and an open-ended round for the Community Events Fund which justified the increased administration and staff time. As a result, at its 12 May 2021 meeting Council decided to return to one funding round a year for the Community Wellbeing Grant and to move back to one closed round per year for the Community Events Fund. The delegation to staff to assess applications for Community Wellbeing grants was also increased at that meeting to \$6,000 or less.

Following the 2021/22 Community Wellbeing Grant and Community Events funding round, the Awards and Grants Committee discussed the delegation to staff and the ability of people to speak to their application and requested staff bring the following recommendations to Council.

## **Recommendations**

1. The delegation of decision-making for granting applications for \$6,000 or less to staff for up to 50% of the total Community Wellbeing Grant and \$3,000 or less to staff for up to 50% of the total Community Events Funds, be removed.
2. That any applicant can speak to their application, and this will be indicated by a tick box as part of the application.
3. All applicant presentations to be online via Zoom/Ms Teams or similar technology.

## **Context**

Following the September 2021 Awards and Grants Committee meeting members expressed disappointment that a portion of the funds had already been allocated as per the delegations agreed in June 2020 and May 2021. It was felt that the Committee would be able to make better decisions if the full grant allocation was available to them and staff were asked to bring a recommendation to this effect to Council.

There was also a desire to have the opportunity to hear from all applicants, so it was requested that we formalise the option of speaking to an application and make that option available to all applicants in the application process.

Due to COVID-19 alert level settings all applicants who wished to speak to the Committee at the August 2021 meeting had to do so via Zoom. The Committee felt this led to a better process and better conversations with the applicants and so the Committee requested staff follow a process to allow applicants to present online in future.

## Discussion

Recommendations:

	Proposal	Advantages	Disadvantages
1.	That any applicant can speak to their application, and this will be indicated by a tick box as part of the application.	<ul style="list-style-type: none"> <li>All applicants have the opportunity to explain their application to the committee more fully</li> <li>Committee members have the opportunity to ask questions of all applicants</li> <li>More informed decision making</li> </ul>	<ul style="list-style-type: none"> <li>Awards and Grants meetings could run significantly longer</li> </ul>
2.	The delegation of decision-making for granting applications for \$6,000 and \$3,000 or less to staff for up to 50% of the total Community Wellbeing Grant and the Community Events Funds respectively, be removed.	<ul style="list-style-type: none"> <li>The Committee has the ability to disperse all funds within the context of all applications to the funding round.</li> <li>The Committee is fully involved in the entire process of awarding grants.</li> </ul>	<ul style="list-style-type: none"> <li>Decisions on applications which came within staff delegation will no longer be able to be made as soon as applications are received and, where applications are successful, funds disbursed immediately. All applicants will need to wait until after the Awards and Grants Committee meeting to find out the outcome of their application.</li> </ul>
3.	All presentations to be online via Zoom/Ms Teams or similar technology	<ul style="list-style-type: none"> <li>Easier to control timing of applicants' presentations</li> <li>Able to occur under all COVID traffic light settings.</li> </ul>	<ul style="list-style-type: none"> <li>May be difficult for an applicant who does not have a good understanding of or access to digital technology</li> </ul>



## **Strategic, Policy and Legislative Implications**

There are no identified strategic, policy or legislative implications. Council's grants funds exist to support organisations and community groups with projects that contribute to the achievement of the outcomes of Council's Wellbeing Strategy. There is no change proposed to the criteria against which grants are assessed, or the budget allocated, so there are no strategic or policy implications in the decisions being sought from Council in this report.

## **Significance, Engagement and Consultation**

The proposed changes have been evaluated against Council's Significance and Engagement Policy and staff have determined that the proposed operational changes to the administration of the Community Wellbeing Grant and Community Events funds do not amount to a significant decision in terms of the Policy and therefore public consultation or engagement is not required.

## **Financial Considerations**

There are no financial considerations in the decision sought from Council. There is no change to the budgets for the Council's Community Wellbeing Grant and Community Events Fund, which are set during the Long-Term Plan and reviewed annually as part of the Annual Plan.

## **Treaty Considerations/Implications for Māori**

There are no implications for Māori in the decision sought from Council.

## **Communications/Engagement Plan**

All communication will occur as part of the annual grants process. This will include:

- Opening the Community Wellbeing Grants and the Community Events Fund on our website
- Emailing the previous year's applicants to let them know applications for the two grants funds have opened

Further communications will be arranged to promote awareness of the ability to apply for funding through the two grant fund rounds.

## **Environmental/Climate Change Impact and Considerations**

There are no direct environmental impacts from the proposed change to process.

## **Next Steps**

If approved, staff will proceed with reviewing the application materials and open both funds for community applications during July.

<b>To:</b>	Her Worship the Mayor and Councillors
<b>From:</b>	Nerissa Aramakutu, Policy Manager Liz Fenwick, Policy Advisor
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	Review of the Wairarapa Local Alcohol Policy
<b>DECISION</b>	
<b>Recommendation:</b>	
That Council:	
<ul style="list-style-type: none"> <li>a) <b>notes</b> that a review of the Wairarapa Local Alcohol Policy for the Masterton, Carterton and South Wairarapa districts is underway;</li> <li>b) <b>notes</b> that different processes are to be followed under the Sale and Supply of Alcohol Act 2012 dependent on whether a rollover of the existing policy or amendments are proposed, and that further work is required before a recommendation on the extent of changes can be made;</li> <li>c) <b>agrees</b> that costs will be shared across the three Wairarapa District Councils as per the Wairarapa Shared Services Funding Policy (joint policy development activity type); and</li> <li>d) <b>agrees</b> to delegate responsibility to the Wairarapa Policy Working Group to support the review and make recommendations back to the three Wairarapa District Councils.</li> </ul>	

## Purpose

The purpose of this report is to provide information on the review of the Wairarapa Local Alcohol Policy. In addition, this report seeks Council agreement to share the estimated costs of the review with Carterton District Council and South Wairarapa District Council, and Council agreement to delegate responsibility to the Wairarapa Policy Working Group to support the review and make recommendations back to the three Wairarapa District Councils.

## Context

The first Wairarapa Local Alcohol Policy came into force in November 2018 following a five-year development process. A local alcohol policy (LAP) is a set of decisions made by a local authority in consultation with its community about the sale and supply of alcohol in its geographical area. It can modify and refine some of the national rules to reflect the particular circumstances of the local area and introduce other local requirements. Once a LAP is in place, District Licencing Committees (DLCs) must consider it when they make decisions about alcohol licensing applications. DLCs are set up under

the Sale and Supply of Alcohol Act 2012 and are administered by local authorities. Within their local areas, DLCs make decisions on applications for new and renewed alcohol licences and managers' certificates. The Alcohol and Regulatory Licensing Authority (ARLA) was also established under the Sale and Supply of Alcohol Act 2012. ARLA is the overarching national body set up to ensure that the law is fairly applied. Some of its key functions include:

- determining applications for new and renewed licences and Manager's Certificates that have been referred by DLCs
- determining appeals against the decisions of DLCs
- determining appeals against draft LAPs.

The Wairarapa LAP was jointly developed by the three Wairarapa District Councils and applies across the Wairarapa region. It includes maximum trading hours and discretionary conditions for each type of alcohol licence. It also includes restrictions on off-licensed premises in relation to schools, early childhood centres, playgrounds and recreation facilities. Licensing Inspectors at each of the three Wairarapa District Councils are responsible for monitoring compliance with the LAP.

The Wairarapa District Councils resolved to review the LAP after three years. It is therefore now due for review.

## **Background**

### **The Purpose of a Local Alcohol Policy**

The Sale and Supply of Alcohol Act 2012 (the Act) enables the development of a Local Alcohol Policy (LAP). A LAP allows territorial authorities to modify the national rules about the sale and supply of alcohol to reflect local circumstances. Once a policy comes into effect, each Council's District Licensing Committee, along with the Alcohol Regulatory and Licensing Authority, must give regard to the LAP when they make decisions on applications for alcohol licences.

The aims of a LAP are to:

- promote the safe and responsible sale, supply and consumption of alcohol
- reflect the views of our communities regarding the appropriate location, number, hours and conditions that apply to licensed premises
- provide certainty and clarity for applicants and the public as to whether a proposed license application meets the criteria in the LAP
- provide effective guidance for the decisions of the District Licensing Committee and the Alcohol Regulatory and Licensing Authority.

### **The Development of a LAP**

Development of a LAP, as set out in the Act, is a complex process. It involves 11 separate steps:

1. Formal decision of Council to proceed with a LAP

2. Formal consultation with Police, Alcohol Inspectors, and the Medical Officer of Health during production of a draft.
3. Formal consultation on the Draft LAP using the Special Consultative Procedure
4. Following consultation, development of a provisional LAP
5. Public notice of the provisional LAP
6. Appeals through public hearing of the Alcohol and Regulatory Licensing Authority (ARLA)
7. If appeal is lost:
  - resubmit an amended provisional LAP
  - appeal the decision to the High Court or
  - abandon the provisional LAP
8. Provisional LAP is adopted a specified period after notification or appeal resolution
9. Formal public notice of the LAP adoption is given
10. Bring LAP into force on a day stated by resolution of Council
11. Provide the licensing authority with a copy of the LAP in force.

## **The Development of the Wairarapa Local Alcohol Policy 2018**

The development of the Wairarapa LAP was initiated in 2013. A Wairarapa Alcohol Working Group was established, comprising representatives from each of the Wairarapa District Councils. From February 2014, the Medical Officer of Health and Police were included in the Working Group. In addition to the 11 steps required to develop a LAP, staff undertook a Wairarapa Community Alcohol Survey and held various forums to hear from licensees, those involved in the hospitality industry, and youth.

Following submissions Council adopted a provisional LAP in June 2015. As per the Act, anyone who submitted on the draft LAP could make an appeal to the provisional LAP. Three appeals were received: from Progressive Enterprises, Foodstuffs North Island, and Hospitality NZ (which was later withdrawn). The appeals related to off-licence maximum trading hours and one discretionary condition.

Through a process of mediation, the appeals were resolved and Council adopted the revised Provisional LAP in December 2016. ARLA required a hearing to confirm agreement between the appellants and the Councils. This was held in July 2017. All those who originally submitted on the draft LAP were notified of the changes to the Provisional LAP and given the opportunity to appeal those changes. No further appeals were received.

On 1st August 2018, the Wairarapa District Councils received notification from ARLA that the policy had been adopted. The final LAP became operative throughout Wairarapa on 1 November 2018. A copy is provided in Attachment One.

While the Sale and Supply of Alcohol Act 2012 specifies a minimum six-yearly review period, the Wairarapa District Councils resolved to review the LAP after three years.

## **Proposed Approach to the review of the Wairarapa Local Alcohol Policy**

Masterton District Council will lead the review process alongside Carterton and South Wairarapa District Councils. It is proposed that the three Wairarapa District Councils share the costs of the review as per the Wairarapa Shared Services Funding Policy (joint policy development activity type).

In terms of Governance support for this review, it is proposed that the three Wairarapa District Councils delegate responsibility to the Wairarapa Policy Working Group to support the review and make recommendations back to each of the three Wairarapa District Councils. The Wairarapa Policy Working Group comprises two representatives from each of the three Wairarapa District Councils.

The review is expected to require dedicated resourcing over a minimum of nine months and legal advice will be required as part of the process.

### **Amendment Versus Roll-over**

Under Section 97 of the Sale and Supply of Alcohol Act 2012 (the Act) councils that have a LAP must review it using the Special Consultative Procedure. If there are to be amendments, under Section 95 of the Act, councils must amend the LAP in a way as if it were the adoption of a LAP. This would require following the 11- step process detailed above (essentially like developing a new LAP). It may also incur significant costs to defend an appeal.

Rolling over the existing LAP would offer no opportunity for appeal. This, however, would mean making no changes to the existing policy.

In any case, the special consultative procedure, as set out in section 83 of the Local Government Act, must be followed. It is acknowledged that through the roll-over process, after considering all submissions, Council may resolve to make amendments. This would then trigger the 11-step amendment process.

We are not yet in a position to recommend either a rollover of the existing LAP or to recommend amendments. Further stakeholder engagement, data gathering, and investigations of issues raised in initial stakeholder feedback is needed before such a recommendation can be made.

While we are primarily considering either a rollover or amendment of the policy, there is still the option of repealing the policy altogether. It is unlikely that we would recommend that the policy be repealed, but it remains an option.

### **Evidence of Alcohol Related Harm**

The nature and severity of alcohol-related problems is a key feature that must be considered when developing a LAP. It is our view that an assessment of recent trends in alcohol related harm should also be undertaken in the first stages of the review. We are undertaking an assessment of recent trends in alcohol-related harm in Wairarapa, including alcohol-related crime, health impacts, injury and death.

We are also looking at the number of alcohol licences issued in each district since the LAP became operative, the number of licences per head of population and any changes in the number of 'bricks and mortar' alcohol premises.

## **Stakeholder Engagement to Date**

At the time of writing, initial feedback on how the current LAP has been working has been received from the New Zealand Police and our licencing inspectors and officers.

The New Zealand Police consider that a more restrictive policy is required. They consider that a precautionary approach would help reduce harm from alcohol and would like to see caps on the number of off-licenced premises. They would like to see consistency across the Wellington region, noting that Hutt City Council has introduced caps on the number of off-licences permitted in different parts of the city. The Police also consider that consideration should be given to restricting the starting hours of off-licence premises. For example, supermarkets are currently able to sell alcohol from 7am. According to the Police, the majority of alcohol- related harm in Wairarapa is linked to off-licence premises.

While the Police gave similar feedback during the development of the LAP, they consider that now is a good time for Councils to reconsider issues like caps on licences. They cited a recent (September 2021) Court of Appeal case between Auckland Council and several supermarket chains. The supermarket chains were appealing an earlier High Court judicial review decision relating to several matters including restriction of trading hours and on the number of alcohol licences. The judge found in favour of Auckland Council.

Our region's licencing inspectors have reported high levels of compliance with the LAP and consider it is generally fit for purpose. Some consider it appropriate to investigate whether the introduction of caps on alcohol licences would be in the region's best interests, with a view to future proofing the policy.

We have approached Regional Public Health for comment. At the time of writing, the Ministry of Health have indicated that they have suspended much of their business as usual work to focus on supporting the national COVID-19 pandemic response and that they currently have insufficient resources to provide input into the LAP review. We will continue to seek comment from Regional Public Health and provide opportunities for input. We also intend to seek feedback in the early stages of the review from local kaupapa Māori health organisations, such as Te Rūnanga Hauora o Wairarapa.

## **Timeframes**

The review timeframe will need to be flexible and may need to be adjusted further depending on any potential impacts of COVID-19 on our communities. We may also need to consider different methods of consultation with our community and other stakeholders given the emerging COVID-19 situation.

Timeframes will also differ depending on whether Council decides to consult on a rollover of the existing LAP, or proposes amendments.

Key tasks and indicative timeframes for the review are listed in Attachment Two – for both a proposed rollover and if amendments are proposed.

## **Summary of Considerations**

### **Strategic, Policy and Legislative Implications**

While the Sale and Supply of Alcohol Act 2012 specifies a minimum six-yearly review period, the Wairarapa LAP provides for a review after three years. It is therefore now due for review.

Section 97 of the Sale and Supply of Alcohol Act 2012 requires Councils to use the Special Consultative Procedure when reviewing their Local Alcohol Policy. The steps outlined in the Sale and Supply of Alcohol Act 2012 for adoption of a new LAP apply if the LAP is to be amended.

The Local Government Act 2002 (LGA 2002) states that one of the purposes of councils is to promote the social, economic, environment and cultural well-being of communities, in the present and for the future. Section 11 of LGA 2002 provides that the role of councils is to give effect to their purpose and perform the duties and exercise the rights conferred on them by, or under, LGA 2002. Section 23 of the Health Act 1956 also states that it is the duty of every council to improve, promote and protect public health within its district.

### **Significance, Engagement and Consultation**

The review of the LAP will draw on multiple sources of information to ensure positive outcomes, stakeholder buy-in and accountability. As noted, the Sale and Supply of Alcohol Act 2012 requires the review of the Wairarapa LAP to be undertaken using the Special Consultative Procedure. We will engage with key stakeholders including Regional Public Health, local Māori health organisations, the New Zealand Police, and Council's licensing inspectors early in the process and throughout the review period.

The development of a project plan and a communications and engagement plan to support the project are underway. Promotion of the review and opportunities to provide feedback will be undertaken via print and social media platforms.

### **Financial Considerations**

A project team from the three Wairarapa District Councils will work together on the review. The project team will be led by Masterton District Council.

The budget for the review will be split across the Wairarapa District Councils according to the Wairarapa Shared Services Funding Policy, under the 'joint policy development' activity. The cost allocation will be 52% Masterton District Council, 20% Carterton District Council and 28% South Wairarapa District Council.

Masterton District Council's contribution towards the costs associated with the review of the LAP will be met from within existing budgets for 2021/22 and 2022/23.

## **Implications for Māori**

There are no implications for Māori arising from the decisions in this report.

Iwi, hapū, Marae, Hapori Māori, and our local kaupapa Māori health organisations (e.g. Te Rūnanga Hauora o Wairarapa) will be engaged as part of this review process.

## **Environmental/Climate Change Impact and Considerations**

There are no environmental/climate change impacts or considerations resulting from the review of the Wairarapa LAP.

## **Next Steps**

Pending the approval of recommendations in this report by the three Wairarapa District Councils, the review will progress as outlined.

South Wairarapa District Council will consider the recommendations in this report on 23 February 2022. Carterton District Council will consider the report on 30 March 2022.

Regular updates will be provided to Council in the Chief Executive's reports.





## **Wairarapa Local Alcohol Policy**

**Adopted 1 August 2018  
Came into Force 1 November 2018**

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<b>Adopted by:</b>	Masterton District Council, Carterton District Council and South Wairarapa District Council
<b>Date of Adoption:</b>	1 August 2018
<b>Date Came into Force:</b>	1 November 2018
<b>Review Date:</b>	1 November 2021

**GENERAL FRAMEWORK**

- 1.1 The Sale and Supply of Alcohol Act 2012 (the Act) puts in place a system to manage the sale and supply of alcohol and achieve the objectives of the Act. The key principles which drive this system of management are:
- (a) that the sale, supply and consumption of alcohol should be undertaken safely and responsibly; and
  - (b) harm caused by the excessive or inappropriate consumption of alcohol should be minimised.
- 1.2 Harm is defined widely and includes crime, damage, death, disease, disorderly behaviour, illness or injury, and harm to individuals or the community, either directly or indirectly caused by excessive or inappropriate alcohol consumption.
- 1.3 The Act also sets out national rules for the sale and supply of alcohol which provide a baseline for the management of alcohol. Some of these rules are mandatory including national maximum trading hours, the drinking age, manager training and vetting, and actions to minimise the risk of alcohol related harm such as providing free drinking water, ensuring food and low or non-alcoholic beverages are available, and providing information about transport options.
- 1.5 In addition to the national rules framework, the Act allows territorial authorities to develop and adopt a local alcohol policy (LAP).
- 1.6 A LAP is a set of policies, made by the Council in consultation with its community, about the sale and supply of alcohol in its geographical area. It can modify and refine some of the national rules to reflect the particular circumstances of the local area and introduce other local requirements.
- 1.7 The Act allows for territorial authorities to work together to develop a combined LAP. Masterton, Carterton and South Wairarapa District Councils have decided to develop a LAP together for the Wairarapa
- 1.8 Once a LAP comes into force, each Council's District Licensing Committee (DLC) along with the Alcohol Regulatory and Licensing Authority (ARLA) must have regard to the policy when they make decisions on licence applications.
- 1.9 A LAP must be reasonable and consistent with the purpose of the Act.
- 1.10 It must be developed in consultation with the Medical Officer of Health, the NZ Police, Council's Licensing Inspectors and the community, including those who own and operate licensed premises.
- 1.11 The following matters have been considered in preparing this LAP:
- Objectives and policies of the Wairarapa Combined District Plan
  - The number of licences of each kind in the District and location and opening hours of premises.
  - Alcohol bans that are in force
  - The demographic profile of residents and tourists
  - Overall health indicators of residents
  - The nature and severity of alcohol-related problems

- 1.12 In the future the LAP can be amended or revoked at any time subject to appropriate consultation processes being followed. It will be reviewed three years after the date from which it first takes effect, and must be reviewed at least every 6 years thereafter.

## THE MEANING OF TERMS USED IN THIS LAP

- 1.13 For further details refer to the section of the Act that is referenced.

### Types of Licences

- **on-licence** where the licensee can sell and supply alcohol for consumption on the premises and can let people consume alcohol there (see section 14 of the Act);
- **off-licence** where the licensee sells alcohol from a premises for consumption somewhere else (see section 17 of the Act);
- **club licence** where the licensee (e.g. a club) can sell and supply alcohol for consumption on the club premises by authorised customers (see section 21 of the Act); and
- **special licence** which can be either on-site or off-site special licences. With an on-site special, the licensee can sell or supply alcohol for consumption there to people attending an event described in the licence. With an off-site special, the licensee can sell the licensee's alcohol, for consumption somewhere else to people attending an event described in the licence (see section 22 of the Act).

### Reasonable

For the purpose of this Local Alcohol Policy, reasonable is defined as a position that the average Wairarapa resident would perceive to be fair, sensible and balanced.

### Other Terms

<b>Act</b>	means the Sale and Supply of Alcohol Act 2012.
<b>bottle store</b>	means retail premises where, in the opinion of the DLC, at least 85% of the annual sale revenue is expected to be earned from the sale of alcohol for consumption somewhere else (refer section 32(1)).
<b>bar</b>	in relation to a hotel or tavern, means a part of the hotel or tavern used <u>principally</u> or exclusively for the sale or consumption of alcohol (refer section 5(1)).
<b>Children's playgrounds and recreation facilities</b>	includes any park, reserve, playground, sealed courts and gymnasiums built for or catering to children.
<b>club</b>	means a body that— <ul style="list-style-type: none"> <li>(a) is a body corporate having as its object (or as one of its objects) participating in or promoting a sport or other recreational activity, otherwise than for gain; or</li> <li>(b) is a body corporate whose object is not (or none of whose objects is) gain; or</li> <li>(c) holds a permanent club charter (refer section 5(1)).</li> </ul>

<b>DLC</b>	means the District Licensing Committee as appointed by each of the three Wairarapa Councils pursuant to section 186 of the Act.
<b>Early childcare facility</b>	includes any crèche, childcare centre, kindergarten, kohanga reo play centre or plunket rooms, and any other place (excluding a school) where five or more children receive care or education on a commercial basis.
<b>entertainment evening</b>	means an event initiated by a Club that requires a special licence (in contrast to someone external applying for a special licence and using the facility as a venue) for the purpose of providing entertainment and/or promoting the Club to new or existing members.
<b>hotel</b>	means premises used or intended to be used in the course of business principally for providing to the public— (a) lodging; and (b) alcohol, meals, and refreshments for consumption on the premises (refer section 5(1)).
<b>restaurant/ café</b>	means premises that— (a) are not a conveyance; and (b) are used or intended to be used in the course of business principally for supplying meals to the public for eating on the premises (refer section 5(1)).
<b>School</b>	includes any primary, intermediate or secondary school and any kura kaupapa.
<b>sports club</b>	means a Club that has, as a key objective, participation in or promotion of a sport for purposes other than financial gain.
<b>supermarket</b>	means premises with a floor area of at least 1000m <sup>2</sup> (including any separate departments set aside for such foodstuffs as fresh meat, fresh fruit and vegetables, and delicatessen items) (refer section 5(1)).
<b>tavern</b>	(a) means premises used or intended to be used in the course of business principally for providing alcohol and other refreshments to the public; but (b) does not include an airport bar (refer section 5(1)) i.e. an airport bar is not treated as a tavern for alcohol licensing purposes).
<b>Wairarapa</b>	for the purpose of this Local Alcohol Policy, Wairarapa refers to the territorial areas made up of the Masterton, Carterton and South Wairarapa District Councils.

**PURPOSE**

- 2.1 This LAP provides local guidance for the three Councils' District Licensing Committees so that licensing decisions:
- Contribute to a safe and healthy district;
  - Reflect the character and values, preferences and needs identified as being important to our communities;
  - Foster positive, responsible drinking behaviours and alcohol-related harm is reduced.

**AIMS**

- 2.2 The aims of this LAP are to:
- Promote safe and responsible sale, supply and consumption of alcohol.
  - Reflect the views of our communities regarding the appropriate location, number, hours and conditions that apply to licensed premises;
  - Provide certainty and clarity for applicants and the public as to whether a proposed license application meets the criteria in the LAP;
  - Provide effective guidance for the decisions of the District Licensing Committee and the Alcohol Regulatory and Licensing Authority.

**SCOPE**

- 2.3 A LAP can only deal with matters relating to licensing. Through a LAP the community is able to:
- Restrict the location of licensed premises in particular areas or near certain types of facilities, such as in specific neighbourhoods or near schools;
  - Limit the density of licensed premises by specifying whether new licences or types of licences should be issued in a particular area;
  - Require the imposition of conditions on groups of licences, such as a "one-way door" condition that would allow patrons to leave premises but not enter or re-enter after a certain time;
  - Recommend discretionary conditions for licences;
  - Restrict or extend the default maximum trading hours set in the Act, which are:
    - 8am - 4am for on-licences (such as pubs, taverns and restaurants)
    - 7am - 11pm for off-licences (such as bottle stores and supermarkets).
- 2.4 For special licences, policies can be set on maximum trading hours, discretionary conditions and one-way door restrictions only.
- 2.5 Where the LAP does set maximum trading hours, the District Licensing Committee has discretion to set the permitted trading hours as more restrictive than the maximum trading hours in the LAP.
- 2.6 The LAP can be more restrictive in its provisions relating to licensed premises, but cannot permit activities not allowed by the District Plan. The Wairarapa Combined District Plan provides for licensed premises within Commercial and Industrial zones, and in rural areas when accessory to another use e.g. vineyard, or by resource consent.

- 2.7 Section 117 of the Act permits the District Licensing Committee and the Alcohol Regulatory and Licensing Authority to issue any licence subject to “any reasonable conditions not inconsistent with this Act”. LAPs can include policies to guide the District Licensing Committee and Alcohol Regulatory and Licensing Authority as to the discretionary conditions that may be appropriate.

## **HOW A POLICY IS APPLIED**

- 2.8 Policies will apply to all applications for licences after the date that the policy comes into force.
- 2.9 Except that maximum trading hours in this policy will apply to all licences issued before the date this policy comes into force.
- 2.10 The LAP applies to renewals of licences in accordance with section 133 of the Act.

## **CRITERIA FOR CONSIDERING LICENSING APPLICATIONS**

- 2.11 Decisions on applications for licences are made by District Licensing Committees.
- 2.12 Under sections 105 and 131 of the Act the District Licensing Committee must consider each application, or application to renew, in accordance with the criteria set out in the Act. The criteria includes whether the application complies with a LAP. Other criteria are:
- the object of the Act;
  - the suitability of the applicant;
  - the design and layout of the premises;
  - whether the applicant provides goods and services other than those related to the sale of alcoholic and non-alcoholic refreshments and food;
  - whether the applicant has the appropriate systems, staff and training to comply with the law.

Section 105 also requires the DLC to consider the following criteria for new applications:

- whether (in its opinion) the amenity and good order of the locality is likely to be reduced by more than a minor extent, by the issue of a licence;
- whether the amenity and good order of the locality are already so badly affected by the effects of the issue of existing licences that it is desirable not to issue any further licences.

Section 131 also requires the DLC to consider the following criteria for renewal applications:

- whether (in its opinion) the amenity and good order of the locality is likely to be increased by more than a minor extent, by the effects of a refusal to renew the licence;
- any matters dealt with in any report from the Police, an inspector, or a Medical officer of Health, as per section 129;
- the manner in which the applicant has sold, displayed, advertised or promoted alcohol.

- 2.13 The Act states that a licence may be refused or conditions applied if the issue of the licence, or the consequences of the issue of the licence, would be inconsistent with the LAP (section 108 and 109). Where a licence is renewed and it will be inconsistent with the provisions of the LAP, conditions may be imposed (section 133).

## LOCATION OF LICENSED PREMISES

- 3.1 From the date this LAP comes into force, no further licences are to be issued for any premises unless the location of that premise complies with the provisions of the Wairarapa Combined District Plan or a Resource Consent has been granted or it complies with Section 10 of the Resource Management Act.

The Act requires DLCs to consider the effects of proposed new premises on the amenity and good order of the locality when considering a licence application.

## OFF-LICENCES

### Maximum Trading Hours

- 4.1 The following maximum trading hours apply to off-licence premises in the Wairarapa region and include all off-licence sales including over the counter sales:

	Opening	Closing
All Districts – All Off-Licences	<b>7.00am</b>	<b>10.00pm</b>

### Location of premises holding off-licences by reference to proximity to facilities of a particular kind or kinds

- 4.2 Within commercial areas and/or pedestrian precincts, an off-licence will not be issued in respect of any new premises being licensed for the first time on any site where the front façade of the premises directly borders any school, early childcare facility, and children’s playgrounds and recreation facilities existing at the time the licence application is made, unless it can be demonstrated to the District Licensing Committee that the hours, external alcohol-related signage or operation of the premises will have no significant alcohol-related impact on those facilities and/or on persons using those facilities.

“Directly borders” includes across any road from such facility as shown in Figure 1 below.

The following will be considered to have no significant impact:

- (a) The hours of an off-licence where there is no external display of alcohol advertising; and
  - (b) The operation of an off-licence where the licensee implements an ID 25 policy.
- 4.3 An application for renewal of a licence shall be unaffected by proximity to a facility of the kind specified in (a) above where:
- (a) that facility moved onto a site that bordered an existing licensed premises; or
  - (b) that facility bordered the existing licensed premises prior to the renewal application.



4.4 In cases where a resource consent is required to locate the premises outside a commercial area and/or pedestrian precinct, an off-licence will not be issued in respect of any new premises being licensed for the first time on any site where the boundary of the site is less than 40m from the boundary of any school, early childcare facility, or children’s playground and recreation facility at the time the resource consent is applied for unless it can be demonstrated to the District Licensing Committee that the hours, external alcohol-related signage or operation of the premises will have no significant alcohol-related impact on those facilities and/or persons using those facilities.

The District Licensing Committee will impose appropriate conditions to avoid significant alcohol-related impact if necessary.

Figure 1:

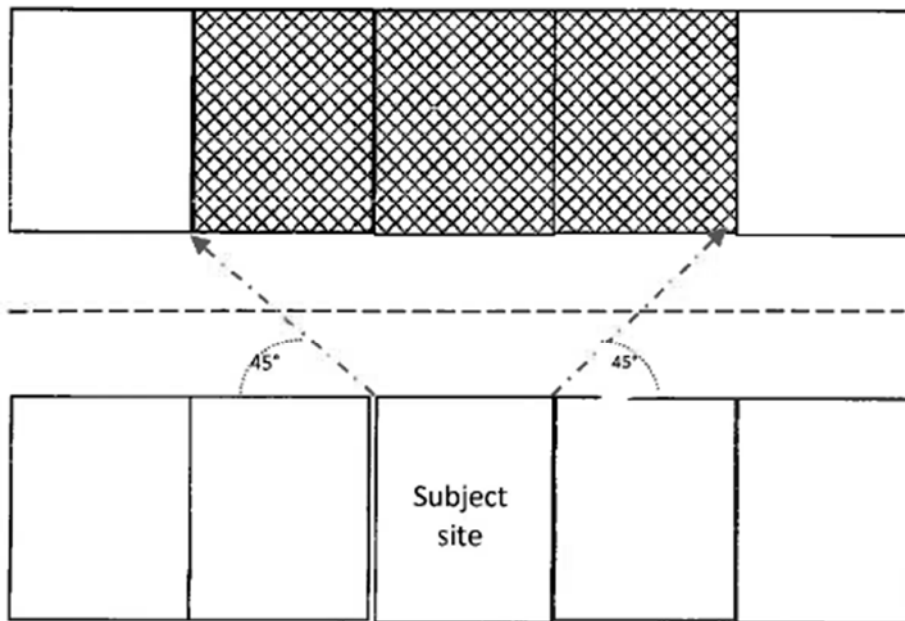


Figure 1: Proximity of New Premises that Directly Border a Facility

Advice Note

For the purposes of 4.2 and 4.4:

“commercial area” and means commercial zoned land in the Wairarapa Combined District Plan (or subsequent District Plan) at the time the relevant off-licence application is determined, and

“pedestrian precinct” means land shown as a pedestrian precinct management area in the Wairarapa Combined District Plan (or subsequent District Plan) at the time the relevant off-licence application is determined.

## Discretionary conditions for off-licences

4.5 Conditions relating to the following matters **may** be appropriate for off licences:

- (a) Supervised designation of all bottle stores to ensure unaccompanied minors do not enter bottle stores.
- (b) Application of Crime Prevention through Environmental Design (CPTED) principles to achieve the following outcomes:
  - Closed-Circuit Television (CCTV)
    - CCTV being installed in suitable locations to monitor vulnerable areas (areas which are not easily or continuously monitored by staff).
    - Customers being made aware of the CCTV systems.
  - Lighting
    - Internal lighting of the premises to enable passive surveillance by staff and active surveillance by CCTV.
    - Lighting to allow customers to be seen as they enter the premises.
    - Lighting to allow staff to check identification.
    - External areas such as car parks and loading bays being well lit, subject to the requirements of any resource consent or District Plan rule.
  - Internal Layout
    - General points of sale to be positioned near the main entrance.
    - Relevant staff understanding of how to operate the CCTV system.
    - There being sufficient numbers of staff to ensure control of the premises during trading hours.
- (c) At least 50% of any store front glazing shall be transparent, consistent with CPTED guidelines and no more than 30% of the external area of any side of the premises may contain alcohol-related signage or advertising, excluding the company name.
- (d) External alcohol-related signage must comply with the signage requirements outlined in the Wairarapa Combined District Plan.

## ON-LICENCES

### Maximum Trading Hours

5.1 The following maximum trading hours apply to all on-licenced premises in the Wairarapa region (other than hotel in-bedroom (mini-bar) sales):

	Opening	Closing
All Districts – All On-Licence Premises	<b>8.00am</b>	<b>1.00am the following day</b>

5.2 The following hours apply to hotel in-bedroom (mini-bar) sales:

Hotel Mini Bars and/or Lodgers	<b>24 hour</b>
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## Discretionary conditions for on-licences

5.3 Conditions relating to the following matters **may** be appropriate for on-licences:

- One way door restrictions from a specified time.
- Specify the range of food, non-alcohol and low-alcohol drinks to be provided.
- Specify limits on the number of drinks per customer at specified times.
- No serving in glass containers at specified times.
- Restrictions on the wearing and/or display of gang paraphernalia.
- Restrictions on the use of outdoor areas after 'x' hour, e.g. outdoor speakers are prohibited after 'x' hour.
- Require licensed outside areas to be monitored.
- Require a management plan for the management of patrons in outdoor areas to minimise impacts on the amenity of near-by properties.
- Conditions relating to management such as:
  - certificated staff required if the occupancy exceeds a prescribed number or if recommended by Police or the Inspector
  - requirement for multiple managers for large events and/or establishments

5.4 The following conditions **may** be appropriate for on-licensed premises such as BYO restaurants:

- The holder of a manager's certificate to be on duty during busy periods e.g. Thursday, Friday and Saturday nights.

## CLUB LICENCES

### Maximum Trading Hours

6.1 The following maximum trading hours apply to club-licensed premises in the Wairarapa region:

Club Licences	<p>Maximum trading hours for club licences will be considered on a case by case basis, but will generally not exceed 8.00am* until 11.00pm for Sports Clubs and 8.00am* until 1.00am the next day for other Clubs.</p> <p>*6.00am on ANZAC Day only for those hosting ANZAC celebrations.</p>
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### Discretionary conditions for club licences:

6.2 Conditions relating to the following matters **may** be appropriate for Club licensed premises depending on the size and nature of the club:

- One way door restrictions from a specified time.
- Specify the range of food, non-alcohol and low-alcohol drinks to be provided.
- Require licensed outside areas to be monitored.
- Require a management plan for the management of patrons in outdoor areas to minimise impacts on the amenity of near-by properties.
- Require the holder of a manager's certificate to be present when alcohol is available for sale during busy periods e.g. more than X people are on the Club premises. For large events or establishments, a number of licensed managers may be specified.

## SPECIAL LICENCES

- 7.1 Special licences may be issued both for off-site consumption (e.g. wine sales from a market stall) or for on-site consumption (e.g. at a community event or when a bar has a special licence to open earlier/close later for significant events). For the purpose of clarifying Section 41 of the Act, one entertainment evening per month is considered reasonable.

### Maximum Trading Hours

- 7.2 The hours (opening and closing) and duration of a special licence are set at the discretion of the District Licensing Committee for each event, having regard to the nature of the event, or series of events, as assessed on a case by case basis.

Special Licences	Maximum trading hours for special licences will be considered on a case by case basis.
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### Discretionary conditions for special licences

- 7.3 Conditions relating to the following matters **may** be appropriate for special licences depending on the size and nature of the event:
- Specify the range of food, non-alcohol and low-alcohol drinks to be provided.
  - Wine to be sold by the glass or plastic container only.
  - Areas to be clearly defined/ cordoned off/ demarcated where alcohol is being sold/consumed outside of the building e.g. beer tent. Where appropriate people are to remain within the defined area.
  - Require licensed outside areas to be monitored.
  - Require a management plan for the management of patrons in outdoor areas to minimise impacts on the amenity of nearby properties.
  - One way door restrictions from a specified time.
  - The holder of a manager's certificate is to be present when alcohol is available for sale. For large events or establishments, multiple managers may be specified.
  - Restrict BYO alcohol and require security to check the public for alcohol/contraband as they arrive and confiscate any alcohol/ contraband found.
  - Where an event is taking place within an alcohol ban area require signage at the event exit to remind the public that when they leave the event they will be entering an alcohol ban area.
  - For events with over 400 attendees, or as otherwise considered appropriate:
    - Require an Alcohol Management Plan in a form acceptable to the District Licensing Committee. The Plan should identify alcohol related risks as they apply to the event and state how these will be mitigated.
    - Specify the maximum number of alcoholic drinks per sale transaction, as appropriate.
  - Careful consideration of the appropriateness of alcohol associated with driving events shall be undertaken and such applications may be refused.

## REVIEW OF POLICY

This policy will be reviewed three years after it first takes effect and every six years thereafter.

## **RELATED DOCUMENTS**

None.

## **REFERENCES**

Sale and Supply of Alcohol Act 2012.

## Attachment Two: Key tasks and indicative timeframes for the review of the Wairarapa Local Alcohol Policy 2018

Propose Rollover of Existing LAP		Propose Amendments	
Key Task	Estimated Timeframe	Key Task	Estimated Timeframe
Review of the latest data and research on alcohol-related harm in Wairarapa. Stocktake of Wairarapa alcohol licences.	December 2021 – end of February 2022	Review of the latest data and research on alcohol-related harm in Wairarapa. Stocktake of Wairarapa alcohol licences.	December 2021 – end of February 2022
Stakeholder engagement (Police, Regional Public Health, local kaupapa Māori health organisations, Regulatory Partners)	December 2021- ongoing	Stakeholder engagement (Police, Regional Public Health, local kaupapa Māori health organisations, Regulatory Partners)	December 2021- ongoing
Detailed project plan	Complete end February 2022	Detailed project plan	Complete end February 2022
Communications and Engagement Plan	Complete end March 2022	Communications and Engagement Plan	Complete end March 2022
Investigation of issues raised during initial stakeholder feedback, including caps on off-licences.	Complete end March 2022	Investigation of issues raised during initial stakeholder feedback, including caps on off-licences and later opening hours	Complete end March 2022
First meeting of the Wairarapa Policy Working Group	April 2022	First meeting of the Wairarapa Policy Working Group	April 2022
Recommendations paper to Wairarapa Policy Working Group	May 2022	Recommendations paper to Wairarapa Policy Working Group	May 2022
		Second meeting of Wairarapa Policy Working Group	June 2022

Propose Rollover of Existing LAP		Propose Amendments	
Second meeting of the Wairarapa Policy Working Group	June 2022	Council workshops – overview of LAP review process / potential amendments	July/August 2022
		Third meeting of the Wairarapa Policy Working Group	August/September 2022
Adoption of the Statement of Proposal by three Wairarapa Councils	June/July 2022	Formal council decision to proceed with LAP	October/November 2022
Community and stakeholder consultation (Special Consultative Procedure)	July/August 2022	Formal consultation with key stakeholders during production of draft LAP	December 2022/ January 2023
Hearings	August/ September 2022	Formal consultation on the Draft LAP using the Special Consultative Procedure	February/ March 2023
Deliberations	August/ September 2022	Produce provisional LAP	Timeframes dependent on extent of stakeholder feedback.
Final meeting of Wairarapa Policy Working Group	October 2022	Public notice of the provisional LAP	Timeframes dependent on extent of stakeholder feedback.
Adoption of reviewed LAP by three Wairarapa Councils	October/ November 2022	Appeals – public hearing of the Alcohol Regulatory Licensing Authority (ARLA)	Timeframes depending on stakeholder feedback and number of appeals.

Propose Rollover of Existing LAP		Propose Amendments	
		<p>Remainder of 11-step process will depend on whether there are appeals and whether they are won or lost.</p> <p>Steps include:</p> <ul style="list-style-type: none"> <li>• Adopt Provisional LAP (if decision is made to proceed with LAP)</li> <li>• Formal public notice of the LAP adoption</li> <li>• LAP comes into force</li> <li>• Provide ARLA with copy of the LAP in force</li> </ul>	As above



<b>To:</b>	Your Worship and Elected Members
<b>From:</b>	Phil Evans, Senior Advisor Compliance and Projects
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	<b>Civic Facility Project Committee Terms of Reference and Delegations</b>
<b>DECISION</b>	
<p><b>Recommendation:</b></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>a. <b>Receives</b> Report 018/22;</li> <li>b. <b>Approve</b> the amended Civic Facility Project Committee Terms of Reference, included in Attachment 1 to Report 018/22, to provide for the removal of Councillor Johnson's name from the Committee membership following her resignation from the Committee; and</li> <li>c. <b>Approve</b> the amended Civic Facility Project Committee Terms of Reference and delegations, included in Attachment 1 to Report 018/22, to reflect the operational functions of the Committee and to delegate to the Committee the power to approve; <ul style="list-style-type: none"> <li>▪ The appointment of the two external Committee members</li> <li>• Contract award for any contract in excess of Council officer delegations (with the exception of the main construction contract)</li> <li>• Expenditure variances in excess of 15% of the planned budget to a maximum of \$250,000</li> <li>• Design specifications for critical functions of the facility</li> <li>• Agreement to the level of service element and any financial implications resulting from the operating model selection</li> </ul> <p style="margin-left: 40px;">And the power to recommend to Council;</p> <ul style="list-style-type: none"> <li>• Main construction contract award</li> <li>• Any naming rights or branding of the facility</li> </ul> </li> </ol>	

### Purpose

This report seeks Council's approval to amend the Terms of Reference for the Civic Facility Project Committee and its delegations.

## Context

Council approved the establishment of a Civic Facility Project Committee (the Committee) and associated Terms of Reference in August 2021.

Council resolved to limit the delegated authority of the Committee to making recommendations for Council approval.

The initial phase of the project, to appoint key consultants and engage with the subject matter experts, has now been completed. This has involved appointing the Architect, Quantity Surveyor and Fund-Raising advisor. Decisions on the appointment of these contracts have been made by the full Council.

The project is now moving into a phase where decisions on the design will need to be made quickly and reactively as the Council’s architect engages with the various subject matter experts. This will require rapid decision-making in response to issues raised and resolved through the iterative design process. Officers and members of the Committee consider that the current approval arrangements through the Committee to the full Council do not facilitate efficient and timely decision-making and will likely result in delays to project delivery. It is also likely that more extraordinary meetings of Council will be needed, which may negatively impact Council resources and accessibility to Council decision-making. It is therefore recommended that decision-making authority is delegated to the Committee in order to keep the project on track.

## Analysis and Advice

Officers propose amendments to the Committee’s Terms of Reference and delegations which balance timely and effective decision-making and appropriate governance and political oversight. The following amendments are proposed (refer to Attachment 1 for the proposed amended Terms of Reference):

Area	Comments
<b>Civic Facility Project Committee Function</b>	<ul style="list-style-type: none"> <li>The role of the Committee is to provide governance and strategic direction for Council staff and external consultants/contractors with the design, capital raising, risk management and delivery of the Civic Facility project. The Committee also has operational functions including expenditure and design approval and this should be reflected in its role.</li> </ul>
<b>Committee Membership</b>	<ul style="list-style-type: none"> <li>It is not proposed to replace Councillor Johnson by appointing another Councillor to the Committee. This means that there will be 3 elected members on the Committee. To ensure appropriate governance and political oversight it is proposed that the quorum be amended to include at least 2 elected members.</li> <li>The Committee can currently recommend the appointment of two appropriately qualified external Committee members. It is</li> </ul>

	recommended that the Committee is able to approve these appointments to ensure that appropriate expertise can be provided in a timely manner.
<b>Delegations</b>	<ul style="list-style-type: none"> <li>• To ensure efficient and timely decision-making it is proposed to amend the following powers of recommendation to powers of approval:             <ul style="list-style-type: none"> <li>○ Contract award for any contract in excess of Council officer delegations (with the exception of the main construction contract)</li> <li>○ Design specifications for critical functions of the facility</li> <li>○ Agreement to the level of service element and any financial implications resulting from the operating model selection</li> </ul> </li> <li>• It is proposed to amend the following power of recommendation to a power of approval but limit the expenditure variance to a maximum of \$250,000. This limit is consistent with financial delegations to the Infrastructure and Services Committee.             <ul style="list-style-type: none"> <li>○ Expenditure variances in excess of 15% of the planned budget</li> </ul> </li> <li>• It is proposed to retain the following powers to recommend to Council:             <ul style="list-style-type: none"> <li>○ Main construction contract award</li> <li>○ Any naming rights or branding of the facility</li> </ul> </li> </ul>

## Project Management and Oversight

In addition to the function of the Committee, the project is managed internally utilising skills and expertise from a cross-organisational team, led by a Project Manager in the Project Delivery & Assets Team. External consultants and specialists also provide advice and delivery support. The Council project team is supported by internal oversight through the Strategic Leadership Team.

It is likely that additional reference groups may be required at certain stages of the project such as design and fit out, capital raising, and operations planning.

## Options Considered

<u>Option 1</u>	Amend the Terms of Reference to reflect the updated function and membership; amend quorum requirements; and provide specified powers of approval and recommendation.	Pro's – this option will provide clarity of the Committee's function and enable appropriate governance and political oversight. It allows for the Committee to make timely decisions on the design and development of the project and for the project timelines to be met. It also avoids the need for extraordinary meetings of
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		<p>Council which may impact negatively on resources and accessibility of decision-making to the community. Retaining a committee structure provides iwi with the opportunity to fully participate in Council decision-making.</p> <p>This option balances timely and effective decision-making and appropriate governance and political oversight. It is also consistent with the principle of delegation which is to delegate authority to the lowest level of competence.</p> <p>Con's – Councillors who are not members may not feel as up-to-date or in control of the governance of the project as they would wish. However, this is mitigated to a certain extent as, as with all Council committees, all elected members will receive Committee meeting agendas and can attend Committee meetings whether appointed members or not.</p>
<p><u>Option 2</u></p>	<p>Amend the Terms of Reference to reflect the updated function, membership and quorum requirements but make no changes to the existing delegations.</p>	<p>Pro's – this option will provide clarity of the Committee's function and enable appropriate governance and political oversight. Councillors will be fully up-to-date and in control of the governance of the project.</p> <p>Con's – this option will not provide for any decision-making by the Committee and may impact on the delivery of the project. Rapid decision making through design iterations will not be enabled.</p> <p>Additional and extraordinary Council meetings may impact negatively on resources and accessibility of decision-making to the community.</p>

		<p>Iwi will not be provided the opportunity to fully participate in Council decision-making.</p>
<p><u>Option 3</u></p>	<p>Do nothing.</p>	<p>Pro's – No further action is required.</p> <p>Con's – Terms of reference will not reflect the function or membership of the Committee resulting in a lack of clarity.</p> <p>The quorum will not be updated, meaning that potentially only 1 elected member would be involved in making recommendations, resulting in reduced governance and political oversight.</p> <p>All decisions would need to be made by the full Council, which may impact on project delivery. Rapid decision making through design iterations will not be enabled.</p> <p>Additional and extraordinary Council meetings may impact negatively on resources and accessibility of decision-making to the community. Iwi will not be provided the opportunity to fully participate in Council decision-making.</p>

**Recommended Option**

Option 1 is the preferred option.

Officers do not consider Option 3 to be appropriate as the Terms of Reference need to be updated to at least reflect the changes in membership.

**Supporting Information**

**Significance, Engagement and Consultation**

Community engagement or consultation is not required for the decisions in this report and are part of Council's delegated authority.

## **Financial Considerations**

There are no financial considerations in the decisions to amend the Civic Facility Project Committee Terms of Reference as proposed. The delegations proposed shift responsibility for the matters delegated from Council to the Committee but have no budget implications.

## **Implications for Iwi/Māori**

The two iwi representatives appointed to Council Committees and are on the Civic Facility Project Committee will continue to play a critical role in this project. The appointment of iwi representatives to committees provides those representatives with a role around the table as voting members which they don't have at Council.

## **Environmental/Climate Change Impact and Considerations**

There are no environmental/climate change impacts or considerations in the decision being sought from Council in this report. One of the objectives for the new civic facility is that it "utilises Green Building design for efficiency and environmental benefit." This approach is in alignment with Council's Corporate Carbon Emissions Reduction Plan 2021.

## **Communications/Engagement Plan**

No communications/engagement plan is required for the decision being sought from Council in this report. The Civic Facility Project has a communications and engagement plan.

## **Next Steps**

The project team is currently engaging with the subject matter experts to develop the design. If the amended Terms of Reference are adopted by Council, the Committee will progress decision-making to bring these designs to fruition.

Amended Terms of Reference**Civic Facility Project Committee Terms of Reference**

<b>Function</b>	To provide governance advice and oversight and operational input into the design, capital raising, risk management and delivery of the Civic Facility project. Members will have oversight of project progress and will be required to use their experiences, skills, and knowledge to help guide and inform strategic decisions.
<b>Membership</b>	<p>Membership of the Project Committee includes:</p> <ul style="list-style-type: none"> <li>· Councillor Brent Gare, <del>Councillor Bex Johnson</del>, Councillor Tina Nixon and Councillor Frazer Mailman</li> <li>· Ra Smith, as the Kahungunu ki Wairarapa representative, to the Civic Facility Project Committee with full speaking and voting rights</li> <li>· Tiraumaera Te Tau, as the Rāngitane o Wairarapa representative, the Civic Facility Project Committee with full speaking and voting rights</li> <li>· two appropriately qualified external members (for example with risk management, probity, legal and/or construction management experience) with full speaking and voting rights</li> </ul> <p>The Mayor is also a member of the Committee as afforded by Section 41A of the Local Government Act 2002.</p>
<b>Quorum</b>	The quorum of the Committee will be five members and include at least two elected members and one iwi representative.
<b>Frequency</b>	The Committee will determine the frequency of its meetings which are likely to change to suit the phase of the project.
<b>Delegated authority</b>	<p><u>Power to approve</u></p> <ul style="list-style-type: none"> <li>· The appointment of the two external Committee members</li> <li>· Approve contract award for any contract in excess of Council officer delegations (with the exception of the main construction contract)</li> </ul>

- Approve expenditure variances in excess of 15% of the planned budget, up to a maximum of \$250,000.00.
- Approval of design specifications for critical functions of the facility
- Agreement to the level of service element and any financial implications resulting from the operating model selection

Power to recommend to Council

- Main construction contract award
- Any naming rights or branding of the facility



<b>To:</b>	Your Worship the Mayor and Councillors
<b>From:</b>	Kaine Jaquiere, Rooding Services Manager Matthew Steele, Senior Policy Advisor
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	<b>Rooding Procurement Strategy 2022 - 2025</b>
<b>FOR DECISION</b>	
<b>Recommendation:</b>	
That Council approves the revised Rooding Procurement Strategy (February 2022 – February 2025) provided as Attachment 1 to Report 019/22.	

## PURPOSE

The purpose of this report is to seek Council approval of the revised Rooding Procurement Strategy (February 2022 to February 2025).

## BACKGROUND

The Waka Kotahi NZ Transport Agency's Procurement Manual requires Council to review our Procurement Strategy at a minimum once every three years to ensure it remains fit for purpose.

The Rooding Procurement Strategy details what is being tendered, the scope of works, release of contracts to the market, and explains risks and how these will be mitigated. It is a basic requirement of the funding agreement with Waka Kotahi, and Waka Kotahi requires Council to have an endorsed Procurement Strategy before proceeding to market.

Council approved the updated Rooding Procurement Strategy (February 2019 to January 2022) in 2019. The revision of the strategy considered the completed Section 17A Service Delivery Review of Land Transport Activities, the Greater Wellington Region Healthy Market Analysis have helped guide the strategy direction, and the Council decisions (and the reasons for them) regarding service delivery options.

The Waka Kotahi endorsement of the existing strategy expires on 30 April 2022. The updated Strategy needs to be submitted to Waka Kotahi 40 working days ahead of this date (7 March 2022). Council staff have completed a revision of the Rooding Procurement Strategy for Council approval (Attachment 1).

## **DISCUSSION**

The Roding Procurement Strategy has been amended to reflect feedback from Waka Kotahi to achieve their endorsement. Specifically, the Roding Procurement Strategy considers changes to the Government Procurement Rules, Broader Outcomes and Public Value. The Procurement Strategy has also been updated to reflect the Government's focus on improved health and safety outcomes for transport.

## **RECOMMENDED APPROACH**

It is recommended that Council approves the updated Roding Procurement Strategy (February 2022 – February 2025) so that it can be submitted to Waka Kotahi for endorsement.

This updated Roding Procurement Strategy reflects the previous strategy, with updates focused on meeting the requirements from Waka Kotahi.

Following Council's approval, we will send the Procurement Strategy to Waka Kotahi for endorsement.

If Council requests significant changes to the attached strategy, we will seek an extension from NZTA, and return to Council with a further iteration as soon as possible.

## **SUPPORTING INFORMATION**

### **Strategic, Policy and Legislative Implications**

Updating the Roding Procurement Strategy is a requirement under the Waka Kotahi NZ Transport Agency's Procurement Manual.

The updated Roding Procurement Strategy supports delivery of Masterton District Council's Long-Term Plan 2021-31, particularly the desired outcome of efficient, safe, and effective infrastructure.

### **Significance, Engagement and Consultation**

Full consideration has been given to the provisions of the Local Government Act 2002 on decision making, in particular the need to identify all reasonably practicable options for the achievement of the objective of a decision and the advantages and disadvantages of the options. The decision to approve the Roding Procurement Strategy (February 2022 – February 2025) is not a significant decision, it is a procedural step that will enable the procurement of a new roading maintenance contract.

## **Financial Considerations**

Council has budgeted for the road maintenance contract in the Long-Term Plan 2021-31. Any necessary adjustments to the budget will be brought to Council's attention prior to the adoption of the Annual Plan 2022/23.

## **Iwi/Māori Considerations**

No implications specific to Māori have been identified in relation to the recommendations made in this report.

## **Environmental/Climate Change Impact and Considerations**

No implications specific to the Environment/Climate Change have been identified in relation to the recommendations made in this report to approve the updated Roding Procurement Strategy.

However, procurement decisions must give due consideration to opportunities for positive social and environmental outcomes for the Masterton district and, where practicable, include these outcomes as part of the evaluation criteria.

## **NEXT STEPS**

As set out above, following Council's approval of the Roding Procurement Strategy, it will be sent to Waka Kotahi for endorsement. This needs to be completed by 7 March 2022, to ensure the new strategy is endorsed by 30 April 2022 (when the previous strategy expires).



## ROADING PROCUREMENT STRATEGY

Feb 2022- Feb 2025

## Document Management

Document Information	
Endorsed by	Masterton District Council
Date Created	November 2016
Date Reviewed	December 2021
Reviewed by	Kaine Jaquierey
Date Endorsed by the NZ Transport Agency	XXXX
Date Strategy Comes into Effect	1 May 2022 to 30 April 2025

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## **Overview**

This is the third review of the strategy following Masterton District Councils (MDC) 17A Service Delivery Review of Land Transportation Activities and Healthy Market Analysis of the Greater Wellington Region. Reviews are undertaken at three-year cycles and take councils Long Term Plan into consideration.

This strategy was originally prepared as a collaboration between the three Wairarapa Councils. It is MDC's intention to continue to look for collaborative working arrangements with its stakeholders and neighbouring Councils where efficiencies and value for money can be obtained for our communities. This will be attained by sharing resources where possible and gaining regional consistency through robust procurement strategies.

This strategy covers the period from 2022 until 2025. Any major changes which substantially affect procurement during its term will lead to another review.



## 1 Executive Summary

### 1.1 Summary statement

This strategy has been prepared by Masterton District Council (MDC). This document serves as a Procurement Strategy developed to maximise value for money opportunities. It has been developed in full compliance with the requirements of the NZTA.

A local government Section 17a service delivery review was completed in August 2018 for the delivery of Masterton's Land Transportation Activities, in parallel with the previous strategy review a market analysis was carried out of the supply market within the Wellington region. The recommendations in these reviews have, in part, been accepted by MDC and have helped to guide the strategy direction.

The MDC roading team is characterised by its strong relationship approach to the administration of its general maintenance contract and has successfully developed an informal collaborative culture within the current contract. The team now shares working office space with our contractor and staff have been collaboratively integrating asset management with contractor resource allocation. several initial workshops have also been held on how we could transition to a full alliance model during the term of the contract.

On 19 December 2018 MDC resolved to keep the status quo for the procurement of the maintenance contract and decided against the option of establishing a shared governance structure and formal combined professional business unit with its neighbouring councils. The service delivery review suggested that there may be some efficiencies gained by progressively moving to this option over the term of the next maintenance contract. Council members discussed this option and concern was expressed at the lack of competition that would result from a single contract for the entire Wairarapa. It was decided by MDC that such a decision should not yet be taken and needed more time to be thoroughly developed and established before approaching the market.

In May 2019, South Wairarapa and Carterton District Council combined roading maintenance contracts and awarded delivery of the contract to Fulton Hogan after a review showed a combined approach would deliver a more efficient and cost-effective service. Teams are co-located at a depot in Carterton and are branded Ruamāhanga Roads. The current situation in Wairarapa allows two major contractors to offer broader maintenance resource to Councils in the Wairarapa region, leading to a more sustainable local industry, supporting the region's economic development strategy.

A healthy market analysis of the Wellington Region was undertaken in November 2018.

The response from four large firms holding maintenance contracts throughout NZ indicated a preference for contract values ranging from \$3.5 million to over \$ 10 million annually, an initial tenure of five years with possible further extensions and a collaborative style with reward mechanisms where decisions and programmes were owned by council. MDC proposed scale and tenure of the maintenance contract aligns with the outcomes of the regional analysis.

MDC will continue to investigate and develop opportunities for greater efficiency through a more collaborative and shared approach with neighbouring councils, and other stakeholders (such as Waka Kotahi and our partnered contractors).

MDC has an internal procurement policy, which guides the approach to procurement across Council activities. The key objectives of this procurement policy are:

- Value for money – provide the best value for money, taking into account whole of life costs and benefits, and sustainable outcomes
- Transparency – follow procurement guidelines and have open, easily accessible, and transparent procurement processes
- Accountability – Council takes an active role in monitoring and managing supplier performance
- Council's strategic vision – ensure procurement principles and process are aligned to the Council's vision and strategic priorities and promote efficient and effective delivery of the Long-Term Plan and Annual Plan work programmes and levels of service
- Social responsibility - the Council is committed to, where possible, explore opportunities to engage social enterprises to provide works, goods, and services.
- Environmental sustainability - the Council procurement activity will recognise proactive strategies that deliver better outcomes for the environment.

In conjunction with the above objectives MDC adheres to the five principles of Government Procurement which are:

1. Plan and manage for great results
2. Be fair to all suppliers
3. Get the right supplier
4. Get the best deal for everyone
5. Play by the rules

MDC will consider public value when comparing deals, seeking the best available result for Masterton for the money spent. This includes using resources effectively, economically, and responsibly, taking into account:

- the procurement's contribution to the results MDC is seeking to achieving, including and broader outcomes; and
- the total costs and benefits of a procurement.

As part of this approach MDC will be seeking the best possible outcome for the total cost of ownership (over the whole-of-life of the goods, services or works), not necessarily selecting the lowest price.

## **1.2 Recommendations**

MDC request that the Waka Kotahi:

- Endorses this procurement strategy and;
- As per our previous endorsement, note that Masterton District Council has awarded a term service contract with Higgins for a duration of 5 years with a maximum term of 8 years depending on performance. Subsequently a variation to the rule outlined in the procurement manual section 10.21 was approved during the 2019-22 procurement strategy.
- Approves the use of the MDC's established in-house business unit, to provide in-house professional services to Council's contracts. Note this may be supplemented with procured services in accordance with this strategy.

### 1.3 Corporate ownership/endorsement

This Transportation Procurement Strategy covering the Masterton local transportation network (2022 to 2025) has been approved by MDC. Evidence of endorsement of this strategy is appended in [Appendix 1](#).

This strategy meets Waka Kotahi's requirements for the procurement of works and services they fund, is in line with other council procurement documents and policies and takes precedence for transportation works where there is conflicting information.

## 2 Policy Context of the Approved Organisation

### 2.1 Strategic objectives and outcomes

On the 1 July 2021, the Government Policy Statement on Land Transport 2021/22 – 2030/31 (GPS) came into effect.

The GPS 2021 builds on the direction set in GPS 2018 and continues the prioritisation of safety within the transport system. The GPS 2021 also prioritises better travel options in towns and cities and improving freight connectivity through both rail and coastal shipping. The Government is focussed on sustainable transport, with Climate Change included in the GPS as a strategic priority.

Further details about the GPS 2021 can be viewed using the following link:

<https://www.transport.govt.nz/area-of-interest/strategy-and-direction/government-policy-statement-on-land-transport-2021/>

The Land Transport Management Act 2003 (LTMA) clause 25, outlines the requirements for the Transport Agency to consider when approving Procurement Procedures for use by Approved Organisations; in this strategy being MDC.

Key aspects of procurement procedures include:

- Must be designed to obtain best value for money spent.
- Enabling persons to compete fairly for the right to supply outputs.
- Encouraging competitive and efficient markets for the supply of outputs.

The Waka Kotahi approved procurement procedures are detailed within its Procurement Manual. MDC will utilise and comply with the procurement procedures within this Procurement Manual for purchasing all works and services that are funded in partnership with MDC and Waka Kotahi.

Waka Kotahi Procurement Manual requires each Approved Organisation to have a Procurement Strategy endorsed by the Agency.

Waka Kotahi Procurement Manual can be accessed in full using the following link:

<https://www.nzta.govt.nz/resources/procurement-manual>

The MDC wants transport links to be efficient, reliable, convenient, and safe. Masterton's vision, stated within the Long-Term Plan 2021/231 is to provide the best of rural provincial living.

Masterton Community outcomes to achieve this goal are:

- an engaged and empowered community;
- pride in our identity and heritage;

- a sustainable and healthy environment;
- a thriving and resilient economy; and
- efficient, safe, and effective infrastructure.

Transportation is an enabler in achieving our goal of providing the best of rural provincial living. While transportation contributes to all the outcomes it specifically aligns with an engaged and empowered community, a thriving and resilient economy and efficient, safe, and effective infrastructure that is of high quality and cost-effective and meets the current and future needs of our community.

MDC is committed to demonstrate to its ratepayers that it is delivering the lowest long-term cost and best value service possible.

## 2.2 Procurement strategy objectives and outcomes

MDC has current procurement procedures and policies that are required to be followed in the procurement of goods and services, [appendix 2 and 3](#). Its goals align with, and are those generally set out in, the Local Government Act 2002 and are detailed above, section 2.1.

In addition, MDC is committed to providing an open and competitive marketplace across the Wairarapa. This is essential to allow MDC to demonstrate to their ratepayers that they are delivering the public value whilst providing opportunities for potential suppliers.

MDC also recognises that successful contracts are relationship based and can have two, three or even more parties contracted to deliver a single outcome. This relationship involves a sharing of skills and risk along with jointly promoting innovation to improve value of the service delivery. These professional relationships are relevant from the smallest of contracts through to large performance based, long term contracts. Solid contractual relationships:

- promote stability in the marketplace;
- provide confidence to MDC and the contracting industry; and
- encourages investment in systems, training, and equipment.

There are no other relevant contextual factors, such as other Council policies, wider Council procurement plans, or any other regulatory requirements that supersede this procurement strategy for the purchase of services for managing the roading asset.

## 2.3 Waka Kotahi procurement requirements

Waka Kotahi is committed to the concepts of public value, maintaining competitive and efficient markets, and fair competition among suppliers. The Waka Kotahi Procurement Manual contains procurement procedures approved by Waka Kotahi under Section 25(1) of the Land Transport Management Act 2003 (LTMA).

Transport users want a system that is accessible for all modes of transport and is safe and reliable. Waka Kotahi and MDC's investment in transport services and infrastructure with an Investment Assessment Framework help achieve public value through:

- planning to implement activities and programmes in the right way (through business cases);
- selecting the right things to do (through results alignment); and
- implementing them at the right time and for the right price (through cost benefit appraisal and smart procurement).

The procurement procedures contained in the manual are approved for use to purchase the goods and services required to deliver the activities that have been funded under Section 20 of the LTMA.

The Procurement Manual requires that Approved Organisations adopt a strategic approach in procuring their subsidised transport programme.

## 2.4 Organisational policies

MDC and its suppliers, who are contracted to procure services on its behalf, have policies on handling conflicts of interest in procuring services. Issues that arise are dealt with on an individual basis in line with those policies. MDC has current procurement procedures and policies that are required to be followed in the procurement of goods and services, appendix 2 and 3.

## 3 Procurement Programme

### 3.1 Procurement programme

The procurement programme sets out the annual profile of spend on physical assets for access and transport. The programme includes physical works for all Access and Transport Activities (subsidised and un-subsidised). It excludes overheads which are part of the Long-Term Plan 2021-2031 budget.

#### 3.1.1 Maintenance, operation and renewals of local roads including resurfacing and pavement marking (incumbent Higgins)

Approximate annual spend:	\$7.3 million
Proposed delivery model:	Staged/Shared risk
Proposed supplier selection method:	Price/quality

The maintenance and operation of local roads is undertaken as one contract.

The surface renewals (incl. footpaths) and pavement marking works have been incorporated into the road maintenance contract. This helps to align the scale of the contract with the expectations of the healthy market analysis and provides a potential opportunity for more competition between contractors. The combined scope of these works will allow the contractor to optimise the workstream when preparing surfaces for renewals.

The contractor will involve small and medium sized contractors through sub-contracting agreements. Sustainability of small to medium enterprises (SME) will be achieved by requiring initiatives from tenderers on what they perceive will help to develop SME contractors. This may be through providing support, upskilling and increased learning opportunities for employees. Tenderers will be required to provide an agreed amount of work to SMEs and commit to this amount through their tendered methodology.

Details of the proposed procurement for network maintenance are supplied in section 0.

### 3.1.2 Rehabilitation and other renewal works

Approximate annual spend:	\$1.4 million
Proposed delivery model:	staged
Proposed supplier selection method:	Lowest price conforming Price/quality

Rehabilitation, and other renewal projects being site specific, will be sourced as separate contracts to allow MDC to assess the individual sites and therefore eliminating as much risk as possible before tendering the works.

The drainage (incl. kerb and channel) renewal programme has been successfully delivered in the past through separate contracts or by combining with other LCLR safety and improvement works or where competitive through the maintenance contract

### 3.1.3 Low-Cost Low Risk (LCLR) improvement works (walking and cycling, Road to zero, Local improvements)

Approximate annual spend:	\$1.3 million
Proposed delivery model:	staged
Proposed supplier selection method:	Lowest price conforming Price/quality

Separate contracts will be let for any LCLR work. For components of larger projects MDC may let the delivery of specific areas of specialisation separately, such as design. This approach supports the small to medium sized suppliers. Contract length may vary from a project specific timeframe to an annual or longer period contract.

LCLR work may require specific expertise or specialised contractors. These projects may be associated with other works and when this occurs, they will be included within other contracts to obtain the best value for money. There may be opportunities to include this work with the maintenance contract where appropriate. This also allows small to medium sized contractors to participate in bidding for these works.

### 3.1.4 Capital Works

Approximate annual spend:	\$2.2 million
Proposed delivery model:	Staged or design and construct
Proposed supplier selection method:	Lowest price conforming Price/quality

The replacement and strengthening of bridges will be tendered as a separate contract as the work is specialised and specific. Other capital works that have been identified in the long-term plan are the urbanisation of residential areas which are now being privately developed,

such as Millard Ave, Kitchener Street and Chamberlain Road funded by development contributions.

### 3.1.5 Professional Services

Approximate annual spend:	\$0.3 million
Proposed delivery model:	Staged
Proposed supplier selection method:	Nominated price Lowest price Price/quality Direct appointment purchaser

The provision of professional services is provided both in-house and externally. External professional services are used for specific expertise to assist MDC projects, for example:

- The traffic counting estimation and models
- RAMM data support
- Annual road deterioration and roughness surveys
- Safety assessments
- Studies to inform programme development
- Business case development
- Geotechnical investigations
- Structural calculations or assessments

### 3.1.6 Street Light maintenance

Approximate annual spend:	\$0.08 million
Proposed delivery model:	Staged
Proposed supplier selection method:	Lowest price conforming

This work, although in low value, requires a specialist contractor with necessary approvals to work on power company networks. It is considered that the management of this work will be best carried out directly between the council and a contractor.

## 3.2 Proposed Roading Contracts

The following tables outlines MDC's proposed roading corridor contracts.

Table 3-1 Proposed Procurement Programme

Contract	comments	Award Date	Duration	Annual Value [\$M]	Procurement Method <sup>1</sup>	Assessed Risks
Network Maintenance, operations, and renewals	Renewals: includes resurfacing, footpaths and pavement marking	2019	5 years with a maximum term of 8 years, subject to performance management as set out in the maintenance specifications	7.3	Price Quality	L-M
Rehabilitation		Bi-annual	2 years however timing and duration is site specific	1.3	Price Quality or Lowest Price Conforming Method	L-M
Renewals	Bridge construction & maintenance	By project	As required		By project, design build or Price Quality	M
	Kerb and channel and associated works	Annual	12mths	0.3	Lowest Price Conforming Method	L
Streetlight maintenance	Includes local roads exclude SH2	2019	Term 3+2	0.08	Lowest Price Conforming Method	L
Street lighting energy		2019	3 years	0.16	Lowest Price Conforming Method	L
Professional Services		By project	As required		By project	L-M
Low-Cost Low Risk  (Local improvements)		By project	As required	1.3	By project	L-M

<sup>1</sup> The procurement method is selected on the level of risk, based on the cost, complexity, consequences, health and safety and environmental factors



and road to zero programme)						
Emergency works		By project	As required	0.32	By project	M

### 3.3 2019 Service Delivery Review

The largest single contract for MDC is the Network Maintenance Contract, awarded to Higgins in 2019. The Waka Kotahi Cost Adjustment Factor is applied annually to the period Network Maintenance Contracts.

A Service Delivery Review for transportation section 17A was carried out by Opus in September 2018. The report was triggered because the current maintenance contract was due to expire and there was a need to re-evaluate the cost effectiveness and capability of current arrangements following the unsuccessful bid to amalgamate the three Wairarapa Councils.

The report considered the following options for transport services:

- Option 1: Governance and Funding by MDC and Delivery by MDC CCO
- Option 2: Governance and Funding by MDC and Delivery by Outsourced Contractor (status Quo)
- Option 3: Governance and Funding by Shared Governance Arrangement and Delivery by Separate Outsourced Contracts
- Option 4: Governance and Funding by Shared Governance Arrangement, the formal Establishment of a Combined Professional Services Business Unit and Delivery through Multiple Outsourced Contracts
- Option 4(a): Governance and Funding by Shared Governance Arrangement Including Waka Kotahi and Delivery by a Single Outsourced Contract Including the State Highways
- Option 4(b): Governance and Funding by Shared Governance Arrangement Including Waka Kotahi and Delivery by a Single Outsourced Contract Including the State Highways and an Integrated Professional Services Consultant

Options 2, 3 and 4 were the only options considered viable and most likely to offer value. The report recommended to pursue Option 2, which represents the status quo.

The report expected that there may be efficiencies gained from moving from the status quo to Option 4 progressively over the term of the next maintenance contract, however, this would require all three councils to work together to establish a working shared governance structure with funding and combined professional business unit. The report anticipates this would take two years and that the structure would need to be fully established for at least one year before retendering, hence the Option 2 recommendation.

On the 19 December 2018 MDC resolved to keep the status quo, Option 2. Part of the council's resolution was to include resurfacing works to improve coordination of the pre-seal maintenance works with the summer reseal works programme.

When opportunities arise, MDC will coordinate and investigate joint services and joint procurement to drive greater efficiencies and effectiveness within the Region. A recent example of this is the procurement and installation of the LED conversion of all streetlights, with CDC and SWDC.

In relation to shared services for network maintenance, additional commentary is provided in section 4.2.

A subsequent review would be triggered as and when MDC considers this desirable, but not later than 6 years following the last review in late 2018.

### **3.4 Need for specialised skills**

The proposed and known works that are programmed for the period of this strategy are generally traditional in nature and the local suppliers have the resources capable of completing these works. The replacement of a bridge on Colombo Road will require specialised skills procured through a design build contract. A plan to rejuvenate the CBD area which will also require specialised skills to carefully stage the construction to meet community and local business expectations.

On occasion there may be a need to procure specialist skills i.e., professional services or specialist contractors. If a situation arises requiring some specific specialist skills, we will initially ask our contracted suppliers to source these from either their own organisations or from relationships they have through the wider national market, or as a design build style contract. We believe this approach will be successful for any perceived occurrence and do not consider this a major risk.

### **3.5 High risk or unusual procurement activities**

At this time MDC has not identified any particularly high-risk activities nor the need for unusual procurement activities that are not covered adequately by the Waka Kotahi NZTA Procurement Manual.

Procurement of energy for street lighting was undertaken by a consortium of the three Wairarapa Local Authorities for the purpose of obtaining lower rates. Each Authority has entered into individual contracts. Supply of energy for NZTA urban street lighting is via these contracts through each Authority.

## **4 Procurement Environment**

### **4.1 Analysis of supplier market**

The local roading construction and maintenance marketplace is dominated by two national tier one contracting firms, Fulton Hogan and Higgins. There are local contracting firms with the capability to undertake physical works, but they lack the developed management systems and available resources to undertake the full-service contracts currently being tendered in accordance with expected roading industry standards. These local firms can subcontract to the tier one contractors. Recently Downer Ltd have shown more interest in the local market. Recent contracts have been awarded both in Masterton and Carterton to Downer which is a promising sign. Nonetheless there is adequate competition at present, and it is encouraging

to see Downer in the local market, however resourcing the regions demand for construction appears to be the major challenge for all involved.

A healthy market analysis of the Wellington Region was undertaken in November 2018. The intent was to provide an evidence basis of supplier preferences and understanding of what factors might increase market interest in road maintenance and low-cost low risk work.

The response from four large firms holding maintenance contracts throughout NZ indicated a preference for contract values ranging from \$3.5 million to over \$10 million annually, an initial tenure of five years with possible further extensions and a collaborative style with reward mechanisms where decisions and programmes were owned by council. MDC's proposed scale and tenure of the maintenance contract aligns with the outcomes of the regional analysis.

The Greater Wellington Region, like much of New Zealand, is experiencing capacity issues within the road maintenance and capital construction market. Though a recent registration of Interest (ROI) process MDC has confirmed the interest from one other large national contractor (Downer) to tender for the maintenance contract.

During the last ROI for the maintenance contract a contractor commented that the three councils should consider very carefully before committing to combining the maintenance contract needs into a single contract. Such a decision has the potential to restrict the number of suppliers that have the capability to tender for a combined package. If the contracts are tendered in multiple packages, more companies would have the capability to service one of the networks, leading to a more competitive tendering process. Further, if the contracts were awarded to different suppliers there would be a broader maintenance resource in the region, leading to a more sustainable local industry, which would support the region's economic development strategy.

The larger civil contracting marketplace in Wairarapa has been static for a number of years. Within this marketplace the council roading sector competes for contractors that are engaged in subdivision, private development work and other non-subsidised council projects.

The Wairarapa Councils have, over a period of years, experimented with various models for delivering the relevant services related to the roading asset. This has transitioned from 'own-forces' delivery in the 1980's, through a multitude of individual contracts for various services in the 1990's, to comprehensive roading maintenance contracts.

Typically, the following types of contracts are procured outside the roading maintenance contracts:

- kerb and channel renewal;
- pavement rehabilitation;
- various individual bridge maintenance and retaining structures; replacement/upgrading contracts;
- streetlight network maintenance contracts;
- low cost low risk works (LCLR), miscellaneous seal widening, seal extension;
- resurfacing sealed roads (combined into the maintenance contract in 2019); and
- pavement marking (combined into the maintenance contract in 2019).

These contracts attract some interest from smaller contractors both within and outside the region, but with the demise of two smaller local firms and an increase in more lucrative private works, recent tenders have not attracted as much interest.

The key procurement risk facing Council currently is the lack of contractor competition. At the review in 2018 an average 2.66 tenders were being received for each contract let. That figure has dropped to approximately 1.5 tenders per contract. Council is keenly aware of this and is concerned they could receive no tenders for less 'attractive' work.

There is a continuing programme of rehabilitation projects, seal widening, LCLR projects and bridge renewals/upgrades planned in the Asset Management Plan (AMPs) to maintain the interest of the local contracting industry and hence encourage competition.

The projected total expenditure on the roading asset has increased from historic levels of expenditure. This steady increase in demand for services will continue to provide opportunities to a range of suppliers in the market.

To achieve the best value in the long-term MDC's procurement needs to be flexible, collaborative and encourage development of the local contracting market. This will benefit local businesses and the local economy.

#### **4.2 Analysis of the Impact of the Procurement Programmes of Other Approved Organisations and Other Entities**

Other approved organisations that have a direct impact on the supplier market include Carterton and South Wairarapa District Council and Waka Kotahi. All approved organisations in our region coordinate procurement where possible and where there is direct collaboration on a particular project or contract. Generally, each organisation has its own requirements for the timing of project delivery, and it is not always practical to provide a coordinated pipeline of tenders to the market.

Late last year Waka Kotahi ratified a decision that the next contract model for the Wellington highway management and maintenance activities was to be an Alliance. While the full scope is yet to be confirmed, this new model will be Waka Kotahi led and have a strong emphasis on both maintenance and operational activities of the highway transport system. This joint Waka Kotahi/primary supplier model may provide a roadmap for other contracts to follow and establish similar alliance contracts.

The new contract will be operational from 1 July 2022, then use six months of 2022 to build a joint alliance team with the successful contractor. Waka Kotahi have indicated a willingness to engage with Council partners on any aspect of this new Maintenance & Operational Alliance model as it evolves.

Private developments also impact on the availability of suppliers, and this has had a significant impact over the last two to three years in Wairarapa as growth in the region has accelerated.

All three Wairarapa Councils (MDC, CDC and SWDC) existing network maintenance contracts last concluded in 2019 and were awarded in 2019. Moving forward, the three councils agreed a proposed term of 5 years with a maximum term of 8 years for Masterton and 10 for SWDC and CDC, subject to a contractual performance management framework. CDC and SWDC agreed to combine their Network Maintenance Contract to become a single contract. The combined CDC and SWDC roading maintenance contract was finalised and awarded to Fulton Hogan in May 2019 after a review showed a collaborative approach would deliver a more efficient and cost-effective service. Teams are co-located at a depot in Carterton.

Future network maintenance contract procurement for MDC, CDC and SWDC will need further development and procurement planning at the time of the next review of this strategy. Open communication between councils, Waka Kotahi and the market should be carried out in the interim to understand what model might offer efficiencies and ultimately value for money.

## 5 Approach to Delivering Work Programme

### 5.1 Specific objectives

Delivering the transportation procurement programme outlined in Section 4 is intended to achieve council's vision and strategic objectives outlined in Section 2, in particular the following:

- Must be designed to obtain best value for money spent.
- Enabling persons to compete fairly for the right to supply outputs.
- Encouraging competitive and efficient markets for the supply of outputs.
- Promote stability in the marketplace,
- Provide confidence to the Council and the contracting industry,
- Encourages investment in systems, training and equipment.

Along with Waka Kotahi six strategic objectives:

- Enable efficient delivery of the NLTP
- Obtaining best value for money spent.
- Actively manage risk, to safety, reputation, and performance
- Pursue broader outcomes in support of our position statements and commitments
- Develop efficient, competitive, and sustainable markets which value the Transport Agency as a client
- Build and maintain high levels of procurement capability within the land transport sector

### 5.2 The procurement approach

MDC has a Roading Activity Management Plan with a detailed three-year programme for this National Land Transport Programme (NLTP) period, July 2021 to June 2024.

The three year and 10 year forward works programme, developed for the Long-Term Plan from the AMP, are given in Appendix 4. The NLTP 2021-2024 for the Wellington Region documents the level of funding approved over the first three years.

The maintenance contract, which now includes surfacing and footpath work, is in its second year and has a minimum duration of three years and maximum of eight years. Current performance has been acceptable, as scored under the PACE system and there is no reason to believe that the contract will not go full term.

When the maintenance contract comes up for review the next strategy will assess all other delivery models available to MDC, including traditional models, network outcome contracts (NOC) and alliance style models.

Pure performance-based contracts can place limits on MDC's ability to influence the contracts during the contract term. Considering all of the issues, and in the interest of maintaining a

competitive industry, where possible the traditional model is used. Where appropriate, letting contracts for multiple years has been offered. The medium term of the contracts, and the ability to maintain input into the management of the network at officer level (thus managing the political environment of a local government body), gives MDC the best outcome.

Other specialist services undertaken under separate contracts include professional services, specific bridge maintenance and inspections, renewals, and upgrades, which only have a moderate contracting base with average competition.

Emergency works do occur from year to year, generally because of heavy rain and localised flooding. Historically, the annual expenditure averages \$320k, with individual projects ranging from \$200k up to over \$1 million. MDC puts aside an amount into reserves to cover their share of the cost of these abnormal events. To ensure that MDC meets the subsidy requirements it must ensure that public value is being achieved when using a direct appointment, or closed contest for minor flood damage works. Larger and more significant works are tendered out to the open market once the site is made safe and open to traffic. Where immediate action needs to be taken a design build approach with direct appointment may be used. Public value and an assessment against recent schedule rates will be considered before appointing a contractor, but public safety will take precedence in any emergency event.

MDC recognise the intrinsic value received from some of its existing suppliers with their intimate local knowledge and excellent service delivery. This is particularly relevant to cyclical contracts where the incumbent contractor's value needs to be correctly recognised. This is valued at tender time with quality-price considered, not only lowest price.

Contracts are delivered utilising the following accepted standard conditions of contract:

- NZS 3910:2013 Conditions of Contract for Building and Civil Engineering Construction
- NZS3917:2013 Conditions of Contract for Building and Civil Engineering Construction – Fixed Term
- Conditions of Contract for Consultancy Services (2017) (CCCS)

The procurement of works will comply with the Waka Kotahi procurement manual. Unless there is a valid exemption, we will use an open tender process for all works greater than \$200k in value. For lesser amounts, we will seek proposals generally from one to three suppliers under the closed contest approach. For amounts below \$100k in value we may use direct appointment, for example where there is a need for a specialist or the value of bidding for a number of suppliers is not an effective outcome for low value work.

Risk based estimating is utilised, giving value through identifying where further investigatory work might drive improved cost certainty.

Risk processes used are covered in the Roading Asset Management Plan.

For all open tenders, planning modelled on government best practice is carried out. Procurement decisions and risks are assessed against project priorities and drivers to achieve public value for money. This information is then used to develop the request for proposal (RFP) and contract documentation.

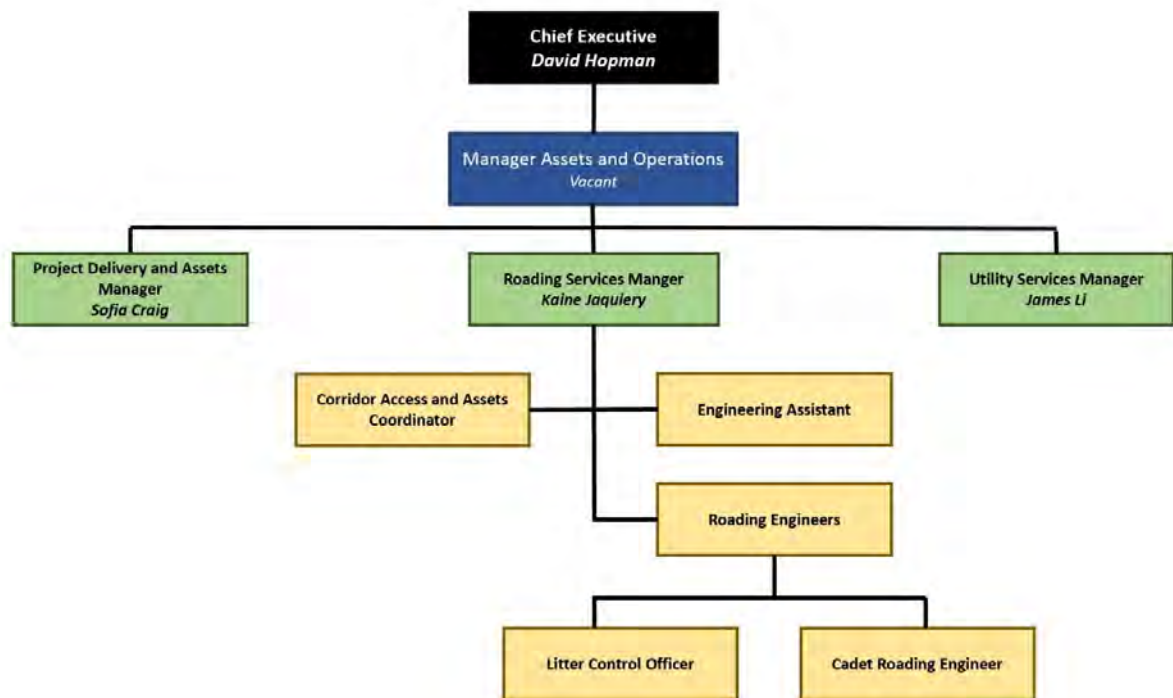
### 5.3 Analysis of whether advanced components, customised procurement procedures or variations to procurement rules are required

No need has been identified for advanced or customised procurement procedures that are allowed within the Transport Agency's procurement manual. Should this situation change during the term of this strategy we will work with the Transport Agency on the specific requirements and seek approval if an advanced or customised procurement approach is considered necessary.

## 6 Implementation

### 6.1 Capability and capacity

The organisation structure is given below.



At present, procurement and the management of the procurement process is carried out in-house through our roading business unit.

MDC has procurement staff who are trained, experienced and capable of managing the procurement requirements. In MDC there are staff who are, or are training to be, qualified evaluators for assessing proposals more than \$200k. If additional resources are required MDC will obtain the necessary skilled and experienced people from the supplier market.

Approval of contracts is given to various council officers as per the Chief Executive and Staff Delegation Manual.

Contract payments are authorised by the appropriate Engineer to Contract and vouchers are then prepared for payment and debited to the appropriate council budget ledger item.

MDC complies with Waka Kotahi procurement policies and current purchasing requirements. Project approvals, contract documentation, and tender management are carried out by

internal staff or appropriately qualified contracted professional service providers. All tenders are managed in-house by the engineer responsible for the work and held in a secure location.

Policies are routinely reviewed and subsequently discussed with Waka Kotahi officers and consultants. This assists in consistency throughout the greater region and nationally. Council officers and consultant's staff communicate with other roading authorities and suppliers through a range of forums such as the RCA forum, REG group, IPWEA, Engineering New Zealand, and courses, presentations, etc through the year.

One of the outcomes of the service delivery review was to improve the overall capability of the industry, both within MDC and in our supply partners. Initiatives will be put in place to identify areas and gaps where upskilling is required and then to work collectively to address these aspects. We will look for ways to enable the industry to attract people to engineering through initiatives such as cadetships and apprenticeships.

Identified capability gaps include specialised geotechnical, structural, and specialised RAMM data management and the replacement of senior engineers with considerable experience. We intend to address the above gaps by continuation of our staff mentoring programme and training programmes, retaining existing staff and by organic growth. Specialist knowledge will continue to be brought in.

The industry provides a wide range of opportunities for career growth both within the workforce and in contract management. In selecting companies to work with, we will provide in the non-price attributes and evaluate the responses for the companies to explain their plans and intentions for ongoing training and upskilling of their people and support of their supply partners.

## **6.2 Internal procurement processes**

The MDC internal procurement processes are attached as [Appendix 2](#) and requirements that are allowed within the Waka Kotahi procurement manual shall be given precedence. Endorsement of this approach has been included through the approval of this strategy.



### 6.3 Performance measurement and monitoring

In line with the requirements of the Waka Kotahi NZTA Procurement Manual, MDC intends to align its performance measures and monitor the following indicators to determine the success of this strategy;

**Table 6-1 Performance Measurement**

Key Results Area	Performance Indicator	Measure
Best value for Money	<ol style="list-style-type: none"> <li>1. Time</li> <li>2. Cost</li> <li>3. Quality</li> </ol>	<ol style="list-style-type: none"> <li>1. Estimated duration of contract and actual duration of contract.</li> <li>2. Estimated cost of contract and actual cost of contract (excluding inflation &amp; additional works)</li> <li>3. Approved organisation's satisfaction with the goods or services purchased. For contracts over \$1m, MDC will utilise the NZTA PACE system.</li> </ol>
Regard to markets	<ol style="list-style-type: none"> <li>1. Fairness</li> <li>2. Competitiveness</li> <li>3. Innovation</li> </ol>	<ol style="list-style-type: none"> <li>1. Whether or not the supplier selection process was an open or a closed contest, and the reasons for these decisions.</li> <li>2. Number of bids received and whether alternative bids were permitted or received.</li> <li>3. Whether alternative bids that add best value for money were permitted; whether alternative bids were received and accepted or rejected; what added value alternative bids brought and their associated cost.</li> </ol>
Compliance with procedures	Measure how well the Council is complying with this strategy	Number of complaints received on purchasing process

Due to the length of time that it takes to develop a sufficient sample size for these types of performance measures, it is intended that this analysis will be undertaken mid-way through the 3-year strategy cycle, at the end of the life of this strategy, and as part of the development/review of the next strategy to measure the success or otherwise of this procurement strategy. A 17A service delivery review will be required before the end of the term of the maintenance contract and this review will consider the cost effectiveness of current arrangements for providing local roading infrastructure services.

MDC will continue to rely on Waka Kotahi audits to ensure compliance with procedural and technical requirements and performance with other RCAs.

Overall success is measured by achievement of the approved programme in the NLTP. MDC monitors a range of criteria through its Long-Term Plan processes. These include performance measures in pavement and surface condition, health & safety, financial performance, technical measures, and customer satisfaction.

## Data collection

Data will be collected in accordance with the Waka Kotahi Procurement Manual, Appendix E.

### 6.4 Communication plan

The procurement strategy will be communicated through the following media:

- to Waka Kotahi for their approval;
- on the intranet for internal stake holders;
- on the council website for external stakeholders; and
- to Council as part of the Activity Management Plan.

Each tenderer is advised of the outcome of each tender in accordance with Waka Kotahi requirements.

### 6.5 Implementation plan

The Waka Kotahi NZTA Procurement Manual has considerable detail on the process for correctly determining which procurement model should be utilised in each situation, i.e., staged, design & build, shared risk, and supplier panels.

The Procurement Manual also has considerable detail on the process for correctly determining the supplier selection method.

- Direct appointment
- Closed contest
- Lowest price conforming
- Price quality
- Purchaser nominated (target) price
- Quality based

The following table summarises the approach to be used for supplier selection – in accordance with the Waka Kotahi Procurement Manual, Appendices A,B & C:

**Table 6-2 Supplier selection method by programme**

Programme	Annual Expenditure [\$M] (18/19)	Direct Appointment	Closed Contest	Lowest Price	Price Quality Physical works	Price Quality Professional services	Quality based
General maintenance contract + other maintenance items)	7.3	Y	Y	Y	Y		
Renewals (incl. rehabs and kerb/channel)	2.8	Y	Y	Y	Y		

Capital improvements <i>(incl. LCLR)</i>	<b>2.2</b>	Y	Y	Y	Y		
Street Lighting Maintenance and energy	<b>0.24</b>	Y	Y	Y			
Emergency Works	<b>0.32</b>	Y	Y	Y	Y		
Professional Services (external)	<b>0.3</b>	Y	Y	Y		Y	Y

Table 6-3 Supplier selection method usage

Supplier Selection Method	Expected Usage	Typical Value	Price weight [%]	Assessed Risk
Direct Appointment (to incl. physical works, professional services)	Generally	Up to \$100k*	NA	L
Closed Contest (LPC & PQ)	Generally	Up to \$200k*	See below	L-M
Lowest Price Conforming	Generally	all	100	L-M
Price quality (physical works)	Occasionally	>\$200k	50-70	M
Price quality (professional services)	Rarely	>\$100k	30-50	M-H
Purchaser Nominated Price	Rarely	NA	0	M-H
Quality Based	Rarely	>\$1M	0	M-H
Prequalification	To be reviewed	all	NA	all

- \* Waka Kotahi upper limit

The method of supplier selection will be based on the assessment of risk and in accordance with the Waka Kotahi Procurement Manual Appendix C.

MDC have not typically used prequalification systems for procurement, however Waka Kotahi prequalification list has been used in the registration of interest for the upcoming tender for the maintenance contract. Prequalification will be further explored by MDC if benefits can be seen for both the council and its contractors.

## 6.6 Corporate ownership and endorsement

This strategy has been approved by MDC (Approved Organisations) as noted on page 2.

Refer to Appendix 1 for Council endorsement of this Strategy.

<b>Procurement Strategy Owner</b>	Manager Assets and Operations	
<b>This version is prepared by</b>	K Jaquery	December 2021
<b>This version has been endorsed by</b>	Chief Executive, David Hopman	On: January 2021
<b>This version has been approved by Waka Kotahi</b>	By:	On:

## **7 References**

Masterton District Council. (2016). *Chief Executive and staff Delegations Manual* .

NZ Transport Agency. (Amendment 5, October 2019). *Procurement manual for activities funded through the National Land Transport Programme*. Wellington: NZ Transport Agency.

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## **8 APPENDIX 1: COUNCIL ENDORSEMENT**

To come

## **9 APPENDIX 2: INTERNAL PROCUREMENT PROCEDURE**

This is being reviewed and updated. The latest version will be included here.

## **10 APPENDIX 3: INTERNAL PROCUREMENT POLICY**

This is being reviewed and updated. The latest version will be included here.



## 11 APPENDIX 4: COST OF SERVICES STATEMENT SUMMARY

**FUNDING IMPACT STATEMENT**

As required by the Local Government (Financial Reporting) Regulations 2014

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
ROADING	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of Operating Funding</b>											
General rates, uniform charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	5,857	5,983	6,106	6,559	6,893	7,139	7,276	7,415	7,760	8,053	8,892
Subsidies and grants (for operating)	2,268	2,383	2,558	2,614	2,670	2,732	2,797	2,865	2,937	3,013	3,094
Fees & charges	85	86	88	90	92	94	96	99	101	104	107
Internal charges & overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Interest & dividends	-	-	-	-	-	-	-	-	-	-	-
Other receipts (incl petrol tax & fines)	185	195	199	204	208	213	218	223	229	235	242
<b>Total operating funding (A)</b>	<b>8,395</b>	<b>8,647</b>	<b>8,951</b>	<b>9,467</b>	<b>9,863</b>	<b>10,178</b>	<b>10,387</b>	<b>10,603</b>	<b>11,027</b>	<b>11,406</b>	<b>12,334</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	4,772	4,911	5,205	5,350	5,439	5,566	5,699	5,841	5,988	6,146	6,313
Finance costs	27	6	6	83	80	157	153	155	265	332	321
Internal charges and overheads applied	1,039	1,134	1,163	1,202	1,212	1,242	1,288	1,296	1,327	1,379	1,390
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>5,839</b>	<b>6,052</b>	<b>6,374</b>	<b>6,634</b>	<b>6,731</b>	<b>6,965</b>	<b>7,139</b>	<b>7,291</b>	<b>7,580</b>	<b>7,856</b>	<b>8,025</b>
<b>Surplus/(Deficit) of operating funding (A-B)</b>	<b>2,556</b>	<b>2,595</b>	<b>2,577</b>	<b>2,832</b>	<b>3,132</b>	<b>3,213</b>	<b>3,248</b>	<b>3,311</b>	<b>3,447</b>	<b>3,549</b>	<b>4,309</b>
<b>Sources of Capital Funding</b>											
Subsidies & grants for capital expenditure	2,546	2,600	2,710	2,727	2,845	2,876	3,136	6,126	5,143	3,216	3,265
Development & financial contributions	80	160	140	100	100	100	100	100	100	100	100
Increase /(decrease) in debt	(35)	(36)	1,493	(77)	1,518	(127)	9	2,178	1,323	(243)	(260)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,590</b>	<b>2,724</b>	<b>4,343</b>	<b>2,750</b>	<b>4,462</b>	<b>2,850</b>	<b>3,245</b>	<b>8,404</b>	<b>6,566</b>	<b>3,073</b>	<b>3,104</b>
<b>Application of Capital Funding</b>											
Capital expenditure:											
- to meet additional demand	-	580	-	-	619	-	-	-	-	-	-
- to improve level of service	2,004	1,574	2,559	989	2,651	1,075	1,436	6,514	4,682	1,187	1,220
- to replace existing assets	3,616	4,118	3,900	3,908	4,122	4,131	4,212	4,400	4,491	4,631	4,642
Increase/(decrease) in reserves	(474)	(953)	462	686	203	857	845	800	840	803	1,552
Increase/(decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total application of capital funding (D)</b>	<b>5,146</b>	<b>5,319</b>	<b>6,920</b>	<b>5,583</b>	<b>7,595</b>	<b>6,063</b>	<b>6,493</b>	<b>11,715</b>	<b>10,012</b>	<b>6,622</b>	<b>7,413</b>
<b>Surplus / (deficit) of capital funding (C-D)</b>	<b>(2,556)</b>	<b>(2,595)</b>	<b>(2,577)</b>	<b>(2,832)</b>	<b>(3,132)</b>	<b>(3,213)</b>	<b>(3,248)</b>	<b>(3,311)</b>	<b>(3,447)</b>	<b>(3,549)</b>	<b>(4,309)</b>
Funding balance (A-B)+(C-D)	0	0	0	0	0	0	0	0	0	0	0

**SUMMARY OF FORECAST 2018-2028**

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/7	2027/8	
<b>Code</b>	<b>MAINTENANCE &amp; OPERATIONS</b>										
111	Sealed Pavement Maintenance	1119.8	1198.2	1225.7	1250.3	1276.5	1307.2	1337.2	1369.3	1403.5	1440.0
112	Unsealed Pavement Maintenance	397.0	424.8	434.6	443.3	452.6	463.4	474.1	485.5	497.6	510.6
113	Routine Drainage Maintenance	315.6	337.7	345.4	352.3	359.7	368.4	376.9	385.9	395.5	405.8
114	Structures Maintenance	132.3	141.6	144.9	147.8	150.9	154.5	158.0	161.8	165.9	170.2
121	Environmental Maintenance	549.7	588.2	601.7	613.8	626.7	641.7	656.5	672.2	689.0	706.9
122	Traffic Services Maintenance	183.2	191.5	195.9	199.8	204.0	208.9	213.7	218.8	224.3	230.1
123	Op Traffic Management	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
124	Cycle Path Maintenance	5.1	10.2	15.3	15.7	16.0	16.4	16.7	17.1	17.6	18.0
125	Footpath Maintenance	588.1	598.6	610.0	622.2	635.3	650.5	665.5	681.4	698.5	716.6
131	Level Crossing Maintenance	21.6	22.2	22.7	23.2	23.6	24.2	24.8	25.4	26.0	26.7
140	Minor Events	173.1	176.5	180.6	184.2	188.1	192.6	197.0	201.7	206.8	212.2
141	Emergency Works	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
151	Network & Asset Management	641.3	654.2	669.2	682.6	696.9	713.7	730.1	747.6	766.3	786.2
	<b>RENEWALS</b>										
211	Unsealed Road Metalling	1048.5	1095.7	1120.9	1143.3	1167.4	1195.4	1222.9	1252.2	1283.5	1316.9
212	Sealed Road Surfacing	936.6	955.3	977.3	996.8	1017.7	1042.2	1066.1	1091.7	1119.0	1148.1
213	Drainage Renewals	274.9	287.2	293.8	299.7	306.0	313.3	320.6	328.3	336.5	345.2
214	Pavement Rehabilitation	743.1	758.0	775.4	790.9	807.6	826.9	846.0	866.3	887.9	911.0
215	Structures Component Replacement	81.4	85.1	87.1	88.8	90.7	92.8	95.0	97.3	99.7	102.3
222	Traffic Services Renewals	224.0	239.6	245.1	250.1	255.3	261.4	267.4	273.9	280.7	288.0
	<b>ROAD IMPROVEMENTS</b>										
324	LED Street Light conversion										
341	Minor Improvements	814.4	785.4	627.9	642.9	614.4	629.1	644.9	661.6	679.5	698.5
432	Road Safety Promotion - Med Pri	42.8	43.6	44.6	45.5						
432	Road Safety Promotion	206.7	210.8	215.7	220.0	224.6	230.0	235.3	240.9	247.0	253.4
	<b>TOTAL</b>	<b>8456.5</b>	<b>8760.9</b>	<b>8789.3</b>	<b>8967.6</b>	<b>9113.9</b>	<b>9332.6</b>	<b>9548.6</b>	<b>9778.9</b>	<b>10024.8</b>	<b>10286.7</b>



<b>To:</b>	Your Worship and Elected Members
<b>From:</b>	Karen Yates, Manager Governance and Strategy David Paris, Manager Finance
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	<b>2022/23 Annual Plan and Consultation Approach</b>

**DECISION**

**Recommendation:**

That Council:

- a) Confirms that the work programme for the 2022/23 Annual Plan will align with Year 2 of the 2021-31 Long-Term Plan, noting the following key variances:
  - i. The animal shelter redevelopment has been deferred to 2022/23.
  - ii. The timing of the airport runway extension/construction has been re-forecast to 2022-2024
  - iii. Some expenditure for the Civic Facility will be re-forecast to 2022/23.
  - iv. A number of property renewal projects will be carried forward into 2022/23.
- b) Notes the projected rates increase at 6.9% is within the increase limit set in the 2021 Financial Strategy.
- c) Notes there is no legal requirement to consult on the 2022/23 Annual Plan given no significant or material differences have been identified compared to Year 2 of the 2021-31 Long-Term Plan.
- d) In accordance with Section 95 (2A) of the Local Government Act 2002, confirms Council will not consult but will undertake engagement on the 2022/23 Annual Plan to inform the community of key variances and reasons for those.
- e) Notes that the 2022/23 Annual Plan must 1) be adopted and the rates struck by resolution before 30 June 2022 and 2) include an overview of minor changes in costs along with all other information required under Part 2, Schedule 10 of the Local Government Act 2002.

**Purpose**

The purpose of this report is to seek decisions from Council regarding the the 2022/23 Annual Plan, including the consultation approach, taking into consideration work programme and budget variances.

**Background**

Under the Local Government Act 2002, Council must produce a Long-Term Plan (LTP) every three years. For the two years between each LTP (Years 2 and 3 of the LTP) an Annual Plan must be produced. In the third year a new LTP is developed.

The Annual Plan process provides an opportunity to review intended work programmes and associated budgets taking into consideration any new information and/or changing circumstances. According to section 95(5) of the Local Government Act 2002 (the Act), the purpose of the Annual Plan is to:

- a) contain the proposed annual budget and funding impact statement for the year [of the long-term plan] to which the annual plan relates; and
- b) identify any variation from the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year; and
- c) provide integrated decision making and co-ordination of the resources of the local authority; and
- d) contribute to the accountability of the local authority to the community.

Council is legally required to consult on the development of its LTP and must follow the Special Consultative Procedure prescribed in section 83 of the Local Government Act 2002 (LGA). However, consultation on an Annual Plan is only required if significant or material differences are identified compared to what was included in the LTP for that year (Section 95 (2A) of the LGA).

If there are no significant or material differences, and the plan essentially aligns with what was consulted on via the LTP process, no further consultation is required. The Plan can be prepared and adopted in accordance with Section 95.

## Discussion and Options

### 2022/23 Work Programme

The 2022/23 financial year is Year 2 of the 2021-31 LTP. The work programme was developed and consulted on as part of the LTP process. The LTP was adopted on 30 June 2021.

The Year 2 work programme has been reviewed as part of the 2022/23 Annual Plan process. Key variations to the work programme compared to Year 2 of the LTP include:

- **Animal Shelter Redevelopment** – This project was scheduled for completion in 2021/22 but has been deferred to 2022/23. Funding will be carried forward from the current financial year.
- **Airport** – the timing of runway extension/construction remains dependent on land purchase negotiations in the current year. A re-forecast of the timing of this project has seen the construction phase move into 2022-2024.
- **Civic Facility** – similarly, the extended land purchase process for the preferred site has meant some expenditure will be re-forecast and included in the 2022/23 Annual Plan.
- **Property** - A number of property renewals projects will need to be carried into the 2022/23 Annual Plan as circumstances have meant we will not be able to scope, engage contractors and complete them in 2021/22.

Council is essentially 'on track' to deliver the Year 2 work programme that was agreed as part of the 2021-31 LTP, plus some carried over projects from 2021/22.

## **2022/23 Levels of Service**

Levels of service define what Council has agreed to deliver for our community, and what our community can expect, across the range of activities and services that Council provides. This includes things like:

- Opening hours for the Library, Customer Service Centre, Transfer Stations etc
- Standards for footpaths and roads
- Maintenance levels for our parks, recreation spaces and public facilities
- How frequently we do things such as collecting rubbish and recycling, and
- Response times for different types of service requests etc.

The 2022/23 Annual Plan maintains the levels of service that Council committed to in the 2021-31 LTP.

Levels of service were last reviewed and confirmed as part of the 2021-31 LTP process. They are next scheduled for review as part of the development of the 2024-34 LTP.

Under section 97(1)(a) of the LGA a decision to significantly alter the intended level of service for any activity undertaken by Council can only be taken if provided for in the Council's LTP. Any substantive changes to levels of service prior to the next scheduled review would require an LTP amendment.

## **Associated Budgets and Projected Rates Increase**

Associated budgets have been reviewed as part of the 2022/23 Annual Plan process. Staff have worked hard to minimise the impact on our community and have proposed a budget with a rate increase of 1.3% more than the 5.6% increase that was forecast.

The projected rates increase for 2022/23 is 6.9%.

Key drivers for the rates increase include:

- **Inflation is higher than was forecast for Year 2 of the 2021-31 LTP**

The LTP forecast 2021/22 inflation at 1.5% to be added to Year 2 costs. However, as at September 2021 the Local Government Cost Index (LGCI) was forecast to be 2.8%. This is currently being reviewed and we expect the LGCI will increase further. The Consumer Price Index (CPI) was 5.9% for the 12 months to December 2021. Nationally, wage inflation was 2.6% as at December 2021. Inflation has impacted costs across all budgets.

- **Capital costs are being impacted by inflation and supply challenges**

Supply chain challenges and disruptions associated with COVID-19 are impacting some capital projects, increasing the cost of materials and/or delaying work where materials or labour cannot be sourced. We know from previous engagement that the maintenance of infrastructure is important to our community and Council has maintained all capital budgets. Supply chain disruptions may mean we don't achieve the same outputs and/or could result in some work being delayed.

- **Operational budgets are being impacted by inflation and demand drivers**

Inflation has impacted operational budgets. For example, the increasing cost of fuel has driven up the cost of some contracted services such as the transfer of waste and maintenance of our parks and

recreation areas. There have also been some cost increases in response to demand drivers as discussed below:

- Increased building and development activity in the Masterton district has increased demand for Council's building and planning services. Consent numbers continue to increase. Council also has additional responsibilities in response to more recent legislative changes, for example Earthquake Prone Buildings. Additional investment is needed to meet growing demand and continue to deliver services at the agreed service levels.
- Growing demand for more online and digital services has been accelerated by COVID-19 and associated lockdowns and restrictions. Council is responding by increasing capacity for digital communications, continuing digital support in our Library, continuing to digitise Council records, automating more processes and enhancing digital security. These are necessary responses to meet changing community and organisational needs, and to enable Council to continue to deliver service levels.
- As the population grows, and with changing behaviours, we are receiving increased volumes of materials for recycling with an associated increase in processing costs. We have had to increase waste budgets to enable us to meet demand for this service.

Key budget variances compared to Year 2 of the 2021-22 LTP include:

- **Roading** – The roading budget has increased. This reflects the increased cost of maintaining agreed levels of service and includes provision to cover the difference in Waka Kotahi (previously New Zealand Transport Association or NZTA) funding assistance that has been reduced from 58% to 57%.
- **Water** – The cost of urban water supply has increased to cover increased costs of service, which includes depreciation costs on water meters and holding costs of the Kaituna land purchase which will enable Council to expand water storage capacity for the urban area (as scheduled for Year 4 of the 2021-31 LTP).
- **Solid Waste** – The budget has increased to reflect the increased volume of recycling that is being processed at the Transfer Station.

## **Fees and Charges Increase**

Budget increases have been carefully balanced with a projected increase in fees and charges. For the majority of fees and charges, the projected increase is no more than the rate of inflation. The key exception is environmental health fees and charges.

### *Environmental Health Fees and Charges*

Under the Revenue and Financing Policy, environmental health is primarily funded via fees and charges (65%), with a 35% contribution from rates. However, as the table below illustrates, in recent years the rates requirement for these services has exceeded the policy limit. Fees and charges are being increased to better align with the Revenue and Financing Policy, and the cost of delivering these services.

# 202

For most licence fees managed by environmental health, the projected increase is between \$35 and \$50 per annum. Similar movements are forecast for some other services provided by Environmental Health, such as noise control call outs and the removal of abandoned vehicles.

Environmental health and licensing cost of service (from 2020/21 Annual Report):

Year:	2020/21		2019/20	
Funding:	%	%	\$	%
Operating Costs	\$829,304		\$809,033	
Operating Revenue	\$391,558	47.2%	\$390,293	48.2%
Rates Requirement	\$437,745	52.3%	\$433,741	51.7%

*Other Key Changes to Fees and Charges:*

- Solid waste fee increases will reflect the increase in waste minimisation levy charges and operational costs.
- Building Warrant of Fitness fees and major residential alteration fees are projected to increase more than inflation reflecting the cost of these services.
- Building Services are introducing new fees to recover the cost of travel to more remote areas of the district (further than 20km from Waiata House); and time invested in assessing minor variations.
- Corridor Access Fees are being restructured. The new fees will include provision for inspections and administrative time vs charging for these separately
- No increases are proposed for Library fees and charges.

## **Consultation on the Annual Plan**

Under the Local Government Act (Section 95 (2A), Council is required to consult on an Annual Plan only if there are significant or material differences compared to what was planned for that year in the LTP. In that context, the purpose of Annual Plan consultation is to seek the views of the community on the differences that have been identified and assessed as significant and/or material.

Consultation must be undertaken in accordance with the principles of consultation in s82 of the LGA, including the development of a consultation document.

S95A outlines the requirements for an Annual Plan consultation document. This includes explaining the significant and/or material differences from what was planned and discussing any new proposals including the financial and level of service implications of those new proposals.

Consultation under the Special Consultation Procedure must be open for a minimum of one month and must offer an opportunity to be heard, generally by way of a formal hearing. Following the close of consultation and the hearing, Council deliberate and make a decision.



There are no legal requirements to consult on the 2022/23 Annual Plan. Changes to the 2022/23 Annual Plan compared to Year 2 of the LTP have been considered and are not assessed as significant or material. Reasons for this include:

- The work programme for 2022/23 is essentially what was consulted on as part of the LTP consultation process.
- There are no proposed changes to levels of service.
- The projected rates increase at 6.9% is less than the limit set in our Financial Strategy of 7.3%.
- The projected increase for the majority of fees and charges is no more than the rate of inflation. Other increases reflect the increased cost of providing services and are being adjusted to better align with Council's Revenue and Financing Policy.
- None of the variances identified have been assessed as significant under Council's Significance and Engagement Policy (SEP), last reviewed in 2021.

There are a number of other considerations relevant to the decision to consult:

*There is limited ability to influence the drivers of the rates increase*

The primary drivers for the projected rates increase are external – inflation, the economy, the labour market and COVID-19 implications. These are not things that the Council or the community can influence right now.

*No viable options to the proposed programme have been identified*

In addition to requirements regarding consultation, Council must also comply with the decision-making requirements in ss76-81 of the LGA. Principally, this requires Council to identify all reasonably practicable options relating to any decision and the associated advantages and disadvantages. At the time of writing, Council have not identified any new proposals that could be considered as viable alternatives to what is included in the 2022/23 Annual Plan and associated proposed budget (and which will not change service levels). Note that reducing the proposed budget, for example by not providing extra resources to respond to increases in demand and community expectations, will have broader impacts on the delivery of those services and potentially on the service levels as provided in the LTP.

*There are financial costs and risks associated with consultation*

There are always financial and opportunity costs associated with running a consultation process. In addition, beyond this point it is likely that there is insufficient time without significant additional resource for Council to thoroughly consider and assess any potential alternatives (noting levels of service cannot be substantively changed without an LTP amendment), meet the legislative requirements of the Special Consultation Procedure and meet the legal deadline for adoption of the 2022/23 Annual Plan (30 June 2022).

Proceeding with consultation at this point in time would have associated risks including:

- Consulting the community regarding a proposed rates increase without offering any viable alternatives for the community to consider would be meaningless consultation and may result in reduced trust in the Council, legal and reputational risk.
- At this late stage the identification of any potential proposals for consultation would be rushed. This could mean they lack detail, that the implications are not fully considered and/or that the options for our community to consider are not meaningful.
- There may not be sufficient time for meaningful analysis, consideration and/or deliberation on any feedback received from the community.
- There is potential for Council to miss the legal deadline for adoption of the Annual Plan. That would also mean that rates could not be struck on time.

### *We are aware of the community's views on the programme of work*

Extensive consultation was undertaken on the 2021-31 Long-Term Plan (LTP) less than a year ago. This consultation included plans for the 2022/23 financial year. LTP consultation included:

- Engagement in November 2020 to inform the development of the LTP, attracting 559 responses.
- Consultation over April/May 2021, with 346 submissions received. The process included attending 25 'face to face' sessions at a variety of locations across our district where staff and Councillors heard from a broad cross-section of our community.
- A hearing on the 19 May 2021 where over 40 submitters spoke to their submissions.

### *We have previously decided not to consult on a proposed Annual Plan*

A decision not to consult is consistent with the decision made in 2019 when no significant or material changes were identified for Year 2 of the previous LTP.

### **Annual Plan Engagement**

Rather than consult on the Annual Plan, staff recommend that engagement on the Annual Plan be undertaken to inform the community of the proposed programme of work and projected rates increase and changes to fees and charges. We would carefully explain the reasons for the increase, including the external drivers and variances to the work programme and associated budgets identified in this report.

Council could also take the opportunity to check in with the community on its strategic direction and community outcomes and programme of future works to deliver on these and community wellbeing in general. Feedback could be built into the work programme for 2022/23 where possible or considered by the new Council for the 2023/24 Annual Plan process. Feedback would also inform foundational work on the LTP 2024-34.

This would also be an opportunity to:

- Remind the community that we are open for feedback year-round.
  - Conversations with our community are ongoing.

- People can provide feedback to us via a range of mechanisms including through service requests, online ‘fix it’ forms, reporting through the Antenno app, through other engagement and consultation processes and by emailing, phoning or visiting our Council offices.
- Promote other engagement and consultation topics planned for the coming year.
- Promote the Community Wellbeing grant funding round.

Engagement could be undertaken via:

- The MDC website, online channels, and social and traditional media.
- Online session/s to outline plans for the 2022/23 year and discuss drivers for the rates increase.
- An invitation to submit questions that the mayor can answer through a Q&A video, easily shared through social media.

## Options Considered

Our review of the work programme and associated budgets for 2022/23 has identified some variations for Year 2 of the LTP, as discussed in this report. However, no items have been assessed as significant or material and there is no legal driver for consultation.

Options for council to consider are summarised below:

Option	Advantages	Disadvantages
1	<p>Do not consult on the Annual Plan (recommended)</p> <ul style="list-style-type: none"> <li>• This would be more appropriate given there is no legal driver to consult and no viable consultation options have been identified.</li> <li>• Council can discuss the annual plan with our community via engagement that offers a more flexible approach.</li> <li>• Resources (financial and staff time) can be invested in other scheduled consultation and projects.</li> <li>• This is consistent with the decision made by Council in 2019 (Year 2 of the 2018-28 LTP) when no significant or material differences were identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Some members of the community may expect consultation on the Annual Plan.</li> </ul>

Option		Advantages	Disadvantages
2	Consult on the Annual Plan	<ul style="list-style-type: none"> <li>• Meeting expectations for some members of our community who may expect consultation on the annual plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of meaningless consultation given no viable alternative options have been identified at this point in time resulting in potential lack of trust, reputational and legal risk.</li> <li>• Risk of raising community expectation for change, noting we cannot influence external drivers and cannot make substantial changes to the proposed work programme and budget to reduce the proposed rates increase without reducing levels of service (which would require an LTP amendment).</li> <li>• Risk of confusion with the upcoming consultation on the LTP amendment to progress housing on the Panama land.</li> <li>• Risk of consultation fatigue given the range of consultation that is scheduled for the coming year.</li> <li>• Risk of not adopting the Annual Plan by the legal deadline of 30 June 2022, which would also mean being unable to strike rates on time.</li> <li>• Financial and opportunity costs relating to resources that could otherwise be invested elsewhere.</li> </ul>

Option 1 is recommended for the following reasons:

- There is no legal requirement to consult.
  - Extensive community consultation was undertaken for the 2021-31 LTP, which included plans for Year 2 (2022/23).
  - 2022/23 Annual Plan variations are not significant or materially different to what was planned in the LTP.
- No viable alternative options have been identified for consultation with our community.

- Drivers for the rates increase are primarily external (e.g. inflation) and cannot be influenced by Council or the community.
- Any substantive level of service changes would trigger an LTP amendment, which could not be completed by 30 June.
- Proceeding with consultation at this point in time would present risks, as outlined in this report.
- Engagement would be undertaken, allowing more flexibility in timing and approach.
  - This could also leverage off and promote other consultation issues/matters (a list of engagement/consultation scheduled in 2022 is in Attachment 1).
  - This would also be an opportunity to remind our community that conversations are on-going and not limited to our corporate planning cycles.
  - Any feedback that is received could be built into the work programme for 2022/23 where possible or considered by the new Council for the 2023/24 Annual Plan process. Feedback would also inform foundational work on the LTP 2024-34.

## **Next Steps**

With option 1, our community would be informed of the decision not to consult, and we would proceed with an engagement programme as outlined in this report. Council adopts the 2022/23 Annual Plan at its meeting on 29 June 2022.

If Council decide to consult (option 2), next steps will be to identify, assess and cost options for consultation, and the development and adoption of a consultation document. Consultation would be open for a minimum of one month, followed by hearings, deliberations and adoption of the Annual Plan by 29 June 2022.

## **SUPPORTING INFORMATION**

### **Strategic, Policy and Legislative Implications**

The 2022/23 Annual Plan is Year 2 of the 2021-31 Long-Term Plan. There is no legal requirement to consult on an Annual Plan if there are no significant or material differences between that Annual Plan and the same financial year in the Long-Term Plan.

Under Council's delegations, the Council holds the authority to decide whether or not to consult on the Annual Plan.

Should Council decide to consult, consultation must comply with Section 82 of the Local Government Act. This includes the development of a consultation document (as per Section 95A) outlining any significant/material variances, and details of any new proposals. Section 83 requires at least one month be allowed for consultation and a hearings process.

### **Significance, Engagement and Consultation**

Differences that have been identified through the 2022/23 Annual Plan process have been assessed against Council's Significance and Engagement Policy and are not considered significant.

As at the time of writing this report, the resulting rates impact is forecast to be less than the financial limit set in the Financial Strategy. Given that, the budget changes are not assessed as material.

There is no legal driver to consult. Engagement is recommended.

## **Financial Implications**

The Annual Plan will set the work programme and budgets for the 2022/23 year. It also enables Council to set the rates. If Council agrees with the recommendation, Council will be on track to adopt the Annual Plan by the legal deadline of 30 June 2022.

## **Treaty Considerations/Implications for Māori**

Council will engage with iwi, hapū, Marae, and hapori Māori as part of the recommended approach for the Annual Plan.

## **Communications/Engagement Plan**

Engagement will be undertaken as outlined in this report.

## **Environmental/Climate Change Impact and Considerations**

There are no direct environmental impacts/considerations relating to the decision to engage on the 2022/23 Annual Plan.

## ENGAGEMENT/CONSULTATION SCHEDULED FOR 2022

Review of Wairarapa Economic Development Strategy and Wellington Regional Economic Development Plan	Targeted engagement (underway)
Riversdale Management Plan	Targeted engagement (underway)
LTP amendment: progressing more housing at Panama Village	Formal consultation using Special Consultative Procedure (SCP)
Review of Senior Housing Policy	Targeted engagement
Lutheran Church	Targeted engagement
Wairarapa Smokefree Policy	Targeted engagement (underway) with consultation to follow (depending on the scope of change proposed)
Public Art Policy	Targeted engagement (underway) and Consultation (April 2022)
Masterton District Climate Change Action Plan	Consultation
Local Elections – Stand/Register/Vote	Phased engagement
Youth/Rangatahi Strategy	Targeted engagement
Part 12: Beauty Therapy, Tattooing and Skin Piercing Bylaw	Formal consultation using SCP
Wairarapa Local Alcohol Policy	Formal consultation using SCP
Future of Rural Halls	Rural hall communities - Committed to this as part of LTP 2021-31

<b>To:</b>	Mayor and Elected Members
<b>From:</b>	Corin Haines, Manager Community Facilities and Activities
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	Update on upgrade and installation of play equipment at Burling Park
<b>INFORMATION</b>	
<b>Recommendation:</b>	
<ul style="list-style-type: none"> <li>i. Notes that a community engagement event was held on 28 November 2021 seeking input on replacement play equipment for Burling Park; and</li> <li>ii. Notes that work has been undertaken to progress the upgrade and installation of replacement equipment at Burling Park.</li> </ul>	

## Purpose

The purpose of this report is to provide Council with an update on the progress made to date with the upgrade and installation of replacement play equipment for Burling Park

## Context

In 2021 Council removed a flying fox and play tower due to equipment being at the end of asset life as well as safety concerns raised in an external audit. Replacement play equipment is in line with our renewals programme and is scheduled as part of the Long-Term Plan 2021-31.

On Sunday 28 November 2021, Masterton District Council, in collaboration with the Lansdowne Residents Association, held a community engagement event at Burling Park to seek feedback on playground equipment replacement options.

Based on the feedback received from those who attended the event, work is now underway to progress the installation of a double flying fox, basket swing and climbing tower

## Analysis and Advice

Three playground equipment companies (Park Supplies and Playground, PlayCo. and the Playground Centre) provided quotes for the replacement playground equipment, with the following considerations as part of the quoting exercise:

- Made to NZ playground safety standards
- Made locally
- Asset life of 20 years
- Parts available locally for ongoing maintenance
- Equipment designed for high vandalism



- At end of life, equipment can be re-cycled
- Using soft fall surface
- Some elements suitable for children with accessibility issues

All three companies were able to provide bespoke designs within budget and meet NZ safety standards.

Based on an assessment of the three companies quotes, we are planning to proceed with the Playground Centre (Whanganui based) for the following reasons:

- They are a recommended supplier with comparable prices.
- The Playground Centre have a proven track record and can maintain the double flying fox post installation and as part of the routine maintenance schedule with the flying fox at Queen Elizabeth Park.
- The Playground Centre had the shortest lead in time for installation out of the three companies.

The cost of the installation of the replacement playground equipment including a safety surface will cost \$118,656.00 which is within the delegation limit of the Manager, Community Facilities and Activities.

We are confident that following the installation of the replacement playground equipment at Burling Park that Council will have a fit for purpose play equipment including a specialist high risk flying fox that meets the community's needs.

## Summary of Considerations

### Strategic, Policy and Legislative Implications

All playgrounds in New Zealand are subject to New Zealand Playground Standard NZS5825:2015. Any new equipment installed must meet this standard. Compliance with the Playground Safety Standard forms part of the supply contract.

Renewal of our play equipment as it reaches end of life is included in our Long-Term Plan 2021-31 and our Parks and Open Spaces Asset Management Plan.

This work also aligns with goals 3 and 5 of the Parks and Open Spaces Strategy.

### Significance, Engagement and Consultation

The decision to replace playground equipment at Burling Park does is not assessed as significant under Councils Significance and Engagement Policy. Community engagement was held in November 2021. The decision does not involve a change in level of service provided by Council, does not impact on debt, rates, or the financial figures in the Long-Term Plan 2021-31.

**Financial Considerations** The replacement play equipment at Burling Park will be funded within existing budgets in the Long-Term Plan 2021-31. Ongoing maintenance is covered under operational budgets.

## **Implications for Iwi/Māori**

There are no impacts for Iwi/Māori as part of this decision.

## **Environmental/Climate Change Impact and Considerations**

At end-of-life play equipment will be made from materials that can be re-cycled to reduce waste ending up in the land fill. The equipment is locally made from local and imported materials to reduce carbon emissions during production

## **Next Steps**

Once the replacement play equipment is ordered, the estimated lead in time is between 10-12 weeks for installation.

<b>To:</b>	Your Worship the Mayor and Councillors
<b>From:</b>	Karen Yates, Manager Strategy and Governance
<b>Endorsed by:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	<b>Elections 2022 Update</b>
<b>INFORMATION</b>	
<b>Recommendation:</b>	
That Council notes that Warwick Lampp from electionz.com remains as the Electoral Officer for Masterton District Council and that Harriet Kennedy has been appointed Deputy Electoral Officer.	

### **Purpose**

The purpose of this report is to provide Council with an update on key personnel and dates/timelines for the 2022 Elections.

### **Background**

The local elections occur every three years with the next election scheduled for 8 October 2022.

Masterton District Council manage elections for the Mayor and Council, Masterton Community Trust, Masterton Trust Lands Trust and the Montfort Trimble Foundation. The Greater Wellington Regional Council election runs at the same time, managed by that organisation. In the past, District Health Board elections have also been run at the same time, however this is no longer the case.

The elections are conducted by postal vote with the delivery of voting documents to commence on Friday 16 September 2022. Voting papers include the issues (elections) that an elector is eligible to vote for, including GWRC. As Trust voting entitlements vary, not all Masterton resident or ratepayer electors are eligible to vote for all three Trusts.

### **Elections Management**

Key personnel for the management of the elections process are the Electoral Officer (EO) and Deputy Electoral Officer (DEO), with support from staff appointed as electoral officials. The Communications and Customer Services teams will also provide support with community engagement and customer enquiries respectively.

#### Electoral Officer

Under Section 12 of the Local Electoral 2001 (LEA) Council must always have an Electoral Officer (EO) in place at all times. The EO remains in office until his or her successor comes into office (unless s/he dies, resigns, is dismissed/replaced or becomes incapable of acting).

Since at least 2004 Masterton District Council has contracted its election management to electionz.com, with their employee Warwick Lampp appointed as our Electoral Officer. For the 2022

election, Council will continue to contract electionz.com for the upcoming election and will retain Warwick Lampp as the EO.

As Warwick is currently our EO, there is no need to confirm his appointment. For the 2022 election, Warwick is also EO for Carterton District Council, South Wairarapa District Council and Greater Wellington Regional Council.

### Deputy Electoral Officer / Electoral Officials

Section 13 of the LEA requires that every EO appoint a Deputy Electoral Officer (DEO). The deputy will act as electoral officer if the electoral officer dies, resigns, is dismissed, or becomes incapable.

For the 2022 elections Harriet Kennedy, Governance Advisor, has been appointed Deputy Electoral Officer. This appointment is formalised as part of the contractual arrangement with electionz.com.

Key electoral officials supporting the EO and DEO are Karen Yates, Manager Strategy and Governance, Ruth McEwen, Records Administrator and Tania Madden, Corporate Planner. Some members of the Customer Services team will also be appointed to assist with special vote processing closer to the voting period.

### Key Responsibilities

The Electoral Officer is required to carry out the duties conferred on him/her by the Local Electoral Act 2001 (LEA) and Local Electoral Regulations 2001 (LER). While acting independently, with neither the Chief Executive nor the Council able to direct the EO (or the DEO or electoral officials) in undertaking their role, he is responsible to the Council for his performance and to the courts in any recount of votes or inquiry.

Section 14(2) of the LEA requires every electoral officer, deputy electoral officer and electoral official to complete and maintain a current declaration before exercising any powers or undertaking any duties under the LEA or LER.

Declarations must be signed on or after 1 February 2022 and are intended to reinforce the importance of the security and secrecy requirements for elections management. Penalties (financial and up to six months imprisonment) apply for any breaches.

The Electoral Officer signs one declaration for all Councils that he is contracted as EO for. The DEO and MDC staff named as electoral officials will sign their declarations this month. Staff in roles that may be exposed to elections related information as part of their duties (for example Records Administrators and the Strategic Planning Administrator) will also sign Declarations.

### **Key Dates for the 2022 Election**

As noted, the timetable for the 2022 election, provided by Taituarā, is included as Attachment 1.

Key dates include:

- Nominations Open – Friday 15 July 2022
- Nomination Day (nominations close) – Friday 12 August 2022 at 12 noon

- Voting period – Friday 16 September 2022 – Saturday 8 October 2022 at 12 noon
- Election Day – Saturday 8 October with voting closing at 12 noon

Other dates to be aware of during this period are:

### Pre-Election Period

The pre-election period is the three months before Election Day, from Friday 8 July 2022 through until Saturday 8 October 2022.

During this period territorial authorities must take extra care with their communication and engagement to ensure that neutrality is maintained for all election candidates, including those not currently on Council.

Staff and elected member protocols to provide guidance during the election period are currently being reviewed. Warwick Lampp will also deliver a workshop for staff and another for elected members closer to the time.

In a 2004 publication, The Office of the Auditor General (OAG) identified the following principles:

- “Principle 11 – Care should be exercised in the use of council resources for communications that are presented in such a way that they raise, or could have the effect of raising, a member’s personal profile in the community.”
- “Principle 12 – A local authority must not promote, nor be perceived to promote, the re-election prospects of a sitting member. Therefore, the use of council resources for re-election purposes is unacceptable and possibly unlawful.”
- “Principle 13 – A council’s communications policy should also recognise the risk that communications by or about members, in their capacities as spokespersons for council, during a pre-election period could result in the member achieving electoral advantage at ratepayers’ expense. The chief executive (or his or her delegate) should actively manage the risk in accordance with the relevant electoral law.”

For further information, an extract from the Office of the Auditor General Guidelines are included in Appendix 4 of the OAGs *Government and Parliamentary Publicity and Advertising* (June 2005, page 64) <https://oag.parliament.nz/2005/govt-publicity/docs/publicity.pdf>.

## Pre-Election Report

In accordance with clause 36 of Schedule 10 of the Local Government Act 2002, the Chief Executive of a local authority must issue a Pre-Election Report. The report is an opportunity to tell the community how the council is performing and what it expects to do in the coming three years. At the highest level, the purpose of a pre-election report is to stimulate informed debate about local authority funding and expenditure issues during local election campaigns.

The report must be completed and published no less than two weeks before nomination day. For the 2022 elections, that is 29 July 2022.

## Order of Candidate Names on Voting Papers

Council can determine, by resolution no later than 15 August 2022, the order of candidates' names on the voting document. Staff will provide a report to the next Council meeting outlining options available for consideration.

LOCAL GOVERNMENT 2022 TRIENNIAL ELECTION TIMETABLE	
On/after Tuesday 1 February 2022	Declaration of electoral officer (sec 14, LEA)
Wednesday 2 March 2022 – Saturday 30 April 2022	Ratepayer roll enrolment confirmation forms issued (reg 16, LER)
Wednesday 2 March 2022 – Wednesday 6 July 2022	Preparation of ratepayer roll (reg 10 LER)
By Sunday 10 April 2022	LGC final representation review decisions (sec 19R LEA)
May 2022	Regional Electoral Officers Fora National ratepayer roll qualifications and procedures campaign (sec 39 LEA)
Wednesday 4 May 2022	EC test data sent to electoral officers
Friday 1 July 2022	EC enrolment update campaign commences
Thursday 7 July 2022	Residential electoral roll closes (reg 10 LER)
From Friday 8 July 2022	Receive residential roll data from EC
Friday 8 July 2022 – Wednesday 13 July 2022	Compile preliminary electoral roll (sec 38 LEA)
Say Wednesday 13 July 2022 (no later than Friday 15 July 2022)	Public notice of election, calling for nominations, roll open for inspection (sec 42, 52, 53 LEA)
<b>Friday 15 July 2022</b>	<b>Nominations open/roll open for inspection</b> (sec 42 LEA)
By Friday 29 July 2022	Appointment of Justice(s) of the Peace
<b>Friday 12 August 2022</b>	<b>Nominations close (12 noon)/ roll closes</b> (sec 5 LEA, reg 21 LER)
Say Monday 15 August 2022 (or as soon as practicable)	Resolution to be passed on optional order of candidate names on voting paper (reg 31 LER). If pseudo-random order chosen, information required to be included in public notice under sec 65(1), LEA
Say Wednesday 17 August 2022 (or as soon as practicable)	Public notice of day of election, candidates' names (sec 65, LEA)
Not later than Friday 19 August 2022	Receive final data from EC
Not later than Wednesday 31 August 2022	Ratepayer roll insert with rates notice (sec 39 LEA)
Not later than Monday 12 September 2022	Electoral officer certifies final electoral roll (sec 51, LEA, reg 22, LER)
Friday 16 September 2022	EC letter sent to unpublished roll electors
<b>Friday 16 September 2022 – Wednesday 21 September 2022</b>	<b>Delivery of voting documents</b> (reg 51, LER)
Friday 16 September 2022 – Saturday 8 October 2022	Progressive roll scrutiny (sec 83, LEA) Special voting period (sec 5, LEA, reg 35, LER) Early processing period (sec 80 LEA)
Not later than 12 noon, Friday 7 October 2022	Appointment of scrutineers (sec 68, LEA)

<p><b>Saturday 8 October 2022</b></p>	<p><b>Election day</b> (sec 10, LEA)  Voting closes 12 noon – counting commences (sec 84, LEA), progress/preliminary results available as soon as practicable after close of voting (sec 85, LEA,)   For FPP election, <i>reg 80A</i> is for booth voting and <i>reg 61A</i> is for postal voting.   For STV elections, <i>reg 105A</i> is for postal voting and <i>reg 125A</i> is for booth voting.</p>
<p>PM Saturday 8 October 2022 –  Thursday 13 October 2022</p>	<p>Official count (sec 84, LEA)</p>
<p>Thursday 13 October 2022 –  Wednesday 19 October 2022  (or as soon as practicable)</p>	<p>Declaration of result/public notice of results (sec 86, LEA)</p>
<p>December 2022 (TBC)</p>	<p>Electoral Officer Debrief Forum</p>
<p>Mid December 2022  (depends on date results published)</p>	<p>Return of election donations and expenses forms (sec 112A, LEA)</p>

EC = Electoral Commission LGC = Local Government Commission LEA = Local Electoral Act 2001  
LER = Local Electoral Regulations 2001 Prepared by Dale Ofsoske SOLGM Electoral Sub-committee, October 2020



<b>To:</b>	Your Worship and Members
<b>From:</b>	David Hopman, Chief Executive
<b>Date:</b>	23 February 2022
<b>Subject:</b>	<b>Chief Executive's Report</b>
<b>FOR INFORMATION</b>	
<b>Recommendation:</b>	That Council notes the information contained in the Chief Executive's report 023/22.

### **Purpose**

The purpose of this report is to provide Council with an update (as at 16 February 2022) on Council operations and projects.

### **Chief Executive's Overview**

Last weekend Cyclone Dovi produced a significant rainfall event in the Wairarapa. The following is a list of some of the issues caused.

#### Stormwater/wastewater networks

- Rainfall of 35 mm on Friday night, 95mm on Saturday, and 61 mm on Sunday, so total over 190mm rain in a 48 hr window. The intensity was actually higher than July 2006 when Masterton had the last comparable flooding event.
- On the stormwater side, the retention dam at Fifth Street was able to hold the water until Sunday morning, when it reached capacity and the weir started flowing. By this time some properties in Lansdowne had flooding problems around the houses and along Te Ore Ore and Colombo Roads. Surface flooding also occurred on a number of locations around the district.
- All Urban water supply was maintained, all treatment plants are operating as designed with no major damages to the network. The Wainuioru water scheme did have a pipe to one leg washed out and required replacing.
- The sewer network was overwhelmed in some locations with 50 portaloos deployed where sewer systems were not able to discharge into the network. There were very high levels of customer enquiries and requests during the event that resulted in some delays responding. Our contractors have been working on clearing these and helping residents affected by sewer overflows.

#### Roading

- Mataikona Road had two areas with major disruption at Suicide Rock where there was a

large under slip and at sandy bay there has been blockage and flooding from the stream.

- There was a shoulder dropout on the Masterton Stronvar Road, within the Lime works.
- Upper Plain Road (between Evans Road and Skeets Road) had flooding & major scouring issues.
- Colombo Road Bridge has had extensive scouring around the southern side and is closed, further inspections are required to confirm reopening. Our bridge inspectors have also been moving around the district to check other known problem areas for damage.
- Tinui Valley Road needs a culvert replacement and road reinstated.
- Mangapurupuru Road a large slip and culvert has scoured out.
- Mikimiki Road culvert is completely blocked with slip material.

### Over Slips

- Opaki Kaiparoro Road past Bluff Rangitumau Intersection
- Blairlogie Langdale road, around the Blairlogie hill passing lane and Kerosine ridge.
- Ngahape Road
- Clellands Road
- Masterton Stonvar road just after the Ngaumu rd/Masterton Stronvar intersection.
- Homewood road at the top of Beaumont cutting
- Masterton Castlepoint Road, Whakataki
- Mangapurupuru Road
- Slips and scours along the Lansdowne recreational trail.

### **National and Regional Context**

#### COVID – Business Continuity

- Plans are in place to ensure continuity for essential services and keep non-essential services operating as normally as possible with increased cases in the community of the highly transmissible Omicron variant.
- The Library will continue to operate at normal hours as long as we have sufficient staff to safely open. If we have a large number of absences due to illness or isolation the library will initially move to reduced daily hours and then to click and collect only if necessary.
- The Trust House Recreation Centre has plans in place to operate as normally as possible until there are not enough lifeguards to safely open the pool. If this threshold is breached, then the pool will move to reduced hours and potentially may need to be closed some days if there are not enough lifeguards to safely operate. The after-school childcare has already had to close for a week due to a close contact exposure event, but this does not affect the poolside operation.

### **The Smokefree Aotearoa 2025 Action Plan - Auahi Kore Aotearoa Mahere Rautaki 2025**

Launched in December 2021, the Smokefree Aotearoa 2025 Action Plan - Auahi Kore Aotearoa Mahere Rautaki 2025 (Action Plan) sets out the actions Government will take over the next four years and beyond to achieve Smokefree Aotearoa 2025. Its vision is to eliminate the harm smoked tobacco products cause our communities by transforming Aotearoa New Zealand to a smokefree nation by 2025. The outcomes of the Action Plan are:

- Eliminate inequities in smoking rates and smoking-related illnesses
- Create a smokefree generation by increasing the number of children and young people who remain smokefree
- Increase the number of people who successfully quit smoking

To achieve these outcomes, government will take action under six focus areas:

1. Ensure Māori leadership and decision-making at all levels
2. Increase health promotion and community mobilisation
3. Increase evidence-based stop smoking services
4. Reduce the addictiveness and appeal of smoked tobacco products
5. Reduce the availability of smoked tobacco products
6. Ensure manufacturers, importers and retailers meet their legal obligations

A copy of the Smokefree Aotearoa 2025 Action Plan - Auahi Kore Aotearoa Mahere Rautaki 2025 is available on the Ministry of Health Website: <https://www.health.govt.nz/publication/smokefree-aotearoa-2025-action-plan-auahi-kore-aotearoa-mahere-rautaki-2025>

The review of our Smokefree Policy takes into account this new plan.

## **Future for Local Government Review**

The Panel on the Future for Local Government Review released its interim report *Ārewa ake te Kaupapa* (Raising the Platform) in September 2021 available at <https://www.futureforlocalgovernment.govt.nz/>. Since then, Councillors and officers have been attending sector workshops to consider the Panel's report. The Panel will meet with the Council on 15 March to hear its views on the five key shifts the Panel consider local government needs to make. Officers are preparing background information to inform these discussions.

## **Strategy and Governance Activity**

### ***Masterton District specific work***

#### **Development of the Masterton District Climate Change Action Plan**

The Community Climate Change Focus Group has workshops scheduled that are focused on water, agriculture, and community development, as well as commencing informal engagement with relevant stakeholders. We are also now in the drafting phase of the action plan, with a view to being in a position to consult with the wider community in May 2022.

#### **Progressing more housing at Panama Village: Long Term Plan 2021-31 amendment**

A report was planned to come to the 23 February 2022 Council meeting seeking adoption of the Long-Term Plan 2021-31 Amendment Consultation Document: Progressing more housing at Panama Village. Further time has been added into the Audit NZ review to allow the Office of the Auditor

General to complete a hot review process. As of 15 February 2021, Audit NZ is expecting to conclude the full audit process by the week ending 4 March 2022. It is likely that an extraordinary council meeting will be scheduled in March 2022, with work now being undertaken to amend the project and consultation timeframes.

## **Procurement Policy update**

The review of the Council's Procurement Policy has been completed, with the refreshed policy endorsed by the Audit and Risk Committee on 16 February 2022. The updated policy includes an increased focus on social and environmental responsibility, particularly the utilisation of local businesses and workforce. Work is now underway to develop an implementation plan to support the roll out and training of the policy, a revision of all associated procurement procedures and plan templates to align with revised policy, and the development of a framework for reporting on the implementation and effectiveness of the policy.

## **Public Art Policy**

As a part of Masterton's Arts Culture and Heritage Strategy and Implementation Plan (2019-24), Council committed to developing a Public Art Policy for the district. Public art is any form of art that is located in a public space outside galleries or museums. Public art plays an important role in the cultural life and heritage of our community, by giving expression and energy to public places and transforming a place of functionality into one that inspires, moves and challenges people.

The Council has completed an investigation of current Public Art policies across Local Government agencies, condensing these into a summary document. Policies vary in detail but most policies:

- Recognise the importance of Public Art in creating a sense of place and community (placemaking).
- Identify how Council will fund, care and maintain long term and short-term/ temporary works.
- Establish advisories or panels made up of a diverse range of experts (and mana whenua or Toi Māori experts) to advise or make decisions on appropriate public art pieces and their location.

In addition to Creative NZ, Aratoi and King Street Artworks we have approached the Community and Social Policy Department from Auckland City Council to discuss their Public Art policy and procedures (in place since 2013). We have received some advice and learnings which will inform our approach. We will continue to have conversations with them, other councils, and key stakeholders as we scope and develop the policy.

We are undertaking a review and update of what we currently identify in our online Public Art Trail and internal Public Art Register (last updated in 2019). We expect there has been some increase in community driven temporary works since the lists were established.

Our aim is to workshop the policy approach with Council in late March / early April, followed by engagement with our community on Public Art and key areas of the policy in April, aligning with World Art Day (15 April).

## ***Regional work***

### **Wellington Regional Climate Change Risk and Impact Assessment**

Council is part of a Wellington regional climate change risk and impact assessment project. This is a joint council project that sits under the Wellington Regional Growth Framework. This work will include a region wide analysis of climate risks, impacts and opportunities. It will highlight our climate change vulnerabilities to inform the science basis for climate change adaptation work in the future across the region. The climate change impact assessment project went out for tender in January 2022, and it is expected that a service provider will be confirmed in mid-February to conduct this work in 2022.

### **Wellington Regional Emissions Reduction Strategy**

Work on a Regional Emissions Reduction Strategy (Strategy) is getting underway, the goal of which is to develop a collectively owned emissions reduction strategy for the transition to a low-no carbon region, as part of the Wellington Regional Growth Framework. Staff from the Council will join the Strategy steering group to influence issues of priorities for the region, timing, roles and responsibilities, high-level costs, and consideration of equitable distribution of costs and benefits.

### **Smokefree Policy**

The Wairarapa Policy Working Group met for the second time on 26 January 2022 to workshop the draft Wairarapa Smoke (and vape) free policy for the three Wairarapa District Councils. Proposed key updates to the draft policy include:

- Establishing our stance on vaping.
- Clarifying our Smoke and Vape free areas.
- Encouraging smoke and vape free events.
- Identifying key partnership / collaboration opportunities with our community.
- Strengthening how we measure and monitor the effectiveness of the policy.

Several local councils<sup>1</sup> have extended their smokefree policies to include vaping, and so it seems there is a general move amongst local authorities to expand current policies to be consistent with the Government's approach (prohibiting vaping and heated tobacco products in legislated smokefree areas e.g.: schools, workplaces, restaurants, and licenced premises).

The next steps for our engagement approach have been informed by an assessment against MDC's Significance and Engagement Policy. The Working Group agreed to conduct an online survey with the community before finalising the policy for Council endorsement. The survey will test proposed key updates with our community and will run at the end of February / early March 2022. We expect that the survey will be similar to those of Palmerston North City Council's survey in 2019 and the current survey being run by Napier City Council and Hastings District Council (2022).

We have been keeping our local health sector organisations informed through the development of the draft policy. We have also spoken with the Tobacco Control Team at Manatū Hauora (Ministry of Health) who responded positively to our policy approach and saw alignment with the Smokefree

Aotearoa 2025 Action Plan - Auahi Kore Aotearoa Mahere Rautaki 2025.

We are aiming to have a final policy ready for endorsement by April / May 2022.

### **Youth/Rangatahi Strategy Update**

At the 27 October 2021 Council Meeting staff noted at the meeting that budget discussions were ongoing between Carterton, South Wairarapa and Masterton District Councils and that the project would be paused whilst these matters were resolved. The Councils have resolved the budget issues and are ready to progress the strategy development.

We are committed to delivering a Wairarapa Combined Youth/ Rangatahi Strategy. However, given the passage of time and the COVID -19 Protection Framework we are revisiting our timeframes and approach. We will provide an update to you at your next meeting in April detailing our revised approach.

### **Wairarapa Economic Development Strategy (WEDS)**

The WEDS Governance Group are working closely with Henley Hutchings Ltd to support the refresh of the WEDS. Further stakeholder engagement is taking place, including interviews with community and business leaders, as well as seeking input from business and tourism networks, youth, health, education, community and volunteer groups. The second stakeholder workshop is scheduled to take place via Zoom on 3 March 2022.

Public advertising of the WEDS refresh is underway, with information also available on the website: [www.growwairarapa.nz](http://www.growwairarapa.nz) An online survey is also live seeking input from the Wairarapa community to inform a baseline of current perceptions and future needs for the region: <http://www.growwairarapa.nz/post/have-your-say>

It is expected that Henley Hutchings will provide an update on the WEDS refresh work at the Combined Council meeting in late March 2022.

### **Kaitakawaenga Activity**

The secondment of our Kaitakawaenga, Tia Tuuta, with He Kāhui Wairarapa has concluded, and she is now back at Council in a full-time capacity, with support from Advisor, Māori - Jareth Fox. With the country under the Red Traffic Light system, planned engagement for a number of projects that the Kaitakawaenga and Advisor, Māori are leading/supporting have been altered with minimal impact and understanding from Iwi.

### **Waipoua Bridge**

The Waipoua Bridge designs have been socialised with Iwi and they are happy with the stories that the designs portray. Concerns raised included the use of totara for the carvings because of the type of wood used. Using totara was also a concern in relation to potential vandalism given this type of wood being a taonga. A dedicated maintenance programme is planned to be implemented.

### **Marae Development Grant**

The 2021/22 Marae Development Grant received two applications for this funding round from

Tūmapūhia-ā-rangi Marae (Main Marae of the Hapū), and Ōkautete Marae. Funding for 2021/22 was allocated to Tūmapūhia-ā-rangi Marae.

### **Ngāti Te Korou Reserve**

Council has been working with Ngāti Te Korou Hapū to develop a community space at the Ngāti Te Korou Reserve. This has been progressing well, with work commencing with a planner to design an interactive community space and the development of a training programme for maintaining native plants. The Ngāti Te Korou hapū extends their thanks to Council for the opportunity to work together on enhancing the spaces of Ngāti Te Korou Reserve.

### **Treaty Settlement**

The final Wairarapa Iwi Treaty Settlement (Ngāti Kahungunu ki Wairarapa Tāmaki Nui ā Rua) was introduced into the House in February 2022. This has a number of impacts on councils throughout the Wairarapa region covering a range of areas including environmental, economic development, cultural, education, te reo Māori, and other areas that councils work in.

Workshops are planned to be held with SLT and the Elected Members focused on the detail of the Treaty Settlements and what they mean for Council with regard to roles and responsibilities.

### **Rangitāne Tū Mai Rā Iwi Management Plan**

Rangitāne Tū Mai Rā Trust have indicated that they will begin their process of developing their Iwi Management Plan and have offered to do this in conjunction with Ngāti Kahungunu ki Wairarapa Tamaki Nui a Rua Treaty Settlement Trust. The Iwi Management Plans sit inside both Deeds of Settlement as legislative plans that are required to receive government support.

### **Ko Wairarapa Tēnei COVID Response Plan**

Ko Wairarapa Tēnei (KWT) have developed a model which is currently being worked through that outlines relationships to support whānau in isolation. They are also working alongside the Pacific Community. Once the model is confirmed, presentations will be scheduled with organisations including Council. The KWT are working with Wairarapa DHB, MSD and MBIE to ensure that a good network of support is in place.

### **Community Development**

Three new staff have joined Community Development in permanent roles since the beginning of December. This fills the roles left vacant by the departure of Aaron Bacher and Bailey Peterson and the end of the CCW contract. The new team members are Kelsi Rutene (Community Development Team Leader), Antonia Kilmister-Thompson (Community Activator) and Ali Todd (Community Activator). The team have hit the ground running working through the logistical challenges we were presented with WaiFest, beginning planning around Matariki and starting to engage with the residents' associations.

### **Grants**

Round 3 of the Masterton District Creative Communities Scheme is now open, with applications closing Friday, 25 February 2022. Creative New Zealand received an additional \$1 million from Government to be allocated as a Delta 'top up' to territorial authorities on a per capita basis for the

Creative Communities Schemes. Masterton has received an additional \$7,755.91 for the 2021/22 funding year. The Assessment Committee will meet on 10 March to consider all applications received after the closing date above.

## **Library Activity**

With the introduction of the Government traffic light system on 3 December 2020, the library, after undertaking a risk assessment, did not mandate vaccine passes as a condition of entry. By mitigating the risk, we can safely operate by ensuring scanning in, mask wearing and social distancing. Overall, the decision throughout the country is split with about 51% of public libraries not requiring vaccine passes. With the move to Red in January 2022 we have taken extra precautions and have cancelled programming in person to limit the time customers spend in the library. We have received positive feedback from the public and our instances of verbal abuse are minimal from the public.

Due to the uncertainty around COVID-19, we moved our Summer Reading Programme to an online platform, enabling us to run the programme regardless of what COVID-19 was doing. We had good engagement with over 160 children participating.

In early December 2021, we launched our Book Search and Rescue programme. The idea is simple, people in the community look around town for hidden books that our librarians have hidden, take them home, read them and re-hide them for others to find. This programme helps connection to our community outside and engages with those who normally don't visit our physical location.

In January 2022, we launched our new library App. This App gives customers access to the diverse shared collection of resources, plus a digital library card with linkable accounts, downloadable electronic resources, full-catalogue searching with the ability to place holds, multi-language support, Te Reo Māori, self-check-out and more. This App helps the library stay relevant in today's digital age. To download, visit the App store or Google Play and search Masterton District Library.

## **Archive Activity**

The Wairarapa Archive staff have been operating in temporary accommodation in Te Puna Ako (the Library Learning Centre) since the building leased from the Wairarapa Building Society at 79 Queen Street was deemed to be an earthquake risk. With no intention of remedying the building, it is necessary to relocate the archive to an alternative location until the Civic Facility is built and is provide for in our 2021-31 Long-Term Plan. In January 2022, three commercial locations were evaluated for their suitability and affordability, with 3 Albert St, Masterton being chosen as the preferred location for the Archive to move to.

## **Properties and Facilities Activity**

### **Staffing**

Audrey Dench (Properties and Facilities Manager) left the organisation at the end of December and Kane Harris (Facilities Management) moved to a role in the People and Culture Team. Preparations are currently underway to go to market to fill these two vacancies. Alastair McDonald (formerly the Building Team) joined the team on Jan 10<sup>th</sup> as the Asset Officer and has already made a significant



contribution to the team as he picks up the work programme that has been on hold while we sought the right individual to fill this crucial role.

## **Douglas Villa**

An assessment has been carried out on the uncompleted work at Douglas Villa and this has turned up some issues that need to be addressed as soon as possible. The building is currently without a current Certificate of Public Use (CPU) for either floor. These need to be in place before Council as the building owner can allow use of the facilities. MDC has now engaged a contractor to complete the works on the ground floor/changing rooms area. This will allow for a CPU to be issued for the ground floor and will be completed in March. Unfortunately, the works for the upper floor will take longer with the need for a fire rated ceiling to be installed as well as other works including some earthquake strengthening. Until this work is completed we will not be able to allow use of the upper floor. We have engaged with the Club to discuss this and will be working with them to remedy as soon as possible. However, the upper floor will not be available for at least some of the football season.

## **Boat Shed**

Preparation work is underway for the completion of the public toilet in the Boat Shed. We have had the works scoped and received a quote for the work. We will be working with CCS Disability Action to ensure that the toilet is fully accessible and meets their requirements for an accessible WC.

## **Memorial Park**

We are in the process of receiving quotes for a washdown of the stand at Memorial Park. There has been significant soiling by birds which have been nesting in the rafters. We will be addressing this as well to remove the problem permanently, so we don't have this as an ongoing issue.

## **Belgravia Leisure**

- Trust House Recreation Centre  
The Trust House Recreation Centre operated under the restrictions of the COVID-19 Protection Framework at Traffic Light Red from 11:59pm on 23 January 2022. Total facility visits in January stood at 9,458 compared to 16,227 for the same month in 2021. The contractor's half year financial results for this site report balancing to the subsidy received from Council. However, this only been achieved with utilising the COVID-19 Wage Subsidy.
- Mawley Park  
This January the contractor matched last year's revenue figures, thanks to a well patronised summer holiday period and Wellington Anniversary Weekend. They were on target to exceed until the change to Traffic Light Red, resulting in cancellations and a cessation of further bookings. February is unlikely to be impressive as most events have now been cancelled and individuals are curtailing their personal travel plans.

## **Parks and Open Spaces Activity**

We have retained our two Green Flags; Queen Elizabeth Park and Community Green Flag at Henley Lake.

## Recreational Services Limited

The quarterly governance meeting highlighted water resilience as a priority and the continued pressure on supply chains demanding continued efficiency in planning for change from Council and Contractor.

## Local Government Official Information and Meetings Act Requests

For the period 21 November 2021 to 31 January 2022, Council received a total of 46 Local Government Official Information Act (LGOIMA) requests. 28 requests from our local media outlets and 18 from others.

Note: We are now reporting requests we receive from our local media outlets e.g., The Times Age however, not all are from The Times Age. The local media requests are received and responded to by the Communications Team and well within the required timeframes.






Of the 18 other requests 7 have been completed with 11 remaining. All requests are still within the required 20 working days.

We believe there are still requests received and responded to by Council that are not recorded, tracked, and reported. Training and education to staff is ongoing.

Requests and responses are in the process of being made available on the Council website.

In some cases, information has been staggered and sent at different stages.

<https://mstn.govt.nz/council-2/official-information-act-requests/>

				
Total number of requests received.	Responded	Ave time Working days	> 20 days	No. outstanding
18 (others)	39%	14	0	11 (but still within the 20-working day timeframe)
28 (local media)	100%			

## People and Culture Activity

So far in the New Year, The People and Culture (P&C) Team key focus has been ensuring that the Council is prepared for COVID-19 implications. This has included implementing COVID vaccine policy; designed via consultation with staff in December 2021. As agreed, all unvaccinated employees now have completed risk mitigation plans and all sites have clear rules around public and employee vaccination requirements. With the predicted increase in COVID in the community, continuity planning has been completed across the council. There

are clear COVID mitigations relating to recording entries into council buildings and accurate recording of employee vaccination status.

We have appointed a new Health, Safety, and Wellbeing Advisor to the P&C Team, Kane Harris - an internal appointment who has been with us since the start of the New Year.

There is ongoing development of our new Human Resource Information System helping to achieve the optimization of operational activities through digitizing HR processes. The key objective is to create a quality end-to-end (from induction to off-boarding) experience for our employees. Currently, we have leave management, on-boarding, and off-boarding live in the system, with performance and development to be added late February/March.

The employment market for technical expertise is a challenge we continue to face. People and Culture are focusing on developing recruitment strategies to widen the search capability for talent in key technical areas. This will include strategies relating to building internal capability through development initiatives. On a positive note, we have recruited some key roles which indicates the Council has a strong employee value proposition.

We have begun a significant project on providing more detailed HR metrics which will support workforce management decisions and provide greater insight into key people risks. This will enable more accurate reporting to support key deliverables.

There has been a continued focus on our values and well-being program; including the review of all our people policies and processes to ensure these incorporate the new principles, including the development of a new "our Tikanga" policy and well-being initiatives such as the extended annual leave over the public holiday period.

### **Customer Services Activity**

#### **Compliments / Complaints (3 December 2021 to 9 February 2022)**

Two official complaints have been received. One is complete, the other is current and still being addressed.

Five compliments have been received:

- Planning Department: *"Please pass on to Alice Falloon who we assume did most of the work in processing our application, our thanks & appreciation for what we think is the very professional & considered manner, although our thanks also to all others involved."*
- Customer Services and Recreational Services: *"On Tuesday 01 Feb 2022, I emailed MDC with details about work needed on local footpaths in Norris Way and on the corner of Crayne and Dixon Street. The next day I received an acknowledgement and by Friday 04 Feb, men were commencing on a tidy up job. As there was insufficient time that day, I was verbally assured the task would continue on Tuesday 08 Feb. Sure enough, today the task was continued and a lot of desirable trimming, tidying and generally improving the MDC area was carried out."*

*This was very much appreciated and excellent PR work for the residents of this locality. Thanks for attention to the email of just a week ago.*

- *Recreational Services: "Re: Thursday night food trucks at town hall - We had a good turn out last night - it was terrific to see people lingering on the grass, in the sun. I did a lazy eye check every few minutes and was very impressed with social distancing in queues (well done Mastertonians and beyond). The vendors were really pleased, and we are enjoying working in The Square."*
- *Parks & Reserves: "The Basil Bodle Reserve looks amazing! The shade sails over the playground are excellent and there is so much to play with, including the cricket pitch."*
- *Services Department: "We would like to thank the MDC for arranging a contractor to clean the stream that runs through our property. Last week he arrived with a truck and his son's, introduced himself and proceeded to clear the stream. They made a superb job and we really appreciate their efforts. Thank you, MDC."*

### **Service Requests**

Over the 3 December 2021 to 9 February 2022 period the Council has received 1307 service requests. 327 of these remain open. Nine of the total number of service requests have come via Elected members and the remainder came from the public.

In general, the service requests cover the full range of Council activities such as footpaths, streetlights, recycling, roading, water leaks, dogs (microchipping), etc.