



Notice is given that an ordinary meeting of the Full Council will be held on:

**Date:** Thursday 19 September 2013  
**Time:** 10.15 am  
**Meeting Room:** Tasman Council Chamber  
**Venue:** 189 Queen Street  
Richmond

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## Full Council

### AGENDA

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#### MEMBERSHIP

<b>Mayor</b>	Mayor R G Kempthorne	
<b>Deputy Mayor</b>	Cr T B King	
<b>Councillors</b>	Cr M L Bouillir	Cr J L Inglis
	Cr S G Bryant	Cr C M Maling
	Cr B F Dowler	Cr Z S Mirfin
	Cr J L Edgar	Cr T E Norriss
	Cr B W Ensor	Cr P F Sangster
	Cr G A Glover	Cr E J Wilkins

(Quorum 7 members)

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**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted.



## AGENDA

- 1 OPENING, WELCOME
- 2 APOLOGIES AND LEAVE OF ABSENCE

**Recommendation**

**THAT apologies be accepted.**

- 3 PUBLIC FORUM
- 4 DECLARATIONS OF INTEREST
- 5 LATE ITEMS
- 6 CONFIRMATION OF MINUTES

**THAT the minutes of the Full Council meeting held on Thursday, 8 August 2013 and the minutes of the Extraordinary Full Council meeting held on Thursday, 15 August 2013, be confirmed as a true and correct record of the meeting.**

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## 7 PRESENTATIONS

### 7.1 BROOK WAIMARAMA SANCTUARY

Decision Required

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Pamela White, Executive Assistant to CEO/Mayor
<b>Report Number:</b>	RCN13-09-01

#### PRESENTATION

Hudson Dodd, the General Manager of the Brook Waimarama Sanctuary, will make a presentation to the Council on progress with the Sanctuary. Hudson may be accompanied by one or two Trustees.

#### Attachments

Nil



**7.2 GOLDEN BAY COMMUNITY FACILITY**

**Decision Required**

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Pamela White, Executive Assistant to CEO/Mayor  
**Report Number:** RCN13-09-02

**PRESENTATION**

The Golden Bay Community Facility Group will make a presentation to the Council on the concept plans for the facility.

**Attachments**

Nil





## 8 REPORTS

### 8.1 RATES REMISSION FOR LAND SUBJECT TO COUNCIL INITIATED ZONE CHANGES - M CLARK & S MCBRIDE

Decision Required

**Report To:** Full Council

**Meeting Date:** 19 September 2013

**Report Author:** Mike Drummond, Corporate Services Manager

**Report Number:** RCN13-09-03

#### Summary

- 1.1 On 5 June 2013 Council adopted a policy to allow, at its discretion, remission of rates charged on any rating unit used for residential purposes that is rezoned as a result of a Council initiated zone change.
- 1.2 Applications for remissions were considered at the 22 August 2013 Corporate Services Committee meeting. Consideration of the M Clark & S McBride application was left to lie on the table while staff made further enquiries. The matter has been separately brought to full Council for consideration due to the next meeting of the Corporate Services Committee not being scheduled until 7 November 2013. It was considered that delaying a decision until that time would not be fair on the applicant.
- 1.3 As this is the first year the remission has been available, councillors are still developing the weighting and approach they are taking to the policy's criteria.
- 1.4 This report includes the results of those enquiries. Consideration needs to be given to a reduced remission based on the applicant's active role in the zone change process.
- 1.5 The cost of approving the maximum remission permitted under the policy would be \$17,001.

#### Draft Resolution

#### That the Full Council

- 1) receives the Rates Remission for Land Subject to Council Initiated Zone Changes - M Clark & S McBride report; and
- 2) remits/declines to remit rates in accordance with Council's Policy on Rates Remission for Land Subject to Council Initiated Zone Changes for the 2012/13 year for ....% being \$..... for Valuation number 1957020500;
- 3) remits/declines to remit rates in accordance with Council's Policy on Rates Remission for Land Subject to Council Initiated Zone Changes for the 2013/14 year for ....% being \$..... for Valuation number 1957020500.

### 3 Purpose of the Report

- 3.1 To further consider matters arising from the Applications for Rates Remission for Land Subject to Council Initiated Zone Changes - M Clark & S McBride report left to lie on the table at the August Corporate Services Committee meeting pending staff providing additional information.

### Background and Discussion

- 4.1 The Rates Remission for Land Subject to Council Initiated Zone Changes Policy is a new policy and Councillors are currently establishing the weighting and interpretation of the criteria under the policy. The policy provides a wide degree of discretion and provides that each application should be considered on its individual merit.
- 4.2 Mr Clark & Ms McBride applied for a rates remission under the Rates Remission for Land Subject to Council Initiated Zone Changes policy. This application and the related officers report went to the August Corporate Services Committee meeting for consideration and a decision on the extent if any of a rates remission under the policy.
- 4.3 At that meeting this application was one of six that were considered to be less straight forward and required further consideration under the criteria and conditions set in the Policy.
- 4.4 Under the policy the remission applies to the effect of the increased value of the land on rates. Targeted rates i.e. rates for services are not remitted under the policy.
- 4.5 The details of the change in value and the maximum remission available under the policy are set out in the following table. Examples of partial remissions are also given.

Valuation Number	Ratepayer(s)	Address	Land Value as Rezoned	Land Value Assuming No Rezoning	Remission %		
					2012/13	50%	80%
1957020500	Clark A M G & McBride S M	410 Lower Queen Street	3,200,000	650,000	\$4,195	\$6,712	\$8,390
					Remission		
					2013/14 %		
1957020500	Clark A M G & McBride S M	410 Lower Queen Street	3,200,000	650,000	\$4,306	\$6,889	\$8,611
<p><b>A business is being operated from this property and a portion has been sold back to Council for Roding. The applicant also requested the land be rezoned and that the deferral be uplifted.</b></p>							

- 4.6 At the August Corporate Services Committee meeting Mr Fitchett spoke from a prepared document in the public forum on behalf of Mr M Clark in support of a full remission being applied to the properties. A copy of the document was provided to the Committee at the meeting. Staff have identified a number of inaccuracies in the document. The document also

indicated a strong intention to take Council to court if the outcome of the decision was not favourable to Mr Clark. A copy of the document is attached in appendix 1 (Public Forum Presentation).

- 4.7 At the Corporate Services meeting the reports in relation to these and other applications were left to lie on the table pending further information being provided. The following resolution was carried:

**FN13-08-1**

**That the Corporate Services Committee leave items 8 and 9 (AMG Clark and S M McBride) to lie on the table and more information be obtained looking at the area of land initially to be rezoned by Council and the area of land brought in subsequent to decisions.**

- 4.8 Post the Corporate Services meeting the Council received three further letters from Mr Fitchett on behalf of Mr M Clark. The first two letters were strongly worded and used intimidating language along with remarks and commentary about the process. Staff have considered the matters raised and responded where appropriate. The letters (addressed to the Chief Executive) and the staff responses are available to councillors on request.
- 4.9 In response to the first letter Mr Clark was advised that the Rates Remission Policy and process was quite separate from the statutory setting and collection of rates. There is no provision for rates to be deferred pending the outcome of a decision on the rates remission. He was also advised that it is not appropriate for staff to agree in advance to remit penalties and that he should pay the first instalment of the 2013/14 rates on time.
- 4.10 In the second letter Mr Fitchett provided his opinion on the advice given to the Committee by the Chief Executive and again threatened that if the decision was not favourable to Mr Clark they would commence legal proceedings for a judicial review of the decision.
- 4.11 As requested, Mr Fitchett has been provided with a copy of the unconfirmed minutes of the Corporate Services Committee meeting and a copy of the additional land sale information provided to councillors at that meeting. In his third letter Mr Fitchett raised what he considered as deficiencies in the minutes. He also requested that they be provided with details of the information that was considered to be incorrect.
- 4.12 The applicant has also responded to the staff comment on the mixed business / residential use of the property. They assert that no commercial activity occurs on the property. They advised that the address that appears on business cards is the registered office of the company and is used in online listings for contact purposes only. This is necessary due to the commercial office not being manned fulltime.
- 4.13 Planning staff have reviewed Mr Fitchett's presentation and the request for more information by Councillors. They advise as follows. Mr Clark & Ms McBride's submission on Variation 62 (now part of Change 10 for Richmond West), and further submission on Change 10 requested Mixed Business zone for all of their property. Para 13 of Mr Fitchett's presentation to the Committee document is incorrect where it states "*It is specifically denied that Mr Clark 'actively sort rezoning'...*"
- 4.14 While the proposed Variation 62 from 6 October 2007 proposed deferred Mixed Business zone over Rural 1 and 2 for much of the property, the Clark & McBride submission on Variation 62 sought to:
- 4.14.1 Retain the (intended) Mixed Business Zone.

- 4.14.2 Delete the current Rural 1 and 2 to make the zoning Mixed Business (i.e. remove the deferral).
- 4.14.3 Extend the Mixed Business zone to their suggested esplanade strip of 20 metres.
- 4.15 Council's decisions on submissions for Variation 62 retained the Rural 1 and 2 zone with a deferred Mixed Business zone notation, as a wastewater service was not available at that point. The appeal by Clark & McBride repeated these submission requests. As well, Mr Clark made presentations at the Change 10 hearing that went over the same requests.
- 4.16 Paragraphs 17 – 18 of Mr Fitchett's presentation to the Committee are also incorrect and misleading as they do not acknowledge the submission and subsequent appeal both of which requested the removal of the deferral. They contradict the clear application of clause 9(b) of the rates remission policy to Mr Clark's applications.
- 4.17 Council spent some effort in explaining the reasoning for the continuing deferral to Mr Clark, and it took several meetings through 2010 to persuade the party to withdraw the appeal upon advice that the services were in place and that in early 2011 the deferred status was removed to make the Mixed Business zoning effective. Council did not seek costs against Mr Clark, when it could have.
- 4.18 On review staff conclude that it would be equitable and there are good grounds under clause 9(b) of the rates remission policy to consider a lower rate of remission being applied to Mr Clarks and Ms McBride's property than that applied to other applicants.

<b>Options</b>
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- 5.1 Remit, decline or reduce the level of rates remissions to be applied to this application contained in section 4.5 of this report. The reasons for a declined or reduced remission should be recorded in the minutes.

<b>Policy / Legal Requirements / Plan</b>
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- 6.1 Council has a Rates Remission for Land Subject to Council Initiated Zone Changes policy.
- 6.2 Applications for the remission must be made to Council on or before 31 October of a rating year.
- 6.3 Remissions will not be backdated to prior years, except for approved remissions payable in the 2012/13 rating year, where applications must be received on or before 30 August 2013.
- 6.4 This policy provides Council with the discretion to consider applications from ratepayers for a rates remission who significantly benefit from the plan change, but are subject to increases in rates when the land value of their rating unit increases as a result of a Council initiated zone change.
- 6.5 Council has the sole discretion to remit all or any part of the rates on a rating unit.
- 6.6 All applications under the policy should be considered on their individual merits. The Council has a wide discretion under clauses 5 and 6 of the policy but there is a need to exercise the discretion fairly and equitably - i.e. Council should remit rates in an even-handed manner. If others within Richmond West are having their rates remitted, the rates for Clark/McBride

- should also be remitted unless the facts warrant the applications being assessed differently under the criteria in the policy.
- 6.7 If the property is being used for residential purposes, then clause 9 factors need to be considered; in particular clause 9(b). Staff advise that the applicant actively sought rezoning and the uplifting (removal) of the deferral.
- 6.8 The Corporate Services Committee in reviewing other applications under the policy have determined that:
- 6.8.1 No reduction in remission will be made where land has been sold to Council in circumstances where Council could have compulsorily acquired that land.
- 6.8.2 No reduction in remission will be made for a commercial activity operating from the property where the area used by that activity, and the extent of the activity remain unchanged from the period just prior to the land zoning change.
- 6.9 The Council has the power to decide whether or not to remit rates on a rating unit under the Local Government (Rating) Act 2002 and the Local Government Act 2002. That is a statutory power, and the exercise of that decision by a local authority can be subject to judicial review.
- 6.10 In an application for judicial review the Court would inquire into the process followed by the Council in making its decision and consider whether the decision the Council arrives at is unreasonable. It is a high threshold. For a decision to be unreasonable it must be so absurd that Parliament could not have contemplated the decision being made by an elected council.
- 6.11 Generally, if the Council has acted without bias and in good faith, relied on reports, taken advice, and complied with the statute then it is unlikely to be successfully challenged.
- 6.12 If a Court were to find that the Council had acted unlawfully then it may make an order that the Council's decision is invalid. The Court may also order the Council to pay part of the successful plaintiff's legal costs in bringing the application for judicial review.
- 6.13 If a decision is found to be invalid Council would need to repeat the decision making process ensuring that it followed due process and addressed any deficiencies identified by the Court. There is no guarantee that as a result of revisiting the decision making process that the outcome would change.

#### **Consideration of Financial or Budgetary Implications**

- 7.1 Should a full remission be approved the rates remission cost for this property would be \$17,001.
- 7.2 The applicant has paid the first rates instalment pending the outcome of this application. There are no outstanding rates or penalties on the property.
- 7.3 The budget provision for 2013/14 remissions was \$40,000 and \$34,600 was accrued for remissions related to 2012/13. The cost of these remissions can be met from existing budgets.

#### **Significance**

- 8.1 This report is dealing with the application of the criteria within the policy for those ratepayers who have applied for a rates remission.

- 8.2 The matter is of low significance for Council but would be of high significance to the individual applicants.
- 8.3 Setting a precedent of granting a full remission when a ratepayer has actively sought a plan change or lifting of a deferral would be significant for the future.

**Consultation**

- 9.1 The Special Consultative procedure, as detailed in the Local Government Act, was followed when the policy was initially proposed.
- 9.2 The policy is scheduled to be reviewed as part of the Long Term Plan 2015-25.
- 9.3 This report is dealing with the application of the criteria within the policy for those ratepayers who have applied for a rates remission.

**Conclusion**

- 10.1 Council has a rates remission policy allowing it to consider applications from ratepayers who significantly benefitted by Plan Change but were subject to increases in rates when the land value of their rating unit increases as a result of a Council initiated zone change
- 10.2 A decision needs to be made on the merits of these applications. In determining an appropriate level of remission (if any) Councillors need to consider all factors set out in the policy. In particular Clause 9(b) as the applicant actively sought rezoning and deferred zone uplifting.
- 10.3 The costs of the remissions can be met from existing budgets.

**Next Steps / Timeline**

- 11.1 Upon Council’s resolution the ratepayer will be notified of the decision.
- 11.2 Where a remission has been approved by Council, that remission will be credited to the ratepayer’s rate account. Where a ratepayer’s rate account is in credit (for the year as a whole) they may request a cash refund of the overpayment.

**Attachments**

- 1. Public Forum Presentation 15
- 2. Remissions Policy 27

**MR CHAIR, AND COUNCILLORS**

1. I appear today to make brief submissions on behalf of Max Clark and Shona McBride – the owners of the affected property at 410 Lower Queen Street. For simplicity's sake, I will refer to both owners simply as "Mr Clark".
2. Mr Clark was one of the driving forces of the "campaign" that was eventually apparently successful: resulting in the resolution passed on 5<sup>th</sup> June as to rates remission.
3. Mr Clark however fears that, although Council may decide to give the full rate remission to some in the area, Council might be minded to treat Mr Clark differently, and not give him the full remission. If Councillors would find it of assistance, I am in a position to detail the grounds for Mr Clark having that fear but, as I suspect that that information might be argumentative, I will refrain from doing so unless specifically asked by the Chair or a Councillor.
4. Mr Clark is concerned to see that, whereas on page 18 of the Agenda, 5 ratepayers are shown with a possible 100% remission; on pages 19 to 22, the 6 ratepayers there named are shown with 3 different scenarios – namely 50%, 80%, and 100%. Accordingly Mr Clark fears that there may be some intention not to allow him 100%.
5. I now deal with the matters raised on page 20 of the Agenda: as possibly being relevant to the remission to be allowed.

**“BUSINESS BEING OPERATED FROM THE PROPERTY”**

6. I cannot see in para 4 of the Report, any evidence that Mr Clark operates a business from the property. My instructions are that Mr Clark runs an ambulance business known as “Medimax”, but that is run from his office in Hilliard Street in Stoke. Some of Mr Clark’s older ambulances are stored in a shed at the Lower Queen Street property, but their registration and Certificate of Fitness are “on hold”. They are not used for the business, and I have a letter from NZ Transport Agency if Councillors wish to see it. The shed they are currently stored in has hay also stored in it: which hay is used to feed the lifestyle animals on the property.
7. Mr Clark acknowledges that he often parks an ambulance overnight at the Lower Queen Street property, but that is “like a taxi driver” when he finishes shifts and brings the taxi home, or like a truck driver parking his truck in his back yard overnight.
8. In any event, there is no evidence of the property being used for business purposes, and I point out that Mr Clark meets the specific definition of “residential property” set out in the June Resolution – namely *“land used for residential or residential/lifestyle purposes ... on which a dwelling is located and is occupied by the ratepayer as their principal place of residence”*. Accordingly there can be no ground for refusing the remission in respect of possible business activity.

**“PORTION SOLD BACK TO COUNCIL FOR ROADING”**

9. Mr Clark acknowledges that a portion of the Lower Queen Street frontage was sold back to the Council for roading.
10. It is submitted that it is inequitable (and unreasonable) for Council to take any note of that sale in its consideration as to whether or not to grant full



rates remission. The ground for this submission is that it was Council who approached Mr Clark asking for Mr Clark to sell, and it was made “very clear” by Council officers that if Mr Clark refused to sell then Council would forcibly take the land under the Public Works Act.

11. As to whether the “agreeing” to sell the road frontage land to the Council was voluntary or not, I refer Councillors to Nelson Mail, Friday 25<sup>th</sup> September 2009, where it was stated

*“The Plan change will impact on many residents who live in Richmond West, with some Lower Queen Street residents being forced to sell their property frontages for road widening”.*

I have a copy of that newspaper edition if Councillors doubt that the quotation is accurately recorded.

#### **APPLICANT “REQUESTED THE LAND BE REZONED”**

12. The inclusion of those words on the Agenda for today’s meeting can only foreshadow a suggestion by Councillors, or officers, that Mr Clark is affected by Clause 9(b) of the Policy: namely that it is relevant to Council’s decision as to

*“whether the affected ratepayer actively sought rezoning or any deferred zone uplifting”.*

13. It is specifically denied that Mr Clark “actively sought rezoning”.
14. On 6th October 2007, there was public notification of Plan Changes 61-64. These were changes promulgated by the Council – probably at the instigation of what has sometimes been referred to as the Richmond West Group. That Group comprised 7 landowners: full names of which can be provided today if Councillors wish.

15. Those Plan Changes effectively proposed 5 different zonings in respect of the Clark property, and attached to these submissions is a copy of the relevant Land Transfer Plan with the different zonings coloured separately. The zonings were

- Mixed Business (coloured pink)
- Rural 1 (coloured yellow)
- Rural 2 (left in white)
- Open Space (coloured green)
- No zoning at all (coloured yellow)

Mr Clark made a submission that, in place of the 5 different proposed zonings – there should be one zoning – namely Mixed Business; and also asked Council to ask to adopt a Rate Remission policy.

16. The second portion of para 9(b) of the Policy refers to a ratepayer who actively sought the uplifting of any deferred zoning.
17. It is acknowledged that Mr Clark was following through to check on the uplifting of the deferment, but it will be seen from Council's letter of 9 March 2011 attached, that the decision to uplift the deferment was made by Council (under Rule 17.14.5 and 17.14.6 of its Management Plan), and the reason it was uplifted was that (as stated in the letter)

*"all services including stormwater, wastewater and water supply are either provided or able to be provided to service these lands".*

18. Accordingly, the uplifting of the deferment was an administrative action by Council and had Council not taken that step, its administration of its Management Plan could properly be questioned.

19. Finally under this heading: Councillors are also referred to paragraphs 5.7 and 5.8 of Item 7.2 on Council's full Council Agenda of 29 November 2012, and I quote it fully as follows:

5.7 At the residents' meeting on 11 October 2012, Mr Don Knight a Registered Valuer with QV (Council's valuation provider) said that reimposing the deferment, even if that was possible,

- the intention of Council in lifting the deferment was clear
- the land is consentable for its intended use
- as a consequence any discounting of value should be minimal

5.8 Here is an extract from a recent (16 November 2012) e-mail from Mr Knight –

*"The lifting of the deferment is seen as an enabling mechanism, and a reimposition of it (even if legally possible) is unlikely to affect values because there would be no apparent reason not to grant resource consent for subdivision or development. My understanding is that the purpose of the deferment was to hold the rezoning over until services were available and once they became available then the council had to remove the deferment. These related to rule 17.14.5 TRMP Paragraph (b) "The mixed business zone is deferred until reticulated water, wastewater and stormwater (Borck Creek construction) are provided by Council or to the satisfaction of Council". The removal of the designation was completed by a resolution of Council under Rule 17.14.5(d)".*

#### **GENERAL SUBMISSION**

20. As a general submission, I refer Council to para 9 of the June Resolution and submit that Item 9(e) can have no relevance – as Council has not sought from any of the affected ratepayers information as to their "personal circumstances".

21. Further, by way of general submission, I am instructed to advise that if Mr Clark is treated differently from other ratepayers, then in all probability the whole “history” of Rate Remissions in respect of the general area will come for further attention. In this regard, even if Councillors are not aware, Council officers will be aware of what one might call “illogicalities”: in the way that rating decisions have in past years been made in respect of other properties in the general vicinity. As a solicitor, I consider this is of only passing relevance as to how the Council should make its decision today – in respect of the properties under consideration – as those historical actions/oversights by Council are not especially relevant to decisions being made in connection with the June Resolution. They are however relevant in respect of “precedent”, which (by paragraph 9(g) of the June Policy) is said to be relevant. If Councillors wish me to elaborate on what I could refer to as historical problems or oversights, I am more than happy to do so.

22. It is submitted that there would be no grounds to treat Mr Clark, and the rates in respect of 410 Lower Queen Street, any differently than Council decides to treat the 5 properties set out at page 18.

In this regard, I am specifically instructed to refer Councillors to Section 14 Local Government Act 2002 which states that Council “*must*” act in accord with the principle that it should “*conduct its business in an open, transparent, and democratically accountable manner*”, and that if the Clark property is to be treated any differently than the 5 referred to on page 18, Council must be very clear in identifying how the Clark property (and/or its owners) differ from those other 5 properties, and also clearly identify the evidence upon which any such decision is based.

23. Had Mr Clark been presenting these submissions in person, he would have wished to refer to what he considers to be antagonism from certain

Councillors and/or the Mayor, and statements made by certain Councillors and/or the Mayor over recent months/years (in particular immediately after the filming of the "Fair Go" programme last year, and at the December Council meeting). I consider that any detailed reference to those statements might be inflammatory. However, if Councillors wish me to develop this aspect of my submissions, I am more than happy to do so orally immediately, for Council should be under no illusion that if Mr Clark is treated differently from the 5 on page 19, he will be of the view that Councillors are biased against him: irrespective of any other grounds (as already referred to) upon which any such Council decision could be "attacked".

24. I have acted for Mr Clark off and on for over 20 years, and I would be the first to acknowledge that Mr Clark can *"rub people up the wrong way"*. However, I have found that, although his methods of achieving his end can cause annoyance, he is usually shown to be right. I don't want to dwell on that aspect: instead, I wish to point out that Mr Clark has made his own contributions to Tasman District Council. **Attached** is an extract from the Council's Newline of June 2007 in relation to the Waimea Inlet Boardwalk. Mr Clark was the first (ie not simply one of the first) who agreed to dedicate an easement across his land (in favour of TDC) to enable TDC to commence what is now the cycle track running around the edge of Waimea Estuary.
  
25. Another aspect which I submit shows goodwill on Mr Clark's part is the way that, when Council got itself into a difficulty as to the Rising Main to service what became the Oaks Development, (including the TNL re-siting), Mr Clark agreed (for a consideration of only \$2,000) to agree to the Rising Main going through his property. By agreeing to Council's urgent request in that regard, Council (or the Oaks developers – Mr Clark does not know which) was saved hundreds of

thousands of dollar (or more) for the only other possible line for that Rising Main would be down Queen Street.

26. I end this submission by confirming that I have also been instructed by Mr and Mrs Gibbs of 404 Lower Queen Street. Mr and Mrs Gibbs' property is referred to at the foot of page 21, with the notation that part of the property was sold back to Council for roading. Naturally, I repeat here the submission made at paragraphs 9 to 12 above, in respect of Mr Clark being "forced" to sell the land to Council for road widening.
27. In closing, I thank Councillors for hearing these comments, and repeat my basic submissions which are
  1. Council cannot rely on "*business being run*", or "*land sold back to Council*" or "*applicant requested rezoning*" to differentiate the Clark property from the properties and ratepayers referred to on page 18 of the Agenda.
  2. Council must "*treat like with like*" and there are no proper grounds to grant Mr Clark a lesser remission percentage than the 5 properties referred to on page 18.



Item 8.1

Attachment 1



9 March 2011

Writer's Direct Dial No. (03) 543 8427  
E-mail: [steve@tasman.govt.nz](mailto:steve@tasman.govt.nz)

Andrew Maxwell George Clark  
Shona Margaret McBride  
410 Lower Queen Street  
Richmond, 7020

Dear Landowner

**RICHMOND WEST DEVELOPMENT AREA:  
UPLIFTING OF DEFERRED ZONING, STAGE 1**

This letter is to advise you as an owner or adjoining owner of land in the Richmond West Development Area that the deferred zoning of the two areas of land within Stage 1 has been uplifted. On 27 January, Council resolved to uplift in Stage 1 (lands north and south of Headingly Lane east of lower Queen Street) the deferred Light Industrial and deferred Mixed Business zones applying over rural zonings. All services including stormwater, wastewater and water supply are either provided or able to be provided to service these lands.

This decision was made under rules 17.14.5 and 17.14.6 of the Tasman Resource Management Plan. The areas as shown on the attached map are now zoned Light Industrial and Mixed Business zones under the Plan. The Plan was updated on 26 February 2011 in Update 38 to reflect this rezoning.

Yours sincerely

Steve Markham  
Manager Policy

Tasman District Council	Email <a href="mailto:info@tasman.govt.nz">info@tasman.govt.nz</a>	Website <a href="http://www.tasman.govt.nz">www.tasman.govt.nz</a>	24 hour assistance
Richmond	139 Queen Street, Private Bag 4, Richmond, Nelson 7050, New Zealand	Phone 03 543 8400	Fax 03 543 9524
Richmond	92 Fairfax Street, Murchison 7007, New Zealand	Phone 03 523 1013	Fax 03 523 1012
Motueka	7 Hiclmott Place, PO Box 123, Motueka 7143, New Zealand	Phone 03 528 2022	Fax 03 528 9751
Golden Bay	78 Commercial Street, PO Box 74, Takaka 7142, New Zealand	Phone 03 528 2022	Fax 03 528 9751





Issue #158 – Thursday 14 June 2007

## Waimea Inlet boardwalk development gets a boost

Nelson Marlborough Institute of Technology's (NMIT) trainee ranger students have been getting on-the-job training, building boardwalks along the Waimea Inlet. These form part of a coastal walkway that will eventually link back to the ASB Aquatic Centre.

Waimea Inlet is a haven for wildlife, but while the birds come and go, human access is dependent on tidal movements: The idea to form a linked pathway from Sandeman Reserve, at the end of Sandeman Road, through to Beach Road has been on Tasman District Council's Walkway Plan for about four years, but has recently come closer to reality thanks to the efforts of Council's Reserves and Assets Project Officer Glenn Thorn, landowners Maxwell Clark and Shona McBride, and this year's intake of NMIT trainee ranger students.

Under the supervision of NMIT tutors Dave Thomas and Brian Smith, the 19 students have recently completed two sections of boardwalk, totalling 180 metres. The students' work was part of their course requirement to learn to build walkway structures.

Construction started on the boardwalks about three weeks ago, with materials purchased from Placemakers at a reduced rate.

"The team at Placemakers did a great job of obtaining materials at very short notice and we would like to thank them for their efforts," said Mr Thorn.

The Headingly Lane section will take walkers across one of the few remaining saltwater tidal lagoons in the area, which is on the property of Maxwell Clark and Shona McBride.

"It is our intention to enhance the wetlands that exist on our property on the coastal margins, and this board walkway is a great start to this project. We hope to continue on with planting more of the natural flora in the area," they said.

Mr Thorn said he was delighted with the work the students and their tutor had done. "They are just great. I've been out and watched them on the job and they are a brilliant team of workers who've built an outstanding boardwalk. They should feel very proud of what they've done. We're thrilled with the result," said Mr Thorn.



This year's plans also include a link between the Headingly Lane access point and Sandeman Reserve, with interpretation boards explaining the significance of the Waimea Inlet ecosystem, and further development of Sandeman Reserve to include themed planting areas, such as a medicinal garden and an educational garden that can be used as a resource for teachers. A weaving garden of harakeke (flax) has already been established.

Whilst the new section of boardwalk is not open to the public yet, Mr Thorn hopes the Headingly Lane to Beach Road section will be ready for use in the near future.

The Waimea Inlet is recognised as a wetland of national importance, with an area of 2867ha. Species such as variable oystercatchers, pied stilts, shags, white faced herons, white herons and royal spoonbills make up a varied and ever changing seasonal population of birds.

*Photo: NMIT Tutor Brian Smith with trainee ranger students Tammy Price, Ben Edwards, Alice Wilkins, Dan Sommerville, Ondine Habgood, Jeff Campbell, Liz Gunning, Lucy McArthur and Emma Stephens, with Landowners Maxwell Clark, Tessa-Maree McBride and Shona McBride, on the new section of boardwalk in the Waimea Estuary.*

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## Policy on Rates Remission for Land Subject to Council Initiated Zone Changes

### Objective

This Policy is to allow Council, at its discretion, to remit rates charged on any rating unit used for residential purposes that is rezoned as a result of a Council initiated zone change. The aim of this Policy is to allow the Council to consider remitting rates for those ratepayers most adversely affected by an increase in rates when the land value of their rating unit increases as a result of a Council initiated zone change. The Council's preference is to allow a transition period before affected ratepayers are required to pay the increased rates in full. It is accepted that the rates remitted will be paid by other ratepayers.

### Conditions and Criteria

1. The Council may, on the application of a ratepayer, remit all or part of the rates on a rating unit, if
  - a. the rating unit is used for residential purposes, and
  - b. the rating unit has been rezoned as a result of a Council initiated zone change made under Part 1 Schedule 1 of the Resource Management Act 1991, and
  - c. the zone change was notified after 5 October 2007, and
  - d. the effect of that zone change is that the land value of the rating unit increases, and
  - e. consequently the rates payable in respect of the rating unit increase to an extent the Council considers to be inappropriate.
2. The amount of remitted rates on a rating unit will not exceed the amount by which the rates on the rating unit have increased as result of the zone change.
3. To be considered for a rates remission under this Policy:
  - a. the rating unit must be situated within the area of land that has been rezoned; and
  - b. the rating unit must be used for residential purposes, and must have been used for residential purposes prior to the zone change being initiated by the Council; and
  - c. the applicant ratepayer must have owned the rating unit prior to the zone change being initiated by the Council; and
  - d. the rating unit must be the applicant ratepayer's principal place of residence, and must have been the principal place of residence of the applicant ratepayer prior to the zone change being initiated by the Council.
4. The remission of all or any part of the rates on a rating unit may be for such period of time as the Council considers reasonable, commencing from the date upon which the Council determines that the land rezoning affected the land value of the rating unit and increased the rates payable in respect of the rating unit, provided that no rates shall be remitted that were due in a financial year (1 July to 30 June) prior to the one in which this Policy commenced.

5. The decision to remit all or any part of the rates on a rating unit shall be at the sole discretion of the Council.
6. The Council may refuse to remit rates even where the conditions set out in this Policy are met by a ratepayer.
7. Subject to clause 8 of this Policy the remission of rates on a rating unit will cease upon the happening of any of the following events:
  - a. the death of the ratepayer; or
  - b. the ratepayer ceases to be the owner of the rating unit; or
  - c. the ratepayer ceases to use the rating unit as his/her principal place of residence; or
  - d. a date determined by the Council in any particular case; or
  - e. any earlier date determined by the ratepayer in any particular case.
8. The Council may at any time at its discretion grant the ratepayer an extension of the rates remission period previously agreed to by the Council.
9. The Council may consider and be guided by the following criteria in its decisions on applications for a rates remission under this Policy –
  - a. those relevant matters set out in s101 of the Local Government Act relating to the determination of appropriate funding sources;
  - b. whether the applicant ratepayer actively sought rezoning or any deferred zone uplifting;
  - c. whether the applicant ratepayer has realised a financial benefit from the zone change;
  - d. the influence of market movements on land values;
  - e. the personal circumstances including the financial circumstances of the applicant ratepayer;
  - f. equity and fairness among ratepayers;
  - g. the precedent effect.

#### Definitions

10. In this Policy **residential purposes** means any land used for residential or residential/lifestyle purposes, including land not zoned for those purposes on which a dwelling is located and is occupied by the ratepayer as their principal place of residence.
11. In this Policy **ratepayer** means the registered proprietors of a rating unit at the time the Council decides to remit all or part of the rates on that rating unit in accordance with this Policy.
12. In this Policy **rates** means the general rate and other rates set by the Council that are calculated by utilising the rateable value of the rating unit.

**Application**

13. Applications for rates remission must be made to the Council on or before 31 October of a rating year if the applicant wishes the remission to apply to rates payable in that year.
14. In the first year that this Policy is in effect applications may be made within such further time as Council in its sole discretion might allow. Otherwise, an application for rates remission received by the Council after 31 October in a rating year and approved by the Council will be applicable from the commencement of the following rating year. Remissions will not be backdated to prior years except for approved remissions of rates payable in the 2012/13 rating year.
15. Each application for a rates remission will be considered on a case by case basis following receipt of an application by the ratepayer. The extent and duration of any remission shall be determined by the Council or where appropriate, a Committee of the Council, or Council officer or officers, acting under delegated authority.
16. As part of the application process the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this type. The extent of any remission will be based on valuations supplied by Council's valuation service provider.
17. Council may recover costs from applicant ratepayers in accordance with the Fees and Charges Policy.

**Commencement and Review**

This policy was adopted on 5 June 2013. To avoid doubt, the first year this policy is in effect is the 2012/13 financial year and the commencement date for the policy is 5 June 2013. The policy will be reviewed at least 3 yearly when the draft Long Term Plan is prepared.

Signed	Adopted on	Commencement Date	Review Date
	5 June 2013	5 June 2013	January 2015



## 8.2 RATES REMISSION FOR LAND SUBJECT TO COUNCIL INITIATED ZONE CHANGES - RA YARRALL & LM MANERA

Decision Required

**Report To:** Full Council

**Meeting Date:** 19 September 2013

**Report Author:** Judith Seatter, Rates Officer

**Report Number:** RCN13-09-04

Item 8.2

### 1 Summary

- 1.1 On 5 June 2013 Council adopted a policy to allow, at its discretion, remission of rates charged on any rating unit used for residential purposes that is rezoned as a result of a Council initiated zone change.
- 1.2 Applications for remissions were considered at the 22 August 2013 Corporate Services Committee meeting. Consideration of the Yarrall/Manera application was left to lie on the table while staff made further enquiries. The matter has been separately brought to full Council for consideration due to the next meeting of the Corporate Services Committee not being scheduled until 7 November 2013. It was considered that delaying a decision until that time would not be fair on the applicant.
- 1.3 As this is the first year the remission has been available, councillors are still developing the weighting and approach they are taking to the policy's criteria.
- 1.4 A letter was sent to the applicant on the 23 August 2013, requesting further comment on: any changes to the level of business activity or the land area involved since 1 July 2011; and, the nature and extent of the retail caravan and motor home sales activity. In all other respects the application met the policy requirements.
- 1.5 This report includes the results of those enquiries, which confirm that the use of the property has not changed since 1 July 2011 and therefore, under the developing interpretation of the criteria, is eligible for the full remission.
- 1.6 The total cost to provide the remission at the 100% level would be \$8,394. This cost can be met from existing budgets.

**2 Draft Resolution**

**That the Full Council:**

- 1) receives the Rates Remission for Land Subject to Council Initiated Zone Changes - RA Yarrall & LM Manera report; and**
- 2) remits the rates in accordance with Council's policy on Rates Remission for Land Subject to Council Initiated Zone Changes for the 2012/13 year for 100% being \$4,142 for Valuation number 1957020100;**
- 3) remits the rates in accordance with Council's policy on Rates Remission for Land Subject to Council Initiated Zone Changes for the 2013/14 year for 100% being \$4,252 for Valuation number 1957020100.**



### 3 Purpose of the Report

- 3.1 To further consider the applications from RA Yarrall RA & LM Manera, being ratepayers applying for a rates remission under the policy on Rates Remission for Land Subject to Council Initiated Zone Changes.

### 4 Background and Discussion

- 4.1 On 5 June 2013 Council adopted a policy to allow, at its discretion, remission of rates charged on any rating unit used for residential purposes that is rezoned as a result of a Council initiated zone change.
- 4.2 The aim of the policy is to allow the Council to consider remitting rates for those ratepayers whose properties significantly increased in value as a result of a Council initiated zone change.
- 4.3 The development of the policy was as a result of several reports, meetings and representations from ratepayers affected by the Richmond West Plan Change.
- 4.4 A copy of the Rates Remission for Land Subject to Council Initiated Zone Changes policy is attached to the Clark/McBride remission application also on this agenda.
- 4.5 The applicants have paid the first instalment of their 2013/14 rates pending the outcome of these applications. There are no outstanding rates or penalties on the property.
- 4.6 As required by the policy, separate applications have been received from RA Yarrall RA & LM Manera for the 2012/13 and the 2013/14 years. These applications were received within the specified time frames. Applications for both years are being considered together in this report.
- 4.7 These applications were one of a set of six that were considered to be less straight forward and required special consideration under the criteria and conditions set in the policy.
- 4.8 These applications were first considered at the 22 August 2013 Corporate Services Committee meeting and the report in relation to the decision was left to lie on the table while staff made further enquiries. The Corporate Services Committee resolved:
- FN13-08-12*
- That the Corporate Services Committee leave items 10 and 11 (CRA & ML Yarrall) to lie on the table to look at the type of business activity and how it fits with the mixed business zone.*
- CARRIED.*
- 4.9 A letter was sent to the applicant on 23 August 2013, requesting further comment on: any changes to the level of business activity or the land area involved since 1 July 2011; and, the nature and extent of the retail caravan and motor home sales activity.
- 4.10 These enquiries have confirmed that the property comprises of 2.8965ha. 0.2ha is allocated toward a commercial enterprise, and as such would be able to apportion some of their rates as a business expense. The balance of land is currently used as their primary residence. They have applied to establish a holiday park on this property and believe that this will not occur until 2014. The use of the property has not changed since 1 July 2011.

- 4.11 Council's attention is drawn to section 9 of the policy, in particular subsections (b), (c), and (f), where Council has discretion to consider whether there has been any financial benefit to any applicant from the zone change.
- 4.12 This property has also had land sold back to Council for roading purposes. The higher, re-zoned values have been used as a basis for the valuation in negotiating the compensation payable by Council to the landowners. At the 22 August 2013 Corporate Services meeting the Committee determined no reduction in remission would be made for land sales to Council where Council could have compulsorily acquired the land.
- 4.13 As noted, a commercial activity operates from the property. At the 22 August 2013 Corporate Services meeting the Committee determined no reduction in remission would be made for commercial activities where the area used for that activity and the extent of that activity were unchanged from the period prior to the zone change.
- 4.14 Under the policy the remission applies to the effect of the increased value of the land on rates. Targeted rates i.e. rates for services are not remitted under the policy.
- 4.15 The applicants fully meet the criteria, and are recommended to have the rates remitted at the 100% level of the impact of the change in value. This is on the basis that there has been no change in use of property since 1 July 2011 and all other policy criteria have been met. The details of the change in value and the maximum remission available under the policy are set out in the following table. Examples of partial remissions are also given.

Valuation Number	Ratepayer(s)	Address	Land Value as Rezoned	Land Value Assuming No Rezoning	Remission %		
					2012/13		
					50%	80%	100%
1957020100	Yarrall R A & M L	442 Lower Queen Street	\$ 1,725,000	\$ 466,000	\$2,071	\$3,314	\$4,142
<b>A business is run from this property and a portion has been sold back to Council for Roothing</b>							

Valuation Number	Ratepayer(s)	Address	Land Value as Rezoned	Land Value Assuming No Rezoning	Remission %		
					2013/14		
					50%	80%	100%
1957020100	Yarrall R A & M L	442 Lower Queen Street	\$ 1,725,000	\$ 466,000	\$2,126	\$3,402	\$4,252
<b>A business is run from this property and a portion has been sold back to Council for Roothing</b>							

- 4.16 The matter has been separately brought to full Council for consideration due to the next meeting of the Corporate Services Committee not being scheduled until 7 November 2013. It was considered that delaying a decision till that time would not be fair on the applicant.

**5 Options**

- 5.1 Remit, decline or reduce the level of rates remissions to be applied to this application contained in section 4.15 of this report.

**6 Policy / Legal Requirements / Plan**

- 6.1 Council has a Rates Remission for Land Subject to Council Initiated Zone Changes policy.
- 6.2 This policy provides Council with the discretion to consider applications from ratepayers for a rates remission who significantly benefitted from the plan change, but were subject to increases in rates when the land value of their rating unit increased as a result of a Council initiated zone change.
- 6.3 Council has the sole discretion to remit all or any part of the rates on a rating unit.
- 6.4 All applications under the policy should be considered on their individual merits. The Council has a wide discretion under clauses 5 and 6 of the policy but there is a need to exercise the discretion fairly and equitably - i.e. Council should remit rates in an even-handed manner.
- 6.5 Applications for the remission must be made to Council on or before 31 October of a rating year.
- 6.6 Remissions will not be backdated to prior years, except for approved remissions payable in the 2012/13 rating year, where applications must be received on or before 30 August 2013.

**7 Consideration of Financial or Budgetary Implications**

- 7.1 Should the application received in this report be approved at 100% remission, the rates remission cost would be \$8,394.
- 7.2 The budget provision for 2013/14 remissions was \$40,000, and \$34,600 was accrued for remissions related to 2012/13. The cost of these remissions can be met from existing budgets.

**8 Significance**

- 8.1 This report is dealing with the application of the criteria within the policy for those ratepayers who have applied for a rates remission.
- 8.2 The matter is of low significance for Council but would be of high significance to the individual applicants.

**9 Consultation**

- 9.1 The special consultative procedure, as detailed in the Local Government Act 2002, was followed when the policy was initially proposed.
- 9.2 The policy is scheduled to be reviewed as part of the Long Term Plan 2015-25.

- 9.3 This report is dealing with the application of the criteria within the policy for those ratepayers who have applied for a rates remission.

## 10 Conclusion

- 10.1 Council has a rates remission policy allowing it to consider applications from ratepayers who significantly benefitted by a Plan Change but were subject to increases in rates when the land value of their rating unit increases as a result of a Council initiated zone change
- 10.2 A decision needs to be made on this application that is consistent with the treatment of previous applications after considering all factors within the policy. The applicants have confirmed that there has been no change to the extent of commercial use of the property since the zone change. These applications are now confirmed as meeting the policy criteria in full and it would be appropriate to provide the full remission permitted in the policy
- 10.3 The costs of these remissions can be met from existing budgets.

## 11 Next Steps / Timeline

- 11.1 Upon Council's resolution the ratepayer will be notified of the decision.
- 11.2 Where a remission has been approved by Council, that remission will be credited to the ratepayer's rate account. Where a ratepayers rate account is in credit (for the year as a whole) they may request a cash refund of the credit balance.

## 12 Attachments

Nil

### 8.3 RATES REMISSION FOR LAND SUBJECT TO COUNCIL INITIATED ZONE CHANGES - M & JA MACDONALD

Decision Required

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Judith Seatter, Rates Officer  
**Report Number:** RCN13-09-05

Item 8.3

#### 1 Summary

- 1.1 On 5 June 2013 Council adopted a policy to allow, at its discretion, remission of rates charged on any rating unit used for residential purposes that is rezoned as a result of a Council initiated zone change.
- 1.2 Applications for remissions were considered at the 22 August 2013 Corporate Services Committee meeting. Consideration of the M & JA MacDonald application was left to lie on the table while staff made further enquiries. The matter has been separately brought to full Council for consideration due to the next meeting of the Corporate Services Committee not being scheduled until 7 November 2013. It was considered that delaying a decision until that time would not be fair on the applicant.
- 1.3 As this is the first year the remission has been available, councillors are still developing the weighting and approach they are taking to the policy's criteria.
- 1.4 The recommendation is to grant a remission at the full extent permitted under the policy.
- 1.5 The total cost to provide the remission at the 100% level would be \$1,933. This cost can be met from existing budgets.

#### 2 Draft Resolution

**That the Full Council:**

- 1) receives the Rates Remission for Land Subject to Council Initiated Zone Changes - M & JA MacDonald report; and
- 2) remits rates in accordance with Council's Policy on Rates Remission for Land Subject to Council Initiated Zone Changes for the 2012/13 year for 100% being \$954 for Valuation Number 1957014800 MacDonald M & JA.
- 3) remits rates in accordance with Council's Policy on Rates Remission for Land Subject to Council Initiated Zone Changes for the 2013/14 year for 100% being \$979 for Valuation Number 1957014800 MacDonald M & JA.

**3 Purpose of the Report**

- 3.1 To consider applications from M & JA MacDonald for a rates remission under the policy on Rates Remission for Land Subject to Council Initiated Zone Changes.

**4 Background and Discussion**

- 4.1 On 5 June 2013 Council adopted a policy to allow, at its discretion, remission of rates charged on any rating unit used for residential purposes that is rezoned as a result of a Council initiated zone change.
- 4.2 The aim of the policy is to allow the Council to consider remitting rates for those ratepayers whose properties increased in value following a Council initiated zone change and were then subject to increases in rates.
- 4.3 The development of the policy was as a result of several reports, meetings and representations from ratepayers affected by the Richmond West Plan Change.
- 4.4 A copy of the Rates Remission for Land Subject to Council Initiated Zone Changes policy is attached to the McBride/Clark remission application also being considered at this meeting.
- 4.5 Upon the adoption of the policy, staff created and distributed application forms for both the 2012/13 and 2013/14 rating years to the ratepayers significantly benefitting by the Richmond West Plan Change but facing rates increases, inviting them to apply for a remission.
- 4.6 Council's valuation service provider (Quotable Value) was then requested to re-value each of the properties as if the zone change had not taken place.
- 4.7 Staff further contacted those ratepayers identified as significantly benefitting from the Richmond West Plan Change, from whom application forms for a rates remission had not been received, to ensure they were aware of their option to apply for the remission.
- 4.8 Prior to the 22 August 2013 Corporate Services Meeting, 12 applications had been received. These were considered at that meeting. This application was not received in time for consideration at the Corporate Services Committee meeting. The next meeting of the Committee will not be until November 2013. It is considered that delaying a decision on these applications until that time would not be fair on the applicants. For this reason the applications are being brought to full Council for consideration.
- 4.9 As required by the policy, separate applications have been received for the 2012/13 and 2013/14 years. The cut-off date for applications is 31 October of the rating year, apart from the 2012/13 year, where applications can be back-dated. Applications for both years were received on time and are being considered together in this report.
- 4.10 The ratepayer has paid instalment 1 of the 2013/14 rates and there are no outstanding rates or penalties on this property.
- 4.11 A copy of the applications are available for inspection by Councillors.
- 4.12 The ratepayer fully meets the policy criteria and it is recommended to have the rates remission applied at the 100% level of the impact of the change in value.
- 4.13 Under the policy the remission applies to the effect of the increased value of the land on rates. Targeted rates i.e. rates for services are not remitted under the policy.

4.14 The details of the change in value and the maximum remission available under the policy are set out in the following table. Examples of partial remissions are also given.

**Table 1**

Valuation Number	Ratepayer(s)	Address	Land Value as Rezoned	Land Value Assuming No Rezoning	100% Remission
					2012/13
1957014800	MacDonald M & JA	421 Lower Queen St	750,000	460,000	\$954
					2013/14
1957014800	MacDonald M & JA	421 Lower Queen St	750,000	460,000	\$979

## 5 Options

5.1 Remit, decline or reduce the level of rates remissions to be applied to the application contained in section 4.12 of this report.

## 6 Policy / Legal Requirements / Plan

- 6.1 Council has a Rates Remission for Land Subject to Council Initiated Zone Changes policy.
- 6.2 This policy provides Council with the discretion to consider applications from ratepayers for a rates remission who significantly benefitted from the plan change, but were subject to increases in rates when the land value of their rating unit increased as a result of a Council initiated zone change.
- 6.3 All applications under the policy should be considered on their individual merits. The Council has a wide discretion under the policy but there is a need to exercise the discretion fairly and equitably - i.e. Council should remit rates in an even-handed manner.
- 6.4 The Corporate Services Committee in reviewing applications under the policy have determined that:
- 6.4.1 No reduction in remission will be made where land has been sold to Council and Council could have compulsorily acquired that land.
- 6.4.2 No reduction in remission will be made for a commercial activity operating from the property where the area used by that activity, and the extent of the activity remain unchanged from the period just prior to the land zoning change.
- 6.5 Applications for the remission must be made to Council on or before 31 October of a rating year. Remissions will not be backdated to prior years, except for approved remissions payable in the 2012/13 rating year, where applications must be received on or before 30 August 2013.

**7 Consideration of Financial or Budgetary Implications**

- 7.1 Should the applications received in this report be approved, the total remission cost would be \$1,933.
- 7.2 The budget provision for 2013/14 remissions was \$40,000 and \$34,600 was accrued for remissions related to 2012/13. The cost of this remission will be met from existing budgets.

**8 Significance**

- 8.1 This report is dealing with the application of the criteria within the policy for the ratepayer who has applied for a rates remission.
- 8.2 The matter is of low significance for Council but would be of high significance to the individual applicant.

**9 Consultation**

- 9.1 The Special Consultative procedure, as detailed in the Local Government Act, was followed when the policy was initially proposed.
- 9.2 The policy is scheduled to be reviewed as part of the Long Term Plan 2015-25.
- 9.3 This report is dealing with the application of the criteria within the policy for those ratepayers who have applied for a rates remission.

**10 Conclusion**

- 10.1 Council has a rates remission policy allowing it to consider applications from ratepayers who significantly benefitted by Plan Change but were subject to increases in rates when the land value of their rating unit increases as a result of a Council initiated zone change
- 10.2 A decision needs to be made on the application that is consistent with previous applications after considering all of the factors in the policy. Staff have reviewed the applications for policy compliance and advise that both applications meet the criteria under the policy. It would therefore be appropriate to provide the full remission allowed.
- 10.3 The cost of the remission can be met from existing budgets.

**11 Next Steps / Timeline**

- 11.1 Upon Council's resolution the ratepayer will be notified of the decision.
- 11.2 Where a remission has been approved by Council, that remission will be credited to the ratepayer's rate account. Where a ratepayers rate account is in credit (for the year as a whole) they may request a cash refund of the credit balance.



## 8.4 RAINBOW SPORTS CLUB INC - REMISSION OF LOAN REPAYMENTS FOR 2012/2013 REPORT

Decision Required

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Sandra Hartley, Executive Officer - Strategic Development
<b>Report Number:</b>	RCN13-09-07

Item 8.4

### 1 Summary

- 1.1 In 2009 Rainbow Sports Club Incorporated asked the Nelson City, Marlborough District and Tasman District Councils for a suspensory loan of \$90,000 each, to fund infrastructure work at the ski field. All three Councils agreed.
- 1.2 Tasman District Council's portion of the loan commenced on 1 February 2010 and is interest free for a term of seven years.
- 1.3 The conditions of the loan agreement call for a repayment of 1/7<sup>th</sup> of the loan amount to be paid on an annual basis. Part 2(d) of the agreement, however, further provides that should it not be financially possible or prudent to make this payment, then the Club could apply to the Council for a remission of the amount due.
- 1.4 Previously, Council has received requests from Rainbow Sports Club Inc. for remissions of the loan repayments for the 2010/2011 and 2011/2012 financial years. The 2010/2011 remission request was approved, but the 2011/2012 request was subsequently declined as it was considered that the Club was in a financial position to repay the portion of the loan due for that year.
- 1.5 Council has since received a request from the Club for remission of the loan repayments for the 2012/2013 year. The Club's audited financial accounts for the 2012/2013 financial year have been assessed by the Corporate Service Department. The Department notes that the Club is in a financial position to repay the portion of the loan due for the 2012/2013 year. This report recommends that the Club's request for a remission be declined.

### 2 Draft Resolution

#### That the Full Council

- 1) **receives the Rainbow Sports Club Inc - Remission of Loan Repayments for 2012/2013 Report; and**
- 2) **declines the remission of the \$12,857.00 loan repayment for the 2012/2013 financial year.**

**3 Purpose of the Report**

- 3.1 To inform Council of the request from the Rainbow Sports Club Inc for a remission of the loan repayment for the 2012/2013 financial year, and to provide a recommended course of action.

**4 Background and Discussion**

- 4.1 In 2010 the Nelson City Council, Marlborough District Council and the Tasman District Council all agreed to provide a sum of \$90,000 each to the Rainbow Sports Club Inc, which is the entity that operates the Rainbow Skifield.
- 4.2 As part of the terms of the loan agreement, Nelson City and Marlborough District Councils agreed to annually write off 1/7<sup>th</sup> of the loan by way of a grant. The terms of the loan agreement are different for Tasman District Council, in that there is an expectation that the loan will be repaid.
- 4.3 The Tasman District Council's portion of the loan of \$90,000 commenced on 1 February 2010, is interest free and is for a term of seven years. The money was funding from the District Wide Reserves Financial Contributions.
- 4.4 The terms of the loan call for a repayment of 1/7<sup>th</sup> of the loan amount to be repaid on an annual basis. Part 2(d) of the agreement, however, further provides that should it not be financially possible or prudent to make this payment, then the Club could apply to the Council for a remission of the amount due.
- 4.5 In June 2011, the Club wrote to Council requesting a remission of 1/7<sup>th</sup> of the loan by way of a grant as provided for in the loan agreement. After consideration of the audited accounts for that year, which showed a significant deficit, the Community Services Committee agreed to remit the \$12,857 loan repayment for the 2010/2011 financial year.
- 4.6 In February 2013 the Club wrote to Council requesting a remission of 1/7<sup>th</sup> of the loan by way of a grant as provided for in the loan agreement for the 2011/2012 financial year. After assessing the audited financial accounts the Corporate Services Department noted that the Club was in a financial position to repay the portion of the loan due for 2011/2012. Council declined the remission of \$12,857.00 loan repayment for the 2011/2012 financial year.
- 4.7 In May 2013 the Club wrote to Council requesting remission of the 2012/2013 loan repayment, citing reduced revenue due to poor weather, increase in road expenses, increased vehicle expenses and increased wages.
- 4.8 Council's Corporate Services Department staff have reviewed the audited financial accounts and noted that the current assets had increased, the working capital ratio was well above that usually recommended, and the net assets are up by 5%. In summary, the staff considered Rainbow Sports Club Inc. to be profitable, liquid, healthy and strong, and thus possessing the ability to pay its debts.
- 4.9 Subsequent to writing this report, we have received the attached letter and profit and loss statement (Appendix 2), showing a net loss of \$145k for the current season to date. Although this should be addressed in a request for remission for the 2013/2014 financial year, councillors may wish to take this into consideration when making their decision today.

**5 Options**

## 5.1 Option 1 – to require the Club to meet the \$12,857 loan payment.

This option has the advantage that it would mean that the Club would have to pay Council the \$12,857. The disadvantage for the Club is that it would not be able to set aside as much funding for future major capital expenditure.

This option is recommended as the staff review of the Club's audited accounts show that the Club is in a healthy and strong position, and possesses the ability to pay its debts.

## 5.2 Option 2 – to agree to the Club's request for a remission of the \$12,857 loan repayment for the 2012/2013 financial year. The Club would benefit financially from such a decision, but the ratepayers would need to pick up the costs of the loan repayment.

This option is not supported as the financial position of the Club at the end of the 2012/2013 year was such that it is profitable, liquid, healthy and strong, possessing the ability to pay its debts.

**6 Strategic Challenges / Risks**

6.1 A risk with requiring the Club to pay the loan back for the 2012/2013 year is that it will put the Club in a less favourable financial position for future years. If this is the case, however, Council can remit the loan repayments in those years.

6.2 There is a potential risk of Council being seen to require the Club to pay back the loan, when Nelson City Council and Marlborough District Council have not required the repayment. However, both those Councils agreed to write-off the loans and their agreements with the Club did not provide for repayment.

**7 Policy / Legal Requirements / Plan**

7.1 There are no policy or legal requirements relating to this matter. The agreement Council has with the Club is clear about the terms and conditions and Council is complying with them.

**8 Consideration of Financial or Budgetary Implications**

8.1 The \$90,000 loan was provided from the District Wide Reserve Financial Contributions. The budget did not assume that the \$12,857 would be repaid. However, if the money is repaid, that will be additional income for the account. The account is projected to be in deficit at June 2014, so the repayment of the loan would help offset the deficit.

**9 Significance**

9.1 This matter is of relatively low significance in terms of Council's Policy on Significance, as it does not have much of a financial impact, it does not affect Council's levels of service and is unlikely to be of major public interest.

**10 Consultation**

10.1 The initial proposal to provide the \$90,000 loan to the Club came about through consultation on the Ten Year Plan 2009-2019. No further consultation is required in relation to remitting the 2012/2013 year's portion of the loan, as the repayment is provided for in terms of the agreement entered into with the Club.

**11 Conclusion**

11.1 Staff consider Rainbow Sports Club Inc. to be profitable, liquid, healthy and strong, and thus possess the ability to repay the portion of the loan owing from the 2012/2013 year. The repayment is provided for in terms of the agreement Council has with the Club.

**12 Next Steps / Timeline**

12.1 If Council passes the draft resolution not to remit the loan repayment for the 2012/2013 financial year, this will be relayed to the Club along with an invoice for payment. Any future requests for the balance of the loan will be considered based on the facts at that time.

**13 Attachments**

- |    |  |    |
|----|--|----|
| 1. | Rainbow Ski Club Inc - Request for Remission of 2012-2013 Loan Repayment | 45 |
| 2. | Appendix 2   | 63 |



21 May 2013

Susan Edwards  
Tasman District Council  
Private Bag 4  
Richmond 7050

Dear Susan

**Rainbow Sports Club Incorporated TDC Loan 2011/2012**

The rainbow committee are disappointed that our request for the remission of the 2011/2012 loan repayment was turned down by the council although we do understand there was significant debate around the decision.

While the 2011 ski season and financial result was very good it allowed the committee to establish an emergency fund to ensure the on going future of the ski area should we experience another poor season or significant mechanical breakdown. The club currently does not have funds available to pay the invoice from cash flow and will therefore have to dig into this emergency fund which could potentially impact the future of the ski field.

We are currently planning the upcoming season and completing the required summer maintenance in order to get the ski field ready. As previously noted we operate on a very tight budget with strict financial controls in place and we have already had to use the emergency fund this year for repairs to the snow making pump (\$30k) which were not budgeted.

We would request that the TDC allow us to hold off payment until the 2013 season is underway (planned opening 6 July) and we are able to fund the loan payment from operations.

**2012 / 2013 Loan Repayment**

As noted in our letter of 1 February 2013 the 2012 season was not as successful and while we still managed to make a small profit and put an additional \$25k aside for future major capital expenditure the club is not in a position to repay the latest TDC invoice.

We would therefore like to apply for remission of the 2012/2013 loan repayment as per invoice 37378 dated 28 February 2013.

The audited financial statements to 30 November 2012 are attached which show a significantly reduced result from 2011 with a net surplus of \$25k compared to \$268k in 2011. The key reasons for this were;

---

**Rainbow Sports Club Incorporated** PO Box 76, St Arnaud, Nelson Lakes, New Zealand  
Email: [info@skirainbow.co.nz](mailto:info@skirainbow.co.nz) Phone: +64 3 521 1861

- Revenue down approximately 17% due mainly to poor weather in August especially during the weekends which are Rainbow's biggest revenue days.
- Significant increase in road expenses due to a major weather event which flooded out a large section of the road.
- Vehicle expenses up with additional maintenance required on the vehicles and snow groomer.
- Increase in wages (still significantly down from previous years).

The ski field is a major community resource for the area and we hope that the TDC will support our latest request and help ensure the future of Rainbow ski area. Some additional information includes;

- Rainbow is NZ's largest ski club, and last season organised two of the largest ski race events in the South Island, at which over 300 people of all ages participated
- The club employs between 30-35 staff, and provides approximately \$500k wages and salaries during the June – October period, most of which is spent in the St Arnaud area. The benefits accrue directly to Tasman businesses, bach owners (staff rentals) and ratepayers.
- Last year approximately 2000 school pupils from Nelson Tasman and Marlborough participated in Rainbow's subsidised week-day school programme. The club receives no external funding whatsoever to provide this opportunity for children from all schools to enjoy healthy alpine sport at subsidised rates.
- The club has built its assets over nine seasons, by prudent financial controls, and thousands of man-days of voluntary effort during that period.
- The club is unique in the region in having to maintain a 10km mountain road with no annual subsidy or support from councils, DOC or other local or central government resources.
- Most sports clubs' operations are not contingent upon weather events to provide the necessary operating trails. The club has to make commitments to staff before the seasons' snow cover is proven.

Please contact me at [Andrew.smith@whk.co.nz](mailto:Andrew.smith@whk.co.nz) or 021 2200 270 if you have any queries with the above

Yours sincerely



**Andrew Smith**

**Treasurer**

**Rainbow Sports Club Incorporated**

RAINBOW SPORTS CLUB INC  
Annual Report  
For the Year ended 30th November 2012

Tasman District Council

Tasman District Council

RAINBOW SPORTS CLUB INC  
Annual Report  
For the Year Ended 30 November 2012

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RAINBOW SPORTS CLUB INC  
 Directory  
 As at 30th November 2012

Committee Members	Peter Johnstone (Chair) Andrew Smith (Treasurer) Martin Hay Hamish Neill Jo Rainey Ron Findlater Elizabeth Rainey (Secretary) Susie Witehira
Business Location	Rainbow Valley Ski Area St Arnaud
Nature of Business	Ski Field
IRD Number	87-009-696
GST Status	Invoice basis, two monthly, coinciding with balance date
Legal Counsel	Rout Milner Fitchett PO Box 580 Nelson
Bankers	ANZ PO Box 141 Blenheim





Level 1, Youell House T: 03 577 8336  
 1 Hutcheson St F: 03 577 8337  
 PO Box 777 E: wood@woodca.co.nz  
 Blenheim 7240

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Rainbow Sports Club Incorporated**

### Report on the Financial Statements

I have audited the financial statements of Rainbow Sports Club Incorporated on pages 3 to 13, which comprise the Statement of Financial Position as at 30 November 2012, and the Statement of Financial Performance and Statement of Movements in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Committee's Responsibility for the Financial Statements

The Committee are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing (New Zealand). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other than in my capacity as auditor I have no relationship with, or interests in, the Rainbow Sports Club Incorporated.

### Opinion

In my opinion the financial statements on pages 3 to 13 present fairly, in all material respects, the financial position of the Rainbow Sports Club Incorporated as at 30 November 2012 and its financial performance for the year then ended in accordance with generally accepted accounting practices in New Zealand.

*Angela Wood*

Angela Wood  
 Chartered Accountant  
 Blenheim

20 March 2013

CHARTERED  
 ACCOUNTANTS

RAINBOW SPORTS CLUB INC  
Statement of Financial Performance  
For the Year ended 30 November 2012

	2012	2011
<b>REVENUE</b>		
Sales	724,837	853,062
Shop Sales	15,342	16,458
Commissions Cafe	6,901	7,541
Less Expenses		
COGS - Shop	(8,627)	(9,951)
COGS - Shuttle Services	(10,710)	(13,419)
<b>GROSS SURPLUS FROM TRADING</b>	<u>727,743</u>	<u>853,691</u>
Sundry Income	3,299	360
<b>Total Sundry Income</b>	<u>3,299</u>	<u>360</u>
<b>TOTAL INCOME</b>	<u>731,042</u>	<u>854,051</u>
Less Expenses		
Accident Compensation Levy	8,276	13,430
Audit Fees	2,600	2,550
Field Expenses	26,825	21,602
General & Utilities	102,914	99,239
Insurance	22,159	23,870
Interest	1,774	5,368
Management & Administration	95,554	95,107
Rates	574	34
Road Expenses	38,564	13,187
Ticketing Services	4,662	5,868
Vehicle Expenses	37,421	26,675
Wages & Salaries	294,329	255,939
<b>Total Expenses</b>	<u>635,653</u>	<u>562,869</u>
<b>Operating Surplus before Depreciation</b>	<u>95,388</u>	<u>291,182</u>
Less Depreciation Adjustments		
Depreciation as per Schedule	111,480	98,818
Depreciation - Loss on Sale	0	0
Depreciation Recovered	0	0
<b>Total Depreciation Adjustments</b>	<u>111,480</u>	<u>98,818</u>
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<u>(16,092)</u>	<u>192,364</u>
Non-Operating Income		
Grants Received	27,382	69,621
Interest Received	8,776	2,590
Net Snow Gear Sales	4,607	3,788
Subscriptions Received	609	286
<b>Total Non-Operating Income</b>	<u>41,374</u>	<u>76,285</u>
<b>NET SURPLUS/(DEFICIT)</b>	<u>\$ 25,283</u>	<u>\$ 268,649</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

RAINBOW SPORTS CLUB INC  
Statement of Movements in Equity  
For the Year Ended 30 November 2012

	2012	2011
EQUITY AT START OF PERIOD	511,978	243,329
SURPLUSES & REVALUATIONS		
Net Surplus	25,283	268,649
Movements in Realised Capital Gains	-	-
Total Recognised revenues & expenses	<u>25,283</u>	<u>268,649</u>
EQUITY AT END OF PERIOD	<u>\$ 537,261</u>	<u>511,978</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

4



RAINBOW SPORTS CLUB INC  
Statement of Financial Position  
As at 30th November 2012

	2012	2011
<b>CURRENT ASSETS</b>		
ANZ - Cheque Account	4,890	2,285
ANZ online Call Account	114,887	141,745
ANZ Term Deposit	155,416	125,000
Rout Milner Fitchett Trust Acc	111	108
GST Refund Due	-	3,357
Taxation	682	682
Accounts Receivable	317	50
Stock on Hand	6,507	5,270
Total Current Assets	<u>282,810</u>	<u>278,497</u>
<b>NON-CURRENT ASSETS</b>		
Fixed Assets as per Schedule	<u>587,297</u>	<u>617,539</u>
<b>TOTAL ASSETS</b>	<u>870,107</u>	<u>896,036</u>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	17,407	28,145
GST Payment Due	1,825	-
Accrued Expenses	39,774	32,180
Total Current Liabilities	<u>59,006</u>	<u>60,325</u>
<b>NON-CURRENT LIABILITIES</b>		
Contributor Advances	75,290	79,041
Flexiline	5,983	14,955
Less Interest not Due	(290)	(1,692)
Joint Council Loan	192,857	231,429
Total Non-Current Liabilities	<u>273,840</u>	<u>323,733</u>
<b>TOTAL LIABILITIES</b>	<u>332,846</u>	<u>384,058</u>
<b>NET ASSETS</b>	<u>\$ 537,261</u>	<u>\$ 511,978</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report


RAINBOW SPORTS CLUB INC  
Statement of Financial Position  
As at 30th November 2012

	2012	2011
Represented by:		
EQUITY		
Donated Equity		
Opening Balance	173,531	173,531
Current Year Donations & Grants	-	-
Total Donations & Grants	<u>173,531</u>	<u>173,531</u>
Retained Earnings		
Opening Balance	338,447	69,798
Surplus/(Deficit) for year	25,283	268,649
Plus Capital Gain on Asset Sales	-	-
Closing Balance	<u>363,730</u>	<u>338,447</u>
 TOTAL EQUITY	 <u>\$ 537,261</u>	 <u>\$ 511,978</u>

The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.

For and on behalf of the Board:

Committee 

Committee 

Date 20 March 2013

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report



RAINBOW SPORTS CLUB INC  
Statement of Fixed Assets and Depreciation  
For the Year Ended 30 November 2012

Asset	Purchase Date	Cost Price	Book Vale 01/12/2011	Additions Disposals	Loss on Disposal	Mth	Depreciation Rate %	Accum Deprec 30/11/2012	Book Value 30/11/2012
<b>LAND AND BUILDINGS</b>									
Rainbow Ski field Licensed Area - buildings	Jan-04	133,682	100,455				12 4% DV	4,018	96,437
Transmitter	Jan-04	2,000	1,502				12 4% DV	50	1,442
Snow Fences	May-05	2,400	1,084				12 11.4% DV	124	960
Snowgun Shed	Jun-05	2,494	1,913				12 4% DV	77	1,836
Gas Oven - Staff Quarters	Aug-05	356	57				12 26.4% DV	14	38
T-Bar Shed Enclosure & #2 Groomer Shed	Jul-06	8,605	6,900				12 4% DV	276	6,624
Portable Snow Fences/Gates 22	Apr-06	2,055	1,037				12 11.4% DV	118	919
Permanent Snow Fences 07	Apr-07	4,355	2,402				12 12% DV	288	2,114
Mt Robert Members Lodge	Dec-08	60,000	51,000				12 20YR SL	3,000	48,000
Steel Container - Storage	May-10	2,575	2,414				12 4% DV	97	2,317
Customer Services Building - piles	Feb-10	4,437	4,437				12 -	0	4,437
Water Main	May-10	18,283	16,249				12 9% DV	1,462	14,787
Accommodation Block	Jun-10	133,456	125,556				12 4% DV	5,022	120,534
Steel Container - Generator	Jun-12			1,600			6 4% DV	32	1,568
<b>TOTAL LAND AND BUILDINGS</b>		<b>374,698</b>	<b>315,001</b>	<b>1,600</b>	<b>0</b>			<b>14,588</b>	<b>302,013</b>
<b>PLANT AND EQUIPMENT - RENTAL</b>									
Rental Skis/Snowboards	Oct-04	12,000	0				12 76.2% DV	0	12,000
Rental Skis/Snowboards	Jul-06	1,790	1				12 76.2% DV	1	1,790
Rental Snowboard Boots	Jul-06	1,297	1				12 76.2% DV	1	1,297
Rental Ski/Board/Bindings	Oct-05	13,085	2				12 76.2% DV	2	13,085
Rental Ski Boots 26pr	Apr-07	4,820	0				12 100% DV	4,820	0
Rental Skis & Bindings 30pr	Jun-07	8,880	0				12 100% DV	8,880	0
Rental Ski Poles 43pr	Jun-07	1,075	0				12 100% DV	1,075	0
Rental Ski Boots 5pr	Jun-07	767	0				12 100% DV	767	0
Rental Ski Boots 8pr	Jun-07	1,610	0				12 100% DV	1,610	0
Rental Snowboard Boots x5, Bindings x 9	Jun-07	2,913	0				12 100% DV	2,913	0
Rental Skis 21pr	Aug-07	6,170	0				12 100% DV	6,170	0
Rental Skis 15pr	May-08	3,585	0				12 100% DV	3,585	0
Rental Skis 20pr	May-08	7,580	0				12 100% DV	7,580	0
Rental Skis 15pr	Jun-08	2,350	0				12 100% DV	2,350	0
Rental Poles 20pr	Jun-08	500	0				12 100% DV	500	0
Rental Snowboards 15	Jun-08	3,375	0				12 100% DV	3,375	0
Rental Snowboard Boots 26pr	Jun-08	2,895	0				12 100% DV	2,895	0
Rental Snowboard Boots 1pr	Jul-08	120	0				12 100% DV	120	0
Rental Skis 10pr	Aug-08	3,845	0				12 100% DV	3,845	0
Rental Skis 12pr	Aug-08	2,696	0				12 100% DV	2,696	0
Rental Skis (July 08)	Jul-08	6,960	0				12 100% DV	6,960	0
Rental Ski Boots 14pr	May-08	2,786	0				12 100% DV	2,786	0
Rental Ski Boots 10pr	Jun-08	1,490	0				12 100% DV	1,490	0
Rental Ski Boots 11pr	Aug-08	2,244	0				12 100% DV	2,244	0
Rental Sleds	Jul-08	760	4				12 80.4% DV	3	759
Rental Skis 4pr	Jun-09	956	0				12 100% DV	0	956
Rental Ski Boots 7pr	Jun-09	1,953	0				12 100% DV	0	1,953
Rental Snowboard Bindings 14	Jun-09	2,226	0				12 100% DV	0	2,226
Rental Snowboard Boots 18	Jun-09	2,310	0				12 100% DV	0	2,310
Rental Snowboard Bindings 15	Jun-09	1,666	0				12 100% DV	0	1,666
Rental Snowboards 14	Jun-09	3,360	0				12 100% DV	0	3,360
Rental Skis 7pr	Jun-09	2,443	0				12 100% DV	0	2,443
Snow Biscuit	Jul-10	295	0				12 100% DV	0	295
Tyre Covers x 2	Aug-10	230	0				12 100% DV	0	230
Rental Snowboard Bindings x 3	Jun-10	477	0				12 100% DV	0	477
Rental Snowboard Boots x 3	Jun-10	477	0				12 100% DV	0	477
Rental Skis 18pr	Jun-10	3,942	0				12 100% DV	0	3,942
Snowboard x 1	Jun-10	299	0				12 100% DV	0	299
Rental Ski Bindings x 3	May-12			373			7 100% DV	373	0
Rental Ski Boots x 46	May-12			7,176			7 100% DV	7,176	0
Rental Skis x 16	May-12			3,652			7 100% DV	3,652	0
Rental Skis x 18	Jun-12			4,297			6 100% DV	4,297	0
Rental Boots x 36	Jun-12			8,074			6 100% DV	8,074	0
Rental Poles x 30	Jun-12			1,120			6 100% DV	1,120	0
Rental Skis x 3	Jul-12			730			5 100% DV	730	0
<b>Total Rental Equipment</b>		<b>116,227</b>	<b>8</b>	<b>25,421</b>	<b>0</b>			<b>25,428</b>	<b>141,647</b>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report.



RAINBOW SPORTS CLUB INC  
Statement of Fixed Assets and Depreciation  
For the Year Ended 30 November 2012

PLANT AND EQUIPMENT									
Snowmaking ex RVSA	Jan-04	50,131	9,127	12	21.6% DV	1,971	42,975	7,156	
Fixed Plant ex RVSA	Jan-04	33,420	8,330	12	18% DV	1,499	26,589	6,831	
Tools & Plant ex RVSA	Jan-04	3,340	58	12	39.6% DV	39	3,281	59	
Office Equipment ex RVSA	Jan-04	836	24	12	39.6% DV	10	822	14	
Cafeteria Plant & Fittings									
Ex RVSA	Jan-04	4,178	1,041	12	18% DV	187	3,324	854	
T-Bar	May-04	135,000	39,491	12	15% DV	5,924	101,433	33,567	
T-Bar Tower	Jun-04	2,000	593	12	15% DV	89	1,496	504	
Ladder	Jun-04	310	70	12	18% DV	13	253	57	
Communication Cable	Jun-04	1,967	614	12	14.4% DV	88	1,441	526	
Radio Tail VHF	Jul-04	250	6	12	39.6% DV	2	246	4	
2 Motorola VHF Radios	Aug-04	300	8	12	39.6% DV	3	295	5	
2 Motorola VHF Radios	Aug-04	500	13	12	39.6% DV	5	492	8	
4 Motorola gp300 Batteries	Oct-04	600	16	12	39.6% DV	6	590	10	
Ortovox Transceiver x2	Jul-05	737	30	12	39.6% DV	12	719	18	
Intermediate Platter Lift, Structure	Jul-05	46,961	19,535	12	15% DV	2,930	30,356	16,605	
Intermediate Platter Lift, Site Works	Jul-05	21,683	9,019	12	15% DV	1,353	14,017	7,666	
T-Bar ex TC for future installation	Jul-06	27,337	27,337					27,337	
Wire Rope & Cable	Aug-06	795	277	12	18% DV	50	568	227	
2 x Heat Pumps Fitted	Aug-06	751	206	12	21.6% DV	44	589	162	
Scoop Stretcher	Sep-06	1,388	280	12	26.4% DV	74	1,182	206	
West Bowl Tow	Jul-07	13,028	5,109	12	19.2% DV	981	8,900	4,128	
4 x GP328/4 Radio & Harness	Jun-07	4,012	223	12	48% DV	107	3,896	116	
HP Notebook, Case, K/B Mouse, Office, Hub	Jun-07	2,002	36	12	60% DV	22	1,988	34	
Tekular CDMA Kit & Parts	Jul-07	3,385	483	12	35% DV	174	3,077	309	
Office & Operator Chairs	Sep-07	761	309	12	19.2% DV	59	511	250	
Bilateral Traction Splint	Dec-07	756	-	12	100% DV	-	756	-	
GP328/4 Radio & Harness x 4	Jun-08	3,616	386	12	48% DV	185	3,415	201	
Beginners Tow Rebuild, structure	Jun-08	7,120	7,120	12	0% DV	-	-	7,120	
Beginners Tow Rebuild, site works	Jun-08	9,833	4,689	12	19.2% DV	900	6,044	3,789	
Chainsaw	Mar-08	756	2	12	80.4% DV	2	756	0	
Inverter Welder	Feb-08	888	417	12	18% DV	75	546	342	
Snowboard Grinder	Jun-08	3,000	3,000	12	0% DV	-	-	3,000	
Ski/Board Edger	Jun-08	500	277	12	15.6% DV	43	266	234	
Second Hand Tail Radio T2020	Jul-08	800	144	12	40% DV	58	714	86	
Aria 241P Telephone System	Jul-08	3,336	744	12	36% DV	268	2,860	476	
Avalanche Transceivers x 7	Sep-08	2,200	272	12	48% DV	131	2,059	141	
Alarm System	Nov-08	4,598	1,538	12	30% DV	461	3,521	1,077	
Battery & Solar Feeder for Alarms	Nov-08	6,368	2,129	12	30% DV	639	4,878	1,490	
Trail & Security Camera	Oct-08	437	184	12	24% DV	44	297	140	
Card Printer	Mar-09	1,289	223	12	48% DV	107	1,173	116	
ID Card Production Software	Apr-09	556	53	12	60% DV	32	535	21	
Walco Spreader	Jul-09	2,700	1,622	12	19.2% DV	311	1,389	1,311	
Generator (6500) Watts	Aug-09	1,500	797	12	24% DV	191	894	606	
Hydraulic Hoist Rams	Oct-09	1,150	726	12	19.2% DV	139	563	587	
Broadband Connection	Sep-09	3,298	448	12	60% DV	269	3,119	179	
Luge Tow	Jul-09	3,102	2,066	12	15.6% DV	322	1,356	1,744	
T-Bar Electrification	Apr-10	17,478	13,371	12	15% DV	2,006	6,113	11,365	
Wireless Vantage Pro2	Jul-10	1,748	727	12	48% DV	349	1,370	378	
Point of Sale System	Aug-10	19,158	8,368	12	48% DV	4,017	14,807	4,351	
Dell D620 Laptop	Jun-10	840	332	12	48% DV	159	667	173	
Tait TP8110 x 2 Radios	Jul-10	3,921	1,561	12	40% DV	784	2,744	1,177	
Hydraulic Press	Dec-09	125	46	12	39.6% DV	18	97	28	
Staff Uniforms	Jul-10	2,598	779	12	60% DV	467	2,286	312	
Security System & Camera	Jul-10	2,578	1,839	12	21.6% DV	397	1,136	1,442	
330KVA Generator	May-11	21,000	18,060	12	24% DV	4,334	7,274	13,726	
Tait Radio	Aug-11	899	780	12	39.6% DV	309	428	471	
Snow Guns	Nov-11	22,000	21,604	2,000	12	21.6% DV	5,098	5,494	18,506
Chairs for Café - 56	Mar-12		3,855	8	19.2% DV	493	493	3,362	
Hand held radio	Jul-12		950	5	40% DV	158	158	792	
Radio in Toyota Prado	Sep-12		1,108	3	40% DV	111	111	997	
SCC Grader Chains	Jun-12		1,950	6	39.6% DV	386	386	1,564	
Defibrillator	Jun-12		3,250	6	31.2% DV	507	507	2,743	
Generator	Mar-12		32,410	8	24% DV	5,186	5,186	27,225	
<b>Total Plant &amp; Equipment</b>		<b>505,821</b>	<b>216,970</b>	<b>45,523</b>			<b>44,602</b>	<b>333,444</b>	<b>217,900</b>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

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RAINBOW SPORTS CLUB INC  
Statement of Fixed Assets and Depreciation  
For the Year Ended 30 November 2012

MOBILE								
Loader & Blade	Jul-05	39,069	14,448		12 14.4% DV	2,081	26,702	12,367
Groomer 210, 2nd Hand	Jul-06	14,371	1,674		12 33% DV	552	13,249	1,122
Hilux Double Cab 4WD 1992	Jun-06	4,889	944		12 26% DV	245	4,190	699
Second Hand Quad Bike	May-08	4,706	779		12 40% DV	312	4,239	467
Skidoo x 2	Aug-08	11,297	1,334		12 48% DV	640	10,603	694
Groomer, FB 300 2nd Hand	May-10	127,000	66,370		12 33% DV	21,902	82,532	44,468
Toyota Prado	Jun-12			8,696	6 26% DV	1,130	1,130	7,565
Total Mobile Plant		<u>201,332</u>	<u>85,549</u>	<u>8,696</u>		<u>26,863</u>	<u>142,546</u>	<u>67,382</u>
TOTAL PLANT & EQUIPMENT		<u>823,380</u>	<u>302,536</u>	<u>79,640</u>		<u>96,892</u>	<u>617,736</u>	<u>285,284</u>
TOTAL		<u>1,198,078</u>	<u>617,537</u>	<u>81,240</u>		<u>111,480</u>	<u>692,021</u>	<u>587,297</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report  
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RAINBOW SPORTS CLUB INC  
Notes to the Financial Statements  
For the Year ended 30th November 2012

#### 1. STATEMENT OF ACCOUNTING POLICIES

Rainbow Sports Club Inc is an Incorporated Society under the Incorporated Societies Act 1908. Financial Statements have been prepared in accordance with the Financial Reporting Act 1993

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical basis have been used, with the exception of certain items for which specific accounting policies have been identified.

##### (a) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

##### (b) Differential Reporting

Rainbow Sports Club Inc qualifies for Differential Reporting because:

- it is not publicly accountable
- it is deemed to be 'not large' due to the following criteria -
  - \* the gross turnover is less than \$20million, and
  - \* the total assets are less than \$10 million, and
  - \* there are less than 50 fulltime employees.

Rainbow Sports Club Inc has taken advantage of all available differential reporting exemptions.

##### (c) Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

##### (d) Accrued Expenses

Accrued Expenses comprise:

	2012	2011
DOC Concession Fee 2010	-	10,829
DOC Concession Fee 2011	21,351	21,351
DOC Concession Fee 2012	18,423	-
<b>Total</b>	<b><u>\$ 39,774</u></b>	<b><u>\$ 32,180</u></b>

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

RAINBOW SPORTS CLUB INC  
Notes to the Financial Statements  
For the Year Ended 30th November 2012

(e) Fixed Assets

Fixed Assets have been included at cost less accumulated depreciation. Details of fixed assets are set out in the attached Fixed Asset Register.

(f) Depreciation

Depreciation has been charged on either a diminishing value (DV) basis or straight line basis (SL), at rates approved by the Inland Revenue Department. Details of rates and depreciation claims are set out in the Fixed Asset Register included herein.

(g) Taxation

Rainbow Sports Club Inc has been approved under section CW46 of the Income Tax Act 2007 as an amateur game or sport promoter. As such, all income earned by the society will be exempt from income tax provided the requirements of section CW46 are met each year.

The taxation refund shown on the Statement of Financial Position relates to RWT incorrectly paid on interest received.

(h) Inventories

Inventories are recorded at cost.

(i) Goods & Services Tax

The Statement of Financial Performance and Statement of Cashflows (where included) have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of account receivables and payables.

2. AUDIT

These financial statements are subject to audit, please refer to audit report.

3. EVENTS SUBSEQUENT TO BALANCE DATE

No events or transactions have occurred since balance date which would have a material effect upon the financial statements or which are of such significance as to require mention in the notes to the financial statements. There are no plans or intentions that may materially affect the current value or classification of assets and liabilities.

4. CONTINGENT LIABILITIES

At balance date there were no contingent liabilities.

(2011: At balance date the Tasman District Council had verbally confirmed that one seventh of the Joint Council Loan, being \$12,85, would be written off by way of a grant in 2011. However the Society has not received this in writing at the time of signing the financial statements)

Written confirmation of the 2011 loan write off was received in March 2011. The Tasman District Council did not write off the loan repayment due for 2012.

Rainbow Sports Club Inc has not granted any securities in respect of liabilities payable by any other party what so ever.

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

RAINBOW SPORTS CLUB INC  
Notes to the Financial Statements  
For the Year Ended 30th November 2012

#### 5. CAPITAL COMMITMENTS

As at balance date there are no significant capital commitments.

#### 6. LOANS

	2012	2011
Contributors Secured Advances	\$ 75,290	\$ 79,041
Interest Interest Free		
Term 5 Years		
Secured by a General Security Agreement		

Joint Council Loan	\$ 192,857	\$ 231,429
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The council loans have a seven year term. The terms for each council are as follows:

Nelson & Marlborough - one seventh of the loan will be written off each year by way of a grant  
Tasman - one seventh of the loan will be re-payable each year, except if Rainbow Sports Club Inc financial circumstances mean that this is not possible or prudent.

Flexiline Loan	\$ 5,982	\$ 14,955
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This loan has a 36 month term which is secured over computer equipment.

#### 7. RELATED PARTY INFORMATION

Rainbow Sports Club Inc has paid \$3,303 (2011:\$1,776) to 1 Call Ltd of which Peter Johnstone, a committee member has an interest. These payments were made on normal commercial terms. A balance of \$0 is outstanding at year end.

Rainbow Sports Club Inc has paid \$0 (2011:\$2,260) to Findlater Construction Ltd of which Ron Findlater, a committee member, is a director. These payments were made on normal commercial terms. A balance of \$0 is outstanding at year end.

Rainbow Sports Club Inc has received Secured Advances from the following committee members

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

RAINBOW SPORTS CLUB INC  
Notes to the Financial Statements  
For the Year Ended 30th November 2012

8. GRANTS AND DONATIONS RECEIVED

Grants and donations received are as follows:

	2012	2011
Marlborough District Council Grant	-	5,000
Marlborough District Council Loan Forgiven	12,857	12,857
Nelson City Council	12,857	12,857
Tasman District Council	-	12,857
Mount Robert Club	-	6,000
Canterbury Trust	-	20,000
Probus Club	-	50
Freemans Charity	1,625	-
General Donations	43	-
Total	<u>\$ 27,382</u>	<u>\$ 69,621</u>
Total		

This Statement is to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report

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**Item 8.4**

**Attachment 1**



9 September 2013

Susan Edwards  
Tasman District Council  
Private Bag 4  
Richmond 7050

Dear Susan

**Rainbow Sports Club Incorporated TDC Loan 2011/2012 and 2012 / 2013**

Further to our letter of 21 May 13 requesting remission of the 2012 / 2013 Loan Repayment and delayed payment of the 2011/2012 we would like to further request remission of these amounts based on the 2013 season to date.

In summary it has been a very difficult season with extremely warm temperatures producing minimal snow and limiting any snow making. In fact right from the start Rainbow missed out on the big snowfall instead experiencing record winds which blew away what snow we had.

The team have done a fantastic job in making what snow they could when the temperatures allowed and ensuring the ski field could stay open and operate. While this was achieved the snow conditions combined with the weather have meant limited numbers and therefore difficult trading conditions contributing to a significant drain on the cash flow.

We have also had a number of mechanical and other unforeseen issues (e.g. recent platter problem) which have also added additional pressure to the financial situation.

I have attached the draft August Management accounts, which show a net loss of \$145k. Our cash forecast position to the end of the season also shows a significant loss. While the last couple of weeks have improved unless conditions improve significantly over the next few weeks the club will need to dig into the emergency fund.

While the fund is set aside for situations as we are currently experiencing if we do not have to pay the \$25k due to TDC it would make a significant impact on the current cash situation and assist to ensure the future viability of the field.

Clause 4 d) of the loan agreement states that "provided however that if the financial circumstances of Rainbow are such that this is not financially possible or prudent then Rainbow shall apply to Tasman for remission of such amount (by way of grant) and Tasman shall in good faith consider such application and make a determination accordingly.

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**Rainbow Sports Club Incorporated** PO Box 76, St Arnaud, Nelson Lakes, New Zealand  
Email: [info@skirainbow.co.nz](mailto:info@skirainbow.co.nz) Phone: +64 3 521 1861

We ask that you review this further request along with our previous letter.

Please contact me at [Andrew.smith@crowehorwath.co.nz](mailto:Andrew.smith@crowehorwath.co.nz) or 021 2200 270 if you have any queries with the above

Yours sincerely



**Andrew Smith**

**Treasurer Rainbow Sports Club Incorporated**



## Profit & Loss

### Rainbow Sports Club Inc For the month ended 31 August 2013

	Aug-13	YTD
<b>Income</b>		
Access Fees	-	43
Advertising Fees	1,700	1,700
Cafe Commissions	1,181	1,462
Grants & Donations Received	21	36,986
Interest Income	-	5,329
Lift Passes	55,036	191,588
Rental Clothing	2,616	6,329
Rental Equipment Income	33,019	70,522
Retail Shop Sales	2,790	7,459
Shuttle Income	4,062	4,336
Ski Sale Income	-	31,158
Snow Gear Sale COGS	-	(27,436)
Snow School Income	17,970	43,648
Subscriptions Received	-	457
<b>Total Income</b>	<b>118,395</b>	<b>373,581</b>
<b>Less Cost of Sales</b>		
Retail Shop Cost of Goods Sold	-	3,285
Shuttle Transport	4,171	4,445
<b>Total Cost of Sales</b>	<b>4,171</b>	<b>7,730</b>
<b>Gross Profit</b>	<b>114,224</b>	<b>365,851</b>
<b>Plus Other Income</b>		
Sundry Income	54	543
<b>Total Other Income</b>	<b>54</b>	<b>543</b>
<b>Less Operating Expenses</b>		
ACC Levies	10,412	10,412
Accounting Fees	-	6,105
Audit fees	-	2,700
Bank Fees	4	973
Buildings and Security	-	340
Computer Expenses	-	1,537
Credit Card Merchant Fees	-	3,274
DoC Concession	2,310	6,342
Fuel - 4 WD Vehicles	302	3,541
Fuel - Generator 300KVA	17,437	76,940
Fuel - Quad, Skidoo and Tow Petrol	-	915
General Expenses	-	2,062
Insurance	-	23,097
Interest Paid	-	292
Internet & Web Expenses	165	1,540
Kiwisaver Employer Contribution	1,608	4,006
Licences & Subscriptions	37	1,278

## Profit & Loss

	Aug-13	YTD
Marketing	-	3,507
Medical Supplies	83	1,004
Office Supplies	199	1,183
Payroll Fees	-	610
R & M - 4 Wheel Drive Ute	598	5,793
R & M - Base Site Area	-	2,409
R & M - Buildings & Fittings	-	5,624
R & M - Generator	-	2,242
R & M - Intermediate Platter	8,883	10,049
R & M - Loader and Other Heavy Machines	-	1,511
R & M - Luge	-	161
R & M - Other Light Vehicles	-	162
R & M - Other Plant	281	6,053
R & M - Radios	-	3,738
R & M - Skidoo	-	606
R & M - Snow Groomer	-	7,073
R & M - Snow Making	(466)	5,674
R & M - T Bar	-	6,588
R & M - Terrain Park Grip Tow	-	427
Rates	-	682
Rental Equipment - R & M or General Exps	257	2,092
Road & Terrain	-	3,361
Safety Services - General Expenses	-	1,120
Sewage & Toilet Expenses	291	3,838
Signage	-	131
Snow School Expenses	-	1,996
Staff Expenses	1,173	5,090
Staff Transport	6,000	17,933
Staff Uniform & Clothing	(39)	6,381
Subscriptions	-	350
Telephone Expenses	443	2,929
Ticketing - EFTPOS lease & fees	138	1,308
Ticketing - General Expenses	7	21
Ticketing - Pass Expenses	-	407
Training Safety Services	96	256
Wages - Facilities Maintenance	4,742	30,034
Wages - Lifts	12,128	28,289
Wages - Management	21,425	79,235
Wages - Rentals	8,866	19,496
Wages - Roads & Carparks	227	1,390
Wages - Safety Services	10,340	22,601
Wages - Snow Maintenance	3,593	21,878
Wages - Snow School	15,669	33,524
Wages - Ticketing	5,293	17,905
<b>Total Operating Expenses</b>	<b>132,502</b>	<b>512,009</b>
<b>Net Profit</b>	<b>(18,225)</b>	<b>(145,614)</b>

**8.5 RABBIT ISLAND FLAT WATER MULTISPORT FACILITY REPORT****Decision Required**

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Jim Frater, Manager Property Services
<b>Report Number:</b>	RCN13-09-08

**Item 8.5****1 Summary**

- 1.1 This report considers a request from the Tasman Aquatic Multisport Development Trust to use land at Rabbit Island for a flat water multisport facility.
- 1.2 It considers the effect on Council's forest estate of removing up to 115 ha of exotic forest and discusses the process which would be required to allow the land to be set aside for a flat water multisport facility.
- 1.3 The report identifies a loss to the forestry account over time of \$3.2 million. This is in addition to the costs of securing a change of use for the plantation reserve which may be substantial.
- 1.4 Should Council agree to recommend that the land be set aside for such a facility, it is recommended that the community be engaged in consultation on the proposal. However, staff recommend that Council declines the request from the Trust for approval to use the land at Rabbit Island for a flat water multisport facility.

**2 Draft Resolution****That the Full Council:**

- 1) **receives the Rabbit Island Flat Water Multisport Facility Report; and**
- 2) **declines approval to use land at Rabbit Island for a flat water multisport facility at this time and asks staff to inform the Tasman Aquatic Multisport Development Trust of this decision.**

### 3 Purpose of the Report

- 3.1 The purpose of this report is to consider a request from the Tasman Aquatic Multisport Development Trust to use land at Rabbit Island for the development of an aquatic flat water sports park on Rabbit Island.

### 4 Background and Discussion

- 4.1 The aquatic flat water sports park was signalled as a project in the Ten Year Plan 2009-2019. It was not, however, included in the Long Term Plan 2012-2022. It was removed because it was considered that the park was not affordable for the community given Council's other priorities and its level of debt.
- 4.2 The Tasman Aquatic Multisport Development Trust has made presentations on the proposal to Council previously. The Trust engaged Tonkin & Taylor to prepare an initial scoping feasibility study which has been made available to staff. The preferred site is at Rabbit Island and is shown on Attachments 1 and 2. The initial scoping and feasibility report identified that there is strong support from local sporting groups but also that there are organisations who have issues with such a facility.
- 4.3 The proposal would require the use of approximately 115 hectares of the Rabbit Island forest plantation, which includes land for the water facility, roading, ancillary facilities and a buffer zone.
- 4.4 The land at Rabbit Island is owned by the Crown and vested in Council as plantation reserve and recreation reserve. The land identified for the multisport park is on part of the plantation reserve area. Staff have sought advice from the Department of Conservation (DoC) and the Ministry of Primary Industries (MPI) regarding a proposed change of status to the land and the deforestation proposals.
- 4.5 DoC has commented that a change of use to recreation reserve status could be appropriate but that the aquatic flat water sport park would require a thorough assessment of environmental effects to identify values to be affected and proposed mitigation. This would include management of the water body and the effect this may have on the Waimea Estuary and Tasman Bay. DoC has not undertaken a formal investigation on the land or the specific requirements that may have to be followed.
- 4.6 MPI has highlighted the requirements for pre-1990 forest land under the New Zealand Emissions Trading Scheme (ETS). Rabbit Island is almost entirely made up of pre-1990 exotic forest and the Council would be subject to a deforestation liability if the aquatic flat water sport park proposal went ahead. The Council would be required to meet this liability by surrendering carbon units. The quantum of units that would need to be surrendered would depend on the age, species and the region where the trees are located. There is an option of offsetting these requirements by establishing a new forest elsewhere.
- 4.7 MPI does have an interest in relation to approval of a general forest working plan and this part of the Council's Forest Management Plan. In respect of the plantation reserve, the MPI staff have commented as follows:

*"The vesting of reserve land for permanent plantation forestry is an unusual situation. It is the initial view of MPI that a legislative process will be required to change the purpose for which the land is managed. However, in this case, MPI would not be the department*

*responsible for such a legislative process. I understand that the appropriate department would most likely be Land Information New Zealand (LINZ) or possibly DOC”...*

*“Subsequent to the resolution of legislative requirements for changing land use at Rabbit Island, amendments to the Forest Management Plan are likely to be required and approved by MPI.”*

- 4.8 PF Olsen Ltd has undertaken an assessment of the economic cost to the forest estate should forestry land be used for a flat water multisport facility. A copy of the report is shown in Attachment 3. Including liabilities for the ETS, using current forest values the loss is estimated at \$3.2 million. These are indicative values only and a more comprehensive study would be required if the project were to proceed.
- 4.9 The Council has a contract which allows the dispersal of biosolids throughout the Rabbit Island forest plantation. PF Olsen Ltd has highlighted the requirement to negotiate with the Nelson Regional Sewerage Business Unit regarding this contract if the multisport park was to proceed, as the contract does not provide for a reduction in land area. Undoubtedly there would be cost implications with this.
- 4.10 The demand for Bio Solids application is likely to increase in the future as the population of the region increases. Therefore any reduction in forest area will restrain the ability to meet this demand.
- 4.11 In recent years, storm events have resulted in ponding of water in various parts of Rabbit Island. Water quality testing has indicated reasonably high levels of contamination. The source of the contamination has not been determined, which creates a potential risk for any new water based recreational activity in the area.

## **5 Options**

- 5.1 Option 1: Agree that the area of approximately 115 hectares at Rabbit Island could be utilised as the preferred site for a flat water multisport park. This would not commit the Council to any funding requirement but would provide the Tasman Aquatic Multisport Development Trust with the indication that the Council supports the site in principle. However, there are numerous challenges should the Council prefer this option which would be the subject of a further report including the pathways to provide for changes in legislation, resource consent requirements, funding requirements and more accurate financial information.
- 5.2 Option 2: Decline to support Rabbit Island as a potential site for a flat water multisport park. The proposal is not included in the Long Term Plan and there will be substantial costs to the Council to set aside the land for this purpose.
- 5.3 Option 3: Council could agree that if the Tasman Aquatic Multisport Development Trust is prepared to meet the costs incurred by the Council in affecting a change of use to allow land at Rabbit Island to be used for a flat water multisport facility and to cover the Council's ongoing liabilities, that the Council will consider a request to review the use of Rabbit Island as a multisport flat water park during the next review of the Council's Long Term Plan.

## 6 Strategic Challenges / Risks

- 6.1 There are no guarantees that the legislative changes that would be required to set aside land at Rabbit Island for a flat water multisport park facility would be successful. There would be substantial costs incurred in such a process regardless of whether or not it was successful. The maximum area sought for the park is 115 hectares which is what the financial budgets had been prepared on but the Trust has indicated that the lake itself would only require approximately 35 hectares. This would reduce the cost to the Council with deforestation and loss of future income but would still require the same expenditure to deal with the other issues.
- 6.2 In addition to the land required for the water course, land would also be needed for ancillary facilities like roads, carparks, facility buildings, and a buffer zone.
- 6.3 The aquatic flat water sport park proposal is also likely to require resource consents. There is no guarantee that consents would be granted.
- 6.4 The proposal would be of high significance and would require public consultation. Evidence from the submissions on the Ten Year Plan 2009-2019 suggests that the proposal will attract a large amount of public comment.

## 7 Policy / Legal Requirements / Plan

- 7.1 The proposal was removed from the current Long Term Plan and is therefore not an approved Council project. It is expected that the Council would be required to fund the changes needed to allow such a facility at Rabbit Island and there are no guarantees as to the outcome.

## 8 Consideration of Financial or Budgetary Implications

- 8.1 This report does not consider any Council contribution toward the cost of building the flat water multisport park at \$4.2 million plus the cost of ancillary facilities and other costs (of which Council's contribution could be up to 80%), but instead considers issues relating to the land and to economic cost to the Council should that land be lost to forestry. From a financial perspective the income from this land would be lost forever and there would be a one-off cost for deforestation liabilities under the ETS. It would not lead to a reduction in the costs of managing the forest because the area only forms a small part of the overall forest estate.
- 8.2 In summary, the loss of this land from forestry would result in lower returns being paid to the Council through the annual dividend which would subsequently impact on general rates.
- 8.3 The Trust has previously indicated that it would like Council to be responsible for administration and management of the multisport park. If Council agrees to this, it would create an ongoing cost for this work.
- 8.4 Council's current and projected debt levels would not allow the addition of this project without Council reprioritising out of the work program a significant number of other projects. Council is currently reviewing the funding of capital works and the renewal program. The conclusions from this review will be incorporated into the Financial Strategy. It would be premature and financially imprudent to make a decision on a project of this size which has

both significant capital and operational costs prior to this work being completed. Given the financial implications, a project such as this would normally be considered within the context of the next Long Term Plan.

## **9 Significance**

- 9.1 The loss of this land from the forest estate would have a moderate level of significance but the impact that the park would have on Rabbit Island would have a greater level of significance in that it would allocate land currently being used for forestry activities to a particular body or bodies for their sole use. There is a partial precedence with this in that the equestrian facility at Rough Island has essentially done a similar thing but that does not necessarily indicate that further activities requiring relatively large areas of land should continue to occur at Rabbit Island. The equestrian facility required some forestry clearance but did not impact on any Bio Solids distribution. In addition, the equestrian park is on land designated as reserve and not land set aside for plantation forestry.
- 9.2 If the Council was to support the setting aside of land at Rabbit Island for a multisport park it would need to consider the extent of any consultation that should occur.

## **10 Consultation**

- 10.1 If the Council was to agree to recommend that the land at Rabbit Island be set aside for a flat water multisport facility a reasonable level of consultation should be carried out. Rabbit Island is used by Nelson City and Tasman District residents and the area identified provides an ongoing income to the Council which would subsequently be lost. The issues are significant enough to warrant community engagement and consideration of the community's views before a final decision was made.

## **11 Conclusion**

- 11.1 The Tasman Aquatic Multisport Development Trust has requested that the Council approve the setting aside of land at Rabbit Island for an aquatic flat water sports park.
- 11.2 This approval would allow the Trust to continue their planning and fundraising.
- 11.3 The proposal raises issues regarding the economic performance of the forest estate, deforestation liabilities and the costs of the legislative change that would be incurred to allow the land to be used for such a purpose.
- 11.4 Setting aside any costs that the Council may be called upon or agree to provide toward the capital cost of the facility, which is estimated at \$4.2 million, the cost to the Council through the loss of the land, of managing an effective consultation process and managing the legal requirements expose the Council to considerable risk.

<b>12 Attachments</b>
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- |    |                                |    |
|----|--------------------------------|----|
| 1. | Preferred Site Image 1         | 73 |
| 2. | Preferred Site Image 2         | 75 |
| 3. | PF Olsen Ltd Assessment Report | 77 |

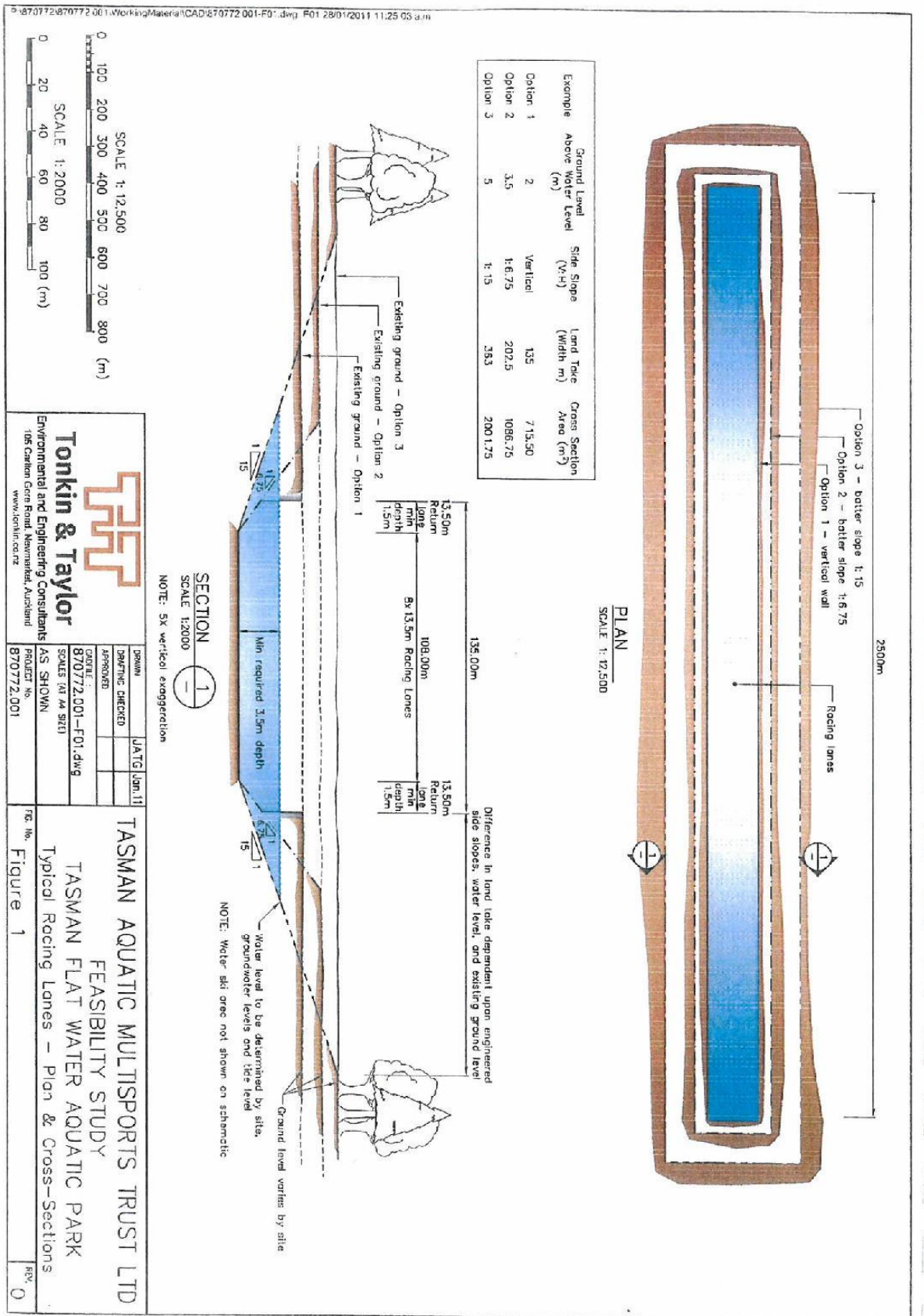




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30 August 2013

Jim Frater  
Property Services Manager  
Tasman District Council  
Private Bag 4  
RICHMOND 7050

Dear Jim

**RE: RABBIT ISLAND – LOSS OF FOREST FOR MULTI-SPORT PARK**

---

I refer to your email of 29 August requesting information on the economic cost to the forest estate from the removal of approximately 115ha for a multi-sport park.

**1. CURRENT FOREST VALUE LOSS**

The forest to be removed comprises mixed age classes, currently 3 – 28 years.

- For the younger trees (3 – 20 years) there would be little or no salvage value and the costs would be:
  - (a) loss of tree crop value; and
  - (b) cost to remove trees, stumps and transport away from site.
- For the older trees there would be some salvage value but stumps/slash would also have to be transported away and stock-piled.

**2. FUTURE VALUE LOSS**

Based on current log prices and costs the net return from stands at maturity is approximately \$41,000/ha at age 28. The potential future losses of revenue forgone are therefore \$4.7 million for the current stands should they have been allowed to reach maturity. This figure has not been used directly in value loss calculations.

**3. LAND LOSS**

The current market land value at Rabbit Island is \$ 9650/ha. (October 2010 Rateable Values). The area lost to forestry is therefore approx. \$1.1 million.

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**4. ETS LIABILITIES**

The forest land is classed as 'Pre-1990' under the Climate Change Response Act 2002. Accordingly if any land is deforested, liabilities are incurred and surrender or repayment of NZUs is required.

Currently NZUs are trading at around \$4.60/unit. These have traded as low as \$2.50/unit and as high as \$21/unit over the last 4 years. Liabilities depend on the age of the trees at time of deforestation, assuming development of the park in 2016. These are quantified on the attached spreadsheet using an assumed NZU cost of \$12.50/unit.

**5. LOSS OF BIO-SOLIDS SPRAYING AREA**

Removal of forest land will have a major impact on the available area for bio-solids spraying. In addition to the 115ha there will be additional buffer areas required. Due to the particular location of the proposed course, approximately 300ha would have to be removed from bio-solids spraying, i.e. all the area south of Bullivant Road and west of Redwood Road.

**SUMMARY**

Provisional and very approximate costs associated with the above losses are outlined in the table below. An indicative loss of around \$3.0 million is estimated. Once final areas and timing of the proposal are known these costs can be refined and updated.

For your information I attach a spreadsheet outlining the calculations (please let me know if you wish to forward on to 3<sup>rd</sup> parties), and a report I completed in 2012 on the Tonkin and Taylor analysis of the options for location of the course.

Yours faithfully  
**PF OLSEN LTD**

Peter J Wilks  
**Consultant**

**8.6 MOTUEKA BOWLING CLUB REVIEW OF FUNDING DECISION REPORT****Decision Required**

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Susan Edwards, Strategic Development Manager
<b>Report Number:</b>	RCN13-09-09

**Item 8.6****1 Summary**

- 1.1 In the Draft Annual Plan 2013/2014 submission process, the Motueka Bowling Club requested funding of \$4,100 for a concrete pad and replacement of irrigation sprinkler heads at the Bowling Club. At its meeting on 5 June 2013 Council resolved to decline the request.
- 1.2 The request was declined on the basis that Club members should be funding these renewals and the Club had recently received other funding from Council. There was no information in the Club's application on the Club's financial accounts or on the Club membership.
- 1.3 The Motueka Community Board has requested that the Council rescind its previous decision and grant the funding to the Club.

**2 Draft Resolution****That the Full Council:**

- 1) receives the Motueka Bowling Club Review of Funding Decision Report RCN13-09-09; and**
- 2) confirms its decision of 5 June 2013 to decline the request for funding from the Motueka Bowling Club for funding of \$4,100 for a concrete pad and replacement of irrigation sprinkler heads at the Bowling Club.**

**3 Purpose of the Report**

- 3.1 To reconsider Council’s decision of 5 June 2013 to decline the request for funding from the Motueka Bowling Club at the request of the Motueka Community Board.

**4 Background and Discussion**

- 4.1 The Motueka Bowling Club, in a submission on the Draft Annual Plan, applied for funding assistance from the Motueka Reserves Financial Contributions account to:
  - a) construct a concrete pad of 36 square metres (and suitable for HD truck weight) to enable groundsmen to sort and separate topsoil cleanly, adjacent to the indoor storage. (Estimate \$3,000); and
  - b) improve the existing sprinkler system with four new heads and the system to be adjusted by Think Water. (Estimate \$1,100).

- 4.2 The following resolution was passed on 5 June 2013:

**That the Full Council declines the request from the Motueka Bowling Club for funding for replacement irrigation sprinkler heads and a concrete pad.**

- 4.3 The request was declined on the basis that Club members should be funding these renewals and the Club had recently received other funding from Council. There was no information in the Club’s application on the Club’s financial accounts or on the Club membership.

- 4.4 The Motueka Community Board has passed the following resolution (refer MCB13-08-1):

**That the Motueka Community Board requests the Tasman District Council to reconsider their earlier decision and approve the application by the Motueka Bowling Club for \$4,100 from the Motueka Reserve Financial Contributions for the concrete pad and sprinkler heads.**

- 4.5 The Board’s reasoning was that “the funds would come from the Motueka Reserves Financial Contributions, which are currently well-provided, and therefore no impact on rates. The volunteer effort at the Bowling Club is huge and the (natural) greens are in excellent condition as a result. The “all-weather” green allows bowlers from Riwaka, Mapua and elsewhere to attend their winter club and competition days. Last year the Motueka Tennis Club received assistance from the Motueka RFCs for a new peripheral fence. It seems harsh that the Bowling Club’s application was declined”.

**5 Options**

- 5.1 The Council has the options of either rescinding the resolution it passed on 5 June 2013 and agreeing to fund the Bowling Club’s request or confirming its previous resolution.
- 5.2 If the Council rescinds its previous resolution it will be supporting the resolution of the Community Board and meeting a request from the Motueka Bowling Club. The disadvantage of this option is that go against the reasons why the Council previously declined the funding and it may encourage other groups to seek a review of other funding decisions made by Council.



- 5.3 If the Council confirms its previous decision, the Bowling Club can reapply for funding through the preparation of the Annual Plan 2014/2015.

## **6 Strategic Challenges / Risks**

- 6.1 The major risk of deciding to rescind the Council's previous resolution is that it will encourage other groups to seek a review of the decisions where Council declined their funding requests.
- 6.2 The major risks of deciding to confirm the previous decision are that the Motueka Bowling Club and Motueka Community Board will be dissatisfied with the decision.

## **7 Policy / Legal Requirements / Plan**

- 7.1 Reserve Financial Contributions are paid by developers to provide facilities required as a result of growth. Council Policy is that strict criteria will apply to the use of these contributions and they are in the main restricted to:
- 7.1.1 Land purchase for reserves
  - 7.1.2 Capital improvements to reserves
  - 7.1.3 Other capital works for recreation activities
- 7.2 The request from the Bowling Club does not appear to meet the overall criteria of providing for growth.
- 7.3 Exceptions to the above policy have been made in the past, however, to maximise the benefits to the community, and provide greater clarity to Council and clubs, work on the criteria for use of Reserve Financial Contributions is planned for the beginning of 2014.

## **8 Consideration of Financial or Budgetary Implications**

- 8.1 There is funding within the Motueka Reserve Financial Contributions account to fund the Bowling Club's request, if the Council decides to do so.

## **9 Significance**

- 9.1 I consider that the decision being asked of the Council has a low level of significance under the Council's Policy on Significance as there are no major financial implications of the decision, it does not impact on Council's levels of service and it does not relate to a significant activity.

## **10 Consultation**

- 10.1 Consultation is not required on this matter, as it was consultation occurred through the Annual Plan 2013/2014 process.

**11 Conclusion**

- 11.1 Council is being asked to rescind its decision of 5 June 2013 on providing the Motueka Bowling Club with funding.
- 11.2 Staff consider that the previous decision was appropriate and recommend that the Council confirms its earlier decision.

**12 Next Steps / Timeline**

- 12.1 The Motueka Community Board will be informed of the decision the Council makes at this meeting.

**13 Attachments**

Nil

**8.7 REFERRALS FROM JOINT SHAREHOLDERS COMMITTEE****Decision Required**

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Mike Drummond, Corporate Services Manager
<b>Report Number:</b>	RCN13-09-10

**Item 8.7****1 Summary**

- 1.1 The following agenda items are to be considered by the Joint Shareholders Committee at its meeting on 13 September 2013. Due to the timing of the meeting the recommendations of the Committee will not be available when this agenda is published. These recommendations will be considered as a late item at the Council meeting. The draft resolutions in this report reflect the draft recommendations from the papers to be presented to the Joint Shareholders Committee.
- 1.1.1 Port Nelson Limited Draft Statement of Corporate Intent 2013/14
- 1.1.2 Nelson Tasman Tourism Ltd – re-appointment of Sharon McGuire and Terry Horne as Directors
- 1.1.3 Port Nelson Directors Fees and Appointment of Directors Policy 2013
- 1.1.4 Nelson Airport limited - Directors Fees
- 1.1.5 Joint policy on determining the appropriate level of directors' fees for CCOs
- 1.2 The agenda for the Joint Shareholders Committee 13 September 2013 is an attachment to this report (under separate cover). The minutes of the Joint Shareholders Committee meeting will be tabled at Full Council.

**2 Draft Resolution****That the Full Council:**

- 1) receives the Referrals from Joint Shareholders Committee report; and**
- 2) receives the minutes of the Joint Shareholders Committee meeting of 13 September 2013; and**
- 3) approves the Port Nelson Limited Draft Statement of Corporate Intent for 2013/14 for signing subject to any minor changes identified; and**
- 4) approves the re-appointment of Sharon McGuire and Terry Horne as Directors of Nelson Tasman Tourism Limited for a three year term; and**
- 5) approves the Port Nelson Limited Directors' Fees to increase by .....% to a total pool of \$..... for the next 12 months; and**

- 6) adopts the amended Policy for the Procedure for Joint Appointment of Directors/Trustees of Council Controlled Organisations and Council Controlled Trading Organisations; and
- 7) approves the directors' fees for Nelson Airport Ltd be increased by ...%; and
- 8) requests staff to jointly prepare an agreed approach and methodology for a joint policy on determining the appropriate level of directors' fees for CCOs in joint ownership; for Council consideration in 2014.

<b>3 Attachments</b>
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1. Joint Shareholders Committee public agenda 13-09-13 (*Under Separate Cover*)

**8.8 IMPROVED FINANCIAL MANAGEMENT - ACTIVITY BALANCES REPORT****Decision Required**

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Mike Drummond, Corporate Services Manager
<b>Report Number:</b>	RCN13-09-13

**Item 8.8****1 Summary**

- 1.1 There are a number of measures that Council will need to take in the short to medium term to improve our financial management and ensure that we remain financially sustainable into the future. The work on funding the capital programme that has already been approved is one measure. I intend to report to the new Council on a range of other initiatives and approaches that will assist prudent financial management in the long term.
- 1.2 There is a change that we can make in the short term that will improve accountability at the activity level, improve reporting both to Council and managers, support Treasury policy changes to more equitably allocate borrowing and finance costs and assist in ensuring financial stability and resilience i.e. move all activities to operate on a closed account basis.
- 1.3 Currently activities are treated in two separate ways at year end. Some activities are operated as Closed Accounts and some have their operational surplus or deficit transferred direct to equity. The approach of clearing operational deficits or surpluses to equity obscures the longer term compounded financial performance of the activity.
- 1.4 A related change will occur in three to six months as part of the Treasury policy change proposals. This will separate internal borrowing and reserves from external borrowing and cash reserves. The result will be that activities will receive or pay interest to the Treasury function. The external borrowing and related costs will be managed by the Treasury function to support the balance sheet as a whole.
- 1.5 The proposal is for the change to have an effective start date of 1 July 2013 and be progressively rolled out over 2013/14. It is intended that there be some discretion in the first year over the charging of interest on activity balances as these will not have been budgeted for.

**2 Draft Resolution****That the Full Council:**

- 1) receives the Improved Financial Management - Activity Balances Report RCN13-09-13; and**
- 2) approves the change to progressively run all activities on a closed account basis effective from 1 July 2013;**
- 3) authorises the Corporate Services Manager to delay the charging of interest on the new activity balances until 1 July 2014 if that is financially prudent.**

### 3 Purpose of the Report

- 3.1 To obtain approval to progressively implement closed account style management of all Council activities.

### 4 Background and Discussion

- 4.1 This proposal has been brought directly to Council as the next opportunity to present to the Corporate Services Committee would be November 2013. It is important to have the change in place before that date. This will allow incorporation into the Annual Plan 2013/14 and the 2013/14 reporting changes.
- 4.2 Council currently has two separate treatments for activities. Some activities are carried out as 'Closed Accounts' others have their operating surplus or deficit transferred at the end of the year to equity. In effect this transfer clears the account and these activities get a clean start each year. These transfers offset activity surpluses and deficits with the net deficit or loss being absorbed into equity. This approach does not allow Council the level of transparency it needs to ensure that its Revenue and Finance Policies are operating effectively.
- 4.3 Where an activity is partly or wholly funded by targeted rates it runs as a closed account. This is because the money collected by way of a targeted rate can only be used for the purposes it was collected. General rates (including the UAGC) can however be used for any purpose. This means general rates funding can be moved between activities.
- 4.4 For those activities not being accounted for as closed accounts it is not easy to determine the financial performance trends. These trends are critical to identify over or under-funding of an activity. They also assist in identifying the ongoing impact of one-off unbudgeted events and assist in holding management accountable for the financial performance of the activity to the same extent that Council is responsible.
- 4.5 The Corporate Services Committee recently approved the moving of the Port Tarakohe activity to a closed account basis. Arguably had this been done earlier the effect of the accumulated losses would have been more obvious and corrective action is likely to have been made sooner. It would have also strengthened Council's hand in negotiations over increased port charges.
- 4.6 The Commercial Subcommittee requested that all commercial activities are presented with an income statement, cash flow statement and balance sheet. This will require that all these activities utilise the closed account approach.
- 4.7 Council's rates and fees income is primarily determined by its Revenue and Financing Policy. One of the key changes we want to implement is additional analysis of the effectiveness of that policy. After all, councillors are accountable for the overall financial performance of Council and we need to be transparent in the way we report that. What that will entail is being able, over time, to ensure we are not over or under rating for any activity. This is similar to the balanced budget requirement as set out in the Local Government Act 2002. If we continue to sweep the operational result of most activities into equity each year this ability is lost.
- 4.8 Over the next three to six months a policy review will be undertaken of Council's Liability Management Policy, Investment Policy and the related Treasury Policy. The review

coincides with the work being done to restructure Council's treasury operations. The focus of the work will be on improving transparency, processes and reducing overall finance costs.

- 4.9 The move to progressively create 'Closed Accounts' for all activities supports the proposed changes in the Treasury Policy. The intention is to ensure borrowing is correctly allocated to activities and all financing costs are correctly recorded for each activity. That means we will be charging/paying interest on activity (Closed Account) balances along with other reserve balances.
- 4.10 The current practice of linking all external borrowing back to the activities capital programme is flawed. It does not take account of increased borrowing or more often the rundown in cash reserves required for additional working capital or to fund operational deficits transferred to equity.
- 4.11 In the past deficits in operating accounts funded by general rates have decreased any cash reserves. Therefore capital loans are being raised for some activities which should have been funded from reserves. This approach has also resulted in practices like loans needing to be taken out against Reserve Financial Contribution reserves as there was no cash in the reserves. The treasury changes being formulated will address these issues. This move is an important prerequisite to those Treasury Policy changes.
- 4.12 This change will provide an ongoing view of the impact of one off unbudgeted events and decisions and the impact that has on an activities finances. This should lead to improved fiscal management and stability.
- 4.13 It is proposed that this change will progressively take effect from 1 July 2013. There may be some impact on current budgets as a result of interest charges. For this reason the charging/paying of interest may not fully commence until 1 July 2014.

## **5 Options**

There are two Options:

- 5.1 Option 1 – retain the status quo. Under this option none of the activities that are not already managed as closed accounts will be affected. As noted above, this will mean that the measurement of the longer term financial performance of these activities will be obscured by the practice of each year clearing any deficit or surplus to equity.
- 5.2 Option 2 (preferred) – progressively move all activities to a closed account approach. Under this option we will achieve a more transparent view of the longer term performance of the Activity. This view will allow us to more easily identify financial challenges at the activity level that may need to be addressed. This approach will also support changes to the Treasury Policy to allow a more equitable allocation of borrowing and the related finance costs.

## **6 Strategic Challenges / Risks**

- 6.1 The decision is considered to be of low risk. This change is primarily administration/accounting based. The decision supports changes resulting from addressing Strategic Challenge Two – Financial Stability.

**7 Policy / Legal Requirements / Plan**

- 7.1 This decision means a change in practice. It is not directly covered in the application of the current Treasury Policy.

**8 Consideration of Financial or Budgetary Implications**

- 8.1 There are no direct costs for implementing this change. Any costs will be met from existing budgets. The change will however have an impact on the Annual Plan 2014/15 budgets as a result of paying or charging interest more equitably across all activities.

**9 Significance**

- 9.1 This decision is of low significance as it involves primarily a change in accounting practice.

**10 Consultation**

- 10.1 Given the low significance of the decision formal consultation is not required.

**11 Conclusion**

- 11.1 Improved transparency, financial reporting and management will occur if the proposed change in approach to use closed accounts for all activities is implemented.

**12 Next Steps / Timeline**

- 12.1 On approval the change will be progressively implemented effective from 1 July 2013 and be completed by 30 June 2014.

**13 Attachments**

Nil



**8.9 PERMANENT APPOINTMENT OF COUNCIL PROXIES****Decision Required**

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Mike Drummond, Corporate Services Manager
<b>Report Number:</b>	RCN13-09-11

**Item 8.9****1 Summary**

- 1.1 Council has shares in a number of Council Controlled Organisations. Each year these companies hold an annual meeting. At the annual meeting all shareholders vote on the resolutions presented by directors.
- 1.2 Council needs to formally appoint a proxy to vote on behalf of Council. In the past this has been done for each meeting of each company separately. Due to the timing of meetings it can be difficult to get this prior approval.
- 1.3 The annual meeting agendas include standard items which are not controversial or sensitive. This includes receiving the minutes, adoption of the accounts and appointing the auditor. The two items on which the proxy needs to take direction from Council are the appointment of directors and any change in directors' remuneration.
- 1.4 This report proposes that the Mayor and in their absence the Deputy Mayor or the Chair of Corporate Services Committee are permanently appointed as proxies for Council. They would still take direction from Council on director's fee increases and director appointments. This would reduce the need to prepare Council and committee papers appointing a proxy on a regular basis.
- 1.5 If approved these delegations will also be included in the next version of the Delegations Register.

**2 Draft Resolution****That the Full Council:**

- 1) **receives the Permanent Appointment of Council Proxies report; and**
- 2) **appoints the Mayor and in their absence the Deputy Mayor or the Chair of the Corporate Services Committee to act as Council's proxy for the following companies:**
  - **Port Nelson Ltd**
  - **Nelson Airport Ltd**
  - **Tourism Nelson Tasman Ltd**
  - **New Zealand Local Government Insurance Corporation Ltd**
  - **Local Government Funding Agency Ltd; and**

- 3) instructs them to vote in the best interests of Council but to take direction from Council on sensitive or controversial matters before committing Council's shareholder votes.**

### **3 Purpose of the Report**

- 3.1 To formally appoint a proxy for Council's shareholdings in companies

### **4 Options**

There are two options

- 4.1 Option one - Council can elect to appoint a proxy on a case by case basis. Challenges can occur with this process due to the timing of meetings, late agendas etc.
- 4.2 Option two – Council appoints elected officials as a permanent proxy to vote on behalf of Council's shares at annual meetings, subject to some constraint on sensitive or controversial matters.

### **5 Strategic Challenges / Risks**

- 5.1 There is limited risk in this proposal. Council can revoke the proxies authority at any time.

### **6 Policy / Legal Requirements / Plan**

- 6.1 This approach represents a minor policy change. Council's shareholder votes can only be exercised by a properly appointed proxy.

### **7 Consideration of Financial or Budgetary Implications**

- 7.1 There are no financial or budgetary implications

### **8 Significance**

- 8.1 This decision is of low significance as it has a minor impact on ratepayers, and decisions voted on at AGMs of Council Companies would not meet the thresholds described in Council's Policy on Significance.

### **9 Consultation**

- 9.1 Due to the low significance no formal consultation is required

### **10 Attachments**

Nil



## 8.10 REPORT TO ADOPT THE TASMAN DISTRICT COUNCIL RESERVES GENERAL POLICIES DOCUMENT

Decision Required

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Ros Squire, Consent Planner  
**Report Number:** RCN13-09-14

Item 8.10

### 1 Summary

- 1.1 Council is asked to adopt the Tasman District Council Reserves General Policies document .
- 1.2 At its meeting on 9 May 2013, Council approved the public consultation process for the Tasman District Council Draft Reserves General Policies document. The document was notified for public consultation on 15 May 2013 and was open for submissions for two months. Council received nineteen submissions on the document and comments from the Council's Co-ordinator, Environmental Health.
- 1.3 A Community Services Subcommittee Hearing Panel held a submission hearing on Monday 19 August and recommended to Full Council that it makes the decisions outlined in the minutes (attachment 2) in relation to the matters raised in submission.
- 1.4 The final Tasman District Council Reserves General Policies document (sent out under separate cover) reflects the resolutions made at the re-convened meeting on 20 August. This report outlines the key changes to the document as a result of the decisions made by Community Services Subcommittee Hearing Panel.

### 2 Draft Resolution

**That the Full Council:**

- 1) **receives the Report to adopt the Tasman District Council Reserves General Policies document Report RCS13-08-01; and**
- 2) **adopts the recommendations of the Community Services Subcommittee Hearing Panel relating to the Reserves General Policies document contained in the minutes of the submissions hearing meeting on 19 - 20 August 2013;**
- 3) **agrees to amend the wording in Section 3.3 of the document on page 17 by adding the words "and tangata whenua" into the second sentence and deleting the words "And the following tangata whenua iwi" within the list of iwi;**
- 4) **adopts the Tasman District Council Reserves General Policies document, as contained in attachment 1, pursuant to Section 41 of the Reserves Act 1977; and**
- 5) **authorises Councillors Edgar, Wilkins and King to approve any minor edits or changes to the document, prior to publication.**

**Item 8.10**

**3 Purpose of the Report**

- 3.1 The purpose of this report is for Council to adopt the recommendations of the Community Services Subcommittee Hearing Panel and the final Tasman District Council Reserves General Policies document.

**4 Background and Discussion**

- 4.1 The background to the drafting of the Tasman District Council Reserves General Policies document, the development process, a summary of the document and a copy of the draft document were provided in Report RCN 13-05-02 at the 9 May 2013 Full Council meeting and are not repeated or attached here.
- 4.2 At the Full Council meeting on 9 May 2013 Council resolved, pursuant to Section 41 of the Reserves Act 1977, to release the draft document for public consultation on 15 May 2013.
- 4.3 Council publicly notified the Draft on 15 May 2013. The document was circulated to interested parties and relevant statutory authorities. A call for submissions was also included in the 24 May edition of Newline. Submissions on the document closed on 15 July 2013.
- 4.4 Council received 19 submissions and comments from the Council's Co-ordinator, Environmental Health. Of those, 14 submitters presented their submissions to a Community Services Subcommittee Hearing Panel meeting on Monday 19 August 2013.
- 4.5 The Hearing Panel considered all the submissions at a reconvened meeting on 20 August and gave staff direction on matters to take to Council on 19 September 2013 for a decision.
- 4.6 There was general support for the intent of the policy document and strong support for some specific policies, there were also submissions relating to the purchase of specific areas of land that were outside the scope of the policy document.
- 4.7 There were some issues and proposals raised in submission, and some specific clauses that submitters wanted amended that the resolutions have not recommended be changed or included in the final document. The reason for this was that the issues raised were either considered to be adequately addressed elsewhere in the Draft Reserves General Policies document, were outside the scope of the document or would be more appropriately addressed elsewhere including within the Reserves Strategy.
- 4.8 It was agreed that the resolutions relating to the submissions from Fish and Game NZ and Mrs Butts concerning Port Tarakohe and Waimea River Park be addressed separately in this covering report.
- 4.9 Council officers have incorporated the recommended changes made at the reconvened meeting on 20 August 2013 into the final Tasman District Council Reserves General Policies document and recommend that the Council adopt the amended document as the Council's final Reserves General Policies document.

<b>5 Key Changes from the Draft Tasman District Council Reserves General Policies Document</b>
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- 5.1 A copy of the final Tasman District Council Reserves General Policies Document is contained in Attachment 1. A tracked changed version of the document is available from the writer on request.
- 5.2 The most significant parts of the final document that have changed from the draft document are summarised below:
- minor technical changes and amendments to wording principally in response to submissions from the Director General of Conservation, iwi, Transpower and feedback from Council's Co-ordinator Environmental Health;
  - the addition of new material in the Introductory section of the policy document relating to Reserve Management Plans, the Tasman Resource Management Plan and the Reserves Strategy;
  - the removal of section (2.2 - Parks categories) from the document due to the confusion it generated;
  - the inclusion of Waimea River Park in Appendix 1;
  - the referencing of iwi throughout the document;
  - the inclusion of a definition for biodiversity, a new policy to improve the protection of biodiversity/conservation values, additional references to sustainability and to policies to manage conflicts between use and biodiversity values; and
  - amendments to reflect utility legislation and provide for Transpower's interests and access to their infrastructure.
- 5.3 The submission from Fish & Game NZ requested that the land within the Waimea River Park be gazetted as a reserve under the Reserves Act 1977, that the policies in the document apply to the land and that it be listed in Appendix 1. Their principle concern was public access to the land and its ongoing management.
- 5.4 It was noted in the consideration of the submission that the status of the land had been considered previously by Council during the preparation of the Waimea River Park Management Plan and the decision had been made not to gazette the land as reserve. The bulk of the land was acquired pursuant to the Public Works Act 1981 for river control purposes. Acquisition was by virtue of gazette notices issued between 1989 and 2007. There is one smaller separate title of 1.7 hectares which is held as Local Purpose Reserve (Soil Conservation).
- 5.5 The Waimea River Park Management Plan was adopted by Council as a non-statutory management plan in 2010 and includes site specific policies for the Park which do not apply elsewhere.
- 5.6 The resolution of the Hearing Panel is to recommend that the Waimea River Park is not classified as a reserve under the Reserves Act 1977 but that it be included within Appendix 1 and that the Reserves General Policies document should apply where an issue is not addressed by the site specific policies in the Waimea River Park Management Plan.
- 5.7 The submission from Mrs Butts requested that part of the land at Port Tarakohe (the western breakwater, the area used for overnight stays by campervans and the area leased to the



Pohara Boat Club) which is vested as a Local Purpose Reserve (Harbour works) should be included in Appendix 1 and the policies in the Reserves General Policies document should apply. She submitted that a management plan should be prepared under the Reserves Act 1977 as she considered that it is no different to other reserves in the district. She also submitted that the area identified should be funded by Tasman Ratepayers not commercial users of Port Tarakohe.

- 5.8 The resolution of the Hearing Panel is to recommend that the area of Port Tarakohe identified by the submitter is not included within Appendix 1. The reason being that all the land within the Local Purpose Reserve (Harbour works) is the subject of a draft development plan and the Hearing Panel did not want to interfere with that process. It is noted that the submitter would have the opportunity to input into the draft development plan.
- 5.9 Subsequent to the consideration of submissions by the hearing panel and their recommendations, Tiakina te Taiao has requested minor changes to wording to remove the distinction between mana whenua and tangata whenua iwi within the list of iwi on page 17 of the policy document. This is included as track changes on page 17 of the policy document in Attachment 1. Staff recommend this change is made.

## **6 Options**

- 6.1 At the 20 August 2013 meeting the Community Services Subcommittee Hearing Panel recommended what was to be included in the final Reserves General Policies document. The recommendations of 20 August 2013 have been given effect to in the final document. Council is being asked to adopt the final Reserves General Policies document at today's meeting.
- 6.2 The Council has the options of:
- a. Adopting the final Reserves General Policies document without amendment, other than the amendments necessary to change the document from a "draft" to a "final" document; or
  - b. Agreeing to the recommended changes and adopting the final Reserves General Policies document.

## **7 Strategic Challenges/Risks, Policy/Legal Requirements, Financial Implications, Significance and Consultation**

- 7.1 The strategic challenges and risks associated with the matters contained in the final Reserves General Policies document have been addressed through previous reports.

## **8 Policy / Legal Requirements / Plan**

- 8.1 Council has undertaken the correct procedure for preparing the Reserves General Policies document, as required under the Reserves Act 1977.
- 8.2 The amended draft policy document has been prepared in accordance with the Reserves Act 1977 to assist in the Council's Parks and Reserves Management Plan process. Once

finalised and adopted by Council this document will replace the current non site specific policies in Council's Parks and Reserves Management Plans.

**9 Financial/Budgetary Considerations**

9.1 The budget for this project has been provided for in Council's Long Term Plan.

**10 Significance**

10.1 This activity is of medium significance as it sets policies for the use and management for Council's Reserves and will be of interest to local residents and visitors to the region.

**11 Consultation**

11.1 Council publicly notified its Reserves General Policies document on 15 May 2013. Submissions on the document closed on 15 July 2013.

11.2 Nineteen submissions were received on the document. Of those 14 submitters wished to present their submissions to the Community Services Subcommittee Hearing Panel. The Hearing Panel heard submissions at Council a meeting on 19 August 2013.

**12 Recommendation**

12.1 That Council adopts the final Reserves General Policies document.

**13 Timeline/Next Steps**

13.1 The Reserves General Policies document, this document will come into effect following adoption by Council.

13.2 Council staff will send copies of the document to the organisations we are required to under the Reserves Act 1977, and will make copies available in Council offices and libraries.

13.3 Staff will also respond to the people and organisations who wrote in submissions on the Reserves General Policies Document advising them of Council's decisions on the matters they raised.

**Attachments**

1. Tasman District Council Reserves General Policies Document (*Under Separate Cover*)
2. Submissions Hearing Minutes - 19 August 2013 (*Under Separate Cover*)

**8.11 TRANS-PACIFIC PARTNERSHIP AGREEMENT REPORT****Decision Required**

<b>Report To:</b>	Full Council
<b>Meeting Date:</b>	19 September 2013
<b>Report Author:</b>	Mark Tregurtha, Strategic Policy Adviser
<b>Report Number:</b>	RCN13-09-15

**Item 8.11****1 Summary**

- 1.1 The Trans-Pacific Partnership Agreement (TPPA) is a proposed free trade agreement involving 12 Asia Pacific countries, including New Zealand.
- 1.2 Some concerns have been expressed that the agreement will favour the interests of US firms over the interests of New Zealand residents. Nelson City Council confirmed a resolution on the TPPA on 27 August 2013.
- 1.3 This report is in response to the Golden Bay Community Board's request that Council pass a similar resolution on the TPPA currently being negotiated by the Government.
- 1.4 Council has the options of encouraging the Government to conclude negotiations on the TPPA in a way that provides net positive benefits for the Tasman District and New Zealand; deciding not to comment on the TPPA; or asking staff to undertake further research on the matter and to report back to Council with the view to passing a more extensive resolution, similar to Nelson City Council's, on the matter. Staff recommend the first option.

**2 Draft Resolution****That the Full Council:**

- 1) receives the Trans-Pacific Partnership Agreement Report ;**
- 2) encourages the Government to conclude negotiations on the Trans-Pacific Partnership and Free Trade Agreements in a way that provides net positive benefits for Tasman District and New Zealand; and**
- 3) instructs the Mayor to raise this matter with the Minister for Trade (Hon. Tim Groser) on behalf of the Tasman District community.**

### 3 Purpose of the Report

- 3.1 To consider a request from the Golden Bay Community Board that Council pass a resolution requesting that Council consider the implications of the Trans-Pacific Partnership Agreement and pass a resolution similar to Nelson City Council.

### 4 Background and Discussion

#### Background

- 4.1 The Trans-Pacific Partnership Agreement (TPPA) aims to create a regional free trade agreement involving the following Asia Pacific countries: Australia, Brunei Darussalam, Canada, Chile, Malaysia, Mexico, Peru, Singapore, the United States, Vietnam, Japan, and New Zealand. The agreement is intended to deepen economic ties between these countries, increase the trade of goods and services, investment flows, and promote closer links across a range of economic policy and regulatory issues.
- 4.2 Some concerns have been expressed that the agreement will favour the interests of US firms over the interests of New Zealand residents.
- 4.3 It is difficult to make an accurate assessment of the likely implications of the TPPA as this would require detailed analysis of the pros and cons of the proposed agreement, but much of the details of the negotiations are not public information.

#### Auckland Council and Nelson City Council resolutions

- 4.4 The Auckland Council Regional Development and Operations Committee considered the TPPA late last year and on 6 December 2012 passed a detailed resolution outlining its concerns.
- 4.5 Nelson City Council received 75 submissions on this subject to its draft Annual Plan. Nelson City Council's Policy and Planning Committee passed a similar recommendation to the Auckland Council Committee in July (attachment one) and this was confirmed at the City Council's meeting on 27 August 2013.

#### Draft Annual Plan submission

- 4.6 One submission to the Draft Annual Plan 2013/2014 requested that Council pass a resolution similar to the Auckland Council Regional Development and Operations Committee. Council decided not to pass a resolution on the TPPA, but did ask for a copy of any report and subsequent resolution passed by Nelson City Council. The report was circulated to Councillors in mid-July and the final NCC resolution is attached.

#### Golden Bay Community Board Resolution

- 4.7 At its meeting of 13 August 2013 the Golden Bay Community Board discussed a report from Councillor Bouillir and resolved:
- 4.7.1 That the Golden Bay Community Board receives Trans-Pacific Partnership Agreement Report; and requests that Council consider the implications of the TPPA to Tasman District Council and pass a resolution similar to Nelson City Council.**

**Points for consideration**

- 4.8 This is a national treaty negotiation and it is unclear how much influence local government can have over the content and direction of the negotiations. It is presumed that the Government will work in the best long-term interests of New Zealand.
- 4.9 If Council is concerned about the implications of TPPA then it would seem an appropriate response to raise these concerns with the Minister responsible for trade negotiations, Hon. Tim Groser.
- 4.10 The Auckland Council and Nelson City Council resolutions are detailed. The staff view is that Council does not have sufficient information to pass a similar resolution. If Council wished to pursue a detailed resolution, further research would be required and a new report brought to Council. There are, however, no resources currently available to undertake the level of research that would be required to enable staff to confidently provide advice on the Government's trade agreements. Any such resolution would need to be based on Councillors own information and political views on the pros and cons of this trade agreement.
- 4.11 The Nelson Regional Economic Development Agency has advised that it has no particular view as to the merits of the TPPA but generally supports trade and free trade agreements that are mutually beneficial. It asks that Council be mindful of the region's dependence on the primary sector when considering its response. It is important that nothing is done or said that might have a detrimental effect on our ability to export.

<b>5 Options</b>
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- 5.1 Option 1 - Pass a general resolution requesting that the Government concludes negotiations on the TPPA that provide net positive benefits to the Tasman District and New Zealand (this is the recommended option).
- 5.1.1 Advantages
- 5.1.1.1 Signals to the Government that there are community concerns with the TPPA.
  - 5.1.1.2 Provides some support for the position requested by the Golden Bay Community Board.
  - 5.1.1.3 Leaves open a further resolution at a later stage if Council wishes to examine the proposed TPPA in more detail.
- 5.1.2 Disadvantages
- 5.1.2.1 Does not meet the full request of the Golden Bay Community Board or the submitter to the Draft Annual Plan.
- 5.2 Option 2 - Resolve not to take any further action on TPPA (second preferred option).
- 5.2.1 Advantages
- 5.2.1.1 Requires no further resources or time of Council.
  - 5.2.1.2 Leaves open the opportunity for a resolution at a later stage if Council wishes to examine the proposed TPPA in more detail.

## 5.2.2 Disadvantages

- 5.2.2.1 Does not meet the request of the Golden Bay Community Board or the submitter to the Draft Annual Plan.

- 5.3 Option 3 - Request the Government to consider the wider implications of the TPPA and include a detailed list of matters for their consideration (not recommended).

## 5.3.1 Advantages

- 5.3.1.1 Signals to the Government that there are community concerns with the TPPA.
- 5.3.1.2 Meets the request of the Golden Bay Community Board and submitter to the Draft Annual Plan.

## 5.3.2 Disadvantages

- 5.3.2.1 Council would be relying on limited information on the effects of the TPPA on the District
- 5.3.2.2 The resolution would be made without information on wider community opinions on the TPPA.

- 5.4 Option 4 - Request staff to undertake further research and consultation, and report back to a later Council meeting (not recommended).

## 5.4.1 Advantages

- 5.4.1.1 This option would provide Council with more information to make a detailed resolution.

## 5.4.2 Disadvantages

- 5.4.2.1 Requires staff time and skills, i.e. trade negotiation advisory skills that are not readily available.

<b>6 Strategic Challenges / Risks</b>
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- 6.1 Given that the TPPA falls within the jurisdiction of the Government the risks associated with passing options 1, 2 or 3 are considered low. If option 4 was adopted resources would need to be diverted from Strategic Challenges projects to complete this work.

<b>7 Policy / Legal Requirements / Plan</b>
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- 7.1 There are no Tasman District Council policies or legal issues that arise from this report. Given that the TPPA, however, is a national treaty negotiation, it is unclear how much influence Council would have over the Government's negotiations and policy.

<b>8 Consideration of Financial or Budgetary Implications</b>
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- 8.1 Apart from staff time there are no direct financial implications arising from this report and the four options outlined in section 5.

**9 Significance**

- 9.1 Council's Policy on Significance requires consideration on whether the issue has a history of generating wide public interest within Tasman District or New Zealand generally. Given that only one submission on this subject was received to this year's Draft Annual Plan, compared to the number of submissions received by Nelson City Council, it is possible that this issue has not generated wide public interest in the Tasman District. There is a low level of interest throughout New Zealand on this issue, and, therefore, the matter is considered to be of low significance.

**10 Consultation**

- 10.1 Options 1 and 2 leaves the door open for a further detailed resolution by Council in the future. Council does not have information on residents' or businesses views on the TPPA and, therefore, if a more detailed resolution was supported, Council should consider undertaking consultation with the wider community to determine their support or otherwise for any proposed policy on trade agreements.

**11 Conclusion**

- 11.1 There is support by Golden Bay Community Board and at least one submitter to this year's Draft Annual Plan that Council pass a detailed resolution on the TPPA.
- 11.2 Staff resources are not available to analysis and provide Council with policy advice on the Government's trade negotiations.
- 11.3 A general resolution, as recommended, might increase the Minister of Trade's awareness of community concerns on the TPPA.

**12 Next Steps / Timeline**

- 12.1 If Council resolves to write to the Government then a letter from the Mayor will be sent to the Minister of Trade.
- 12.2 If option 4 is resolved staff will need to assess the resources required to adequately advise Council on possible impacts to the District of the TPPA.

**13 Attachments**

1. Nelson City Council resolution on TPPA

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NELSON CITY COUNCIL RESOLUTION

*THAT the report Trans-Pacific Partnership Agreement (1528174) and its attachments (1493910 and 1542496) be received;*

*AND THAT Council encourages the government to conclude negotiations on the Trans-Pacific Partnership and Free Trade Agreements in a way that provides net positive benefits for Nelson and New Zealand, that is, provided the Partnership and Agreements achieve the following objectives:*

*i. Continues to allow the Nelson City Council and other Councils, if they so choose, to adopt procurement policies that provide for a degree of local preference; to choose whether particular services and facilities are provided in house, by council-controlled organisations (CCOs) or by contracting out; or to require higher health and safety, environmental protection, employment rights and conditions, community participation, animal protection or human rights standards than national or international minimum standards;*

*ii. Maintains good diplomatic and trade relations and partnerships for Nelson and New Zealand with other major trading partners not included in the agreement, including with China;*

*iii. Provides substantially increased access for our agriculture exports, particularly those from the Nelson region into the US market;*

*iv. Does not undermine PHARMAC, raise the cost of medical treatments and medicines or threaten public health measures, such as tobacco control;*

*v. Does not give overseas investors or suppliers any greater rights than domestic investors and suppliers, such as through introducing Investor-State Dispute Settlement, or reduce our ability to control overseas investment or finance;*

*vi. Does not expand intellectual property rights and enforcement in excess of current law;*

*vii. Does not weaken our public services, require privatisation, hinder reversal of privatisations, or increase the commercialisation of government or of Nelson City Council or other local government organisations;*

*viii. Does not reduce our flexibility to support local economic and industry development and encourage good employment and environmental practices and initiatives like Council Cadetships and the Mayor's Taskforce for Jobs which enable marginalised young people to develop their skills and transition into meaningful employment;*

*ix. Contains enforceable labour clauses requiring adherence to core International Labour Organisation conventions and preventing reduction of labour rights for trade or investment advantage;*

*x. Contains enforceable environmental clauses preventing reduction of environmental standards for trade or investment advantage;*

*xi. Has general exceptions to protect human rights, the environment, the Treaty of Waitangi, and New Zealand's economic and financial stability;*

*xii. Has been negotiated with real public consultation including regular public releases of drafts of the text of the agreement, and ratification being conditional on a full social, environmental and economic impact assessment including public submissions.*

**Item 8.11**

**Attachment 1**

**8.12 CHIEF EXECUTIVE'S ACTIVITY REPORT**

Information Only - No Decision Required

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Lindsay McKenzie, Chief Executive  
**Report Number:** RCN13-09-16  
**File Reference:**

Item 8.12

**1 Summary**

- 1.1 This report summarises my activities since the 8 August 2013 Council meeting.
- 1.2 The Council has now acquired the land it needs to realign the **Riwaka – Kaiteriteri Road** at Pukekoikoi or Turner's Bluff. Getting to this point has been a challenging process, compounded when the significant find of Maori artefacts occurred in the proposed construction zone. The original agreement did not contemplate that of course and an alternative route for the road was needed. The alternative route required a significantly larger area of Turner Family land.
- 1.3 The joint community/Council tender for the Carter Holt Harvey **land on the Kina Peninsular** was successful. The Council takes ownership of the land on 16 September 2013. This is a really good outcome for the Tasman community whose members put so much effort into the bid and into raising the community share of the money for the purchase.
- 1.4 I am concerned that the review of **the district's i-Sites** and the investigation into alternative models for providing visitor information is slowing. There seems to be a belief, which may be true, that the status quo will prevail or at least that Council will continue to fund the existing entities and their losses. Some communities are struggling to develop proposals. That is understandable as it is not their core business. The Murchison Community Council is leading their review rather than the visitor-servicing business. There are calls for the report on tourism sector funding that the Council has commissioned to be completed and considered as a priority so that these communities can be given some certainty.
- 1.5 Internally our focus has been on completing **the Annual Report** and on getting a clear audit.

**2 Draft Resolution**

**THAT the Full Council receives the Chief Executive's Activity Report RCN13-09-16**

<b>3 Purpose</b>
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- 3.1 The purpose of this report is to inform Council about some current issues and my operational activities for the period since Council's 8 August 2013 meeting. This is an information report.

<b>4 Strategy and Planning – <i>vision, direction, plans and policies, Long Term Plan, implementing</i></b>
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- 4.1 There has been no further word on when the **Tasman District Council (Validation and Recovery of Certain Rates) Bill** will be reported back. The Mayor has been corresponding with the Select Committee about some matters that Council was asked to consider. There has been an official information request for Council's costs in the matter. That request has been met.
- 4.4 An **agreement with the Turner Family** to acquire some of their land to realign the Riwaka to Kaiteriteri Road was finally signed on 30 August 2013. At your 27 June 2013 Council resolved to make a final offer of \$330,000 subject to the vendors paying towards the cost of power undergrounding. I was authorised to settle on those terms. An issue of GST payments arose just prior to final agreement. The Council is GST registered and the vendors are not. The issue was resolved by offering \$360,000 including GST. The cost to Council is \$313,000 excluding GST. Settling this matter will allow work to commence. Engineering staff are making every effort to have contractors on site on 1 October 2013.
- 4.5 Council and **Nelson Tasman Tourism** staff are working with the Murchison community on the future arrangements for visitor information delivery. I am concerned that there is a sense there and elsewhere that in the long run it will be business as usual with respect to funding. The community is frustrated that they have no certainty of outcome despite Nelson Tasman Tourism being really clear that it is going to stop funding i-Sites that are not financially viable. Some believe that Council will come to the party and make up the losses. That may be what the Council decides after it receives and consider the review of the basis for funding visitor information services, destination marketing and the like. My advice has been to not rely on that happening. I raise this matter so that Council is aware that an expectation gap is looming.
- 4.6 The Government has announced plans to streamline our **Local Government Act planning** obligations to reduce 'unnecessary costs for councils and ratepayers'. The requirement to incorporate 30 year infrastructure strategies into long term plans may have the opposite effect.
- 4.7 The first round of consultation on NZTA's **Financial Assistance Rate** review finished in May 2013. NZTA has developed a 'provisional framework' that would set an overall National Land Transport Fund co-investment rate. Approved organisations may receive a funding assistance rate that is above or below the overall co-investment rate. That rate would take the organisation's ability to achieve agreed transport outcomes into account. The next phase of this review will be critically important.
- 4.6 The "Able Tasman – changing for good" programme is progressing well. This programme aims to ensure the organisation is equipped to meet Council's vision for the district and to continuously improve our performance overall. Staff teams are now engaged working up the actions that we will need to take to meet each of eight strategic challenges that Council has

signed off. While this work will be ongoing and will help shape the 2015-2025 Long Term Plan, we intend to reach a milestone by Christmas when all of the actions and their measures are to be agreed.

**5 Advice and Reporting – Long Term Plan, annual report, current issues, governance support**

- 5.1 The Corporate Services Committee approved a tender being submitted for the purchase of **Carter Holt Harvey land on the Kina peninsular**. A tagged tender was submitted and accepted unconditionally. You will recall that the Council's contribution to the tender price was limited to \$332,500. On the assumption that there would be a one for one contribution from the local community the tender price was to be \$665,000. In the end the local share more than matched the Council's share. It was agreed after consulting the Mayor and the Councillors named in the resolution to increase the tender by the amount of the increased local contribution. This is a great result for the local community whose members put a big effort into fundraising. The Council met their legal costs as agreed. We take possession of the site on 16 September 2013.
- 5.2 For various reasons I have failed to deliver on the long promised **review of gravel management** across the district. It may not be possible to have that written up for you during this term of Council. There have been some successes nevertheless. As a result of commitment and innovation by staff, gravel will be coming out of the Motueka River opposite Fay Baker's property. The arrangement with the contractor has the endorsement of our compliance people as well as Fish and Game staff. The arrangement will be cost neutral to Council. The contractor will remove the gravel 4000m<sup>3</sup> at a time, backload rock and enable a groyne to be build to protect the top of the Baker land.
- 5.3 The notes of the recent end of **triennium workshop** have been written up and will be used internally to improve the service to Council and committees. The preferences that you have for the ways committees are to be organised and run in the next triennium will be included in the recommendations of the Mayor and staff on future governance arrangements.
- 5.4 A group of senior staff with support from the Mayor and the Chairs of Corporate and Engineering Services Committees have been monitoring progress with the **Jackett Island Environment Court** proceedings. Council will be advised in the event that guidance is needed on the future strategy ahead of the next hearing dates in October.
- 5.5 The Regional Council Chief Executives met in Wellington on 14 August 2013. Changes to the national **freshwater monitoring network** were outlined by NIWA. The review appears to be NIWA's response to reduced central government funding for the monitoring network and there is little that is strategic about the review. NIWA intend to shift their focus to standard setting, verification and benchmark sites leaving more of the routine but critically important motoring to councils.
- 5.6 There is concern about proposals to separate planning for freshwater from the RMA processes dealing with planning for land. The Regional Sector Group was to discuss this matter at its 6 September 2013 and provide some direction to central government. Other matters discussed included –
- an update on funding irrigation schemes by Graham Turley of the ANZ

- a review of the way the staff resources supporting the regional chief executives and the regional sector group are organised
- approval for a taskforce to work on implementing the NPS on freshwater management
- recent problems with national environment standards monitoring and reporting.

## 6 Management of Council Resources – *finance, operations, systems and processes*

- 6.1 No financial overview is available for this report as staff are focused on completing the end of year financials and meeting the audit requirements. The auditors are in the office at present. Mark Tregurtha is coordinating writing of the ‘front end’ of the Annual Report. We intend to follow a similar style to last year. The narrative and financial summary will be to the front and the policy and compliance information to the back.

Here is a reminder about the timetable for adoption –

12 Sept	Early draft of Annual Report and Annual Report Summary to Councillors
17 Sept	Feedback to Bryce and Mark from Councillors on the early draft
18 Sept	Councillor feedback incorporated into final Annual Report
19 Sept	Final Annual Report to Auditors (no non-audit initiated changes permitted after this point)
19 Sept	Formal agenda goes out to Councillors with the Annual Report
26 Sept	Council adopts the Annual Report and the audit report.

As Mike Drummond has noted, the Auditors will not be present at the Council meeting.

It has been reported that Standard and Poors conducted their credit rating interviews here on 6 August 2013. We had anticipated hearing from them by the end of September but it is more likely now to be early October.

- 6.2 The process that Council will need to undertake leading up to a decision to fund (presumably) the **Lee Valley Dam** is being investigated by staff. Our focus is on the Council’s powers and duties under the Local Government Act 2002 and Local Government Rating Act 2002. These will be significance decisions, will trigger the special consultative procedure in the Local Government Act and will probably require preconsultation. That will help ensure that the proposal Council consults on is one that has a good measure of support.

A decision to fund the dam is effectively a go/no go decision on the project. Notwithstanding the previous consultation, it is likely that the Council will need to consult afresh – there will be little that can be taken for granted. In addition to the budgetary matters we will also need to consider what other policy reviews might need to occur. Among these could be the fitness for purpose of the Financial Strategy, the Revenue and Financing Policy, Liability Management Policy, Investment Policy and potentially the Development Contributions Policy. Staff will present a report to the Council post the elections to inform the members about the process to be followed and the likely timeline.

<b>7</b>	<b>Managing People – good employer, performance, health and safety, policies</b>
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- 7.1 Susan Edwards has been appointed to the role of **Community Development Manager**. She is ‘transitioning’ into her new role immediately having been acting in a similar role. Her appointment will enable proposed changes to the supporting roles to occur. It is good to have Susan settling in her new role.
- 7.2 The Senior Management Team is progressing **changes to the organisation’s structure**. The overall proposal has been consulted on. The detail of the arrangements within the Corporate Services Department has gone to affected staff on 11 September and the Community Development Department proposals will follow in about a month. The proposals are the same as Council has been briefed about. The Property Services Section will be the first to transfer - from Community Development into Corporate Services. When we are further down the track we will provide an update and will need to seek approval to fund the proposed new roles. That is likely to occur in October.
- 7.3 **Recruitment** has slowed now that the new Engineering Services structure is nearly fully staffed. Over the past twelve weeks we have appointed staff to the following vacancies:
- two Policy Planners 0.5 FTE each
  - Executive Assistant – Community Services, Fixed Term (Shailey McLean commenced on 5 August to provide extended maternity leave cover)
  - Customer Services Officer – 0.6 FTE
  - Consent Planner – Natural Resources Consents

We are currently advertising for:

- Summer students for Environment & Planning and Engineering.
- Co-ordinator – Land Use Consents to replace Jack Andrew who is retiring late December.
- Property Officer – 0.6 FTE (Fixed Term) to cover a vacancy and to assist the team during the organisational review.
- Technical Officer – Utilities to replace Lindsay Skinner who retired at the end of August.

We have had to re-advertise the last two Engineering Services Department Project Engineer positions but are confident of confirming appointments in these roles by mid September.

- 7.4 There have now been three **Collective Employment Agreement** negotiation meetings. I am hopeful we will soon have an agreement with the PSA members for them to ratify. The employers’ position is that, if there is to be an agreement the proceedings that the PSA have taken in the Employment Court on the interpretation of the previous agreement be withdrawn.
- 7.5 In the interim we have filed a Statement of Defence with the Employment Court to the PSA’s Statement of Claim. The PSA is disputing the **Employment Relations Authority** decision on the matter of contract interpretation that the employer referred to the Authority. A preliminary directions telephone conference with the Judge is scheduled for 27 September 2013.

- 7.6 The Government has released its '**Working Safer, A Blueprint for Health and Safety at Work**' document that outlines the legislation reforms it plans to introduce. The reforms include an overhaul of the law to provide clear, consistent guidelines and information for organisations, additional funding for enforcement and education, and better co-ordination between government agencies. The legislation is currently being written and the 'Health and Safety at Work Bill' is due to be introduced by December 2013. It is expected to be enacted by December 2014.

## 8 Relationship Management – *Iwi, customers/ratepayers, media, other councils, CCOs*

- 8.1 A Kotahitanga hui was held at Nelson City Council on 21 August 2013 for the Mayor and Iwi leaders to discuss arrangements for the **Fresh Water Advisory Group** that is provided for in the Treaty of Waitangi settlement legislation. A broader environmental mandate for the Group was discussed. It is unlikely that there will be another hui until December. It was generally agreed that the CEOs of the Councils and the Iwi authorities will meet to do the policy work on the proposals for the Mayors and Iwi Chairs to approve. I sense that there is a long way to go before there is an agreement. Understandings about what the settlements provide vary widely among Iwi.
- 8.2 Work with the **Best Island** community on road legalisation is progressing well so far. We have agreement between all the residents on a road alignment and its dimensions as well as on rights of way. The road alignment has been surveyed and the land that is needed has been valued. We will be talking to the two land owners about purchase price expectations over the next couple of weeks. While the level of cooperation and positive feedback has been great, the biggest challenge – agreeing a price - lies ahead.
- 8.3 Some time ago I mentioned that two complaints had been received about our people and processes that required outside and independent help to investigate and resolve. The complaint about our building consent function is still being investigated by staff from the Ministry of Building, Innovation and Employment. The complaint about our compliance function has been investigated and a draft report received which has been acted on. The substantive complaint was not upheld but some changes to our procedures will be made. More importantly, staff need to always adhere to them. This complaint was that we were not diligent enough rather than being overzealous which might have been expected.
- 8.4 Community meetings and commitments since the last Council meeting have included:
- an approach from Fonterra Brightwater to have a relief from a restriction placed on them during a water shortage. They want the fact that they return 80% of the water abstracted to the aquifer recognised.
  - a request to assist the Gibbon's development on Queens Street obtain water for fire fighting and to coordinate their parking and internal traffic flows with the Richmond Mall and Council's roading network.
  - a visit to 'the forks' on the Rainy River with Councillor Bryant to try and resolve a public access issue over formed local roads and over the farm land beyond.
  - another meeting with the Murchison Community Council members who are working with some local interests to develop a proposal for a visitor information service after Nelson Tasman Tourism withdraws. It is likely that a proposal will come to shift the Council's service centre and library to the current visitor information centre building in



Waller Street (state highway). We await a formal proposal that is endorsed by the local visitor services providers.

- several complaints about our building consent function - with increased activity our average processing times have slipped out from 7.5 to 10 days. That is not too much of an issue. Unfortunately the feeling some applicants get is that we are using the 20 days we have for processing as an entitlement rather than as a limit. That is not the case. The complainants have been responded to and the building consents and administration staff asked to take care with the message that they give to some people.

<b>9 Appendices</b>
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Nil



**8.13 MAYOR'S REPORT**

**Information Only - No Decision Required**

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Richard Kempthorne, Mayor  
**Report Number:** RCN13-09-17  
**File Reference:**

**Item 8.13**

**1 Summary**

1.1 The attached report is a commentary of the Mayor's activities for the months of August/September 2013.

**2 Draft Resolution**

**That the Tasman District Council receives the Mayor's Report RCN13-09-17**

**3 Activities****26 July**

Jane and I attended Neil Clifton's retirement function – Neil was until recently the Nelson Marlborough Conservator for the Department of Conservation, and worked closely with Council, particularly on the Abel Tasman Foreshore Management Plan.

**27 July**

I attended the Blessing of the Fleet. In the evening I MCed the Water for Prosperity Fundraising dinner and auction.

**29 July**

Following several letters from West Coast – Tasman MP Hon Damien O'Connor, and the Principal of the Lower Moutere School, I had a discussion with Gary Clark and Steve Elkington on the speed limit around Lower Moutere School. The conclusion was to increase marker posts on the side of the Moutere Highway for children walking and cycling, and improvements of traffic calming measures at the intersection.

In the evening Jane and I attended the Trustpower Community awards function for Nelson Tasman.

**30 July**

Tasman Regional Sports Trust Finance Committee meeting and catch up with CEO Nigel Muir. The Sports Trust team hopes to be back in Sportshouse within a week.

Community Awards Ceremony here at Council.

**31 July**

I attended, with Matua Andy, the opening of the Motueka office of Stopping Violence Services – Living Safe. This represents an expansion of services into the Motueka area.

**5 August**

Lindsay and I met with Barbara Graves from Safe at the Top regarding Tasman's ongoing involvement with Safe. There was concern about the possibility of staff not being available through budget cuts. Councillor Edgar more recently had discussions with other members of Safe at the Top where it was clarified that various staff members relevant to discussion topics would most likely be available.

I had a catch up meeting on the Cycle Trail operations and maintenance with Dugald Ley and representatives of the Nelson Cycle Trails Trust.

**6 August**

Lindsay and I met with Paul Green and Ian Goldschmidt, Fonterra's Brightwater and Takaka Site Manager and Environmental Manager, respectively. They gave us an update on Fonterra's activities at these sites.

Following dinner with Sue Brown, I attended a meeting of Golden Bay Federated Farmers.

**7 August**

All Councillors will remember that we had a joint Council workshop of the Nelson and Tasman Councils. The key outcome of this workshop was a proposal which will be progressed post

election to form a committee of both councils to progress and make decisions on certain matters in an efficient and timely manner.

**8 August**

A citizenship ceremony and Full Council meeting.

In the evening I attended Motueka Rotary for a Q & A session.

**9 August**

A full day, commencing with Chairing the Connections Steering Group, a regular catchup with MP Maryan Street, afternoon meetings including a visit from Chinese Embassy Officials with Bill Findlater of the EDA, and finishing with the launch of the Nelson Arts Festival.

**12 August**

An afternoon meeting with Crown Irrigation Investments in regard to the Lee Valley Dam. I attended with Mike Drummond and WWAC representatives.

**13 August**

The annual Mayors Taskforce for Jobs Industry Training Graduation at Annesbrook Church. This is something I highly value as a means of supporting industry training.

**14 August**

I attended the Top of the South Rural Support Trust AGM.

**16 August**

Lindsay, Jim, Mike and myself had a meet with Port Tarkohe users in regard to fees and charges for the Wharf.

**19 August**

New Zealand Agrichemical Education Trust Meeting in Wellington

**20 August**

I was part of a debate panel at the NZCID Building Nations Symposium in Auckland. The topic for discussion was how New Zealand can efficiently and effectively provide core infrastructure for our respective communities. It will come as no surprise that I was asked to debate against amalgamation.

**21 August**

The Mayors and CE's of Tasman and Nelson met with iwi Chairs from Te Tau Ihu to discuss the establishment of the iwi Rivers and Freshwater Advisory Committee that must be implemented as part of Treaty settlements. Our next meeting is planned for late September.

Jane and I attended the Cawthron Lecture which featured Helen Clark, who is now the Administrator for the UN Development Programme. This was a very engaging and very well attended lecture. Congratulations to Cr Edgar for her organisation of this event.

**26 August**

New Zealand Boysenberry Council meeting

I attended the Positive Ageing Forum

**30 August**

Daffodil day – an audience gathered at Sundial Square to watch me shave my son Nick’s head as a fundraiser.

**4 September**

Regular catchup with, and welcome back to, Regional Commissioner Janine Dowding and also with Lynne Williams of MSD.

**5 September**

Another busy day with Citizenship ceremony followed by Community Services Committee. We then held a workshop on the role of elected members in emergency response and recovery, which I thought was very helpful. In new term of Council it is likely that we will establish increasing involvement of elected representatives during response and recovery from significant events.

In the evening, I attended a meeting at Parliament with Minister of Local Government Chris Tremain discussing likely changes to local government going forward.

**6 September**

RSG meeting in Wellington

**7 September**

I attended Victory Community Centre for a celebration of Adult Learning week with English Language Partners Nelson-Marlborough.

**4 During the Month**

Judene Edgar and I met with the three shortlisted applicants to the Community Development Manager role.

I met with Sean Weaver in Takaka, and also had a Skype call with members of Generation Zero (GenZero). This followed on from an evening presentation (roadshow) that I had attended in July by Generation Zero. I am very impressed with the organisation and commitment by these young people and am now attempting to link in with Sir Peter Gluckman, the Prime Minister’s Chief Science Adviser, to find ways for these young people to best take their message to government.

I would like to thank every member of Council and staff for the contribution you have made this term of Council. I appreciate what every elected representative has done, and what we have achieved for our district and ratepayers.

## 8.14 MACHINERY RESOLUTIONS REPORT

Decision Required

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Pamela White, Executive Assistant to CEO/Mayor  
**Report Number:** RCN13-09-18  
**File Reference:**

### SUMMARY

The execution of the following documents under Council Seal requires confirmation by Council.

### RECOMMENDATION

That the report be received and that the execution of the documents under the Seal of Council be confirmed.

### DRAFT RESOLUTION

**That the Full Council receives the Machinery Resolutions report and that the execution of the following documents under the Seal of Council be confirmed:**

**Deeds of lease:**

**V C Reid, 50010L4, Renewal of lease at Fittal Street, Richmond. Sepclean Ltd. Right of renewal for five more years to 31/05/13.**

**Vodafone, 52002L2, 6 year review, renewal from 2013- 2019. Kingsland Forest Cellular site.**

**Alinfeldt, 41015L1, Jackett Island garages at Port Motueka. Assigned from Alinfeldt to Venis**

**Tasman District Council, 10001LF, Two year lease for Golden Bay Service Centre at 14 Junction Street, Takaka. Council leasing from Chamberlain/Harwood**

**Bylaw:**

**Tasman District Council, Chapter 1 - Consolidated Bylaw approved by Council resolution on 08/08/13**





**8.15 ACTION ITEMS - PREVIOUS COUNCIL MEETINGS**

**Information Only - No Decision Required**

**Report To:** Full Council  
**Meeting Date:** 19 September 2013  
**Report Author:** Pamela White, Executive Assistant to CEO/Mayor  
**Report Number:** RCN13-09-19  
**File Reference:**

**1 Summary**

- 1.1 Attached, for your information, is a list of the action items from previous meetings of Full Council, and a status update on those items.

**2 Draft Resolution**

**That the Full Council receives the Action Items - Previous Council meetings RCN13-09-19**

<b>3 Attachments</b>
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| 1. Action Items for meeting of 19 September | 123 |
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## Action Sheet – Full Council

Item	Action Required	Responsibility	Completion Date/Status
Meeting Date: 29 November 2012			
RCN12-11-16con Building Purchase Mapua Wharf Precinct	Negotiate building purchase as per the resolution specifications	J Frater	Under action - building purchaser is still in negotiation with his sublessees
Meeting Date: 21 February 2013			
RCN13-2-09 Lee Valley Community Dam	Prepare a Request for Proposal for a Project Manager for the next stage of the Lee Valley Dam project	L McKenzie	Complete
RCN13-02-13	Apply for Forest Stewardship Certification	J Frater	In progress - will take until Oct/Nov 2013 to complete
Meeting Date: 9 May 2013			
RCN13-05-02 Reserves General Policies	Crs Edgar, King and Wilkins to hear submissions on the document	B Wilkes	Complete
Meeting Date: 27 June 2013			
RCN13-06-21 Debris Flow in Pohara and Ligar Bay	Prepare work plan to implement the recommendations in the report. Publish a newsletter for the landowners and residents	D Bush-King	Work has commenced. Rob Smith will include detail in his management report to the next E & P meeting. Two newsletters have been issued. Action items now moves to E & P
RCN13-06-20con Turners Bluff – Pukekoikoi – Land Agreement	Conclude land purchase agreement	L McKenzie	Agreement co-signed by Council 30 August 2013.
Meeting Date 8 August 2013			

Item	Action Required	Responsibility	Completion Date/Status
RCN13-08-04 Consolidated Bylaw – Chapter One	Publish and advertise the final Bylaw	S Hartley	Complete
RCN13-08-05 Consideration of submission for rates postponement policy	Advise submitter of Council decision	L McKenzie	Complete
RCN13-08-06 Duties and responsibilities of Deputy Mayor and meeting Chairpersons	Advise Remuneration Authority of amended duties and responsibilities of Deputy Mayor and Chairpersons	M Drummond	Complete
RCN13-08-07 Additional remuneration for positions of responsibility	Advise Remuneration Authority of amended remuneration proposal	M Drummond	Complete
RCN13-08-09 Authority to approve rates remissions for land subject to council initiated zone changes	Delegation manual amended to include change	P White	Complete
RCN13-08-10 Engineering Services Reorganisation – ongoing performance KPIs	Non-financial KPIs still to be reported to Council	P Thomson	Report expected towards year end
RCN13-08-12 2013 Residents Survey Results	Staff to review reliance on survey results for performance measures in Lon Term Plan	L McKenzie	This action will be picked up in the review of level of service statements as a part of the LTP review.
RCN13-08-16con Tender approval	Advise agent that tender is accepted for settlement on 29 September 2013.	J Frater	Complete

## 9 CONFIDENTIAL SESSION

### 9.1 Procedural motion to exclude the public

The following motion is submitted for consideration:

**THAT the public be excluded from the following part(s) of the proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.**

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

### 9.2 CEO Review

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

### 9.3 Referrals from Joint Shareholders Committee - Confidential

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

### 9.4 Appointment of District Licensing Committee List Members

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

**9.5 Golden Bay Medical Centre - Disbursement of Sale Proceeds Report**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(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)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

**9.6 Appointment of Director to Port Nelson Board**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.