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**Not for Publication until after Commencement of Meeting****Notice Of Ordinary Meeting Of Council****Date 10.30 am on Wednesday 26 October 2011****Venue Council Chambers, Station Road, Dargaville****Timetable****10.15 am Morning Tea****10.30 am Workshop****10.30am Draft Regional Policy Statement for Northland**

Vibeke Wright Policy Advisor, Catherine Ross General Manager Policy and Planning and Councillor Tony Davies-Colley Deputy Chair of the Regional Policy and Development Committee of the Northland Regional Council, will present the Draft Regional Policy Statement for Northland to Council.

**11.30am Quotable Value New Zealand: Three Yearly Revaluation**

Brett Halliday Northland Team Leader, and Jan O'Donoghue, General Manager Revaluations, will present to Council the results of the 2011 District Revaluation. They will join Mayor and Councillors for lunch.

**12.15 pm Lunch****1.00 pm Commencement of Council Meeting**

The Presentation will take place during Council business, as at times indicated below.

**a) Presentation 1.00 pm 2010/2011 Annual Report and 2010/2011 Audit Report**

Item 5.1 refers. The Auckland-based Director of Audit New Zealand, Ms Karen MacKenzie, may be in attendance to talk to the Audit opinion. The 2010/2011 Audit Report may be tabled at the meeting.

**3.00 pm Afternoon Tea****3.15 pm Recommencement of Council Meeting, if required**

**Ordinary Meeting Of Kaipara District Council In The Council Chambers, Station Road,  
Dargaville On Wednesday 26 October 2011 Commencing 1.00 pm**

**Recommendations contained in the order paper and reports are NOT Council  
decisions but are provided as advice on which the debate can begin.  
Please refer to Council minutes for Resolutions.**

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**Order Paper: 26 October 2011****1 Opening: Councillor Sutherland**

Councillor Wade to open the 23 November 2011 meeting.

(The running order for opening the meetings: Councillors Blackwell, Geange, Harding, Larsen, Linton, McEwing, Sutherland, Wade)

**1.1 Present****1.2 In Attendance****1.3 Apologies****2 Presentation****2.1 Presentation (1.00pm): 2010/2011 Annual Report and 2010/2011 Audit Report****General Manager Policy and Governance 2303.17**

Item 5.1 refers.

The Auckland-based Director of Audit New Zealand, Ms Karen MacKenzie, may be in attendance to talk to the Audit opinion. The 2010/2011 Audit Report may be tabled at the meeting.

**3 Confirmation of Minutes****P1 3.1 Ordinary Council Meeting : 28 September 2011****General Manager Policy and Governance 1601.16**

A copy of the minutes is attached.

**Recommended**

*That the minutes of the Ordinary Meeting of Council 28 September 2011 as circulated, be confirmed as a true and correct record.*

**P43 3.2 Extraordinary Council Meeting : 5 October 2011**

**General Manager Policy and Governance 1601.16**

A copy of the minutes is attached.

**Recommended**

*That the minutes of the Extraordinary Meeting of Council 5 October 2011 as circulated, be confirmed as a true and correct record.*

**4 Declaration of Conflicts of Interest**

**4.1 Declaration of Conflicts of Interest**

**General Manager Policy and Governance 1902.0**

Audit has asked that this item be included on Council's Agenda each month. People's personal situations change and Audit believes it is appropriate that both Councillors and Managers give regular consideration as to whether or not they have a potential conflict of interest in respect of anything before Council.

**5 Policy**

**P47 5.1 2010/2011 Annual Report Adoption and Audit Report Receipt**

**General Manager Policy and Governance 2303.17**

Council is required to formally adopt the 2010/2011 Annual Report. Once adopted, Council must then receive the Audit Report. In the ordinary course of events these would be adopted by Council on or before 31 October 2011. The report would then be made available to the public in November 2011.

At the time of writing it is not known whether or not this timeline can be met. We are aware of one matter that requires further work.

The 2010/2011 Annual Report will have been circulated under separate cover for the information of Councillors. If there is a subsequent update of the 2010/2011 Annual Report it will be circulated to Councillors.

If available, the 2010/2011 Audit Report will be tabled at the meeting, and the Auckland-based Director of Audit New Zealand, Ms Karen MacKenzie will be in attendance to speak to the Audit opinion.

The recommendation below, assumes that the reports are available and that the outstanding matter is able to be resolved before the meeting. The alternative is that the reports will be adopted at a subsequent Council meeting.

**Recommended**

*That the 2010/2011 Annual Report, be adopted; and then*

*That the 2010/2011 Audit Report be received.*

**Reason for the Recommendation**

The 2010/2011 Annual Report accurately and fairly reflects the activities of Council during that twelve month period.

**P48 5.2 Mangawhai Community Wastewater Scheme: Revised Terms of Reference for Independent Review**

**General Manager Policy and Governance 4505.0**

A report by the General Manager Policy and Governance dated 14 October 2011 is attached.

Concerns have been raised by a group of Mangawhai ratepayer representatives about the legality of rates in relation to the Mangawhai Community Wastewater Scheme (previously Mangawhai EcoCare project).

Council wishes to gain further assurance that the rates and rating processes are legally compliant and, where they are not, that the appropriate action is taken.

Council is aware of one area of non-compliance with the Mangawhai Community Wastewater Scheme Uniform Targeted Rates and has prepared a statement of proposal to remedy this. Prior to undertaking the special consultative procedure on this, Council requires legal signoff that the Statement of Proposal is in order and that there are no other areas of non-compliance that would require special consultation.

An independent review of the Mangawhai Community Wastewater Scheme rating issues has been mooted and agreed in principle for some time. However agreement had not been reached around the provider for this service and the scope and terms of reference.

The current situation is that Council and the Mangawhai ratepayer representatives wish to progress this review in a timely and cost efficient manner. For this review, it is appropriate that only significant legal compliance issues are addressed. Going forward it is acknowledged that there are improvements that can and should be made as part of the Long Term Plan process leading into the next rating year. It is accepted that we should focus on getting it right for the future.

The recommended revised Terms of Reference build on previous versions of the Terms of Reference, take into account current fiscal constraints and recognise that there are a number of stakeholders concerned about these issues.

The revised Terms of Reference and the recommended provider have been discussed with Councillor Blackwell. They have also been sent to the Mangawhai ratepayer representatives for their comment.

### **Recommended**

*That Council proceeds with the Mangawhai Community Wastewater Scheme independent review in accordance with the revised Terms of Reference as set out in the “Independent Review for Mangawhai Community Wastewater Scheme Rating Issues Revised Terms of Reference and Scope ” dated October 2011; and*

*That Jonathan Salter, Graeme Palmer, Grant Hewison or John Shepherd associated with the Simpson Grierson and Kensington Swan firms be asked if they can to undertake the review, and if so provide a quote; and*

*That the Chief Executive be delegated the authority to approve the final Terms of Reference and the provider.*

### **Reason for the recommendation**

Council wishes to be sure that Council’s processes for setting and levying rates for the Mangawhai Community Wastewater Scheme are in order and those stakeholders’ concerns are addressed to the extent possible.

## **P53 5.3 Mangawhai Community Wastewater Scheme: Proposal to Extend Sewer Line along Old Waipu Road**

### **General Manager Operation 4505.01**

A report from the General Manager Operation dated 12 October 2011 and associated maps are attached.

The purpose of the report is to provide options and approximate costs so that Council can decide whether it wishes to pursue engineering designs for a sewer line to be extended along Old Waipu Road, Mangawhai. .

Given the subdivision application that Council is currently processing it is prudent to conduct investigation of the costs and benefits of extending the sewer line along Old Waipu Road to service the additional lots and existing properties on Old Waipu Road.

This item has been sent to Portfolio Holder, Councillor John Blackwell for his information and comment.

### **Recommended**

*That Council agrees in principle to obtain relevant engineering designs from Council's engineers regarding the proposal to extend the Mangawhai Wastewater sewer line along Old Waipu Road, so an accurate cost of the work can be brought back to Council for consideration.*

### **Reason for the recommendation**

Extension of the Mangawhai wastewater line along Old Waipu Road would enable the Nextel subdivision to connect to the scheme and make the service available for approximately 21 further properties.

## **P58 5.4 Kauri Coast Community Pool: Shortfall Funding Options**

### **General Manager Operations 4701.03**

A report from the General Manager Operations dated 14 October 2011 is attached.

There was a shortfall of \$647,098 in the funding required to complete the Kauri Coast Community Pool project. Council has recently sold two properties for \$211,000 and this has been applied to the shortfall. This reduces the remaining shortfall to \$436,098, which includes \$169,581 of client supplied items. These are listed as a debt owing to Council in both the Kauri Coast Community Pool Trust's and Council's accounts. As Council had underwritten this project, it paid for this shortfall mainly in the 2009/2010 financial year. This report identifies the options available to Council to replace its funds applied to the construction of the pool project.

This report has been sent to Councillors Geange, Harding and Wade for their information and comment.

### **Recommended**

*That Council approves the sale of non-required surplus land or properties with the proceeds being used to offset the shortfall of funding for the construction of the Kauri Coast Community Pool.*

### **Reason for the recommendation**

The Kauri Coast Community Pool is providing an excellent amenity to Dargaville, the Kaipara District and Northland. It is providing Social, Economic and Cultural benefits to the community and is a valuable facility which the community and Council supports and needs. Without Council's support the construction of the Pool would not be able to be completed.

## **P61 5.5 Kaiwaka Sports Association: Request for Funding, Drainage Work**

### **General Manager Policy and Governance 4702.09**

A report from the General Manager Policy and Governance dated 13 October 2011 is attached.

The Kaiwaka Sports Association is seeking Council support to assist it with drainage improvements to one of the playing fields at the Kaiwaka domain. The total cost of installing the drains is \$61,830 plus GST and the Association has managed to raise \$22,950 plus GST of this total. Council's assistance is sought to contribute the \$38,880 balance.

Council has collected reserves contributions from the Kaiwaka/Oneriri area totalling \$464,768 and these funds are to be used within the area collected on capital improvements to reserve areas. The drainage work qualifies as it is a capital improvement and the sports complex stands on reserve land vested in the Kaipara District Council. Funding this project will not impose a financial burden on ratepayers.

Without assistance from Council the Association has built and maintained a multi-purpose sports facility that it and the community can be justifiably proud of. Much of this work has been undertaken by volunteers. All money generated from hireage, use of the complex and the proceeds of gaming machines owned by the Association is put back into the complex to maintain its current level of service to the community and to fund a part-time position.

The Association is a good caretaker of this land and has not sought any assistance from Council to maintain the land to date. Council has contributed to capital works on two occasions in the recent past for carpark sealing and a grandstand roof. The proposed drainage work will result in the playing fields being useable for most of the year.

Council has a Reserves Contribution Fund available for capital works on reserves that benefit the community and the Association is asking for Council assistance from this fund to undertake this work.

While Council is moving towards a strategy of considering applications such as this as part of the Annual Plan/Long Term Plan process, this practice is not yet fully in place.

The proposal has been discussed with the Sports Portfolio Holder, Councillor Harding, who agrees with the staff recommendation.

### **Recommended**

- 1** *That Council approves the Kaiwaka Sports Association's request for funding to a maximum of \$38,880 plus GST from its Reserves Contribution Fund to assist with the cost of installing field drains at the Kaiwaka Domain, subject to the Kaiwaka Sports Association obtaining two further quotes for the work; and*

- 2** *That the General Manager Operations be authorised to approve the release of the funds once the quotes have been received, the contract let and the work completed satisfactorily.*

**Reason for the recommendation**

Council has collected reserve contributions for the Kaiwaka/Oneriri area totalling more than \$460,000 for capital acquisitions and improvements to reserves within this area. The Kaiwaka Sports Association sits on reserve land vested in the Council and it is appropriate that these funds be used for upgrading the playing fields.

The Association wishes to carry out the drainage works over the coming 2011 summer period which means that if this request were deferred to the Long Term Plan process it would result in a further full year's delay in providing this benefit.

**P70 5.6 Genetic Engineering: Council Direction**

**General Manager Policy and Governance 2105.37**

A report from the General Manager Policy and Governance dated 14 October 2011 is attached.

This report follows up on the resolutions made at the Council meeting on 25 May 2011 relating to direction from the Council on Genetic Engineering issues and also to nominate an elected representative Kaipara on the Inter-Council Working Party on Genetic Engineering. This Working Party has investigated options for protecting councils from liability in the event of damage arising from the release of genetically engineered material. Representations have been made to Parliament seeking amendment of the Hazardous Substances and New Organisms Act without success; various ways of making changes to the District Plan are now being considered. The purpose of the changes would be to regulate the outdoor use of genetically modified organisms. The Inter-Council Working Party favours a joint approach in preparing the analysis that would precede a Plan Change, and is interested in having Kaipara contribute to the cost involved.

The appointment of an appropriate nominee to represent this Council on the Inter-Council Working Party was discussed by Councillors at the Portfolio Holder meeting held on 5 October 2011.

**Recommended**

*That Council nominates Mayor Neil Tiller as the Kaipara District Council's elected representative to the Inter-Council Working Party on genetically modified organisms; and*

*That Council continues to support the Inter-Council Working Party on genetically modified organisms.*

### **Reason for the recommendation**

Having an elected representative on the Inter-Council Working Party on genetic modified organisms will ensure that Kaipara is involved and is kept informed on genetically modified organisms issues. The Mayor's presence will convey a message as to the importance which Kaipara attaches to this issue. Continued involvement in the Working Party will show there is a commitment from Council to address genetically modified organisms issues.

## **P76 5.7 General Bylaws 2008 Traffic Restriction Amendment**

### **General Manager Operations 3204.0**

A report from the General Manager Operations dated 12 October 2011 is attached.

This report is prepared with a view to amending the Kaipara District Council General Bylaw 2008 to include a new Schedule G.

Sections of roads in Kaipara District that are restricted to use by specified classes of vehicles should be identified in a separate and new Schedule of the General Bylaw 2008. The Bylaw needs to be amended to give legal effect to this Schedule which should immediately include Council's decision in June 2011 to open Cames Road, Mangawhai, to Class 1 vehicles only.

### **Recommended**

*That the Kaipara District Council's General Bylaw 2008 be amended to include a Schedule G (Restricted Classes of Vehicles) and for this Schedule to be given effect by a new clause:*

*"1503.1(c) The portions of roads mentioned in Schedule "G" of this part of this bylaw as "Restricted Classes of Vehicles" are hereby deemed to be authorised under clause 1503.1."*

### **Reason for the recommendation**

The General Bylaw 2008 Schedules already clearly state for public reference other traffic restrictions such as parking and speed limits and should similarly identify roads where Council has resolved to restrict the classes of vehicles permitted to use them.

**P79 5.8 2011/2012 Water Supply Capital Development Programme****General Manager Operations 4810.0**

A report from the General Manager Operations dated 12 October 2011 is attached.

The 2011/2012 Water Supply Capital Development Programme outlined in the Annual Plan 2011/2012 has been identified. Since the adoption of the Annual Plan, specific projects will be detailed in this report for Council's consideration.

The Water Supply Capital Development Programme proposed in the resolution will satisfy Council's legal and community obligations.

This report has been sent to the Portfolio Holder, Councillor Brian McEwing for his information and comment.

**Recommended**

*That Council adopts the Water Supply Capital Development Programme work for completion in the 2011/2012 financial year as set out below:*

<b>Water Supply</b>	<b>Amount 2011/12</b>
<i>Pump and Pipe Renewals</i>	<i>\$25,000</i>
<i>Treatment Plant Upgrade</i>	<i>\$206,140</i>
<i>Water Meter Renewals</i>	<i>\$50,000</i>
<i>Improved Supply Security , Dargaville</i>	<i>\$176,000</i>
<i>Telemetry</i>	<i>\$5,200</i>
<i>PH Risk Management / AMPS</i>	<i>\$87,500</i>
<i>Contract Management; 3 Waters</i>	<i>\$48,500</i>
<i>Asset Valuations</i>	<i>\$18,000</i>
<i>Resource Consents; Renewal</i>	<i>\$53,800</i>
<b>Total</b>	<b>\$670,140</b>

**Reason for the recommendation**

Adoption of the 2011/2012 programme will allow Council to fulfil its commitment made to the community in the current Annual Plan while maintaining its assets in accordance with the Asset Management Plan and other asset management planning documents.

**P83 5.9 2011/2012 Wastewater Capital Development Programme****General Manager Operations 4508.0**

A report from the General Manager Operations dated 13 October 2011 is attached.

The Wastewater Capital Development Programme proposed in the recommendation will satisfy Council's legal and community obligations.

This report has been sent to the Portfolio Holder, Councillor John Blackwell for his information and comment.

**Recommended**

*That Council adopts the 2011/2012 Wastewater Capital Development Programme work for completion in the 2011/2012 financial year as set out below:*

<b>Water Supply</b>	<b>Amount 2011/12</b>
<i>Pump and Pipe Renewals</i>	<i>\$170,000</i>
<i>Oxipond Efficiency Survey</i>	<i>\$10,000</i>
<i>Onsite Disposal Sanitary Assessment</i>	<i>\$10,000</i>
<i>Reticulation Modelling / Investigation</i>	<i>\$10,000</i>
<i>Data Capture</i>	<i>\$16,500</i>
<i>PH Risk Management / AMPS</i>	<i>\$79,000</i>
<i>Contract Management; 3 Waters</i>	<i>\$48,500</i>
<i>Telemetry Contract Management</i>	<i>\$6,200</i>
<i>Asset Valuations</i>	<i>\$18,000</i>
<i>Resource Consents; Renewals</i>	<i>\$83,500</i>
<i>Reticulation and Treatment Upgrade</i>	<i>\$30,000</i>
<i>Desludge Ponds</i>	<i>\$150,000</i>
<i>Infiltration Investigations</i>	<i>\$20,000</i>
<b>Total</b>	<b>\$651,700</b>

**Reason for the recommendation**

Adoption of the 2011/2012 programme will allow Council to fulfil its commitment made to the community in the current Annual Plan while maintaining its assets in accordance with the Asset Management Plan and other asset management planning documents.

**P87 5.10 Kaipara District Council Delegations Review****Cir General Manager Policy and Governance 1202.01**

A report from the General Manager Policy and Governance dated 14 October 2011 and updated Delegations, are attached. The Council's Procurement Strategy September 2010 is circulated separately with the agenda.

Delegations are adopted by Council to ensure that day to day business can be undertaken efficiently and effectively while ensuring that appropriate accountability is maintained. The current Delegations from Council to staff were last adopted in 2000 with a couple of minor updates since then. With the recent Council restructure and numerous changes in legislation since 2000, it is timely that the current Delegations be reviewed.

The current Delegations have been updated for the new structure and going forward can accommodate on-going changes to legislation and staff positions. The revised Delegations are in effect the modified status quo, leaving the opportunity for a more indepth review at a later stage.

**Recommended**

*That all Council's previous delegation of authority to the Chief Executive be revoked; and*

*That the Kaipara District Council Officer Delegations dated October 2011 be adopted.*

**Reason for the recommendation**

Appropriate delegations ensure that day to day business can be undertaken efficiently and effectively while ensuring that appropriate accountability is maintained.

**P105 5.11 Rating Policy: Amendment****Corporate Services Manager 2306.20**

A report from the Corporate Services Manager is dated 13 October 2011 is attached.

Council is undertaking a redesign of its website and wants to be able to offer an on line payment service which would allow people to pay rates and other accounts rendered on line should they wish to. To do this Council needs to amend Policy 4 Method of Payment of its Rating Policies.

There is no cost to Council in being able to offer this service. There is no Merchant Service Fee nor is there any set up fee. It is a Bank of New Zealand hosted payment page therefore there are no additional website hosting and maintenance costs to the Council. All administration costs associated with using a credit card are paid for by the credit card account holder.

Council's ability to offer this service means that it is able to provide another method of payment and one that would be available on 24 hour a day, 7 days a week basis for those who wish to use it.

### **Recommended**

*That Council amends Policy 4 Method of Payment of its Rating Policies so that it reads as follows:*

#### **Policy 4 Method of Payment**

*Payment of rates will be accepted in the following ways:*

- 1 *By hand (refer Policy 6 - Place of Payment)*
- 2 *By mail to:*

<i>The Chief Executive</i>	<i>The Chief Executive</i>	<i>The Chief Executive</i>
<i>Kaipara District Council</i>	<i>Kaipara District Council</i>	<i>Kaipara District Council</i>
<i>Private Bag 92201</i>	<i>Private Bag 1001</i>	<i>State Highway 1</i>
<i>Auckland 1020</i>	<i>Dargaville 0340</i>	<i>Kaiwaka</i>
- 3 *By telephone banking*
- 4 *By automatic payment*
- 5 *By direct debit*
- 6 *By eftpos*
- 7 *By Mastercard or Visa online*

#### **Reason for the recommendation**

Council wishes to extend its accepted method of payment to include paying on line by Mastercard or Visa.

## **P108 5.12 Appointment of an Acting Chief Executive**

### **Mayor 1202.0**

Council will be aware that its current Chief Executive has resigned effective from 28 October 2011. Council is in the process of appointing a new Chief Executive but there is likely to be a gap between the resignation of one and the appointment of another. This gap is likely to be for a duration of one to three months. The duration will depend entirely on when Council is in a position to appoint a new Chief Executive and when he/she can commence his/her employment with Council.

Section 42(1) of the Local Government Act 2002 says a local authority must appoint a Chief Executive and clause (4) states that this person is also the Principal Administrative Officer. As there will be a period of time where Council will be without a Chief Executive, the recommendation is that Council appoints an Acting Chief Executive.

**Recommended**

*That Council appoints John Burt as Acting Chief Executive for that period that will exist between the resignation of the current Chief Executive on 28 October 2011 and the commencement of employment with the Kaipara District Council of the newly appointed Chief Executive.*

**Reason for the recommendation**

Council requires an Acting Chief Executive until the newly appointed Chief Executive is available to commence his/her employment.

**P109 5.13 Credit Card Replacement****General Manager Policy and Governance 2307.02**

Council has one credit card, issued to Jack McKerchar as Chief Executive. This card is used to pay for a number of transactions and where it is not cost effective or possible to set up a creditor. With the present Chief Executive leaving at the end of October 2011, Council needs a replacement person to hold the credit card. The bank requires the credit card to be in an individual's name (not a corporate body). Until the new Chief Executive arrives it is recommended that it be a member of the Executive Team; General Manager Policy and Governance.

**Recommended**

*That Council authorises the General Manager Policy and Governance to be Council's credit card holder to enable Council to make those payments that need to be made by credit card.*

**Reason for the recommendation**

The bank requires the credit card to be in an individual's name (not a corporate body) and with the present Chief Executive leaving at the end of October 2011; it is timely to elect another credit card holder.

**P110 5.14 Resource Management Act Survey of Local Authorities 2010/2011****General Manager Operations 3825.0**

A report from the General Manager Operations dated 13 October 2011 is attached.

This report presents the key findings for Council arising from the publication of the Ministry for the Environment Survey of Local Authorities 2010/2011. It also indicates how improvements can be made to Council's performance in implementing the Resource Management Act 1991.

Council's performance in the processing of resource consents continues to improve with 93% of all applications processed to a decision within statutory timeframes during 2010/2011. However, there are further efficiencies that can be found and best practices that can be introduced, although these may entail adjustments to Council's fees and charges and working arrangements with Council's consultants.

### **Recommended**

*That, in regard to the Ministry for the Environment's Resource Management Act Survey of Local Authorities 2010/2011, the Regulatory Manager continues to explore means of improving operational efficiencies in processing resource consents.*

### **Reason for the recommendation**

The Ministry for the Environment's Survey of Local Authorities 2010/2011 highlights improvements in Council's consent processing, but also shows that further improvements in performance and efficiency are necessary if Council is to be "the best little Council in New Zealand".

## **P114 5.15 Department of Internal Affairs: Conflict of Interest, Discussion Document**

### **General Manager Governance and Policy**

**1902.0; 2110.12**

Item 8.5 of 28 September 2011 Council Minutes refers.

A report from the General Manager Policy and Governance dated 13 October 2011 is attached.

The Minister of Local Government has released the long-awaited Discussion Document which signals the start of a review of the Local Authorities (Members' Interests) Act 1968. The purpose of the Discussion Document is to elicit ideas and suggestions on how Conflicts of Interest in public bodies should be managed, with particular focus on local government.

It should be noted that Councillors received this document at the 28 September 2011 meeting and this report is a follow up. At that meeting Council was informed that the Local Authorities (Members' Interests) Act 1968 was seen to be out of date, and the provisions have caused a degree of concern and confusion for some years. This document aimed to bring out ideas about the Act and its strengths and weaknesses, as well as opportunities and innovations for dealing with Conflict of Interest provisions in the future. It also posed 22 questions to stimulate debate on the topic. The Discussion Document is re-circulated for Council's information.

The discussion in this document focuses particularly on the application of the Local Authorities (Members' Interest) Act 1968 in regards to local government institutions. The document lists the current Act's components and outlines the common pitfalls or issues with this legislation. The document also lists specific questions for respondents to review and comment on the submission of the Conflict of Interest Discussion Document from the Department of Internal Affairs, September 2011.

The proposed response to the initial stage of this review, 'Managing Conflict Interest in Local Government: The Local Authorities (Members' Interests) Act 1968 and Associated Issues' paper, is attached.

### **Recommended**

*That Council forwards the 'Managing Conflict Interest in Local Government: The Local Authorities (Members' Interests) Act 1968 and Associated Issues dated 10 October 2011 to Local Government New Zealand in response to the Department of Internal Affairs Conflicts of Interest Discussion Document.*

### **Reason for the recommendation**

This will allow Council to have an input into the first stage of the review of Local Authorities (Members' Interests) Act 1968. Specific questions were posed by the Department of Internal Affairs to elicit ideas and suggestions on how Conflicts of Interest in public bodies should be managed, with a particular focus on local government.

## **P141 5.16 District Council Forest Tree-growing Forecast Silvicultural Pruning Budget and Regime**

### **General Manager Operations 4901.0**

Chandler Fraser Keating is Council's forestry consultant and provides professional industry expertise and guidance in Council's forestry short and long term planning and direction. Chandler Fraser Keating provided a detailed report in August 2011 on forest tree-growing regime for Kaipara District Council forests with recommendations that will reduce Council's forest operational costs that will fit better within the current economic environment and milled timber wood type pricing.

Council accepted and moved those recommendations along with a request of further information regarding the cash flow implications of different pruning and management options.

On request from Council, Chandler Fraser Keating has provided further information which is attached, in relation to the cost of Kaipara District Council forestry pruning (operational contract costs) excluding management and supervision. It provides the

current forecasted Kaipara District Council Silvicultural budget estimated to complete the pruning that was undertaken prior to the 2011/2012 budget, at which time any new lift was taken out. A summary of four years is; 2011/2012 \$85,943, 2012/2013 \$7,590; 2013/2014 \$37,895 and 2014/2015 \$20,670.

To date \$183,377 has been spent on prior pruning and thinning for all forestry blocks.

The Net Stumpage return Comparisons per hectare, excluding all associated costs from growth to harvest, was included within Chandler Fraser Keating Review Of Tree-growing Regime for Kaipara District Council Forests August 2011 being; Pruned clearwood timber \$21,500 per hectare; Unpruned timber \$16,800 per hectare. On this basis the additional projected return will offset any additional costs.

The recommendation of Chandler Fraser Keating and Northland Forest Managers is it makes economical sense to complete the pruning on all forest blocks where the first lift/prune has already been completed to recoup the money spent. If the completion pruning was to be stopped thinning is still required so there would still be expenditure.

This item has been sent to Portfolio Holder, Councillor Jonathan Larsen, for his information and comment.

### **Recommended**

*That Council accepts Chandler Fraser Keating's information on the current forecasted Kaipara District Council Silvicultural costs as at October 2011, and the recommendation to complete pruning where started, to obtain a return on the money already spent.*

### **Reason for the recommendation**

It is recommended to continue pruning of forestry where pruning lifts have already occurred regardless of if it is the first, second or third lift (prune) to recoup on cost spent, and not to lose or reduce potential income from the future intended clear wood harvests.

## **6 Reports**

### **6.1 Mayor's Report**

#### **1701.02.03**

The Mayor to report, for information, on matters of interest.

## 6.2 Deputy Mayor's Report

### P143 Review of 2011/2012 Budgets

**Deputy Mayor 2304.0**

A report by Councillor Julie Geange dated 17 October 2011 is attached.

Council contracted PJ & Associates to assess its financial position and report this back to Council with recommendations going forward. Council has already started implementing the recommendations in the report including improving financial reporting, reviewing financial policies and the use of treasury advisors to assist in debt management. Whilst these steps are being taken Council also needs to actively be ensuring that any savings that can be realised within existing budgets is achieved.

#### **Recommended**

*That Management review the 2011/2012 budgets with a view to identifying potential savings of at least 5% from activities funded by General Rates; and*

*That this be reported back by activity to the 14 December 2011 meeting of Council along with details of impacts on the levels of service and any long term effects of not funding activities from which the savings could be made.*

#### **Reason for the recommendation**

Given the current financial situation the Council considers it prudent to reduce expenditure wherever possible and considers a target of 5% of General Rate is a reasonable, achievable target.

## 6.3 Councillors Reports

**Councillors 1904 (various)**

This is an opportunity for Councillors to inform Council of activities they have undertaken on behalf of Council. Written reports are preferred as these are then attached to the Minutes. Verbal reports are not recorded in accordance with Section 3.17.2 of Standing Orders.

## Cir 6.4 Chief Executive's Report: October 2011

**Chief Executive 2002.02.10**

The Chief Executive's report is circulated separately.

#### **Recommended**

*That the Chief Executive's report for October 2011 be received.*

## **7 Information Items**

### **P145 7.1 Correspondence Addressed to Mayor and Councillors**

#### **General Manager Policy and Governance 1701.01**

For the information of Councillors, attached are copies of all correspondence received addressed to the Mayor and Councillors, with a copy of the response where applicable, and file notes for all others. An additional letter has been received by the Mayor but has been excluded for privacy reasons.

Note the agenda timetable necessitates this information to be collated two weeks prior to the meeting. Correspondence received after that date will be reported to the next meeting along with responses which have been sent after the cut-off date.

All letters are acknowledged on receipt unless they are answered the day of receipt, or the Mayor specifically requests no acknowledgement.

#### **Recommended**

*That the information be received.*

### **P176 7.2 Delegated Authority: Schedule of Decisions**

#### **Development Manager 3803.0**

A schedule of decisions that has been made under delegated authority is attached. The purpose of this is not for Council to review the detail of these decisions as they have already been made under delegated authority, but rather to give an indication of the nature and scale of developments taking place within the District in a reasonably concise way.

#### **Recommended**

*That the Delegated Authority Schedule of Decisions be received.*

### **P203 7.3 Northland Intersectoral Forum Monthly Briefing Report 19 September 2011**

#### **General Manager Governance and Policy 1908.01.04**

The Northland Intersectoral Forum Monthly Briefing Report for 19 September 2011 is attached for information.

The Northland Intersectoral Forum has an overarching view on social monitoring, community renewal, engaging the community in learning, helping with the environment and the promoting and highlighting of the economic well-being of the region, among other topics.

This month's briefing report outlines the new Northland Intersectoral Forums Co-Chairpersons. Mark Simpson has been appointed on behalf of local government, and Walter Wells has been nominated as co-chair on behalf of central government and the social sector.

This month's briefing report also outlines the various taskforces which operate under the Forum. The Forum has agreed to development a Northland Intersectoral Forum website. The report also outlines the huge success of the Rugby World Cup regional effort with the 'Paint it Red Campaign' and the Forum received an update on the Northland District Health Board's Meningococcal vaccination campaign.

### **Recommended**

*That the information be received.*

## **P205 7.4 Kaiwaka Structure Plan Update N° 1**

### **General Manager Policy and Governance**

**3802.01**

A report from the General Manager Policy and Governance dated 14 October 2011 is attached.

It is timely to inform Council of the outcomes of the initial public consultation period for the Kaiwaka Structure Plan. This ended on 7 September 2011. The next steps in the Structure Plan process are also reported back to Council.

While it was reviewing the District Plan the Council identified that a number of communities would benefit from some more specific planning to encourage and prepare for growth. Kaiwaka was one of these communities for which a Structure Plan was to be prepared.

There are three ways in which the structure planning exercise can deliver outcomes, a rezoning of land through a change to the District Plan, projects which might be undertaken in a partnership between community groups and Council through the Annual Plan process, and works which might be undertaken NZ Transport Agency, either in conjunction with Council, or of its own initiative. The Structure Plan will provide a framework for these things to happen in.

A discussion document was prepared, and a very successful meeting was held in the local community. This provided feedback which has been sorted into themes, which has provided the basis for the next round of consultation with the community.

At the same time areas where expert advice is required have been identified, in particular geotechnical suitability, wastewater facilities and historical/cultural profiles. These need to be costed and prioritised. The budget for Structure Planning for this year is \$41,600, and so far less than \$500 has been spent. Kaiwaka is the only settlement programmed for structure planning this year.

The next steps in the process have also been identified, and an indicative time table has been included. The key next step is to advise the community of the outcome of the contributions they have made through the community meeting and submissions process. This will be by means of a questionnaire, a copy of which has been included for Council's information.

**Recommended**

*That this information be received.*

**P215 7.5 Remuneration Authority: Review: Update October 2011**

**General Manager Policy and Governance 1801.01**

Item 8.9 of 28 September 2011 Council minutes refers.

At the September 2011 meeting an information item was received from the Remuneration Authority, and was entitled: "Remuneration Authority: Review of Local Authority Remuneration Setting Discussion Document.

The Discussion Document had been prepared by the Remuneration Authority to facilitate a review of how the Authority goes about setting Remuneration for Elected Members of Local Authorities in a way that meets the requirements for the Local Government Act 2002 and the Remuneration Authority Act. The Remuneration Authority has consulted with representatives of local government in order to gain their input and insights in the review.

The response to this Discussion Document is due on 15 November 2011. Regrettably due to time constraints and other priorities a draft submission is unable to be prepared for Council's consideration.

**Recommended**

*That the information be received.*

**P216 7.6 Financial Health and Sustainability Audit Report: Comment and Progress**

**General Manager Policy and Governance 2304.0**

The General Manager Policy and Governance reviewed PJ & Associates' Financial Health and Sustainability Audit Report dated 7 July 2011 and provided progress and status comments. A copy of the review dated September 2011 is attached for Council's information, together with progress and status.

PJ & Associates were asked to comment on the General Manager's review and their response, titled 'Update on Financial Health and Sustainability Audit' dated 27 September 2011, is also attached. For completeness, the original PJ & Associates report dated 7 July 2011 is also attached.

The key points are that:

- 1 The recommendations are systematically being put in place and will be substantially in place by the end of the 2011 calendar year; and
- 2 The appropriate mechanism for ongoing management, debate and consultation is via the Long Term Plan process.

### **Recommended**

*That the information be received.*

## **P244 7.7 Maori Ward Representation: Update October 2011**

### **General Manager Policy and Governance 1301.01**

Council is able to review the establishment of Maori Wards under Section 19Z of the Local Electoral Act 2001. If a Council is to review its Maori Wards, a Council must make a resolution under Section 19Z (3) of the Act by 23 November 2011. However, the deadline of 23 November 2011 means that Council does not have enough time to consult in an effective and meaningful way. This means that it cannot be put into place for the next triennial local body elections in 2013, assuming that is what Council would have resolved.

At the 24 August 2011 meeting Council considered a paper on Maori Ward representation and made the resolution for Council to meet with Ngati Whatua, Te Uri O Hau and Te Roroa. Once these meetings had occurred, a recommendation was then to be prepared for the Council's consideration.

Legally Council is not required to do anything. However it was its intention to consult on Maori Ward representation. Given its present position and lack of available time, it is suggested that Council begins consultation and manages it in an appropriate and timely manner with a recommendation for the incoming Council following the election in 2016.

### **Recommended**

*That the information be received.*

**P245 7.8 Proposed Baylys Community Wastewater Scheme: Northland Regional Council and Northland District Health Board**

**General Manager Operations 4510.0**

At its 23 March 2011 meeting, Council resolved:

*“That Council rescinds its resolution of 1 June 2010, ‘That Council adopts the Baylys Community Wastewater Scheme Statement of Proposal May 2010 for public consultation’; and*

*That Council continues to investigate the provision of a viable wastewater options for Baylys.*

The reason for the decision to rescind the resolution is in response to community concerns regarding the evidence supporting the need for a Community Wastewater Scheme and community interest in better septic tank education and management. Council believes it needs to investigate this matter further and find a viable affordable option before progressing any further.

In July 2011 Council informed both Northland Regional Council and the Northland District Health Board (letters attached) that Council was reviewing the need for a community wastewater scheme and its affordability for the community. Council asked Northland Regional Council and Northland District Health Board’s of their position in relation to the need for a community wastewater scheme at Baylys and if there was any evidence supporting this position.

Council has now received the attached responses from both Northland Regional Council (12 September 2011) and the Northland District Health Board (13 September 2011).

Northland Regional Council would support sewerage reticulation of the Baylys community if there is sound evidence to justify the need. At the present time it is considered that this does not exist and therefore, Northland Regional Council is not in a position to make any informed decisions on this matter.

Northland District Health Board has anecdotal evidence of failures of septic tanks in the Baylys community and general evidence re failings of septic tanks. Northland District Health Board supports a reticulated community wastewater scheme in the Baylys community.

This Information can now provide supporting background for Council when it looks to make a decision or whether to proceed with a scheme for Baylys.

**Recommended**

*That this information be received.*

## 8 Public Excluded Council Items 26 October 2011

### Recommended

*That the public be excluded from the following part of the proceedings of this meeting.*

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

<i>Subject matter to be considered:</i>	<i>Ground(s) under Section 48 (1) for the passing this resolution:</i>
<i>Council Public Excluded Minutes 28 September 2011 Item 9.8 Pohutukawa Cove Ltd: Claims</i>	<i>Section 48 (1)(a), Section 7, Section 7 (2)(i) and 7 (2)(b)(ii)</i>
<i>Potential Claims against Council</i>	<i>Section 48 (1)(a), Section 7, Section 7 (2)(g)</i>

### Reason for passing this resolution in relation to each matter

This resolution is made in reliance of Section 48 (1)(a) of the Local Authority Official Information and Meetings Act and the particular interest or interests protected by Section 7 of that Act Section 7 of the Official Information Act 1982, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.

**Section 7 (2)(i)** enable any local authority holding the information to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations).

**Section 7 (2)(b)(ii)** would be unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

**Section 7 (2)(g)** maintain legal professional privilege.

## **Open Council Meeting: 26 October 2011**

### **Recommended**

*That the resolutions made whilst in Public Excluded, be confirmed.*

### **Closure**

**Kaipara District Council**

**Dargaville**