

I hereby give notice that a meeting of Horizons Regional Council will be held on:

**Date:** Tuesday, 27 August 2019  
**Time:** 10.00am  
**Venue:** Tararua Room Horizons Regional Council  
11-15 Victoria Avenue  
Palmerston North

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## **REGIONAL COUNCIL**

### **AGENDA**

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#### **MEMBERSHIP**

<b>Chair</b>	Cr EB Gordon JP
<b>Deputy Chair</b>	Cr PW Rieger, QSO JP
<b>Councillors</b>	Cr JJ Barrow
	Cr LR Burnell, QSM
	Cr DB Cotton
	Cr RJ Keedwell
	Cr GM McKellar
	Cr JM Naylor
	Cr NJ Patrick
	Cr BE Rollinson
	Cr WK Te Awe Awe

**Michael McCartney**  
**Chief Executive**

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for further information regarding this agenda, please contact:  
Julie Kennedy, 06 9522 800

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<b>SERVICE CENTRES</b>	<b>Kairanga</b> Cnr Rongotea & Kairanga-Bunnythorpe Rds, Palmerston North	<b>Marton</b> 19-21 Hammond Street	<b>Taumarunui</b> 34 Maata Street	<b>Woodville</b> Cnr Vogel (SH2) & Tay Sts
<b>REGIONAL HOUSES</b>	<b>Palmerston North</b> 11-15 Victoria Avenue	<b>Whanganui</b> 181 Guyton Street		
<b>DEPOTS</b>	<b>Levin</b> 120-122 Hokio Beach Rd	<b>Taihape</b> 243 Wairanu Rd		
<b>POSTAL ADDRESS</b>	Horizons Regional Council, Private Bag 11025, Manawatu Mail Centre, Palmerston North 4442			
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## AGENDA

### 1 WELCOME / KARAKIA

### 2 APOLOGIES AND LEAVE OF ABSENCE

At the close of the Agenda no apologies had been received.

### 3 PUBLIC FORUMS: Are designed to enable members of the public to bring matters, not on that meeting's agenda, to the attention of the local authority.

**DEPUTATIONS:** Are designed to enable a person, group or organisation to speak to an item on the agenda of a particular meeting.

Requests for Public Forums / Deputations must be made to the meeting secretary by 12 noon on the working day before the meeting. The person applying for a Public Forum or a Deputation must provide a clear explanation for the request which is subsequently approved by the Chairperson.

**PETITIONS:** Can be presented to the local authority or any of its committees, so long as the subject matter falls within the terms of reference of the council or committee meeting being presented to.

Written notice to the Chief Executive is required at least 5 working days before the date of the meeting. Petitions must contain at least 20 signatures and consist of fewer than 150 words (not including signatories).

Further information is available by phoning 0508 800 800.

### 4 SUPPLEMENTARY ITEMS

To consider, and if thought fit, to pass a resolution to permit the Committee/Council to consider any further items relating to items following below which do not appear on the Order Paper of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended), and the Chairperson must advise:

- (i) The reason why the item was not on the Order Paper, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

### 5 MEMBER'S CONFLICT OF INTEREST

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.



Minutes of the thirtieth meeting of the tenth triennium of Horizons Regional Council (live streamed) held at 10.00am on Tuesday 25 June 2019, in the Tararua Room Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

**PRESENT** Crs EB Gordon JP (Chair), JJ Barrow, LR Burnell QSM, DB Cotton, RJ Keedwell, GM McKellar, JM Naylor (to 12.32pm and from 1.32pm), NJ Patrick, PW Rieger QSO JP, BE Rollinson (to 1.00pm and from 1.28pm), CI Sheldon, WK Te Awe Awe.

**IN ATTENDANCE**

Chief Executive	Mr MJ McCartney
Group Manager	
Corporate and Governance	Mr C Grant
Committee Secretary	Mrs JA Kennedy

**ALSO PRESENT** At various times during the meeting:

Dr N Peet (Group Manager Strategy & Regulation), Mr R Strong (Group Manager River Management), Mr G Shirley (Group Manager Regional Services and Information), Ms R Tayler (Manager Strategy & Policy), Mr P Hindrup (Manager Transport Services), Mrs L Macdonald (Chief Financial Officer), Ms P Tucker (Senior Policy Analyst), Mr B Gilliland (Senior Policy Analyst), Mr G Cooper (Environmental Manager), Mr C Davey (Environmental Programme Coordinator), Mr T Bowen (Principal Advisor), Mr D Neal (Business Services Manager), Ms C Morrison (Media & Communications Manager), Mr C Veale (Programme Coordinator), Mrs D Monks (Total Mobility Coordinator), Mayor T Collis (Tararua District Council), Ms S Johnston (CR Law), and a member of the press.

## **WELCOME**

The Chair welcomed everyone to the meeting and invited Cr Te Awe Awe to say a Karakia.

## **APOLOGIES**

There were no apologies at this time.

Later in the meeting, the Chair noted an apology for lateness following the lunch adjournment from Cr Naylor.

An apology was also noted from Cr Rollinson for lateness following the lunch adjournment (attending other Council business).

## **PUBLIC FORUMS / DEPUTATIONS / PETITIONS**

There were no requests for public speaking rights.

## **SUPPLEMENTARY ITEMS**

As noted in the agenda, Item 8.1, Annex B - Evaluation of the Objectives of the Plan Change Required by Section 32 RMA, and Item 10.5, Report of Passenger Transport Committee Meeting - 18 June 2019, had been uploaded onto the Hub for Members to view.

Supplementary Item, Report No. 19-110, Pre-Election Period Communication Strategy – Councillor Profiles had also been uploaded onto the Hub for Members to view.

**19-464**                      **Moved**    **Sheldon/Patrick**

*That the Council receives Report No. 19-110, Pre-election Period Communication strategy – Councillor Profiles as a supplementary item.*

**CARRIED**

#### **MEMBERS' CONFLICTS OF INTEREST**

Cr Patrick noted a conflict of interest in Report No. 19-105, Childcare Allowance – Determination 2019-20. She also noted a potential conflict of interest in the agenda through her past employment with Te Kaahui o Rauru.

#### **CONFIRMATION OF MINUTES**

**19-465**                      **Moved**    **Patrick/Naylor**

*That the minutes of the Regional Council meeting held on 28 May 2019 as circulated, be confirmed as a correct record.*

**CARRIED**

As a result of a query, the Targeted Rate headings contained in Annex A: Annual Funding Impact Statement for the year ending 30 June 2020 were checked by Finance Staff and found to be correct.

#### **EXISTING INTENSIVE FARMING LAND USES PLAN CHANGE (PLAN CHANGE 2)**

*Report No 19-103*

This report sought approval to publicly notify the Proposed Existing Intensive Farming Land Use Plan Change (Plan Change 2). Dr Peet (Group Manager Strategy & Regulation) introduced the report and was joined by Ms Tayler (Manager Strategy & Policy), Mr Gilliland (Senior Policy Analyst) and Ms Johnson (CR Law). Dr Peet took Members through the detail of the item which addressed current issues within the One Plan's nutrient management policy and rules framework. He explained the recommendations and provided clarity as to what they covered, explained the contents of the annexed items, provided an overview of the issues Plan Change 2 sought to address, and outlined the consultation undertaken with key stakeholders.

Members discussed the contents of the item, had the opportunity to express their views and concerns around the recommendations, and indicated their support either for or against. Dr Peet, staff, and Ms Johnson responded to Members' questions and provided clarity as required.

As the Chair put the recommendations, a division was called for.

**19-466**                      **Moved**    **Keedwell/Naylor**

*It is recommended that Council:*

- a. receives the information contained in Report No. 19-103;*
- b. confirms that Proposed Plan Change 2 is consistent with the plan change scope, being:*
  - i. amending the nutrient management policy and rule framework to provide a viable pathway under which resource consent applications for intensive farming land use activities that cannot achieve Table 14.2 cumulative nitrogen leaching maximums can be assessed under the One Plan; and*



- ii. *updating the Plan's nitrogen leaching limits using the latest version of Overseer, so they are aligned with the latest science.*
- c. *resolves to proceed with Proposed Plan Change 2 having had particular regard to the evaluation report prepared under section 32 of the Resource Management Act 1991 (Act);*
- d. *approves Proposed Plan Change 2 for public notification in accordance with clause 5(1)(b)(i) of Schedule 1 of the Resource Management Act;*
- e. *resolves that minor amendments to the wording of Proposed Plan Change 2 and section 32 evaluation report consistent with the scope of the plan change can be made by the Chief Executive prior to notification, in response to further legal and expert advice;*
- f. *resolves that the submission period be set at 60 working days (acknowledging that the minimum period allowed is 20 working days), as provided for by clause 5(3)(b) Schedule 1 Resource Management Act 1991; and*
- g. *resolves to appoint a 'friend of the submitter' to support community participation in Plan Change 2.*

*Against: Cotton, Rollinson, Sheldon*

*For: Barrow, Burnell, Keedwell, McKellar, Naylor, Patrick, Rieger, Te Awe Awe, Gordon*

**CARRIED**

## **ZERO CARBON BILL**

*Report No 19-104*

This report provided Members with an overview of the Climate Change Response (Zero Carbon) Amendments Bill (the Bill) and sought approval of the attached draft submission to Parliament's Environment Committee. Dr Peet (Group Manager Strategy & Regulation) provided an overview of the Bill and referred Members to the draft proposed submission at Annex A and a draft of the Local Government New Zealand submission which had been uploaded onto the Hub. Ms Tucker (Senior Policy Analyst) took Members through the purpose of the Bill and implications of the proposed legislation. She emphasised a concern around the lack of clarity on responsibility for implementation of the Bill, and the role of government. Members sought clarification on various points and provided their views and comments. As a result of Members' discussion, Dr Peet undertook to recognise in the draft submission the costs associated with inaction.

**19-467**

**Moved**

**Naylor/Patrick**

*It is recommended that Council:*

- a. *receives the information contained in Report No. 19-104;*
- b. *notes that the Climate Change Response (Zero Carbon) Amendment Bill would set emissions reduction targets, establish a Climate Change Commission and provide mechanisms to support planning for and implementation of climate change mitigation and adaptation;*
- c. *approves the Chief Executive's draft submission to Parliament's Environment Committee on the Bill, as amended.*

**CARRIED**

## CHIEF EXECUTIVE'S REPORT

The Chief Executive (CE) introduced his report, commented on areas of interest as he went through the sections, and responded to Members' questions.

Mrs Macdonald's resignation as Chief Financial Officer was acknowledged along with her contribution to the organisation. The CE took the opportunity to publicly thank her for efforts, and wished her well in the future.

**19-468**                      **Moved**    **Gordon/Rieger**

*That the Chief Executive's report be received.*

**CARRIED**

## CHILDCARE ALLOWANCE - DETERMINATION 2019-20

*Report No 19-105*

This item presented for discussion, clause 14 Childcare Allowance of the Local Government Members (2019-20) Determination 2019. Mr Grant (Group Manager Corporate & Governance) introduced the item and responded to Members' questions. Members expressed their views and provided explanations either in support of or against the recommendations.

The Chair separated out the recommendations. Cr Patrick noted she would abstain from voting due to a conflict of interest.

**19-469**                      **Moved**    **Keedwell/Burnell**

*It is recommended that Council:*

a. *receives the information contained in Report No. 19-105 and Annex.*

**CARRIED**

b. *agrees to approve payment of a Childcare allowance as per the 2019-20 Determination.*

**LOST**

*The meeting adjourned at 12.32pm.*

*The meeting reconvened at 1.00pm.*

## ENERGY EFFICIENCY 'GREEN' PROGRAMME - UPDATE

*Report No 19-106*

The purpose of this report was to update Council on progress with the energy efficiency programme which aimed to reduce Council's carbon emissions and to progressively adopt environmentally friendly (green) practices. Mr Neal (Business Services Manager) took Members through the detail. Members discussed the report and asked questions around the management of the vehicle fleet, and Sustainable Land Use Initiative credits. Crs Keedwell and Patrick expressed their concerns around the lack of action taken to address issues. The Chief Executive explained that opportunities to reduce organisational carbon emissions was ongoing, noting that progress was dependant on affordability.

**19-470**                      **Moved**                                      **Sheldon/Barrow**

*It is recommended that Council:*

a. *receives the information contained in Report No. 19-106.*

*Against. Cr Keedwell*

**CARRIED**

## **AFFIXING OF THE COMMON SEAL**

*Report No 19-107*

This paper reported on documents to which Horizons Regional Council's Common Seal had been affixed. A correction to the entry for Easton Dairy Limited was actioned.

**19-471**                      **Moved**                                      **Rieger/McKellar**

*That the Council:*

a. *acknowledges the affixing of the Common Seal to the below mentioned documents.*

- *Warrant Card  
Biosecurity Act  
Daniel Hurley*
- *Warrant Card  
Biosecurity Act  
Jared Booth*
- *Regional On Scene Commander  
(Marine Oil Spills)  
Ian Lowe  
Replacing Warrant Card #506293*
- *Lease – Renewal  
Lessee: Duncan J Campbell  
Area: 26.0189 ha  
Location: Humes Road  
Period: 1 July 2019 – 30 June 2028*
- *Lease  
Lessee: SG & LM Bradley  
Area: 11.5 ha  
Location: West Road, Hunterville  
Period: 1 January 2019 – 31 December 2028*
- *Lease  
Lessee: Easton Dairy Limited  
Area: 100.7669 ha  
Location: SH1/Whirokino Road  
Period: 4 August 2019 – 3 August 2028*

**CARRIED**



- d. receives the relevant sections attached from the Good Practice for Managing Public Communications by Local Authorities document produced by the Controller and Auditor-General's Office and agrees that Horizons' communication staff follow these guidelines to make decisions in the pre election period (refer Annex D).

**CARRIED**

## RECEIPT AND ADOPTION OF COMMITTEE RESOLUTIONS AND RECOMMENDATIONS

### REPORT OF REGIONAL TRANSPORT COMMITTEE MEETING - RECEIVE RESOLUTIONS - 5 JUNE 2019

- 19-474**                      **Moved**    **Gordon/Keedwell**  
*That the Council receives the resolutions of the Regional Transport Committee meeting held on 5 June 2019.*

**CARRIED**

### REPORT OF MANAWATU RIVER USERS' ADVISORY GROUP MEETING - RECEIVE RESOLUTIONS - 5 JUNE 2019

- 19-475**                      **Moved**    **Burnell/Sheldon**  
*That the Council receives the resolutions of the Manawatu River Users' Advisory Group meeting held on 5 June 2019.*

**CARRIED**

### REPORT OF CATCHMENT OPERATIONS COMMITTEE MEETING - RECEIVE AND ADOPT RESOLUTIONS AND RECOMMENDATIONS - 11 JUNE 2019

- 19-476**                      **Moved**    **Cotton/Rollinson**  
*That the Council receives and adopts the resolutions and recommendations of the Catchment Operations Committee meeting held on 11 June 2019.*

**CARRIED**

### REPORT OF STRATEGY & POLICY COMMITTEE MEETING - RECEIVE AND ADOPT RESOLUTIONS AND RECOMMENDATIONS - 12 JUNE 2019

- 19-477**                      **Moved**    **Patrick/Te Awe Awe**  
*That the Council receives and adopts the resolutions and recommendations of the Strategy & Policy Committee meeting held on 12 June 2019, as amended with typographical amendments.*

**CARRIED**

### REPORT OF PASSENGER TRANSPORT COMMITTEE MEETING - RECEIVE AND ADOPT RESOLUTIONS AND RECOMMENDATIONS - 18 JUNE 2019

The Chair explained that for the reasons provided in Report No. 19-97 Palmerston North Trial Bus Service Extended Weekday Hours, presented at the 18 June 2019 Passenger Transport Committee Meeting, that recommendation PT 19-68, "*that the Committee recommends that Council: retains the current extended weekday hours of operation of the Palmerston North urban bus services with no changes*", be amended. Mr Hindrup (Manager Transport Services)

summarised a few key points relating to the performance of the Palmerston North late night services. Members provided their views and preferences as to whether the extended weekday hours of operation should be retained or discontinued.

Ultimately the Chair moved the following recommendation.

**19-478**                      **Moved**    **Gordon/McKellar**

*That the Council recommends that the extended weekday hours of operation of the Palmerston North urban bus services be continued with only the 6.40pm service following one months' notice to the public transport provider and public.*

*Against: Crs Keedwell, Patrick, Sheldon*

**CARRIED**

**19-479**                      **Moved**    **Keedwell/Sheldon**

*That the Council receives and adopts the resolutions and recommendations of the Passenger Transport Committee meeting held on 18 June 2019, except for recommendation PT 19-68 (retains the current extended weekday hours of operation of the Palmerston North urban bus services with no changes).*

**CARRIED**

**PROCEDURAL MOTION TO EXCLUDE THE PUBLIC**

**19-480**                      **Moved**    **Gordon/Rieger**

*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 and 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:*

**CARRIED**

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Confirmation of Public Excluded Meeting held on 28 May 2019	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	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.
PX2 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release		
PX3 Members' Questions		





## CHIEF EXECUTIVE'S REPORT TO COUNCIL

Tuesday, 25 June 2019  
Michael McCartney – Chief Executive

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### Introduction

1. This report updates members on key organisational activities. Members are asked to view the upcoming activities in the Council Update (Annex A) and advise us of any meetings/events that may be of interest.

### Planning and Policy

2. With the Annual Plan behind us, the team are well underway with development of the Annual Report. Audit have recently been on site to commence their initial work. The Annual Report will be presented to Council before it concludes this triennial cycle.
3. As Council is aware, the Policy team is very much focused on the work surrounding Plan Change 2, which is being presented to this Council meeting for consideration. Should Council endorse the plan change proposal it will set in train prescriptive RMA process requirements around public notification and submissions.
4. The inaugural Co-Governance meeting with Manawatū River Iwi Leaders and Council took place in late May. A second follow up meeting has been arranged for 1 August 2019.

### Transport

5. The New Zealand Transport Agency (NZTA) hosted a briefing at the Palmerston North Convention Centre on 11 June 2019. The briefing outlined projects that are to be funded in the region. Of note was the absence of immediate funding for pursuing designations for O2NL. The region's Mayors and Council Chair expressed a very firm view about the need for this project to gain NZTA commitment. Post the presentations, a NZTA board member and the region's political leaders held a brief meeting on this topic. Further discussions and actions are likely on the part of the region's Mayors and Council Chair. An opportunity was also taken to express strongly the need for NZTA to commit to additional capital to ensure the Capital Connection continues beyond its three year funding provision. There is a \$6.5 million gap in capital cost that if met will ensure the service could continue up to and beyond 10 years.

### Regulatory

6. Staff are continuing to work closely with representatives of NZTA to plan out the RMA consenting and compliance requirements that will occur with the new Gorge replacement state highway. As mentioned previously, the staff requirements from our Regulatory team for this project will be in the order of 4 FTEs.
7. With the milking season soon to commence, the Compliance and Rural Advice teams will be making preparations for inspections and engagement with consent holders.



### **Manawatū River Leaders' Accord**

8. A Manawatū River Leaders' Accord meeting took place on 7 May 2019, again with an excellent attendance. A copy of the cover agenda is provided at Annex B. The meeting focussed largely of updates on Action Plan progress. Specific presentations were given around the Tū Te Manawa project, which is now largely complete. Horizons also took the opportunity to brief attendees on the Freshwater Catchment planning process.

### **Te Apiti Manawatū Gorge**

9. The Te Apiti Manawatū Gorge Governance Group met on 21 May 2019. A copy of the cover agenda is provided at Annex C. One of the notable items was the confirmation of the Terms of Reference for the Group, which identified purpose and representation. Like the Manawatū River Leaders' Forum, there is considerable interest by a number of groups and organisations to be on the Governance Group.
10. The Group received a very interesting presentation on species translocation opportunities for the Gorge. Provided pre-requisites can be achieved, there is very real opportunity for native species introduction.

### **Manawatū-Whanganui LASS Limited**

11. The Manawatū-Whanganui LASS Limited (MW LASS) Directors met on 10 June 2019. A copy of the cover agenda is provided at Annex D. Both the Archives Central and Debt Management (DMC) businesses are performing very well with growing interest and uptake from other councils in these functions. DMC in particular is proving to be a growth business, with 17 councils now purchasing the service. The councils span from Whangarei to Gore.
12. Last week, DMC tipped over \$4 million in debt recovery within the year to date. This means that debt that had previously been in a debtor list has been transferred to actual revenue. With the increasing number of councils using DMC services an additional resource is likely to be needed.
13. Recently, MW LASS, along with its primary insurance provider Aon, met with the international reinsurers to negotiate the best possible deal for insurances (largely underground infrastructure) on behalf of not only the MW LASS councils but also many from across the sector.
14. The final proposal on future insurance arrangements across the MW LASS members has been confirmed and actioned. As has been the case in previous years, MW LASS will be represented at the reinsurance meeting in London. In addition, discussions will be held with Asian interests in the reinsurance market in Singapore on the way over. To give a sense of scale and growth of the sum insured, in 2013 both MW LASS and the Waikato LASS presented a portfolio to the London market of \$4 billion. This represented 12 councils. In 2018 the cohort had grown to 42 councils, having an asset worth of \$40 billion. Over half the councils in New Zealand are part of the combined insurance approach.
15. The MW LASS Future Leaders' Mentoring Programme was launched at the meeting with three chief executives committing to a mentoring programme with participants in the Programme. I will be working with James Adamson from Manawatu District Council.

## Accelerate25 – Regional Economic Growth

16. The Accelerate25 (A25) Lead Team met in Dannevirke on 17 May 2019. A copy of the cover agenda is provided at Annex E. The meeting focussed on updates to projects, with a dedicated discussion around the skills and talent enabler. The Lead Team has decided to refresh the A25 Action Plan and has engaged Geoff Henley of Henley Hutchings to assist.

## National Issues

17. In early July the Local Government New Zealand Conference will be held in Wellington. Preceding the conference, Greater Wellington Regional Council will host a tour. Part of the conference will include the AGM for the Regional Sector Group. One of the very live topics currently and for the foreseeable future, is the freshwater reform policy outcomes from central government. Of particular interest to the sector is the implications on local communities, both intended and unintended. Meshing government policy in this space with our own Freshwater Futures work will be a very real matter of interest and challenge.
18. In late July, I will be holding a Special Interest Group (SIG) Convenor training session. This will be the third year we have run this programme and it is designed to assist new convenors understand their role and the roles of their respective SIGs. For other recent activities from within the sector please refer to the latest SIG Newsletter, provided at Annex F.

## CFO Acknowledgement

19. As members will be aware Leanne Macdonald has resigned and will take up a role at Central Otago District Council as Corporate Services GM. Leanne has been key to driving change to gain better financial excellence with Horizons during her time with us. As members would have witnessed, the quality of financial reporting has improved significantly with the introduction of new reporting systems. I would like to take this opportunity to publicly thank Leanne for her efforts and wish her well for the future.

## Attachments

- Annex A Council Update
- Annex B Manawatū River Leaders' Accord meeting cover agenda
- Annex C Te Apiti Manawatū Gorge Governance Group meeting cover agenda
- Annex D Manawatu-Wanganui LASS Limited meeting cover agenda
- Annex E Accelerate25 Lead Team meeting cover agenda
- Annex F Special Interest Group June 2019 Newsletter



## COUNCIL UPDATE

From 1 June to 30 June 2019

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### ACTIVITIES

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#### Ruapehu

##### River Management

1. Staff meeting with school representatives in Ohakune on 18 June 2019 to discuss students adopting a section of stream through the town.

##### Regional Services & Information

2. 21/22 June 2019 – Mardi Gras activity, Ohakune.
3. Manager, Emergency Management Office (EMO) chaired meeting of the Central Plateau Volcanic Advisory Group, hosted by Te Pae Tata Ohakune 21 June 2019.

#### Whanganui

##### River Management

4. 7 and 18 June 2019 hui with Whanganui Iwi representatives, Nga Tangata Tiaki and Whanganui District Council staff around Port revitalization and repairs/deferred maintenance to lower river training structures.

##### Strategy & Regulation

5. 4 and 11 June 2019 – RMA training with Ngaa Rauru Kiitahi (held in Kai Iwi).

#### Manawatū

##### River Management

6. 6 June 2019 update to Manawatu District Council (MDC) around the Rural Upgrade Project and the upgrade of the Reid Line Floodway.

##### Regional Services & Information

7. EMO attended Manawatu District Emergency Management Committee meeting 18 June 2019.
8. 26 June 2019 – Child Restraint Checking Clinic PN & Feilding.

##### Strategy & Regulation

9. 5 June 2019 – Meeting with MDC regarding WWTP centralisation process and consenting steps.
10. 7 June 2019 – Relationship meeting with Ngati Raukawa.

#### Tararua

##### River Management

11. 13 June 2019 – Tararua River Management Community Group Meeting.

##### Regional Services & Information

12. EMO conducted Regional Emergency Management Officers' meeting hosted by Tararua District Council on 25 June 2019.

## Palmerston North City

### River Management

13. Staff attended the He Ara Kotahi opening on 7 June 2019.

### Regional Services & Information

14. Meeting of CDEM Joint Standing Committee hosted by Horizons on 5 June 2019.

15. EMO attended Manawatu River Users' Advisory Group meeting on 5 June 2019.

16. 12 June 2019 – Child Restraint Checks Campbell St Kindy.

17. 18 June 2019 – PN Bus Advisory Group meeting.

18. 24 June 2019 – Massey University Expo.

### Strategy & Regulation

19. 5 June 2019 - Meeting between Palmerston North City Council and Mercury Energy regarding enabling works for windfarm.

## Horowhenua

### River Management

20. 5 June 2019 technical workshop Foxton flood hazard mitigation.

21. 8 June 2019 staff presented the T&T report to Waikawa Beach residents.

### Regional Services & Information

22. EMO attended Horowhenua District Emergency Management Committee meeting on 4 June 2019.

23. 11 June 2019 – Horowhenua road safety group meeting, Levin.

## Rangitikei

### River Management

24. Staff meeting in the last week of June 2019 with Rangitikei District Council (RDC) officials to discuss ongoing maintenance of the Rangitikei River diversion works at Putorino.

### Regional Services & Information

25. EMO attended Rangitikei District Emergency Management Committee meeting on 10 June 2019.

### Strategy & Regulation

26. 5 June 2019 – meeting with RDC staff regarding Bulls/Marton centralisation and Ratana WWTP renewal.

27. 11 June 2019 – Attendance at the Maori Development Strategy Workshop.

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## CORPORATE & GOVERNANCE UPDATE

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28. Civil Defence Emergency Management Joint Standing Committee held 5 June 2019.

29. Regional Transport Committee meeting held 5 June 2019.

30. Regional Chiefs' meeting held 5 June 2019.

31. Manawatu River Users' Advisory Group held 5 June 2019.

32. Catchment Operations Committee meeting held 11 June 2019.

33. Councillors' Workshop on CE KPI Setting/Performance Management held 11 June 2019.

34. Strategy & Policy Committee meeting held 12 June 2019.

35. Councillors' Workshop on Fluvial Survey of the Manawatu, Tonkin & Taylor Report, Sediment Fingerprinting and water quality held 12 June 2019.

36. Councillors' Workshop on One Plan – Plan Change Proposals held 12 June 2019.

37. Passenger Transport Committee meeting held 18 June 2019.

38. Council meeting held 25 June 2019.

39. Possible Councillors' Workshop held 25 June 2019.

40. Audit, Risk & Investment Financial Briefing held 25 June 2019.

### Number of FTEs

41. The total number of FTEs is: 238.

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## COMMUNICATIONS UPDATE

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42. 1 June 2019, launch of Plant in our Region campaign.
43. 4 June 2019, Environmental Educator facilitated workshops at Regional Secondary School professional development day, Nga Tawa.
44. 7 June 2019, Comms representatives attended the dawn blessing and minister's event for He Ara Kotahi.
45. 9 June 2019, Comms Manager joined Cr Keedwell and Cr Barrett (PNCC) on a predator trapping trip with Milson Scouts (community grant recipients) in the northern Ruahine Ranges.
46. 13 June 2019, Comms Manager met with LGNZ and regional sector policy advisors.
47. 13 June 2019, planting day with Kairanga School, Rangiotu.
48. 21 June 2019, Central Plateau Volcanic Advisory Group meeting, Ruapehu.
49. 21 June 2019, Riparian planting day with Koputoroa School, Horowhenua.

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## UPCOMING COMMUNITY ENGAGEMENT EVENTS AND ACTIVITIES

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### Natural Resources & Partnerships

50. The next meeting of the Te Āpiti Manawatū Gorge Governance Group will be held 15 August 2019.

### Strategy & Regulation

51. 22 July 2019 – Notification Plan Change process is scheduled to begin.
52. RMA training with Ngati Kauwhata (held throughout July 2019).

### Communications

53. 1-2 July 2019, Intermediate Public Information Training, Comms Manager and Comms Officer.
54. 12 July 2019, MWCDEM advanced Public Information course, Comms Manager, Senior Comms Advisor and Comms Officer.
55. 25-26 July 2019, Comms Special Interest Group meeting, Wellington, Comms Manager.
56. 31 July 2019, National PIM hui, Wellington, Comms Manager.

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## GENERAL

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### Natural Resources & Partnerships

57. Staff attended the Manawatū River Users' Advisory Group meeting on 5 June 2019.
58. The SLUI Advisory Group met in Palmerston North on 11 June 2019.
59. Staff attended Essential Freshwater Advisory Group meetings in Wellington on 17 June 2019.
60. Staff attend Resource Managers' Group meeting in Wellington 20-21 June 2019.
61. Staff attended Science & Technical Advisory Group meeting in Wellington on 24 June 2019.
62. Staff attended the BioManagers' Group meeting in Wellington on 28 June 2019.

### River Management

63. Staff attended the Manawatu River Users' Advisory Group meeting held on 5 June 2019.
64. Initial arbitration meeting relating to a Rural Upgrade Project construction contract dispute scheduled for 26 June 2019.
65. 27 June 2019 GM attending one day of the Institute of Public Works Engineers Australasia 2019 conference in Wellington. Conference theme 'Delivering on Reform: Future Infrastructure Perspectives'.

Regional Services & Information

66. 20 June 2019 – Total Mobility Coordinators' meeting, Wellington.

Strategy & Regulation

67. 6 June 2019 – Meeting with Margaret Brown, Social Scientist – AgResearch to discuss factors that impact on rural New Zealand.

68. 10 June 2019 – Discussion with Horticulture New Zealand on Plan Change 2.

Report No.	19-120
Decision Required	

## LOCAL BODY ELECTIONS - OCTOBER 2019

### 1. PURPOSE

- 1.1. This report is to inform Members of the full list of candidates standing for election to Horizons Regional Council, the process up to and including the day of election, and asks Members to consider the need of Council to undertake urgent business between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting of Council.
- 1.2. This report is also to ensure MWRC Holdings Ltd is able to continue operating between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting of Council, as the Horizons Regional Council appointed director is the 'Chair' of Horizons Regional Council.

### 2. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 19-120 and Annex.
- b. approves delegated authority to the Chief Executive to make urgent business decisions on Council's behalf and be the Council's spokesperson, only on decisions within the delegated authority of the Chief Executive of \$400,000. This delegated authority applies for the period between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting.
- c. approves delegated authority to Chair of Council Bruce Gordon to continue to act in the capacity of Director for MWRC Holdings Limited for the period between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting.

### 3. FINANCIAL IMPACT

- 3.1. There is no additional financial impact.

### 4. COMMUNITY ENGAGEMENT

- 4.1. The list of candidates is on Council's website, [www.horizons.govt.nz](http://www.horizons.govt.nz), and the names will also be publicly notified as legislatively required.

### 5. BACKGROUND

- 5.1. The names of candidates for each constituency of Horizons Regional Council are being advertised in papers throughout the Region between 19 August and 24 August (depending on publication dates) as required by the Local Electoral Act, and a list of the candidates is attached at Annex A.

**6. COMMENT**

- 6.1. Members are advised that voting papers will be posted out between 20 and 25 September 2019.
- 6.2. All candidates' profile statements and photos have been placed on Council's website following the close of nominations on 16 August 2019, in accordance with section 29(2) of the Local Electoral Regulations 2001.
- 6.3. It is likely that 'Meet the Candidates' meetings will be organised throughout the Region by community groups and organisations to provide an opportunity for members of the public to meet and listen to candidates. Candidates have been encouraged to contact these groups and organisations about possible meetings.
- 6.4. Postal voting closes at 12 noon on Saturday, 12 October 2019, and it is hoped preliminary results will be available by 6.00pm on that day. All candidates will be advised of the preliminary results of the election by telephone that evening. The Horizons Regional Council website will be progressively updated on 12 October as results are received from the electoral officers of the territorial authorities. Final results are expected by 17 October 2019.
- 6.5. Providing the official count has been completed, and publicly notified as required by legislation, the inaugural meeting of the eleventh triennium of Horizons Regional Council will be held on Tuesday, 22 October 2019.
- 6.6. All candidates who are declared to be elected (whether elected unopposed or not) come into office on the day after the day on which the official result of the election is declared by public notice under section 86 of the Local Electoral Act 2001. However, no persons are able to act as a member of Horizons Regional Council and undertake any business of council until they have made their Declaration at the inaugural meeting (Schedule 7, s.14 Local Government Act 2002).
- 6.7. Accordingly, Council must consider whether or not to give delegated authority to the Chief Executive to make urgent business decisions on Council's behalf and be the Council's spokesperson for the period between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting. Decisions on any expenditure above the delegated authority of the Chief Executive of \$400,000 will be held over until the new Council has been sworn in.
- 6.8. In the event that delegation is not approved, the Chief Executive will not be able to make urgent business decisions on Council's behalf nor will he be able to be the Council's spokesperson. The Chief Executive will however, still be able to make operational decisions within the delegated authority of the Chief Executive of \$400,000.
- 6.9. It should be noted that it is still necessary for the Minister to declare any states of local emergency required during the period where there are no elected representatives sworn in by Council.
- 6.10. In addition to the Chief Executive receiving delegation to manage urgent decisions in the absence of Council, MWRC Holdings Ltd, also needs to continue to operate during the period between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting. Currently the Horizons Regional Council appointed director for MWRC Holdings Ltd board is the "Chair" of Council. Accordingly, Council must consider whether or not to give delegated authority to the current Chair of Council to maintain this position during the period between the day after the day when the official results of the election are declared, and the date of the Inaugural meeting.
- 6.11. In the event that delegation is not approved, MWRC Holdings Ltd will not be able to make any board decisions, which could be crucial during the final phase of the building of the Victoria Avenue development



**7. SIGNIFICANCE**

- 7.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Craig Grant  
**ELECTORAL OFFICER**

**ANNEXES**

- A 2019 Horizons Regional Council Candidates

## 2019 Horizons Regional Council Candidates

### Manawatū-Whanganui Regional Council trading as Horizons Regional Council (First Past the Post Electoral System)

#### Horowhenua Constituency (two members)

ADAMS Karen	Independent
BURNELL Lindsay	
CLARKE Emma	
FERGUSON, Sam	
GREIG Owen	
KANE Geoff	
KAY Michael	
TAUEKI Phil	

#### Manawatū-Rangitikei Constituency (two members)

GORDON Bruce	
McKELLAR Gordon	Independent
PEKE-MASON Soraya	Our region, our future
PILLOW, Leslie	
SCHULZ Teresa	Independent
TURKINGTON John	

#### Palmerston North Constituency (four members)

CLELAND Darryl	Independent
DOWDS Jack	
GORDON Fiona	
KEEDWELL Rachel	
NAYLOR Jono	
TE AWE AWE Wiremu Kingi	Independent
TEO-SHERRELL Chris	

#### Ruapehu Constituency (one member)

ELLIS Moana	
KIRTON Weston Mervyn	
STEELE Richard	

#### Tararua Constituency (one member)

BENBOW Allan	
DAY Andrew	
STEPHENSON Lorraine	Independent

#### Whanganui Constituency (two members)

COTTON David	Independent
PATRICK Nicola	

As the number of nominations received did not exceed the number of vacancies, **DAVID COTTON** and **NICOLA PATRICK** are declared elected unopposed as the Members for the Whanganui constituency of the Manawatu-Wanganui Regional Council.

Report No.	19-121
Decision Required	

## PROPOSED CLIMATE CHANGE MEMORANDUM OF UNDERSTANDING FOR THE HORIZONS REGION

### 1. PURPOSE

- 1.1. The purpose of this report is to seek Members' endorsement of a draft Memorandum of Understanding (MoU) on climate change. It is proposed to be agreed across councils in the Horizons region.

### 2. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 19-121 and Annex.
- b. endorses the draft Memorandum of Understanding as at Annex A.
- c. endorses the Chief Executive, in consultation with the Chair, to make minor amendments to the Memorandum of Understanding following feedback from councils across the region.

### 3. FINANCIAL IMPACT

- 3.1. There is no financial impact arising from this item. Council will have decisions to make about resourcing the next parts of its climate change work in the coming months.

### 4. COMMUNITY ENGAGEMENT

- 4.1. Council will have decisions to make in the future about how it wishes to engage its communities in the development of climate change adaptation plans.

### 5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. There is no significant business risk associated with this item.

### 6. DISCUSSION

- 6.1. Council has embarked on preparing a climate change strategy. Strategy development has been the subject of previous workshops with Members. Development of a strategy recognises that, whilst operational work has been done, the issue of climate change is significant and serious and that a comprehensive policy response is required in addition to operational works.
- 6.2. Development of Council's strategy is in two parts. The first part is focussed on objectives and policies. This work is funded and underway and is expected to be ready for the incoming Council in October / November 2019.
- 6.3. The second part will be a regional vulnerability assessment. A draft scope is expected to be available for members to consider in November / December 2019.
- 6.4. These two areas are also being supported by science investment at a regional scale.

- 6.5. Other councils in the region are also preparing local climate change plans. For example, Whanganui District Council recently released its 'Climate Change Discussion Document'.
- 6.6. Regional mayors, chair and chief executives have agreed in principle the value of regional collaboration in order to help deliver the best outcomes for communities. The draft MoU in **Annex A** reflects the nature of the proposed regional collaboration.
- 6.7. The draft MoU will need the agreement of all councils in the region. The chair and mayors may consider embedding the MoU in the next triennial agreement.
- 6.8. The primary focus of the MoU is on working across the region on climate change adaptation. This reflects LGNZ's approach that adaptation is the key role for councils. However, the MoU also notes opportunities for collaborating to achieve mitigation.
- 6.9. The chair and chief executive have canvassed the MoU with mayors and chief executives across the region. There is broad support but final wording is yet to be agreed.

## 7. **TIMELINE / NEXT STEPS**

- 7.1. Should Council endorse the draft MoU, it will go forward to a meeting of the regional chair and mayors in early September. Signing may be influenced by the local body elections.

## 8. **SIGNIFICANCE**

- 8.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Nic Peet

### **GROUP MANAGER STRATEGY & REGULATION**

#### **ANNEXES**

- A Draft MoU: Working together to adapt to climate change

# Memorandum of Understanding

## Working together to adapt to climate change

Our councils recognise the urgent need to address the challenge presented by climate change. We acknowledge that action is needed now to avoid its worst effects and achieve a just transition to a resilient, sustainable future. It is a matter of great significance to the communities our councils serve.

We believe local government has an important role to play in helping communities in the region adapt to a changing climate. We see this as the most significant area of work for local government. We also have a role in helping to mitigate climate change by making our contribution to reducing the causes of climate change.

The purpose of this MoU is to enshrine a collaborative approach across the Horizons region with a focus on how we work to adapt to a changing climate

As a group of Councils working on climate change we undertake to:

- collaborate across our organisations on action to build organisational, community and regional resilience in the face of a changing climate;
- collaborate across our organisations to take action to mitigate the effects of climate change;
- communicate openly, sharing what we know about likely effects and response options;
- engage and involve our communities in decisions that affect them;
- give effect to our engagement obligations under Treaty of Waitangi Settlements and arrangements with iwi and hapū in our areas of responsibility;
- report regularly on work going on to address climate change adaptation and mitigation across the region;
- support each other with skills and knowledge from our respective organisations;
- work collectively as a region to engage with central Government.

Our councils are signatories to the Local Government Declaration on Climate Change. The forthcoming Triennial Agreement is an opportunity to consider further cooperation in response to climate change. We will seek agreement from our respective Councils to include the content of this MoU in the next triennial agreement.

**Item 8.2**

Signed on xx date by

Mayor of Ruapehu District Council

Mayor of Whanganui District Council

Mayor of Rangitikei District Council

Mayor of Manawatu District Council

**Annex A**

Mayor of Palmerston North City Council

Mayor of Tararua District Council

Mayor of Horowhenua District Council

Chair of Horizons Regional Council

Report No.	19-122
Decision Required	

## REGIONAL SOFTWARE HOLDINGS LIMITED 2020-22 STATEMENT OF INTENT

### 1. PURPOSE

- 1.1. The purpose of this report is to present the Statement of Intent of Regional Software Holdings Ltd to the shareholders of the Company as required by the Local Government Act 2002.

### 2. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 19-122 and Annex.
- b. agrees to Regional Software Holdings Ltd (RSHL) 2020-22 Statement of Intent.

### 3. FINANCIAL IMPACT

- 3.1. There is no financial impact as this report is for your information.

### 4. COMMUNITY ENGAGEMENT

- 4.1. The Statement of Intent is publically available on the Council website.

### 5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. There is no significant risk. However, there is a legislative requirement to agree to a Council-controlled Organisation's Statement of Intent.

### 6. BACKGROUND

- 6.1. RSHL is a company incorporated and registered under the Companies Act 1993 and is a **Council-Controlled Organisation (CCO)** as defined in section 6 of the Local Government Act 2002.
- 6.2. Horizons Regional Council owns 1,550 shares being 15.50% of the company.
- 6.3. The original draft **Statement of Intent (SOI)** was provided on the hub on 27 February 2019 and Council was invited to provide any feedback to the directors of RSHL before 1 May 2019. No feedback was supplied by the Council and the board adopted the SOI on 10 June 2019.
- 6.4. As part of the Local Government Act 2002, a CCO must deliver a SOI to the shareholders before 30 June each year. This SOI was placed on the hub for council to receive on 25 June 2019, meeting that requirement.
- 6.5. As per the Local Government Act 2002 Council now needs to agree the SOI.

6.6. Minimal change has been made to the SOI from when it was presented to Council in February for feedback, however, there has been a change in how the company management is structured. In the final adopted SOI, personnel costs have been separated from management fees. This is to more clearly reflect that RSHL has employed a General Manager. At the time the draft SOI was written it was intended that this role be filled by a full-time secondment. The Statement of Financial Performance on page 8 reflects that change from the draft version. This has resulted in a change to the budget to reflect that RSHL has employed a General Manager resulting in a small increase to budgeted administration costs.

## 7. SIGNIFICANCE

7.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Adrian Smith  
**ACTING CHIEF FINANCIAL OFFICER**

Craig Grant  
**GROUP MANAGER  
CORPORATE & GOVERNANCE**

## ANNEXES

A Statement of Intent 2020-2022



## Regional Software Holdings Limited

### Statement of Intent 2020/2021/2022

June 2019  
Version 0.3

#### 1 Introduction

This Statement of Intent is a public declaration of the activities and intentions of Regional Software Holdings Limited (RSHL). The statement outlines the Directors' accountabilities to the shareholders for corporate performance, as is intended by Schedule 8 of the Local Government Act 2002.

RSHL has no subsidiaries or joint ventures.

##### 1.1 Vision

To provide a high quality shared service for the Regional Council sector (and associated agencies) that delivers value to shareholders, customers and the sector.

##### 1.2 Mission

Sponsor collaboration through the Regional Council special interest groups and provide a vehicle for delivering shared solutions and services to the sector in accordance with our values and in a manner that achieves:

- Consistent, common and efficient regional council specific processes and functions
- Value through economies of scale
- Reduced risk through ensuring continuity of supply and control of the destiny of Regional Council sector specific software
- Greater influence with central government through demonstration of a more cohesive and collaborative sector

##### 1.3 Nature and Scope of Activities to be Undertaken

RSHL provides a framework for collaboration between the shareholders and across the wider regional council sector. It supports the procurement or development of shared software services and products in a manner that provides greater consistency in how we operate our core processes and a more cost effective alternative than individual councils can achieve on their own.

The company operates through managed contractual arrangements, and by facilitating collaborative initiatives between councils' staff. Some councils are both customers of RSHL and providers of service to RSHL.

RSHL seeks to reduce costs to the existing shareholders and increase its influence in Regional Council sector information systems by increasing the user base for IRIS and by expanding the common product suite.

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Doc # 13625620

Whilst the current flagship of RSHL is the Integrated Regional Information System (IRIS), the scope of activities for RSHL is not limited to the IRIS application suite. Future activities will be identified by Shareholder Councils. New opportunities will be identified, and priorities set in the Business Plan, other opportunities may arise and be investigated on a case by case basis. New activities will require explicit Board approval.

#### 1.4 Values

In all RSHL decisions and interactions the Board and staff together with member council participants who may be working within the RSHL framework will observe the following values and ethos:

- The best decision is that which provides the best end result, primarily for our shareholder councils but also our customer councils, and indirectly the communities they serve.
- We are forward thinking and innovative
- We are responsive and deliver value
- We are professional and accountable
- We are flexible and open
- Our solutions will be practical, appropriate to the scale of the problem and affordable
- Where appropriate we will utilise codes of practice and standards produced by industry groups
- All parties to any decision or interaction will be treated with respect, dignity, integrity, and honesty.

#### 1.5 Possible New Customers and Shareholders

RSHL seeks to reduce costs to the existing shareholders and increase its influence in Regional Council sector information systems by increasing the user base for IRIS and expanding the product suite.

RSHL responds to requests from Councils and organisations that show potential interest in using the IRIS software.

The potential market for the IRIS application is New Zealand Regional Councils and Unitary Authorities.

RSHL seeks to extend its collaboration framework and service delivery beyond the scope of the IRIS software product. In line with this intention, RSHL will sponsor collaboration through the Regional Council special interest groups and provide a vehicle for delivering shared solutions and services to the sector in order to achieve consistent, common and efficient regional council specific processes and value through economies of scale. RSHL will work alongside the special interest groups to agree and deliver the collaborative work programme and this will operate on a cost recovery basis.

## 2 Objectives

The principal objective of RSHL is to deliver on the vision, mission and values.

The secondary objective of RSHL is to:<sup>1</sup>

- a) achieve the objectives of its Shareholders, both commercial and non-commercial as specified in this Statement of Intent;

<sup>1</sup> From: Constitution of regional Software Holdings Ltd, Section 1.1

- b) be a good employer;
- c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when able to do so.

### 3 Board's Approach to Governance

Members of RSHL's Board of Directors are appointed by the shareholders to govern and direct RSHL's activities. The Shareholders Agreement states that each shareholder has the right to appoint one Director, and that person will be the CEO, or a person nominated by the CEO.<sup>2</sup> The Constitution allows each Director to appoint an alternative director.<sup>3</sup> The Constitution also allows the Shareholders to appoint independent directors.<sup>4</sup> The Constitution requires that the Board collectively must have relevant knowledge and experience of finance, public bodies, management, governance, and IT management.<sup>5</sup>

The Board is the overall final body responsible for all decision-making within the company. The Board is accountable to its shareholders for the financial and non-financial performance of the company.

Directors' behaviour is to comply with Institute of Directors' standards for Code of Conduct. The purpose of the code is to clarify how the Board of Directors shall define and deal with:

- The role and fundamental obligations of the Board
- Independence and conflict of interest, including conflict with management
- Board procedures, including the role of the Chairman and interaction with the General Manager
- Reliance on information and independent advice
- Confidentiality of company information
- Board and Director performance review and development

RSHL will conduct itself in accordance with its Constitution, its annual Statement of Intent agreed with shareholders, the provisions of the Local Government Act 2002 and the Companies Act 1993.

### 4 Ratio of Consolidated Shareholder's Funds to Total Assets

It is intended that the proportion of equity to total assets be in excess of 60%.

### 5 Accounting Policies

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002 and the Companies Act 1993, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared in accordance with Tier 3 Public Benefit Entity (PBE) Standards.

<sup>2</sup>RSHL Shareholders Agreement clause 4.1

<sup>3</sup>RSHL Constitution clause 8.3

<sup>4</sup>RSHL Constitution clause 8.4

<sup>5</sup>RSHL Constitution clause 8.6

Appendix 1 includes RSHL's Accounting Policies

## 6 Performance Targets and Other Measures

Performance targets by which the success of the company may be judged in relation to its objectives are:

		2019/20	2020/21	2021/22
Non Financial	Undertake an annual survey of users and shareholder/customer Councils in relation to product performance, Datacom support and RSHL support. Baseline to be developed following the completion of the first survey.	Applies each year		
	Develop, approve, communicate and refine the annual roadmap for RSHL major enhancement projects. Draft annual roadmap presented to the Board by 31 December of each year for the following year. Adoption by the Board by 30 June of each year.	Applies each year		
	Major Enhancement projects identified on the Annual Roadmap are all completed within approved budget or (for items in progress) on track against their agreed timeline and budget at 30 June of each year.	Applies each year		
	Budgets for support and minor enhancements are approved by the Board by 30 June each year and delivery within these budgets is effectively managed by the Advisory Group.	Applies each year		
	User Groups and business representatives are engaged in the development of the Major Enhancement Annual Roadmap.	Applies each year		
Financial	RSHL will operate within 5% (plus or minus) of its shareholder approved annual budget.	Applies each year		
	Annual charges for shareholders and customers to be at level approved by the Board and Shareholder Councils based upon the approved operating budget and budgets for major and minor enhancements.	Applies each year		

Growth	Monitor the regional council sector market and explore/respond to opportunities to expand the customer and/or shareholder base of RSHL.	Applies each year
	Consider, evaluate and, if appropriate, implement new service areas or areas outside of the current scope of IRIS <sup>6</sup>	Applies each year
	Be a service delivery agent for wider regional council sector and related bodies information management projects (ReCoCo) and related shared services. Projects to be delivered on time and on budget as agreed in each of the Statements of Work between RSHL and the Regional Council Corporate Services SIG.	Applies each year

## 7 Distribution of Profits to Shareholders

RSHL does not have an objective to make a profit. It seeks to provide products and services at lower costs, and / or higher levels of service than shareholder councils can achieve on their own.

In order for RSHL to be subject to tax, generally it must meet the business test. Fundamental to this is a profit motive. Given the basis under which this CCO operates is to minimise the costs and generally operate on a cost recovery basis and that a pecuniary profit is not intended and highly unlikely, the lack of a profit motive is real.

The RSHL Shareholders Agreement states “If Operating Expenses for a fiscal year are less than the budgeted amount for such year, the Company will retain the funds for application to Operating Expenses for the subsequent fiscal year”<sup>7</sup>. Therefore there will not be a profit available for distribution.

## 8 Information to Be Provided to the Shareholders

The company will deliver the following Statements to shareholders:

- Within two months of the end of the first half of the financial year the following unaudited statements: Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows and Service Performance.
- Within two months of the end of the financial year the following audited statements: Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows, Service Performance plus a summary of how the company has fared against its objectives and prospects for the next financial year, and a report on the company’s medium to long-term plans.
- The Directors shall approve by 1 March of each year a Draft Statement of Intent for the consideration of shareholders. The Directors must then consider any comments on the Draft Statement of Intent that are made to it within two months of 1 March by the shareholders and deliver the completed Statement of Intent to the shareholders by 30 June
- Preparation of a draft Business Plan will begin each November, for the financial year that commences on the following June. This early preparation is to allow Shareholder Councils

<sup>6</sup> Consider does not mean commit to do, but to identify & evaluate one or more opportunities

<sup>7</sup> Shareholders Agreement, clause 7.4

the ability to include any changes in Annual Fees, or any other form of financial impact, in their Council's budget processes. The Board are to approve the business plan by the end of March prior to the commencement of the new financial year.

- Any new developments which have not been covered in the statement of corporate intent for the year. Including, but not limited to, an update on any outcomes arising from any changes in shareholding, including the effect on individual Council's shareholdings and apportionment of costs.
- Details of possible scenarios that might be foreseen that could result in annual fees increasing above the CPI index.
- Any other information which would normally be available to a shareholder, thereby enabling the shareholder to assess the value of its investment in the company.

## 9 Procedures for Major Transactions and Other Acquisitions and Disposals

The Company will not enter into major transactions as defined in Section 129(2) of the Companies Act 1993 without the consent of the shareholders.

## 10 Procedures for Issue of Shares

The RSHL shareholder agreement requires the approval of the Shareholders holding at least of 75% of the shares for "the issuing or acquisition of any Shares or any change to the rights attaching to any Shares"<sup>8</sup>.

## 11 Activities for Which Compensation Is Sought

Payment of an Annual Fee for IRIS will be sought from all customers of RSHL, which includes Shareholder Councils, for annual support and development fees, as set out in the License Agreement. The IRIS annual support fee also includes funding to cover the cost of running RSHL.

It is noted that other products or services may be delivered by RSHL. Any such services will only be delivered after the Directors have considered each individual business case including the proposed budget and agreed that the proposed service meets the objectives of RSHL. When providing other services over the Sector RSHL seeks to recover any costs incurred.

Any ongoing activities to identify develop or procure additional products or services will be budgeted for in advance, subject to the business case. The subsequent recovery from one or more shareholder or customer councils will be agreed by the Directors on a case by case basis in accordance with the RSHL Constitution.

All activities for which compensation is sought will be undertaken at arms-length with recovery of all associated costs.

## 12 Estimate of Commercial Value of The Shareholder's Investment

The Directors' estimate of the commercial value of the Shareholders' investment in RSHL is equal to the Shareholders' equity in the Company. Reassessment of the value of this shareholding shall be undertaken on or about 30 June each year.

<sup>8</sup> RSHL Subscription & Shareholders Agreement Section 5.1 (b)

The technologies used to develop the IRIS product will eventually reach the end of their useful life. From time to time, RSHL will need to reinvest to ensure the underlying technology remains fit for purpose and current. Whilst there is currently no outstanding need for reinvestment, future statements of intent will identify and provide for this reinvestment

### 13 Shareholding

Regional Software Holdings Limited (RSHL) was formed on 17 October 2012. At the time of formation the company issued 10,000 shares to its shareholders based on a previously agreed sizing formula. The following shareholding was agreed:

Shareholder	Percentage	# of shares
Waikato Regional Council	32.75%	3,275
Northland Regional Council	16.75%	1,675
Horizons Regional Council	15.50%	1,550
Taranaki Regional Council	15.50%	1,550
Southland Regional Council	15.50%	1,550
West Coast Regional Council	4.00%	400

**Statement of Intent 2019-2020**  
**Regional Software Holdings Limited**  
**Statement of Financial Performance**  
For the 12 Months to 30 June

2018-19 Budget		2019/20 SOI	2020/21 Indicative	2021/22 Indicative
	<b>Income</b>			
1,117,579	Members Contribution	1,139,931	1,163,869	1,188,311
1,117,579		1,139,931	1,163,869	1,188,311
	<u>Other Income</u>			
600	Interest Received	600	600	600
62,750	Council Specific Funding	65,905	67,289	68,702
500,000	Regional Sector Share Services	210,000	210,000	210,000
148,463	User Funding	151,432	154,612	157,859
<b>1,829,392</b>	<b>Total Income</b>	<b>1,567,868</b>	<b>1,596,371</b>	<b>1,625,472</b>
	<b>Expenditure</b>			
	<u>Administration costs</u>			
2,825	Administration costs	9,125	9,153	9,179
	Accounting & Technical			
23,295	Support	29,395	29,515	29,637
11,100	Audit & Legal fees	5,900	6,024	6,150
178,000	Datacom Support Services	208,260	212,633	217,099
50,000	Technical Services	150,000	153,150	156,366
10,500	Environment Charges	20,000	20,420	20,849
157,500	Management Fees	50,400	50,400	50,400
-	Personnel Costs	155,000	155,000	155,000
10,000	Promotional Costs	1,600	1,600	1,600
30,000	Independent Director's Fees	30,600	31,243	31,899
7,000	Travel & Meeting Costs	9,000	9,000	9,000
500,000	Regional Sector Share Services	110,000	110,000	110,000
62,750	Other Direct Software	77,905	79,541	81,211
1,042,970	<i>Total administration costs</i>	857,185	867,678	878,389
	<u>Sundry other costs</u>			
786,423	Depreciation	827,855	967,115	1,058,921
<b>1,829,393</b>	<b>Total expenditure:</b>	<b>1,685,040</b>	<b>1,834,793</b>	<b>1,937,310</b>
-	<b>Surplus/(deficit) before Tax</b>	(117,172)	(238,423)	(311,838)
	Income Tax Expenses			
-	<b>Surplus/(deficit) after Tax</b>	(117,172)	(238,423)	(311,838)



**Regional Software Holdings Limited**  
**Statement of Financial Position**  
As at 30 June

2018-19 Budget		2019/20 SOI	2020/21 Indicative	2021/22 Indicative
	<b>ASSETS</b>			
	<b>Current assets</b>			
137,932	Bank Accounts and Cash	513,548	292,241	39,323
-	Debtors and Prepayments	-	-	-
	<b>Non Current Assets</b>			
5,202,007	Property, Plant & Equipment	4,703,489	4,686,374	4,627,454
<u>5,339,939</u>	<b>Total Assets</b>	<u>5,217,038</u>	<u>4,978,615</u>	<u>4,666,777</u>
	<b>LIABILITIES</b>			
	<b>Current liabilities</b>			
-	Creditors and Accrued Expenses	-	-	-
-	Income Received in Advance	-	-	-
<u>-</u>	<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<u>5,339,939</u>	<b>NET ASSETS</b>	<u>5,217,038</u>	<u>4,978,615</u>	<u>4,666,777</u>

**Represented by:**

2018-19 Budget		2019/20 SOI	2020/21 Indicative	2021/22 Indicative
	<b>Equity</b>			
5,149,150	Equity	5,149,150	5,149,150	5,149,150
-	Current Year Earnings	(117,172)	(238,423)	(311,838)
190,790	Retained Earnings	185,059	67,887	(170,536)
<u>5,339,939</u>	<b>Total Equity</b>	<u>5,217,037</u>	<u>4,978,614</u>	<u>4,666,776</u>

**Regional Software Holdings Limited**  
**Statement of Cash Flows**  
For the 12 Months to 30 June

2018-19 Budget		2019/20 SOI	2020/21 Indicative	2021/22 Indicative
	<b>Cashflows from Operating Activities</b>			
	<b>Cash received from:</b>			
711,213	Receipts from customers	361,432	364,612	367,859
1,117,579	Shareholder contributions	1,205,836	1,231,158	1,257,013
600	Interest	600	600	600
-	Income Tax Paid (refunded)	-	-	-
<b>1,829,392</b>	<b>Total Operating Receipts</b>	<b>1,567,868</b>	<b>1,596,371</b>	<b>1,625,472</b>
	<b>Cash applied to:</b>			
1,042,970	Payments to suppliers	857,185	867,678	878,389
-	Income Tax Paid (refunded)	-	-	-
-	Interest W/holding tax paid	-	-	-
<b>1,042,970</b>	<b>Total Operating Payments</b>	<b>857,185</b>	<b>867,678</b>	<b>878,389</b>
<b>786,422</b>	<b>Net cash from operating</b>	<b>710,683</b>	<b>728,692</b>	<b>747,083</b>
	<b>Cashflow from Investing Activities</b>			
	<b>Cash received from:</b>			
-	Sale of Fixed Assets	-	-	-
-	Investment Maturities	-	-	-
-	<b>Total Investment Receipts</b>	-	-	-
	<b>Cash applied to:</b>			
785,248	Purchase of Fixed/ Intangible assets	600,000	950,000	1,000,000
-	Investment deposits	-	-	-
<b>785,248</b>	<b>Total Investment Payments</b>	<b>600,000</b>	<b>950,000</b>	<b>1,000,000</b>
<b>(785,248)</b>	<b>Net cash from investing</b>	<b>(600,000)</b>	<b>(950,000)</b>	<b>(1,000,000)</b>
	<b>Cashflow from Financing Activities</b>			
	<b>Cash received from:</b>			
-	Capital contributions	-	-	-
-	Investment maturities	-	-	-
-	<b>Total Financing Receipts</b>	-	-	-
	<b>Cash applied to:</b>			
-	Capital repaid	-	-	-
-	<b>Total Financing Payments</b>	-	-	-
-	<b>Net cash from financing</b>	-	-	-
<b>1,175</b>	<b>Net increase (decrease) in cash-flow for the year</b>	<b>110,683</b>	<b>(221,308)</b>	<b>(252,971)</b>
136,758	Opening cash balance	402,865	513,548	292,241
<b>137,932</b>	<b>Closing cash balance</b>	<b>513,548</b>	<b>292,241</b>	<b>39,323</b>
	<b>Made up of:</b>			
25,000	Current account	25,000	25,000	25,000
112,932	Auto-call account	488,548	267,241	14,323
<b>137,932</b>		<b>513,548</b>	<b>292,241</b>	<b>39,323</b>

## Appendix 1: Accounting Policies

### 1 General Information

#### Reporting Entity

Regional Software Holdings Limited (RSHL) is a Council Controlled Organisation (CCO), owned by Waikato Regional Council (32.75%) Northland Regional Council (16.75%) Horizons Regional Council (15.50%) Taranaki Regional Council (15.50%) Southland Regional Council (15.50%) and West Coast Regional Council (4.00%.) RSHL was incorporated on 17 October 2012.

RSHL was primarily incorporated for the purposes of managing the investment and development of IRIS Software, and has designated itself a Public Benefit Entity (PBE), in keeping with the designation of the shareholders.

#### Public Benefit Entity Simple Format Reporting

RSHL qualifies for Public Benefit Simple Format Reporting – Accrual (PBE-SFR-A) on the basis that the Company does not have publically accountable (as defined) and has total annual expenses of less than \$2 million.

#### Basis of Preparation of the Financial Statements

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period. The financial statements will be prepared on a historical cost basis.

#### Statement of Compliance

The prospective financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002 and the Companies Act 1993, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared in accordance with Tier 3 Public Benefit Entity (PBE) Standards.

These prospective financial statements comply with PBE Standards.

#### Presentation Currency and Rounding

The prospective financial statements have been prepared in New Zealand dollars and there will be rounding in the numbers in the financial statements, as the financial model used calculates to the cent but the annual report is rounded to the nearest dollar.

The functional currency of RSHL is New Zealand dollars.

The reporting period for these prospective financial statements is the year ending 30 June.

## 2 Summary of Significant Accounting Policies

### Revenue

Revenue is measured at the fair value of consideration received or receivable.

Members Contributions and Other forms of Revenue (excluding investment revenue), including fees, charges, and other revenues are recognised on an accrual basis.

Interest revenue is recorded as it is earned.

### Expenditure

Expenditure is recognised on an accrual basis when the service was provided, or the goods received.

Costs associated with maintaining the IRIS software suite are recognised as an expense when incurred.

### Bank Accounts and Cash

Cash and cash equivalents include cash on hand, on demand or call deposits, other short-term deposits with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are presented as a current liability in the Statement of Financial Position.

### Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### Inventories

Inventory is initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling process. Goods for use or distribution are subsequently measured at cost and written down if they become obsolete.

### Goods and Services Tax (GST)

RSHL is registered for GST; these financial statements are presented net of GST, except for receivables and payables which are inclusive of GST. Where GST paid is not recoverable, due to it relating to exempt items, the GST inclusive amount is recognised as part of the related asset or expense including the GST relating to investing and financing activities.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or recovered from, the Inland Revenue Department is recognised as an item in operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### Income Tax

Income tax expenses calculated using the taxes payable method. As a result no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

### Creditors and Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

### **Property, Plant and Equipment**

#### *Software acquisition and development*

Costs that are directly associated with the development of the IRIS software suite are recognised as property, plant and equipment.

#### *Depreciation*

Depreciation begins when the asset is available for use and ceases at the date that the asset is derecognised. The depreciation charge for each period is recognised through the Statement of Financial Performance.

The carrying value is depreciated on a straight-line basis over its useful life. The useful life and associated depreciation rate for the IRIS software suite is 10 years and 10%.

Where software in this category is replaced, upgraded or determined by RSHL to be of no further operational benefit, a change in value will be recognised through the Statement of Financial Performance. This change in value will be the difference between the carrying value of the original item and its fair value.

#### **Critical Accounting Estimates and Assumptions**

In preparing these financial statements, RSHL has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

#### **Additional Disclosure**

The Companies Act 1993 requires disclosure of the amount of donations, audit fees, fees for other services from the auditor, and the number of employees of the company who received remuneration and other benefits above \$100,000 per annum, in brackets of \$10,000.

Note For Info: Requirements for Statement of Intent  
Source: Office of the Auditor General  
<http://www.oag.govt.nz/2007/corporate-intent/appendix2.htm>

Item	Section
Statement of intent	This document
Coverage over three financial years and updated annually	1 & 8 & 6
Objectives of the group	2
A statement of the board's approach to governance	3
Nature and scope of the activities to be undertaken	1
Ratio of consolidated shareholders' funds to total assets, and the definitions of those terms	4
Accounting policies	5
Performance targets and other measures by which the performance of the group may be judged in relation to its objectives	6
An estimate of the amount or proportion of accumulated profits and capital reserves that is intended to be distributed to the shareholders	7
The kind of information to be provided to the shareholders/ shareholding Ministers by the organisation during the course of the next three financial years	8 (Shareholders)
Procedures to be followed before any member or the group subscribes for, purchases, or otherwise acquires shares in any company or other organisation	9
Any activities for which the board seeks compensation from any local authority, Harbour Board, or the Crown (whether or not the relevant entity has agreed to provide the compensation)	11 (Local authority)
The board's estimate of the commercial value of the Crown/shareholders' investment in the group and the manner in which, and the times at which, that value is to be reassessed	12 (Shareholders)
Other matters that are agreed by the shareholders/ shareholding Ministers and the board	none (Shareholders)
Annual report should contain information that is necessary to enable an informed assessment of the operations of the parent entity and its subsidiaries, including a comparison of performance with the relevant statement of intent or statement of corporate intent	8 (Plus explanation of material variances)

Report No.	19-123
<b>Information Only - No Decision Required</b>	

## AFFIXING OF THE COMMON SEAL

### 1. PURPOSE

- 1.1. This paper reports on documents to which Horizons Regional Council's Common Seal has been affixed.

### 2. RECOMMENDATION

That the Council:

- a. **acknowledges** the affixing of the Common Seal to the below mentioned documents.

### 3. FINANCIAL IMPACT

- 3.1. There is no additional financial impact.

### 4. COMMUNITY ENGAGEMENT

- 4.1. The community is able to see this information either in the agenda or on the Council's website.

### 5. COMMENT

- 5.1. The Common Seal has been affixed to the following documents:

a. **Under Chief Executive's Delegated Authority:**

- Warrant Card  
Enforcement Officer  
Georgia Baker
- Lease – Renewal  
Lessee: Te Hou Farms Ltd Partnership  
Area: 53.6298 ha  
Location: Rangitikei River Lease, Parewanui Road  
Period: 2 July 2019 – 1 July 2028

b. **Under Urgency:**

Nil

c. **To be Approved:**

Nil

### 6. SIGNIFICANCE

- 6.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Craig Grant  
**GROUP MANAGER CORPORATE & GOVERNANCE**

### ANNEXES

There are no attachments to this report.





Report of the twenty fifth meeting of the tenth triennium of the Strategy and Policy Committee held at 10.00am on Tuesday 13 August 2019, in the Tararua Room, Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

**PRESENT** Crs EB Gordon JP (Chair), JJ Barrow, LR Burnell QSM, DB Cotton, RJ Keedwell, GM McKellar, JM Naylor, NJ Patrick, PW Rieger QSO JP, BE Rollinson, and CI Sheldon.

**IN ATTENDANCE** Chief Executive Mr MJ McCartney  
Group Manager  
Corporate and Governance Mr C Grant  
Committee Secretary Mrs JA Kennedy

**ALSO PRESENT** At various times during the meeting:  
Mr R Strong (Group Manager River Management), Dr N Peet (Group Manager Strategy & Regulation), Mr G Shirley (Group Manager Regional Services & Information), Dr J Roygard (Group Manager Natural Resources & Partnerships), Ms R Tayler (Manager Policy & Strategy), Ms L Jansen (Senior Consents Planner), Mr C Veale (Programme Coordinator), Mr N Kyamanywa (Rural Industry Advisor), Ms C Morrison (Media & Communications Manager).

The Chair welcomed everyone to the meeting.

## **APOLOGIES**

**SP 19-153** *Moved* **McKellar/Rieger**  
*That the Committee receives an apology from Cr Te Awe Awe.*  
**CARRIED**

## **PUBLIC FORUMS / DEPUTATIONS / PETITIONS**

There were no requests for public speaking rights.

## **SUPPLEMENTARY ITEMS**

There were no supplementary items to be considered.

## **MEMBERS' CONFLICTS OF INTEREST**

There were no conflicts of interest declared.

## CONFIRMATION OF MINUTES

**SP 19-154**      **Moved**      **McKellar/Rieger**

*That the Committee:*

*confirms the minutes of the Strategy and Policy Committee meeting held on 12 June 2019 as a correct record, and notes that the recommendations were adopted by the Council on 25 June 2019.*

**CARRIED**

## COUNCILLOR REPORTS

### Chair's Report

The Chair presented his report and updated Members on his attendance at the Dark Sky Forum held at the Mackenzie District Council from 21-22 June 2019.

### Councillors' Reports

Councillors commented on their attendance at various events.

## COUNCILLORS' ALLOWANCES AND REIMBURSEMENTS POLICY REVIEW

*Report No 19-111*

This report presented to Members, a change to the mileage allowance in the *Councillors' Allowances and Reimbursements Policy* (the Policy) following the release of the Local Government Members (2019/20) (Local Authorities) Determination 2019 (the Determination). Mr Grant (Group Manager Corporate & Governance) outlined the changes to the mileage allowance and clarified Members' questions.

**SP 19-155**      **Moved**      **Rieger/Sheldon**

*That the Committee recommends that Council:*

- a. *receives the information contained in Report No. 19-111 and Annex.*
- b. *endorses, without amendment, the Allowances and Reimbursements Policy outlined at Annex A;*
- c. *authorises the Chief Executive to make communication allowance payments to elected members immediately following the declaration of election results as outlined in section 9 of the Allowances and Reimbursements Policy (attached at Annex A). It is noted that this payment will be pro-rated from 1 July 2019 to the day after the election results are publicly notified for retiring members. Returning members will be paid from 1 July 2019 – 30 June 2020. New members will be pro-rated from the day after the election results are publicly notified to 30 June 2020.*

**CARRIED**

## MEMBERS REMUNERATION 2019-20

Report No 19-112

This item presented for Council adoption, the recommended levels of remuneration for elected Members for 2019-20. Mr Grant (Group Manager Corporate & Governance) summarised the changes and timeframes for payment of Members' salaries.

**SP 19-156**                      **Moved**    **Naylor/Patrick**

*That the Committee recommends that Council:*

- a. *receives the information contained in Report No. 19-112 and Annexes.*
- b. *endorses, without amendment, the Remuneration Policy outlined at Annex A.*

**CARRIED**

## ONE PLAN - PROGRAMME UPDATE

Report No 19-113

This item provided Council with an update of ongoing development and evolution of the One Plan, including programme detail relating to the proposed Plan Change 2 (nutrient management) and draft plan change 3 and 4. Ms Tayler (Manager Policy & Strategy) took Members through the detail of the item. She and Dr Peet (Group Manager Strategy & Regulation) clarified Members' questions.

**SP 19-157**                      **Moved**    **Patrick/Naylor**

*That the Committee recommends that Council:*

- a. *receives the information contained in Report No. 19-113.*
- b. *notes that Proposed Plan Change 2 was notified as planned on 22 July 2019.*
- c. *notes that submissions on Proposed Plan Change 2 close on 21 October 2019.*
- d. *notes that scoping work is underway for draft plan change 3, covering further nutrient management work and further implementation of the National Policy Statement for Freshwater Management.*
- e. *notes that scoping work is underway for draft plan change 4, covering the implementation of the National Planning Standards and minor maintenance changes.*

**CARRIED**

## RESOURCE MANAGEMENT REFORM 2019 - PHASE 1 AND PHASE 2

Report No 19-114

This item informed Council of recent announcements made by the Minister for the Environment on Resource Management reform, and options for Council to engage in the review process. Dr Peet (Group Manager Strategy & Regulation) and Ms Tayler (Manager Policy & Strategy) introduced the item, responded to Members' concerns about the ability for a regional council to review consent conditions, and provided clarity around the implementation timeframes for Phase 1.

**SP 19-158**      **Moved**      **Keedwell/Sheldon**

*That the Committee recommends that Council:*

- a. receives the information contained in Report No. 19-114 and Annex.
- b. directs the Chief Executive to prepare a letter for the Chair to provide feedback to the Minister for the Environment on the Terms of Reference for phase 2 of the resource management reforms.

**CARRIED**

## CATCHMENT PLANNING UPDATE

Report No 19-115

This item updated Members on progress with *Our Freshwater Future*. Dr Peet (Group Manager Strategy & Regulation) took the paper as read. The Chief Executive and Dr Peet responded to Members comments and concerns around the challenges and difficulties associated with co-governance arrangements with iwi, and the considerable implementation costs imposed on local government to implementing central government decisions.

**SP 19-159**      **Moved**      **Keedwell/Naylor**

*That the Committee recommends that Council:*

- a. receives the information contained in Report No. 19-115.

**CARRIED**

## PROPOSED RESPONSE TO PRODUCTIVITY COMMISSION DRAFT FINDINGS ON LOCAL GOVERNMENT FUNDING AND FINANCING

Report No 19-116

This item provided Council with an overview of the New Zealand Productivity Commission's (the Commission) findings in their recent draft report on their inquiry into Local Government Funding and Financing, and a draft submission to provide feedback on the draft report. Ms Jansen (Senior Consents Planner) summarised the findings, identified four key areas where alternative funding options may be needed, and referred to the draft submission at Annex A to address chapter five. Members discussed the findings, asked questions of clarification, and provided feedback and suggestions on the submission.

**SP 19-160            Moved                                  Naylor/Cotton**

*That the Committee recommends that Council:*

- a. *receives the information contained in Report No. 19-116 and Annexes.*
- b. *supports the submission from Local Government New Zealand with regard to Chapter Five.*
- c. *authorises the Chief Executive to finalise the submission on behalf of the Council.*

**CARRIED**

**Resignation – Cr Colleen Sheldon**

Cr Sheldon advised Members of her resignation from Council. She had accepted an appointment as Whanganui and Partners’ Agribusiness Strategic Leader. The Chair thanked Cr Sheldon for her representation of the Horowhenua Constituency. On behalf of the Horowhenua community, Cr Burnell thanked Cr Sheldon for her support and representation.

*The meeting adjourned at 12.02pm.*

*The meeting reconvened at 12.05pm.*

**WORLD BUSINESS FORUM - MAY 2019**

*Report No 19-117*

The Chief Executive spoke to a presentation on his attendance at the World Business Forum 2019.

**SP 19-161            Moved                                  Gordon/Rieger**

*That the Committee recommends that Council:*

- a. *receives the presentation from the Chief Executive.*

**CARRIED**

**EXTRAORDINARY VACANCY**

There was an extraordinary vacancy due to the resignation of Cr Colleen Sheldon.

**SP 19-162            Moved                                  Gordon/Keedwell**

*That the Council agrees that the extraordinary vacancy is not filled.*

**CARRIED**

The meeting closed at 12.28pm.

Confirmed

\_\_\_\_\_  
CHIEF EXECUTIVE

\_\_\_\_\_  
CHAIR



Report of the fifteenth meeting of the tenth triennium of the Environment Committee held at 9.00am on Wednesday 14 August 2019, in the Tararua Room, Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

**PRESENT** Crs GM McKellar (Chair), JJ Barrow, LR Burnell, DB Cotton (via audio visual link), EB Gordon JP (ex officio), RJ Keedwell, JM Naylor, NJ Patrick, PW Rieger QSO JP, and WK Te Awe Awe.

**IN ATTENDANCE** Chief Executive Mr MJ McCartney  
Committee Secretary Mrs KA Tonga

**ALSO PRESENT** At various times during the meeting:  
Dr J Roygard (Group Manager Natural Resources & Partnerships),  
Dr N Peet (Group Manager Group Manager Strategy & Regulation),  
Mr G Shirley (Group Manager Regional Services & Information),  
Mr R Smillie (Environmental Manager), Ms A Matthews (Science & Innovation Manager), Mr G Bevin (Regulatory Manager), Mr L Brown (Freshwater & Partnerships Manager), Mr C Davey (Environmental Programme Coordinator), Ms S Boyte (Environmental Scientist Natural Resources), Ms C Morrison (Media & Communications Manager), Mr D Scott (Manawatu Freshwater Anglers Club), Mr C Rudd and Ms C Moriarty (members of the public), and a member of the Press

The Chair welcomed everyone to the meeting and invited Cr Te Awe Awe to say a Karakia.

## **APOLOGIES**

**ENV 19-128** **Moved** **Gordon/Patrick**  
*That an apology be received from Cr Rollinson.*  
**CARRIED**

## **PUBLIC FORUMS / DEPUTATIONS / PETITIONS**

Mr Don Scott, Mr Charles Rudd and Ms Christine Moriarty had been granted public speaking rights.

Mr Scott (Manawatu Freshwater Anglers Club) spoke on behalf of the Club and voiced various concerns including the drift dive data in the middle of the Manawatu River, and the trend of lower fish catches in the Manawatu River and its tributaries.

Mr Rudd raised concerns regarding Maori interaction and participation with Horizons, the use of the word 'iwi' in relation to the Treaty of Waitangi, water testing in Lake Horowhenua, and the ongoing difficulties in communication with Lake Horowhenua Accord members.

Ms Moriarty spoke on behalf of Water and Environmental Care Association (WECA) and expressed frustration with the lack of progress in relation to the contamination into a fresh water

lake and urged Members to work on a plan with the community to move forward with restoration of Lake Horowhenua.

### **SUPPLEMENTARY ITEMS**

There were no supplementary items to be considered.

### **MEMBERS' CONFLICTS OF INTEREST**

Cr Bruce Gordon noted a conflict of interest in Report no. 19-118.

Cr Nicola Patrick noted a perceived conflict of interest in Report no. 19-118.

### **CONFIRMATION OF MINUTES**

**ENV 19-129**      **Moved**                                      **Patrick/Naylor**

*That the Committee:*

**confirms** the minutes of the Environment Committee meeting held on 14 May 2019 as a correct record, and notes that the recommendations were adopted by the Council on 28 May 2019.

**CARRIED**

### **NATURAL RESOURCES & PARTNERSHIPS PROGRESS REPORT**

*Report No 19-118*

Dr Roygard (Group Manager Natural Resources & Partnerships) discussed the new format of producing a single operational plan which replaced 7 operational plans. Dr Roygard gave a presentation which updated Members on the activity of the Natural Resources & Partnerships Group over the 2018-19 financial year and he highlighted the key themes for the year ahead; integrated catchment management, responding and preparing for policy change, operational delivery, information management, and communication. Members had the opportunity to ask the Natural Resources & Partnerships team questions of clarification and expressed their comments and views.

**ENV 19-130**      **Moved**                                      **Keedwell/Burnell**

*That the Committee recommends that Council:*

a. receives the information contained in Report No. 19-118 and Annexes.

**CARRIED**

*Meeting adjourned at 10.53am.*

*Meeting reconvened at 11.01am.*



**REGULATORY MANAGEMENT REPORT - APRIL TO JUNE 2019**

*Report No 19-119*

Dr Peet (Group Manager Strategy & Regulation) introduced the report which updated Members on regulatory activity, for the period April 2019 to June 2019. It also provided a summary of the regulatory work programme for the 2019-20 year. Dr Peet highlighted the updated Compliance Monitoring Policy, and the Regional Sector's commissioned independent analysis on the 2017/18 Compliance Monitoring and Enforcement Metrics. Mr Bevin (Regulatory Manager) summarised regulatory activities for the 2018-2019 year, mentioned the abatement and infringement notices issued during that time frame, gave updates on the Manawatu Gorge replacement project 'Te Ahu a Turanga' and the Turitea Windfarm, and answered Members' questions.

**ENV 19-131      Moved                                      Keedwell/Patrick**

*That the Committee recommends that Council:*

- a. receives the information contained in Report No. 19-119 and Annexes.

**CARRIED**

The meeting closed at 12.00pm.

Confirmed

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CHAIR

\_\_\_\_\_  
GROUP MANAGER STRATEGY & REGULATION

\_\_\_\_\_  
GROUP MANAGER NATURAL RESOURCES  
& PARTNERSHIPS



## Public Excluded Section

### RECOMMENDATION

That the public be excluded from the remainder of the Council meeting as the general subject 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:

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Update on MWRC Holdings Ltd <i>(Supplementary Item)</i>	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	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.
PX2 Chief Executive Performance Review 2019	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.  This report is confidential because it discusses employment terms of an identifiable individual.	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.
PX3 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release		
PX4 Members' Questions		