



Minutes of the second meeting, eighth triennium of the Strategy and Policy Committee of Horizons Regional Council held in the Tararua Room, Regional House, 11-15 Victoria Avenue, Palmerston North at 10.00am on Tuesday, 8 February 2011.

PRESENT

Crs PW Rieger QSO JP (Acting Chair until 10.02am), EB Gordon (Chair from 10.57am), JJ Barrow, LR Burnell, VJF Chettleburgh QSM ED, GL Cox, M Guy, GM McKellar, MW Plowman, CI Sheldon, RG Walker JP (to 3.12pm), and JJ White.

IN ATTENDANCE

Chief Executive	Mr M McCartney
Group Manager Corporate and Governance	Mr C Grant
Committee Secretary	Ms K Booth

ALSO PRESENT At various times during the Meeting:

Mr G Carlyon (Group Manager Regional Planning & Regulatory), Mr C Mitchell (Group Manager Environmental Management), Mr G Shirley (Group Manager Regional Services & Information), Mrs C Rowe (Media & Communications Manager), Mr S Bayley (Manager Emergency Management), Mr R Munneke (Manager Policy/Consents), Ms C Barton (Senior Consents Planner), Mr J Maassen (lawyer), Mr B Gilliland (Policy Monitoring Officer), Dr J Roygard (Manager Research), Messrs S Fox and D Buxton (Te Manawa), and a member of the Press.

The Acting Chairman advised he would chair the meeting until a new Chairman had been elected.

The meeting adjourned at 10.02am to allow for an Extraordinary Council meeting to elect a new Chairperson following the resignation of Cr M Guy from the position of Chairman on 31 January 2011.

The meeting resumed at 10.57am.

The newly elected Chairman, Cr Bruce Gordon, took the chair.

APOLOGIES:

There were no apologies.

PUBLIC SPEAKING RIGHTS

No requests for public speaking rights had been notified.

LATE ITEMS:

There were no late items notified.

MEMBERS' CONFLICT OF INTEREST

Crs White and McKellar both indicated a possible conflict of interest in regard to Item 13 (River Exhibition – Te Manawa).

The Chairman advised a change of order in Items to allow for other people's commitments.

CONFIRMATION OF MINUTES

SP 11-04

Moved

White/Guy

that the minutes of the meeting held on 14 December 2010, as circulated, with an amendment to the spelling of Old Man's Beard, be confirmed as a correct record.

CARRIED

CODE OF CONDUCT

Report No. 11-01

This item presented for Council's consideration and approval, the existing Code of Conduct for Horizons Regional Council.

The Group Manager Corporate and Governance (GMCG) introduced the report and the annexed Code of Conduct for Members' consideration. There was full discussion on paragraph 24, and several alternative suggestions were made in an effort to clarify the wording around the definition of 'meetings', whether it should be 'one' or 'two' consecutive meetings and 'leave of absence' discussion with the Chairperson. The GMCG was asked to bring a reworded paragraph back to a further meeting for Members' consideration. There was also discussion and clarification sought on: direct contact with staff, the Council's Media Policy, liaising with the Chief Executive around acceptance or otherwise of gifts or cash,

SP 11-05

Moved

Cox/Plowman

that the Committee recommends that Council:

- a. **notes** the legislative requirements to adopt a Code of Conduct;
- b. **approves** the Code of Conduct for Horizons Regional Council at Annex A to Report No. 11-01, with the exception of paragraph 24.;
- c. **requests** management to bring paragraph 24 of the Code of Conduct back for further consideration.

CARRIED

GOVERNANCE STATEMENT – MANAWATU-WANGANUI REGIONAL COUNCIL

Report No. 11-02

This item presented for Council's consideration, the current Governance Statement (GS) for the Manawatu-Wanganui Regional Council (trading as Horizons Regional Council). During discussion of the GS, it was suggested that the term 'Community Plan' be changed to 'Long-term Plan', that extra description of 'Functions' be included in clause 2, that management consider whether clause 8.3 repeated the information in clause 2, and that other amendments noted during discussion, be made.

There was discussion on clause 8.5 in regard to the implications for councillors as a result of the legislation. The GMCG confirmed the Council carried public liability insurance. Following discussion on clause 11.1, it was agreed a Councillors' workshop would be arranged. In response to questions about special consultative procedures, it was clarified that where possible these consultations were carried out during the Annual Plan and Long-term Plan process. Consultations outside this process carried a cost.

The Chairman, Chief Executive and GMCG clarified Members' questions in regard to information in the document. The GMCG undertook to make the amendments requested by Members and a new (c) was included in the recommendations.

SP 11-06 **Moved** **Guy/Sheldon**

that the Committee recommends that Council:

- a. **acknowledges** the legislative requirements to update its Governance Statement; and
- b. **receives** the revised Governance Statement for the Manawatu-Wanganui Regional Council (trading as Horizons Regional Council) at Annex A to Report No. 11-02.
- c. **requests** management to make amendments in relation to the newly elected Chairperson, and other amendments as agreed.

CARRIED

*The meeting adjourned at 12.17pm.
The meeting resumed at 1.03pm.*

TRIENNIAL AGREEMENT – MANAWATU-WANGANUI REGION *Report No. 11-05*

This report presented the existing Triennial Agreement for endorsement. The GMCG advised that the Agreement had been forwarded to the territorial authorities (TAs) for signature and to date all but one TA had done so. The GMCG confirmed he would amend the Authority page to reflect Cr Bruce Gordon as Chairperson.

SP 11-07 **Moved** **Chettleburgh/Sheldon**

that the Committee recommends that Council:

- a. **notes** that all the signatory councils have been asked to sign the new Triennial Agreement by 1 March 2011; and
- b. **endorses** the existing Triennial Agreement (updated in regard to names and dates) and amended to include the name of Cr Bruce Gordon as Chairperson of Horizons Regional Council.

CARRIED

RIVER EXHIBITION – TE MANAWA *Report No. 11-04*

This item sought Council's support for sponsorship of the Manawatu River Exhibition at Te Manawa. Mrs Rowe (Media and Communications Manager) introduced Mr Steven Fox (Chief Executive of the Te Manawa Museums Trust) and Mr Daniel Buxton (Principal Designer), to the meeting. Their presentation provided Members with information on the preparation, design work and costs of the refit of the Museum. The main entrance had been relocated to be more accessible to the community. They acknowledged the technical help provided by Horizons Regional Council by way of aerial photography, and this was being printed onto the foyer carpet.

Mr Fox explained the exhibition would have a seven year life span, and would provide informed, accurate information. He offered Members the opportunity to view the exhibition. In response to Members' questions they advised the exhibition would be free, clarified the carpet printing process, and said the 'in kind' support given by Horizons would be recognised. Members asked to see details of the content of the exhibition and the recommendation was amended accordingly. Mrs Rowe said she would provide this to Members. Cr Plowman did not support the proposal.

SP 11-08 **Moved** **Chettleburgh/White**

that the Committee recommends that Council:

- a. **approves** the sponsorship of Te Manawa's River Exhibition, resulting in an overspend of \$25,000 in the 2010-2011 Communications and Promotions budget, subject to content being approved by Council.

Against. Cr Plowman
CARRIED

QUESTIONS FROM COUNCILLOR PLOWMAN

Report No. 11-17

This item provided information to Councillor Plowman in response to questions he asked in a letter dated 5 November 2010 to Michael McCartney and a follow up note to Craig Grant dated 21 December 2010. Cr Plowman distributed additional material to Members and said if Members wished to have time to read it, he was happy to leave discussion to another meeting. It was agreed that as Mr Maassen (lawyer) was present at the meeting to provide explanations, the item would be discussed. The Chief Executive noted caution about the discussion of consent applications in the public domain.

There was full discussion on the sections of the Resource Management Act and the Local Government Act outlined in the annexes to the Report. Cr Plowman asked Mr Maassen for his interpretations and opinions on various sections of these Acts, and he then provided a view of how he interpreted the legislation. These two interpretations were not always the same, with both Mr Maassen and Cr Plowman providing reasons for their particular interpretation/opinion. Included in the discussion was whether territorial authorities (TAs) had devolved their functions to regional councils; did regional councils or TAs have the leadership role and when, legal interpretations relating to the One Plan, and the work of the Environment Court. The Chairman commented that the Report had given Members the opportunity to hear answers to Cr Plowman's concerns, and he drew the discussion to a close.

SP 11-09 **Moved** **White/Chettleburgh**

that the Committee recommends that Council:

- a. **notes** the information contained in Report No. 11-17, and the information given by Mr Maassen, responding to questions asked by Cr Plowman.

CARRIED

REVIEWED PROCEDURES FOR CHEMICAL SPILL INCIDENTS

Report No. 11-10

This report informed Members of the improvements made to Horizons Regional Council's incident response system in relation to chemical spills. The Group Manager Regional Planning and Regulatory (GMRPR) introduced the Report.

Cr Rieger suggested a change of wording to paragraph 8(b), to read: "*On being notified of a toxic spill incident by emergency services, an appropriately qualified Horizons Regional Council Officer **will attend, regardless of whether** the notification is for information or response.*" This was accepted by Members.

It was clarified that the people who answered the hotline phonecalls had a list of all the emergency response duty officers. In response to discussion about whether all the Horizons' duty officers had dangerous goods qualifications, the Chief Executive explained that in a chemical spill the regional council was not the lead controller, but part of the team and its focus was on the environmental impact. However, he undertook to scope the cost of training all the Horizons' emergency response duty officers with dangerous goods qualifications.

SP 11-10

Moved

Cox/McKellar

that the Committee recommends that Council:

- a. **receives** the information in Report No. 11-10.

CARRIED

PROPOSED STRATEGY FOR RESPONSE TO ONE PLAN APPEALS

Report No. 11-18

The report was prepared at the request of the Council at its meeting on 23 November 2010. It provided detail relating to the appeals made to the Environment Court on the *Proposed One Plan as Amended by Decisions*, the expectations of the Environment Court on Horizons as respondent, and recommendations on a strategy for responding to the appeals.

The Chief Executive distributed an Environment Court document listing the One Plan appellants for Members' information. Mr Gilliland (Policy Monitoring Officer) explained the Proposed One Plan was now in an appeal situation, that 22 appeals had been received, and there were 38 to 39 section 274 parties. He referred Members to paragraphs 22 to 25 of the Report for clarification on section 274 parties.

Mr Maassen (lawyer) was invited to comment on the role of the Council in the Environment Court process, which he explained to Members. He believed there was a role for governance in the process, to monitor and understand what was happening, and while some appeals would be simple to resolve, he said that others were more complex and would take longer.

Cr Walker left the meeting at 3.12pm.

Mr Maassen believed Members could be confident that the independent Hearing panels appointed by Council, remained independent. He clarified Members' questions on the Court mediation process and where costs would lie. Mr Maassen clarified other questions from Members in regard to membership of the Advisory Group, and the costs to Council and other groups if mediation did not resolve the issues. Following discussion of the recommendations, Cr Guy's name was added to (c) as a member of the Advisory Committee.

SP 11-11

Moved

Sheldon/Rieger

that the Committee recommends that Council:

- a. **receives** the information in Report No. 11-18;
- b. **approves** the proposed process for dealing with appeals set out in this paper;
- c. **approves** the establishment of an advisory committee comprising the Chairperson of Catchment Operations, Chairperson of Environment Committee, Horizons Regional Council Chairperson, Chief Executive and Chief Executive delegate(s), Cr Guy and Ms Christine Foster (Independent Planning Professional), to advise the Chief Executive on dealing with One Plan appeals;
- d. **directs** the Chief Executive to:
 - i. respond to the Court's direction in line with this agreed process;
 - ii. seek the Court's agreement to stage the hearings by topic;
 - iii. seek clarification from appellants where he considers it appropriate in accordance with this agreed process;
 - iv. initiate compilation of factual technical/science evidence used as the basis for the Hearing Panels' decisions; and
 - v. engage in court assisted mediation where mediation is identified as an appropriate mechanism to resolve appeals, and to consult with the advisory committee to guide the mediation and negotiation process;
- e. **delegates** to the Chief Executive any functions and powers under the Resource Management Act necessary to resolve the appeals in line with the approved process;
- f. **directs** the Chief Executive to report back to Council on a regular basis on progress and ongoing costs and prospects of resolution with respect to dealing with One Plan appeals.

CARRIED

HORIZONS REGIONAL COUNCIL DROUGHT RESPONSE

Report No. 11-20

This item sought the support of regional councillors to the establishment and operation of a stakeholder and agency group to share information and make collective decisions, as appropriate to drought situations. The GMRPR spoke to the Report and to a powerpoint presentation to Members. The presentation included the benefits of being prepared with a Drought Event Standard Operating Procedure, and the suggested stakeholders for a Regional Drought Committee.

SP 11-12

Moved

Chettleburgh/White

that the Committee recommends that Council:

- a. **endorses** the collaborative approach recommended for response to determining and managing drought events;

- b. **directs** the Chief Executive to initiate action in relation to potential drought conditions in line with the proposal.

CARRIED

REGIONAL COUNCIL FORESTRY RIGHTS

Report No. 11-15

This report updated Members on the current status of Horizons Regional Council's forestry and forestry rights, planted as part of Council's Sustainable Land Use Initiative (SLUI). The Group Manager Environmental Management (GMEM) introduced the Report and drew Members' attention to paragraphs 7 and 8 which set out the key protocols established by Council in 2007. The GMEM clarified that the acronym 'PFSI' stood for *Permanent Forest Sink Initiative*. He suggested an alternative recommendation (b).

Cr Guy updated Members on the investment opportunities from forestry, 'carbon trading', and the possible issues. He suggested a stock-take of what was currently in the forestry portfolio that related to emissions trading. The Chief Executive referred to recommendation (b) and suggested he discuss the detail of the proposed Council paper with Cr Guy. Members discussed what they would like to see in the proposed Council paper and suggested: a forecast over a number of years; risks (financial and political) as well as opportunities; possible landowner issues; and forestry area lost through erosion and storms etc.

SP 11-13

Moved

Guy/McKellar

that the Committee recommends that Council:

- a. **receives** Report No. 11-15 noting future decisions regarding carbon trading; and
- b. **requests** the Chief Executive to bring a paper outlining the registration criteria, risks and opportunities related to the Emissions Trading Scheme and recommendations regarding potential emissions trading to a future Strategy and Policy Committee meeting.

CARRIED

MEMBERS' QUESTIONS

Cr Cox asked if the Audit, Risk and Investment Financial Briefing could be moved to 8.30am on Tuesday 15 February, prior to the Councillors' Workshop. This was agreed.

The meeting closed at 4.25pm.

CHIEF EXECUTIVE

CHAIRMAN