

## Minutes of a meeting of the Governance Committee

**Held in the Council Chamber, Civic House, 110 Trafalgar Street,  
Nelson**

**On Thursday 14 July 2016, commencing at 9.02am**

---

Present: Councillor I Barker (Chairperson), Her Worship the Mayor R Reese, Councillors K Fulton, B McGurk, G Noonan, and P Rainey, Mr J Murray and Mr J Peters

In Attendance: Chief Executive (C Hadley), Group Manager Community Services (C Ward), Group Manager Corporate Services (N Harrison), Manager Communications, Acting Manager Libraries and Heritage Facilities (P Shattock), Administration Adviser (S Burgess), and Youth Councillors (D Leaper and J Stallard)

Apologies: Councillors E Davy, L Acland and P Matheson for attendance, and Councillor G Noonan for lateness

### 1. Apologies

Resolved GOV/2016/064

***THAT apologies be received and accepted from Councillors Davy, Acland and Matheson for attendance, and Councillor Noonan for lateness.***

McGurk/Peters

Carried

### 2. Confirmation of Order of Business

There was no change to the order of business.

The Chairperson noted that Sharon McGuire, retiring Director of Tourism Nelson Tasman Ltd would be joining the Committee for morning tea.

### 3. Interests

There were no updates to the Interests Register, and no interests with items on the agenda were declared.

#### 4. Public Forum

There was no public forum.

#### 5. Confirmation of Minutes

##### 5.1 26 May 2016 - Extraordinary Meeting

Document number M1911, agenda pages 9 - 17 refer.

Resolved GOV/2016/065

***THAT the minutes of the extraordinary meeting of the Governance Committee, held on 26 May 2016, be confirmed as a true and correct record.***

Fulton/McGurk

Carried

#### 6. Status Report - Governance Committee - 14 July 2016

It was noted that there was no Status Report.

#### 7. Chairperson's Report

The Chairperson advised that a meeting had been organised for 20 July 2016 with the Nelson Cycle Lift Society and mountain bike and tourism representatives to explore the strategic links between the groups. He said it was thought this meeting should take place before finalising the project plan for the Nelson Cycle Lift Society, which had been due for consideration at this Governance Committee meeting. The Chairperson advised that the project plan would now come to the Committee meeting in August 2016.

Resolved GOV/2016/066

***THAT the oral Chairperson's Report be received.***

Barker/Fulton

Carried

### GOVERNANCE

#### 8. Health and Safety: Quarterly Report

Document number R6048, agenda pages 18 - 29 refer.

Group Manager Corporate Services, Nikki Harrison, and Health and Safety Management Systems Adviser, Bryony Chester, presented the report, noting that it covered the quarter up to 30 June 2016.

In response to questions, Ms Harrison provided further information on the physical security review, the Business Leaders Health and Safety Forum, and the wellness programme.

Attendance: Councillor Noonan joined the meeting at 9.12am.

Resolved GOV/2016/067

***THAT the report Health and Safety: Quarterly Report (R6048) and its attachment (A1577496) be received.***

Fulton/Peters

Carried

## **9. Service Level Review Quarterly Progress Update**

Document number R6006, agenda pages 30 - 44 refer.

Policy Adviser, Gabrielle Thorpe, and Manager Operations and Asset Management, Peter Anderson, presented the report.

Ms Thorpe highlighted that value was being obtained from the review process.

In response to a question, Mr Anderson advised that community facilities and swimming pool contracts had been extended beyond the 30 June 2016 date shown in the report attachment.

In response to further questions, Ms Thorpe provided detail on the reviews that had already been completed, noting that several 'status quo' results still had small operational changes made to support efficiencies.

It was questioned whether governance had input into service reviews, or if it was solely a management decision. Group Manager Community Services, Chris Ward, advised that any 'status quo' results essentially aligned with Council's Long Term Plan and Annual Plan, and any recommended changes to contract delivery would be presented to governance for consideration depending on the level of the contract.

Attendance: The meeting adjourned from 9.21am to 9.24am.

The resolution of Council on 15 October 2015 regarding service level reviews was presented for background information (A1586531). Mr Ward summarised the process for service level reviews.

It was suggested that consideration of social enterprise principles and the living wage movement were included into criteria for entering into contracts in future. Mr Ward advised that further investigation and discussion would be required to assess the implications and significance of including those matters in the scope of service level reviews as well as Council's Procurement Policy.

Resolved GOV/2016/068

***THAT the report Service Level Review Quarterly Progress Update (R6006) and its attachments (A1531257, A1544548, A1572137 and A1572147) be received.***

Her Worship the Mayor/Noonan

Carried

**Attachments**

- 1 A1586531 - Council resolution regarding service level reviews 15Oct2015

There was further discussion regarding the service level review process and social enterprise principles. It was noted that aspects of the social enterprise model could not necessarily be quantified in financial terms.

Resolved GOV/2016/069

***THAT officers consider opportunities to explore social enterprise principles in relation to Council's Procurement Policy and Section 17a reviews and report back to the Governance Committee via a workshop in the first instance.***

Her Worship the Mayor/Fulton

Carried

**REPORTS FROM COMMITTEES**

**10. Commercial Subcommittee - 26 May 2016**

Document number M1910, agenda pages 45 - 46 refer.

Resolved GOV/2016/070

***THAT the minutes of an extraordinary meeting of the Commercial Subcommittee, held on 26 May 2016, be received.***

Murray/Noonan

Carried

**11. Audit, Risk and Finance Subcommittee - 23 June 2016**

Document number M1948, agenda pages 47 - 54 refer.

Resolved GOV/2016/071

***THAT the unconfirmed minutes of a meeting of the Audit, Risk and Finance Subcommittee, held on 23 June 2016, be received.***

Peters/Murray

Carried

Attendance: Mr Murray left the meeting from 9.41am to 9.44am.

11.1 Internal Audit Plan - 2016/17

Recommendation to Council GOV/2016/072

**THAT the Internal Audit Plan 2016/17 (A1562649) be approved;**

**AND THAT it be noted there will be unbudgeted expenditure required, which will be reported for approval to the Audit, Risk and Finance Subcommittee through the Corporate Report once estimates have been confirmed.**

Peters/McGurk

Carried

11.2 Procurement Policy

Recommendation to Council GOV/2016/073

**THAT the revised Procurement Policy (A1540508) be adopted.**

Peters/McGurk

Carried

11.3 Capital Projects Carry Forwards 2015/16

Recommendation to Council GOV/2016/074

**THAT Council approves continuing work on 2015/16 capital projects within the 2015/16 approved budgets, noting a final report on carry forwards will come to the Governance Committee's meeting on 25 August 2016.**

Peters/McGurk

Carried

11.4 Operating Expenditure Carry Forwards 2015/16

Recommendation to Council GOV/2016/075

**THAT Council approves continuing work on 2015/16 operating projects within the 2015/16 approved budgets, noting a final report on carry forwards will come to the Governance Committee's meeting on 25 August 2016.**

Peters/Murray

Carried

**12. Commercial Subcommittee - 23 June 2016**

Document number M1957, agenda pages 55 - 60 refer.

Resolved GOV/2016/076

**THAT the unconfirmed minutes of a meeting of the Commercial Subcommittee, held on 23 June 2016, be received.**

Murray/Peters

Carried

12.1 Haven Precinct Project Progress Report

It was noted that the scope of the consultation on the Haven Precinct project would include those businesses operating along the waterfront such as the Boatshed and the Boathouse.

Attendance: The meeting adjourned from 9.54am to 9.58am.

Point of Order: A point of order was raised under Standing Order 3.13.4(c), in that the discussion was of a question not before the local authority. The Chairperson accepted the point of order.

Recommendation to Council GOV/2016/077

**Approve the visions and goals detailed in report R6077 for the concept design;**

**Approve using a traditional procurement process to appoint a lead consultant, to produce the concept design plans based on the visions and goals advised;**

**Approve the preliminary project timeline included in report R6077;**

**Approve the Haven Precinct Strategic Business Case (A1550230).**

Murray/Noonan

Carried

**13. Exclusion of the Public**

Her Worship the Mayor advised she would be declaring an interest in the public excluded reports relating to Nelmac.

Resolved GOV/2016/078

**THAT the public be excluded from the following parts 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 are as follows:**

Fulton/Noonan

Carried

<b>Item</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Particular interests protected (where applicable)</b>
<b>1</b>	<b>Nelson Airport Limited and Port Nelson Limited Director Reappointments</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
<b>2</b>	<b>Nelmac Director Reappointments</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
<b>3</b>	<b>Director remuneration 2016 - Nelmac</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>
<b>4</b>	<b>Events Fund Application - Marchfest 2017</b>	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>
<b>5</b>	<b>Ridgeways Joint Venture</b>	Section 48(1)(a) The public conduct of this matter would be	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>• Section 7(2)(i) To enable the local</li> </ul>

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
		likely to result in disclosure of information for which good reason exists under section 7	authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
6	<p><b>Commercial Subcommittee Meeting - Public Excluded Minutes - 23 June 2016</b></p> <p>These minutes contain recommendations to the Governance Committee and Council regarding:</p> <ul style="list-style-type: none"> <li>• Detailed property assessment: Wakapuaka</li> <li>• Detailed property assessment: Industrial land in Stoke</li> <li>• Property Matters - approaches received on properties to purchase or sell, and leasing matters relating to Civic House</li> </ul>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</li> <li>• Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> </ul>

The meeting went into public excluded session at 10.05am and resumed in public session at 1.21pm.

**14. Re-admittance of the Public**

Resolved GOV/2016/079

***THAT the public be re-admitted to the meeting.***

Noonan/Murray

Carried

There being no further business the meeting ended at 1.22pm.



Confirmed as a correct record of proceedings:

\_\_\_\_\_ Chairperson \_\_\_\_\_ Date