



# AGENDA

**Ordinary meeting of the**

**Nelson City Council**

**Thursday 22 September 2016**

**Commencing at 9.00am**

**Council Chamber**

**Civic House**

**110 Trafalgar Street, Nelson**

Membership: Her Worship the Mayor Rachel Reese (Chairperson), Councillors Luke Acland, Ian Barker, Ruth Copeland, Eric Davy, Kate Fulton, Matt Lawrey, Paul Matheson (Deputy Mayor), Brian McGurk, Gaile Noonan, Pete Rainey, Tim Skinner and Mike Ward

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**Opening Prayer****1. Apologies**

Nil

**2. Confirmation of Order of Business****3. Interests**

3.1 Updates to the Interests Register

3.2 Identify any conflicts of interest in the agenda

**4. Public Forum**

4.1 Gaire Thompson - Inner City Retailers and Property Owners Group

Gaire Thompson, of Inner City Retailers and Property Owners Group, will speak about the need to change the regulations to prevent any situations arising such as with Lewis Stanton now and in the future.

**5. Confirmation of Minutes**

5.1 8 September 2016

**6 - 28**

Document number M2126

Recommendation

***THAT the minutes of the meeting of the Council, held on 8 September 2016, be confirmed as a true and correct record.***

**6. Mayor's Report** **29 - 40**

Document number R6558

Recommendation

***THAT the Mayor's Report (R6558) and its attachments (A1631097 and A1351876) be received.***

**7. Nelson City and Tasman District Regional Landfill - Proposal to Establish a Business Unit** **41 - 97**

Document number R6390

Recommendation

***Receive the report Nelson City and Tasman District Regional Landfill - Proposal to Establish a Business Unit (R6390) and its attachments (A1625909, A1625154, A1625160 and A1628550);***

***Approve delegated authority to the Mayor and Chief Executive Officer to sign a Deed of Agreement with Tasman District Council that commits Nelson City Council to a Regional Landfill arrangement, including the payment of \$4.2 million from Tasman District Council to Nelson City Council. This delegation is to only be exercised if:***

***a) all necessary legal processes have been completed to ensure the proposal complies with the Local Government Act 2002, Waste Minimisation Act 2008 and Commerce Act 1986; and***

***b) the Agreement is not materially altered from that attached to this report (A1625154).***

***Notes an intention to form a Joint Committee with Tasman District Council. The Joint Committee will be delegated powers and responsibilities to govern and control York and Eves Valley landfills through the proposed Regional Landfill Business Unit. The purpose of the Joint Committee and its terms of reference may be subject to amendment to address any conditions of approval by the Commerce Commission.***

## **8. Valedictory Speech**

### **REPORTS FROM COMMITTEES**

#### **9. 80 Scotia Street Road Stopping Hearing Panel - 30 August 2016 98 - 101**

Document number A1618660

Recommendation

***THAT the minutes of a meeting of the 80 Scotia Street Road Stopping Hearing Panel, held on 30 August 2016, be received.***

#### **10. Hearings Panel - Other - 6 September 2016 102 - 105**

Document number A1621801

Recommendation

***THAT the unconfirmed minutes of a meeting of the Hearings Panel – Other, held on 6 September 2016, be received.***

#### **11. 80 Scotia Street Road Stopping Hearing Panel - 7 September 2016 106 - 107**

Document number A1625199

Recommendation

***THAT the unconfirmed minutes of a meeting of the 80 Scotia Street Road Stopping Hearing Panel Deliberations, held on 7 September 2016, be received.***

### **PUBLIC EXCLUDED BUSINESS**

#### **12. Exclusion of the Public**

Recommendation

***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:***

<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>Council Meeting - Public Excluded Minutes - 8 September 2016</b>	<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> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person.</li> <li>• Section 7(2)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</li> </ul>

### **13. Re-admittance of the public**

Recommendation

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

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## **Minutes of a meeting of the Nelson City Council**

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

**On Thursday 8 September 2016, commencing at 9.06am**

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**Present:** Her Worship the Mayor R Reese (Chairperson), Councillors L Acland, I Barker, R Copeland, E Davy, K Fulton, M Lawrey, P Matheson (Deputy Mayor), B McGurk, G Noonan, P Rainey, T Skinner and M Ward

**In Attendance:** Chief Executive (C Hadley), Group Manager Infrastructure (A Louverdis), Group Manager Community Services (C Ward), Group Manager Corporate Services (N Harrison), Senior Strategic Adviser (N McDonald), Manager Communications and Acting Manager Libraries and Heritage Facilities (P Shattock), Manager Administration (P Langley), Administration Adviser (S Burgess), and Nelson Youth Councillors (J Lankshear and T Shuker)

### **Opening Prayer**

Councillor Noonan gave the opening prayer.

#### **1. Apologies**

There were no apologies.

#### **2. Confirmation of Order of Business**

Her Worship the Mayor advised the order of business may need to be adjusted as the meeting proceeded. She advised of several additional public forum presentations.

#### **3. Interests**

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

## 4. Public Forum

### 4.1 Harry Pearson

Mr Pearson provided a handout (A1624719) and presented the key points regarding the Stoke Community Centre, stakeholders, the removal of free tennis courts, opposition to the proposal, and costs of heating and cooling.

Mr Pearson summarised discussions with users of the tennis courts, many of whom he said were not in favour of the Stoke Community Centre proposal. He suggested Council could be forward thinking and include facilities such as a vehicle charging system. Mr Pearson emphasised his belief that Council should not rush decisions regarding the proposed facility and instead ensure the facility met the needs of the community and had the best energy solutions.

### 4.2 Mr John Lacey

Mr Lacey asked whether there were trustees that could be pursued for the Everyman Records debt. He then spoke about the rounding up of Council rates and asked why errors in this process had not been noticed by Council officers.

### 4.3 Trudie Brand - Nelson Residents Association

Trudie Brand, of the Nelson Residents Association, gave a PowerPoint presentation about the Modellers' Pond (A1624803).

Ms Brand supported the recommendation in the officer report 'Modellers Pond – Fundraising Status' on the Council agenda for the meeting. She summarised background detail regarding the Modellers' Pond, and questioned previous Council decisions regarding funding for the Pond. Ms Brand highlighted the potential of the Pond to create social cohesion and family memories.

In response to a question, Ms Brand said the Nelson Residents Association supported Council funding the Modellers' Pond as it was a unique and accessible area for the community.

### 4.4 Cathy Fearey and Jim Tompkins (Vice President), Stoke Tennis Club members representing small group of players

Ms Fearey said that a group of players at the Stoke Tennis Club were not in favour of the proposed Stoke Community Centre. She suggested the location was not suitable and there could be further project budget overruns. Ms Fearey said she did not support the removal of the free public tennis courts, but did support an upgrade of the Tennis Club facilities and the Stoke Memorial Hall.

Ms Fearey suggested that Council was rushing to make a decision on the matter, and there was a large silent majority who opposed the proposal. She tabled a petition (A1625317) and newspaper article (A1625318).

Mr Tompkins reiterated Ms Fearey's key points and raised concerns about who would be using the additional carparking at the proposed facility.

4.5 Richard Waite (President) and Pauline Smith (Club Captain), Stoke Tennis Club

Mr Waite provided background detail regarding the Stoke Tennis Club and its processes in terms of electing a Committee, and tabled a related document (A1625336). He said that members of the Club had not advised the Committee that they opposed the Stoke Community Centre, although he had heard about some local opposition to the project. Mr Waite said he supported debate on Council funding for projects.

Ms Smith provided further background detail on the Club and Committee, and the process of providing feedback on the proposed facility. She noted there was some general division amongst members of the Club.

In response to questions, Mr Waite and Ms Smith explained how members of the public could use the Club's tennis courts for a fee, and how Club members had been advised of plans for the facility via various means.

Attendance: Councillor Copeland left the meeting at 10.12am.

4.6 Allan Johnson (Chairman of Board of Trustees), Stoke Seniors

Mr Johnson spoke about Stoke Seniors, its activities and how it was funded.

Attendance: Councillor Copeland returned to the meeting at 10.13am.

Mr Johnson spoke about the need for Stoke Seniors to have access to better facilities. He said that Council consultation regarding the Stoke Community Centre had been carried out very well. Mr Johnson urged Council to view the Stoke Community Centre on its merits and proceed with the project as he believed it would meet the needs of various community groups.

4.7 Kim Biggs, Stoke Rugby Club

Ms Biggs said the Club supported the Stoke Community Centre proposal and noted that Council had been in discussions with the Stoke Rugby Club on the matter for many years. She pointed out that the current Greenmeadows facilities were inadequate for the region. Ms Briggs said she had been impressed with consultation regarding the facility to ensure it would be fit for purpose. She provided detail on membership at the Club.

Ms Briggs suggested the facility would bring community groups together, and emphasised that the project should not be delayed.

Attendance: The meeting adjourned from 10.26am to 10.28am.

#### 4.8 Keegan Phipps

Keegan Phipps gave a PowerPoint presentation (A1624674) on his experience of being a member of the Youth Parliament and his ideas for supporting and developing youth in the region. He spoke about the difficulties of youth seeking employment in Nelson, and therefore moving out of the region, and emphasised the need to address this issue.

Mr Phipps spoke about protection of the environment, Council rates and debt, engagement with youth, and online voting. He responded to questions from councillors regarding the concept of a Youth Mayor.

Attendance: The meeting adjourned from 10.47am to 11.01am, during which time Councillor Lawrey left the meeting.

The meeting moved to consideration of the Mayor's Report.

##### **Attachments**

- 1 A1624719 - Harry Pearson - Stoke Community Centre Handout
- 2 A1624803 - Trudie Brand Nelson Residents Association Modellers' Pond PowerPoint
- 3 A1625317 - Cathy Fearey and Jim Tompkins - Stoke Community Centre Petition
- 4 A1625318 - Cathy Fearey and Jim Tompkins - Stoke Community Centre Newspaper Article
- 5 A1625336 - Richard Waite and Pauline Smith - Stoke Tennis Club - Stoke Community Centre Handout
- 6 A1624674 - Keegan Phipps PowerPoint

#### 5. Mayor's Report

Document number R6477, agenda pages 50 - 51 refer.

Resolved CL/2016/239

##### **Receives the Mayor's Report (R6477).**

Her Worship the Mayor/Matheson

Carried

##### **Attachments**

- 1 A1625296 - Huangshi Visit Mayor's Report Eel Gift Blessing PowerPoint

Attendance: Councillor Lawrey returned to the meeting at 11.03am.

Bill Findlater, Gail Collingwood, Ferry van Mansum and Jordan Lankshear joined the table. Mr Findlater provided detail on the trip to Huangshi to attend the opening of the Nelson Garden. The group provided a PowerPoint presentation (A1625296) and thanked Council and the China Friendship Society for its support.

The meeting agreed to leave the remainder of the Mayor's Report to lie on the table, and move to consideration of item 8 on the agenda 'Modellers Pond – Fundraising Status'.

## 6. Modellers Pond - Fundraising Status

Document number R6456, agenda pages 52 - 56 refer.

Capital Projects Contractor, Richard Kirby, and Major Projects Engineer, Darryl Olverson, presented the report.

In response to questions regarding potential other uses or configurations for the Modellers' Pond space, Mr Kirby emphasised that alternative uses would only be considered if the Society was unable to organise adequate funding to modify the Pond. He advised Council that the Society believed it could reach the funding target of \$600,000.

In response to questions, Mr Olverson confirmed there was adequate funding budgeted to continue managing the Pond over the coming summer. He said there would be adequate time to prepare a proposal for the Annual Plan 2017/18 if the officer recommendation was passed.

Councillor Davy, seconded by Councillor Ward, moved the recommendation in the officer report.

Several councillors questioned the significant level of funding that Council had asked the Society to raise. The majority of elected members supported the motion, noting that it was reasonable to extend the funding timeframe for the Society.

Attendance: Councillor Copeland left the meeting from 11.40am to 11.42am.

Resolved CL/2016/241

**Receives the report Modellers Pond - Fundraising Status (R6456);**

**Amends clauses 4 and 7 of the Council resolution passed on 24 March 2016 as follows:**

**AND THAT The Nelson Society of Modellers be afforded the opportunity to finalise and confirm additional funding for the balance over and above the \$600,000 committed by Council no later than the end of ~~September 2016~~ February 2017;**

**AND THAT Council confirms that should the additional funding not be raised by the Nelson Society of Modellers by the end of ~~September 2016~~ February 2017, that it be agreed that the option to convert the pond back to estuarine environment at an**

***estimated cost of \$690,000 be its second option and included in the 2017/18 Annual Plan;***

Davy/Ward

Carried

The meeting moved to consider item 12 on the agenda 'Stoke Community and Sports Facility – Supplementary Information'.

## **7. Stoke Community and Sports Facility - Supplementary Information**

Document number R6526, agenda pages 116 - 142 refer.

Resolved CL/2016/242

***Receives the report Stoke Community and Sports Facility - Supplementary Information (R6526) and its attachments (A1351796 and A1528009).***

Ward/Noonan

Carried

Manager Capital Projects, Shane Davies, Group Manager Community Services, Chris Ward, and Major Projects Engineer, Darryl Olverson presented the report.

Attendance: Councillor Lawrey left the meeting from 11.57am to 11.59am. Councillor Acland left the meeting from 11.59am to 12.02pm. Councillors Davy and Copeland left the meeting from 12.01pm to 12.03pm.

Mr Ward spoke about the investment of having a well-insulated facility to reduce ongoing heating costs, the need to provide a lift to ensure appropriate accessibility, and the need for security as the facility would be a significant Council asset. He confirmed that these items were included in the current facility budget.

In response to a question, Mr Davies provided further detail about why photovoltaic panels were not suitable for the Stoke Community and Sports Facility, and reiterated that it was more cost-effective to improve the thermal qualities of the building and use an appropriate heating/cooling system.

Elected members asked further questions regarding the potential for a café at the facility, the application of Green Star principles, costs of energy systems, energy consumption, Nelson 2060 goals, and the status of tender rates.

In response to a question, the Chief Executive, Clare Hadley, advised that if the additional funding for the facility was not approved by Council, then the tender for the facility would not be let.

Attendance: Councillor Rainey left the meeting at 12.33pm.

In response to questions about the loss of the public tennis courts, Mr Ward advised that the matter would be considered as part of the Stoke Urban Design Strategy which was under development.

Attendance: Councillor Ward left the meeting from 12.35pm to 12.37pm.  
Councillor Rainey returned to the meeting at 12.42pm.

The meeting moved to item 17 of the agenda, the Community Services Committee minutes from 18 August 2016.

## **8. Community Services Committee - 18 August 2016**

Document number M2095, agenda pages 167 - 176 refer.

Resolved CL/2016/243

***THAT the unconfirmed minutes of a meeting of the Community Services Committee, held on 18 August 2016, be received.***

Rainey/Noonan

Carried

### **8.1 Stoke Community and Sport Facility - Tender Feedback**

Councillor Ward, seconded by Councillor Davy, moved the recommendation from the Community Services Committee.

Councillor Lawrey, seconded by Councillor Copeland, moved an amendment to the motion to include:

***AND THAT Council seeks expressions of interest in operating a café in the Stoke Community and Sports Facility.***

Several councillors indicated support for the amendment as it seemed reasonable to determine if there was any interest in operating a café at the facility.

Attendance: The meeting adjourned from 12.52pm to 12.55pm.

It was noted that further time to was required ensure the amendment was worded suitably.

Attendance: The meeting adjourned for lunch from 12.56pm to 1.28pm.

The meeting considered proposed wording from officers for the amendment. The Chief Executive, Clare Hadley, advised that any expression of interest material would be explicit that there was no funding available from Council for the fit out of a café. Officers advised that for clarity, the amendment should clearly reflect that any café would be leased.

The mover and seconder agreed to modify the amendment to:



*AND THAT in line with Council consideration on 23 July 2015 and resolution CL/2015/026, Council seeks expressions of interest in leasing a café in the Stoke Community and Sports Facility.*

Councillors for the amendment supported the aim of having a café opening alongside the opening of the building. Those against felt it may give the impression that Council would provide the fit out for the café, and noted that the Stoke community and businesses had not asked for a café.

The amendment was put and carried, and became the substantive motion.

Councillors for the motion felt it was money well spent, and the Stoke community had been waiting for development and commitment from Council. A view was expressed that the decision should not be made prior to consideration of the Stoke Urban Design Strategy, and that consultation had not been carried out correctly.

The motion was put and a division was called.

Councillor Acland	Aye
Councillor Barker	Aye
Councillor Copeland	Aye
Councillor Davy	Aye
Councillor Fulton	Aye
Councillor Lawrey	Aye
Councillor Matheson	Aye
Councillor McGurk	Aye
Councillor Noonan	Aye
Councillor Rainey	No
Councillor Skinner	Aye
Councillor Ward	Aye
Her Worship the Mayor	Aye

The motion was passed, 12-1.

Resolved CL/2016/244

***Approves that an additional \$350,000 be included in the 2016/17 financial year to complete the Stoke Community and Sport Facility project;***

***AND THAT in line with Council consideration on 23 July 2015 and resolution CL/2015/026, Council seeks expressions of interest in leasing a café in the Stoke Community and Sports Facility***

Ward/Davy

Carried

The meeting moved to consider the earlier items on the agenda, starting at item 5 – Confirmation of Minutes.

## 9. Confirmation of Minutes

9.1 28 July 2016

Document number M2043, agenda pages 16 - 32 refer.

Resolved CL/2016/245

***THAT the minutes of the meeting of the Council, held on 28 July 2016, be confirmed as a true and correct record.***

Davy/McGurk

Carried

9.2 29 July 2016 - Extraordinary Meeting

Document number M2047, agenda pages 33 - 35 refer.

Resolved CL/2016/246

***THAT the minutes of the extraordinary meeting of the Council, held on 29 July 2016, be confirmed as a true and correct record.***

Davy/McGurk

Carried

## 10. Status Report - Council - 8 September 2016

Document number R6516, agenda pages 36 - 49 refer.

In response to questions, officers provided further detail regarding green waste stockpiling at York Valley Landfill and consultation with users of the Waahi Taakaro Golf Course.

Resolved CL/2016/247

***THAT the Status Report Council 8 September 2016 (R6516) and its attachment (A1168168) be received.***

Noonan/McGurk

Carried

## 11. Mayor's Report (continued)

The meeting considered the remaining items on the Mayor's Report.

Her Worship the Mayor advised the letter to the Minister for Social Housing and the Minister for Social Development, regarding emergency

housing, had been sent on 7 September 2016 and had been acknowledged.

## 12. Plan Change A3 - Woodburners - Operative Date

Document number R6465, agenda pages 57 - 93 refer.

Environmental Programmes Adviser, Richard Frizzell, and Senior Planning Adviser, Mark Leggett, presented the report.

Attendance: Councillor Skinner left the table at 2.33pm.

Resolved CL/2016/248

**Receive the report Plan Change A3 - Woodburners - Operative Date and its attachments (A1580627) and (A1601106);**

**Approve Plan Change A3 Nelson Air Quality Plan – Woodburners (A1580627) as operative on 19 September 2016, pursuant to Clause 20(1) of the First Schedule of the Resource Management Act 1991.**

Davy/Ward

Carried

Attendance: Councillor Skinner returned to the table at 2.34pm.

## 13. Administrative Matters

Document number R6108, agenda pages 94 - 112 refer.

Manager Administration, Penny Langley, presented the report.

A correction was noted to Councillor McGurk's attendance at the 2 June 2016 Planning and Regulatory Committee, as it showed as 'n/a' when he had attended. It was also noted that Councillor Lawrey should show as 'n/a' instead of 'n' for the Nelson Regional Sewerage Business Unit meeting on 24 June 2016.

Resolved CL/2016/249

**Receives the amended report Administrative Matters (R6108) and its attachments (A1323219, A1103850, A1606906, A1006782, and A1550618);**

**Confirms the approval of the fixing of the seal in relation to those documents and the warrants of appointment detailed in the Schedule of Documents Sealed (A1550618).**

Davy/Lawrey

Carried

#### 14. Freedom Camping - redirection of budget provision

Document number R6523, agenda pages 113 - 115 refer.

Attendance: Councillor Barker left the meeting from 2.35pm to 2.37pm.

Group Manager Community Services, Chris Ward, presented the report.

In response to a question, Mr Ward advised that he expected the Freedom Camping Strategy to be presented to Council early in the next triennium.

Attendance: Councillor McGurk left the meeting at 2.41pm.

Concern was expressed that the project to install sinks had been in line with the current behaviour of freedom campers, and there was no policy in place to guide Council to act otherwise.

Attendance: Councillor McGurk returned to the meeting at 2.43pm.

Mr Ward confirmed that, if approved, the signs would be installed promptly, in time for the busy summer season. He spoke about the process to date and summarised consultant advice which had been to not install infrastructure at this time.

Resolved CL/2016/250

**Receives the report Freedom Camping - redirection of budget provision (R6523) ;**

**Approves the redirection of \$10,000 capital expenditure in the Annual Plan 2016/17 for signage targeted at freedom campers (instead of providing two sinks at two locations).**

Davy/Noonan

Carried

#### REPORTS FROM COMMITTEES

#### 15. Chief Executive Employment Committee - 1 August 2016

Document number M2051, agenda pages 143 - 146 refer.

Resolved CL/2016/251

**THAT the minutes of a meeting of the Chief Executive Employment Committee, held on 1 August 2016, be received.**

Her Worship the Mayor/Matheson

Carried

## 16. Works and Infrastructure Committee - 4 August 2016

Document number M2053, agenda pages 147 - 154 refer.

Resolved CL/2016/252

***THAT the unconfirmed minutes of a meeting of the Works and Infrastructure Committee, held on 4 August 2016, be received.***

Davy/Skinner

Carried

### 16.1. Stoke Urban Design - Progress Transport Projects

Resolved CL/2016/253

***Approve bringing forward \$85,000 from the 2018/19 Stoke Centre Enhancement Fund to enable the construction of Main Road Stoke traffic calming stage I to take place in 2017/18.***

Davy/Noonan

Carried

### 16.2 40 Frenchay Drive Easement for Purposes of Electricity Supply

Resolved CL/2016/254

***Grant the proposed easement over Lot 31 DP 487620, adjoining the boundary with Lot 29 DP 487620, in favour of land owned by Hammock Hill Family Trust (CFR 703598) pursuant to section 48 of the Reserves Act 1977;***

***Agree that all costs incurred by Council in this matter will be met by the Hammock Hill Family Trust.***

Davy/Skinner

Carried

## 17. Planning and Regulatory Committee - 11 August 2016

Document number M2077, agenda pages 155 - 162 refer.

Resolved CL/2016/255

***THAT the unconfirmed minutes of a meeting of the Planning and Regulatory Committee, held on 11 August 2016, be received.***

McGurk/Fulton

Carried

## 18. Chief Executive Employment Committee - 16 August 2016

Document number M2086, agenda pages 163 - 166 refer.

Resolved CL/2016/256

***THAT the unconfirmed minutes of a meeting of the Chief Executive Employment Committee, held on 16 August 2016, be received.***

Her Worship the Mayor/Acland

Carried

## 19. Community Services Committee – 18 August 2016 (continued)

Attendance: Councillor Lawrey left the meeting from 2.47pm to 2.49pm.

### 19.1 Campground Review

Resolved CL/2016/257

***Adopts the four key recommendations in the Campground Review (A1448988) in order to inform the Parks and Reserves Asset Management Plan and to support future lease arrangements. The recommendations are summarised as:***

- 1. Council should identify its strategic requirements around the provision of campgrounds and prioritise these.***
- 2. Council should encourage each campground to work with Nelson Tasman Tourism to plan for improved marketing.***
- 3. Each Campground should review its development plans to ensure that facilities are optimised around their target markets.***
- 4. Each lease should be reviewed prior to renewal, to ensure operators are incentivised to perform well, taking account of social and economic benefits.***

Rainey/Noonan

Carried

19.2 Nelson Marina Advisory Group

Resolved CL/2016/258

**Establishes the Nelson Marina Advisory Group;**

**Approves the Terms of Reference (A1583567) for the Nelson Marina Advisory Group;**

**Delegates responsibility for appointing members to the Nelson Marina Advisory Group to a panel consisting of the Mayor, Deputy Mayor and Chair of Community Services.**

Rainey/Noonan

Carried

**20. Joint Shareholders Committee - 23 August 2016**

Document number M2100, agenda pages 177 - 181 refer.

Resolved CL/2016/259

**THAT the unconfirmed minutes of a meeting of the Joint Shareholders Committee, held on 23 August 2016, be received.**

Barker/Davy

Carried

**21. Civil Defence Emergency Management Group - 23 August 2016**

Document number M1837, agenda pages 182 - 184 refer.

Resolved CL/2016/260

**THAT the unconfirmed minutes of a meeting of the Civil Defence Emergency Management Group, held on 23 August 2016, be received.**

Her Worship the Mayor/Barker

Carried

**22. Governance Committee - 25 August 2016**

Document number M2109, agenda pages 185 - 195 refer.

Resolved CL/2016/261

**THAT the unconfirmed minutes of a meeting of the Governance Committee, held on 25 August 2016, be received.**

Barker/Acland

Carried

- 22.1 The Nelson Regional Development Agency (NRDA) draft Statement of Intent 2016/17

Resolved CL/2016/262

**THAT the Nelson Regional Development Agency Statement of Intent 2016/17 (A1603844) be approved subject to any minor edits.**

Barker/Acland

Carried

- 22.2 Nelson Cycle Lift Society – approval of project plan

Attendance: Councillor Rainey declared an interest and left the table at 2.52pm.

Councillor Barker, seconded by Councillor Acland, moved the recommendation from the Governance Committee.

It was agreed the motion would be left to lie on the table until representatives from the Nelson Cycle Lift Society joined the meeting.

Attendance: Councillor Rainey returned to the table at 2.55pm.

- 22.3 Draft Annual Report 2015/16

Resolved CL/2016/263

**Note the draft Annual Report 2015/16 has been prepared and will be audited before being presented to Council for adoption.**

Barker/Noonan

Carried

- 22.4 Carry Forwards from 2015/16

Resolved CL/2016/264

**Approve the carry forward of \$16,029,000 unspent capital budget for use in 2016/17;**

**Approve the offsetting of \$219,000 of capital spent in 2015/16 against 2016/17 budgets;**

**Approve the carry forward of \$3,085,203 of unspent operating budget for use in 2016/17.**

**Note savings in 2015/16 capital expenditure of \$2,619,000.**

Barker/Davy

Carried



- 22.5 Corporate Report to 31 May 2016  
*Item from Audit, Risk and Finance Subcommittee meeting - 4/08/2016*

Resolved CL/2016/265

***THAT unbudgeted expenditure of \$50,000 be approved for engaging external resource to assist delivering the Internal Audit Plan 2016/17.***

Barker/McGurk

Carried

- 22.6 Internal Audit Report to 30 June 2016  
*Item from Audit, Risk and Finance Subcommittee meeting - 4/08/2016*

It was noted that the report number needed to be added to the recommendation for clarity.

Resolved CL/2016/266

***NOTE the internal audit findings, recommendations and status of action plans up to 30 June 2016 as per report R6205.***

Barker/McGurk

Carried

Attendance: The meeting adjourned from 2.58pm to 3.01pm. At 3.01pm Councillor Rainey declared an interest and left the table.

- 22.7 Nelson Cycle Lift Society – approval of project plan (continued)

Jo Rainey, Chairman, and John Rollston, of the Nelson Cycle Lift Society, joined the meeting.

Mr Rainey summarised the proposal to develop a world class adventure park in the Fringed Hill area. He said that a fundamental module of this work was to develop a business case for a gondola/lift service. Mr Rainey highlighted that it was too early to engage with potential investors as a robust business case had not been prepared.

Mr Rollston spoke about the need to assess return on investment and feasibility, while also looking at the wider impact on Nelson, especially in terms of visitor numbers and their length of stay.

In response to questions, Mr Rollston said that inclusion of a café/restaurant facility would be an investor decision. He emphasised the aim in developing a business case was to determine if anything major would prohibit the gondola development. Mr Rollston confirmed that if the business case showed no major issues, then the Society would start to look for investors.

In response to questions, Mr Rainey said the Society was aiming to have Stage One of the business case development complete by February

2017. He said the Society had offered to speak with members of the Brook community any time they wished. Mr Rainey confirmed that members of the Society were volunteers. He also clarified that the document would not be a prospectus and was pre-commercial.

Mixed views were expressed by councillors, however the majority of councillors supported the grant due to the project's potential influence on growth in the region.

Resolved CL/2016/267

***THAT pursuant to Standing Order 3.12.1, the motion under debate now be put.***

Ward/Acland

Carried

The motion was put, and a division was called.

Councillor Acland	Aye
Councillor Barker	Aye
Councillor Copeland	Aye
Councillor Davy	No
Councillor Fulton	Aye
Councillor Lawrey	Aye
Councillor Matheson	Aye
Councillor McGurk	Aye
Councillor Noonan	Aye
Councillor Rainey	Interest
Councillor Skinner	No
Councillor Ward	Aye
Her Worship the Mayor	Aye

The motion was passed, 10-2.

Resolved CL/2016/268

***THAT the \$50,000 of funding allocated in the 2016/17 Annual Plan be released to the Nelson Cycle Lift Society for further development of the business case and for advice on the economic contribution of a gondola to mountain biking and the city, with the following condition:***

***THAT the brief for the economic assessment be signed off by the Chief Executives of Nelson City Council and the Nelson Regional Development Agency.***

Barker/Acland

Carried

Attendance: Councillors Matheson and Noonan left the meeting and Councillor Rainey returned to the meeting at 3.49pm.

## 23. Extend meeting beyond six hours

Resolved CL/2016/269

**THAT the meeting continue beyond six hours.**

Her Worship the Mayor/Acland

Carried

## 24. Exclusion of the Public

Resolved CL/2016/270

**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:***

Barker/Her Worship the Mayor

Carried

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<b>Council Meeting - Public Excluded Minutes - 28 July 2016</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> <li>• Section 7(2)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who</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)
			<p>supplied or who is the subject of the information.</p> <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>Extraordinary Council Meeting - Public Excluded Minutes - 29 July 2016</b>	<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>
<b>3</b>	<b>Public Excluded Status Report - Council - 8 September 2016</b>	<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>
<b>4</b>	<b>Chief Executive KPIs 2016/17 - Update</b>	<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)(a) To protect the privacy of natural persons, including that of a deceased person</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)
5	<b>Proposed asset sale of the Punawai</b>	<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)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</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>
6	<p><b>Chief Executive Employment Committee Meeting - Public Excluded Minutes - 1 August 2016</b></p> <p>These minutes contain a recommendation to Council regarding</p> <ul style="list-style-type: none"> <li>Chief Executive Performance Review 2015/16</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)(c)(i) To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied.</li> <li>Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person.</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)
<b>7</b>	<p><b>Chief Executive Employment Committee Meeting - Public Excluded Minutes - 16 August 2016</b></p> <p>These minutes contain recommendations to Council regarding</p> <ul style="list-style-type: none"> <li>• Chief Executive Performance Assessment 2015/16</li> <li>• Chief Executive Remuneration Review 2015/16</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)(a) To protect the privacy of natural persons, including that of a deceased person.</li> </ul>
<b>8</b>	<p><b>Community Services Committee Meeting - Public Excluded Minutes - 18 August 2016</b></p> <p>These minutes contain recommendations to Council regarding</p> <ul style="list-style-type: none"> <li>• Community and Commercial Leases</li> <li>• Community Investment Funding Panel Appointment</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)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> <li>• Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person.</li> </ul>
<b>9</b>	<p><b>Joint Shareholders Committee Meeting - Public Excluded Minutes - 23 August 2016</b></p> <p>These minutes contain no recommendations to</p>	<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)</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)
	Council		<p>To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <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>10</b>	<p><b>Governance Committee Meeting - Public Excluded Minutes - 25 August 2016</b></p> <p>These minutes contain recommendations to Council regarding</p> <ul style="list-style-type: none"> <li>Land Purchase – Nelson Marina</li> <li>Forestry Review</li> <li>Internal Audit Findings</li> <li>Detailed Property Assessment: Emano</li> <li>Review of Forestry</li> <li>Property Matters – 1 Kinzett Terrace</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)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</li> <li>Section 7(2)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</li> <li>Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</li> <li>Section 7(2)(j) To prevent the disclosure or use of official information for improper gain or improper advantage.</li> </ul>

The meeting went into public excluded session at 3.50pm and resumed in public session at 4.38pm, during which time Councillors Fulton and Lawrey left the meeting.

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

Resolved CL/2016/271

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

Her Worship the Mayor/Skinner

Carried

There being no further business the meeting ended at 4.39pm.

Confirmed as a correct record of proceedings:

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



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## **Mayor's Report**

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### **1. Purpose of Report**

- 1.1 To update Council on several matters.

### **2. Recommendation**

***THAT the Mayor's Report (R6558) and its attachments (A1631097 and A1351876) be received.***

### **3. Discussion**

#### **Brook Cabins**

- 3.1 After recent months Council has had discussions around the summer session influx of visitors, including freedom campers. Further work on a possible Freedom Camping Bylaw will be undertaken by the incoming Council post-election.
- 3.2 In the interim, Councillor Skinner has expressed an interest in better utilising the Brook Camp cabins to assist with peak demand over summer. Councillor Skinner and I visited the cabins last week with a Council officer to gauge the cabins condition and suitability for this purpose.
- 3.3 We are of the view that the cabins should be considered and I have asked the Chief Executive to prepare a report for the incoming Council setting out the options and costs involved in utilising this existing resource with a view to making the cabins operational to assist with peak summer demand.

#### **Housing Accord Extension**

- 3.4 The Joint Steering Group established under the Housing Accord has agreed to extend the Accord (Attachment 1). Clause 19 of the Housing Accord (Attachment 2) makes provision for such extensions.

## **Visit from Diplomatic Corps**

- 3.5 Representatives of the Diplomatic Corps are visiting the northern region of the South Island in late September and will be accompanied by officials from the Ministry of Foreign Affairs and Trade. The group is made up of Ambassadors and High Commissioners who are accredited to New Zealand and based in either Wellington or Canberra. The programme includes Nelson, Blenheim and Kaikoura. The group will visit Nelson 30 September - 1 October. The purpose of the visit is to showcase the Nelson region, its export economy and international connections and its unique attributes.

Rachel Reese  
**Mayor of Nelson**

### **Attachments**

- Attachment 1: A1631097 - Housing Accord Extension Correspondance  
Attachment 2: A1351876 - Housing Accord



## Office of Hon Dr Nick Smith

MP for Nelson  
Minister for the Environment  
Minister for Building and Housing

14 SEP 2016

Mayor Rachel Reese and Deputy Mayor Paul Matheson  
Nelson City Council  
PO Box 645  
**NELSON 7040**

Dear Rachel and Paul

### **RE: Proposal to extend the Nelson Housing Accord**

You will be aware the Housing Accords and Special Housing Areas Act 2013 (HASHA Act) was recently amended by Parliament. The extension allows new special housing areas (SHAs) to be created and continues SHAs notified in the gazette after 15 September 2015 until disestablishment 12 months from the date the SHA was notified.

I note the Nelson Housing Accord agreed between us is due to expire on 16 September 2016. The effect of this expiry may be to discontinue the Nelson City Council as the accord territorial authority and authorised agency under the HASHA Act.

In order to allow the Nelson City Council to recommend new SHAs and to process consents relating to qualifying developments in existing SHAs I propose the Joint Steering Group amend the Housing Accord to extend the termination date until 31 December 2016, or any later date if mutually agreed following the 2016 local government elections.

This amendment will allow for a new Housing Accord to be negotiated, or the current Accord extended further, following the local body elections in October.

Please review and sign the proposed amendment attached. I would appreciate your reply in writing to confirm these changes before by midday on 16 September 2016.

Thank you for your co-operation on this matter. I have been pleased at our collaboration in relation to the Accord and impressed with Nelson City Council's application of the Accord tools. The central and local government cooperation it allows has been instrumental in achieving increased land and housing supply in Nelson.

Yours sincerely

Hon Dr Nick Smith  
**Minister for Building and Housing**

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand. Telephone 64 4 817 6805 Facsimile 64 4 817 6505

6. Mayor's Report - Attachment 1 - A1631097 - Housing Accord Extension Correspondance



*Office of the Mayor*

15 September 2016

Hon Dr Nick Smith  
Minister for Building and Housing  
Private Bag 18041  
Parliament Buildings  
Wellington 6160

Email: [nick4nelson@parliament.govt.nz](mailto:nick4nelson@parliament.govt.nz)

Dear Minister

**PROPOSAL TO EXTEND THE NELSON HOUSING ACCORD**

Thank you for your letter of 14 September 2016 recommending the extension of the Housing Accord between Nelson City Council and the Minister for Building and Housing. Your letter proposes an extension to 31 December 2016, and this will allow Council to recommend new SHAs and to process consents relating to qualifying developments in existing SHAs.

As members of the Joint Steering Group, the Deputy Mayor and I consider that, after taking advice from the Nelson City Council's Chief Executive, we hold a mandate to approve an extension for the processing of consents relating to qualifying developments in existing SHAs only. Any decision to recommend new SHAs is a decision for the incoming Council.

Thank you for your assistance with this matter.

Kind regards

Rachel Reese JP  
**Mayor of Nelson**



Nelson City Council Te Kaunihera o Whakatū  
P +64 3 546 0242 | E [mayor@ncc.govt.nz](mailto:mayor@ncc.govt.nz) | [nelson.govt.nz](http://nelson.govt.nz)  
Civic House, 110 Trafalgar Street, PO Box 645 Nelson 7040, New Zealand

Page 1 of 1  
A1629709  
Incoming correspondence: A628869

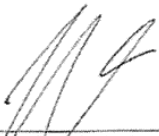
Annex 1

**AMENDMENT TO THE NELSON HOUSING ACCORD – CLAUSE 29**

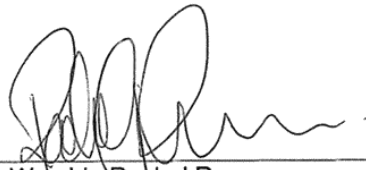
1. This amendment is made by the Joint Steering Group in accordance with clause 19 of the Nelson Housing Accord (the Accord).
2. The Joint Steering Group agrees to replace clause 29 of the Accord with:

"29. The Accord will terminate on 31 December 2016 or any later date if mutually agreed following the 2016 local government elections if not already terminated by either party. In the event that notification of termination is given by either party, the Accord will terminate three months from notification or on 31 December 2016, whichever comes first."
3. The Joint Steering Group agrees this amendment is to be published as Annex 1 of the Accord in accordance with section 12 of the Housing Accords and Special Housing Areas Act 2013.


Signed by the Joint Steering Group:

  
\_\_\_\_\_  
Hon Dr Nick Smith  
Minister for Building and Housing

Date: 14/11/16

  
\_\_\_\_\_  
Her Worship Rachel Reese  
Mayor of Nelson

Date: 15 September 2016

  
\_\_\_\_\_  
Paul Matheson  
Deputy Mayor of Nelson

Date: 13. September 2016



# NELSON HOUSING ACCORD

## Nelson Housing Accord (the Accord)

1. This Accord between Nelson City Council (the Council) and the Government is intended to result in increased land supply for housing and therefore improved affordability of homes in Nelson.

### Background

2. An adequate supply of land for housing and housing affordability are key elements in maintaining a well-functioning, dynamic district with a strong economy and healthy communities. Nelson is experiencing issues around the affordability of housing. While supply of zoned land is being maintained subject to servicing, the availability of land parcels in locations and at a rate that might influence affordability is a matter for consideration.
3. Nelson City has a steady demand for new housing due to both a growing population, driven by positive net migration and natural increase (more births than deaths), and an ageing population, which is driving a trend towards more one and two-person households. Nelson's population experienced an average annual growth rate of 1.1% between 2006 and 2013, and projections are for the population to grow by 0.7% annually over the next ten years. Home ownership rates have remained stable over the last decade, at 68% of households.
4. The urban area of Nelson is geographically compact and new residential development is constrained by topography of hills, valleys and coastal areas. Recent valuation assessments have estimated 426 ha of residential land is available for development, some of which still requires infrastructure servicing, and some of which is subject to other constraints e.g. hazards.
5. The aggregate housing affordability index (integrating median dwelling prices, average weekly income and average mortgage rates, across all housing market segments) as prepared by Massey University in late 2014 for Nelson (as part of Nelson-Tasman-Marlborough regional cluster), shows that Nelson is less affordable than the national average.
6. The Council and Government agree that joint action is needed to improve housing supply and affordability in Nelson.
7. This Accord is part of the Government's housing affordability programme, which includes initiatives to address:
  - The supply of land available for residential purposes.
  - The efficiency and timeliness of the provision of infrastructure to new development.
  - The cost of construction materials.
  - Compliance costs.
  - Productivity in the construction sector.

### Purpose

8. This Accord will provide the basis for collaboration between the Government and Council to support an increase in housing and improve housing affordability in Nelson.
9. This Accord recognises that by working collaboratively the Government and the Council can achieve better housing outcomes for the Nelson.

10. The parties acknowledge that improving housing affordability is a complex issue and requires consideration of wider issues, not all of which will be able to be addressed under this Accord.

## Priority Actions

11. This Accord is a tool to facilitate development aligned with the Council's policy and regulatory framework including the Nelson Resource Management Plan and the Long Term Plan. This framework includes initiatives to:
- Enable a mix of housing types, including more affordable homes.
  - Encourage developers through a package of incentives to prepare their land and build houses more quickly than has been the case over the last three years. (Note: developers do not necessarily build houses but the generic term "developers" in this Accord is also intended to cover housing companies.)
  - Increase developer confidence in the Council to encourage a more collaborative approach between the Council and developers that results in a commitment to bring a continuous supply of land and houses to the market over the long term.
  - Better align public infrastructure investment and private sector housing development.
12. The Council will work collaboratively with the Tasman District Council should any areas for potential housing development be identified by either Council across territorial boundaries or be serviced by infrastructure from the other Council.
13. Under this Accord the Government and the Council agree to:

Aim	Actions	Commitments
Increase the supply of affordable housing in Nelson with a particular focus on existing residentially zoned land.	<p>Encourage developers to subdivide and prepare their land and build houses following release of serviced residentially zoned land more quickly than has been the case over the last three years.</p> <p>Ensure housing developments provide for a mix of house types and include more affordable homes to be sold at different price points.</p> <p>Maintain an appropriate supply of undeveloped zoned and serviced land for residential development to ensure a healthy degree of competitive pressures amongst developers.</p> <p>Encourage the redevelopment of suitable residentially zoned land to</p>	<p>The Council will progress actions to encourage faster development of serviced residential zoned land and the development of more affordable homes.</p> <p>The Council will consider mechanisms which may include differential rating and development control powers to speed up supply and improve affordability.</p> <p>The Council is undertaking a review of the Nelson Resource Management Plan to ensure the Plan responds appropriately to development demand by delivering a framework to support and encourage residential development.</p> <p>The Council will continue to collaborate with the residential development community to exploit opportunities to utilise already residential zoned land</p>



	<p>yield greater density of new dwellings that may be more affordable.</p> <p>Review planning provision for residential living in Nelson to provide greater flexibility around housing choices.</p>	<p>that is suitable for increased density of more affordable new dwellings.</p>
<p>Have a constructive relationship with developers, balanced by the need to retain financial prudence and process integrity.</p>	<p>Monitor resource and building consenting processes to ensure that they are efficient and do not create unnecessary delays to development.</p> <p>To engage early in pre-application discussions particularly to address servicing and design needs and implications through the Major Projects Team and other initiatives.</p>	<p>The Council will establish a Developer's Forum for the purpose of discussing issues of common interest.</p> <p>The Council will seek further opportunities to manage regulatory processes so that it can better anticipate and facilitate residential developments that contribute to the supply of affordable housing.</p>

## Special Housing Areas

14. Upon commencement of this Accord, the Council will have the ability to recommend the creation of Special Housing Areas to the Minister for Building and Housing under the Housing Accords and Special Housing Areas Act 2013 (the Act). If the Government agrees, the recommended Special Housing Areas could be established by Order in Council, enabling the Council to access the powers available under the Act for consenting.

## Targets

15. The Council and Government agree on the importance of targets to give effect to the purpose of this Accord. Both parties to the Accord accept that the targets are, necessarily, ambitious to meet Nelson's housing needs.
16. These targets will be achieved through a combination of private sector development, direct Council and Government action and through collaborative action with other agencies. The targets will need to be achieved mainly by private housing developers, notwithstanding Council has an active role in making serviced land available for housing. This Accord is about enabling private investment in housing and will require both Council and Government to work closely with the development and housing sector. Council and Government further agree within their respective areas of control to endeavour to achieve the agreed targets within the timeframe of this Accord.

17. The agreed medium-term targets are:

Housing Supply	Baselines			Aspirational Targets		
	2012	2013	2014	Year1	Year2	Year3
Yield of serviced residential lots (titled) from residential zoned	89	124	107	100	100	100
Total dwellings	285	256	215	240	240	240

Note: Targets are based on household projections of 184 households per annum over the next 10 years as population growth is slowing due to an ageing population, refer <http://www.nelson.govt.nz/population>. The targets above will be measured against Council gathered and publicly available information as appropriate. Aspirational targets relate to respective financial years.

## Factors Outside Scope

18. This Accord does not limit the Council, or the Government, coming to differing positions in respect of Government programmes of reforms to the Resource Management Act or other legislation. The Government welcomes submissions from Council at the appropriate stages in the process.

## Governance and Processes

19. Governance of this Accord will rest with a Joint Steering Group comprised of the Minister of Building and Housing and the Mayor and Deputy Mayor of Nelson. The Joint Steering Group has the ability to amend this Accord, including targets, upon agreement. The targets shall be reviewed annually, subject to reports on progress and the state of the building/construction sector.
20. To operate this Accord, the Council and Ministry of Business, Innovation and Employment will establish an Officials Working Group, which will meet and form sub groups as it deems necessary to advance the implementation and meet the objectives of this Accord.
21. This Officials Working Group will report to the Joint Steering Group at least biannually and will prepare any progress or monitoring reports requested by the Joint Steering Group.
22. The Joint Steering Group will meet biannually to review the progress in implementing and achieving the targets of the Accord. A full review of the effectiveness of the Accord and actions taken under it will be carried out after its first 12 months of operation.

## Monitoring and Review

23. In order to ensure that the purposes and targets of this Accord are achieved, the Joint Steering Group will monitor and review the implementation and effectiveness of this Accord. In order to do this officials will meet as appropriate to:
- Review progress in implementing the Accord.
  - Review progress towards the Accord targets.
  - Discuss and agree other areas of joint action or information sharing.

## Commencement of the Accord

24. This Accord will take effect from the date of ratification by the Council.

## Dispute Resolution

25. Prior to either party exercising the right to terminate this Accord under clause 27, the parties agree that they shall first comply with the dispute resolution process set out in clause 26.

26. The dispute resolution process is as follows:

- The initiating party must immediately, and in writing, bring the dispute to the attention of the other party.
- The Joint Steering Group must hold an initial meeting for the purposes of resolving the dispute within 10 business days of the dispute being brought, in writing, to the attention of the non-initiating party.
- If, for any reason, the Steering Group is unable to resolve the dispute in the initial meeting, the Steering Group must reconvene for the purpose of resolving the dispute within 20 business days of the date of the initial meeting
- If the Steering Group remains unable to resolve the dispute at the second meeting then either party may elect to terminate the Accord in accordance with clause 27.
- Pending final resolution of the dispute the parties must continue to perform their obligations under this Accord as if a dispute had not arisen.

## Termination of the Accord

27. Subject to first complying with the requirements of clauses 25 and 26, either party may terminate this Accord, on any of the grounds set out in clause 28, by giving not less than three (3) months' notice to the other.

28. The grounds on which this Accord may be terminated are:

- Failure to reach the agreed targets as set out in the Accord, whether the failure results from inaction or ineffective action;
- Failure on the part of the Council to exercise the powers and functions of an Authorised Agency under the Act;
- The parties agree that there is an irretrievable breakdown in the relationship. Notwithstanding any other provision of this Accord, the parties agree that clauses 25 and 26 shall not apply to a termination on this ground; or
- Nelson is removed from Schedule 1 of the Act, in accordance with that Act (e.g. if Nelson no longer meets the affordability and land supply criteria provided for under that Act).

29. To align with section 3(2) of the Act which will repeal the Council's ability to recommend Special Housing Areas to the Minister under the Act, the Accord will terminate on 16 September 2016 if not already terminated by either party. In the event that notification of termination is given by either party, the Accord will terminate three months from notification or on 16 September 2016, whichever comes first.

## Publicity

30. The Mayor and the Minister of Building and Housing agree that any communications or publicity relating to this Accord will be mutually agreed prior to release.

## Ratification

31. This Accord is subject to ratification by the Council. If it is not ratified the parties agree that this Accord will be at an end.

Signed on this                      day of                      2015

Hon Dr Nick Smith  
**Minister of Building and Housing**

Rachel Reese  
**Mayor of Nelson**

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**REPORT R6390**

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**Nelson City and Tasman District Regional Landfill -  
Proposal to Establish a Business Unit**

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**1. Purpose of Report**

- 1.1 To approve the proposal to establish a Business Unit to manage and operate a regional landfill for the Nelson City and Tasman District Councils by;
- Seeking delegated approval from Council for the Mayor and Chief Executive to sign a Deed of Agreement with Tasman District Council on the joint venture landfill arrangement (with conditions);
  - Seeking a resolution from Council on its intention to form a Joint Committee, with associated Terms of Reference; and
  - Outlining the next steps and programme of work.

**2. Summary**

- 2.1 This report sets out the legal arrangements and draft governance arrangements proposed between Nelson City Council and Tasman District Council to progress with the joint venture proposal in the form of a Regional Landfill Business Unit.
- 2.2 Proceeding with the proposal for a Regional Landfill Business Unit represents a further step towards greater regional integration of waste management, and in particular presents the Councils with an opportunity to meet the objectives of the Joint Waste Management and Minimisation Plan.

**3. Recommendation**

It is recommended that the Council

***Receive the report Nelson City and Tasman District Regional Landfill - Proposal to Establish a Business Unit (R6390) and its attachments (A1625909, A1625154, A1625160 and A1628550);***

**Approve delegated authority to the Mayor and Chief Executive Officer to sign a Deed of Agreement with Tasman District Council that commits Nelson City Council to a Regional Landfill arrangement, including the payment of \$4.2 million from Tasman District Council to Nelson City Council. This delegation is to only be exercised if:**

- a) all necessary legal processes have been completed to ensure the proposal complies with the Local Government Act 2002, Waste Minimisation Act 2008 and Commerce Act 1986; and**
- b) the Agreement is not materially altered from that attached to this report (A1625154).**

**Notes an intention to form a Joint Committee with Tasman District Council. The Joint Committee will be delegated powers and responsibilities to govern and control York and Eves Valley landfills through the proposed Regional Landfill Business Unit. The purpose of the Joint Committee and its terms of reference may be subject to amendment to address any conditions of approval by the Commerce Commission.**

## **4. Background**

### **The Landfills**

- 4.1 Both Nelson City Council and Tasman District Council are responsible for promoting effective and efficient waste management and minimisation within their respective territorial boundaries (collectively the Nelson-Tasman region) under Part 4 of the Waste Minimisation Act 2008 (the Act).
- 4.2 Nelson City Council owns and operates the York Valley landfill at 34 Market Road, Bishopdale, Nelson and the Tasman District Council owns and operates the Eves Valley landfill at 214 Eves Valley Road, Waimea West, Tasman.

## Joint Waste Management and Minimisation Plan

- 4.3 Nelson City and Tasman District Councils prepared and adopted a single Joint Waste Management and Minimisation Plan (JWMMP) dated April 2012 pursuant to section 45 of the Act.
- 4.4 Policy 3.1.5 of the JWMMP states that the Councils will jointly make the most effective and efficient use of York Valley and Eves Valley landfill space. Method 3.1.5.1 to achieve this policy states:

*The Councils will investigate a joint landfill solution as a matter of priority in the first year this plan is operative (and the options will include using one landfill as a regional facility serving both Districts or that the two landfills will be used for separate materials).*

- 4.5 Policy 3.1.6 of the Joint Plan states that the Councils are to ensure jointly that there is landfill capacity in the two districts for the safe disposal of waste. Method 3.1.6.1 to achieve this policy states:

*The Councils will continue to provide a landfill disposal service for the disposal of approved waste that is sourced from within the Districts.*

## The Previous Agreement

- 4.6 In 2014, following investigation, the Nelson City and Tasman District Councils proposed joint use of York Valley landfill to accept all residual solid waste generated in the Nelson-Tasman region. This arrangement proposed a 'contract for service' approach. A memorandum of understanding was prepared and the Councils consulted with their communities. Subsequently, when formalising this agreement, it became clear that the Councils could not agree on mutually acceptable terms for the allocation of future capital costs, and the 'contract for service' model did not proceed.

## The Current Proposal

- 4.7 Both Councils still wanted to reach agreement and therefore agreed to undertake an independent review to assess options and associated implications for each Council. This independent review was completed by Deloitte in October 2015. Although it provided accurate and factual information on the solid waste activities undertaken by each Council, it did not result in an agreement being reached.
- 4.8 During deliberations on the independent review it was agreed that a joint venture model be considered – one along the lines of the Nelson Regional Sewerage Business Unit (NRSBU). In the NRSBU model the Councils effectively share assets and capital expenditure 50:50 and operations are governed by a joint committee of the Councils. This NRSBU approach has worked well for over 15 years.
- 4.9 It was agreed that before any deliberations could occur that a valuation be undertaken of each Council's landfills and landfilling operations. This

independent valuation was received in February 2016, and indicated a higher value for the York Valley landfill.

- 4.10 Both Councils agreed to progress with a 50:50 joint venture based around a balancing payment to cover the difference in the respective valuations. This would involve Tasman District Council paying \$4.2 million to Nelson City Council to establish an equal investment in the landfilling operations.
- 4.11 On 3 March 2016 both Councils considered similar reports to progress towards joint landfill management. The Nelson City Council passed resolutions (CL/2016/006) and the Tasman District Council passed equivalent resolutions (CN16-03-6) on that day.
- 4.12 The Nelson City Council passed the following resolution (CL/2016/006);  
  
*THAT the report Nelson City and Tasman District Regional Landfill - Joint Venture Proposal (R5512) and its attachments (A1504294 and A1504295) be received;*  
  
*AND THAT Council approve a Joint Venture model as the preferred option for the management of Tasman District and Nelson City Councils' landfills;*  
  
*AND THAT a 50:50 Joint Venture is preferred, with a one-off payment of \$4.2 million paid by Tasman District Council to Nelson City Council to compensate for the difference in midpoint landfill values between York Valley and Eves Valley be approved;*  
  
*AND THAT for Eves Valley, operational control of all land used for the existing landfill and for Stage 3 landfill purposes will be transferred to the Joint Venture and that for York Valley operational control of all of the land currently used (but not the land designated for Stage 2) will be transferred to the Joint Venture (noting that, for formal decision-making purposes, maps and legal descriptions will be provided);*  
  
*AND THAT both councils retain buffer land and designations, and that should any alternative use be proposed, the views and preferences of the joint venture will be taken into account in determining the future use of that land;*  
  
*AND THAT the structure, governance, funding and ownership aspects of the landfill Joint Venture will be the subject of a future report to both Councils, noting the intention that this Joint Venture be similar to Nelson Regional Sewerage Business Unit;*  
  
*AND THAT the Nelson City Council will undertake consultation on the proposal through its Annual Plan 2016/17 process and that, concurrently, Tasman District Council will engage with its community through its engagement on its Annual Plan 2016/17 whilst acknowledging that Tasman District Council may need to amend its Long-term Plan in July 2016 to enable this transaction (as the Eves Valley landfill is a strategic asset);*



*AND THAT, subject to confirmation through the Annual Plan consultation processes, the Joint Venture formally commence 1 July 2017 with the one-off payment of \$4.2 million to be made from Tasman District Council to Nelson City Council on that date;*

*AND THAT from the date of 3 March 2016 (being the date both Councils consider the proposal) both Councils will continue to support the model in the way they manage their landfills in anticipation of it being the approved outcome;*

*AND THAT prior to commencement of the Joint Venture on 1 July 2017, that each Council continue with all necessary work to establish the Joint Venture in anticipation of approval of the proposal;*

*AND THAT all direct and external costs for establishment of the Joint Venture will continue to be shared 50:50 between both Councils;*

*AND THAT the Chief Executive be instructed to establish with Tasman District Council a Joint Venture project team and do all necessary work for the purpose of establishing the Joint Venture for landfill operations from 1 July 2017;*

*AND THAT all the statements in this recommendation be subject to the Tasman District Council passing equivalent resolutions on the joint landfill management.*

- 4.13 The Nelson City Council included the joint entity proposal in its Draft Annual Plan 2016/17. The proposal attracted seven (7) submissions all of which were in support of the proposal. Council did not amend its Annual Plan as a result of the submissions and a final Annual Plan was adopted 2 June 2016. The Annual Plan states that the arrangement would be operational by 1 July 2017. Council's Long Term Plan already plans for operation of the York Valley Landfill for at least a further ten years, and was not required to be altered to accommodate the joint venture proposal.
- 4.14 Unlike the Nelson City Council, Tasman District Council classifies its landfill (Eves Valley) as a Strategic Asset in its Significance and Engagement policy. As a consequence, Tasman District Council initiated an amendment to its Long Term Plan 2015-2025. The amendment was necessary because the Local Government Act requires explicit decisions relating to a change of control for a strategic asset to be included in the Long Term Plan.
- 4.15 The Tasman District Council prepared a consultation document and supporting information as part of a Special Consultative Procedure (SCP). The SCP enabled Tasman District Council to consult and engage with its communities on the proposal (and alternative options) during July and August 2016. Like Nelson City Council, the number of submissions were very low. Four submissions were originally lodged – two in support and two opposed. One of the opposing submitters subsequently withdrew their submission, leaving only one submitter who wished to be heard.

- 4.16 The submissions were considered by a Hearings Panel on the 24 August and recommendation made to the Tasman District Council to adopt the Amendment to the Long Term Plan, without further changes. This recommendation was considered and adopted by the Tasman District Council on 15 September 2016.

## **5. Proposed Regional Landfill Business Unit**

- 5.1 Since 3 March 2016, the two Councils have been working on the proposed structure, governance, funding and ownership arrangements for the proposed joint venture. A Regional Landfill Business Unit (RLBU) is proposed, overseen by a joint committee, in a structure similar to the Nelson Regional Sewerage Business Unit (NRSBU).
- 5.2 Councillors from both Councils met at a Joint Workshop on the 29 July 2016 to discuss the proposed business unit - in particular a draft Deed of Agreement and draft Terms of Reference for the Joint Committee. These documents are necessary for the arrangement to be formalised and acted upon.
- 5.3 The draft Deed of Agreement (A1625154), draft Terms of Reference (A1625160) and a structure diagram (A1625909) have been updated and these are attached to this report.
- 5.4 There are a small number of changes to the drafts, which have arisen as a result of feedback from the Council workshop and a legal review. The changes have been made to assist or clarify understanding, to provide clear distinctions between processes; to provide for unilateral decisions; and to anticipate the Commerce Commission process.
- 5.5 It is anticipated that the RLBU will commence operations on 1 July 2017. It will manage both the York Valley and Eves Valley landfills on behalf of the Councils and will be governed by a joint committee.
- 5.6 Administration and operational services of the business unit will be provided by the Nelson City Council (as the Administering Council), with a General Manager appointed by joint agreement of the Chief Executives of the Councils.

### **Governance**

- 5.7 A Joint Committee shall provide oversight and direction for the RLBU. Each Council shall appoint two representatives to the Joint Committee. Two further roles are likely to be available for an independent person and iwi advisor.
- 5.8 Each Council shall retain ownership of their respective landfills and the RLBU will have control over their combined operation.
- 5.9 The RLBU shall make all future decisions about the operational aspects of each landfill, including when to open or close them. It shall also assess future landfilling operations whether at the current landfills or at a

completely new site(s). It shall recommend to the Councils the purchase of additional land where necessary for future landfill facilities.

- 5.10 The RLBU shall contribute to the Long Term Plan planning processes of each Council including asset management plans and infrastructure strategies. It shall also contribute to and comply with the Joint Waste Management and Minimisation Plan of the Councils.
- 5.11 The RLBU shall contribute to the development of other Council policies that require input from the regional landfilling operation. Specifically, both Councils' Regional Policy Statements, Regional Plan Reviews, Asset Management Plans, Development Contribution and Financial Contribution Policies.
- 5.12 The RLBU shall determine the fees and charges for waste disposal at the regional facilities and include them in its Annual Business Plan that is submitted to each Council for approval by 31 October each year. Once approved by the Councils the joint committee shall set the fees by 30 June each year.
- 5.13 The RLBU may not borrow money or undertake major financial transactions other than with the approval of the Councils.

### **Levels of Service**

- 5.14 For most residents and businesses there will be no noticeable change to how each Council delivers solid waste services. Council's kerbside rubbish and recycling collections will continue unchanged.
- 5.15 The Pascoe Street resource recovery centre will also continue to operate, accepting commercial and domestic waste and recycling. The Tasman District Council resource recovery centres will also continue to operate, accepting commercial and domestic waste and recycling. All the residual waste from these facilities will be directed to the York Valley landfill.
- 5.16 Commercial customers at the York Valley landfill will become customers of the RLBU and customers of the Eves Valley landfill will be directed to the York Valley landfill and become customers of the RLBU.
- 5.17 During the consultation on the 'contract for service' option in late 2014, questions were asked about the increased traffic volumes should York Valley become a regional landfill. The Statement of Proposal indicated increased movements of less than 1% per day. Evidence at the time indicated that traffic movements along Market Road would increase from an average of 2,300 vehicle movements per day to around 2,322 traffic movements per day.

### **Planning and Reporting**

- 5.18 The RLBU shall produce the following plans in a timeframe which aligns with each Council's reporting deadlines;

- 5.18.1 **Business Plan** – shall be prepared annually and it shall outline the activities and intentions of the RLBU over the next 3 years. A draft of the Business Plan shall be presented to each Council by 31 October each year. Each Council shall consider the draft plan and include any appropriate content in their draft annual plans. They shall report back to the RLBU so that the Business Plan can be adopted by the 31 May each year.
- 5.18.2 **Asset Management Plan** – shall provide an analysis of the assets controlled by and services delivered by the RLBU in relation to current levels of service and envisaging the future requirements. This plan shall be reviewed annually and revised every three years to align with each Council’s Long Term Plan processes.
- 5.18.3 **Annual Report** – shall be prepared annually and include achievements against performance targets and financial forecasts in the Business Plan. It shall include audited annual accounts and financial statements.

### **Management and Support Services**

- 5.19 The management and support services shall be provided by the Administering Council. The Administering Council is agreed to by both Councils and formalised in the terms of Reference. These shall include management, operational, financial, secretarial and administrative activities as necessary for the RLBU to fulfil its purpose and responsibilities.
- 5.20 The General Manager shall be appointed by the Chief Executives of both Councils. The General Manager shall be employed/contracted by the Administering Council.
- 5.21 The Councils shall establish and maintain a Management Group comprising the General Manager and at least one staff member with either engineering and/or financial expertise nominated by each Council. The Management Group will meet as necessary and report to the joint committee when it meets.
- 5.22 The Management Group shall undertake all the management and oversee the delivery of landfilling services to achieve the obligations and objectives established for the RLBU.

### **Termination**

- 5.23 The transition of the joint committee over the period of the triennial elections shall be undertaken in either of two ways;
- 5.23.1 Either the members of the joint committee be discharged on the coming into office of the members of Councils elected at the triennial local body elections and appointed by resolution of the Councils at the earliest opportunity post-election, or

5.23.2 Prior to the election, the Joint Committee recommend the Councils approve a transitional arrangement for representation on the joint committee (this provision shall only apply where the Councils have approved the transitional arrangement).

- 5.24 The Councils may at any time replace their appointed members or by mutual agreement remove/replace the independent member of the joint committee.
- 5.25 Iwi may nominate, at any time, a replacement for the appointed iwi advisor. The replacement iwi advisor shall be appointed by the Councils for a maximum of three years.

### **Deed of Agreement**

- 5.26 The Deed of Agreement represents the legal contract between the Councils (A1625154). It covers:
- the principles of the agreement,
  - matters of ownership and control,
  - responsibilities and powers to be delegated,
  - administrative agreements,
  - financial transactions (including the payment of \$4.2 million to Nelson City Council),
  - arrangements for sharing costs/surpluses on a 50:50 basis,
  - exit arrangements
  - dispute resolution and
  - other minor items.

### **Terms of Reference**

- 5.27 The Councils will need to agree to form a Joint Committee after the Triennial elections in October 2016. The Councils could choose to form the Joint Committee ahead of the election, but the Committee would not have an opportunity to meet prior to being dissolved like all committees as a result of the election.
- 5.28 The Local Government Act 2002 states the agreement to form a Joint Committee must contain Terms of Reference for the Joint Committee. While Council cannot decide on the content of those Terms of Reference at this meeting, it is useful for both Councils to consider how the Committee will operate before entering into the Deed of Agreement
- 5.29 A draft Terms of Reference is attached (A1625160) and contains:

- powers and responsibilities,
- representation arrangements,
- meeting and reporting requirements,
- planning and monitoring responsibilities,
- management and support service responsibilities
- provisions for terminations and variations, and
- limitations.

5.30 It is intended that these draft Terms of Reference will be submitted to the Councils for adoption when they agree to form the RLBU Joint Committee. The Terms of Reference may be subsequently varied by the agreement of the Councils to enable the joint committee to perform in such a manner as to give effect to its purpose.

## 6. Options

6.1 The landfilling operation is part of the wider solid waste activity that Council delivers to its community. However it is a discrete operation and only comprises the disposal of solid waste in the York Valley landfill.

6.2 The landfilling joint venture options available to Council are;

6.2.1 **Option 1** - Agree to proceed with the RLBU. This comprises the establishment of a joint committee that governs York and Eves Valley landfills, with both Councils interests represented and all costs and surpluses shared on a 50:50 basis - similar to the Nelson Regional Sewerage Business Unit (NRSBU);

6.2.2 **Option 2** - Agree to proceed with amendments, as instructed at this meeting. This option would require amendments to be agreed with the Tasman District Council;

6.2.3 **Option 3** - Decline to enter into the agreement and direct staff to consider further alternative joint venture options (i.e. some other version of a regional contract-for-service arrangement). This option may also require agreement with Tasman District Council.

### Advantages, Risks and Disadvantages

6.3 The following table outlines the advantages, risks and disadvantages of each of the three joint venture options available to Council.

<b>Option 1: Regional Landfill Business Unit (RLBU)</b>	
Advantages	<ul style="list-style-type: none"> <li>• Shared responsibilities for landfill management and operations</li> <li>• Realises the benefits of a regional approach (capital and operational efficiency, reduction of commercial risk, waste minimisation and non-financial benefits)</li> <li>• Future capital expenditure can be shared equally</li> <li>• Aligns with the objectives of the JWMMP</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Shared control over the landfill</li> <li>• Risks and benefits are shared equally</li> <li>• Option would need to be assessed to ensure it complied with the requirements of the Commerce Act 1986.</li> </ul>
<b>Option 2: RLBU with Amendments</b>	
Advantages	<ul style="list-style-type: none"> <li>• Same as Option 1</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Same as Option 1</li> </ul>
<b>Option 3: Consider other options</b>	
Advantages	<ul style="list-style-type: none"> <li>• Shared responsibilities for landfill or potentially have no responsibility for a landfill</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• There may not be other acceptable options that meet the objectives of the JWMMP</li> <li>• Many options have already been considered and viable alternative options are very limited</li> <li>• Further delays the establishment of a regional landfill (Tasman District Council could be in a position where Stage 3, Eves Valley may need to be committed immediately, thereby negating the option of a regional landfill in the short to medium term)</li> <li>• High financial risks associated with uncertainty</li> </ul>

- 6.4 A service level review has been undertaken (A1628550). This review complies with the Local Government Act requirements to undertake service level reviews as per section 17A.

## 7. Statutory Considerations

- 7.1 The Councils have jointly sought legal advice on the formation of the RLBU, the draft Deed of Agreement and the draft Terms of Reference.

- 7.2 In terms of the formation of the RLBU, the legal advice has considered compliance with the following statutes;
- 7.2.1 Local Government Act 2002;
- 7.2.2 Waste Minimisation Act 2008;
- 7.2.3 Commerce Act 1986, specifically;
- Section 27 which prohibits arrangements that have the purpose, effect, or likely effect of substantially lessening competition in the market, and
  - Section 30 which deems a provision of an arrangement to substantially lessen competition, if the provision has the purpose, effect, or likely effect of fixing, controlling, or maintaining the price of goods or services supplied or acquired by the parties to the arrangement in competition with each other.
- 7.3 Legal advice has indicated that the proposed arrangement between the Councils may lessen competition and potentially breach aspects of the Commerce Act.
- 7.4 While the Councils have a clear mandate to pursue cost effective approaches to service provision, and to consider shared service arrangements, neither the provisions of the Local Government Act nor Waste Minimisation Act are explicit enough to exempt the Council from the requirements of the Commerce Act.
- 7.5 Section 61 of the Commerce Act provides that the Commerce Commission may grant authorisation for arrangements that may otherwise breach certain provisions of the Act. In general, the Commission is able to grant an authorisation for an arrangement if it is satisfied that the public benefit of the arrangement outweighs the detriment arising from the loss of competition.
- 7.6 The Councils at the earliest opportunity will be lodging an application with the Commerce Commission to authorise the arrangement. Council will be advised on the progress of this application and any outcomes.

## **8. Next Steps/Timeline**

- 8.1 Both Nelson City and Tasman District Councils will continue to work together to assist legal advisors prepare a Commerce Commission Application. It is expected the Commerce Commission will issue a decision within 4-6 months after the application is submitted. The decision would either approve the arrangement, approve it with conditions, or decline it.
- 8.2 Assuming a favourable outcome, the Councils will then jointly agree to form the Joint Committee and adopt the Terms of Reference at the earliest opportunity.



- 8.3 At the current time, it is anticipated the Joint Committee will be able to meet prior to the operational date of 1 July 2017.
- 8.4 In the interim, the Councils will need to continue to prepare financials for their respective Annual Plans. These will be prepared on the basis of the amended Long Term Plan provisions.
- 8.5 If the Councils receive an unfavourable outcome from the Commerce Commission, then the Nelson City Council would continue with its current landfill arrangements and undertake late changes to its draft Annual Plan 2017/18. It should also consider whether any alternative joint venture options with Tasman District Council can be achieved.

## 9. Conclusion

- 9.1 This report recommends the Councils proceed to set up all the necessary legal arrangements to establish the Regional Landfill Business Unit. This includes delegating authority to the Mayor and Chief Executive Officer to sign a Deed of Agreement with Tasman District Council. It is anticipated the Deed will be signed following an authorisation decision from the Commerce Commission.
- 9.2 Proceeding with the proposal for a Regional Landfill Business Unit represents a further step towards greater regional integration of waste management, and in particular presents the Councils with an opportunity to meet the objectives of the Joint Waste Management and Minimisation Plan.

Richard Kirby  
**Consulting Engineer**

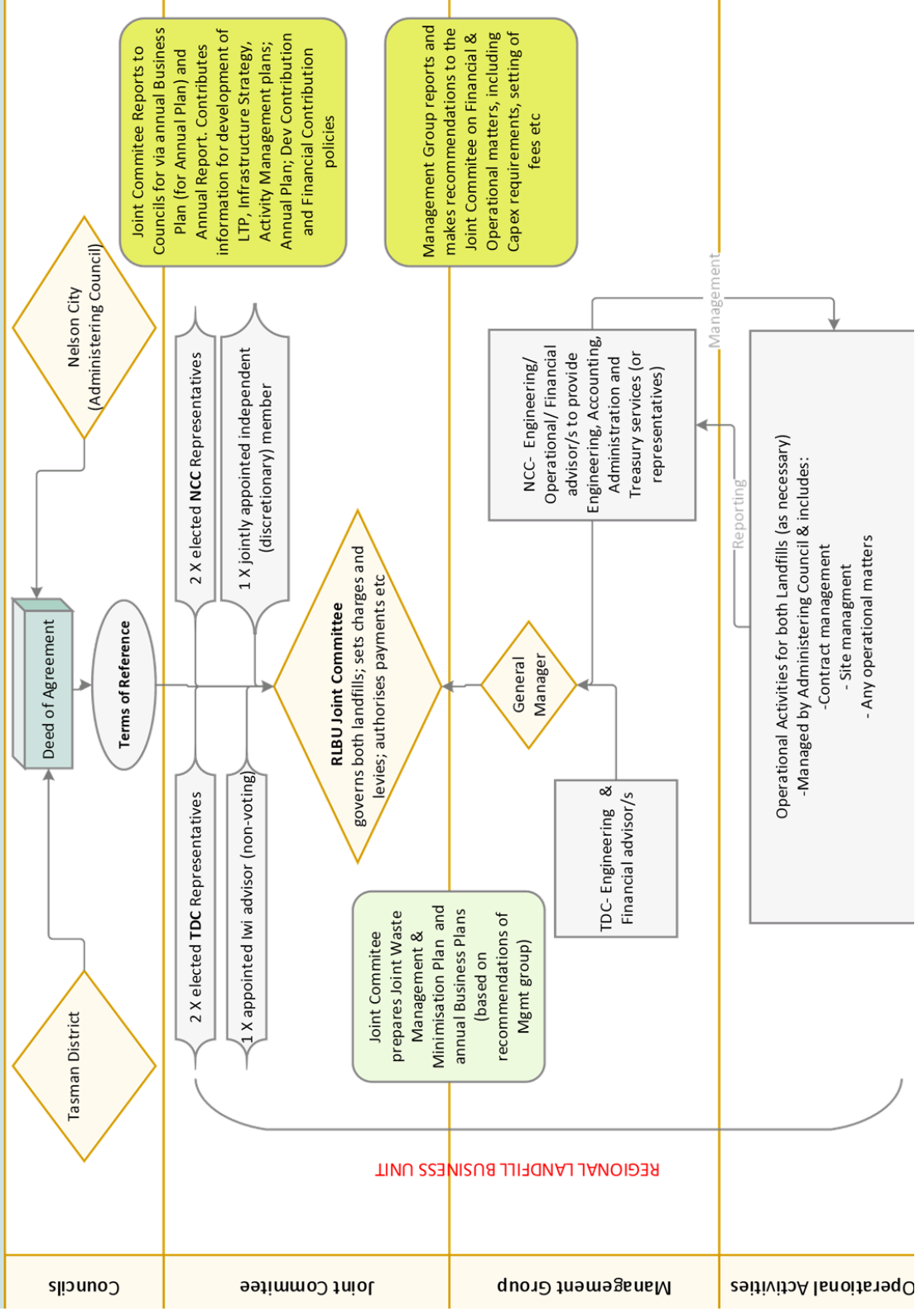
## Attachments

- Attachment 1: A1625909 - RLBU Organisation Structure
- Attachment 2: A1625154 - Draft Deed of Agreement for RLBU
- Attachment 3: A1625160 – Draft Terms Of Reference
- Attachment 4: A1628550- Section 17a review of services

<b>Important considerations for decision making</b>	
<b>1. Fit with Purpose of Local Government</b>	Council has previously resolved to progress with the establishment of a joint venture option for a regional landfill and this meets the criteria for current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
<b>2. Consistency with Community Outcomes and Council Policy</b>	The proposed joint venture arrangement comprising a Regional Landfill Business Unit is consistent with previous Council decisions.
<b>3. Risk</b>	There is a risk that the Commerce Commission may not be satisfied that the public benefit of the arrangement outweighs the detriment arising from the loss of competition and does not authorise the arrangement.
<b>4. Financial impact</b>	The proposed arrangement results in operational cost savings to Council. The Council receives \$4.2m from TDC which will be invested within the Solid Waste activity to fund NCC share of any future landfill development. Effectively this repays debt with Council.
<b>5. Degree of significance and level of engagement</b>	Community consultation on the proposed arrangement was undertaken as part of the draft Annual Plan 2016/17 deliberations earlier this year.  This proposed arrangement is of low significance because the small impact on the users of York Valley and the residents of Nelson City.
<b>6. Inclusion of Māori in the decision making process</b>	Maori have not specifically been consulted on this report
<b>7. Delegations</b>	This is a decision for Council.

# Joint Organisational Structure: Joint Solid Waste Arrangement for Nelson City Council and Tasman District Council

Agenda Version: 8 Sept 2016



## **DRAFT Deed of Agreement for the Nelson-Tasman Regional Landfill Business Unit**

**NELSON CITY COUNCIL**

and

**TASMAN DISTRICT COUNCIL**

**Agenda Version**

**Dated 13/9/2016**

1

## I Parties

- (1) **NELSON CITY COUNCIL**, Civic House, 110 Trafalgar Street, Nelson.
- (2) **TASMAN DISTRICT COUNCIL**, 189 Queen Street, Richmond.

## II Background

- A. Nelson City Council (**Nelson**) and Tasman District Council (**Tasman**) are unitary authorities (jointly **the Councils**) under the Local Government Act 2002 (**the LGA**) with territorial responsibilities for promoting effective and efficient waste management and minimisation within their respective territorial boundaries (jointly **the Nelson-Tasman region**) under Part 4 of the Waste Minimisation Act 2008 (**the WMA**).
- B. Nelson owns and operates the York Valley landfill at 34 Market Road, Bishopdale, Nelson. The site includes the current operational area (Gully 1) and two other areas potentially suitable for landfill operations (Gully 3 and Gully 4) (**York Valley landfill**). The legal description of the land and the location and extent of these areas are shown in [Attachment 1].
- C. Tasman owns and operates the Eves Valley landfill at 214 Eves Valley Road, Waimea West, Tasman. The site includes a closed landfill (Stage 1), the current operational area (Stage 2) and a further area potentially suitable for landfill operations (Stage 3) (**Eves Valley landfill**). The legal description of the land and the location and extent of these areas are shown in [Attachment 2].
- D. The Councils acknowledge their respective roles and responsibilities under the LGA and the WMA.
- E. Nelson and Tasman have prepared and adopted a Joint Waste Management and Minimisation Plan dated April 2012 (**the Joint Waste Plan**) pursuant to sections 43 and 45 of the WMA.
- F. The Councils have agreed to jointly make the most effective and efficient use of York Valley and Eves Valley landfill space.
- G. The Councils have reviewed options for the provision of landfill capacity in the Nelson-Tasman region. They intend to jointly share in the management of the two landfills, through a Joint Committee of the Councils appointed pursuant to schedule 7 of the LGA (**the Joint Committee**).
- H. The Councils intend to enable the joint governance, management and use of York Valley Gully 1 and Eves Valley Stages 1, 2 and 3 as regional landfill facilities to accept all municipal solid waste (**waste**) generated in the Nelson-Tasman region.

- I. The Councils also intend the following:
  - (i) That the York Valley landfill will be the primary regional landfill facility from 1 July 2017, to accept all waste generated within the Nelson-Tasman region until Gully 1 is at capacity (anticipated to be in approximately 2031), or until expiry of the existing resource consents for the York Valley landfill (being 31 December 2034), whichever occurs first.
  - (ii) That Stage 2 of the Eves Valley landfill to have all necessary consents and approvals to accept up to one years' waste from the Nelson-Tasman region in case of unforeseen temporary closure of the York Valley landfill, and that Stage 3 be retained for future use as a regional landfill facility.
  - (iii) Once the Joint Committee is established, it shall have responsibility for making all decisions on operation and use of the two landfills as regional landfill facilities, and the timing of their use.
  - (iv) That the arrangement between the Councils for a regional landfill facility will be enduring (subject to the cancellation and termination provisions in this agreement) until Gully 1 of the York Valley landfill and Stages 2 and 3 of the Eves Valley landfill have been fully utilised as regional landfill facilities and are at capacity.
- J. Accompanying this deed of agreement are the terms of reference for the Joint Committee, which are intended to form part of this agreement.
- K. This agreement is conditional on the Councils obtaining appropriate authorisation from the Commerce Commission for entering into and giving effect to the arrangement contained within it and, if any conditions are imposed on the authorisation, confirmation that any such conditions are acceptable to both Councils.

### III Agreement

#### *Operative dates*

1. This agreement shall come into force on 1 July 2017 provided that before that date:
  - (i) the Commerce Commission has granted an authorisation under Part 5 of the Commerce Act 1986 authorising both Councils to enter into and give effect to this agreement to establish a Joint Committee to enable joint governance and management of regional landfill facilities to accept all waste generated in the Nelson-Tasman region (**the authorisation**); and
  - (ii) if the authorisation is granted subject to conditions, both Councils confirm in writing

to each other that the conditions imposed are acceptable to each Council.

2. Where the authorisation is granted after 1 July 2017, this agreement shall come into force on the date the authorisation is granted, subject to clause 1(ii) being complied with.
3. This agreement shall remain in force until:
  - (i) the date on which both Councils agree in writing to cancel the agreement; or
  - (ii) Gully 1 of the York Valley landfill and Stages 2 and 3 of the Eves Valley landfill have been fully utilised as regional landfill facilities and are at capacity; or
  - (iii) a unilateral notice of termination is given by either Council under clause 31 below.

#### ***Ownership and control***

4. The land and assets of the York Valley landfill and Eves Valley landfill are and shall remain owned separately by Nelson and Tasman respectively.
5. On the coming into force of this agreement:
  - (i) control of all activities and assets used for Gully 1 of the York Valley landfill; and
  - (ii) control of all activities and assets used (or to be used) for Stages 2 and 3 of the Eves Valley landfill; and
  - (iii) operational control of these areas within both landfills;

shall be delegated to the Joint Committee to be used as regional landfill facilities, which shall be known as the Regional Landfill Business Unit (**RLBU**).
6. For the avoidance of doubt, and subject to clause 10:
  - (i) The management and operational aspects of this agreement do not apply to Gully 3 and Gully 4 of the York Valley landfill, or land to the south of the Eves Valley landfill that is owned by Tasman; and
  - (ii) the existing forestry assets located in Stage 3 of the Eves Valley landfill remain under the control of Tasman, which Tasman agrees shall not prevent Stage 3 being used as a regional landfill facility.

#### ***Principles of agreement***

7. Nelson and Tasman agree they will act co-operatively with one another in accordance with

this agreement and support the RLBU to operate in accordance with its terms of reference.

8. Nelson and Tasman agree that for the duration of this agreement they will retain ownership of the York Valley and Eves Valley landfills to ensure that they remain available for use as regional landfill facilities for the disposal of waste generated within the Nelson-Tasman region.
9. Nelson and Tasman agree to operate with each other in an open and transparent manner on all matters relating to the York Valley and Eves Valley landfills.
10. In particular, Nelson and Tasman agree that (subject to compliance with all regulatory requirements that may be applicable to operation of the landfills and any operational requirements that may be agreed between the Councils):
  - (i) they will continue to accept all waste generated within the Nelson-Tasman region, subject to compliance with established acceptance criteria for waste to landfills;
  - (ii) they will use either the York Valley landfill or the Eves Valley landfill (whichever is operational) as the primary landfill for the disposal of waste generated in the Nelson-Tasman region; and
  - (iii) they will take all reasonably practicable steps to maintain all designations authorising the use of the York Valley (including Gully 3 and 4) and Eves Valley landfills and shall retain their existing ownership of all buffer land surrounding the landfills so as to avoid activities that are likely to conflict with the landfill operations; and
  - (iv) the operation and use of each landfill, and the timing of such use will be subject to decisions of the RLBU.
11. For the purposes of this agreement, Nelson shall be the administering Council.

***Out-of-district waste***

12. Nelson and Tasman agree that any regional landfill facility established under this agreement shall accept waste from Buller District until January 2024 (in accordance with the agreement between Tasman and Smart Environmental dated 17 June 2014 - as varied by a deed of variation dated 20 August 2015 – **the Buller waste agreement**) and that after the coming into force of this agreement Tasman shall novate the agreement to the RLBU with all benefits received by and obligations pursuant to the Buller waste agreement.
13. Subject to clause 14, Nelson and Tasman further agree that the RLBU may enter into other agreements to accept out-of-district waste on terms and conditions acceptable to the RLBU.

***Responsibilities delegated to the RLBU***

14. The Councils agree that responsibility for all management and administrative matters



associated with the operation of the Joint Committee shall be delegated to the RLBU. The RLBU may without the need to seek any further authority from the Councils:

- (i) operate a bank account for the RLBU.
- (ii) enter into all contracts necessary for the operation and management of the RLBU in accordance with the approved budgets and intent of the Business Plan and the 'Procurement guidance for public entities' as produced by the Office of the Auditor General.
- (iii) authorise all payments necessary for the operation and management of the RLBU within the approved budgets and intent of the Business Plan.
- (iv) do all other things that are necessary to achieve the objectives as stated in the Joint Waste Plan, Long Term Plan, Activity Management Plan or Business Plan approved by the Councils, including setting terms of trade and acceptance criteria for waste to landfills.
- (v) comply with applicable Health and Safety legislation, and standing orders and administrative requirements of the administering Council.
- (vi) comply with all regulatory requirements concerning operation of the regional landfill facilities.

***Joint decision to disestablish the RLBU***

15. In the event that both Councils make a decision to disestablish the RLBU, the Councils shall:
- (i) jointly engage a single entity (e.g. a contractor, company or agency) to undertake a peer reviewed revaluation of the business to establish 'fair value', using an equivalent valuation methodology to that used in the valuation for York Valley and Eves Valley landfills by Deloitte in February 2016, including any new plant, land, consents obtained or works undertaken since that valuation which shall be taken into account in arriving at the 'fair value'. The Councils agree to apportion the 'fair value' arrived at on a 50:50 basis (subject to any equalising payment that may be required) on the basis that the fair value accounts for aftercare costs and liabilities, and any value attributed to the duration of any remaining resource consents for either landfill facility; and
  - (ii) provide sufficient time (being a minimum of five years) for each Council to develop, apply for and obtain all necessary consents and approvals to manage their solid waste activities separately.

***Dispute resolution***

16. In the event of any dispute arising between the parties to this agreement the parties shall

immediately explore in good faith whether the dispute can be resolved by agreement between them using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal, or any other alternative dispute resolution technique that the parties may agree to use.

17. In the event the dispute is not resolved by such agreement within 21 days of written notice by one party to the other of the dispute (or such further period agreed in writing between the parties) either party may refer the dispute to arbitration by three arbitrators, pursuant to the Arbitration Act 1996.
18. The arbitrators shall be agreed between the parties within 10 days of written notice of the referral by the referring party to the other, or failing agreement shall be appointed by the President of the Nelson Branch of the New Zealand Law Society.
19. No person may be appointed as an arbitrator who has participated in an informal dispute resolution procedure in respect of the dispute.
20. The parties agree to co-operate fully in every respect with the arbitration and to endeavour to have all matters that are the subject of the dispute referred to the appointed arbitrators within two months of their appointment. The parties further agree that any decision made by the arbitrators shall be final and binding on them, and hereby waive any right to appeal against the decision, or seek a judicial review of it in any court.

#### ***Administrative agreements***

##### **(a) Operating account**

21. As from the date of coming into force of this agreement, the operating account for the York Valley landfill and Eves Valley landfill will be administered by Nelson (as the administering Council) as a joint closed business account (**the operating account**), with each annual operating year being from 1 July to 30 June in each succeeding year (**the operating year**). Subject to section 52 of the WMA, the operating account shall be used in the following manner:
  - (a) to meet all operating costs (including but not limited to contractor's costs, resource consent charges, other administrative charges including overheads, insurance, government levies, emissions taxes and aftercare costs).
  - (b) annually, the RLBU will agree a schedule of payments at appropriate intervals to each council in the proportions 50% to Nelson and 50% to Tasman to enable them to fund any waste management and minimisation service, facility or activity (either jointly or independently).
  - (c) to pay any operating surplus as a 'solid waste rebate' (or to apportion any operating deficit) at the conclusion of each operating year in the proportions 50% to Nelson and 50% to Tasman.

22. The Councils agree to the following treatment of financial matters:
- (a) accounting shall be conducted in accordance with the financial practices of the administering Council, including the calculation of depreciation, repayment of loans and revaluation policies;
  - (b) pre-agreement liabilities and after-care costs are to be included in the operational accounts.
  - (c) any net surplus income before extraordinary items over budget shall be returned to the Councils on an equal share basis.
  - (d) it is agreed that where any contribution is required to be made by the Councils to the ongoing operational costs of the RLBU, each Council shall pay an equal share of any contribution required.

***Capital expenditure***

23. The RLBU shall ensure that all capital assets are appropriately depreciated to enable a fund to be established for the replacement of such assets.
24. The RLBU shall have the sole authority to determine what expenditure is made from the depreciation fund so accumulated.
25. Any capital expenditure that is required which exceeds the amount held in any depreciation fund or account and is in the way of expansion or major upgrade shall require approval of the Councils (this may be via the normal Business Plan approval process, or separate report and resolution by the Councils).

***Value equalisation***

26. Tasman will pay Nelson \$4,200,000 on the coming into force of this agreement. The purpose of the payment is to equalise the value of the assets of the York Valley landfill with those of the Eves Valley landfill, thereby enabling each Council to have an equal interest in the operation of the RLBU.
27. The payment shall be made as a single payment to Nelson.
28. All costs associated with the payment shall be met by Tasman.

***Monthly invoicing and accounting***

29. Invoices for fees and charges for disposal of waste at the York Valley and the Eves Valley landfills and statements of account for payment of the waste rebate will be issued by the RLBU to Nelson and Tasman on a monthly basis. Invoices shall be paid by the 20<sup>th</sup> of the following month.

***Variations***

30. This agreement may be varied by joint agreement of the two Councils.

***Notice of termination***

31. If either Council wishes unilaterally to terminate this agreement and disestablish the RLBU, it may only do so after giving a minimum of 10 years notice, in writing to the other Council and to the RLBU of its intention to do so (or such shorter period as the Councils may jointly agree) and on expiry of the notice, the provisions of clause 15(i) shall apply.

Executed and delivered as a deed the \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signed by

NELSON CITY COUNCIL:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Executive

Signed by

TASMAN DISTRICT COUNCIL:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Executive



**Attachment 1: Plan - York Valley Landfill**

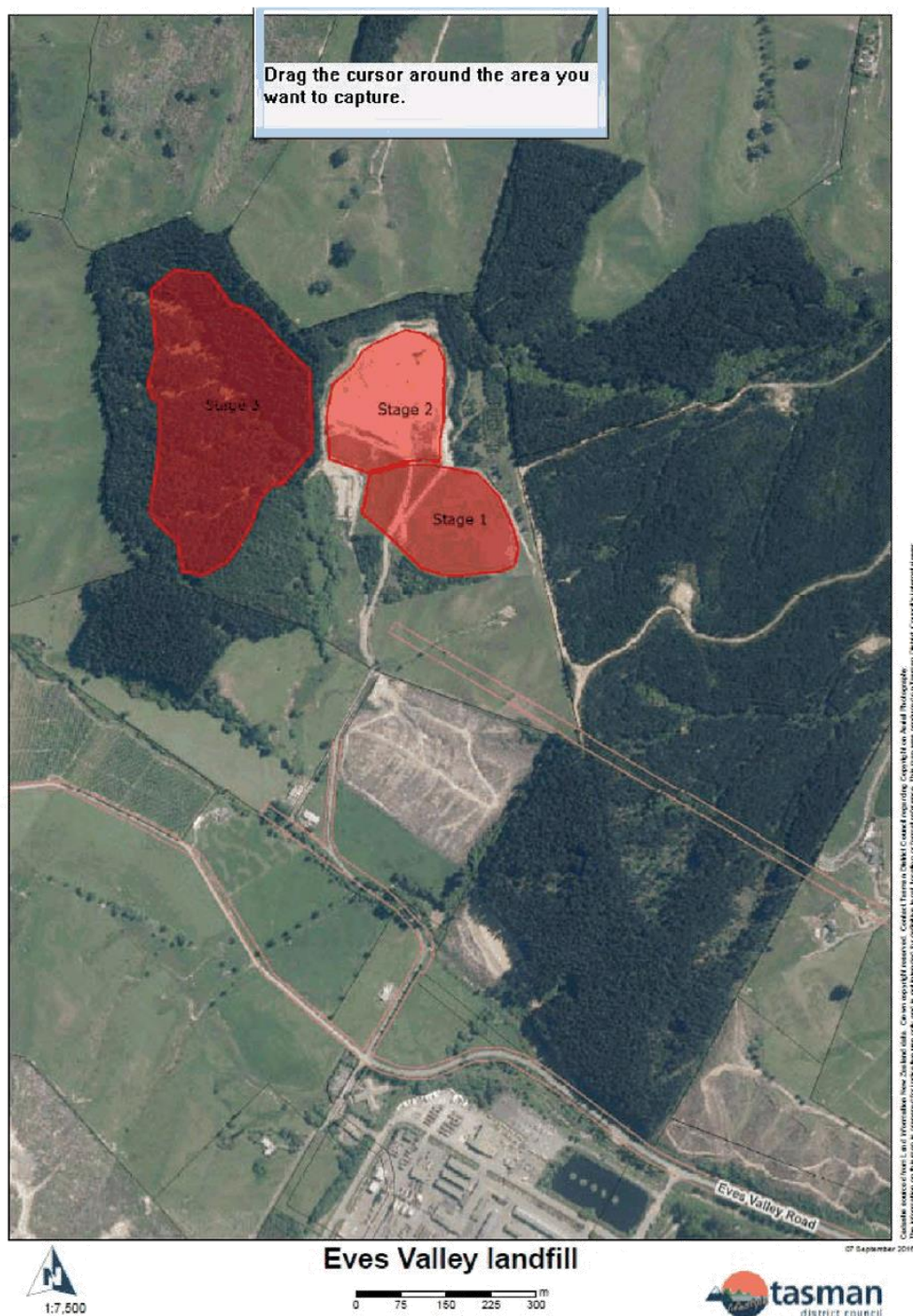
Current Operational Area – Gully 1



**Attachment 2: Plan - Eves Valley Landfill**

Current operational area Stage 2





**Attachment 3: Certificate of Title Eves Valley landfill**

NL8B/799



# COMPUTER FREEHOLD REGISTER UNDER LAND TRANSFER ACT 1952

Search Copy



**Identifier** NL8B/799  
**Land Registration District** Nelson  
**Date Issued** 31 March 1988

**Part-Cancelled**

## Prior References

NLSD/918

**Estate** Fee Simple  
**Area** 42.0430 hectares more or less  
**Legal Description** Lot 1 Deposited Plan 13422  
**Proprietors**  
The Richmond Borough Council as to a 1/2 share  
The Waimera County Council as to a 1/2 share

## Interests

42780 Transfer creating the following easements

Type	Servient Tenement	Easement Area	Dominant Tenement	Statutory Restriction
Right of way	Lot 1 Deposited Plan 13422 - herein	Part herein	Lot 2-3 Deposited Plan 4112 - CT NL107/137	

Subject to Section 59 Land Act 1948

205884.1 Easement Certificate specifying the following easements - 24.7.1980 at 11.34 am

Type	Servient Tenement	Easement Area	Dominant Tenement	Statutory Restriction
Right of way	Part Lot 15 Deposited Plan 10560 - CT NL6D/922	B D DP 10560	Lot 1 Deposited Plan 13422 - herein	

The easement specified in Easement Certificate 205884.1 is subject to Section 309(1) (a) Local Government Act 1974

8323427.1 Gazette Notice (2009 / p 3539) declaring part of the within land, (178 m<sup>2</sup>) now known as Section 6 SO 15671 to be road and vested in the Tasman District Council - 23.10.2009 at 10:38 am

8323427.1 Gazette Notice (2009 / p 3539) declaring part of the within land, (1415 m<sup>2</sup>) now known as Section 7 SO 15671 to be severance and amalgamated CT 502027 issued - 23.10.2009 at 10:38 am

9234455.1 Notice pursuant to Section 195(2) Climate Change Response Act 2002 - 26.11.2012 at 1:24 pm





Identifier

NL8B/799

[illegible]

**Attachment 4: Certificates of Title York Valley landfill**

NL13A/517 and NL7B/1186



COMPUTER FREEHOLD REGISTER  
UNDER LAND TRANSFER ACT 1952

Search Copy



Identifier **NL7B/1186**  
Land Registration District **Nelson**  
Date Issued 27 August 1985

Prior References  
GN 245551.1

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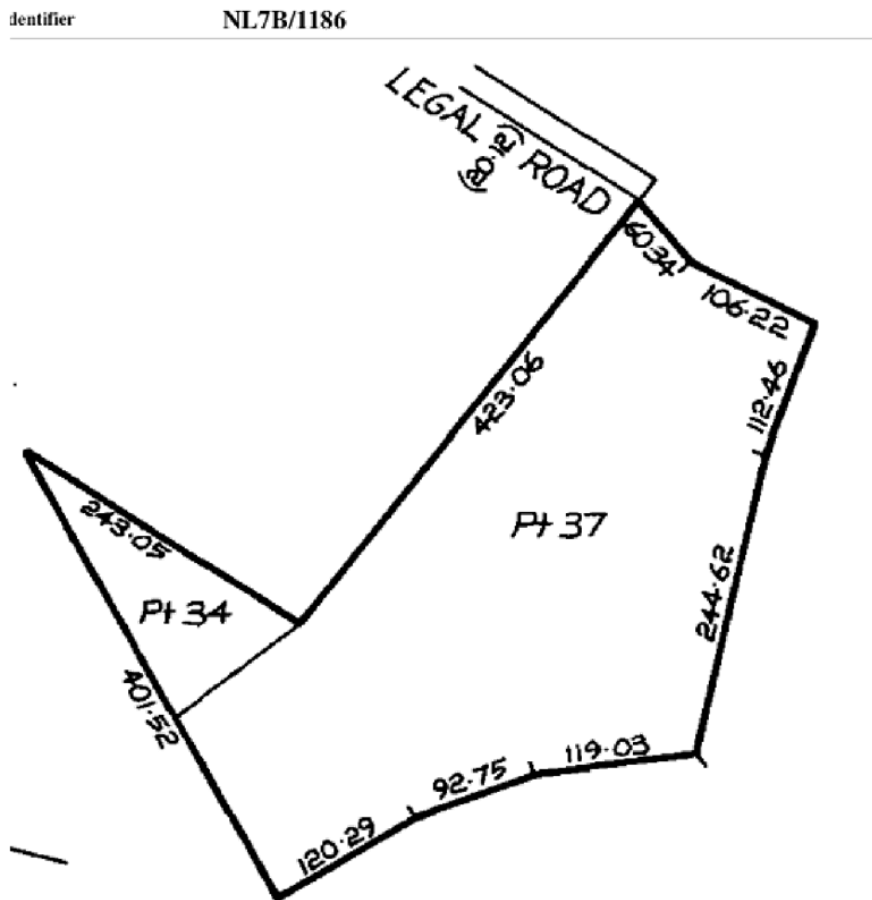
Estate	Fee Simple
Area	13.4078 hectares more or less
Legal Description	Part Lot 34 and Part Lot 37 Deposited Plan 210
Purpose	Rubbish disposal purposes

Proprietors  
The Nelson City Council

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Interests  
The within land has no frontage to a public road  
8932904.1 Notice pursuant to Section 195(2) Climate Change Response Act 2002 - 5.12.2011 at 4:41 pm







COMPUTER FREEHOLD REGISTER  
UNDER LAND TRANSFER ACT 1952

Search Copy



Identifier **NL13A/517**  
Land Registration District **Nelson**  
Date Issued 21 October 1999

Prior References  
NL8B/81

Estate Fee Simple  
Area 27.4308 hectares more or less  
Legal Description Part Section 7 Suburban South District  
Proprietors  
The Nelson City Council

Interests

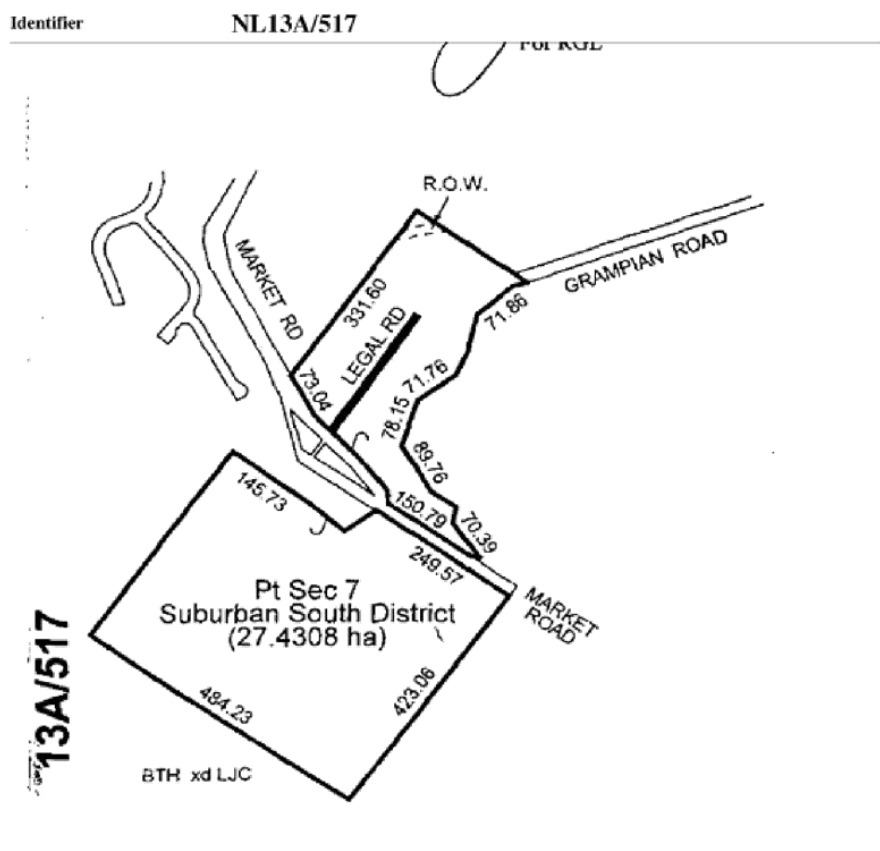
K3718 Building Line Restriction

54751 Transfer creating the following easements - 4.10.1956 at 11.10 am

Type	Servient Tenement	Easement Area	Dominant Tenement	Statutory Restriction
Right of way	Part Section 7 Suburban South District - herein	Blue Line Transfer 54751	Section 18, Section 20-21 and Part Section 19 Block D District of Wakatu and Lot 3 Deposited Plan 19858 - CT NL13A/518	

Subject to a right (in gross) to convey electricity, telecommunications and computer media over part herein marked A on DP 368568 in favour of Network Tasman Limited created by Easement Instrument 6941556.1 - 11.7.2006 at 9:00 am

8932382.1 Notice pursuant to Section 195(2) Climate Change Response Act 2002 - 5.12.2011 at 4:36 pm



## **DRAFT Terms of Reference for the Nelson-Tasman Joint Committee of the Regional Landfill Business Unit**

**NELSON CITY COUNCIL**

and

**TASMAN DISTRICT COUNCIL**

**Agenda Version 8**

**Dated 9/9/2016**

## I Parties

- (1) **NELSON CITY COUNCIL**, Civic House, 110 Trafalgar Street, Nelson
- (2) **TASMAN DISTRICT COUNCIL**, 189 Queen Street, Richmond

## II Background

- A. Nelson City Council (**Nelson**) and Tasman District Council (**Tasman**) are unitary authorities (jointly **the Councils**) under the Local Government Act 2002 (**the LGA**) with territorial responsibilities for promoting effective and efficient waste management and minimisation within their respective territorial boundaries (jointly **the Nelson-Tasman region**) under Part 4 of the Waste Minimisation Act 2008 (**the WMA**).
- B. Nelson owns and operates the York Valley landfill at 34 Market Road, Bishopdale, Nelson. The site includes the current operational area (Gully 1) and two other areas potentially suitable for landfill operations (Gully 3 and Gully 4) (**York Valley landfill**). The legal description of the land and the location and extent of these areas are shown in [Attachment 1].
- C. Tasman owns and operates the Eves Valley landfill at 214 Eves Valley Road, Waimea West, Tasman. The site includes a closed landfill (Stage 1), the current operational area (Stage 2) and a further area potentially suitable for landfill operations (Stage 3) (**Eves Valley landfill**). The legal description of the land and the location and extent of these areas are shown in [Attachment 2].
- D. The Councils acknowledge their respective roles and responsibilities under the LGA and the WMA.
- E. Nelson and Tasman have prepared and adopted a Joint Waste Management and Minimisation Plan dated April 2012 (**the Joint Waste Plan**) pursuant to sections 43 and 45 of the WMA.
- F. The Councils have agreed to jointly make the most effective and efficient use of York Valley and Eves Valley landfill space.
- G. The Councils have reviewed options for the provision of landfill capacity in the Nelson-Tasman region. They intend to jointly share in the management of the two landfills, through a Joint Committee of the Councils appointed pursuant to schedule 7 of the LGA (**the Joint Committee**).
- H. The Councils intend to enable the joint governance, management and use of York Valley Gully 1 and Eves Valley Stages 1, 2 and 3 as regional landfill facilities to accept all municipal solid waste (**waste**) generated in the Nelson-Tasman region.

- I. The Councils also intend the following:
  - (i) That the York Valley landfill will be the primary regional landfill facility from 1 July 2017, to accept all waste generated within the Nelson-Tasman region until Gully 1 is at capacity (anticipated to be in approximately 2031), or until expiry of the existing resource consents for the York Valley landfill (being 31 December 2034), whichever occurs first.
  - (ii) That Stage 2 of the Eves Valley landfill to have all necessary consents and approvals to accept up to one years' waste from the Nelson-Tasman region in case of unforeseen temporary closure of the York Valley landfill, and that Stage 3 be retained for future use as a regional landfill facility.
  - (iii) Once the Joint Committee is established, it shall have responsibility for making all decisions on operation and use of the two landfills as regional landfill facilities, and the timing of their use.
- J. These terms of reference accompany a deed of agreement between the Councils and set out the membership, responsibilities, operating parameters and reporting requirements of the Joint Committee, to be known as the Regional Landfill Business Unit (RLBU).

### III Terms of Reference

#### *Purpose*

1. The purpose of the RLBU is to manage and operate a regional landfill facility or facilities efficiently and in accordance with:
  - the Joint Waste Plan;
  - the Long Term Plans and Annual Plans of each Council;
  - the RLBU Activity [Asset] Management Plan;
  - the RLBU Business Plan;
  - resource consent conditions for each landfill; and
  - and the Councils' Solid Waste Activity Management Plans.
2. The RLBU shall plan for the future needs of the community in a cost efficient and environmentally sustainable manner in accordance with the objectives of the Joint Waste Plan.

3. The RLBU will designate itself as a public benefit entity (PBE) for financial reporting purposes.
4. The RLBU is intended to be a self-funding body which provides a service to its customers, (which include the Councils under a contractual relationship independent of its establishment as a Joint Committee of the Councils) and provides income to the Councils to implement the Joint Waste Plan.

#### **Structure of RLBU**

5. The RLBU will be established as a Joint Committee of Nelson and Tasman pursuant to schedule 7 to the LGA.
6. The RLBU shall comprise four or five members appointed as follows:
  - (i) Two members appointed by Tasman (at least one of whom will be an elected member of the Council);
  - (ii) Two members appointed by the Nelson (at least one of whom will be an elected member of the Council);
  - (iii) May include one jointly appointed/independent member, who is not involved in any business related to the RLBU activities. This member would only be appointed if mutually agreed to by both Councils and in accordance with the Councils 'Procedure for Joint Appointment of Directors/Trustees of Council Controlled Organisations and Council Controlled Trading Organisations' (2012 version, or its replacement). This member shall be appointed for a period of three years, and in such a way as to provide continuity through the triennial election period. The member shall be remunerated in accordance with the Councils' joint policy for the appointment of independent persons to joint committees.
7. The RLBU will include one iwi advisor, nominated by, local iwi with mana whenua at either landfill site, and appointed by both Councils. This iwi advisor shall be appointed for a period of three years, and in such a way as to provide continuity through the triennial election period. For clarity, the advisor shall not hold voting rights in the RLBU. Remuneration will be in accordance with the administering Council's protocol on meeting fees.
8. In appointing members to the RLBU, the Councils will have regard to the criteria, skills and experience required so that an appropriate mix of skills is maintained.
9. The RLBU will elect a Chair and Deputy Chair from its voting members at its first meeting of the triennium.
10. Where the RLBU has a split vote (50:50), a decision shall be sought from the Joint Committee of Nelson City and Tasman District Councils.

3

***Powers and responsibilities delegated to the RLBU***

11. The RLBU may without the need to seek any further authority from the Councils:
  - (i) Set fees and charges for waste disposal at the regional landfill facilities by 30 June each year; including the power to apply discounted fees and charges for the disposal of waste in bulk; and may determine other circumstances where discounted fees and charges may be applied. For clarity, the fees and charges shall be included in the draft annual Business Plan that is submitted for Council approval each year.
  - (ii) Make decisions to accept (or not accept) waste that is generated outside the Nelson-Tasman region.
12. The RLBU may recommend the purchase of additional land for landfill facilities to the Councils.
13. The RLBU shall contribute to the Long Term Plan planning processes of the Councils in a timely manner, including activity management plans and infrastructure strategies. Information is to be provided in sufficient time to enable the Councils to carry out and complete their statutory planning and reporting.
14. The RLBU shall contribute to and comply with the Joint Waste Plan of the Councils.
15. The RLBU shall contribute to the development of the Councils' Development Contribution and Financial Contribution policies, where these relate to solid waste activities or planning.
16. The RLBU shall contribute to the Councils' Regional Policy Statement and Regional Plan reviews, where these may relate to solid waste activities or planning.
17. The RLBU shall contribute to Solid Waste Service Delivery reviews in accordance with section 17A of the LGA, as necessary.
18. The RLBU shall follow generally accepted accounting practices and comply with the accounting policies of the Administering Council.

***Meetings***

19. For the avoidance of doubt, the RLBU shall comply with the provisions of the Local Government Official Information and Meetings Act 1987 and the standing orders of the administering Council in respect of its meetings.
20. The quorum for a meeting of the RLBU shall be three of the members (including vacancies). There shall also be at least one member from each Council represented in the quorum.



21. The RLBU shall meet at least 4 times per year at intervals decided by it in order to meet its obligations under these terms of reference.

***Planning and reporting***

22. The RLBU will produce the following plans in respect of its operations.

**1. Business Plan**

The Business Plan should state the activities and intentions of the RLBU. It shall outline how those activities relate to the objectives of the RLBU as documented in the current strategic plan, the financial forecasts for the following three years, the performance targets for the coming year and any variations to fees and charges proposed for that financial year.

A draft of the Business Plan for the coming year shall be presented to the Councils annually by 31 October.

After the Councils have had an opportunity to discuss and comment on the draft Business Plan the RLBU shall finalise the Business Plan, incorporating any changes agreed between the Councils and the RLBU and present the final Business Plan to the Councils by 31 May for inclusion in each Council's draft Annual Plan.

Any changes to the draft Business Plan arising out of consultation on the draft Annual Plan shall require joint agreement of the two Councils, or a resolution from the Joint Committee of Nelson City and Tasman District Councils.

**2. Activity Management Plan**

The RLBU Activity Management Plan shall provide an analysis of the assets controlled and services delivered by the RLBU in relation to the current levels of service required by its customers, and their likely future demands. It will also provide a financial analysis of the RLBU operations and indicate how the assets should be managed to ensure the most cost effective and efficient service. It will also outline the manner in which the RLBU will provide for appropriate risk management.

The RLBU Activity Management Plan shall be reviewed annually and revised at least every three years in time to meet the timeframes for each Councils Long Term Plan development and Solid Waste Activity Management Plan preparation.

The RLBU Activity Management Plan will be submitted to the Councils for approval.

### 3. ***Annual Report***

The RLBU shall prepare an Annual Report at the end of each financial year which shall include reporting against the performance targets and financial forecasts in the approved Business Plan.

The annual accounts and financial statements, included in the Annual Report, shall be in a manner and form approved by the RLBU's auditor, fairly showing the operating and financial position of the RLBU for the financial year, including a statement of financial performance, a statement of financial position, a statement of cash flows, and all information necessary to enable an informed assessment of the operation of the RLBU. The audited financial statements must be prepared in accordance with generally accepted accounting practice and in compliance with the accounting policies of the administering Council.

The draft Annual Report will be presented to the Councils by 15 September in each year.

4. Agendas for all meetings of the RLBU will be forwarded to the Chief Executives of the Councils.
5. Minutes of all meetings of the RLBU will be forwarded to the Chief Executives of the Councils and to all RLBU members as draft minutes once they have been reviewed for accuracy by the General Manager and/or the Chairperson.

### ***Management and support services***

23. Management and support services will be provided as follows:
  - (i) The administering Council shall carry out operational, financial, secretarial and administrative activities as necessary for the RLBU to fulfil its purpose and responsibilities under these terms of reference and shall report to the RLBU. The administering Council will be Nelson.
  - (ii) A General Manager of the RLBU will be appointed by joint agreement of the Chief Executives of the Councils and may or may not be on the recommendation of the RLBU. The Councils may choose to appoint an independent General Manager instead of appointing an independent member as outlined in clause 6 (iii). The General Manager shall be employed or contracted by the administering Council.
  - (iii) The Councils will establish and maintain a Management Group, comprising the General Manager, and at least one staff member (or representative) with either engineering and/or financial expertise nominated by each Council. The Management Group will meet as necessary and report four times a year to the

RLBU on the matters referred to it under this agreement, or on any other relevant matter requested by the RLBU.

- (iv) The Management Group shall receive all operational and financial information concerning operation of the landfills and the operating account and shall have the following tasks:
  - (a) reporting the financial position of the RLBU on a monthly basis to each Council, and quarterly to the RLBU;
  - (b) reporting operational performance;
  - (c) reporting compliance with resource consent conditions;
  - (d) making recommendations concerning the setting of fees and charges for the disposal of waste at the regional landfill facilities;
  - (e) making recommendations concerning the setting of discounted fees and charges for disposal of waste in bulk and other circumstances where discounted fees and charges may be applied;
  - (f) making recommendations on the awarding of operational contracts;
  - (g) making recommendations concerning any proposal to accept out-of-district waste for disposal at the regional landfill facilities, and the setting of fees and charges for the disposal of such waste;
  - (h) making recommendations concerning the setting of the waste management rebate for any operating year and carrying out a review of the operating account and waste management rebate during the year;
  - (i) the review of financial modelling information concerning operation of the York Valley landfill and Eves Valley landfill over the life of this agreement and any future agreement;
  - (j) making recommendations concerning any dispute that may be referred to it;
  - (k) making recommendations for waste acceptance criteria;
  - (l) the carrying out of and reporting on any other tasks identified in the Joint Waste Plan concerning regional waste management and minimisation referred to it jointly by the Councils; and

- (m) providing advice or recommendations on any other matters relevant to the RLBU.

#### ***Discharge of members***

- 24. Subject to clause 25, the members of the RLBU will be discharged on the coming into office of the members of the Councils elected at the triennial local body elections. The new RLBU members shall be appointed by resolution of the Councils at the earliest opportunity after each election.
- 25. Prior to the election, the RLBU may recommend to the Councils that they approve a transitional arrangement through the triennial election process for representation on the RLBU. For clarity, this provision only applies where both Councils have approved a transitional arrangement.
- 26. The Councils may at any time replace their appointed members, or by joint agreement remove/replace the independent member of the RLBU. No action to replace any member will be taken without the Councils first consulting with the RLBU, except where the replacement is part of a triennial election process referred to in clause 24.
- 27. Iwi may nominate at any time a replacement for the appointed iwi advisor. The replacement iwi advisor shall be appointed jointly by the Councils.

#### ***Variations***

- 28. These terms of reference may be varied by joint agreement of the two Councils to enable the RLBU to perform in such a manner as to give effect to its purpose, and to carry out its functions and duties effectively, provided that such variation is in accordance with the accompanying agreement and meets the requirements of the LGA.

#### ***Limitations***

- 29. The RLBU may not borrow money or undertake major financial transactions other than with the approval of both Councils.

#### ***Media***

- 30. The Councils shall endeavour to agree all public or media statements concerning the activities of the RLBU prior to release. However this clause shall not be construed as restricting the right of each Council to discuss any aspect of the accompanying agreement or these terms of reference in open Council meetings, and to have such deliberations reported in the media, or to make statements in relation to them as each Council reasonably considers is necessary or desirable in the performance of its role as a territorial authority, or in the interests of full public debate of all issues relevant to a territorial authority, its community and its ratepayers.

Executed and delivered as a deed the \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signed by

NELSON CITY COUNCIL:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Executive

Signed by

TASMAN DISTRICT COUNCIL:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Executive



## S17A REVIEW OF SERVICES

PART I: PRESENT ARRANGEMENTS	
<i>Name of the service and scope</i>	The scope of this activity is the provision of a landfill as a final disposal point for solid waste.
<i>Rationale for service provision</i>	<p>The service is provided because:</p> <ul style="list-style-type: none"> <li>It fulfils requirements under the LGA along with other legislation such as the Waste Minimisation Act 2008, which requires Council to promote effective and efficient waste minimisation. The landfill operation is a key component to meet requirements.</li> <li>It contributes to Council's community outcome; "Waste and pollution are minimised so we have clean water, clean seas, clean air, and healthy flora, fauna and soils."</li> <li>Council's Solid Waste Asset Management Plan 2015-2025 states that Council will "ensure that assets are operated and maintained in a sustainable and cost-effective manner, and that they provide the required level of service for present and future customers."</li> </ul>
<i>Present arrangements</i>	<p>Council owns and operates the York Valley landfill at 34 Market Road, Bishopdale, Nelson. It is located in a valley and occupies approximately 3.5ha. It is consented for use as a landfill until 2034. Council provides governance while funding comes from landfill gate fees and charges. Council also provides designated staff to oversee the landfill with the day-to-day operation of the landfill contracted to an external provider.</p> <p>Currently the York Valley Landfill receives approximately 30,000 tonnes of waste per year. With this volume the landfill will not be full by the time the consent expires in 2034. The risk is that it is not filled within the consented period. Council would then need either to renew the consent on the same landfill footprint or obtain a consent for a landfill on a new footprint. The remaining volume on the current footprint would allow the landfill to operate until 2045 based on the current annual volumes. The current</p>

	<p>arrangement and the associated gate charges help Council meet its objectives in delivering to the community outcomes regarding solid waste management and minimisation.</p> <p>Both Nelson City and Tasman District Councils have a statutory responsibility to “<i>promote effective and efficient waste minimisation</i>” and for this purpose, to “<i>adopt a waste management and minimisation plan</i>”. Both Councils have worked together to develop a Joint Waste Minimisation and Management Plan (<b>Waste Plan</b>) which was adopted in April 2012.</p> <p>This Waste Plan has three goals and states an intention to investigate a joint landfill solution. This solution may result in one landfill for the Districts or two landfills with each handling a different type of waste, to realise the benefits of optimising landfill costs, minimising Emissions Trading Scheme (ETS) costs, and ensuring security of income to facilitate waste minimisation.</p> <p>The Waste Plan (Policy 3.1.5) states that the Councils will jointly make the most effective and efficient use of York Valley and Eves Valley landfill space. In order to achieve this the Waste Plan states (Method 3.1.5.1):</p> <p><i>The Councils will investigate a joint landfill solution as a matter of priority in the first year this plan is operative (and the options will include using one landfill as a regional facility serving both Districts or that the two landfills will be used for separate materials).</i></p> <p>The Waste Plan (Policy 3.1.6) also states that the Councils are to ensure jointly that there is landfill capacity in the two Districts for the safe disposal of waste. To achieve this policy, the plan (Method 3.1.6.1) states:</p> <p><i>The Councils will continue to provide a landfill disposal service for the disposal of approved waste that is sourced from within the Districts.</i></p>
<i>Last review</i>	<p>This is the first review of the service under S17a of the LGA 2002.</p> <p>Council has reviewed the service delivery component of landfilling every time the contract has come up for renewal. Downers have the current contract to manage and operate the landfill. This contract commenced on 1 July 2010 for 2 years with options of renewing it for 1 more year on four additional occasions. The four 1-year</p>

	<p>extensions have occurred up to 30 June 2016. Given the proposal to establish a regional landfill, the contract was extended for another year until 30 June 2017.</p> <p>Council has worked alongside Tasman District Council to complete an extensive review of the region's waste management with the Waste Plan approved in 2012.</p>
<i>Performance</i>	<p>Performance is measured through levels of service.</p> <p>Council is generally meeting its levels of service targets and measures. One of the targets is that rates are not required to support solid waste activities and currently it meets this target by utilising income from landfill fees and charges and from bag sales.</p>
<i>Cost</i>	<p>The landfill costs between \$1.3-\$1.4 million per year to operate. This equates to around \$42-\$44/tonne. These costs have not changed much over the last 3 years and are forecasted to be similar over the next 10 years.</p> <p>Within the last 3 years there was capital investment of around \$1.6 million in a new road to the landfill face, and \$40,000 for additional gas collection reticulation and a monitoring well at the landfill.</p> <p>There is some minor capital expenditure identified for the landfill over the next 10 years. These comprise \$33,000 for additional gas collection reticulation, \$36,000 for planting and \$120,000 for resealing the access road.</p> <p>At this stage Council has determined that the landfill operation will be self-funding i.e. there will be no rate input.</p>



<b>PART II: DECISION TO REVIEW</b>	
<i>Why is the review required (S17A(2))</i>	The Joint Waste Minimisation and Management Plan has identified a further objective to establish a regional landfill. This is a significant change for both Councils as it involves sharing control of the regional landfilling. Currently both Councils own and operate their own landfills.
<i>Does the cost of undertaking the review outweigh the benefits (s17A(3))</i>	<p>As the review can draw on material already developed as part of exploring the regional landfill proposal, the cost is relatively low and the potential benefit from the change could be substantial.</p> <p>The combined cost of landfilling operations for both Councils is around \$2.6-\$2.8 million per year. It is anticipated that savings will accrue in combining the landfilling operations into a single landfilling operation. The savings amount to around \$300,000 per year shared between the two Councils. These savings are a result of reduced landfill overheads and economies of scale in dealing with increased volumes at one regional landfill. There are also savings in future capital investment in that both Councils will share the cost of that investment rather than funding separate landfills on their own.</p>
<i>Recommendation whether or not to review this service more fully</i>	The recommendation is to fully review this service.
<i>Place in review programme</i>	This review aligns with the next steps from the Waste Plan. It is urgent as Council is moving towards finalising an agreement to form a Regional Landfill Business Unit that will involve combining both Nelson City and Tasman District Councils' landfilling operations. The intention is to have this effective from 1 July 2017.

<b>PART III: ANALYSIS OF OPTIONS S17A(4)</b>	
1. Governance, funding and delivery by Nelson City Council	<p>This is an option, as Council currently undertakes the governance and funding functions.</p> <p>However this option would require Council bringing the service delivery component back in-house. Council does not currently have the in-house expertise or resources to undertake the service delivery aspect of this option. It would need to recruit expertise, purchase plant and equipment to successfully transition the landfill delivery back in-house. Although viable, it is not a recommended option.</p>
2. Governance and funding by Nelson City Council with delivery by a CCO wholly owned by Nelson City Council	<p>This is an option as Council currently undertakes the governance and funding functions and has a wholly owned CCO (Nelmac). This option could be implemented when the current contract with Downer expires (30 June 2017) and would require direct engagement of Nelmac. This option could generate cost savings, however unlikely as the current contract is subject to fiscal tension in procurement which Nelmac could bid for on the open market. Although a viable option, it is not recommended.</p>
3. Governance and funding by Nelson City Council with delivery by a CCO partly owned by Nelson City Council and partly owned by other local authorities	<p>This is not an option as no CCO exists that is partly owned by NCC and other local authorities in this region that can operate landfills.</p>
4. Governance and funding by Nelson City Council with delivery by another local authority	<p>This is an option; however, it would require Tasman District Council to take over the management of the York Valley landfilling operation. Although a viable option, additional efficiencies and cost savings are unlikely to accrue. It is unlikely that any other council in the top of the South Island would be in a better position than Tasman District Council. This option is not recommended.</p>
5. Governance and funding by Nelson City Council with delivery by a person or agency not listed above.	<p>This is the status quo option with Council delivering the governance and funding functions, with the delivery of the service through a contract for day-to-day management of the landfill (Downer).</p>

	<p>The approved Waste Plan supports further costs savings through the combining of Tasman District Council and Nelson City Councils waste management programme that would not be realised through a continuance of this option.</p> <p>This is a viable option but would not see further cost efficiencies realised therefore not recommended at this stage.</p>
6. Governance and funding by joint committee or other shared governance with delivery by Nelson City Council.	<p>Council could form a joint committee with another council. However, having a joint committee at the governance and funding level with service delivery undertaken by Council would probably not improve efficiencies or cost savings.</p> <p>Council does not currently have the in-house expertise or resources to undertake the service delivery aspect of this option. It would need to recruit expertise, purchase plant and equipment to successfully transition the landfill delivery back in-house. Although viable, it is not a recommended option.</p>
7. Governance and funding by joint committee or other shared governance with delivery by a CCO wholly owned by Nelson City Council.	<p>Council could form a joint committee with another council to undertake the governance and funding functions. Council has a wholly owned CCO (Nelmac). This option could be implemented when the current contract with Downer expires (30 June 2017) and would require direct engagement of Nelmac. This option could generate cost savings, however unlikely as the current contract is subject to fiscal tension in procurement, which Nelmac could bid for on the open market. Although this is a viable option, it is not recommended.</p>
8. Governance and funding by joint committee or other shared governance with delivery by a CCO partly owned by Nelson City Council and partly owned by other parties.	<p>Council could form a joint committee with another council to undertake the governance and funding functions. This option would require Council to establish a jointly owned CCO with another Council to undertake the service delivery function. Tasman District Council would be the most logical option. Tasman District Council does not currently have a CCO that operates in the solid waste activity, and have not indicated any intention to establish one, so this option is not considered viable.</p>
9. Governance and funding by joint committee or other shared governance with	<p>Council could form a joint committee with another council to undertake the governance and funding functions. This option would require the service</p>

delivery by another local authority.	delivery to be undertaken by another Council. The Tasman District Council would be the most logical option. However, Tasman District Council does not currently have a CCO that operates in the solid waste activity, and have not indicated any intention to establish one. It is unlikely that any other council in the top of the South Island would be in a better position than Tasman District Council, so this option is not considered viable.
10. Governance and funding by joint committee or other shared governance with delivery by a person or agency not listed above.	<p>This option is currently being pursued by both Nelson City and Tasman District Councils. Both Councils have approved a Joint Waste Plan and are working to establish a Regional Landfill Business Unit. This includes a joint committee that will deliver the governance and funding functions.</p> <p>It is expected that service delivery is likely to be contracted out in the same manner as undertaken now.</p> <p>This option is the preferred option as it will result in cost efficiencies (up to \$300,000 per year), reduction in waste volumes, improved relationships with other local authorities, and improvement in services.</p>
11. Other reasonably practicable options (identify in detail).	No further options have been identified through this review.
<b>Conclusion: Which of the above options is most cost effective?</b>	Option 10 comprising the establishment of the RLBU with a joint committee with Tasman District Council and the service delivery function contracted out is considered the most cost-effective option.
Recommendations from the service delivery reviews	<p>The recommendation is to implement the Regional Landfill Business Unit (Option 10) as it is the most cost-effective option. It involves establishing a Joint Committee with Tasman District Council, combining both Council's landfilling operations and delivering a regional landfilling service.</p> <p>Option 10 has already been subject to consultation by both Nelson City and Tasman District Councils. It has been included in the Nelson's Annual Plan 2016/17 and as a variation to Tasman's Long-Term Plan 2015-25. No further consultation is considered necessary.</p>

	<p>The governance and funding components have been incorporated into Option 10 with a draft Deed of Agreement and Terms of Reference developed for its establishment. Under Option 10 the current service delivery contracts will be out-sourced- a continuation of what is currently undertaken by Council.</p>
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## Minutes of a meeting of the 80 Scotia Street Road Stopping Hearing Panel

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

On Tuesday 30 August 2016, commencing at 9.06am

Present: Councillors E Davy (Chairperson), L Acland, and M Lawrey

In Attendance: Councillor I Barker, Group Manager Corporate Services (N Harrison), Engineering Adviser (S McAuley), Property Officer – Contractor (D Brazier), and Administration Adviser (S Burgess)

### 1. Apologies

There were no apologies

### 2. Appointment of Chairperson

Resolved

***THAT Councillor Davy be appointed Chairperson of the 80 Scotia Street Road Stopping Hearing Panel.***

Acland/Lawrey

Carried

### 3. Confirmation of Order of Business

There was no change to the order of business

### 4. Interests

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

### 5. Terms of Reference

The terms of reference were noted.

## 6. Reference Documents

The reference documents were noted. Ms McAuley highlighted the updated traffic statistics had been requested by councillors.

## 7. Hearing

### 7.1 George and Juliet Cole

Mr and Mrs Cole raised the following points:

- The original plan had shown a single garage, but it now appeared there would be a double garage, which could mean an increase in vehicle movements.
- It was dangerous to back out of driveways on a slope as drivers could not see the road clearly. They asked if the development would include a driveway space level with the footpath.
- The overgrown foliage in the area contributed to the poor visibility for drivers.
- The applicant had previously tried to arrange access to the back section from the long driveway off 80 Scotia Street, but this had been opposed by concerned residents.
- There were many rental properties in the area, contributing to a changing resident base. Many of the rental properties had two to three vehicles per house.
- There had been two previous accidents on the corner in question.
- Drivers in the area tended to speed on Scotia Street.
- There was a lack of street lighting on the corner in question.
- Their main concern was safety for residents and road users on that corner.
- A footpath in the area could assist in solving some of the safety issues on the corner.
- The road stopping had been advertised as 80 Scotia Street, when really the proposal was to enter from the road above, which may have resulted in less feedback from residents in that area.
- The application had been drawn out over several years, using time and resources.

## 7.2 Tony Patrick

Mr Patrick raised the following points:

- Safety was a big concern in the neighbourhood.
- The line of sight coming down Scotia Street was poor in that area, and entering a driveway on that corner would effectively be crossing a blind corner.
- The nearby path to a local park was used frequently by children and residents, resulting in many people using the area with no footpath.
- The street was very narrow and there were often many vehicles parked on the street.
- It was not usually local road users causing any issues, it was those using the road as a thoroughfare, with many 'hoons' on weekend nights.
- Street lighting was needed on the corner in question.
- When there was traffic congestion on Whakatu Drive and Waimea Road in peak hours, many people used Scotia Street and Beatson Road to cut through the traffic.

## 8. Summary

The Panel and officers noted the following:

- The purpose of the Panel was to focus on matters relating to the proposed road stopping at 80 Scotia Street, not to consider resource management/consent issues which were a separate matter.
- It was difficult to determine the outcome of the development in terms of additional vehicle movements created, for either the exit at the top of the section, or at 80 Scotia Street.
- It could be that development on the corner would encourage drivers to slow down.
- The resource consent had already been granted for the development, subject to the Panel's road stopping decision.
- Under the Land Development Manual, a flat section of driveway was required before driving across a footpath. There was also a requirement for 45m in visibility in each direction when exiting a driveway, and the application had met this criteria.



- A turning area in the driveway had been stipulated as part of the resource consent, so that occupants would not back out onto the street.
- The resource consent had specified that a platform for a footpath was required.
- The development did not particularly offer any advantages in terms of safety in the area, but would not make any issues worse.
- The key concern of officers was vehicles turning right into the driveway from the north.
- Installing street mirrors would improve visibility but could not be relied upon as a safety solution.
- Improvements to the area in terms of a footpath and street lighting could be considered as part of the annual plan process.
- The meeting to deliberate on the road stopping of 80 Scotia Street was set for 9.00am Wednesday 7 September 2016.

There being no further business the meeting ended at 10.09am.

Confirmed as a correct record of proceedings:

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

80 Scotia Street Road Stopping Hearing Panel Minutes  
30 August 2016

A1618660 - 80 Scotia Street Road Stopping Hearing Panel Minutes 30Aug2016

A1618660

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**Minutes of a meeting of the Hearings Panel - Other**

**Held in Ruma Mārama**

**On Tuesday 6 September 2016, commencing at 9.00am**

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Present: Councillors I Barker (Chairperson), and B McGurk

In Attendance: Investigator/Contracts Supervisor (M Hollows), Roothing Network Coordinator (T Chapman), Administrator (M Ramsay), and Administration Adviser (L Canton)

Apology: Councillor E Davy

**1. Apologies**

Resolved

**Receive and accept the apology from Councillor Davy.**

Barker/McGurk

Carried

**2. Confirmation of Order of Business**

The Chairperson noted that Councillor McGurk replaced Councillor Davy on the Hearings Panel.

**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. Temporary Road Closures (Football, Masked Parade, Santa Parade, New Year's Eve Countdown, Buskers Festival, Trolley Derby, Celtic Band Competition)**

Document number A1612192, agenda pages 5-36 refer.

Investigator/Contracts Supervisor, Mark Hollows, presented the report.

Hearings Panel - Other  
Tuesday 6 September 2016

1A1621801 - Hearings Panel - Other Minutes 6Sep2016

Mr Hollows noted a correction to the final clause of the recommendation in the officer report saying that officers specifically recommended Option 1 for the National Celtic Pipe Band Competition road closure.

Mr Hollows advised that after agenda had been issued, the Masked Parade event organiser had requested a change to the timing of the road closures set out in Figure 3 of Attachment 1, to allow for staging setup as follows:

1. On 21 October for Hardy Street from Church Street to Trafalgar Street to close at 2pm instead of 9am; and
2. On 21 October for Hardy Street from Trafalgar Street to Collingwood Street to close at 2pm instead of 4pm

In response to questions, Mr Hollows said that the altered times would need to be advertised if the Panel approved them. He confirmed that the organiser of the Saturday market had been consulted on the proposed closure details.

Resolved

***THAT the report Temporary Road Closures (Football, Masked Parade, Santa Parade, New Year's Eve Countdown, Buskers Festival, Trolley Derby, Celtic Pipe Band Competition) (A1612192) and its attachments (A1618632 & A1618919) be received;***

McGurk/Barker

Carried

With regard to the Masked Parade event organiser's request for altered timings, the Panel expressed concern about the potential effect on retailers.

The panel discussed the proposed closure for the National Celtic Pipe Band competition and considered the feedback provided.

Mr Hollows advised that the address for Feedback 4 - Hogeys Surf was incorrect as the business had relocated to the corner of Hardy and Church Streets and was therefore not directly affected by Option 1.

The panel noted that in considering its decision on the proposed road closure, it anticipated that Cheapskates would take advantage of the offers made to the business by the event organiser.

The panel considered the recommendation in the officer report clause by clause.

Resolved

**AND THAT the Hearings Panel – Other approves the application for the temporary road closures for the Wellington Phoenix vs Central Coast Mariners football match on Saturday 24 September 2016;**

McGurk/Barker

Carried

Resolved

**AND THAT the Hearings Panel - Other approves the application with amended times as requested by the event organiser for the Masked Parade on Friday 21 October 2016 (with Saturday 22 October 2016 as the alternative date in case of inclement weather) subject to the event organiser obtaining written consent from affected retailers on Hardy Street;**

McGurk/Barker

Carried

Resolved

**AND THAT the Hearings Panel – Other approves the application for the Santa Parade on Sunday 4 December 2016 (with Sunday 11 December 2016 as the alternative date in case of inclement weather);**

McGurk/Barker

Carried

Resolved

**AND THAT the Hearings Panel – Other approves the application for the New Year's Eve Countdown from Saturday 31 December 2016 until Sunday 1 January 2017;**

McGurk/Barker

Carried

Resolved

**AND THAT the Hearings Panel – Other approves the application for the Buskers Festival from 8 am until 4 pm from Thursday 2 February 2017 until Saturday 4 February 2017;**

McGurk/Barker

Carried

Resolved

**AND THAT the Hearings Panel – Other approves the application for the Collingwood Street trolley**

Hearings Panel - Other  
Tuesday 6 September 2016

**derby on Saturday 11 March 2017 (with Saturday 18 March 2017 as the alternative date in case of inclement weather);**

McGurk/Barker

Carried

Resolved

**AND THAT the Hearings Panel – Other approves Option 1 in the application for the National Celtic Pipe Band Competition on Saturday 11 March 2017.**

McGurk/Barker

Carried

There being no further business the meeting ended at 9.39am.

Confirmed as a correct record of proceedings:

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

A1621801

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Hearings Panel - Other  
Tuesday 6 September 2016

A1621801 - Hearings Panel - Other Minutes 6Sep2016

## Minutes of a meeting of the 80 Scotia Street Road Stopping Hearing Panel Deliberations

**Held in Ruma Marama, Civic House, 110 Trafalgar Street, Nelson**

**On Wednesday 7 September 2016, commencing at 9.02am**

Present: Councillors E Davy (Chairperson), L Acland, and M Lawrey

In Attendance: Group Manager Infrastructure (A Louverdis), Senior Asset Engineer – Transport and Roading (R Palmer), Engineering Adviser (S McAuley), Property Officer – Contractor (D Brazier), and Administration Advisers (S Burgess and J McDougall)

### 1. Apologies

There were no apologies.

### 2. Confirmation of Order of Business

There was no change to the order of business.

### 3. Interests

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

### 4. Confirmation of Minutes – 30 August 2016

Document number A1618660

Resolved

***That the minutes of the meeting of the 80 Scotia Street Road Stopping Hearing Panel, held on 30 August 2016, be confirmed as a true and correct record.***

Davy/Lawrey

Carried

80 Scotia Street Road Stopping Hearing Panel Deliberations  
7 September 2016

## 5. Deliberations Report

Document A1620383

The final page of the report, which had been omitted in error, was tabled at the meeting (A1623709 – “Important considerations for decision making”).

Resolved

### ***Receives the 80 Scotia Street Road Stopping - Deliberations Report (A1620383)***

Davy/Acland

Carried

Road safety concerns raised in the submissions and by the objectors at the hearing on 30 August 2016 were discussed. In response to a question, Engineering Adviser Sue McAuley advised that if the road were stopped, two metres of road reserve would remain which could accommodate chevrons or warning signs if required.

In response to a question, Ms McAuley advised that it was the responsibility of Council to keep the vegetation cut back to ensure maximum visibility for vehicles as this was Council reserve.

It was suggested that if the road was stopped the change might make drivers more cautious and this could enhance road safety in Scotia Street.

Councillor Acland asked for it to be noted in the minutes that safety concerns could not be addressed by the Hearing Panel as its' role was to consider whether the stopping of the road reserve would compromise any possible future use of the road reserve.

Resolved

### ***Rejects all objections received and, under Schedule 10, Section 5 of the Local Government Act 1974, refers the matter to the Environment Court.***

Acland/Lawrey

Carried

There being no further business the meeting ended at 9.23am.

Confirmed as a correct record of proceedings:

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

A1625199