



---

## **Minutes of a meeting of the Governance Committee**

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

**On Thursday 6 September 2018, commencing at 9.00a.m.**

---

**Present:** Councillor I Barker (Chairperson), Her Worship the Mayor R Reese (via audio link), Councillors L Acland, M Courtney, B Dahlberg (Deputy Chairperson), G Noonan, M Rutledge, T Skinner, S Walker, Mr J Murray and Mr J Peters

**In Attendance:** Councillors B McGurk and P Matheson, Chief Executive (P Dougherty), Group Manager Infrastructure (A Louverdis), Group Manager Community Services (R Ball), Group Manager Corporate Services (N Harrison), Group Manager Strategy and Communications (N McDonald), Team Leader Governance (R Byrne), Governance Adviser (E Stephenson) and Youth Councillors Cassie Hagan and Nathanael Rais.

**Apologies:** Nil

### **1. Apologies**

There were no apologies.

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

The Chairperson advised that Her Worship the Mayor was participating via audio link.

### **3. Interests**

There were no updates to the Interests Register. Mr John Murray subsequently declared an interest with Item 5 – Strategic Property Matters of the Public Excluded Agenda.

#### 4. Public Forum

- 4.1 Public Forum - Erica Richards and James Scoltock, from Vertical Limits - exploring the option of leasing or purchasing the Reliance Engineering Building

Ms Richards and Mr Scoltock tabled supporting information. They advised that they had recently made a presentation to the Sports and Recreation Committee to speak about their current building being demolished, that they were looking for a new location, and were interested in leasing the Reliance Building. They answered questions regarding the minimum lease term required, their purchase of land on Vanguard Street and other possible suitable locations.

##### Attachments

- 1 A2054767 - Public Input Erica Richards and James Scoltock, Vertical Limits - tabled documents

#### 5. Confirmation of Minutes

- 5.1 26 July 2018

Document number M3639, agenda pages 9 - 15 refer.

Resolved GOV/2018/051

***That the Governance Committee***

***Confirms the minutes of the meeting of the Governance Committee, held on 26 July 2018, as a true and correct record.***

Dahlberg/Courtney

Carried

#### 6. Forestry Advisory Group Minutes 15 March and 12 June 2018

Document number R9651, agenda pages 16 - 26 refer.

Resolved GOV/2018/052

***That the Governance Committee***

***Receives the confirmed minutes from a Forestry Advisory Group meeting held on 15 March 2018 (A1938629); and***

***Receives the unconfirmed minutes from a Forestry Advisory Group meeting held on 12 June 2018 (A1986426).***

Murray/Her Worship the Mayor

Carried

**7. Chairperson's Report**

Document number R9648, agenda pages 27 - 76 refer.

The Chairperson spoke to his report, noting that the results of the Nelson Governance Diagnostic Survey and the Committee's work programme were attached. Discussion took place regarding next steps in the survey process, individual discussions with councillors, opportunities for improvement, changes to the Council structure, new staff as a result of the Long Term Plan and training for councillors. Councillors who had not completed the questionnaire were encouraged to do so with urgency to provide a more balanced picture.

Resolved GOV/2018/053

***That the Governance Committee***

***Receives the report Chairperson's Report (R9648) and its attachments (A2037895 and A2040163).***

Barker/Dahlberg

Carried

**8. Nelson Enterprise Loan Trust - rollover of loan due July 2018**

Document number R8221, agenda pages 77 - 89 refer.

Group Manager Corporate Services, Nikki Harrison, noted that updated financial statements were attached to the report and answered questions regarding the Trust's:

- ability to achieve a sustainable business model
- change in status from a charitable trust
- reduction in equity
- reasonably strong balance sheet
- high repayment rate.

Resolved GOV/2018/054

***That the Committee***

***Receives the report Nelson Enterprise Loan Trust - rollover of loan due July 2018 (R8221) and its attachments (A2024109 and A2038277).***

Noonan/Courtney

Carried

Recommendation to Council GOV/2018/055

***That the Council***

***Approves rolling over the interest free loan to Nelson Enterprise Loan Trust for a further one year through to September 2019 while a sustainable business model is developed by the Board.***

Noonan/Courtney

Carried

## **9. Nelson Centre of Musical Arts - Funding**

Document number R9535, agenda pages 90 - 96 refer.

Group Manager Community Services, Roger Ball, acknowledged Roger Taylor (Chair) and James Donaldson (Director) of the Nelson Centre of Musical Arts (NCMA) and answered questions regarding:

- unbudgeted expenditure and ability to accommodate within existing budgets
- the amount of rates surplus
- the additional amount was to support additional community outcomes
- the Long Term Plan (LTP) process
- a mechanism to adjust the amount in the LTP to \$150,000 for 10 years
- monitoring and reporting back on the additional funding.

Resolved GOV/2018/056

***That the Governance Committee***

***Receives the report Nelson Centre of Musical Arts - Funding (R9535) and its attachment (A2037803);***

Noonan/Dahlberg

Carried

Recommendation to Council GOV/2018/057

***That the Council***

***Approves the allocation of \$25,000 unbudgeted expenditure to increase the operational grant of the Nelson Centre of Musical Arts from \$125,000 to \$150,000 for financial year 2018/19.***

Noonan/Dahlberg

Carried

The meeting was adjourned 10.45a.m. and reconvened at 11.01a.m.

Item 11 - Septura Residency for Brass Instrument Performers was considered prior to Item 10 – Consultation on International Visitor Conservation and Tourism Levy.

**10. Event funding - Septura Residency for Brass Instrument Performers (Agenda Item 11)**

Document number R9677, late items agenda pages 1 - 5 refer.

Group Manager Strategy and Communications, Nicky McDonald and Executive Officer, Michelle Joubert, answered questions and discussion took place regarding:

- Nelson as the location for a national event
- the obligation to provide student accommodation and support
- the event did meet the criteria for the Events Fund, but the Fund was committed
- this would be unbudgeted funding
- the risk of reputational damage if the event did not take place
- concerts associated with the event
- the need to address the Events Fund with transitional reserve funding.

The word 'unbudgeted' was added to the motion for clarification.

Resolved GOV/2018/058

***That the Governance Committee***

***Receives the report Event funding - Septura Residency for Brass Instrument Performers (R9677).***

Skinner/Courtney

Carried

Recommendation to Council GOV/2018/059

***That the Council***

***Approves unbudgeted funding of \$15,000 for the Septura Residency for Brass Instrument Performers event to support the Nelson Centre of Musical Arts as it seeks to maximise its newly renovated venue.***

The motion was put and a division was called:

<u>For</u>	<u>Against</u>	<u>Abstained/ Interest</u>
Councillor Barker (Chairperson)	Cr Noonan	
Her Worship the Mayor Reese	Cr Rutledge	
Cr Acland	Cr Skinner	
Cr Courtney		
Cr Dahlberg		
Cr Walker		
Mr Murray		
Mr Peters		

The motion was carried 8 - 3.

Acland/Courtney

Carried

**11. Consultation on International Visitor Conservation and Tourism Levy (Agenda Item 10)**

Document number R9559, agenda pages 97 - 124 refer.

Group Manager Corporate Services, Nikki Harrison, and Chief Executive Pat Dougherty, answered questions and discussion took place regarding:

- Council did not make a submission as the expectation was that the Nelson Regional Development Agency (NRDA) would submit
- the lack of resources required to draft a submission
- Council's approach to its submissions to government entities
- Council still had a role to submit, it needed to have a voice on this important issue
- the value of tourism in a region under pressure, the impact of increasing visitors and how to fund facilities under pressure
- the need for Top of the South discussions
- whether Council could make a late (proforma) submission reinforcing the NRDA submission and adding any relevant points.

A clause was added to the motion that the Mayor, Chair and Deputy Chair of Governance review the submissions and work on a late

submission, which would then be reported to the next Governance Committee meeting.

Resolved GOV/2018/060

***That the Governance Committee***

***Receives the report Consultation on International Visitor Conservation and Tourism Levy (R9559) and its attachments (A2016289, A2025105 and A2037217); and***

***Notes the content of the submissions from Nelson Regional Development Agency, Tasman District Council, and Local Government New Zealand; and***

***Approves Her Worship the Mayor, the Chair and Deputy Chair of the Governance Committee to review the Nelson Regional Development Agency, Tasman District Council, and Local Government New Zealand submissions and consult with Marlborough District Council with a view to making a late submission.***

Noonan/Rutledge

Carried

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

Iain Sheves of Wakatu Inc and Steve Baigent, Patrick Shone, Viesturs Altmants and Liz Crawshaw of Cephass, were in attendance for Item 5 of the Public Excluded agenda to answer questions and, accordingly, the following resolution was required to be passed:

Resolved GOV/2018/061

***That the Governance Committee***

***Confirms, in accordance with section 48(5) of the Local Government Official Information and Meetings Act 1987, Iain Sheves of Wakatu Inc, Steve Baigent, Patrick Shone, Viesturs Altmants and Liz Crawshaw of Cephass remain after the public has been excluded, for Item 5 of the Public Excluded agenda (Strategic Property Matters), as they have knowledge that will assist the Council; and***

***Notes, in accordance with section 48(6) of the Local Government Official Information and Meetings Act 1987, the knowledge that Iain Sheves, Steve Baigent, Patrick Shone, Viesturs***

***Altments and Liz Crawshaw possess relates to strategic property matters.***

Dahlberg/Noonan

Carried

Recommendation

***That the Governance Committee***

***Excludes the public 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>Governance Committee Meeting - Public Excluded Minutes - 26 July 2018</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7.	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</li> </ul>
<b>2</b>	<b>The Bishop Suter Trust - reappointment of Trustees</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> <li>Section 7(2)(a) To protect the privacy of natural persons, including that of a deceased person</li> </ul>
<b>3</b>	<b>Nelmac Director Remuneration - 2018</b>	Section 48(1)(a)  The public conduct of this matter would be likely to result in disclosure of	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</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)
		information for which good reason exists under section 7	disadvantage, negotiations (including commercial and industrial negotiations)
4	<b>Nelmac Matters</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)(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>
5	<b>Strategic Property Matters</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>

The meeting went into public excluded session at 11.39a.m. and resumed in public session at 4.25p.m.

There being no further business the meeting ended at 4.25p.m.

Confirmed as a correct record of proceedings:

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