



A G E N D A

Council

Council Chambers

Thursday

19 December 2013

commencing at 9.00 am

His Worship the Mayor, M.T. Havill (**Chairperson**)

Cr. J.H. Butzbach, Cr. P.M. Cox, Cr.

M.S. Dawson, Cr. D.G. Hope,

Cr. A.R. Keenan, Cr. L.J. Martin, Cr. M.D. Montagu, Cr. C.A. van Beek



COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 19 DECEMBER 2013 COMMENCING AT 9.00 AM

Tanya Winter

Council Vision

"Westland will, by 2030, be a world class tourist destination and have industries and businesses leading through innovation and service.

This will be achieved by:

- *Involving the community and stakeholders*
- *Having inspirational leadership*
- *Having expanded development opportunities*
- *Having top class infrastructure for all communities*
- *Living the '100% Pure NZ' brand*

"Westland, the last best place"

Chief Executive

12 December 2013

Purpose:

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

(a) To enable democratic local decision-making and action, by and on behalf of, communities; and To meet the 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

1. MEMBERS PRESENT AND APOLOGIES:

1.1 Apologies.

1.2 Register of Conflicts of Interest.

2. CONFIRMATION OF MINUTES:

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Ordinary Meeting – 28 November 2013. (Pages 5-17)

2.2 Minutes and Reports to be received

2.2.1 Minutes of the Public Excluded portion of the Westland District Council Meeting, held on Thursday 28 November 2013.

(Refer Public Excluded Minutes).

3. PUBLIC FORUM

4. REPORTS

4.1 Mayor's Report.

A verbal update will be provided by Mayor Havill.

4.2 CCTO Annual Report. (Pages 18-20)

Graeme King, Chairman of Westland Holdings Limited will be in attendance at the meeting at 9.30 am.

4.3 Big Brothers Big Sisters of Westland. (Pages 21-23)

4.4 Council Meeting 2014. (Pages 24-28)

4.5 Hokitika Memorial Hall (RSA Building). (Pages 29-38)

4.6 Improvements to Council Building at 36 Weld Street. (Pages 39-43)

4.7 Section 33 RMA: Transfer of Functions. (Pages 44-182)

Submitters will be in attendance at the meeting at 11.00 am.

4.8 Special Consultative Procedure to Revoke the Jackson Bay Wharf Bylaw 2001. (Pages 183-195)

4.9 Credit Card Limit Increase. (Pages 196-198)

5. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

5.1 Confidential Minutes.

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

	GENERAL SUBJECT OF THE MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO THE MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
1.	Confidential Minutes	To protect the privacy of individuals/organisations under Section 7(2) (a) and (i)	48(1)(a)(i) & (d)

**Date of Next Ordinary Council Meeting
27 February 2013
Council Chambers, 36 Weld Street, Hokitika.**

Ordinary Council Minutes

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE "THEATRE ROOM", DEPARTMENT OF CONSERVATION VISITOR CENTRE, FRANZ JOSEF/WAIAU ON THURSDAY 28 NOVEMBER 2013 COMMENCING AT 9.00 AM

1. MEMBERS PRESENT

His Worship the Mayor, M.T. Havill

Deputy Mayor Cr. P.M. Cox

Cr. J.H. Butzbach, Cr. M.S. Dawson, Cr. D.G. Hope, Cr. A.R. Keenan, Cr. L.J. Martin, Cr. M.D. Montagu, Cr. C.A. van Beek.

1.1 Apologies

Nil.

Also In Attendance

T.L. Winter, Chief Executive; V. Goel, Group Manager: District Assets; S.H. Halliwell, Acting Group Manager Corporate Services; R.C. Simpson, Manager Planning and Regulatory; D.M. Maitland, Executive Assistant.

The following staff members were in attendance for part of the meeting:

P.G. Anderson, Team Leader – Operations; and P.A. Cannell, Supervisor – 3 Waters.

1.2 Register of Conflicts of Interest

The Conflicts of Interest Register was circulated and amendments were noted.

2. CONFIRMATION OF MINUTES:

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Ordinary Meeting – 31 October 2013

Moved Deputy Mayor Cox, seconded Cr van Beek and **Resolved** that the Minutes of the Ordinary Meeting of Council held on the 31 October 2013 be confirmed as a true and correct record of the meeting.

2.2 Minutes and Reports to be received

2.2.1 Minutes of the Public Excluded portion of the Westland District Council Meeting, held on Thursday 31 October 2013.

(Refer Public Excluded Minutes).

3. PUBLIC FORUM

Mr Lindsay Molloy, Chairman of the Harihari Community Association, attended the meeting and gave some background information with regard to the proposed Harihari Community Centre.

Mr Molloy made available the results of the Postal Votes returned to the Harihari Community Association requiring a “yes” or “no” to the new facility to proceed. He further advised that the results of the voting were 67 people in favour and 42 not in favour of the new facility proceeding. There were 3 informal votes.

The results of the postal voting had been signed by three Justices of the Peace.

Mrs Shirley Black was in attendance at the meeting and read out the letter she had read to the Council on the 28 March 2013. Mrs Black spoke in support of the Harihari Community Centre.

Mr John McIntosh was in attendance at the meeting and spoke in support of the proposed Harihari Community Centre.

His Worship the Mayor thanked the Harihari Community Association and tabled the results of the referendum to Council.

4. REPORTS

4.1 Reports from Councillors

4.1.1 Councillor Murray Montagu. – Ross Centennial Hall

Cr Montagu spoke to this report to Council.

Moved Cr Montagu, seconded Cr van Beek and **Resolved** that the report from Cr Montagu be received.

4.2 2012/2013 Annual Report

Stephen Halliwell, Acting Group Manager - Corporate Services spoke to this report and advised that the Auditor has signed an Audit Opinion. Mr Halliwell advised that a copy of the 2012/2013 Annual Report had been tabled.

His Worship the Mayor thanked Tanya Winter, Chief Executive and staff for compiling the 2012/2013 Annual Report.

Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that:

- A) Council adopt the 2012/2013 Audited Annual Report.
- B) Council notes that the Chief Executive will prepare and publish the Summary Annual Report, making it available on the Council's Website, Council's Customer Service Centre, and at the Westland District Library.

Cr Hope and Cr Keenan recorded their votes against the motion.

4.3 Quarterly Performance Report – 1 July 2013 to the 30 September 2013.

Stephen Halliwell, Acting Group Manager – Corporate Services spoke to this report.

The meeting then adjourned for morning tea at 10.36 am and reconvened at 10.53 am.

Moved Cr Dawson, seconded Cr Martin and **Resolved** that the Quarterly Performance Report for the period 1 July 2013 to the 30 September 2013 be received.

4.4 Proposed Harihari Community Centre.

Moved Cr Hope, seconded Cr Butzbach and **Resolved** that Council reconfirm the level of community support for a Community Facility at Harihari.

4.5 Code of Conduct.

Moved Cr Dawson, seconded Cr Martin and **Resolved** that the Code of Conduct for Council be adopted.

4.6 Appointments to Council Committees, CCO's and Outside Organisations.

Moved Cr Martin, seconded Cr Hope and **Resolved** that Council confirm the recommendations for appointments to Committees and CCOs, and liaison roles with outside organisations as follows:

Name of Organisation	Appointment Recommendation
Resource Management Hearings Commissioners Options are to: -Train a couple of Councillors to hear resource consents - Engage independent commissioners for all consent hearings -Identify specified Councillors to sit with independent commissioners.	That Cr van Beek, Cr Butzbach, Cr Martin and Cr Hope be appointed to sit with independent Commissioners in Hearings.
Westland Wilderness Trust This is a CCO and is the governance body for the West Coast Wilderness Trail. As required in the constitution two Council reps are required for this Trust. Other trustees are: <ul style="list-style-type: none">• Francois Tumahai, Te Runanga O Ngati Waewae- Chairperson• Chris Auchinvole MP• Mike Slater, Conservator, Department of Conservation• Cr. Peter Haddock, Grey District Council	That Cr van Beek and Cr Cox be appointed to the Westland Wilderness Trust.

Name of Organisation	Appointment Recommendation
<ul style="list-style-type: none"> Natalie Win, Te Runanga O Makaawhio 	
<p>Alcohol Working Group This group is established by Council to work with staff to implement the requirements of the new Sale and Supply of Liquor Act 2012.</p>	<p>That Cr Martin, Cr Butzbach and Cr Montagu be appointed to the Alcohol Working Group.</p>
<p>West Coast Regional Transport Committee This Joint Committee is a Committee of Council that is required under section 105 of the Land Transport Management Act. Council is required to appoint one elected member as representative on this Committee.</p>	<p>That Cr Hope be appointed to the West Coast Regional Transport Committee.</p>
<p>West Coast Rural Fire District Under the West Coast Rural Fire District Notice 1997 Council is required to appoint one person to the West Coast Rural Fire District. This does not have to be an elected member.</p>	<p>That Cr Hope be appointed to the West Coast Rural Fire District.</p>
<p>West Coast Emergency Management Group Section 13 of the Civil Defence and Emergency Management Act 2002 states that <i>“Each local authority that is a member of a Group with other local authorities must be represented on the Group by 1, and only 1, person, being the mayor or chairperson of that local authority or an elected person from that local authority who has delegated authority to act for the mayor or chairperson”</i>.</p>	<p>That Mayor Havill be appointed to the West Coast Emergency Management Group.</p>
<p>Hokitika Seawall Joint Committee This Joint Committee with the West Coast Regional Council is established to oversee the management of the Hokitika Seawall. Three elected members are required.</p>	<p>That Cr Dawson, Cr Butzbach and Cr van Beek be appointed to the Hokitika Seawall Joint Committee.</p>

Name of Organisation	Appointment Recommendation

LIAISON ROLES WITH COMMUNITY ASSOCIATIONS

Organisation	Recommendation
Kumara Residents Association	That Cr. Montagu and Cr van Beek have a liaison role with the Kumara Residents Association.
Enterprise Hokitika	That Cr Butzbach has a liaison role with Enterprise Hokitika.
Heritage Hokitika	That Cr Keenan and Cr Martin have a liaison role with Heritage Hokitika.
Kokatahi/Kowhitirangi Community Association	That Cr Cox has a liaison role with Kokatahi/Kowhitirangi Community Association.
Ross Community Society	That Cr Keenan and Cr Montagu have a liaison role with the Ross Community Association.
Harihari Community Association	That Cr Cox and Cr Martin have a liaison role with the Harihari Community Association.
Whataroa Community Association	That Cr Cox has a liaison role with the Whataroa Community Association.
Okarito Community Association	That Cr Cox has a liaison role with Okarito Community Association.
Franz Josef Community Forum	That Cr Cox has a liaison role with Franz Josef Community Forum.
Franz Inc.	That Cr Hope and Cr Cox have a liaison role with Franz Inc.
Fox Glacier Community Association	That Cr Hope has a liaison role with the Fox Glacier Community Association.
Glacier Country Tourism Group	That Cr Cox has a liaison role with the

Organisation	Recommendation
	Glacier Country Tourism Group.
Haast Promotions Group	That Cr Hope has a liaison role with the Haast Promotions Group.
Development West Coast – Appointment Panel	That Mayor Havill is appointed to the Development West Coast Appointment Panel.
Heritage West Coast	That Cr Keenan and Cr Martin have a liaison role with Heritage West Coast
Local Government New Zealand & National Council Representative This process is being managed by LGNZ who have called for nominations from all Councils for the roles on National Council.	That Cr Butzbach be nominated for a role on Te Maruata (LGNZ Maori Committee).
Safer Community Council The Safer Community Council’s terms of reference do not stipulate membership, however elected members have attended SCC meetings in the past.	That Cr van Beek has a liaison role with the Safer Community Council.

4.7 Terms of Reference – Executive Committee

The meeting adjourned at 12.08 pm and reconvened at 1.21 pm.

Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that the amended Terms of Reference for the Executive Committee be adopted.

Moved Cr Hope, seconded Cr Montagu, **by way of amendment**, that the membership of the Executive Committee be 4 members, with a quorum of 3; and this be reviewed after a period of 6 months.

The motion was put to the meeting and was lost.

The original motion was put to the meeting and was carried.

Cr Montagu recorded his vote against the motion.

Moved His Worship the Mayor, seconded Cr Dawson and **Resolved** that Deputy Mayor Cox be appointed to the Executive Committee.

Moved Cr Butzbach, seconded Cr Dawson and **Resolved** that the Terms of Reference for the Executive Committee, as amended, be added to Part III of the Delegations Manual – “Delegations to Standing Committees” and that the delegations for and references to the Performance Management, Strategy, Operations, Risk Management and Conduct Review Committees be removed from the Delegations Manual.

Council noted the amendments were:

- The setting of performance objectives for the Chief Executive;
- The setting of remuneration for the Chief Executive.

4.8 Elected Members’ Remuneration – Higher Duties

Deputy Mayor Cox and Cr Dawson declared a Conflict of Interest in this matter and did not take part in the discussion.

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that:

- A) The Deputy Mayor’s salary be submitted to the New Zealand Remuneration Authority at \$21,420.
- B) The Executive Committee Chairperson’s salary be submitted to the New Zealand Remuneration Authority at \$19,125.
- C) The Assessment of Deputy Mayor’s and Executive Committee Chairperson’s Additional Responsibilities be approved, and submits it to the New Zealand Remuneration Authority.

4.9 Elected Members’ Allowances and Recovery of Expenses Policy

Mayor Havill declared an interest in this matter and did not vote on this matter.

Deputy Mayor Cox chaired this section of the meeting.

Stephen Halliwell, Acting Group Manager – Corporate Services spoke to this report. Mr Halliwell circulated His Worship the Mayor and Councillors with a revised sheet regarding “Analysis of Mayor’s Vehicle Options”.

Moved Cr Butzbach, seconded Cr van Beek that Council approve the purchase of a Vehicle of the Mayor's choice up to \$50,000 including on-road-costs plus GST, funded from internal loans.

The motion was put to the meeting and was lost.

Moved Cr Dawson, seconded Cr Martin that Council postpones the consideration of the Mayoral vehicle until the 2014-2015 Annual Plan process and some history as to actual mileage claims to enable Councillors to make a more informed decision.

The motion was put to the meeting and carried.

Moved Cr Martin, seconded Cr Dawson and **Resolved** that:

- A) Council adopt the Elected Members Allowances and Recovery of Expenses Policy with amendments.
- B) The Elected Members Allowances and Recovery of Expenses Policy be sent to the NZ Remuneration Authority for their approval.
- C) The form required by the NZ Remuneration Authority is completed and sent, as soon as all the facts are known, for the Authority to issue a new determination.

His Worship the Mayor resumed chairing the remainder of the Council Meeting.

4.10 Interest Rate Risk Management - Delegations

Moved Cr Hope, seconded Cr van Beek and **Resolved** that:

- A) Council agrees with the interest rate fixing strategy; particularly that core debt will exceed \$13m for at least the next 24 months.
- B) Council create a Treasury Advisory Group.
- C) The members of the Treasury Advisory Group be:
 - i. Cr Dawson
 - ii. Group Manager - Corporate Services
 - iii. Price Waterhouse Coopers Treasury Advisor.

- D) Council delegate responsibility to implement interest rate swaps to fix interest rates on debt to the Finance Manager on the proviso that the decision is within Council Policy parameters; and that the Finance Manager has followed advice from the Treasury Advisory Group.

4.11 The Sale and Supply of Alcohol Act 2012 – Establishment of District Licensing Committee

Richard Simpson, Manager Planning and Regulatory spoke to this report.

Moved Cr Dawson, seconded Cr Hope and **Resolved** that:

- A) Pursuant to Section 193(1) of the Act, the Chief Executive be requested to appoint a Commissioner to the Westland District Licensing Committee.
- B) Pursuant to Section 189(3) of the Act, the Council appoints Councillor Jim Butzbach to be the Deputy District Licensing Committee Chairperson.
- C) Pursuant to Section 192(1), the District Licensing Committee List comprise three persons identified separately.
- D) Pursuant to Section 198 of the Act, the Chief Executive delegate the duties of secretary of the District Licensing Committee to the Manager: Planning and Regulatory and the Group Manager: Planning, Community and Environment.
- E) The Working Party of Cr Butzbach, Cr Martin and Cr Montagu continue through to 18 December 2014.
- F) The Working Party be required to:
1. Consult with the liquor and hospitality industry widely and engage with the Police and Health Authorities for the purposes of considering the best ways for the Council to meet the objectives of the Act;
 2. Consider the Buller and Grey LAP model;
 3. Consider the need or not for a LAP;
 4. Consider the work and decisions of the DLC and report to Council if required.

- G. The delegations be entered into the Council's Delegations Manual.

The meeting adjourned at 2.50 pm to open the Franz Josef Water Treatment Plant and reconvened at 3.34 pm.

4.12 Westland District Council Traffic and Parking Bylaw 2013

Moved Cr Dawson, seconded Cr van Beek and **Resolved** that the:

- A) Council resolution of 26 September 2013 to adopt the Westland District Council Traffic and Parking Bylaw 2013 at Appendix 1 be confirmed.
- B) Exemption to the Traffic and Parking Bylaw is limited to private vehicles owned and operated by volunteer fire fighters.

Cr Martin and Cr Keenan recorded their votes against the motion.

His Worship the Mayor then thanked Richard Simpson for his 36 years of service (from 1977 to 1989 with Westland County Council and from 1989 to the present time with Westland District Council) and wished him well in his future endeavours.

4.13 Revocation of Jackson Bay Wharf Bylaw.

Tanya Winter, Chief Executive spoke to this report.

Moved Cr Montagu, seconded Deputy Mayor Cox that:

- A) Council use a Special Consultative Procedure to propose the revocation of the Jackson Bay Wharf Bylaw 2001 and that a Statement of Proposal be prepared.
- B) Council delegates to Westland District Properties Ltd the setting of fees and charges for the Jackson Bay Wharf and associated facilities in a reasonable commercial manner.

Cr Hope and Cr Keenan recorded their votes against the motion.

After further discussion, it was Moved Cr Montagu, seconded Deputy Mayor Cox that leave be granted to rescind the previous motion.

Moved Cr Hope, seconded Cr Keenan **by way of amendment** that the Council continues to set the fees and charges for Jackson Bay Wharf after considering the recommendation of WDPL.

The amendment was put to the meeting and carried.

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

5. MATTERS CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'

Moved Cr Martin, seconded Cr Butzbach and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 4.00 pm.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

5.1 Confidential Minutes.

5.2 Appointment to Westland Holdings Limited.

5.3 Reseal Contract 13/14/05.

5.4 Appointments to the District Licensing Committee.

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<i>Item No.</i>	<i>Minutes/ Report of</i>	<i>General subject of each matter to be considered</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under Section 48(1) for the passing of this resolution</i>
1.	Minutes	Confirmation of Public Excluded Minutes for October 2013.	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
2.	Report to Council	Appointment to Westland Holdings Ltd	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
3.	Report to Council	Reseal Contract 13/14/05	Good reasons to withhold exists under Section 7.	Section 48(1)(a)
4.	Report to Council	Appointment to the District Licensing Committee	Good reasons to withhold exists under Section 7.	Section 48(1)(a)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

No.	Item	Section
1, 2, 4.	Protection of privacy of natural persons/organisations.	Section 7(2)(a)
3.	Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information.	Section 7(2)(b)(ii)

Moved Cr Martin, seconded Deputy Mayor Cox and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and the public be readmitted at 4.38 pm.

MEETING CLOSED AT 4.39 PM

NEXT MEETING: THURSDAY 19 DECEMBER 2013

To be held in the Council Chambers,
Westland District Council, 36 Weld Street, Hokitika.

Confirmed by:

Mike Havill
Mayor

Date

Report



DATE: 19 December 2013
TO: Mayor and Councillors
FROM: Acting Group Manager - Corporate Services

CCTO ANNUAL REPORTS 2013-14

1.0 SUMMARY

- 1.1 The purpose of this report is to provide Council with the annual report from Westland Holdings Ltd (WHL) and subsidiaries for the year ended 30 June 2013.
- 1.2 This issue arises because it is good practise that Council, as the only shareholder, formally receives the annual report of its subsidiary company.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:
- (b) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (c) To meet the 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.
- 1.4 Council seeks to meet this obligation and the achievement of the District Vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders Having inspirational leadership	Council taking a leadership role to ensure that appropriate accountability measures are in place to report the performance of its subsidiaries.

- 1.1 This report concludes by recommending that Council receive the 2012-13 annual reports from Westland Holdings Ltd and subsidiaries.

2.0 BACKGROUND

- 2.2 In accordance with the Companies Act 1993, WHL is required to have an AGM which the shareholder attends to receive the annual report.
- 2.3 WHL held their AGM on 27 November 2013. This was attended by the Mayor and Chief Executive.
- 2.4 WHL has separately held AGM's as shareholder of its subsidiaries.
- 2.5 Council has not in recent years received the subsidiary annual reports.

3.0 CURRENT SITUATION

- 3.1 The following annual reports are attached:
 - 3.1.1 Westland Holdings Limited
 - 3.1.2 Hokitika Airport Limited
 - 3.1.3 Westland District Properties Limited
 - 3.1.4 Westroads Limited
 - 3.1.4.1 Westroads Greymouth Limited
- 3.2 The reports comply with the Financial Reporting Act 1993 and have been audited by Audit New Zealand.
- 3.3 Council asked the companies to make changes to 2013/14 Statements of Intent in June 2013. These are not reflected in these annual reports.
- 3.4 Council is currently reviewing the CCTO structure and additionally has informally discussed a number of ways of improving transparency of CCO matters to Council.
- 3.5 Mr Graeme King, will be present to report to Council and address any questions.

4.0 OPTIONS

- 4.1 Council should receive these reports and address any matters of concern as part of its consideration of the CCTO review.

5.0 SIGNIFICANCE AND CONSULTATION

5.1 This decision is administrative and therefore of low significance.

5.2 Consultation is not required.

6.0 RECOMMENDATION

A) **THAT** Council receive the 2012-13 Annual Report of Westland Holdings Ltd and subsidiaries.

Stephen Halliwell
Acting Group Manager – Corporate Services

Distributed separately and available on Council's Website:

- Westland Holdings Limited Annual Report for Year Ended 30 June 2013.
- Hokitika Airport Limited Annual Report for Year Ended 30 June 2013.
- Westland District Property Limited Annual Report for Year Ended 30 June 2013.
- Westroads Limited Annual Report for Year Ended 30 June 2013.
- Westroads Greymouth Limited Annual Report for Year Ended 30 June 2013.

Report



DATE: 19 December 2013
TO: Mayor and Councillors
FROM: Community Services Officer

BIG BROTHERS BIG SISTERS OF WESTLAND

1.0 SUMMARY

- 1.1 The purpose of this report is to ask Council to approve closing the Big Brothers Big Sisters cost centre before 31 December 2013 and transferring the balance of funds in it to an account independent of Council.
- 1.2 This issue arises from the disestablishment of the role of the Community Services Officer and the need for Big Brothers Big Sisters of Westland to operate independently of Council.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:
 - (a) To enable democratic local decision-making and action, by and on behalf of communities; and
 - (b) To meet the 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.
- 1.4 Council seeks to meet this obligation and the achievement of the District Vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders.	Big Brothers Big Sisters of Westland becoming a standalone entity.

- 1.5 This report concludes by recommending that Council approve Big Brothers Big Sisters of Westland becoming a standalone entity. The programme already has its own Trust Board which is registered with the Charities Commission.

2.0 BACKGROUND

- 2.1 The Big Brothers Big Sisters of Westland mentoring programme has been in existence for over nine years. It has operated under the umbrella of the Westland District Safer Community Council, under the policies and procedures of Big Brothers Big Sisters of New Zealand which now has over 15 mentoring programmes operating in different parts of New Zealand, (including Westport and Greymouth).
- 2.2 Big Brothers Big Sisters has become New Zealand's biggest mentoring programme and its long term benefits for at risk children/young people in dysfunctional families/whanau are now widely recognised. Locally, the programme has the full support of the Hokitika Police, local iwi, Westland High School, Hokitika Primary School, St Mary's School, Poutini Waiora, Hokitika Ministers Association, Hokitika Health Centre and many local community groups.

3.0 CURRENT SITUATION

- 3.1 The programme currently has 13 local volunteers matched up with vulnerable children/young people who take them out once a week for an outing together to build a long term friendship outside the family/whanau. Two more volunteers have just applied to join the programme.
- 3.2 Westland District Council has provided administration support and co-ordination for the programme to date.

4.0 OPTIONS

- 4.1 Keep the status quo.
- 4.2 Allow Big Brothers Big Sisters of Westland to operate independently of Council.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 This matter is administrative and therefore in accordance with Council's Policy on Significance is assessed at having a low level of significance.

- 5.2 The proposed move is part of the reduced levels of service in Community Services that was formally adopted in the 2013/2014 Annual Plan.
- 5.3 The Big Brothers Big Sisters Trust has been consulted on the change and are in agreement with it. The change has been discussed at length at the last two Trust meetings.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 The advantage for Big Brothers Big Sisters is that it will be independent of Council and will no longer have to pay for overhead costs and room rental out of their donations and grants, nor have GST removed from grants.
- 6.2 There are no known disadvantages for Council.
- 6.3 For Council, it means the transferring of funds in that cost centre to the Big Brothers Big Sisters Bank Account on or before 31 December 2013. In the last 12 months, money to operate the programme has come from donations and grants from local charities. Prior to this time, most of the funding came from the Ministry of Justice. As of 30 November, there was \$1,885 in this cost centre.

7.0 PREFERRED OPTION AND REASONS

- 7.1 That the programme operates independently of Council due to the reduction of services within Community Services.

8.0 RECOMMENDATION

- 8.1 **THAT** Council ceases to provide administration and co-ordination support to Big Brothers Big Sisters of Westland.
- 8.2 **THAT** the balance of \$1,885 in the Big Brothers Big Sisters cost centre be transferred to the Big Brothers Big Sisters Trust by 31 December 2013.

Derek Blight
Community Services Officer

Report



DATE: 19 December 2013
TO: Mayor and Councillors
FROM: Chief Executive

COUNCIL MEETINGS - 2014

1.0 SUMMARY

- 1.1 The purpose of this report is to provide a listing of Council Meetings for 2014 for confirmation by Council. Council has indicated that they would like to hold meetings throughout the Westland District. Included is an indication of costings of the 28 November Council Meeting held in Franz Josef/Waiau.
- 1.2 This issue arises from the requirement to adopt a schedule of Council Meetings for 2014.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:
- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the 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.
- 1.4 Council seeks to meet this obligation and the achievement of the District Vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Involving the community and stakeholders. Having inspirational leadership.	A schedule of meetings gives the Council the opportunity to meet with the local communities in the various areas and visit District

	Assets. Members of the community are then able to plan to attend Council Meetings.
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1.5 This report concludes by recommending that Council adopt the meeting schedule.

2.0 BACKGROUND

2.1 The Council has historically adopted meeting schedules for the following year, at their December Council meeting each year.

3.0 CURRENT SITUATION

3.1 Council meetings are held on the fourth Thursday of every month.

3.2 The Executive Committee will meet as and when required.

3.3 A proposed timetable of meetings is attached as **Appendix 1**. Please note a meeting in January is not proposed, and the next meeting is 27 February. Council may like to consider whether a meeting is required in January or not.

4.0 OPTIONS

4.1 Adopt the meeting schedule.

4.2 Do not adopt the meeting schedule.

5.0 SIGNIFICANCE AND CONSULTATION

5.1 Council meetings are legislatively required and part of the decision-making process of local government provided for in the Local Government Act 2002. When assessed against Council’s Policy on Significance however, this decision is administrative in nature and therefore of a low level of significance.

5.2 Council has previously indicated a preference to hold Council meetings throughout the Westland District area to encourage engagement with local communities.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 The advantages of holding meetings in the Council Chambers is that technology and staff are available and the cost to Council is negligible as there is no meeting room hire. There are still catering costs.
- 6.2 The disadvantages of holding meetings in the Council Chambers is that very few members of the public attend the public forum section of the meeting and people in remote communities are disadvantaged due to travelling distances.
- 6.3 The advantages of holding Council meetings throughout the district is that Council has the opportunity to meet with the local community members in their respective areas and is able to combine visits to district assets and see other community projects, i.e. water supplies.
- 6.4 The disadvantages of holding meetings throughout the District are that technology is not readily available and venue hire needs to be paid for. Staff can however take a portable screen, laptop and data projector if required. There is also the cost of travel as staff and most Councillors live in or close to Hokitika.
- 6.5 The November Council meeting in Franz Josef incurred catering costs, venue hire and travel for those that took cars.

Costs were identified as follows:

Venue	\$50.00 venue hire \$40.00 clean-up fee
Catering (morning tea and lunch)	\$10.00 morning tea \$240.00 lunch (14 people)
Travel	Estimated Travel 270km @0.77c * 5 vehicles = \$1,040 Estimated travel Time 3hrs less 1 hour*\$35*9 = \$630
TOTAL COST	\$2,010

7.0 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is that Council adopt the meeting schedule attached as **Appendix 1**. This will enable Council to have a presence in the rural communities in Westland District.

8.0 RECOMMENDATION

- A) THAT the schedule of Council Meetings for 2014 be adopted.

Tanya Winter
Chief Executive

Appendix 1: Council meetings 2014

APPENDIX 1

COUNCIL MEETINGS 2014

Month	Meeting Date	
January	No meeting	
February	27 th	Hokitika
March	27 th	Haast
April	24 th	Hokitika
May	22 nd	Kumara
June	26 th	Hokitika
July	24 th	Harihari
August	28 th	Hokitika
September	25 th	Fox Glacier
October	23 rd	Hokitika
November	27 th	Whataroa
December	18 th	Ross

Report



DATE: 19 December 2013
TO: Mayor and Councillors
FROM: Group Manager – District Assets

HOKITIKA MEMORIAL HALL (RSA BUILDING)

1.0 SUMMARY

- 1.1 The purpose of this report is to decide on the future of the Hokitika Memorial Hall located on Sewell Street, Hokitika commonly known as the RSA building.
- 1.2 This issue arises from structural issues identified in the engineers report related to the RSA building.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:
 - (a) To enable democratic local decision-making and action, by and on behalf of communities; and
 - (b) To meet the 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.
- 1.4 Council seeks to meet this obligation and the achievement of the District Vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Having inspirational leadership Having top class infrastructure for all communities	By ensuring Council infrastructure is in compliance with legislation at all times and safe to use.

- 1.5 This report concludes by recommending that Council demolish the RSA building.

2.0 BACKGROUND

2.1 The land on which the RSA building is situated is a designated war memorial site on a local purpose reserve. There are certain rules under which authorities can operate with respect to the structures on war memorial sites. The RSA building is under this category of structures. Clarification was sought from Ministry of Culture and Heritage for the rules, and Archives NZ on the history of the RSA building.

2.2 The information obtained has established the following:

- The RSA building was originally donated to the Hokitika Borough Council.
- Buildings were defined as being “living memorials” or memorials that could be used.
- A War Memorial Government grant on 1 for 1 basis was received for renovations and additions to the existing building.
- The rules have changed and Council has now the rights to change the purpose of the land if it so desires.

2.3 The RSA building often gets used as a meeting facility by a small group of stakeholders and other community groups to rent occasionally. The building over time has deteriorated beyond repair and has been stretched beyond its functional life. It has failed its Building Warrant of Fitness due to the rear stair well needing structural upgrades. This stair was removed and access to the top floor was blocked off to ensure the building met its Warrant of Fitness requirements. An assessment by a structural engineer from Opus International Consultants identified that the building has serious structural deficiencies.

2.4 Currently the building is managed by Westland District Property Limited (WDPL) under a management agreement with Council.

2.5 In the past Council has indicated its intention to demolish the building at the end of its useful life and use the land for other commercial purposes.

3.0 CURRENT SITUATION

3.1 Following a preliminary report Council management instructed WDPL to temporarily restrict the use of the building. The RSA was requested to cease

using the building until further notice. The RSA currently has been offered a temporary office space in the Council building.

- 3.2 Knowing that the building is past its design life a preliminary structural investigation was undertaken by Opus International Consultants. This revealed that the building is "Potentially Earthquake Prone" which means that the building is likely to yield a result in the order of 5-20%NBS (New Building Standard).
- 3.3 In the interest of safety WDPL have instructed the RSA to vacate the building and WDPL now control access.
- 3.4 If Council wish to make the building fit for purpose and to keep the facility operating a substantial financial commitment will be required to bring it back up to standard.
- 3.5 If Council wish to demolish the facility there is a one off cost.
- 3.6 A current market valuation has also been obtained. The building is valued at \$80,000. The land value is \$205,000.

4.0 OPTIONS

- 4.1 Status quo.
- 4.2 Structural strengthening / Repair the building.
- 4.3 Demolish the building and make use of land for other purposes.
- 4.4 Construct a brand new building.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 In accordance with Council's Policy on Significance this decision has been assessed as having a moderate level of significance. The decision to demolish the building would affect a small group of stakeholders (the RSA) that use the facility. However, due to the sensitivity around the land being a War Memorial designation, the decision is likely to generate high levels of community interest.
- 5.2 Consultation with WDPL and Westland RSA have been entered into over the last three years as all parties became increasingly aware that the buildings integrity was becoming a concern.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 Option 1 – Status Quo

Let the building sit vacant.

Advantages – No initial cost to Council.

Disadvantages – As the building sits un-occupied and not being used it will fall into disrepair very quickly. The building provides a risk to the building next door which is currently leased by Council. This building is being used for the Westland District Library. The current levels of service are not being met, as the building is not being used for the purpose it was intended. However the RSA has a temporary location to operate from.

Under this option there is an on-going cost of \$3,750.

6.2 Option 2 – Structural Strengthening / Repair the building

Continue investigations looking toward structural strengthening.

The estimated costs for these investigations are:

a) Integrity of current trusses	-	\$1,500 - \$3,000
b) Staged structural investigations	-	\$15,000 - \$20,000
c) Detailed structural designs	-	\$5,000

Structural engineers have indicated that it is very likely that the building will be classified as a *Potentially Earthquake – Prone* building. Based on the information available it is estimated that the repair costs to the building could very well run beyond \$250,000. The current market valuation on the building structure is approx. \$80,000. The land is valued at \$205,000.

Advantages – A complete and thorough understanding of the buildings structure would be known and exact financial implications for further work could be calculated. The current levels of service will be met after the repairs. RSA will be able to operate from the current building, and other groups would be able to use it.

Disadvantages – There would be a high cost to Council just to assess the buildings structure. Once the true extent of the building issues are known Council is obligated to act on that knowledge by either continuing with upgrade costs or demolishing the building. Ultimately there would be further costs associated with upgrade or demolition additional to the investigation costs.

6.3 Option 3 - Demolish the building and make use of land for other purposes

The costs involved are quoted to be around \$60,000 (excl GST).

The scope of demolition of the building includes demolishing, disposal of material and leaving a clean level site. Council may choose to include this as a project in the next Annual Plan 2014-2015. However, Council may also choose to fund the demolition project in the current year using reserves funds. This could possibly be the "3 Mile Domain fund" (which has a balance of \$147k) or "Reserves Development Fund" (which has a balance of \$588k).

Advantages – Demolishing the building would minimise the future cost of the building to Council. There would be no future operational building costs, and the land may be used for other purposes.

Disadvantages – There is a one-off quoted cost of \$60,000 (excl GST) to demolish the building. The current level of service will not be met as the building will no longer be available to use. The RSA will have to find other premises to operate from.

6.4 Option 4 – Demolish and construct a new building

The option is to replace like for like. i.e. demolish and re-build a new community hall keeping the war memorial status of the building. Estimated costs, based on Department of Building and Housing data will be a minimum of \$800,000. Total costs including demolition - \$860,000.

Advantages: - Community gets a brand new purpose built facility. Current levels of service are improved.

Disadvantages – Large capital costs. This will also be a departure from current Council policy. Council does not fund depreciation on halls and buildings, which means there are no funds for replacement at the end of the life of the asset. Replacing this building will set a precedent.

7.0 PREFERRED OPTION AND REASONS

7.1 Option 3 is preferred as there is a single up-front cost, there is no continued or unknown additional cost associated with upgrading or continuing the buildings life and function.

There are no detailed repair costs available.

The building structure itself is currently worth \$80,000.

There is no need for another purpose built hall facility in Hokitika.

Financially it is not prudent to spend up to \$25,000 to assess the repair cost for an asset worth \$80,000 only.

8.0 RECOMMENDATION

- A) **THAT** Council approves demolishing the RSA building at a cost of \$60,000 funded from the Reserves Development Fund.

Vivek Goel

Group Manager – District Assets

Appendix 1: RSA Assessment Report – OPUS



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Greymouth Office
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New Zealand

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17 June 2013

Simon Eyre
Westland District Council
Private Bag 704
Hokitika
7842

WWES3.24

Dear Simon

Hokitika RSA Building - Structural Inspection

As requested, Opus International Consultants (Opus) carried out a structural inspection of the Hokitika RSA building located at 23 Sewell Street, Hokitika.

This structural inspection consisted of a visual inspection only and no intrusive investigations were carried out. No structural calculations were performed as part of this inspection.

Building Description:

The western part of the building contains two storeys and appears to consist of a reinforced concrete frame structure with a cavity brick infill confined within the concrete frames.

The eastern part of the building also contains two storeys but the construction differs significantly from the western part of the building. Steel trusses span across the building (north – south) between perimeter walls which extend first floor level only. The first floor has been constructed within the depths of the steel trusses and appears to have been done retrospectively by removing the web members within the truss and constructing a timber floor within the confines of the steel trusses. This is evidenced by the more recent alterations to the trusses.

The building appears to have a timber subfloor with a concrete perimeter foundation. The first floor of the building is also constructed of timber.

The age of the building is unknown but it is estimated to have been constructed pre 1965.



Visual Inspection:

There is moisture getting into the building in a number of locations and this is causing the plaster to spall off the walls in the western part of the building and paint / paper to peel off the ceiling and walls throughout the building.

It appears that the steel trusses spanning across the building have been altered significantly by removing a number of web (diagonal) members to create an open first floor. The steel angle bracing in the ceiling plane also appears to have been removed through the middle part of the building. The removal of the web members will reduce the gravity load resisting capacity of the trusses and the removal of the cross bracing will reduce the seismic and wind resisting capacity of the building. The addition of the first floor will also add additional gravity load to the trusses and therefore increase the seismic load on the building.

There is no documentation in the council file regarding these alterations and it would appear that they have been done with little regard to the structure, as the alterations have both added load to the building whilst reducing its capacity to support this load.

A seismic analysis of this building has not been performed but it is unlikely that it would perform well if assessed using the Initial Evaluation Procedure (IEP) tool developed by the New Zealand Society for Earthquake Engineering due to the age of the building, alterations that have been carried out, and type of construction (typically reinforced concrete with unreinforced masonry infill). It is therefore very likely that the building is potentially Earthquake Prone.

Recommendations

We recommend that access to this building be restricted until a detailed check of the steel trusses and bracing in the eastern part of the building can be performed. We also recommend that a seismic assessment of the building be performed as part of this check.

If you have any queries or would like to discuss please do not hesitate to give me a call.

Regards



Jason Davidson
Senior Structural Engineer

Reviewed



Hans-Peter Froeling
Senior Project Manager

Encl.: Photos (2 pages)
 Site Notes (7 pages)



PHOTOS:

	
North elevation	West elevation
	
East elevation	Spalling plaster on south wall (internal)
	
Eastern part of building (1 st floor) where trusses have been altered	Web member cut at top chord of truss



	
<p>Angle brace cut and nailed to timber framing</p>	<p>Web member cut and bent at bottom chord</p>
	
<p>Diagonal web member re-welded to top chord following bending</p>	<p>Weathering of bricks on north elevation</p>
	
<p>Blistering paint on inside face of north wall (1st floor)</p>	<p>Vent openings in south wall indicating cavity brick within concrete frames</p>



Report



DATE: 19 December 2013
TO: Mayor and Councillors
FROM: Chief Executive

IMPROVEMENTS TO COUNCIL BUILDING AT 36 WELD STREET

1.0 SUMMARY

- 1.1 The purpose of this report is to seek Council approval to commence the project to improve the Council building at Weld Street.
- 1.2 This issue arises from the Council's adopted financial management policy requirement to present a business case for approval for all projects with estimate of above \$100,000.
- 1.3 The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:
 - (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
 - (b) To meet the 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.
- 1.4 Council seeks to meet this obligation and the achievement of the district vision set out in the Long Term Plan 2012-22. The matters raised in this report relate to those elements of the vision identified in the following table.

Vision's Objectives	Achieved By
Having inspirational leadership Having top class infrastructure for all communities	By ensuring Council infrastructure is in compliance with legislation at all times and provides an excellent customer experience for visitors.

- 1.5 This report concludes by recommending that Council gives approval to commence the compliance parts of the project and approves an extra \$37,000 in 2013-14.

2.0 BACKGROUND

- 2.1 The Council main office building located at Weld Street has been maintained to a minimum standard.
- 2.2 In the past there has been no or minimal funds allocated for improvements to the office building in order maintain ongoing compliance with the Building Code.
- 2.3 The office building until June 2013 had always been on a valid warrant of fitness and also has a current certificate of public use.
- 2.4 The current main entrance to the office building is tired, unwelcoming, has poor access, and does not provide adequate levels of control on visitors accessing the building.

3.0 CURRENT SITUATION

- 3.1 The project to improve the Council building was included and debated in capital works list in the Annual Plan 2013-14. There are two aspects to the project
 - 3.1.1 Compliance required for the building to meet the Building Code and obtain a valid Warrant of Fitness and Certificate of Public Use.
 - 3.1.2 Improving the customer experience through re-directing all visitors and residents through the I-site as a one-stop-shop.
- 3.2 The project is approved and included in the 2013-14 Annual Plan. The project was estimated at \$150,000 at that time.
- 3.3 Since the Annual Plan was adopted further investigation has been undertaken to quantify the extent of the compliance work required to meet Building Code. These works have taken priority over the Customer Service Centre project. These costs are itemised below:
 1. Repairs/Upgrade to the fire alarms (Estimate costs: \$80,000)
 2. Repairs to the lift (Quote : \$60,000)
 3. Alterations to the 2nd floor toilets to make them accessible (Estimate : \$47,000)
- 3.4 These three items alone are estimated to cost \$187,000. There is therefore insufficient budget to complete the compliance work required and no budget left for the changes to the main entrance of the Council building to create a Customer Service Centre in the I-site. This work has yet to be quantified.

4.0 OPTIONS

- 4.1 Option 1: Proceed with the lift and fire alarm work, and include a new project in the Annual Plan for the toilets and Customer Service Centre.
- 4.2 Option 2: Don't proceed with the project and come back to Council with a fully costed project for the 2014-15 Annual Plan that includes all four components.
- 4.3 Option 3: Approve extra budget in 2013-14 to complete the compliance parts of the project. Include the customer service centre as a project in the 2014-15 Annual Plan.
- 4.4 Option 4: Approve extra budget in 2013-14 to complete full project.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 Against Council's Policy on Significance this matter is assessed as having low significance. However the fact that the Council building is not legislatively compliant is of serious concern.
- 5.2 The project was consulted on as part of special consultative procedure for the Annual Plan 2013-14. However, in the last couple of weeks there has been public interest in the project.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 **Option 1: Complete the lift and fire safety aspects. Include the remainder in the Annual Plan 2014-15**

This project is required partly for compliance and partly to improve the customer experience. The budget for the project is \$150,000, and already two of the compliance components of the project amount to \$140,000. Proceeding with these two parts of the project will at least ensure the building is heading in the right direction towards being fully compliant. The remainder of the project could be included in the Annual Plan 2014-15 and be assessed against all other projects on its merits.

The disadvantage of this is that Council's Finance staff will continue to be under pressure performing both a Finance and a Customer Service role.

6.2 **Option 2: Don't proceed with the project**

Not proceeding with the project this year will have serious implications in terms of compliance with legislation. Currently the Council office building does not have a warrant of fitness. Not proceeding with improvements will lead to a notice to fix being issued from Council's own building department. Council's insurers have been advised of the issue. The risks are covered as far as a Building Consent application has been submitted, and there is plan in place and in progress to address the issues. There are no structural issues with the building, however works relate to the upgrade of the fire alarms, the lift and the toilets.

Council also risks a negative public image for being non-compliant in-house with respect to the building code requirements.

6.3 **Option 3: Approve extra budget to complete all compliance parts of the project. Include the Customer Service project in the 2013-14 Annual Plan**

Funding of \$150,000 was approved in the Annual Plan 2013-14 to reinvigorate the customer experience at Council and provide a one-stop shop for customers on the ground floor. This approach is more efficient in that customer enquiries are dealt with as much as possible at first point of contact without involving technical staff who have other priorities. It was not envisaged that the budget would be allocated to ensuring the building was compliant with the Building Code.

It is vitally important, both in terms of Health and Safety, but also in terms of Council's leadership role in the community and our reputation as a regulatory body with integrity, that our own Council building is compliant. The customer service aspect of this project, while valuable, is not as important as having a legally compliant building.

There is not enough funding to complete all compliance aspects of this project. These parts are estimated at \$187,000. If Council were to fund this option the extra \$37,000 required above the \$150,000 already in the budget would need to be funded from rates. This would be declared as a variance at the end of the year.

If this option was approved staff would bring a project through the Annual Plan 2014-15 to undertake the work to create the new Council Customer Service Centre.

6.4 **Option 4: Approve extra budget to complete the full project**

As some parts of this project are estimates and the Customer Service Centre project has not yet been costed, this option would mean that a report would need to come back to Council in early 2014 with full costings.

7.0 **PREFERRED OPTION AND REASONS**

7.1 The preferred option is Option 3. This is the most prudent option that will ensure the Council building is fully compliant. While it means that the Customer Service Centre is put on hold, this option will ensure the building is legally compliant.

8.0 **RECOMMENDATION**

A) **THAT** Council gives approval to commence the compliance parts of the project 'Improvements to the Council Building' and approves an extra \$37,000 in 2013-14 to be funded from rates.

Tanya Winter
Chief Executive