



A G E N D A

Council Meeting

**Council Chambers
36 Weld Street
Hokitika**

**Thursday
28 January 2016
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. L.J. Martin, Cr. M.D. Montagu,
Cr A. P. Thompson, 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 28 JANUARY 2016 COMMENCING AT 9.00 AM

Tanya Winter
Chief Executive

22 January 2016

COUNCIL VISION

Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.

This will be achieved by:

- Involving the community and stakeholders.
- Delivering core services that meet community expectations and demonstrate value and quality.
- Proudly promoting, protecting and leveraging our historic, environmental, cultural and natural resource base to enhance lifestyle and opportunity for future generations.

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
- (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. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:

1.1 Apologies

Cr D.G. Hope

1.2 Interest Register

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Ordinary Council Minutes – 17 December 2015

(Pages 6-16)

3. PUBLIC FORUM

The public forum section will commence at the start of the meeting.

4. BUSINESS

4.1 Mayor's Report

4.2 Update from Councillors

Morning tea at 10.30 am.

4.3 Financial Performance: November 2015

(Pages 17-24)

4.4 Revocation of Resolution to Sell Land at Jackson Bay

(Pages 25-27)

4.5 Transfer of Reserve to West Coast Wilderness Trail Trust

(Pages 28-41)

Lunch at 12.30 pm.

5. ADMINISTRATIVE RESOLUTION

5.1 Warrant of Appointment: Simon Percy

- An Officer pursuant to Section 174 of the Local Government Act 2002;
AND
- An Authorised Officer pursuant to Section 222 of the Building Act 2004; AND

- An Enforcement Officer pursuant to Section 371 B of the Building Act 2004; AND
- An Officer pursuant to section 11 of the Fencing of Swimming Pools Act 1987; AND
- An Officer under the Westland District Council Bylaws; AND
- An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991.

5.2 **Warrant of Appointment: Paddy Kymbrekos**

- An Officer pursuant to Section 174 of the Local Government Act 2002; AND
- An Authorised Officer pursuant to Section 222 of the Building Act 2004; AND
- An Enforcement Officer pursuant to Section 371 B of the Building Act 2004; AND
- An Officer pursuant to section 11 of the Fencing of Swimming Pools Act 1987; AND
- An Officer under the Westland District Council Bylaws; AND
- An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991.

6. **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:

6.1 **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) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

| Item No. | Minutes/ Report of | General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under Section 48(1) for the passing of this resolution |
|----------|--------------------|---|---|--|
| 6.1 | Minutes | Confidential Minutes | Good reasons to withhold exist under Section 7 | Section 48(1(a)) |

Date of Next Ordinary Council Meeting
25 February 2016
Haast

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 17 DECEMBER 2015 COMMENCING AT 9.00 AM

1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER

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

Deputy Mayor P.M. Cox

Cr. J.H. Butzbach, Cr. M.S. Dawson, Cr. L.J. Martin, Cr M.D. Montagu,

Cr A.P. Thompson, Cr. C.A. van Beek.

1.3 Apologies

Cr D.G. Hope – Request for Leave of Absence.

His Worship the Mayor advised that Cr Hope had requested Leave of Absence from Council during the period December 2015 to February 2016.

Cr Hope had offered to donate his Council pay to worthy charities while he was absent and discharge his duties free of charge. He noted that Cr Hope had donated a significant portion of his previous pay to charity during his recent Leave of Absence.

Cr Hope noted that he could still provide his opinions either directly to elected members or via Mayor Havill to summarise at the meetings and it was his intention to stay as involved as possible during the time he was away from Council.

Cr Martin expressed his opinion that Cr Hope explore Skyping into Council meetings during his Leave of Absence.

Moved Cr Dawson, seconded Cr Butzbach and **Resolved** that the apology from Cr D.G. Hope be received and accepted, and Leave of Absence be granted for the period December 2015 to February 2016 as requested.

Cr Martin recorded his vote against the motion.

Staff in Attendance

T.L. Winter, Chief Executive; G.J. Borg, Group Manager: Corporate Services; J.D. Ebenhoh, Group Manager: Planning, Community and Environment; V. Goel, Group Manager: District Assets; D.M. Maitland, Executive Assistant (part of the meeting).

1.4 Interest Register

The Interest Register was circulated and no amendments were noted.

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes of Meetings of Council

2.1.1 Ordinary Council Minutes – 26 November 2015

Moved Cr Martin, seconded Cr Dawson and **Resolved** that the Minutes of the Ordinary Meeting of Council, held on the 26 November 2015 be confirmed as a true and correct record of the meeting, subject to the following amendments:

Item 4.10 - Memorandum of Understanding – A Commitment to Regional Efficiency – Page 15

Addition:

“Cr Martin recorded his vote against the motion.”

Item 4.2 – Update from Councillors

“...developments in Haast, and indicated that significant progress had been made on the Haast Walking Track.”

3. PUBLIC FORUM

Gareth Fryer attended the Public Forum Section of the meeting to discuss St Mary's School Crossing in Sewell Street, Hokitika

Key items noted:

- Concerned that the crossing has not been maintained very well over the years.
- The number of near misses that have been experienced.

- The Board, Principal and himself have been working with the Council to open up visibility.
- The Police are highly supportive as they see a need for improvement at the site.

Mr. Fryer then tabled a letter of support from Senior Constable J. Sturkenboom of the Greymouth Police regarding numerous traffic related complaints from parents and teachers relating to:

- The angle parking of vehicles.
- The parking of vehicles on no parking lines by parents collecting children after school.
- The speed of vehicles through the school zone.
- Vehicles not stopping at the pedestrian crossing and the resultant near misses of students on the crossing.

His Worship the Mayor thanked Mr. Fryer for attending the meeting and bringing the matter to Council's attention, and advised that staff will get back to him immediately after the Council Meeting to advise a way forward, including the installation of a traffic calming device, and a low angle asphalted ramp at St Mary's School crossing.

It was noted that there has been work done previously with schools in the Westland District regarding signage and that staff will revisit this matter District-wide in 2016.

4. BUSINESS

4.1 Mayor's Report

His Worship the Mayor welcomed Councillors and Staff to the final Council Meeting for 2015.

Mayor Havill advised that it has been a very busy year for Council and there has been a lot of change within the Council systems and processes and thanked the Chief Executive, Executive Assistant, Group Manager: Corporate Services, Group Manager: Planning, Community and Environment and the Group Manager: District Assets and staff for their work during the year, noting that each step forward is a step in the right direction.

Noted that one of the biggest concerns is policing in the district and it does not just include Ross, it also reflects the fact that Inspector John Canning, Detective Chris Maitland, and Constable Phil Barker are all retiring and wished the three members of the local Police force well. Mayor Havill noted that with the three members leaving the police force, all the contacts and the relationships that they have with the local community also leaves, and noted that the new people in the various roles will need to be supported.

His Worship the Mayor congratulated Cr Martin on his graduation as a Bachelor of Teaching and Learning (Primary).

Certificates of attendance from the West Coast Emergency Management Group for the Foundation Civil Defence Course were presented to Deputy Mayor Cox, Cr Thompson and Cr Butzbach with the Mayor's congratulations.

4.7 Update from Councillors

i) Deputy Mayor Cox

- Westland Holdings Limited Directorships – interviews on the 3 December.
- Workshop regarding the Resource Consent process.
- Christmas Party on the 4 December and thanked all those involved in the organisation of the event.
- District Economic Stimulus Fund – Monday 7 December.

ii) Cr Martin

- Youth Development Strategy Meeting on the 2 and 9 December.
- Westland Sport and Recreation meeting – Wednesday 2 December. Very well attended by Council staff. Expressed thanks to elected members for their input.
- Wildfoods Festival Steering Group Meeting on 2 December. Noted the Hokitika Wildfoods Festival is looking very exciting for 2016.
- Resource Consents Workshop – 3 December
- Westland Holdings Limited Directorships – interviews on the 3 December.
- Christmas Party on the 4 December.
- District Economic Stimulus Fund – 7 December.
- Concerned about the lack of Christmas decorations in Hokitika this year and asked that something be done for 2016.
- There are old flags in the Central Business District.
- The Council Christmas tree cannot go up for reasons outside the control of Council.
- The success of the Christmas Parade – 12 December.
- The decoration of the Pohutukawa tree on Stafford Street.

Mayor Havill thanked Cr Martin for all the work that he has undertaken this year for Westland District Council.

iii) Cr Butzbach

- Westland Sport and Recreation meeting – Wednesday 2 December.

- Westland Holdings Limited Directorships – interviews on the 3 December.
- Christmas Party on the 4 December.
- District Economic Stimulus Fund – 7 December.
- The Christmas parade was very well attended.
- The Pohutukawa tree in Stafford Street has been decorated.
- The shop windows in Hokitika and the businesses look good decorated for Christmas.
- Progress with the Hokitika-Westland RSA building.
- Flags in town.
- The Post Office is going into Photo Corner.

iv) Cr Thompson

- Workshop on the review of the Resource Consent process and advised he was looking forward to seeing the results playing out.
- Pleased with the process for interviewing the Directors for Westland Holdings Limited and pleased with the calibre of applicants for the position.
- Christmas Decorations – received numerous comments from ratepayers about the lack of Christmas decorations in Hokitika, and that it has been noticed by members of the public.
- Meetings held with the Events Coordinator regarding Agfest 2016 and working with Wildfoods on ways to share costs.

v) Cr Montagu

- He watched the Council's performance with interest while he was overseas.
- Congratulations to Maureen Pugh (National List MP) and Andrew Wiffen (Young Farmers Contest).
- District Economic Stimulus Fund – 7 December. He would like to see the fund used in a big way.
- The Pohutukawa tree at the entrance to the town now has lights on it for Christmas/New Year.
- Thanked the Business Support Officer for her very pleasant dealings with staff and elected members whilst employed at Westland District Council.
- Asked that Council look seriously at their responsibility for administering endowment funds.
- Impressed with the calibre of directors that applied for Directorship of Westland Holdings Limited.

His Worship the Mayor asked that a congratulations card be sent to Maureen Pugh (West Coast-Tasman List MP – National Party) and Andrew Wiffen (representing West Coast at the Tasman Regional final of the Young Farmers Competition).

vi) Cr van Beek

- Westland Sport and Recreation meeting – Wednesday 2 December. He was impressed with the number of people that attended the meeting.
- Safer Community Meeting on the 4 December. Noted that work is being undertaken on the Safer Community Accreditation. Thanked the Community Development Advisor for his work with the Safer Community Council and the District Economic Stimulus Fund presentations.
- District Economic Stimulus Fund – 7 December.
- Concerned regarding the endowment funding at Kumara and does not believe that KRT represent the people of Kumara.
- Thanked the Business Support Officer for her work with Council.

Mayor Havill noted that the only way the situation at Kumara will change, is if the people of Kumara get together and sort their town out, or Council change their resolution regarding the Kumara Endowment Fund.

vii) Cr Dawson

- Thanked the Chief Executive and her team for what has been a really busy year.
- Thanked Councillors for their input during the term and noted that a lot of good progress has been made, and that there is still a lot of work to do.

Moved Cr Montagu, seconded Cr Butzbach and **Resolved** that the verbal reports from the Mayor and Councillors be received.

The following items were then taken out of order to the agenda papers.

4.4 Financial Performance: October 2015

The Group Manager: Corporate Services spoke to this report and discussed improvements to the financial systems proposed for 2016.

The following items were discussed:

- Debt position.

- Variances.
- Interest swap rates.
- Park Street traffic improvements.
- Outsourcing of Payroll has been completed.
- A purchase order system is being implemented early in 2016.
- West Coast Wilderness Trail – official partner contributions.
- The establishment of the West Coast Wilderness Trail Stakeholders Trust.
- Fourth Street, Kumara.
- Deputy Mayor Cox noted that there are 35 projects that are on track and enquired if they will be completed by the 30 June 2016. The Group Manager: District Assets advised that he was confident that they will be able to do that.

Moved Cr Martin, seconded Deputy Mayor Cox and **Resolved** that the Financial Performance Report to 31 October 2015 be received.

His Worship the Mayor thanked staff for the report.

4.5 **2016 Council Meeting Schedule**

A general discussion was held regarding the meeting schedule for 2016 and accordingly amendments to the schedule were made, including the addition of a meeting in Haast.

Moved Cr Butzbach, seconded Deputy Mayor Cox and **Resolved** the schedule of Council Meetings for 2016 be adopted as follows:

| Month | Meeting Date | |
|-----------------------------|--------------|-----------------------|
| January | 28 | Chambers |
| February | 25 | Haast |
| March | 24 | Chambers |
| April | 28 | Harihari |
| May | 26 | Chambers |
| June | 23 | Chambers |
| July | 28 | Chambers |
| August | 25 | Franz Josef |
| September | 22 | Hokitika-Westland RSA |
| October (Inaugural Meeting) | 27 | Chambers |

| | | |
|-----------------|-----------|-----------------|
| November | 24 | Chambers |
| December | 15 | Chambers |

The Chief Executive will ask the Community Development Advisor to liaise in advance with the Community Associations in the above areas to advise them of the dates that Council will be in their area.

4.3 Presentations to Council

4.3.1 Tourism West Coast – Kelly McLeod and Alicia Ulrich

Kelly McLeod and Alicia Ulrich from Tourism West Coast attended the meeting and gave a presentation to Council on The West Coast of the Southern Alps – Tourism West Coast AGM with highlights from the 1st April 2014 to the 31 March 2015.

Items included:

- Guest Nights – West Coast average length of stay rose by +12.1%.
- Regional Tourism Expenditure – District Total (Buller \$48 million), Grey \$85 million, Westland \$176 million).
- Website Statistics – noted improved performance for www.westcoast.co.nz
- Radio Network Advertising Campaign
- Air New Zealand Grab A Random TV Campaign
- Spring Challenge Woman's Multi Sport Event
- Supermarket Promotion
- Monteiths TV Campaign
- West Coast Wilderness Trail
- International Marketing – West Coast RTO
- South East Asia and India
- Australia – Visitor Market – TVNZ Campaign wrap-up on discovering the South Island.
- United Kingdom – West Coast RTO
- Germany, USA and Rest of Europe
- TRENZ – Auckland 2014 and Rotorua 2015
- International Visitors to the West Coast staying a minimum of one night. Total international/all countries visiting the West Coast 515,944.
- Agents and Media
- Base Marketing Collateral
- Ongoing Liaison
- The Glacier Highway and The Great Coast Road signage.

5. **ADMINISTRATIVE RESOLUTION**

5.1 **Warrant of Appointment: Edward John Newman**

Moved Cr Montagu, seconded Cr van Beek and **Resolved** that Council confirm its seal being affixed to the following document:

Warrant of Appointment: Edward John Newman

To act in the Westland District as:

- An Officer pursuant to Section 174 of the Local Government Act 2002; and
- An Authorised Officer (Litter Control Officer) pursuant to Section 5 and Section 6 of the Litter Act 1979 and;
- An Officer under the Westland District Council Bylaws.

It was noted that the above delegations are in addition to Mr. Newman's existing delegations:

- An Authorised Officer pursuant to Section 222 of the Building Act 2004; and
- An Enforcement Officer pursuant to Section 371B of the Building Act 2004; and
- An Officer pursuant to Section 11 of the Fencing of Swimming Pools Act 1987; and
- An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991; and
- An Inspector of Licensed Premises pursuant to Section 197 of the Sale and Supply of Alcohol Act 2012.

6. **MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'**

Moved Cr Dawson, seconded Cr van Beek and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 10.53 am.

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

6.2 **Confidential Minutes**

6.3 **Westland Holdings Limited - Appointment of Directors**

6.4 Appointment of Whataroa Cemetery Trustee

6.5 Council's Appointment to Tourism West Coast

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) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

| Item No. | Minutes/ Report of | General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under Section 48(1) for the passing of this resolution |
|----------|--|---|---|--|
| 6.1 | Minutes | Confidential Minutes | Good reasons to withhold exist under Section 7 | Section 48(1)(a) |
| 6.2 | Westland Holdings Limited - Appointment of Directors | Confidential Report | Good reasons to withhold exist under Section 7 | Section 48(1)(a) |
| 6.3 | Appointment of Whataroa Cemetery Trustee | Confidential Report | Good reasons to withhold exist under Section 7 | Section 48(1)(a) |
| 6.4 | Council's Appointment to Tourism West Coast | Confidential Report | Good reasons to withhold exist under Section 7 | Section 48(1)(a) |

This resolution is made in reliance on Section 48(1)(a) and 48(2)(a)(i) and (ii) 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 |
|--------------------|---|-----------------|
| 6.1, 6.2, 6.3, 6.4 | Protection of privacy of natural persons/organisations. | Section 7(2)(a) |

Moved Cr Thompson, seconded Cr Dawson and **Resolved** that the business conducted in the "Public Excluded Section" be confirmed and accordingly the meeting went back to the open part of the meeting at 11.45 am.

MEETING CLOSED AT 11.45 AM

Confirmed by:

Mike Havill
Mayor

Date

Date of Next Ordinary Council Meeting
28 January 2015
Council Chambers

Report



DATE: 28 January 2016

TO: Mayor and Councillors

FROM: Finance Manager

FINANCIAL PERFORMANCE: NOVEMBER 2015

1 SUMMARY

- 1.1 The purpose of this report is to provide an indication of Council's financial performance for one month to 30 November 2015.
- 1.2 This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receives the financial performance report to 30 November 2015, attached as **Appendix 1**.

2 BACKGROUND

- 2.1 Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against targets and objectives adopted in the Long Term Plan 2015/25.

3 CURRENT SITUATION

- 3.1 Council now receives a monthly financial summary report in a consistent format.

3.2 The Financial Performance Report to 30 November 2015, is attached as **Appendix 1** and contains the following elements:

- 3.2.1 Segmental graphs for net cost of services, operating revenue and expenditure.
- 3.2.2 Debt Position
- 3.2.3 Update on Rates Debtors.
- 3.2.4 Whole of Council Cost of Service Statement, including Full Year Forecast.
- 3.2.5 2015/16 Project progress report.
- 3.2.6 Carry overs.

4 OPTIONS

- 4.1 Council can decide to receive or not receive the report.

5 SIGNIFICANCE AND CONSULTATION

- 5.1 This report is for information only and, while feedback is invited from Council in order for staff to continuously improve the quality of information provided, no assessment of significance or consultation and no options analysis is required.

6 RECOMMENDATION

- A) **THAT** Council receives the Financial Performance Report to 30 November 2015

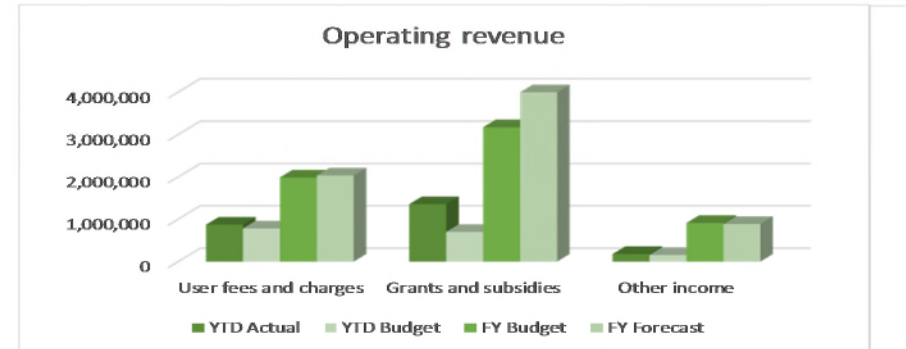
Lesley Crichton
Finance Manager

Appendix 1: Financial Performance November 2015

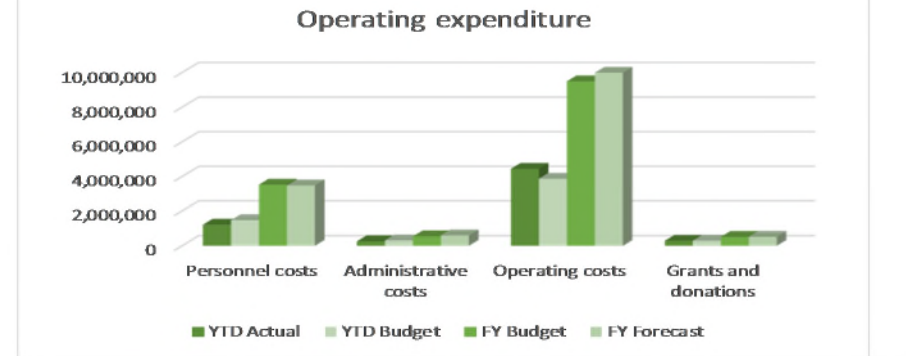


Financial Performance November 2015

| Operating revenue | YTD Actual | YTD Budget | FY Budget | FY Forecast |
|-----------------------|------------|------------|-----------|-------------|
| User fees and charges | 870,195 | 779,293 | 1,988,303 | 2,037,324 |
| Grants and subsidies | 1,351,759 | 698,528 | 3,171,625 | 3,995,767 |
| Other income | 176,728 | 154,971 | 910,430 | 883,783 |

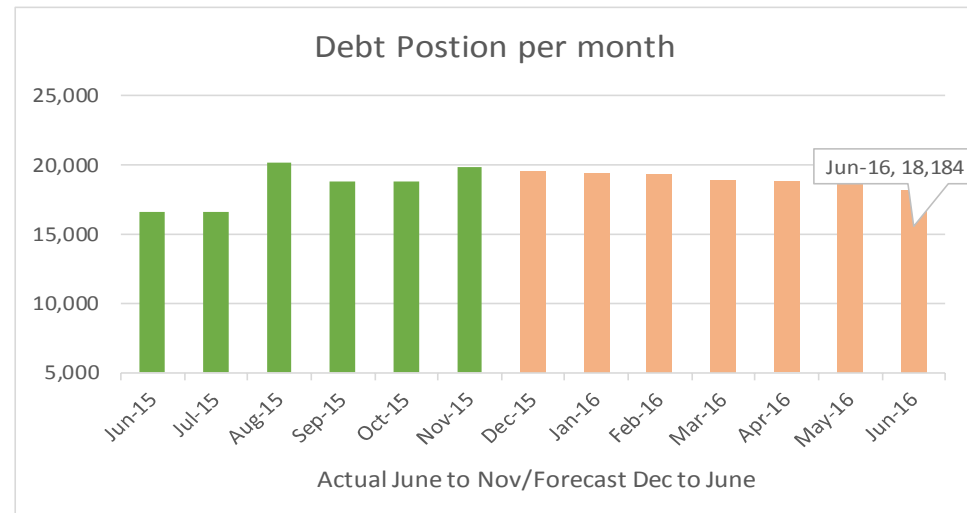


| Operating expenditure | YTD Actual | YTD Budget | FY Budget | FY Forecast |
|-----------------------|------------|------------|-----------|-------------|
| Personnel costs | 1,216,389 | 1,473,502 | 3,536,405 | 3,488,384 |
| Administrative costs | 265,627 | 313,409 | 549,224 | 596,647 |
| Operating costs | 4,443,975 | 3,873,464 | 9,498,013 | 9,991,324 |
| Grants and donations | 294,791 | 296,091 | 518,500 | 518,500 |



Debt Postion 2015

| | |
|-----------------------------------|---------------|
| Opening Balance | 16,660 |
| Loan funded capex forecast | 806 |
| Loan funded WTP upgrade | 2,190 |
| Forecast repayments 2015-16 | -1,472 |
| Forecast balance June 2016 | 18,184 |



Rates debtors

| | | |
|--|------------|------------------|
| Rates debtors at 31 Oct 2015 | | 3,811,457 |
| Less payments received | -2,091,539 | |
| paid in advance | 90,694 | |
| Write off's | -16,179 | |
| | | -2,017,024 |
| Total rates debtors 30 Nov 2015 | | 1,794,433 |

Rates debtors:

- The debt management process is continuing to improve, with 118 final demands having been sent out in November. Any unpaid after that date are to be sent to credit recoveries in December.






| WESTLAND DISTRICT COUNCIL | Year to November | | | Full year 2015-2016 | |
|---|-------------------|-------------------|----------------|---------------------|-------------------|
| | Actual | Budget | Variance | Budget | FY Forecast |
| Operating revenue | | | | | |
| Rates (includes targeted rates and metered water) | 6,319,120 | 6,328,282 | (9,162) | 14,033,643 | 14,105,865 |
| User fees and charges | 870,195 | 779,293 | 90,902 | 1,988,303 | 2,037,324 |
| Grants and Subsidies | 1,351,759 | 698,528 | 653,230 | 3,171,625 | 3,995,767 |
| Other income | 176,728 | 154,971 | 21,757 | 910,430 | 883,783 |
| Overhead recoveries | 2,551,863 | 2,596,947 | (45,084) | 6,318,673 | 5,905,557 |
| Total revenue (A) | 11,269,665 | 10,558,022 | 711,643 | 26,422,674 | 26,928,296 |
| Operating expenditure | | | | | |
| Personnel costs | 1,216,389 | 1,473,502 | (257,113) | 3,536,405 | 3,488,384 |
| Administrative costs | 265,627 | 313,409 | (47,781) | 549,224 | 596,647 |
| Operating costs | 4,443,975 | 3,873,464 | 570,512 | 9,498,013 | 9,991,324 |
| Grants and donations | 294,791 | 296,091 | (1,300) | 518,500 | 518,500 |
| Overheads | 2,556,237 | 2,597,987 | (41,751) | 6,318,673 | 5,905,558 |
| Total operating expenditure (B) | 8,777,019 | 8,554,452 | 222,567 | 20,420,815 | 20,500,413 |
| Net operating cost of services - surplus/(deficit) (A - B) | 2,492,646 | 2,003,569 | 489,076 | 6,001,859 | 6,427,883 |
| Other expenditure | | | | | |
| Interest and finance costs | 326,783 | 367,697 | (40,914) | 882,473 | 882,473 |
| Depreciation | 2,609,107 | 2,278,366 | 330,742 | 5,468,077 | 5,168,077 |
| (Gain)/loss on investments | (6,579) | 0 | (6,579) | 0 | (6,579) |
| (Gain)/Loss on swaps | 121,521 | 0 | 121,521 | 0 | 75,000 |
| (Gain)/Loss on disposals | (4,467) | 0 | (4,467) | 0 | (4,467) |
| Total other expenditure (C) | 3,046,366 | 2,646,063 | 400,303 | 6,350,550 | 6,114,504 |
| Total expenditure (D = B + C) | 11,823,385 | 11,200,515 | 622,870 | 26,771,366 | 26,614,917 |
| Net cost of services - surplus/(deficit) (A - D) | (553,720) | (642,494) | 88,773 | (348,691) | 313,378 |



Variance Analysis

| | |
|----------------------------------|---|
| Operating revenue | |
| User fees and charges | |
| Grants and Subsidies | \$209k Haast water subsidy not budgeted. \$612k MDI & lottery funding Hari Hari community hall. NZTA subsidy is behind budget but is expected to be received in full by end of the financial year. |
| Other income | |
| Operating expenditure | |
| Personnel costs | |
| Administrative costs | |
| Operating costs | \$385k Insurance claim costs for Blue Spur upgrade project, it is unlikely that the cost will be reimbursed \$140k unbudgeted costs for Paks and Reserves: removal and repair of Cass square goal posts, Heritage area health and safety issues and tree felling and clean up after storm damage |
| Other expenditure | |
| (Gain)/loss on investments/Swaps | There was a small gain on swaps in November (\$12k). However there is a \$90k gain to be reported in December, therefore the forecast loss has been revised down at this point. |

Project progress report

As at 30/11/2015

| Forecast on Budget |  |  | Project Delayed - Will not be completed by 30th June 2016 |
|----------------------|---|---|---|
| Forecast over Budget |  |  | Project on-Track - Will be completed by 30th June 2016 |
| |  | | Project Complete - 100% Progress |

| Project / Activity | YTD exp | 2015-16 | Forecast | Budget Track | Progress / Track | Progress comments |
|---|---------|-----------|-----------|---|---|--|
| | \$0 | \$0 | \$0 | | | |
| Museum | | | | | | |
| Research Development Centre | - | 22,000 | 22,000 |  |  | Project will not start in this financial year. |
| Retail Development | - | 30,000 | 30,000 |  |  | not yet begun, but still expected to be on-track for completion by 30 June 2016 |
| Total | - | 52,000 | 52,000 | | | |
| Corporate Services | | | | | | |
| Shelving for Council records and archives | 11,517 | 10,000 | 11,517 |  |  | Shelving complete |
| WATER SUPPLY | | | | | | |
| Mains Upgrade (on-going) | 46,236 | 100,000 | 100,000 |  |  | Hokitika. WIP |
| Replace Water meters (on-going) | 0 | 200,000 | 200,000 |  |  | Hokitika. Not started |
| Mains Upgrade (on-going) | 0 | 80,000 | 80,000 |  |  | Ross. Not started |
| Permanent Generator in Harihari | - | 30,000 | 30,000 |  |  | WIP - On Order |
| Water supply service assurance | 45,376 | 100,000 | 100,000 |  |  | Work in progress |
| Replacement of Water Meters | 0 | 50,000 | 50,000 |  |  | Fox Glacier meters. WIP |
| Total | 91,612 | 560,000 | 560,000 | | | |
| WASTEWATER | | | | | | |
| West Dr Pump & Electrics Upgrade | - | 40,000 | 40,000 |  |  | Three Mile. WIP |
| WWTP Improvements at Franz | 8,645 | 50,000 | 50,000 |  |  | 50% spent. Infiltration galleries repaired. Other treatment options being investigated |
| Total | 8,645 | 90,000 | 90,000 | | | |
| STORMWATER | | | | | | |
| Mobile Generator | - | 50,000 | 50,000 |  |  | WIP |
| SOLID WASTE | | | | | | |
| Landfills - Hokitika | 327,525 | 350,000 | 350,000 |  |  | In progress |
| Landfills - Butlers Site Shed - Hazardous | - | 15,000 | 15,000 |  |  | Not started. Need to determine scope and drawings & water source. |
| Washdown Facility | - | 50,000 | 50,000 |  |  | Not started. |
| Intermediate Capping for Butlers | - | 10,000 | 10,000 |  |  | After Xmas |
| Landfill- Haast - Digout new Cell | - | 10,000 | 10,000 |  |  | Not started. |
| Haast intermediate cap current cell | - | 5,000 | 5,000 |  |  | Haast. Portable shed WIP |
| Total | 327,525 | 440,000 | 440,000 | | | |
| CEMETERIES | | | | | | |
| Hokitika Cemetery - Building Improvements | 585 | 20,000 | 20,000 |  |  | WIP |
| Hokitika Cemetery - Improvements | - | 10,000 | 10,000 |  |  | Complete |
| Berm Development | - | 10,000 | 10,000 |  |  | First stage complete. |
| Total | 585 | 40,000 | 40,000 | | | |
| Community Halls and Buildings | | | | | | |
| Ross Hall - Upgrade/Replacement | 46,233 | 90,000 | 90,000 |  |  | Kitchen works completed in October -- WIP |
| Carnegie Building - Improvements | - | 20,000 | 20,000 |  |  | Security C/F. Earthquake report conducted by OPUS |
| Total | 46,233 | 110,000 | 110,000 | | | |
| Community Township Development | | | | | | |
| Footpath - Sale street | - | 10,000 | 10,000 |  |  | Hokitika |
| Footpath Tiles replacements | - | 12,000 | 12,000 |  |  | Fox. Business area. Not started. Summer work |
| Footpath Tiles replacements | - | 6,000 | 6,000 |  |  | Fox. Business area. Not started |
| New Footpath | - | 15,000 | 15,000 |  |  | Franz. SH6/Cron southside. Not started |
| Upgrade footpaths and driveways over next three years | - | 5,000 | 5,000 |  |  | Kumara. Liaising with community representatives. |
| Total | 0 | 48,000 | 48,000 | | | |
| Elderly Housing | | | | | | |
| Pensioner Housing | - | 45,000 | 45,000 |  |  | |
| Information Services | | | | | | |
| IT equipment Renewals | 10,229 | 30,000 | 30,000 |  |  | |
| Inspection and Compliance | | | | | | |
| Noise Meter | 7,819 | 10,000 | 7,819 |  |  | Complete |
| Land & Buildings | | | | | | |
| Improvements in Hokitika - Car Parks | - | 15,000 | 15,000 |  |  | Primary school traffic islands project. |
| Parks & Reserves | | | | | | |
| Cass Square - Turf Improvements | - | 120,000 | 120,000 |  |  | After Wildfood Festivals |
| Upgrade of Playground equipment | - | 45,000 | 45,000 |  |  | WIP. Scope to be agreed |
| Repair to Statues | - | 5,000 | 5,000 |  |  | Part of larger project. Heritage Hokitika involved |
| Marks road reserve improvements | - | 10,000 | 10,000 |  |  | Haast toilets. |
| Developments | - | 30,000 | 30,000 |  |  | Beachfront? |
| Total | 0 | 210,000 | 210,000 | | | |
| Transportation | | | | | | |
| Seal 4th Street Kumara | - | 140,000 | 140,000 |  |  | Scheduled after Xmas |
| Vehicle Operations | | | | | | |
| Replacing pool vehicle | 27,687 | 33,000 | 27,687 |  |  | Complete |
| New Vehicle - | 27,934 | 38,000 | 27,934 |  |  | Complete |
| Total | 55,621 | 71,000 | 55,621 | | | |
| Total | 559,786 | 1,921,000 | 1,904,957 | | | |

Carry Over Schedule to 2015-16

| GL | Requestor | Detail | Funded by | Approved \$ | Actual \$ | Forecast \$ | Balance \$ | Approved variance in 2016 | Status |
|-----------|-----------------|---|---|-----------------|-----------------|-----------------|-----------------|---------------------------|--|
| 5200116 | Julia Bradshaw | Museum Donations - for Exhibitions | Donations | - 11,167 | - 11,167 | - 11,167 | - | Favourable income | Complete |
| 5200116 | Julia Bradshaw | Museum Donations - for Exhibitions | Donations | - 5,000 | - 5,000 | - 5,000 | - | Favourable income | Complete |
| | | | Donations Total | - 16,167 | - 16,167 | - 16,167 | - | | |
| 3905145 | Derek Blight | Creative New Zealand | External Grant | - 5,403 | - 5,403 | - 5,403 | - | Favourable income | Complete |
| | | | External Grant Total | - 5,403 | - 5,403 | - 5,403 | - | | |
| 471258104 | Petrina Cannell | Haast WTP | Subsidy (\$240k) & Depreciation (\$160k) | 73,732 | 1,452 | | 63,041 | Capital | Complete |
| | | | Subsidy/Depreciation Total | 73,732 | 1,452 | 10,691 | 63,041 | | |
| 461058110 | Petrina Cannell | Franz Josef WWTP | Loan | 99,474 | - | 99,474 | - | Capital | Committed - Being used for Franz prelim designs and scopes |
| 461258103 | Petrina Cannell | Haast WWTP Improvements | Loan | 35,167 | 8,094 | 8,094 | 27,073 | Capital | Complete |
| 4400581 | Simon Eyre | Council HQ re-roofing | Loan | 125,000 | 65,314 | 125,000 | - | Capital | In Progress |
| 3310405 | Eddie Newman | Franz Josef Landfill | Loan | 25,000 | - | 25,000 | - | Capital | Works planned in March 2016- Shaping and profiling |
| | | | Loan Total | 284,641 | 73,408 | 257,568 | | | |
| 2100413 | Jim Ebenhoh | Builder's Accreditation | Rates YE 2014 | 20,000 | 16,203 | 16,203 | 3,797 | Operating adverse | Complete |
| 350458106 | John Bainbridge | Hokitika Cemetery Capital Development | Rates YE 2015 | 10,000 | - | 10,000 | - | Capital | Stage 1 completed |
| 341858103 | David Inwood | Cass Square Statues | Rates YE 2014 | 10,000 | - | 10,000 | - | Capital | Heritage Hokitika approached |
| 341858103 | David Inwood | Cass Square Statues | Rates YE 2015 | 5,000 | - | 5,000 | - | Capital | Heritage Hokitika approached |
| 1100240 | Tanya Winter | CCO review | Rates YE 2015 | 6,988 | 1,000 | 6,988 | - | Operating adverse | On-going work |
| 3302405 | Eddie Newman | Kumara CAP | Targeted Rates YE 2015 | 5,712 | - | 5,712 | 5,712 | Capital | Complete |
| | | | Rates Total | 57,700 | 17,203 | 53,903 | 9,509 | | |
| 460458112 | Petrina Cannell | Hokitika WWTP Resource Consent | Renewal reserve - Depreciation | 29,552 | 73,782 | 79,552 | - 50,000 | Capital | Work in Progress. Hearing on RC scheduled for 15 February |
| 383058101 | Simon Eyre | Upgrade fire-alarm system - Museum | Renewal reserve - Depreciation | 30,000 | - | 30,000 | - | Capital | Current |
| 4708581 | Petrina Cannell | Rural Water supply | Renewal reserve - Depreciation | 49,475 | 48,298 | 49,475 | - | Capital | Complete |
| | | | Renewal reserve - Depreciation Total | 109,027 | 122,080 | 159,027 | - 50,000 | | |
| 380758101 | Simon Eyre | Hari Hari Community Facility | \$100k Reserves Development fund, \$190k Hari Hari Community complex reserve fund | 225,972 | 625,489 | 225,972 | - | Capital | |
| 5674250 | Tanya Winter | Franz Josef Cycle Trail | Reserves | 48,000 | - | 48,000 | - | Operating adverse | FJCC engaged |
| 430758102 | Jim Ebenhoh | Franz Josef Urban Revitalisation plan | Reserves | 100,000 | - | 100,000 | - | Capital | Likely to require further carryover due to needing to wait for findings and direction of Council / community working party on Franz Josef / Waiau Future Planning. |
| 3811581 | Derek Blight | Fox Glacier Community Centre | Reserves | 100,000 | 100,000 | 100,000 | - | Capital | Complete |
| 4309250 | Derek Blight | Hari Hari Township Development fund | Reserves | 14,000 | 14,000 | 14,000 | - | Operating adverse | |
| | | | Reserves Total | 487,972 | 739,489 | 487,972 | - | | |
| 5674148 | Tanya Winter | Cycle Trail - Partner Programme Revenue | Stakeholder Contribution | - 21,125 | - 21,125 | - 21,125 | - | Appropriation / operating | Report going to Council in Jan 2016 |
| 5674148 | Tanya Winter | Cycle Trail - Partner Programme Revenue | Stakeholder Contribution | - 6,808 | - 6,808 | - 6,808 | - | Appropriation | Report going to Council in Jan 2016 |
| | | | | - 27,933 | - 27,933 | - 27,933 | | | |
| | | | | 963,569 | 904,129 | 919,657 | 22,551 | | |

Report



DATE: 28 January 2016

TO: Mayor and Councillors

FROM: Chief Executive

REVOCATION OF RESOLUTION TO SELL LAND AT JACKSON BAY

1 SUMMARY

- 1.1 The purpose of this report is to recommend that Council's decision of 23 July 2015 to sell the land at Jackson Bay, owned by Council and managed by Westland District Property Ltd, be rescinded.
- 1.2 This issue arises following the Notification of Heritage New Zealand Pouhere Taonga for Crown Land Disposal Advice that it would be in the national interest to ensure that the significant historic heritage values of the land are protected and that HNZ is unlikely to grant any future archaeological authority for development of the land.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council and set out in the Long Term Plan 2015-25.
- 1.4 This report concludes by recommending that Council rescind its decision to sell the land at Jackson Bay and protect it from further development; and that Council over time engage with the local community for potential development of the site as a cultural/historical attraction, with interpretation panels to entertain and inform visitors to Jackson Bay - at no cost to Council.

2 BACKGROUND

- 2.1 Council owns three sections of land at Jackson Bay:
 - 25810-33602A 1118sqm (leased to Talleys Group)
 - 25810-33602B 4263sqm (vacant section)
 - 25810-33614 689sqm (leased to Fiordland Lobster)

- 2.2 A number of parties expressed interest in purchasing the land and, at its meeting on 23 July 2015, Council approved the sale of the land on the open market.

3 CURRENT SITUATION

- 3.1 On a site visit in preparation for the land sale, WDPL manager Mark Jurisich, a qualified archaeologist, identified a site on the land and brought it to the attention of DoC and Heritage New Zealand.
- 3.2 HNZ has now declared the land to be a site of national significance:
"Heritage New Zealand advises that it would be in the national interest to ensure that the significant historic heritage values associated with the subject land are protected. Given the layers of significant cultural, archaeological and historical values of this land area, Heritage New Zealand is unlikely to grant any future archaeological authority for development of this land parcel. As the proposed area of disposal has significant Maori heritage values attached to it Heritage New Zealand strongly recommends that direct consultation be undertaken with Ngai Tahu and Te Runanga o Makaawhio regarding the cultural association they have with this area."
- 3.3 Following consultation with Te Rūnanga o Makaawhio, Tumuaki Susan Wallace applauded Westland District Council *"for not only safeguarding the land from sale but also protecting it from further development."*

4 OPTIONS

- 4.1 Option 1: Proceed to sell the land anyway.
- 4.2 Option 2: Rescind Council's decision of 23 July 2015 to sell the land.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 Given the declared national cultural heritage value of the land, any future activity in relation to it is likely to be viewed as historically/culturally significant.
- 5.2 Engagement between the affected parties, Council, WDPL and Te Rūnanga o Makaawhio has taken place and the proposed recommendation is supported.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Option 1 is hardly an option. HNZ will not grant archaeological authority for further development of the land and offers for sale would need to include that caveat, thus deterring potential buyers.

Also, sale of the land would likely damage relations between WDC and manawhenua. As HNZ advised in its report:

"The significance of the area to manawhenua, Kati Mahaaki, is evident in its proximity to the Arawhata reserve land, one of the few Maori Reserves that Ngai Tahu managed to secure after the 1860 Arahura purchase. Kati Mahaaki has retained and actually managed to increase the holding size of the Arawhata reserves during the Ngai Tahu claims negotiations. Kati Mahaaki continue to vigorously maintain their role as kaitiaki of Okuru and would likely heartily question parcels being unavailable for negotiation during the claims process but now being proposed as surplus."

- 6.2 With a number of parties interested in its purchase, the land is likely to have been sold and with a QV of \$500,000 would have provided good revenue for both WDC and WDPL. Option 2, to recommend that Council now rescind its decision to sell the land is therefore regrettable. However, given the circumstances there appears to be no other option.

7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is to rescind Council's decision of 23 July 2015 to sell the land at Jackson Bay. This option will:
- still enable the existing lobster/fish processing plants to operate
 - continue to provide lease income to WDPL and rates to WDC
 - still enable other opportunities in relation to the land to be explored (per 8B below)

8 RECOMMENDATIONS

- A) **THAT** Council rescind its decision of 23 July 2015 to sell the land at Jackson Bay:
- | | |
|--------------|--------------------------------------|
| 25810-33602A | 1118sqm (leased to Talleys Group) |
| 25810-33602B | 4263sqm (vacant section) |
| 25810-33614 | 689sqm (leased to Fiordland Lobster) |
- B) **THAT** Council over time engage with the local community for potential development of the site as a cultural/historical attraction, with interpretation panels to entertain and inform visitors to Jackson Bay – at no cost to Council.

Tanya Winter
Chief Executive

Report



DATE: 28 January 2016

TO: Mayor and Councillors

FROM: Chief Executive

TRANSFER OF RESERVE TO WEST COAST WILDERNESS TRAIL TRUST

1 SUMMARY

- 1.1 The purpose of this report is to request that Council transfer the funds being held in a Council reserve over to the new Trust that will support and promote the West Coast Wilderness Trail.
- 1.2 This issue arises from the trail moving from a construction phase to an operational phase, and a community led Trust being established to take the trail forward.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council transfers the total sum being held in a Council reserve to the West Coast Wilderness Trail Trust.

2 BACKGROUND

- 2.1 The West Coast Wilderness Trail (WCWT) is one of 23 Great Rides that forms the NZ Cycle Trail Nga Haerenga network across New Zealand.
- 2.2 The trail is approximately 136km long and spans the Grey and Westland districts. It was officially opened at Labour Weekend, October 2015.
- 2.3 The Westland Wilderness Trust has been the CCO responsible for providing governance oversight while the WCWT was being constructed.

- 2.4 With the completion of the WCWT, a new model of trail governance is required, with input from business owners and operators who are providing support to the trail.
- 2.5 In August 2015 a meeting of interested stakeholders was called to consider options for developing a structure that could support the WCWT post construction phase. A small working group was tasked with looking at potential structures and reporting back to the stakeholders. Members of the working group were:
- Chris Steel (convenor) – West Coast Wilderness Shuttle
 - Russell King – Coleraine Motel
 - John Plows – Hurunui Jacks
 - Nelson Bradley – Hokitika Cycles and Sportsworld
 - Ian Wightwick – Department of Conservation
 - Quecha Horning – Grey District Council
 - Tanya Winter – Westland District Council
- 2.6 The working group met several times in 2015 and researched and evaluated other governance models that were operating around the country to support the Great Rides. A Trust was assessed as being the most appropriate for the WCWT.

3 CURRENT SITUATION

NZCT Official Partners Programme

- 3.1 The WCWT is a member of NZ Cycle Trails Nga Haerenga Inc. As part of that the trail is able to operate the Official Partners Programme. The programme aims to build the profile of the NZCT brand and the individual Great Rides that make up the NZCT; increase the turnover for New Zealand businesses that provide related goods or services; and generate increased downstream economic benefits to regional communities.
- 3.2 This programme is promoted nationally but managed locally and it encourages local businesses to support the cycle trail with a membership fee of \$295 plus GST per annum. At the moment this programme is administered by Westland District Council.
- 3.3 The WCWT currently has 46 Official Partners with many of them having contributed for the two years the programme has been operating here. The funds collected over that time have been held in a reserve pending the time when a governance body is established that can utilise this funding.

- 3.4 Since its inception Council has accumulated \$42,198.60 in a reserve (balance as at 31 December 2015). Of this \$13,750 was a contribution from Grey District Council for the trail opening held in Kumara in November 2013. The remainder is contributions from Official Partners.

West Coast Wilderness Trail Trust

- 3.5 In the latter part of 2015, the working group spent time on the following:
1. Determining which governance structure would best serve the trail as an operational asset
 2. Once a Trust was decided on, working with a local lawyer to develop a Trust Deed (see **Appendix 1**)
 3. Listing the skills and experience required for Trustees
 4. Identifying people who could be approached to be inaugural Trustees.

- 3.6 By the end of 2015 the Trust Deed had been finalised and the following people had agreed to be Trustees:

- Chris Steel
- John Plows
- Jackie Gurden
- Phillip Barnett
- Rosie McGrath
- John Wood
- Matt Levien

- 3.7 The Trust will operate completely independently and be in no way accountable to Council, however as it will be promoting one of Council's assets it is expected that operational lines of communication will exist, particularly with the Customer Service Centre/i-SITE and the District Assets team.

- 3.8 The objects and purposes of the Trust are listed on page 2 of the Trust Deed, but the Trust's main purpose is *"To actively promote, develop and manage the "business" of the trail in such a way that it can fulfil its potential as a strong and sustainable contributor to the social, cultural, environmental, educational and economic well-being of the West Coast."*

- 3.9 The Trust will have its first meeting on 10 February 2016.

- 3.10 Maintenance of the trail will remain the responsibility of the Grey and Westland District Councils.

4 OPTIONS

- 4.1 Option 1: Council retains the funds in the reserve

- 4.2 Option 2: Council transfers the funds to the West Coast Wilderness Trail Trust
- 4.3 Option 3: Council decides to use the funds in another way that relates to the trail.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 The decision to transfer the reserve is administrative and has been assessed as low significance in accordance with Council's Policy on Significance and Engagement.
- 5.2 The meeting in August 2015 was well attended by trail stakeholders. This included those who are part of the Official Partners Programme and those who aren't but who have an interest in the trail. The working group members were selected from that meeting. The funds Council holds in reserve were discussed at that meeting and the feedback then was that those who have contributed wanted reassurance that the funds would be used to benefit the trail, and that they would have input into how the funds were used. If the funds are transferred to the Trust ongoing engagement would take place through the Trust itself.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Option 1 would mean that the funds remain in the reserve and accumulate. This has the advantage of protecting the funds, but the disadvantage of Council retaining responsibility for management of the funds and accountability to the Official Partners. This is inherently less efficient and would carry some reputational risk if it was perceived that Council is disregarding preceding consultation. Businesses and the community who are contributing through the Official Partners Programme expect to see the funds used for the benefit of the trail at some point.
- 6.2 Option 2 would mean the total amount in the reserve is transferred to the new Trust. The advantage of this is that the funds in the reserve would be used by the Trust for the benefit of the WCWT. The Trust would then be directly accountable back to the Official Partners in terms of what the funds were spent on. Clause (h) under the Objects of the Trust specifically mentions the Official Partners Programme. Once the Trust is operational, Council will hand over the administration of this programme to the Trust. Clauses 4 and 5 of the Trust Deed are applicable to any funds the Trust holds. The disadvantage of this option is that Council would no longer have control over these funds, and the transfer would be an adverse operating variance for the year ended 30 June 2016.

- 6.3 Option 3 would see Council retaining the funds in the reserve and deciding how to utilise them. If this option is chosen it would seem only fair that Council then consults with the businesses who have contributed to the Official Partners Programme on exactly what the funds should be used for. The advantage of this is that Council retains some control over the funds. The disadvantage is that Council then has the extra responsibility of agreeing on how to best utilise them, and, furthermore, a decision then needs to be made about future administration of the Official Partners Programme.

7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is Option 2. A group of volunteers from the community have taken the initiative and established a Trust to oversee the West Coast Wilderness Trail to ensure it delivers on the economic benefit promised by the Honourable John Key, Prime Minister, when he established the government fund to construct the NZ Cycle Trail Nga Haerenga network.
- 7.2 Research undertaken by the working group when they were selecting the preferred governance model was that the WCWT is the only trail in the country yet to have an organisation in place that is solely focused on the trail. All of the other trails on the network have this in place and all are employing trail managers.
- 7.3 A number of Council staff have been performing this role over the years while the trail was being constructed, but this is no longer a sustainable model.
- 7.4 By transferring the total sum in the Council reserve to the new Trust, Council is demonstrating support for that entity, and acknowledging that the reserve was only in place to protect the funds that have been given in good faith by members of the Official Partners Programme until such time as they could be put to good use.
- 7.5 The Trust Deed has been drafted by a local lawyer and provides adequate protection for the funds in that they must be applied solely towards the promotion of the Objects of the Trust.

8 RECOMMENDATION

- A) **THAT** Council transfers the total sum in the West Coast Wilderness Trail reserve, being \$42,198.60 (as at 31 December 2015) to the West Coast Wilderness Trail Trust.

Tanya Winter
Chief Executive

Appendix 1: Trust Deed – West Coast Wilderness Trail Trust

A N D CHRISTOPHER JAMES STEEL, MATTHEW JOHN LEVIEN, JACQUALINE BETSY GURDEN, ROSEMARIE CLARA McGRATH, PHILLIP BARNETT, JOHN WILLIAM PLOWS and JOHN RAYMOND WOOD (hereinafter called the Trustees)

- A. The Settlor desires to create one Trust (to be known “**West Coast Wilderness Trail Trust**”) upon the trusts hereinafter declared and concurrently herewith has paid to the Trustees the sum of \$10.00.
- B. The parties have agreed to execute this Deed for the purposes of determining the Trust and conditions on which the assets of the Trust are to be held.

1. INTERPRETATION

- a) "The Trust" means the **West Coast Wilderness Trail Trust**.
- b) **West Coast Wilderness Trail Trust** means the said sum of \$10.00 and the property and investments from time to time representing the same and any property hereafter transferred to the Trustees and directed to be held on the trusts related to **West Coast Wilderness Trail Trust** contained herein and any further property whether real or personal of what nature and kind whatsoever which may hereafter be otherwise acquired by the Trustees from any source whatever and whether by way of gift bequest devise purchase exchange or otherwise howsoever for the purposes of the said trusts and moneys and investments from time to time representing such property and income therefrom.
- c) "The Trust Fund" means the **West Coast Wilderness Trail Trust** fund.
- d) "The Trustees" means the Trustee or Trustees for the time being of the **West Coast Wilderness Trail Trust** whether original, additional or substituted.
- e) "The Trail" means the West Coast Wilderness Trail as defined by The New Zealand Cycle Trail "Nga Harenga" and which runs in either direction between Greymouth-Ross and Ross-Greymouth

2. DECLARATION OF TRUST

- 2.1. The Settlers **HEREBY DIRECT AND DECLARE** and the Trustees **HEREBY ACKNOWLEDGE** that the Trustees shall stand possessed of the Trust fund upon the Trusts and with the powers hereinafter set forth.

3. OBJECTS

- 3.1. The objects and purposes of the Trust shall be:

- a) To actively promote, develop and manage the “business” of the trail in such a way that it can fulfil its potential as a strong and sustainable contributor to the social, cultural, environmental, educational and economic well-being of the West Coast.
- b) To provide responsive, high quality customer service to the users of the trail.
- c) To assist in the development of new business enterprises and the expansion of existing businesses to service the needs of users of the West Coast Wilderness Trail.
- d) To positively engage local community and business and grow this support.
- e) To ensure that the West Coast Wilderness Trail remains a member of The New Zealand Cycle Trail “Nga Haerenga: Great Rides network and becomes one of the standout trails on this network.
- f) To facilitate and support events on the trail.
- g) To ensure that the West Coast Wilderness Trail Trust is recognised as the ‘official’ Trust for the trail.
- h) To promote and grow the Official Partners Programme for the trail.

4. APPLICATION OF TRUST FUND

- 4.1. The Trust Fund shall be applied solely towards the promotion of the objects.
- 4.2. No portion of the Trust Fund shall be paid or transferred directly or indirectly to any Trustee save that nothing shall prevent payment to any Trustee of any out of pocket expenses.

5. DISPOSITION OF INCOME AND CAPITAL

- 5.1. The Trustees shall stand possessed of the Trust Fund upon the following trusts:
- a) To pay or to apply the whole or any part of the current net annual income arising from the Trust Fund or the whole or part of the capital of that Trust Fund towards the objects of the Trust.

- b) To appropriate for any purpose authorised by this Deed the whole or any part of the net annual income arising from the Trust Fund whether or not the same shall have been received by the Trustees.
- c) To make or to retain out of or charge against income in any income year any payments reserves or other provisions of a capital nature for any of the objects of the Trust or incidental to the exercise of any powers authorities or discretions conferred upon the Trustees by this Deed in respect of the Trust Fund.
- d) To accumulate the whole or any part of the current net annual income arising from the Trust Fund by investing the same and the resulting income thereof to the intent that all such accumulations shall be added as an accretion to the Trust Fund and shall be held by the Trustees upon the same trust and with the powers herein declared in respect of the capital of the Trust Fund **AND** any income or any income year not so paid applied appropriated or retained in accordance with the foregoing provision of sub-clauses (a) (b) and (c) hereof during or within six months after the end of that income year shall be accumulated and any income so accumulated shall be added to and form part of the capital of the Trust Fund.

6. TRUSTEES PATRONS AND EMPLOYEES

A. TRUSTEES

- 6.1. **Number of Trustees:** The Trustees shall ensure that there are no less than six (6) Trustees nor more than nine (9) Trustees appointed at any one time. The Trustees abovenamed are the Trustees as at the date of this Deed.
- 6.2. **Retirement by Rotation:** There shall be no maximum term of office for each Trustee, but each year two Trustees shall retire effective from the balance date of the Trust. Such retirements shall be by rotation, with the two Trustees longest in continuous office retiring first, with the two Trustees next longest in continuous office retiring the following year and so on. In the event of there being more than two Trustees with the same service in office, the two to retire shall be selected by lot. Any retirement and re-election of a Trustee shall be deemed to commence a new period of continuous service in office for the Trustee, for the purposes of this provision.
- 6.3. **Reappointment of Retiring Trustees:** All Trustees who shall retire shall be eligible to be re-appointed. In the event of any retirement, resignation or death of any Trustee other than at the end of the financial year, the Trustees may appoint a replacement Trustee who shall in the first instance hold office only until the end of the then current financial year and shall then retire. Any such retirement shall be in addition to the two retirements under Clause 6.2 and any such appointee shall be eligible for reappointment.
- 6.4. **Appointment of Additional Trustees:** Subject to Clause 6.1 hereof, from time to time, as requested to fill vacancies on the Board of Trustees, the existing Trustees shall appoint additional Trustees as they shall consider necessary or reasonable to carry out the objects of the Trust.

6.5. **Committees:** The Trustees may from time to time and as they in their absolute discretion consider necessary form or create committees or sub-committees for all or any of the following purposes:

- a) To attend to the everyday running of the Trusts including administration.
- b) To attend to any specific projects approved by the Trustees under the provisions of this Trust.
- c) To attend to any negotiations between the Trust and other persons or bodies in any dealings given to the Trustees under the powers of this Trust.
- d) The members of any committee need not be Trustees.

B. PATRONS

6.6. **Appointment of Patrons:** The Trustees shall have the power to choose or appoint patrons from time to time.

6.7. **Term and Role of Patrons:** The term of appointment of a patron or patrons shall be for a period of three (3) years from the date of appointment. A patron or patrons shall have no role other than an advisory or consulting capacity and then only on the specific request of the Trustees. A patron or patrons shall have no voting rights.

C. EMPLOYEES

6.8. **Appointment of Employees:** The Trustees shall have the power to employ people from time to time as the situation demands. Any employee shall be accountable to the Trustees in all matters pertaining to his her or their terms of appointment. An employee shall not be eligible for appointment as a Trustee.

6.9. **Remuneration:** The Trust shall have the power to pay employees employed by the Trustees such remuneration as the Trustees shall in their absolute discretion decide but subject to any award or other provision of the law which may govern such remuneration.

6.10. **Contractors:** The Trustees shall have the power to engage contractors from time to time to complete specific tasks for the Trust. The Trustees shall set the terms of engagement with the contractors with such terms to include any issues around conflicts of interest.

7. MEETINGS OF TRUSTEES

7.1. Meetings of the Trustees shall be convened by the Chairperson of Trustees from time to time at such place and time as he or she (or in his or her absence the Deputy Chairperson) may determine but in general the Trustees will meet as frequently as they shall deem necessary to carry out the business of the Trust but not less frequently than three times annually.

7.2. At any meeting of the Trustees the quorum shall be not less than one half of the Trustees then holding office present in person. If one half shall not be a whole number

then the next higher whole number shall apply. If a quorum is not present within thirty (30) minutes after the time appointed for such meeting, then the meeting shall be deemed to be abandoned.

- 7.3. The Trustees shall from time to time elect three of their number to act as Chairperson and Deputy Chairperson respectively and as Treasurer of the Trust Fund. A new Chairperson (who may be the retiring Chairperson) a Deputy Chairperson (who may be the retiring Deputy Chairperson) and a Treasurer (who may be the retiring Treasurer) will be elected at the first general meeting following the annual meeting of the Trustees but the Trustees shall have the power at any time and from time to time to fill a casual vacancy in any one or more of these offices until the first general meeting following the next following annual general meeting.
- 7.4. The Chairperson when present (or in his or her absence the Deputy Chairperson) shall preside at all meetings of the Trustees and shall sign the Minutes and shall generally conduct the meetings. Meetings may be held in person or by any other means of communicating as decided on by the trustees from time to time and will include teleconferencing, skype and other forms of real time electronic communication. Other than resolutions under clauses 13 and 14, voting shall be determined by a simple majority vote of the trustees attending the meeting. The Chairperson shall have a casting vote in the event of a tied vote. The Secretary will ensure that all members of the Board are notified of the meeting, with the agenda circulated no later than fourteen days prior to a meeting.
- 7.5. An Annual General Meeting shall be held no later than 30 June each year. Trustees to receive no less than 21 days notification of the holding of the Annual General Meeting. The Annual General Meeting is an opportunity for the Trust to report publicly on its activities for the preceding twelve months.

8. DUTIES OF TRUSTEES

- 8.1. The Trustees shall be responsible for furthering the objects of the Trust and for determining general and specific policy relating to the implementation of the objects of the Trust.

9. NO PRIVATE BENEFIT

- 9.1. Notwithstanding any other provisions hereof
 - a) Any income, benefit or advantage shall be applied only to the charitable purposes of the Trust.
 - b) No Trustee or other individual person associated with a Trustee shall participate in or materially influence any aspect of a decision made by the Trust in respect of the payment to or on behalf of that person or associated person of any income, benefit or advantage whatsoever.
 - c) Any such income, benefit or advantage paid shall be fair, reasonable and relative to that which would be paid in an arm's length transaction (being the open market value)

- d) The provision and effect of clause 9.1 shall not be removed from this document and shall be included and implied into any document replacing this document.

10. POWER OF TRUSTEES

- 10.1. In furtherance of the objects of the Trust, the Trustees shall have absolute and uncontrolled power and discretion in the management of the Trust Fund and may do or cause to be done all such acts matters and things of whatsoever kind or nature pertaining to the Trust Fund and sign all such instruments and documents as they may think proper necessary desirable or expedient as fully unreservedly and unconditionally as if they were the absolute owners of the Trust Fund or as if the Settlor was personally acting in the premises. Without limiting the generality of the foregoing the Trustees shall have all the powers of the Trustees as are implied by the law of New Zealand or are contained in Part III of the Trustee Act 1956 and its subsequent amendments.
- 10.2. The Trustees shall have the powers to purchase, take on lease or licence or in exchange or hire or otherwise acquire, develop, improve or otherwise deal with any land or personal property and any rights or privileges which the Trustees think necessary or expedient for the purpose of attaining the objects of the Trusts and to sell, exchange, bail or lease with or without options to purchase, or in any manner dispose of any such property, rights or privileges as aforesaid.
- 10.3. The Trustees shall have the power to retain the Trust Fund (or any part of it, or the income from it or any part of such income) for such time as they in their absolute and uncontrolled discretion shall think fit and whether or not part of the Trust fund is of a wasting or speculative nature.
- 10.4. The Trustees have the power to carry on any business relating to the trail.
- 10.5. The Trustees shall have the benefit of all the indemnities afforded to Trustees as Part III of the Trustee Act 1956 and its subsequent amendments.
- 10.6. The Trustees shall have the power to pay any Trustee hereof who is engaged in any profession such professional charges or fees for any business done by that Trustee or that Trustee's firm in and about the trusts hereby declared which the Trustee would have been entitled to charge and receive if that person had not been a Trustee. Any Trustee so engaged must disclose any conflicts of interest in relation to their engagement.

11. AUDITOR

- 11.1. The Trustees shall keep true and fair accounts of all monies received and expended into and from the Trust fund.
- 11.2. Annual accounts shall be completed as soon as practicable after the end of every financial year, circulated to all Trustees and approved at a general meeting.
- 11.3. Trustees may elect at a general meeting to have the accounts audited or reviewed should they deem this necessary for funding or other purposes.

12. INDEMNITY

- 12.1. Any Trustees, Officer or Employee of the Trust shall be indemnified out of the estate of that Trust against any liability incurred by him or her in defending any proceedings whether civil or criminal taken against him or her by reason of his or her actions in relation to or in connection with that Trust in which judgment is given in his favour or in which he or she is acquitted or in which relief is granted to him or her by the Court in respect of any negligence default breach of duty or breach of trust.
- 12.2. No Trustee or Officer of the Trust shall be responsible for loss arising out of the investment of any particular Trust Fund or its administration unless such loss shall arise from his or her own wilful default or neglect. In particular no Trustee hereof shall be liable for any loss arising from any cause whatsoever including a breach of duties imposed by Section 13B and/or 13C of the Trustee Act 1956 and pursuant to Section 13D of the Trustee Act 1956. It is intended by this clause that the duties imposed by Section 13B and 13C of the Trustees Act 1956 shall not apply to any Trustee hereof.

13. WINDING UP

- 13.1. The Trust shall be perpetual unless the Trustees shall resolve to wind up the Trust at a meeting of the Trustees convened for the purpose after a notice of motion setting forth the proposed winding up resolution has been given to each of the Trustees present, in person at that meeting. The resolution must be passed by a majority of not less than three quarters of the Trustees present in person at that meeting.
- 13.2. In the event of the winding up of the Trust, after satisfaction of all debts and liabilities, any property then remaining, whether real or personal, shall be given handed over to or transferred to such "charitable trust" within New Zealand (as those words are understood by the law applicable to New Zealand) and as approved by the Commissioner of Inland Revenue, having objects similar to the Trust, as the Trustees may determine. If the Trustees are unable to agree, then the trusts, bodies and organisations to receive such assets shall be determined by the High Court of New Zealand.

14. AMENDMENTS

- 14.1. No alterations additions variations or amendments to the Deed shall be made except at a meeting of the Trustees convened for that purpose after notice of a motion setting forth the proposed alterations variations or amendments has been given to each of the Trustees and a resolution is passed by a majority of not less than three quarters of the Trustees present in person at that meeting provided that the objects of the Trust shall not be changed to other than charitable purposes and that such objects shall not be changed without Inland Revenue's consideration, and provided that the No Private Benefit clause 9.1 and the Winding up clauses 14.1 and 14.2 shall not be changed without the Inland Revenue's consideration.

IN WITNESS WHEREOF these presents have been executed the day and year first hereinbefore
written day of 2015

SIGNED by the said)
CHRISTOPHER JAMES STEEL)
As Settlor in the presence of:)

SIGNED by the said)
MATTHEW JOHN LEVIEN)
As Settlor in the presence of:)

SIGNED by the said)
JACQUALINE BETSY GURDEN)
As Settlor in the presence of:)

SIGNED by the said)
ROSEMARIE CLARA McGRATH,)
As Settlor in the presence of:)

SIGNED by the said)
PHILLIP BARNETT)
As Settlor in the presence of:)

SIGNED by the said)
JOHN WILLIAM PLOWS)
As Settlor in the presence of:)

SIGNED by the said)
JOHN RAYMOND WOOD)
As Settlor in the presence of:)