



Rangitikei District Council

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Rangitikei
UNspoilt...

Policy/Planning Committee Meeting

Order Paper

**Thursday, 14 July 2016,
1.00 pm**

**Council Chamber, Rangitikei District Council
46 High Street, Marton**

Website: www.rangitikei.govt.nz

Email: info@rangitikei.govt.nz

Chair
Cr Lynne Sheridan

Deputy Chair
Cr Richard Aslett

Membership
Councillors Cath Ash, Angus Gordon, Rebecca McNeil, Soraya Peke-Mason
His Worship the Mayor, Andy Watson (ex officio)

Please Note: Items in this agenda may be subject to amendments or withdrawal at the meeting. It is recommended therefore that items not be reported upon until after adoption by the Council. Reporters who do not attend the meeting are requested to seek confirmation of the agenda material or proceedings of the meeting from the Chief Executive prior to any media reports being filed



Rangitikei District Council

Policy/Planning Committee Meeting

Order Paper – Thursday 14 July 2016 – 1:00 p.m.

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The quorum for the Policy/Planning Committee is 4.

At its meeting of 28 October 2010, Council resolved that "The quorum at any meeting of a standing committee or sub-committee of the Council (including Te Roopu Ahi Kaa, the Community Committees, the Reserve Management Committees and the Rural Water Supply Management Sub-committees) is that required for a meeting of the local authority in SO 2.4.3 and 3.4.3.

1 Welcome

2 Apologies/leave of absence

3 Confirmation of Order of business

(includes acceptance of proposed late items)

4 Chairperson's Report

A report is attached.

Recommendation

That the 'Chairperson's Report' be received.

5 Confirmation of minutes

Recommendation

That the Minutes of the Policy/Planning Committee meeting held on 14 July 2016 be taken as read and verified as an accurate and correct record of the meeting.

6 Queries raised at previous meeting:

- Raglan 'X-treme Zero Waste' facility as an example of waste minimisation

Raglan was previously suggested as a useful example of what could be achieved in waste minimisation. The Committee was particularly interested in the financial aspects of the operation.

The attached 2014 financial report from Raglan 'X-treme Zero Waste' facility shows that the Waikato District Council contributed approximately 40% of the operating costs while the income from selling recyclables through the Kaahu's Nest shop, located at the transfer station, was just under 20% of the operating costs. Further income is generated through drop charges and paid tours of their facility.

7 Council – initiated Plan change – update on process

A verbal update will be provided to the meeting.

8 Detailed considerations of results from annual survey of stakeholders

A report will be tabled.

9 Activity management:

- Community leadership
- Environmental services
- Community well-being

Recommendation

That the activity management templates for Community Leadership, Environmental and Regulatory Services and Community Well-Being (June 2016) be received

10 Policy Team Work Schedule 2016/17

A Memorandum is attached.

File: 5-EX-3-2

Recommendation

That the memorandum, "Policy Team Work Schedule 2016/17" be received

11 Update on communications strategy

A memorandum is attached

File: 3-CT-15-1

Recommendation

That the Update on communications strategy to the Policy/Planning Committee meeting on 14 July 2016 be received.

12 Legislation and governance issues

A report is attached

File: 3-OR-3-5

Recommendations

1. That the report 'Update on legislation and governance issues' to the Policy/Planning Committee's meeting of 14 July 2016 be received.
2. That the Policy/Planning Committee recommend to Council that it delegates to the Committee the authority to approve (for the Mayor's signature) Council's submissions (to the Government Administration Committee) on the Fire Emergency New Zealand Bill and (to the Department of Internal Affairs) the discussion paper 'Proposed regulations to support Fire and Emergency New Zealand'.

13 Section 17A reviews – regulatory – scoping

A report will be tabled at the meeting

14 Consultation of the Earthquake-prone buildings policy

At its meeting on 30 June 2016, Council approved consultation on the Earthquake prone buildings policy, with no changes proposed

Attached is the relevant documentation – i.e. Summary of Information, Statement of Proposal (including the policy), Engagement Plan and submission form.

Recommendation

That the Summary of Information, Statement of Proposal (including the policy), Engagement Plan and submission form [without amendment/as amended] be adopted for consultation on the Earthquake-prone buildings policy over the period 29 July 2016 to 29 August 2016.

15 Investigation of requested speed limit reduction around Kauangaroa

The survey has been delayed because of the contractor's other commitments, but is programmed for this month.

16 Bulls Multi –purpose Community centre – project update

The application to the Lotteries Communities Facilities Fund was not successful in the recent funding round as it seen to be premature. Lotteries requires that certain milestones have been completed, including site ownership and final detailed design and costing. Council is working to ensure it meets these conditions prior to the next funding round at the end of August.

A further meeting between stakeholders and the architects was held on 24 June. A final draft and costed design will be available in early August to enable a wider consultation prior to re-submission to the Lotteries Community Facilities Fund.

A verbal update will be provided to the meeting.

17 Update on the Path to Well-being Initiative

A memorandum is attached

File ref: 1-CO-4

Recommendation

That the memorandum 'Update on the Path to Well-Being initiative and other community development programmes – June 2016' be received.

18 Late items

19 Future items for the agenda

20 Next meeting

Thursday 11 August 2016, 1.00 pm

21 Meeting closed

Attachment 1

July, 2016

The issue of Climate Change is seen as our country’s biggest environmental threat. It seems so easy to ignore a drought or flood if it is not in your backyard.

The reality is we are seeing droughts not just through summers but through several seasons in some parts of the country. The sustainability of our rural economies is under threat. We take the weather for granted until it does not deliver the required climate for a particular time of year. How can we reduce this impact?

On the other side of the coin, the impact of excessive rainfall has an equally devastating effect, silting up rivers, washing away farms and livestock. Deforestation can exacerbate the effects of these rainfall events by allowing excessive run off. How can we reduce this impact?

Let’s not forget water quality. Ideally, water from natural forested areas is of the best quality. How can we get closer to this goal?

The Draft National Environmental Standard is currently with the Government.

<http://www.mfe.govt.nz/rma/rma-legislative-tools/national-environmental-standards>

The rules within this document could require geotechnical assessments before any planting occurs on highly erodible land in order to determine whether the terrain can support access roads and clear felling, otherwise a standard radiata forest can’t be planted on such land as a permitted activity. This could mean kauri, totara, redwood, Douglas fir or other specialty timbers would have to be planted instead.

The storage/source of water for that dry weather also needs to be addressed in order to provide sustainability not just to our rural businesses but to our communities.

The Councillor Street Table

The last Street Table for this triennium has been held. I would like to thank the Mayor and Marton Ward Councillors who have given up their time to attend the Street Table over the last 3 years and in particular I thank Carolyn Bates from the Marton Community Committee for her loyal support. The concept has provided the opportunity for the community to discuss Council related matters and raise concerns. We have always had a positive response from the community. I must also thank the local businesses for allowing us to either be outside their shops (Marton Pharmacy, Leader and Watt, Countdown) and to Marton New World for allowing us to have a presence in their foyer.

Councillor Lynne Sheridan

Attachment 2

Rangitikei District Council

Policy/Planning Committee Meeting

Minutes – Thursday 9 June 2016 – 1:09 p.m.

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Present: Cr Lynne Sheridan (Chair)
Cr Richard Aslett
Cr Angus Gordon
Cr Rebecca McNeil
His Worship the Mayor, Andy Watson

In attendance: Mr Michael Hodder, Community & Regulatory Services Group Manager
Mr Johan Cullis, Environmental & Regulatory Team Leader
Ms Denise Servante, Strategy & Community Planning Manager
Ms Katrina Gray, Policy Analyst
Ms Carol Downs, Executive Officer
Ms Samantha Kett, Governance Administrator

Tabled documents: Item 8 **Section 17A (service delivery) reviews - Presentation**

Unconfirmed

1 Welcome

The Chair welcomed everyone to the meeting.

2 Apologies/leave of absence

That the apologies for absence from Cr Ash and Cr Peke-Mason, and the apology for leaving early from His Worship the Mayor be received.

Cr Gordon / Cr Aslett. Carried

3 Deputy Chair's report

Cr Aslett spoke briefly to his tabled report.

Resolved minute number 16/PPL/038 **File Ref**

That the Deputy Chair's report to the Policy/Planning Committee meeting on 9 June 2016 be received.

Cr Aslett / Cr Sheridan. Carried

4 Confirmation of minutes

Resolved minute number 16/PPL/039 **File Ref**

That the Minutes of the Policy/Planning Committee meeting held on 14 April 2016 be taken as read and verified as an accurate and correct record of the meeting.

His Worship the Mayor / Cr Aslett. Carried

5 Queries raised at previous meeting

The Committee noted the response to their queries raised at the previous meeting.

6 Youth services – transition to co-investment model

Ms Servante spoke briefly to the report, informing the Committee that the Youth Action Plan would be brought to this Committee for discussion once it is completed.

Resolved minute number 16/PPL/040 **File Ref** 4-EN-12-3

That the report, "Options for the transitional phase of youth development 2016/17", be received.

Cr Gordon / Cr McNeil. Carried

Resolved minute number **16/PPL/041** **File Ref** **4-EN-12-3**

That the Committee recommends that Council implements a transitional phase from 1 July to 30 September 2016 for youth development in the District with the following outcomes to be secured by 1 October 2016:

- The future of the existing provision of after-school and school holiday programmes in Marton and Taihape is known, even if this means that it is discontinued from 1 October 2016.
- The budget available from external sources for 2016/17 is known and a programme of work from 1 October 2016 – 30 June 2017 is agreed.
- A District-wide co-governance group has been established, including service agencies and representation from young people, and a Youth Action Plan for the Rangitikei District has been developed.
- A Youth One Stop Shop is established in Marton and Taihape with options to deliver the Youth Action Plan based on the level of funding available.

Cr Gordon / His Worship the Mayor. Carried

Resolved minute number **16/PPL/042** **File Ref** **4-EN-12-3**

That the Committee recommends that Council allocates up to \$17,900 from the annual budget approved of \$60,000 to implement this transitional phase from 1 July to 30 September 2016.

Cr Gordon / Cr McNeil. Carried

Resolved minute number **16/PPL/043** **File Ref** **4-EN-12-3**

That the Policy/Planning Committee understands that Council's intention was to provide \$60,000 for youth services irrespective of the amount of co-investment secured but continues to seek co-investment.

His Worship the Mayor / Cr Aslett. Carried

7 Gambling class 4 venue policy – further consideration of submissions

Ms Servante spoke briefly to the report, providing the Committee with an explanation as to why further deliberations on the policy had been brought to this committee.

Resolved minute number **16/PPL/044** **File Ref** **3-PY-1-5**

That the report "Deliberations on submissions to the review of the Gambling (Class 4) Policy" be received.

Cr Aslett / Cr McNeil. Carried

Resolved minute number **16/PPL/045** **File Ref** **3-PY-1-5**

That the Committee recommends that Council adopt the Gambling (Class 4) Venue Policy without amendment.

His Worship the Mayor / Cr Aslett. Carried

8 Section 17A (service delivery) reviews

Mr Hodder narrated a presentation on the Section 17A Reviews.

9 Activity management:

Ms Servante and Mr Cullis spoke briefly to the Activity Management Templates.

The Committee requested that letters be sent to Ms Jan Harris, Rangitikei College and Nga Tawa Diocesan School for their work on the Youth Forum, and to MP Ian McKelvie for his attendance at the Samoan Independence Day celebrations in Marton.

His Worship the Mayor suggested that later in the year when the Rural Fire Districts are changed, a formal acknowledgement from Council should go to all those who have volunteered for the Rural Fire Brigade.

The Committee requested further information on the building consent application for a dry-store in the District. They were informed that this was for the production of honey by a local business.

Resolved minute number **16/PPL/046** **File Ref**

That the activity management templates for Community Leadership, Environmental and Regulatory Services and Community Well-Being (April-May 2016) be received.

His Worship the Mayor / Cr Gordon. Carried

10 Update on communications strategy

Ms Downs spoke briefly to the update, highlighting the inclusion of Comments from Janet Greig, the Information Services Team Leader.

Resolved minute number 16/PPL/047 **File Ref** 3-CT-15-1

That the Update on communications strategy to the Policy/Planning Committee meeting on 9 June 2016 be received.

Cr McNeil / Cr Aslett. Carried

The meeting adjourned for afternoon tea 3.04pm / 3.18pm

11 Legislation and governance issues

Mr Hodder spoke briefly to the report, highlighting the fact that there are no incentives within the Healthy Homes Guarantee Bill around supporting smaller communities. It would be harder for landlords in smaller communities to recoup the costs associated with bringing their properties up to the standard outlined in the Bill.

The Committee requested that the discussion on the Te Turi Whenua Maori Act by the Te Roopu Ahi Kaa Komiti, be emailed to members.

Resolved minute number 16/PPL/048 **File Ref** 3-OR-3-5

That the report 'Update on legislation and governance issues' to the Policy/Planning Committee's meeting of 9 June 2016 be received.

Cr Gordon / Cr McNeil. Carried

Resolved minute number 16/PPL/049 **File Ref** 3-OR-3-5

That Te Roopu Ahi Kaa be informed at its meeting on 14 June 2016 of the views of the Policy/Planning Committee on Te Ture Whenua Māori Bill.

Cr Sheridan / Cr Aslett. Carried

Resolved minute number 16/PPL/050 **File Ref** 3-OR-3-5

That the Mayor be authorised to sign, on behalf of the Council, the submission as amended to the Healthy Homes Guarantee Bill No. 2 (2015).

His Worship the Mayor / Cr McNeil. Carried

Resolved minute number **16/PPL/051** **File Ref** **3-OR-3-5**

That the Policy/Planning Committee recommends to Council that a formal review of the Earthquake-prone buildings policy be conducted, in terms of section 132 of the Building Act 2004, and that compliance with the policy be verified as part of this process.

Cr Gordon / Cr Aslett. Carried

His Worship the Mayor left the meeting 3.43pm

12 Bulls Multi-purpose Community Centre – project update

The Committee noted the update on the Bulls Multi-purpose Community Centre included in the agenda.

13 Update on the Path to Well-being Initiative

Ms Servante spoke briefly to the memorandum.

Resolved minute number **16/PPL/052** **File Ref** **1-CO-4**

That the memorandum 'Update on the Path to Well-Being initiative and other community development programmes – June 2016' be received.

Cr Aslett / Cr Gordon. Carried

14 Late items

Nil

15 Future items for the agenda

Nil

16 Next meeting

Thursday 14 July 2016, 1.00 pm

17 Meeting closed – 4.17pm

Confirmed/Chair: _____

Date: _____

Attachment 3

CHARGES & PRICES

RAGLAN RECYCLE CENTRE GIVES OUR COMMUNITY EVERY OPPORTUNITY TO ACCESS THEIR RESOURCES.

AT 73% DIVERSION FROM LANDFILL WE ARE MOVING FORWARD TO ZERO WASTE - AND A CLEAN AND BEAUTIFUL LOCAL ENVIRONMENT.

PRICES

Kaahu's Nest prices from

Single bed mattress	\$10.00
Single bed base	\$10.00
Double bed mattress	\$15.00
Double bed base	\$15.00
King bed mattress	\$20.00
King bed base	\$20.00
Crockery	\$0.50 each
Shoes	\$3.00 to \$5.00
Pots and pans	\$2.00 to \$5.00 each
Couches or chairs	\$5.00 to \$20.00 each
Clothes from bins	\$5.00 per basket
Clothes from racks	\$2.00 to \$5.00 each
Paperback Books	\$0.50 to \$3.00 each
Hard Cover Books	\$1.00 to \$5.00 each
Curtains	\$5.00 to \$10.00 per drop
Rags or painter sheets	\$2.00 per bag
Carpet	\$10.00 per m3

Raglan Mini Skips

A five day hire charge for Raglan area are as follows

	2.5 m3	3.5 m3	4.5m3
Landfill	\$180.00	\$225.00	\$270.00
Green Waste	\$120.00	\$135.00	\$175.00

PLEASE NOTE: The above prices include GST, delivery and pickup. NO DELIVERIES ON MONDAYS

2.5 m3	Height	1.0 metre	Width	1.4 metres	Length	1.8 metres
3.5 m3	Height	1.5 metres	Width	1.4 metres	Length	1.8 metres
4.5 m3	Height	1.5 metres	Width	1.6 metres	Length	2.4 metres

Mulch / Compost

m3	\$35.00
40 litre bag	\$8.00
Worms	\$15.00 2ltr container
(minimum 200 grams)	

Mulch Deliveries

2m3	\$100.00
3m3	\$135.00
4m3	\$170.00

Prices include mulch and delivery

Hungry Bin \$295.00

CONTACT US

Office: 07 825 6509
Shop: 07 825 0017
186 Te Hutewai Rd

CHARGES

Refuse Drop Off Charges

Waste to landfill	\$45.00	per m3
Blue/yellow pre paid bags	FREE	
Black 60 litre bags	\$2.70	
Plastic shopping bag	\$1.00	
Wheelie bin of rubbish	\$11.00	
Drum of rubbish	\$9.00	
Fadge to landfill (0.8m3)	\$36.00	
Concrete	\$10.00	per m3
Silage Wrap (clean)	\$10.00	per m3
Carpet	\$10.00	per m3

Kaahu's Nest Drop Off Charges

Vacuum cleaners	\$3.00
BBQ's	FREE
Baby/child car seats	\$4.00
(kept it within safety date)	
Mattresses	
Single	\$5.00
Double	\$10.00
Flourescent tubes	\$1.20
CFL bulbs	\$0.50

Wood Yard Drop Off Charges

Wood	
Scrap or rotten	\$45.00 per m3
Reusable	\$10.00 per m3

Business Recycling Drop Off Charges

Businesses and commercial customers will be charged \$20m3 (excl gst) for dropping off pre-sorted cardboard, paper, glass, cans, and plastics.
See the Business Recycling brochure for comprehensive info in setting up your business recycling.

Green Waste Drop Off Charges

per m3	\$10.00
Black bag/sack	\$1.00
Wheelie Bin	\$2.50
Fadge	\$8.00

Metal Yard Drop Off Charges

Old cars	\$125.00
Trailer	\$25.00
Whiteware (fridges, stoves)	FREE
Plastic vacuum	\$3.00
Tyres	
Car	\$5.00
4 x 4 utility	\$6.00
Truck	\$10.00
Agricultural	\$40.00
Bicycle tyres	\$1.00

E-Waste Drop Off Charges

TVs (all of them)	\$14.00
Monitors (all of them)	\$10.00
Laptops & Servers	\$5.00
Hard-drives/Desktop/Tower	\$5.00
Routers & Modems & Hubs & Switches	\$4.00
Printers & Fax Machines	\$5.00
DVDs, Video Players & Stereos	\$5.00
Microwaves	\$5.00
Keyboards	\$2.00
Photocopier (small to medium)	\$35.00
Photocopier (large)	\$58.00
UPS's small to large	\$10.00
Laptop batteries	\$5.00
Cellphones	FREE
Toners	FREE

**PACK YOUR LOAD
SAVE YOUR \$\$\$**

Recycling Recycling Is Free. Place recyclable items on the top of your load for easy access.

Reuseable Items Little or no cost for drop off if in good condition.

Green Waste \$10m3 and composted on site. We do not accept noxious weeds.

Landfill Landfill is charged by volume, so the tighter you pack your rubbish, the cheaper it will be.



X-TREME ZERO WASTE INCORPORATED

FINANCIAL STATEMENTS for the year ended 30 June 2014

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**X-TREME ZERO WASTE
INCORPORATED**

**Directory
for the year ended 30 June 2014**



Entity:	Incorporated Society holding Charitable Status as approved by the Charities Commission
Incorporated:	31 May 2000
Registered:	30 June 2008
Registration Numbers:	CC34145 (Charities Commission) 1040359 (Incorporated Societies)
Tax Status:	Charitable Status
Nature of Business:	Zero Waste - Community-based education and management of recyclable resources to minimise waste to landfill
Address:	P.O. Box 153 Whaingaroa Raglan
Accountant:	Bizworx Consultancy Limited Chartered Accountants Raglan
Auditor:	John Mills Hamilton
Bank:	ASB Bank Anglesea Clinic Branch Westpac Raglan Branch

X-TREME ZERO WASTE INCORPORATED

Directory
for the year ended 30 June 2014



Name	Position	Position held - Term
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Elected office holders:

Ian Mayes	Chairperson	Elected - Full year
Simon Thomson	Assistant Chairperson	Elected - Full year
Jodi Pinfold <i>Jo McKay</i>	Secretary <i>Secretary</i>	Elected – From Oct 2013 <i>Elected - To Sep 2013</i>
Di Jennings	Assistant Secretary	Elected – From Jan 2014
Gary Kelk	Treasurer <i>Assistant Treasurer</i>	Elected – April 2014 <i>Elected – To March 2014</i>
Lynne Wilkins	Elected Officer <i>Treasurer</i>	Elected – From April 2014 <i>Elected – To March 2014</i>
Blake Richardson	Assistant Treasurer <i>Elected Officer</i>	Elected – From April 2014 <i>Elected – From Jan 2014</i>
Rick Thorpe	Management Rep	Elected – Full year
Liz Stanway	Minute Secretary	Appointed - Full year

Management Team as at 30 June 2014:

Rick Thorpe	Co-manager
Cain Brodie	Operations Manager
Jacqui Forbes	Co-manager
Jo Gibbs	Finance Manager

X-TREME ZERO WASTE INCORPORATED



Income Statement for the year ended 30 June 2014

	Notes	2014 Actual \$	2014 Budget \$	2013 Actual \$
Income				
Sales of Products & Services	2	573,902	571,458	562,940
Contract Income Waikato District Council	3	479,366	468,207	472,997
Operating Grants	4	47,776	50,500	83,345
Capital Grants	5	7,000	10,000	1,500
Other Income		28,416	21,578	19,722
Total Income		1,136,460	1,121,743	1,140,504
Expenditure				
Administration	6	195,367	162,455	163,772
Business Collections	15	25,746	24,134	27,561
Depreciation	16	19,068	18,748	27,856
Education	7	94,680	82,236	59,534
Interest Paid		-	5,000	1,938
Kerbside Collections	12	68,605	50,780	76,345
Marketing	8	22,924	44,945	3,460
Miniskips	11	9,695	11,720	10,620
Prepaid Bags	9	38,992	40,113	46,102
Public Bins	13	39,549	45,890	38,880
Refuse Transfer Station	10	574,699	548,990	486,601
Research & Development		7,805	2,160	34,166
Rural Recycling	14	13,772	16,136	14,184
Vehicle Running Costs		53,973	60,901	65,554
Total Expenditure		1,164,875	1,114,208	1,056,573
Net Operating Surplus (Deficit)		(28,415)	7,535	83,931

X-TREME ZERO WASTE INCORPORATED



Balance Sheet as at 30 June 2014

	Notes	2014 Actual \$	2014 Budget \$	2013 Actual \$
Current Assets				
Cash & Bank	17	50,410	72,929	60,426
Inventory	18	24,937	20,100	19,929
Accounts Receivable	19	115,038	120,000	110,215
Prepayments	20	11,257	10,000	9,611
Total Current Assets		201,642	223,029	200,181
Current Liabilities				
Accounts Payable		116,574	73,000	66,857
Grants Received in Advance	21	1,500	2,000	12,500
GST Accrued		11,888	16,000	15,080
Total Current Liabilities		129,962	91,000	94,437
Working Capital		71,680	132,029	105,744
Non-Current Assets				
Property, Plant & Equipment	16	83,006	58,607	77,355
Total Non-Current Assets		83,006	58,607	77,355
Net Assets & Liabilities		154,686	190,636	183,099

For and on behalf of the Executive Members of X-treme Zero Waste Incorporated who approved and authorised the issue of these financial statements on the date show below:

..... Signature *Treasurer* Position
18/11/14
 Signature *Secretary* Position
18/11/14 Date

X-TREME ZERO WASTE INCORPORATED



Statement of Changes in Equity for the year ended 30 June 2014

	Notes	2014 Actual \$	2014 Budget \$	2013 Actual \$
Opening Balance		183,101	183,101	99,168
Net Operating Surplus (Deficit)		(28,415)	7,535	83,931
Closing Balance		154,686	190,636	183,099



**Statement of Cash Flows
for the year ended 30 June 2014**

	Notes	2014 Actual \$	2013 Actual \$
Cash Flow from Operating Activities			
<i>Cash was provided from:</i>			
Sales of Products & Services		1,040,923	1,047,805
Operating Grants & Subsidies		56,798	90,867
Other Sources		28,416	19,722
		1,126,137	1,158,394
<i>Cash was applied to:</i>			
Suppliers		419,298	484,824
Employees & Contractors		683,446	615,617
GST		3,192	(230)
		1,105,936	1,100,211
Net cash inflow (outflow) from operating activities	27	20,201	58,183
Cash flow from investing activities			
<i>Cash was provided from:</i>			
Capital grants received (applied)		(5,500)	7,000
		(5,500)	7,000
<i>Cash was applied to:</i>			
Property, Plant & Equipment Acquisitions		24,717	5,371
Reducing loans		-	43,286
		24,717	48,657
Net cash inflow (outflow) from investing activities		(30,217)	(41,657)
Net increase (decrease) in cash held		(10,016)	16,526
Plus Opening Balance		60,426	43,900
Cash at 30 June		50,410	60,426
Reconciliation of closing cash to Statement of Financial Position			
WestpacTrust Cheque Account		29,115	18,063
ASB Investment Account		20,254	40,306
Cash on Hand		1,041	2,057
Cash at 30 June	17	50,410	60,426

X-TREME ZERO WASTE INCORPORATED

Notes to the Accounts for the year ended 30 June 2014



1. STATEMENT OF ACCOUNTING POLICIES

Entity Reporting

These financial statements are for X-treme Zero Waste Incorporated.

X-treme Zero Waste Inc is registered under the Incorporated Societies Act 1908.

Purpose of Entity

The purpose of X-treme Zero Waste Incorporated is:

- To contract to the Waikato District Council (WDC) for the management of the current Raglan Transfer Station (RTS)
- To develop recycling facilities at the RTS
- To contract to WDC for the kerbside pickup collection of all waste
- To initiate a kerbside recyclable collection for the Raglan urban and rural communities
- To establish and service recycling drop-off points
- To develop and implement a waste management education strategy for the Raglan Community
- To offer a service to cater for the waste management needs of our business community
- To generate long-term community employment initiatives through better utilisation of the community's waste stream
- To assist in the on-going development of zero-waste initiatives at local and national levels
- To assist people interested in learning from the Raglan model

Differential Reporting

The Incorporated Society qualifies for differential reporting as it is not publicly accountable, and is not large as defined in the Framework for Differential Reporting. X-treme Zero Waste Incorporated has taken advantage of all available differential reporting exemptions, except those in respect of FRS-10 Statements of Cash Flows.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by X-treme Zero Waste Inc.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. For this purpose X-treme Zero Waste Inc has designated itself as a public benefit entity.

The information is presented in New Zealand dollars.

Specific Accounting Policies

The following specific accounting policies that materially affect the measurement of financial performance and the financial position have been applied.

(a) Revenue

Income from the sale of products and services is recognised when it is received or falls due. Fund-raising and unconditional donations or koha are recognised when received. Grants received are recognised in operating revenue, unless specific conditions attach to a grant and repayment of the grant is required where these conditions are not met. In these cases, the grant is treated as a liability until the conditions are met.

X-TREME ZERO WASTE INCORPORATED

Notes to the Accounts for the year ended 30 June 2014



(b) Accounts Receivable

Accounts Receivable are stated at their anticipated realisable value.

(c) Property, Plant & Equipment

Property, plant and equipment are recorded at cost less accumulated depreciation.

(d) Depreciation

Depreciation has been calculated to allocate the cost or valuation of assets over their estimated useful lives, at the following rates:

Office Plant & Equipment	33.3%, 40% & 48% SL
Site Plant & Equipment	12.5% SL, 20% SL, 22% SL & 33.3% SL
Recycling Containers	12.5% & 20% SL
Buildings	4% SL & 12.5% SL
Vehicles	20% SL

(e) Inventories

Inventory of materials on hand has been carried out at the lower of cost or net realisable value. The following has been applied in these financial statements:

Prepaid bag stocks for resale	Cost
Mulch	Net realisable value
Recyclables (plastic, wood, metal, paper, glass, ewaste and pre-loved items)	Net realisable value
Recycle bins for resale	Cost

Inventory of materials on hand that have no resale value but incur costs relating to storage, transport, and landfill charges, has not been accounted for in these financial statements, as collection of waste material with no resale value is regarded as a service.

(f) Income Tax

X-treme Zero Waste Inc has charitable status, and is therefore not obliged to pay income tax on its current activities.

(g) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis. All items in the Statement of Financial Performance, together with Inventories and Fixed Assets, have been recorded exclusive of GST. Accounts Receivable and Accounts Payable are recorded in the Statement of Financial Position inclusive of GST. GST owing to or by the entity at balance date is recorded in the Statement of Financial Position, and has been determined on an accruals basis.

(h) Financial Instruments

Financial instruments in the statement of financial position include cash balances, receivables and payables.

(i) Cash flows

For the purpose of the statement of cash flows, cash includes cash on hand, deposits held at call with banks, and investments in money market instruments, net of bank overdrafts.

(j) Budget Figures

The budget figures are extracted from the budget that was approved by the Committee at the beginning of the year.

**X-TREME ZERO WASTE
INCORPORATED****Notes to the Accounts
for the year ended 30 June 2014****(k) Investments**

Short-term bank deposits are classified as held to maturity. They are measured at amortised cost using the effective interest method, ie interest is accounted for as it is earned.

(l) Employee Entitlements – Salary Accruals

An accrual has been made for annual leave as at 30 June \$13,169 (2013: \$11,608)

No accrual has been made for sick leave entitlements for the employees concerned as while the entitlement in hours/days is recorded the financial impact of not calculating the liability is not considered material.

(m) Changes in Accounting Policies

There have been no changes to accounting policies during the year. The application of accounting policies is consistent with previous years.



**Notes to the Accounts
for the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
2 Sale of Products and Services			
Collections	73,826	70,000	69,509
Events & Projects	5,377	15,000	14,443
Miniskip Income	62,660	50,000	45,671
Prepaid Bags	154,974	150,000	149,463
Recyclables	209,028	217,820	215,414
Transfer Station Gate Takings	68,037	68,638	68,440
	573,902	571,458	562,940
3 Contract Income - Waikato District Council			
RTS Management Contract	333,933	314,994	326,175
Public Bins - Litter & Recycling	107,252	115,032	108,870
Rural Recycling	38,181	38,181	37,952
	479,366	468,207	472,997
4 Operating Grants			
Ministry for Environment	-	-	18,000
Trust Waikato	30,000	30,000	40,000
Waste Minimisation Fund	-	-	10,000
Sky City	1,500	1,500	1,500
Waikato Regional Council	5,000	1,000	280
Ministry of Social Development	3,826	3,000	1,565
Hamilton City Council	-	-	12,000
WEL Trust	1,750	-	-
Glass Packaging Forum	5,700	-	-
Other	-	15,000	-
	47,776	50,500	83,345
X-treme Zero Waste Incorporated received sponsorship of \$12,700 during the year from Fonterra Brands (New Zealand) Ltd. (30 June 2013: \$0)			
5 Capital Grants			
WEL Trust	7,000	10,000	1,500
	7,000	10,000	1,500
6 Administration			
Accountancy & Consultancy Fees	6,634	6,000	6,063
Accident Compensation Premiums	14,844	12,172	16,188
Audit Fees	1,510	1,600	1,544
Communications	4,848	7,000	5,812
Consultancy	8,199	11,000	4,413
Coordination	117,953	87,533	100,322
Conferences, Travel, Training	5,647	3,000	3,480
General Expenses	11,874	8,800	8,266
Insurance	11,800	15,000	9,085
Printing, Postage, Stationery	4,222	4,650	4,356
Office Rent, Power, Water Rates	2,614	2,700	2,319
Repairs and Replacements	5,222	3,000	1,924
	195,367	162,455	163,772



**Notes to the Accounts
for the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
7 Education			
Contractors & Wages	67,020	60,736	45,288
Events & Projects Expenses	7,493	3,000	4,124
General	5,354	8,000	6,669
Hui & Conferences	207	1,500	-
Professional Development	2,081	500	-
Travel & Accommodation	12,525	8,500	3,453
	94,680	82,236	59,534
8 Marketing			
Advertising & Sponsorship	8,060	16,125	1,886
Annual Report	1,843	2,000	-
Brochures	-	2,500	1,574
Contractors & Wages	13,021	19,320	-
Website Hosting & Development	-	5,000	-
	22,924	44,945	3,460
9 Prepaid Bags			
Contractors & Wages	31,157	27,627	30,690
Purchases	7,835	12,486	15,412
	38,992	40,113	46,102
10 Refuse Transfer Station (includes Rural Recycling)			
<i>Mulch:</i>			
Opening Stock on Hand	6,825	-	890
Mulching Costs	7,782	5,000	4,041
Closing Stock on Hand	(8,125)	-	(6,825)
<i>Net Mulching Costs</i>	<u>6,482</u>	<u>5,000</u>	<u>(1,894)</u>
<i>Recyclables:</i>			
Opening Stock on Hand	11,939	-	8,742
Closing Stock on Hand	(13,753)	-	(11,939)
<i>Net Recyclables Costs</i>	<u>(1,814)</u>	<u>-</u>	<u>(3,197)</u>
<i>Recycle Bins:</i>			
Opening Stock on Hand	-	-	-
Purchases	4,116	2,071	3,240
Closing Stock on Hand	(740)	-	(1,110)
<i>Net Recyclables Costs</i>	<u>3,376</u>	<u>2,071</u>	<u>2,130</u>
<i>Operations:</i>			
Conferences & Travel	194	1,000	-
Ewaste	4,457	8,000	9,080
Fadges, Safety Equipment, Consumables	14,267	13,000	12,818
General Expenses	4,803	4,500	4,719
EWaste Rent, Rates, Power, Phone	-	-	9,465
Repairs & Maintenance	17,543	16,500	12,306
Site Repairs, Hire, Development, Security	26,380	52,700	13,178
Transport	183,595	166,260	155,865
Wages & Contractors	315,416	279,959	272,131
<i>Net Operations</i>	<u>566,655</u>	<u>541,919</u>	<u>489,562</u>
	574,699	548,990	486,601



**Notes to the Accounts
for the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
11 Miniskips			
Advertising & Sponsorship	2,451	-	2,329
Contractors & Wages	6,618	8,220	6,290
Skip Bins, Safety Equipment, Consumables, Repairs	626	3,500	2,001
	9,695	11,720	10,620
12 Kerbside Collections			
Contractors & Wages	68,578	48,280	74,300
Fadges, Safety Equipment, Consumables, Repairs	27	2,500	2,045
	68,605	50,780	76,345
13 Public Bins			
Contractors & Wages	32,113	34,390	34,186
Bin Bags & Liners, Consumables, Repairs	7,436	11,500	4,694
	39,549	45,890	38,880
14 Rural Recycling			
Contractors & Wages	13,772	15,636	14,184
Consumables, Repairs	-	500	-
	13,772	16,136	14,184
15 Business Collections			
Contractors & Wages	25,746	21,134	25,104
Fadges, Safety Equipment, Consumables, Repairs, Hire	-	3,000	2,457
	25,746	24,134	27,561
16 Property, Plant & Equipment			
	Closing Cost	Closing Bk Value	Opening Bk Value
Plant & Equipment - Office	14,774	6,812	1,621
Plant & Equipment - Site	94,130	6,685	17,696
Plant & Equipment - Recycling Containers	21,433	2,954	5,612
Building & Site Development	110,724	64,082	49,560
Vehicles	245,235	2,473	2,866
	486,296	83,006	77,355
Depreciation			
	Rates	2014	2013
Plant & Equipment - Office	33% - 48%	1,403	2,134
Plant & Equipment - Site	33.0%	9,890	10,344
Plant & Equipment - Recycling Containers	12.5%	2,658	3,260
Building & Site Development	4% & 12.5%	4,724	5,472
Vehicles	20.0%	393	6,646
		19,068	27,856



**Notes to the Accounts
for the year ended 30 June 2014**

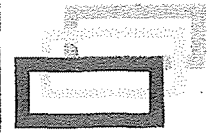
	2014 Actual \$	2014 Budget \$	2013 Actual \$
17 Cash & Bank			
Westpac Cheque Account	29,115	35,429	18,063
ASB Investment Account	20,254	35,000	40,306
Cash On Hand	1,041	2,500	2,057
	50,410	72,929	60,426
18 Inventory			
Mulch	8,125	7,000	6,825
Prepaid Bags	2,319	100	55
Recycle Bins	740	1,000	1,110
Recyclables	13,753	12,000	11,939
	24,937	20,100	19,929
19 Accounts Receivable			
Local Customers	33,139	30,000	46,308
Provisional for Doubtful Debts	(1,014)	-	(3,096)
Government Agencies	6,891	20,000	344
Waikato District Council	76,022	70,000	66,659
	115,038	120,000	110,215
20 Prepaid Expenses			
Insurance Premiums paid in advance	11,257	10,000	9,611
	11,257	10,000	9,611
21 Grants Received in Advance			
WEL Trust	-	-	7,000
RCN Group	-	-	2,500
Waikato District Council (for awning)	-	-	3,000
Meridian Energy Limited	1,500	2,000	-
	1,500	2,000	12,500
22 Change of Name			
X-treme Zero Waste changed its name from X-treme Waste on 13 May 2014.			
23 Related Party Transactions			
X-treme Zero Waste Incorporated employs or contracts the services of members of the committee on a commercial basis, and contracts are formally documented.			
24 Commitments			
Operating Lease Commitments			
Lease commitments under non-cancellable operating leases:			
Not later than one year	777	-	-
Later than one year and not later than two years	777	-	-
Later than two years	259	-	-
	1,813	-	-

X-treme Zero Waste entered into a lease agreement for EFTPOS equipment on 27 August 2013. The agreement commences 27 September 2013, and expires 26 October 2016, at a cost of \$64.78 per month.



**Notes to the Accounts
for the year ended 30 June 2014**

	2014 Actual \$	2014 Budget \$	2013 Actual \$
25 Capital Expenditure Commitments			
There were no commitments for capital expenditure at 30 June 2014 (30 June 2013 - \$Nil).			
26 Contingent Losses or Gains			
There were no known contingent losses or gains outstanding as at 30 June 2014 (30 June 2013 - \$Nil)			
27 Reconciliation of reported surplus after taxation with cash from operating activities			
Reported Surplus (Deficit)	(28,415)		83,931
Plus (Less) non-cash items	19,068		27,856
Plus (Less) capital grants	(7,000)		(1,500)
<i>Movement in Working Capital</i>			
Increase (decrease) in income received in advance	1,500		0
Increase (decrease) in accounts payable	46,525		(67,908)
(Increase) decrease in accounts receivable	(4,823)		19,390
(Increase) decrease in prepayments	(1,646)		(526)
(Increase) decrease in inventory	(5,008)		(3,060)
Net cash flow from operating activities	20,201		58,183
28 Subsequent events			
There are no other matters or events that have arisen, or been discovered, subsequent to balance date that would require adjustment to, or disclosure in these financial statements.			



INDEPENDENT AUDITOR'S REPORT

To The Members of
Xtreme Zero Waste Incorporated

Report on the Financial Statements

I have audited the financial statements of Xtreme Zero Waste Incorporated on pages 3 to 14, which comprise the balance sheet as at June 30th, 2014, and the income statement and statement of changes in equity for the year ended, and a summary of significant accounting policies and other explanatory information.

Committee Responsibility for the Financial Statements

The Committee are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

It is my responsibility to express an independent opinion on the financial report presented by the Committee and report my opinion to you.

Basis of Opinion

My responsibility is to express an opinion on those financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing (New Zealand). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluation the overall presentation of the financial statements.

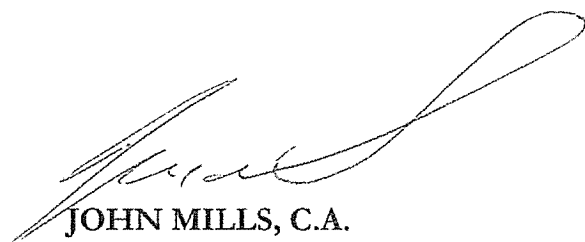
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion

Other than in my capacity as auditor I have no relationship with or interests in Xtreme ZeroWaste Incorporated.

Opinion

In my opinion, the financial statements on pages 3 to 14 present fairly, in all material respects the financial position of Xtreme Zero Waste Incorporated as at June 30th, 2014, and its financial performance for the year ended in accordance with generally accepted accounting practice in New Zealand.

My audit report was completed on Wednesday, November 5, 2014 and my unqualified opinion is expressed as at that date



JOHN MILLS, C.A.

Director

Email: jmil@clear.net.nz

Wednesday, November 5, 2014



INDEPENDENT AUDITOR'S REPORT

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Xtreme Zero Waste Incorporated

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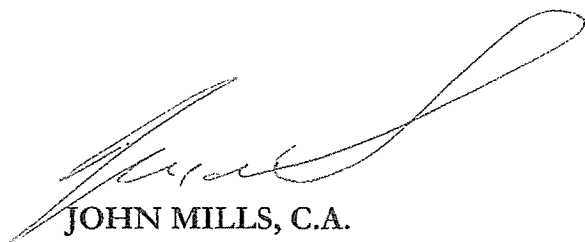
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JOHN MILLS, C.A.

Director

Email: jmil@clear.net.nz

Wednesday, November 5, 2014

Attachment 4

COMMUNITY LEADERSHIP GROUP OF ACTIVITIES 2015/16			Jun-16
Performance measures in LTP/Annual Plan			
What are they:	Targets	Progress for this reporting period	
Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through	83% of Annual Plan actions substantially undertaken or completed during the year, all groups of activities to achieve at least 75% of identified actions	Result at 31 March 2016: Of 81 actions identified in the Annual Plan, 59 are being actively progressed. 13 are fully complete. 6 actions will not be achieved: one is re-painting the Hunterville pool, two are footpath renewals, two are streetlight renewals and one is a new footpath. These latter programmes were commenced but have since been replaced in the roading work programme by more urgent works. Next quarterly result due 30 June 2016.	
	75% of planned capital programme expended, all network utilities groups of activities to achieve at least 60% of planned capital expenditure	Result at 31 March 2015: Total capital expenditure for the first nine months was \$5,033 million from a total pro-rate budget of \$14.037 million i.e. 36% Next quarterly result due 30 June 2016.	
Requests for Service			
What are they:	Completed on time	Completed late	Overdue
General enquiry	5	1	1
Feedback requested:	Email/Telephone/Letter	In Person	Not Required
Animal Control	11	13	16
Council Housing/Property	0	0	1
Cemeteries	0	0	0
Culverts, Drainage and Non-CBD Sumps	0	0	1
Environmental Health	0	0	3
Footpaths	0	0	0
General enquiry	3	1	4
Halls	0	0	0
Parks and Reserves	0	0	0
Public Toilets	0	0	1
Road Signs	0	0	1
Roads	3	0	6
Roadside Berm Mowing	0	0	0
Roadside Weeds/ Vegetation/Trees	0	0	0
Solid Waste	0	0	0
Stormwater	0	0	1
Street Cleaning and Litter Bins	0	0	1
Street Lighting	0	0	0
Wastewater	3	0	1
Water	4	3	0
Grand Total	24	17	36

COMMUNITY LEADERSHIP GROUP OF ACTIVITIES 2015/16			Jun-16
Major programmes of work outlined in the LTP/Annual Plan 2015/16			
Major programmes of work outlined in the LTP/Annual Plan			
What are they:	Targets	Progress for this reporting period	Planned for the next two months
Strategic Planning Activity	Annual Report 2014/15	Completed.	
	Annual Plan 2016/17	Completed.	
Elections	Preparation for the 2016 elections	Pre-publicity proofed and in printing.	Nominations open in July
Iwi/Maori Liaison	Key outcomes from Maori Community Development Programme (to be identified)	Nothing to report	Discussion document to be updated for Komiti meeting in August.
Council	Delivery of programme of policy and bylaw review (see below)	On track	See below
	Preparation of order papers that ensure compliant decision-making	Bulls, Marton Hunterville and Turakina Community Committees, Taohape Community Board. Policy and Planning, Assets/ Infrastructure, Finance/Performance Committees, Council.	
Policy and Bylaw Review	Compliance date	Progress for this reporting period	Planned for the next two months
Scoping report on the level of service for different ONRC classifications	30 June 2016	Not to be done this year	Will be reviewed as part of the Roadway Asset management Plan for 2018-28 LTP
Rates Policy	31 December 2015	Rates Legal Compliance module completed - awaiting peer review	Develop Policy
Legal Compliance Project	31 December 2015	Completed LGIOMA, Dog Control, National Dog Database, Privacy Act, Property Sales, Lease, Acquisitions and Tender Procurement completed. Rates and Bylaw making in process.	Complete Rates and Bylaw modules. The remaining modules (Health and Safety, Building Control and Alcohol Regulation) have been the focus of other areas of work (Sale of Alcohol Act, IANZ Accreditation, H&S Audit) and are not considered necessary at this stage. To be reviewed in 2017/18.
Rates remission policy	30 June 2016	Completed.	
Review the Heritage Strategy	30 June 2016	Completed	
Koitiata Waste Water Reference Group	30 June 2017	Nothing to report for this period.	Further water bore testing scheduled for August. Following this testing trends should be able to be established.
Review TAB venue policy	28 February 2016	Completed	

Review Gambling venue (class 4) policy	30 May 2016	Further consideration by PPL and adopted by Council in June.	Public notification
Versus survey (including new process and questions for 2015/16)	31 March 2016	Benchmarking report prepared and put on website. Individual activity management performance improvement plans prepared for Committee consideration in July.	Improvement Plan prepared for F/P in July
Review Earthquake Prone Buildings Policy	30 June 2016	Council agreed to consult on its unamended EQP Building Policy at its meeting in June 2016	Undertake scp
Development of reserve management plans: Marton Park	31 December 2016	Workshop held. Draft Plan prepared.	Draft Plan to be considered by A/I and Council for further public consultation
Other pieces of work	Reference for inclusion	Progress for this reporting period	Planned for the next two months
Review of Animal Control Bylaw	Following enforcement of the Bylaw in Turakina, residents through the Community Committee have asked for a review of this Bylaw to accommodate the rural nature of the Turakina Settlement.	Completed.	
Investigation of proposal to establish CCO for Infrastructure Shared Services	Policy Team are involved in the Local Government Requirements workstream of this investigative programme.	Nothing further to report	Ongoing
Treasury Policies	Implement the agreed Engagement Plan on the new policies.	Completed	
Review of Control of Dogs Bylaw and Dog Onwership Policy	As a result of the Dog Control legal compliance module.	Completed	
Submissions on key issues affecting local government	As a result of various central government, agency/Horizons consulting on a number of issues.	Submissions completed for the Te Ture Whenua Maori Bill and the Health homes Guarantee (No. 2) Bill	Submissions due on: Local Government Act 2002 Amendment Bill No.2
Speed Limit Bylaw: Parewanui Road	Request from residents	Completed	

COMMUNITY WELL-BEING GROUP OF ACTIVITIES 2015/16			Jun-16
Performance measures in LTP/Annual Plan			
What are they:	Targets	Progress for this reporting period	
Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins	A greater proportion (than in the previous year) of the sample believe that Council's service is getting better: 37% in 2012, 30% in 2013, 16% in 2014, 17% in 2015	In 2016, 19% thought Council's service is getting better.	
Identify and promote opportunities for economic growth in the District	The District's GDP growth: In 2013, Rangitikei's GDP growth was -0.8% and trending downwards with an increasing divergence from the national trend.	Result as at 31 December 2015: GDP growth: the Rangitikei GDP grew sharply during 2015, compared to New Zealand GDP growth and the trend is now upwards. (Infometrics data for 2013, 2014 and 2015). Completed.	
	A greater proportion of young people living in the District are attending local schools. Based on latest available Statistics New Zealand population estimates (June 2013) and school enrolments for 2014 (TKI), 56% of residents of high school age were enrolled in local schools and trending upwards.	Result as at 31 December 2015: School rolls: latest school rolls (July 2015) compared to population estimates indicate that the upward trend of residents enrolled in local high schools stabilized in 2015. Completed	
	More people living in the District (than is currently projected by Statistics New Zealand). Based on population projections from Statistics New Zealand (medium projection based on 2013 Census), the resident population is projected to decline from 14,450 in June 2013 to 13,900 in June 2028.	Result as at 31 December 2015: Population estimates from Statistics New Zealand show a small increase in the population since the Census 2013, tracking at above the high estimates produced from Census data. Estimates updated in October.	
Requests for Service			
What are they:	Completed on time	Completed late	Overdue
None			

ENVIRONMENTAL AND REGULATORY SERVICES GROUP OF ACTIVITIES 2015/16	Jun-16
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Performance measures in LTP/Annual Plan

What are they:	Targets	Progress to date
Timeliness of processing the paperwork (building control, consent processes, licence applications)	At least 92% of the processing of documentation for each of Council's regulatory and enforcement services is completed within the prescribed times	100% of all building and resource consents issued within statutory timeframes
Possession of relevant authorisations from central government	Accreditation as a building consent authority maintained	Maintained
Timeliness of response to requests for service for enforcement call-outs (animal control and environmental health); within prescribed response and resolution times	Improvement in timeliness reported in 2013/14 (84% were responded to in time and 61% completed in time)	To be calculated

Requests for Service

What are they:	Completed on time	Completed late	Overdue
Animal Control	86	15	13
Animal Control Bylaw matter	0	0	0
Animal welfare	4	0	0
Attacks on animal	4	1	0
Attacks on humans	2	0	0
Barking dog	13	2	3
Dog Property Inspection (for Good Owner status)	15	2	8
Found dog	4	0	0
Lost animal	11	2	0
Microchip dog	0	0	0
Property Investigation - animal control problem	3	1	0
Rushing at animal	0	0	0
Rushing at human	0	1	0
Stock worrying	0	2	0
Wandering stock	13	4	0
Wandering/stray dog	17	0	2
Building Control	0	0	0
Dangerous or Insanitary Building	0	0	0
Property inspection	0	0	1
Environmental Health	28	0	2
Abandoned vehicle	1	0	0
Dead animal	2	0	0
Dumped rubbish (outside town boundary)	4	0	1
Dumped rubbish (within town boundary)	0	0	0
Fire permit - rural	0	0	0
Fire Permit - urban (restricted fire season only)	0	0	0
Food premises health issue	0	0	0
Hazardous substances	0	0	0
Livestock (not normally impounded)	0	0	0
Noise - day and night	21	0	0
Pest Problem (Council Property)	0	0	0
Untidy/overgrown section	0	0	1
Vermin	0	0	0
Grand Total	142	15	18

ENVIRONMENTAL AND REGULATORY SERVICES TEAM			Jun-16
Major programmes of work outlined in the LTP/Annual Plan 2015/16			
What are they:	Targets	Progress for this reporting period	Planned for the next two months
District Plan (and other) review processes conducted frugally	Continuous monitoring of operative District plan for minor changes.	Complete - work now focused on DP Change	Nothing planned - focus on Plan Changes.
	District Plan change process complete by 30 June 2016	Pre-hearing meetings, set hearing date, preparing hearing reports.	Hearing.
Give effect to the provisions of the Food Bill, when enacted	Implement the Food Premises Grading Bylaw	Regulations now in effect.	
Other regulatory functions			
What are they:	Targets	Statistics for this month	Narrative (if any)
Building Consents	Report on number of building consents processed, the timeliness and the value of consented work	36 BC's processed in March, 100% processed within 20 days, average days to process = 10 days. Value of work = \$2,293,166	Building new Drystore for commercial premises valued at \$969,000, Edale upgrade valued at \$250,000, 3 x new house builds valued at \$567,000, various house alterations, lots of garages, polesheds and woodburner installations
	Code of compliance certificates, notices to fix and infringements issued.	15 CCC issued, 0 NTF issued, 0 infringement issued	
Resource Consents	Report on: a) number of land use consents issued and timeliness	2 Land use consents issued with 100% processing time frame, average processing days = 20	
	b) subdivision consents and timeliness	1 Subdivision consents issued with 100% processing time frame, average processing days = 19	
	c) section 223 and 224 certification and timeliness,	1x s223 and 1x s224 certificates issued within 100% timeframe	
	d) abatement and infringements issued.	0	

Dog Control	Report on number of new registrations issued, dogs impounded, dogs destroyed and infringements issued.	131 New Dogs Registered, 7 Impounded, 0 Infringements, 2 Destroyed	970 New Dogs Registered, 140 Impounded, 60 Deceased, 42 Infringements, 1246 Dogs Registered, 3510 Unregistered
Bylaw enforcement	Enforcement action taken	No enforcement action undertaken	
Liquor Licensing	Report on number and type of licences issued .	2 Special Licences, 2 Renewal of Managers, 3 New Managers, 1 Renewal Off, 1 Renewal On, 1 Renewal Club Licence, 1 New On Licence	55 Special Licences, 24 New Managers Certificates, 47 Renewal of Managers Certificates, 19 Renewals of Club Licences, 15 Renewals Off Licences, 12 Renewals On Licences, 1 New On Licence

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COMMUNITY WELL-BEING GROUP OF ACTIVITIES 2015/16			Jun-16
Major programmes of work outlined in the LTP/Annual Plan 2015/16			
What are they:	Targets	Progress to date	Planned activities
Community Partnerships	Facilitation of Path to Well-being groups	See below	
	Delivery of work programme through the MOU	See below	
Key elements of the work outlined in Path to Well-being and MOU workplans			
What are they:	Targets	Progress to date	Planned activities
Advocacy to support the economic interests in the District at regional and national level	To actively promotes the District through multi-media advertising and the Mayor and Chief Executive undertake promotional tours on behalf of the District	Nothing further to report.	To be determined
	Lead partner in regional collaborative initiatives around economic development	Regional collaboration of Economic Development offeres has undertaken to lead the Growing Business enabler of the Regional Growth Strategy.	A group of 12 companies from around the region will be selected to trial a business improvement programme.
Timely and effective interventions that create economic stability, opportunity and growth	Increased investment into economic development, e.g. partnering in rural water storage, seeding retail initiatives ('pop-up shops')	Launch of About Us #Get Digital is being panned for mid-July.	Launch of About Us #Get Digital and review of maintenance contract for CCTV
A wide range of gainful employment opportunities in the District	Facilitate and lead on a Rangitikei Growth Strategy that also aligns with and contributes to a regional Agribusiness Strategy	Nothing further to report	Align/fine tune to Regional Growth Study/Strategy and begin implementation.
Attractive and vibrant towns that attract business and residents	Provision of good infrastructure, well-maintained streets in the CBD of main towns	Protocol for place-making in 2016/17 and 2017/18 developed	Monitor progress and continue to facilitate and administer as required.
	Events, activities and projects to enliven the towns and District	Reports received from Infometrics for all high profile events and analysed for F/P in June.	Develop guidelines to support Committee decision-making in events sponsorship.
Up to date and relevant information for visitors and residents on a range of services, activities and attractions	Maintain information centres in Taihape and Bulls, the gateways to the District.	Tpe June 2016 363 (2015,430) Bulls June 2016 349 (2015,502)	
	Develop an information centre in Marton as part of the "libraries as community hubs" concept.	Performance imprvement plan worked on as part of the annual residents satisfasction survey	Implement improvement plan

	Contract with local organisations to provide a range of information, including: * Up-to-date calendar of events, and * Community newsletters, for local distribution	Quarterly reports to end March to be circulated	Circulate quarterly reports to Councillors
An up to date, relevant and vibrant on line presence with information about services, activities and attractions, the District lifestyle, job opportunities and social media contacts	Maintain a website that provides information about Council and community services and activities	Content for "business friendly" pages in progress	Systematically review all community, information pages on the Council website and update. Maintain regular review process.
	Provide a website that is a gateway to the District, with links through to more local web pages, with information about living in the District and social media opportunities.	Nothing further to report	Develop the District promotion strategy and identify role of the web portal. Continue to develop Be Happy Taihape. Further develop Promotional Strategy
Opportunities for residents to remain socially and physically active into their retirement years, to enable them to stay in the District for as long as possible	Facilitate and lead on a Positive Ageing Strategy that aims to enhance quality of life for older people in the District	Nothing further to report	Nothing planned
Opportunities for people with children to access the quality of life they desire for their families	Facilitate and lead on a Youth Action Plan that aims to enhance quality of life for children and young people in the District	External funding for youth development services for the District pursued, transition plan developed. Reports for Swim-4-All programme completed.	
A more equal and inclusive community where all young people are thriving, irrespective of their start in life	Council will facilitate and lead on a Community Charter that supports all young people in our District to become the best adult that they can	Analysis of response to options for future youth development in the District completed.	Complete process to identify Action Plan to address pre-school and primary aged age groups. Continue to develop engagement with young people in the Charter.
Cohesive and resilient communities that welcome and celebrate diversity	Develop high trust contracts with agencies in each of the three main towns to undertake community development	Samoan Independence Day supported.	Looking for additional funding to provide ongoing support. Continue to work and liaise with the the Town Coordinators.
Funding schemes which have clear criteria, which are well publicised, and where there is a transparent selection process	Facilitate at least an annual opportunity for community organisations to apply for funding under the various grant schemes administered by the Council	Completed	

	Publish the results of grant application process to a Council-run forum showcasing the results of grant application processes where successful applicants provide brief presentations and are open to questions	Nothing further to report	Organise a meeting for grant recipients.
To see Council civil defence volunteers and staff at times of emergency (confidence in the activity)	Contract with Horizons to provide access to a full-time Emergency Management Officer	Ongoing and is on track. New business plan for 2016/17 currently being reviewed.	
	Arrange regular planning and operational activities	Participation at facilitation level approved by CE for the upcoming National exercise in 31 August 2016 .	
To be assured of adequately trained, resourced and responsive rural fire force to reduce the incidence of life and property threatening fire	Provide fully trained and adequately resourced volunteer personnel who are in a position to respond to rural fire call-out with the minimum of delay	Ongoing and is on track	Training for rural fire volunteers taking place regularly.

Attachment 5

Memorandum

To: Policy/Planning Committee

From: Denise Servante, Strategy and Community Planning Manager

Date: 6 July 2016

Subject: **Policy Team Work Schedule 2016/17**

File: 5-EX-3-2

1 Introduction

1.1 The Policy Team work programme is based on:

- Actions committed to in the Annual Plan under Community Leadership Group of Activity
- Actions committed to in the Annual Plan under Community Well-being Group of Activity
- Regular, ongoing, statutory requirements for review of Policies and Bylaws
- Programme of work under Community Partnerships activity

1.2 These form the basis of the monthly non-financial reporting template and the Updates on the Path to Well Being and other community development programmes that are considered at each Committee meeting.

2 Actions in the Annual Plan under Community Leadership:

2.1 Giving effect to the adopted option to replace the current infrastructure shared service with Manawatu District Council, for example, the establishment of an Infrastructure Council Controlled Organisation;

2.2 Managing the triennial election process, preparation of the pre-election report, preparation and conduct of the 2016 triennial election;

2.3 Review governance structure, specifically (before the triennial elections) community and reserve management committees and (following triennial election) Council's standing committees;

2.4 Managing induction processes for the new Council and Community Boards, including updating the Local Governance Statement and Elected Members' Handbook, co-

ordinating provision of comprehensive background information, arranging Powhiri, and supporting initial strategic scene setting;

- 2.5 Preparation of Project Plan for 2018-28 Long Term Plan: early scoping of medium-long-term issues for consideration in financial and infrastructure strategies, review of non-statutory policies to ensure alignment with financial and infrastructure strategies, identify further research required to describe strategic environment for this LTP;
- 2.6 Delivery of programme of policy and bylaw review, focusing on review of non-statutory policies (Table 1) and preparing for review of statutory policies for inclusion in 2018-28 LTP;
- 2.7 Delivering the Māori Community Development Programme to build capacity in hapu and iwi to take part in Council's strategic planning and decision-making.
- 2.8 Annual Report 2015/16.

3 Actions in the Annual Plan under Community Well-being:

3.1 Rangitikei Growth Strategy

- Progress solutions to water availability in area between Marton and Hunterville;
- Develop collaborative economic development and District promotion services across the Horizons region;
- Council sponsorship of events aiming to increase visitor numbers (compared to 2015/16).

- 3.2 Establish youth development services based in Taihape and Marton, transitioning from current arrangements to a one-stop shop concept involving other agencies - \$60,000 from Council (continuing to seek equivalent contribution from external sources)

3.3 Safe and Caring Community Theme Group

- Healthy Families programme: take part in Governance Group, act as local Prevention Partnership;
- Annual achievement Scholarships for Taihape Area School and Rangitikei College

3.4 Marton Community Charter

- Develop services for young people (0-18), such as driving safety, career development pathways, Youth Voice in local decisions;

3.5 Enjoying Life in the Rangitikei

- Swim-4-All programme 2016/17;

3.6 Treasured Natural Environment

- Support for Hautapu and Tutaenui catchment groups
- Develop access to Kahui reserve, Mangaweka
- Continue to produce and distribute the Theme Group newsletter;

3.7 MOU work programme

- Five + high profile events and 20 community events
- Community newsletters distributed through Marton, Bulls and Taihape
- Dynamic and attractive web presence for the District and towns
- Interactive and appropriate social media opportunities
- Community development and place-making support in Marton, Bulls and Taihape;

3.8 Path to Well-being

- Conference November 2016/March 2017

3.9 Emergency Management: Staff EMIS Training (Emergency management Information Training)

3.10 Further detail is provided in Table 2 below

4 Recommendations

4.1 That the memorandum, "Policy Team Work Schedule 2016/17" be received.

Denise Servante
Strategy and Community Planning Manager

Table 1: Schedule of Policy and Bylaw review					
Priority ¹	Objective	Cttee	Start Date	Completion Date Target	Notes
1	Section 17A review: Regulatory Services	PPL	1 July 2016	31 Aug 2016	Paper to Council 30 June 2016
1	Section 17A review: Infrastructure Services	PPL	1 July 2016	1 Oct 2016	Paper to Council 30 June 2016
1	Rates Policy	FP	1 July 2016	31 Dec 2016	To guide officer delegated authority for action in certain circumstances.
1	Legal Compliance Project	AR	1 July 2016	31 Dec 2016	Complete Rates and Bylaw modules
1	Review Earthquake Prone Buildings Policy	PPL	1 July 2016	31 Dec 2016	Council resolution at its meeting on 30 June 2016
1	Section 17A review: Rural Water Schemes	PPL	1 July 2016	31 Dec 2016	Paper to Council 30 June 2016
2	District Plan change	PPL	1 July 2016	31 Dec 2016	Hopefully the final stages of the Plan Change following Hearings.
2	Koitiata Waste Water Reference Group	AI	1 July 2016	tbc	
3	Development of reserve management plans: Marton Park	PPL	1 July 2016	31 Dec 2016	Complete the process initiated during 2015/16
3	Appointment of Directors	PPL	1 July 2016	30 June 2017	Local Government Act 2002 s57 - will be needed if Council proceeds with an Infrastructure CCO
1	Residents' survey	FP	1 Nov 2016	31 Mar 2017	
1	Section 17A review: Libraries & Information Centres	PPL	1 Feb 2017	30 April 2017	Paper to Council 30 June 2016
1	Section 17A review: Civil Defence	PPL	1 May 2017	30 June 2017	Paper to Council 30 June 2016

¹ Priority 1 = statutory requirement, Priority 2 = Council resolution, Priority 3 = other

Priority	Objective	Cttee	Start Date	Completion Date Target	Notes
1	Finalisation of urban/rural stormwater drainage maps to complete Water Services Bylaw	AIN & PPL	tbc	tbc	Bulk of Bylaw adopted in May 2013: remaining sections pending agreement of maps of public/private stormwater drainage. Draft maps adopted for consultation, July 2013.

Table 2: Programme of Work for Community Partnerships

P/ship	Objective	Committee reporting	Start Date	Completion Date Target	Notes
TNE	Newsletter	PPL	1 July 2016	1 January 2016	Quarterly newsletter about environmental issues in the Rangitikei
Grants	Round 1; CIF and Events Sponsorship	FP	1 July 2016	30 August 2016	Up to 2/3 available funding committed
Youth	YOSS established	PPL/Council	1 July 2016	30 September 2016	Transition Plan implemented, fundraising for 2016/17 completed.
Grants	Round 2; CIF and Events Sponsorship	FP	28 September 2016	30 November 2016	Remainder of funding committed
Grants	Round 1; Creative Communities	FP	28 September 2016	30 November 2016	Available funding committed
ELITR	District Promotion: promoting the District as a lifestyle choice, develop programme e.g. attendance at Home Shows	FP	1 July 2016	31 December 2016	Undertake research to understand the pull/push factors affecting decisions about relocating to the Rangitikei to enable promotional materials to be tailored to address these factors

P/ship	Objective	Committee reporting	Start Date	Completion Date Target	Notes
BE	Economic Development: promoting the business opportunities in the District	FP	1 July 2016	31 December 2016	Sub-group to investigate a portfolio of identified future industry business opportunities in the District and link with District Promotion above
Grants	Round 2; Creative Communities	FP	29/02/2017	30 April 2017	Available funding committed
Grants	Round 1; Sport New Zealand Rural Travel Fund	FP	29/02/2017	30 April 2017	Available funding committed
Grants	Administering Swim-4-All programme	FP	1 July 2016	30 April 2017	All funds spent and reported back to funder
Youth	Youth Award Scheme	Council	1 January 2017	31 May 2017	To coincide with Youth Week in May 2017
BE/ELITR	Web content for business-friendly Council	FP	1 July 2016	30 June 2017	Work with Theme group to develop range of business support services
MLLL	Māori Landlocked Land; scoping exercise of potential land use benefits	TRAK/PPL	1 July 2016	30 June 2017	Report to be designed and researched
MOU	Monitoring work programme of four MOU agencies	Council	1 July 2016	30 June 2017	Quarterly reports
SCC	Healthy Families Governance Group	PPL	1 July 2016	30 June 2017	Participate in meetings, coordinate with rural health promoters over delivery of agreed work programme
TCP	Bulls multi-purpose facility: fundraising	PPL	1 July 2016	30 June 2017	to be confirmed
TNE	Catchment groups - Hautapu, Tutaenui	PPL	1 July 2016	30 June 2017	Ad hoc work plans
TNE	River Access Project	PPL	1 July 2016	30 June 2017	Investigate upgrades to river access points - first step of cycleway project
Youth	YOSS established	PPL/Council	1 Oct 2016	30 June 2017	Fundraising for 2017/18 completed

P/ship	Objective	Committee reporting	Start Date	Completion Date Target	Notes
HS	Heritage Strategy - create a district wide narrative promoting pre-colonial settlement and historic sites in the district	TRAK/PPL	1 July 2016	30 Dec 2017	Work with Rangitikei Heritage to collect stories and develop materials Work with iwi/hapu to collect stories and develop materials
DEP	Implementation of Digital Enablement Plan	FP	Ongoing	Ongoing	About Us launch, WIFI through CBD areas, web content, web portal
HS	Inventory for Heritage Strategy	PPL	Ongoing	Ongoing	Ongoing process with Rangitikei Heritage
MCC	Facilitate Marton Community Charter Board and Advisory Group	PPL	Ongoing	Ongoing	Lock into southern advisory group for YOSS
RGS	Regional collaboration with ED officers	FP	Ongoing	Ongoing	Quarterly meetings: role in Growing Business enabler of RGS
RGS	Project Teams - others eg Māori, irrigation, agribusiness	FP	tbc	tbc	To be confirmed once regional growth strategy is released

Attachment 6

Update on Communications

This regular report provides the Committee with an update with progress on the Council's Communications Strategy; media and communication activity.

Update on Action Plan – to 30 June 2016

<i>Action Description</i>	<i>Expected Completion</i>	<i>Lead Responsibility</i>	<i>Status</i>
Develop the Council intranet as the primary internal business support tool	Ongoing	Information Services Team Leader (Janet Greig)	<ul style="list-style-type: none"> A new intranet has been rolled out following an enhancement to Council's Sharepoint (document storage system) improvements to the intranet will be ongoing
Develop and implement Corporate Identity guidelines to reinforce our professionalism	Ongoing	Executive Officer (Carol Downs)	<ul style="list-style-type: none"> Style guides are being developed to ensure a consistent look to all Council documents The next stage of looking at Council's brand is being progressed
Develop the Council website as the primary customer/resident self-help tool	Ongoing	Information Services Team Leader (Janet Greig)	<ul style="list-style-type: none"> As one of the goals defined in the Information Services Strategy, the IS team have been developing the solution to deliver online payment options to our ratepayers from our website. This functionality is available from within our current enterprise system - Magiq. The payment gateway has been established with Westpac, and RDC has signed up to the All of Government contract for Banking Services during this process, to ensure the best finance rates possible are

<i>Action Description</i>	<i>Expected Completion</i>	<i>Lead Responsibility</i>	<i>Status</i>
			<i>achieved. It is expected to have the Online Payments for rates available within the next couple of months. Followed shortly after that by dog registration payments.</i>
Provide Elected members and staff with training to ensure appropriate standards are maintained (after the 2016 elections)	Early 2017	Executive Officer (Carol Downs)	<ul style="list-style-type: none"> • <i>Currently on hold</i>
Key staff to have undertaken appropriate communications training	Early 2017	Executive Officer (Carol Downs)	<ul style="list-style-type: none"> • <i>Currently on hold</i>
Investigate and implement (where appropriate) the most effective ways of communicating within and beyond Council	Ongoing	Executive Officer (Carol Downs)	<ul style="list-style-type: none"> • <i>The EO is work with the IS Team Leader on communication opportunities and the use of technology for this.</i>

June Media Activity

The table below outlines the media activity during June, including printed media articles and website activity:

- Rangitikei Bulletin – This was published at the end of June, covering the key decisions from the June Council meeting and featured in the Feilding - Rangitikei Herald and District Monitor.
- Rangitikei Line – an issue will be distributed in early June, a major feature being the outcome of the draft Annual Plan consultation process.
- Council's website and social media channels (Facebook and Twitter) are used to keep residents up to date with Council happenings.
- There were 11 media articles during the month, of these 2 were positive, 1 was negative and 8 were neutral.

Date	Media Channel	Article Heading and Topic
2/6/16	Wanganui Chronicle	Students win awards for contributions - Three Rangitikei College individuals (Ellen Carlyon, Winona Folau and Gillian Bowler) and one group of students (Surf Lifesaving Rangitikei College) have been the recipients of these awards.
4/6/16	Wanganui Chronicle	Approval for council purchase of old sites - Council has approved the purchase of the corner building on High St and Broadway, Marton.
8/6/16	Manawatu Standard	'Risky' level crossing surveyed - KiwiRail will be sending out surveys to people that use the Williamsons line railway crossing in the hope to change the way motorists approach the railway. They thanked RDC for helping them with the survey.
15/6/16	Wanganui Chronicle	New spin on after-school fun - Council is looking at creating two Youth One Stop Shops in Marton and Taihape to replace the two current youth centres, with two new youth development workers.
16/6/16	District Monitor x2	<p>Council staff member attacked - Earlier this month a member of the Council's Reticulation team was responding to an after hour's callout in Taihape when the staff member was attacked by two locals.</p> <p>Article on "How the Mayor sees it"</p> <p>Q1. The cost of the Marton corner site purchase?</p> <p>The purchase price is set at \$170,000 and Council is also setting aside a further \$50,000 for further costs relating to a heritage assessment and concept plans.</p> <p>Q2. What are the next steps for the memorial Park building in Taihape?</p> <p>Council has approved the building of a new amenity block for Memorial Park. The block will include changing</p>

		<p>facilities and toilets, with the ability to add a second story in future. Council has allowed \$500,000 on the condition that the town raise \$100,000.</p> <p>Q3. Why did Council decide to invest in hockey turfs for Rangitikei College and Nga Tawa School?</p> <p>Hockey has always been a major sport within the Rangitikei District. The proposal to give funding to the schools was not Council driven but Council facilitated in getting all of the groups together to find the best solutions. Both Schools received \$100,000 each with conditions, all other funds must be raised first and they need to satisfy Council that the new facility will be available for community use.</p>
20/6/16	Wanganui Chronicle	Rangitikei reeling restoration - One year on from the 20 June 2016 flood Andy speaks with the Wanganui Chronicle about the effects the flood had on the District.
22/6/16	Wanganui Chronicle	Variety of ideas for park revamp - Council sought submissions from the public to help transform Marton Park.
23/6/16	District Monitor x2	<p>Marton Park plan focus of meeting (same as above)</p> <p>Talking about Taihape – Former Taihape College site under discussion - Council decided that the CEO needs to negotiate with the Ministry of Education for a licence to occupy the old Taihape School site.</p>

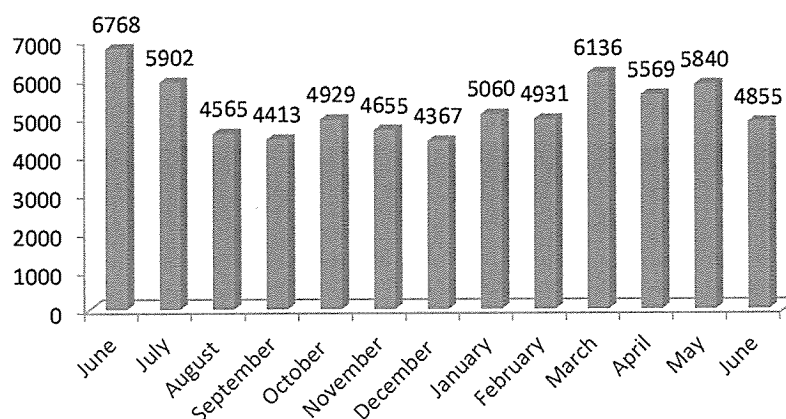
Current Consultations Underway:

After a busy couple of months there are no consultations underway at present. Funding rounds for Community Initiatives Fund and Events Sponsorship Scheme are open at present, these close at noon on Friday, 29 July 2016, full details are included on Council's website.

Website Statistics

Activity on Council's website for June:

Website Visits 2015-16



In June over 50% of those who visited Council's website were new visitors to the site.

Top Council Webpages Visited (June)

1. Rates/My property
2. Cemeteries
3. Cemetery database
4. Contact us
5. Rubbish/Recycling – transfer stations

Top Six Geographical Locations

Visiting the Website (June)

1. Palmerston North area
2. *Auckland
3. *Wellington
4. Christchurch
5. Napier
6. Hamilton

* note smaller areas can be recorded as Auckland or Wellington

Carol Downs
Executive Officer

Attachment 7



Rangitikei
UNDISPUTED...

REPORT

SUBJECT: **Update on legislation and governance Issues**

TO: Policy/Planning Committee

FROM: Michael Hodder, Community & Regulatory Services Group Manager

DATE: 7 July 2016

FILE: 3-OR-3-5

1 Executive summary

- 1.1 This update notes legislative and regulatory changes in the past month which impact on the Council's operations.
- 1.2 The Local Government Act 2002 Amendment Bill (No. 2) 2016 had its first reading on 16 June 2016. Parliament's Local Government and Environment Committee has called for submissions by 28 July 2016. Detailed complementary submissions are being prepared by Local Government New Zealand and the Society of Local Government Managers.
- 1.3 The Fire and Emergency New Zealand Bill had its first reading on 5 July 2016. It has been referred to Parliament's Government Administration Committee which has yet to call for submissions. The Committee is due to report back in January 2017. The Minister of Internal Affairs has also released a discussion document on the proposed regulations to be made under that Act, for submission by 18 August 2016.
- 1.4 The Minister of Internal Affairs has released a discussion paper on how community funding from class 4 gambling (pokies in clubs, pubs and bars) can be sustained into the future. This type of gambling has declined over the past decade, and with it the funding distributed to communities. Submissions are due on 12 August 2016.
- 1.5 The projected work programme on policies and bylaws for 2016 is a separate item on this meeting's agenda.

2 Local Government Act 2002 Amendment Bill (No.2) 2016

- 2.1 There has been considerable advance publicity from the Minister of Local Government about the intent of this Bill – to introduce a wider range of structural options for local councils to collaborate in more formal ways, without

necessarily amalgamating. The general policy statement at the front of the Bill reinforces that:

Current arrangements limit councils' ability to adequately respond to and provide for regional and sub-regional economic and population dynamics while remaining responsive to local preferences. As a result, some services are provided suboptimally because of lack of scale, integration, and strategic oversight across local government jurisdictions.¹

- 2.2 The Parliamentary Bills Digest is attached as Appendix 1 and a briefing for the sector from Mike Reid, Principal Policy Advisor at Local Government New Zealand, (LGNZ) is attached as Appendix 2. Unfortunately the timing of the seminar being run by the Society of Local Government Managers (SOLGM) clashes with this meeting. However, SOLGM has distributed a substantial preliminary commentary. It may be that a more detailed commentary from LGNZ will be available by the date of the meeting.
- 2.3 In general, the Council is likely to support the intent of the Bill and the processes which give substance to that. The role of the Local Government Commission as facilitator is greatly increased, and inevitably there is a risk that it may not be sufficiently sensitive to local concerns. Finding a fair balance is complex. For example, the Bill removes the prohibition on local council advancing their own proposals for reorganisation but it does not allow local authorities to comment to the Local Government Commission on matters it proposes to consider. Adding in safeguards over both inevitably introduces delays but the counter-argument is that the debate is richer and the outcome of the process potentially more robust. Clause-by-clause analysis in itself is a useful foundation for forming a view on the Bill, but the overall intent (and benefit) from the Bill needs to be borne in mind.
- 2.4 In addition to these considerations, there is the specific question of how the Bill's provisions would impact on the proposed CCO for infrastructure. Under the Bill, this would be a 'substantive CCO' because it would manage assets with a value exceeding \$10 million. There are stronger accountability requirements in terms of alignment with each council's objectives and priorities – and also any relevant objectives and priorities of central government. Each council would be required to make explicit its expectations, including planning and reporting requirements.
- 2.5 The Bill allows the Minister to prescribe more mandatory measures beyond those activities which are already subject to these – roading and footpaths, potable water supplies, wastewater and stormwater. The sector is generally uneasy about this proposal, even though there was sector-engagement in developing the current measures. There are definite advantages in having a common framework while allowing each council to have supplementary

¹ Local Government Act 2002 Amendment Bill (no.2) 2016: General policy statement.

measures which relate to its particular circumstances and communities. However, there are lessons to be learned from the current measures – in particular to have had a few councils of different sizes test the measures for a whole year before making them mandatory would have eliminated some of the issues councils (and their auditors) are now facing. The Committee may wish to see this perspective included in the Council's submission.

- 2.6 A presentation will be made to the meeting to enable the Committee to discuss these aspects and give guidance on the extent of support the Council's submission will give to the sector submissions from LGNZ and SOLGM.
- 2.7 The submission is due with the Local Government and Environment Committee on 28 July 2016, the day of the Council meeting.

3 Fire and Emergency New Zealand Bill

- 3.1 On 13 November 2015, the Government agreed to bring urban and rural fire services together into a unified fire services organisation 'Fire Emergency New Zealand' or 'FENZ'. Part of the prompt for this change is the need to recognise (and fund) the work done by both urban and rural fire service with non-fire emergencies, including natural disaster response, medical emergencies and rescue operations. The Bill which enables that change also provides for local committees to provide advice to FENZ.
- 3.2 The Parliamentary Bills Digest is attached as Appendix 3. The Government Administration Committee has yet to set a date for submissions but it is likely to be mid August,
- 3.3 On 7 July 2016, the Minister of Internal Affairs released a discussion document on the proposed regulations to underpin the Bill. Submissions are due (with Internal Affairs) by 18 August 2016.
- 3.4 The due date for responses means Council would need to approve submissions at its next meeting on 28 July 2016. The Committee may prefer to have a more detailed consideration at its next meeting, which is before the due date, providing Council delegates the authority to approve the submissions. A recommendation is included for that.
- 3.5 The Minister has released his 'letter of expectations' to the Chair of the New Zealand Fire Service Commission. This makes explicit a requirement to "robustly account for the costs of rural fire servicing". This will be an input into the funding arrangements for 2017/18.

4 Consultation on community funding from class 4 gambling

- 4.1 The discussion paper is attached as Appendix 4. Submissions are due with the Department of Internal Affairs by 12 August 2016

- 4.2 The paper outlines the current situation and poses a number of questions (including a consideration of online gambling). It is intended to ascertain the Committee's views on these questions, and prepare a submission based on these for Council's consideration at its meeting on 28 July 2016.

5 Other legislation and central government policy initiatives.

- 5.1 The Building (Pools) Amendment Bill remains at the second reading stage. One of the changes arising from the recommendations from the Select Committee is that the interval for pool inspections has changed from five years. Council will be able to engage qualified contractors to do this work. The date of effect remains 1 January 2017.
- 5.2 The Food Safety Reform Bill 2016 was introduced on 2 June 2016. This amends the Food Act 2014, the Animal Products Act 1999 and the Wine Act 2003 to improve their alignment. Council's main concern will be with the amendments being proposed to food control plans which are typically required for restaurants and similar businesses which are deemed high-risk in terms of food-handling. It has yet to have its first reading, after which it will be referred to the Primary Production Select Committee.
- 5.3 A working group convened by the Ministry of Business, Innovation and Employment is drafting terms of reference (including eligibility criteria and the application process) for the Regional Mid-Sized Tourism Facilities Fund announced in May. Local Government New Zealand is a member of the working group. MBIE anticipates providing councils with a draft copy of the eligibility criteria by mid July, so that councils can consider which projects might be put forward when applications are called for.
- 5.4 The Department of Internal Affairs is conducting a survey of the application of freedom camping bylaws. However, this survey, facilitated by the Association of Local Government Information Managers (ALGIM), is also interested in councils like Rangitikei which do not have such a bylaw.
- 5.5 In June the Ombudsman released a new guide to charging under the Official Information Act (OIA) and the Local Government official Information and Meetings Act (LGOIMA). This will be put to the Finance/Performance Committee. The link is noted below
- http://www.ombudsman.parliament.nz/system/paperclip/document_files/document_files/1599/original/charging.pdf?1466730494
- 5.6 The Ministry of Transport has started developing the next three-year Government Policy Statement for land transport – i.e. GPS 2018. It intends to visit all councils during July and August.
- 5.7 Wellington City Council and the Greater Wellington Regional Council are representing the sector on the National Cat Management Strategy Group. The objective is to proactively address the impacts of cats on native species and

ecosystems in New Zealand while recognising that there is a significant part of the community which enjoys cat ownership.

6 Recommendations

- 6.1 That the report 'Update on legislation and governance issues' to the Policy/Planning Committee's meeting of 14 July 2016 be received.
- 6.2 That the Policy/Planning Committee recommend to Council that it delegates to the Committee the authority to approve (for the Mayor's signature) Council's submissions (to the Government Administration Committee) on the Fire Emergency New Zealand Bill and (to the Department of Internal Affairs) the discussion paper 'Proposed regulations to support Fire and Emergency New Zealand'.

Michael Hodder
Community & Regulatory Services Group Manager

Appendix 1



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To Pitaka Rangahau e Te Whare Pōremata

BILLS DIGEST

Digest No. 2359

Local Government Act 2002 Amendment Bill (No 2) 2016

Date of Introduction:	9 June 2016
Portfolio:	Local Government
Select Committee:	As at 15 June, 1st Reading not held.
Published: 15 June 2016 by John McSoriley BA LL.B, Barrister Legislative Analyst P: (04) 817-9626 (Ext. 9626)	Caution: This Digest was prepared to assist consideration of the Bill by members of Parliament. It has no official status. Although every effort has been made to ensure accuracy, it should not be taken as a complete or authoritative guide to the Bill. Other sources should be consulted to determine the subsequent official status of the Bill.

Purpose

The main aim of this Bill is to amend the Local Government Act 2002 (the Act) to provide for a broader range of functions to be transferred between local authorities, joint governance arrangements for areas of common or shared interest, and greater use of joint council-controlled organisations (CCOs) (including water services CCOs and transport CCOs) for providing services.¹

Background

The Bill also allows the Local Government Commission to initiate its own investigations in relation to reorganisations. The Bill also includes a provision for local authority-led reorganisations to be able to make submissions on reorganisation, including the establishment of multiply owned CCOs, joint governance arrangements, transfers of powers, boundary changes, and amalgamations.

Departmental disclosure statement

<http://legislation.govt.nz/disclosure.aspx?type=bill&subtype=government&year=2016&no=144>

Regulatory impact statement

<http://www.treasury.govt.nz/publications/informationreleases/ris>

¹ Local Government Act 2002 Amendment Bill (No 2), 2016 No 144-1, Explanatory note, general policy statement, p. 1.

Main Provisions

Transfer of responsibilities

In relation to the transfer of responsibilities between regional councils and territorial authorities, the Bill lists the matters that must be had regard to when assessing the benefits and negative impacts of a transfer proposal (being the same matters that must be had regard to by the Commission when investigating a local government reorganisation) and allows responsibilities conferred on a local authority by or under another Act to be transferred if that other Act provides that that may happen (*Part 1, Clause 7, amending Section 17 of the Act*).

Reorganisations

The Bill makes amendments to the local government reorganisation provisions of the Act in relation to the changed role and powers of the Commission, including the new provisions that facilitate local authority-led reorganisations and provide for the Commission to proactively initiate reorganisations. The Bill also incorporates new matter within the scope of local government reorganisation such as the establishment and disestablishment of council-controlled organisations, the exercise of statutory responsibilities, duties, and powers by water services council-controlled organisations and transport services council-controlled organisations and the establishment of joint committees and the delegation of responsibilities, duties, and powers to those committees. Certain procedural and definitional amendments are also made (*Part 1, Clause 8, substituting Section 24AA of the Act; Clause 9, substituting Section 24; Clause 10, amending Section 24A of the Act; Clause 11, amending Section 25*).

Council-controlled organisations

The Bill makes new provision for the establishment and operation of council –controlled organisations including:

- a local authority that is proposing to become a shareholder in a multiply owned council-controlled organisation that will deliver water or transport services, must obtain the written agreement of the Commission before starting consultation on the proposal (*New Section 56A*);
- local authorities that establish a multiply owned council-controlled organisation are required to each be responsible for complying with the requirements of the Act in respect of the establishment of that organisation with provision for disputes to be referred to the Commission (*New Section 56B*);
- a council-controlled organisation's shareholders must approve the organisation's service delivery plan and infrastructure strategy before those documents are adopted, and sets out the time by which the documents must be adopted (*New Section 56E*);
- in relation to water services council-controlled organisations, local authorities must directly own their interests in any water services council-controlled organisation, which must not pay a dividend or distribute any surplus to its shareholding local authorities; those local authorities which multiply own water services must establish a joint committee to propose bylaws, appoint enforcement officers, and approve enforcement actions (*New Sections 56F-56L*) (*Part 1, Clause 22, inserting New Sections 56A-56P into the Act*).

Analogous provisions are set out in relation to transport services council-controlled organisations.

The Bill also makes extensive provision in relation to the funding of council-controlled organisations. These provisions include that such bodies should incur debt under strict procedures. A substantive

council-controlled organisation (see below) may not impose a capital charge for connection to, or for authority to use, infrastructure or services provided by that organisation (other than a development contribution) and a prohibition on council-controlled organisation borrowing in foreign currency (*Part 1, inserting New Sections 56-56W into the Act; Clause 24, inserting New Sections 61A to 61E ("Financial arrangements and funding")*).

Substantive council-controlled organisations

The Bill makes provision (especially in relation to their organisation and accountability) for substantive council-controlled organisations. The term is defined as a council-controlled organisation that is wholly owned by one or more local authorities (other than the Auckland Council) and that owns or manages assets with a value of more than \$10 million, or is a water services council-controlled organisation, a transport services council-controlled organisation or is agreed by all shareholders to be a substantive council-controlled organisation (*Part 1, Clause 22, inserting New sections 56R to 56V*).

Regulations

The Bill provides regulation-making powers to prescribe parameters or benchmarks for assessing whether a substantive council-controlled organisation is prudently managing its revenue, expenses, assets, liabilities, investments, and general financial dealings, a power to prescribe the manner in which a substantive council-controlled organisation must state its planned and actual performance against prescribed parameters and benchmarks and a power to prescribe the corporate accountability information that a local authority must disclose (*Part 1, Clause 31, amending Section 259 of the Act*).

Local Government (Auckland Council) Act 2009

The Bill amends the Local Government (Auckland Council) Act 2009 to apply certain provisions of this Bill to an Auckland water organisation such as the provision that a substantive council-controlled organisation may not impose a capital charge) and the provision which establishes a process for a council-controlled organisation to require its territorial authority to amend its development contributions policy to fund capital expenditure by the organisation, and provide for council-controlled organisations to enter into development agreements) (*Part 2, Clause 40, inserting New Section 59A into the Local Government (Auckland Council) Act 2009; cf. Part 1, Clause 24, (New Section 61D) and Clause 25 (New Sections 63A to 63D)*).

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Appendix 2

Date: 30 June 2016
To: The local government sector
From: Mike Reid
Subject: The Local Government Act 2002 Amendment Bill (No 2)

The LGA 2002 Amendment Bill had its first reading on June 16 and the Local Government and Environment Select Committee has called for submissions by the 28 July. The Bill deals with four major areas:

- new rules for local government reorganisation;
- modernising the structure and accountability provisions applying to the Local Government Commission (LGC);
- new Council Controlled Organisation (CCO) models; and
- new performance requirements.

This memo provides a short synopsis of the major changes proposed and highlights some initial thoughts that we will examine more closely when preparing our final submission. We are very open to receiving feedback from councils.

Next stage

LGNZ will be working closely with SOLGM on the development of a sector response. LGNZ will focus on the high level policy and political issues raised by the proposed changes complementing the more in-depth analysis on the procedural and technical elements of the Bill, provided by the SOLGM team. Some of our initial thoughts are:

- a broad level of agreement with the new criteria for reorganisation proposals and the mandatory poll in relation to political reorganisation;
- a concern about the basically unconstrained mandate given to the LGC to initiate reorganisation investigations in any council;
- a wariness about the potentially broad scope of investigations, such as empowering the LGC to investigate committee structures and delegations as well as the lack of any time limit on changes made as a result of a reorganisation;
- questions about ability of the LGC to 'remove' services from council control by establishing jointly owned CCOs without the agreement of either the affected councils or their citizens;
- a concern about the impact of these measures on the role of elected members, particularly the degree to which elected representatives may lose control over large amounts of their expenditure – yet still being held accountable for it; and
- the extent of the Department's power to set performance measures about any activity which is proposed to be given to officials.

Over the next few weeks we will be able to look at these matters in more detail to see whether or not they do constitute issues that should be addressed in the drafting.

Initial analysis

Clause	Clause descriptors	Observations and questions
Reorganisation provision Cl. 7 - 15		
Cl. 7	Sets out conditions and criteria that apply to the transfer of responsibilities (ref. S.17 LGA).	<ul style="list-style-type: none"> Why do councils wanting to transfer water or transport services need the written agreement of the LGC? New criteria governing transfers lacks any reference to democratic responsiveness.
Cl. 8 & 9	Expanded scope of matters that can be addressed in a reorganisation including establishment of multiply owned and substantive CCOs.	<ul style="list-style-type: none"> Scope now includes the establishment of committees and delegations. Community boards are no longer within in scope.
Cl. 11	Minister to make Order in Council for a reorganisation plan and a reorganisation implementation scheme (if satisfied criteria met).	<p>Minister's role appears to be designed as a check on the LGC.</p> <p>New processes are "reorganisation plan" and "implementation plan". (A complete rewrite with new process.)</p>
Schedule 2 (replaces the existing reorganisation processes)		
Cl. 3	No major change.	<ul style="list-style-type: none"> A reorganisation initiative or 'reorganisation investigation' can still be proposed by any individual anywhere and the Minister. Change in language: 'applications', 'proposals and draft proposals' replaced with 'investigation request', 'initiatives' and 'plans'. Prohibition on reorganisation initiatives if there has been a reorganisation remains (no time limit on this).
Cl. 4	Reorganisation initiative or investigation request made easier by removal of requirement to show community support.	<ul style="list-style-type: none"> Applications no longer need to show that there is community support for their application (Presumably designed to remove risk of judicial review where LGC can't show community support!) Gives LGC greater ability to choose to undertake an investigation (even if request is frivolous).
Cl. 6(1)	Confirms ability of the LGC to initiate a reorganisation investigation in relation to any issue or matter on its own volition.	<ul style="list-style-type: none"> Gives LGC the power to investigate any council at any time (presumably within the context of its annual plan and SOI). May have implications for long term planning and investment decisions by councils if there is a constant risk of review.

CI 7	<p>Factors to 'have regard to' when assessing whether to undertake investigation:</p> <p>A complete rewrite (reference to frivolous has gone). Key changes are:</p> <ul style="list-style-type: none"> • consideration of scale and scope of improvements; • any urgent matters; • government priorities; and • "the likelihood of significant community opposition to any reorganisation that might result". 	<ul style="list-style-type: none"> • Some evidence of community support for changes should be factor to be considered. • The process is weak on consultation – "key stakeholders" are given preference by being given an opportunity to engage with the LGC while the public will be consulted. The LGC is able to determine the extent of the consultation.
Cl. 8	<p>Sets out the LGC's obligations once a request is received: largely process but includes principles that focus on provision of early information and allows engagement to be proportional to the scale of effect.</p>	<p>A major change. "Demonstrable support" has been removed and petitions have gone. Requirement to seek 'alternative proposal' removed. (Possibly designed to remove risk of judicial review that existed in old provisions.) The principles and commitment to the early provision of information are welcome.</p>
CI 11.	<p>Objectives LGC must consider in an investigation (replaces previous cl. 12 'promotion of good local government'.)</p> <ul style="list-style-type: none"> • A comprehensive set of objectives/criteria compared to the previous provisions. • Weighting on economic impact and efficiency factors. 	<p>Objectives a vast improvement but:</p> <ul style="list-style-type: none"> • No reference to 'democracy' except indirectly in terms of ability to better fulfil s.10 purpose of local government. • No reference to community of interest. • "Simplified planning provision has been removed" (about time).
CI 12.	<p>Reorganisation plans. The section on reorganisation plans replaces the former provision regarding reorganisation proposals. New provisions which the LGC must consider before adopting a plan include:</p> <ul style="list-style-type: none"> • scale of benefits; • costs of any disruption created by the change; • links between communities of interest and significant sites and resources; and • level of opposition. 	<ul style="list-style-type: none"> • The Bill creates a two step process – following an investigation (subject to consultation as the LGC sees as appropriate) the LGC must then decide whether to develop a reorganisation plan or not. • If a plan is adopted the LGC must "give public notice of a reorganisation plan" and take appropriate actions to "inform" persons and parties with an interest. • There appears to be no requirement to consult on a reorganisation plan, only to inform.

Cl. 14	Sets out the content of a reorganisation plan which also includes transition information, and information on CCOs.	<ul style="list-style-type: none"> • Helpful to have transition information in plan. • No reference to community boards.
Cl. 21	<p>Transfer of functions.</p> <p>Makes it clear the LGC can transfer 'non-statutory' functions and allows LGC to:</p> <ul style="list-style-type: none"> • prohibit councils from which activities are transferred from undertaking activities or expenditure; and • set levels of service for the council receiving the transferred functions. 	<ul style="list-style-type: none"> • Fixes the previous problem with 'statutory' functions, however, gives the LGC the ability to determine the levels of service of transferred functions without any time limit. • If a function or part of a function is transferred it makes a council accountable for performance. How will this work if these areas are outside a council's jurisdiction (ie citizens will not be able to elect the councillors charged with providing the service)? • Clause 22 requires the LGC to consider how this might occur, but is this enough - guidance is probably required.
Cl. 21A	The LGC can establish a committees and joint committee including terms of reference, membership and delegations.	<ul style="list-style-type: none"> • The LGC's ability to change the committee structure of a local authority (despite s. 41A?) is a significant increase in its authority with quite far reaching implications. • If this section stays it needs a time limit, such as three years, as circumstances change etc.
Cl. 22A	<p>Local authority led reorganisation process – new provision.</p> <p>Councils can prepare their own reorganisation plan (same rules apply to plan as for the LGC)</p> <p>Must inform LGC before the start and forward plan to LGC for approval with a report setting out:</p> <ul style="list-style-type: none"> • the councils' unconditional support for plan; • evidence of consultation; and • outcomes of consultation. <p>LGC must approve if the plan meets the objectives of Cl. 11 and councils meet requirements.</p>	<ul style="list-style-type: none"> • A potentially useful measure. • Should the LGC agree that the proposal meets their criteria a mandatory poll involving the whole affected area is required.

Cl. 23 & 25	<p>These clauses make a poll mandatory where there is a reorganisation plan and also set out the exceptions, which are:</p> <ul style="list-style-type: none"> • transfer of non-major responsibilities, duties, powers in relation to water services or transport services or duties under the RMA; and • transfer of major water, transport and RMA responsibilities etc if the transfer has the support of all affected local authorities. 	<p>The impact of this measure is that no polls are required where the LGC makes changes to the organisational structure of a council, such as:</p> <ul style="list-style-type: none"> • introducing a new committee structure; • establishing CCOs; • establishing joint CCOs; and • transferring functions between councils (except for major transfer). <p>As noted above consultation with the community is required as part of the investigation – no consultation is required on the adopted reorganisation plan.</p>
New sub-part 4	<p>Tax treatment of transferred assets:</p> <p>LGNZ and SOLGM have sought specific advice from tax experts on the efficacy of this sub-part.</p>	<p>Advice will be provided to councils when available.</p>

Modernising the Local Government Commission Cl. 16 - 21

	<p>By notice in writing Minister can set expectations of the LGC, eg setting priorities in relation to:</p> <ul style="list-style-type: none"> • issues, problems, opportunities; • geographic areas; and • direction to exclude areas. <p>Other changes include:</p> <ul style="list-style-type: none"> • LGC to prepare statement of intent; • LGC to prepare annual work programme; • ability to direct LGC to have regard to government policy; and • requirement to publish annual report; • new role for LGC to resolve disputes; • membership of LGC set as between 3 and 5; and • LGOIMA extended to LGC but not in regard to an investigation, resolution of a dispute or representation review. 	<ul style="list-style-type: none"> • We can only say “about time”. • The issue to consider is the substantial power given to a Minister of Local Government to require the LGC to investigate any council. • There is nothing to stop a minister using this authority to undermine a council that has taken a public position in opposition to the Government of the day. • For example, a left of centre Minister could require the LGC to investigate a council that was planning to privatise specific services in order to restructure the way in which services are managed. • (Please note – the LGC is not required to have an open mind.)
Schedule 3	Process for removal of Commissioners and responsibility of Commissioners to appoint CE.	A requirement that more than half the Commissioners have local government experience would be more than helpful.

Council Controlled Organisations Cl. 22 - 30		
	<p>New forms of CCO:</p> <ul style="list-style-type: none"> • water services CCO; • transport services CCO; • multiply owned CCO; and • substantive CCO. 	<ul style="list-style-type: none"> • There appears to be no provision for disestablishing multiply owned or substantive CCOs established by the LGC. • This provision also sits uncomfortably with s. 17A which requires that the ways services are delivered is to be reviewed at least every 6 years. • Circumstances change – CCOs may need to as well.
Cl. 22	<p>Councils must get permission from LGC before establishing a multiply owned water or transport CCO.</p> <p>If councils cannot agree on how to comply with provisions to establish a multiply owned CCO the LGC it can be referred to the LGC.</p>	
	<p>New provisions for certain (water and transport) CCOs:</p> <ul style="list-style-type: none"> • Service delivery plan; and • Infrastructure plan. <p>Plans must have agreement of all shareholders.</p>	<p>No distinction for size.</p> <p>No consultation with communities.</p> <p>May be hard to get unanimous agreement.</p>
	Prohibition on distribution of shareholder to owners or shareholders.	Not sure why this does not also apply to transport CCOs.
	<p>Multiply Water/transport CCOs:</p> <ul style="list-style-type: none"> • Can delegate responsibilities to shareholding councils. • Shareholding councils can establish a joint committee which must have delegated powers to appoint enforcement officers. 	Involves interesting transfer of democratic accountability. Not sure that this can't be left with councils.
	<p>Substantive CCOs</p> <ul style="list-style-type: none"> • New policy on the accountability of substantive CCOs including expectations etc. 	Good.

	<p>With multiply owned substantive CCOs shareholding councils:</p> <ul style="list-style-type: none"> • Must have a joint committee with authority to: <ul style="list-style-type: none"> ○ Adopt policy on appointment of directors (recommend to shareholding councils); ○ Approve service delivery plan; ○ Adopt accountability plan; and ○ Specify shareholder expectations. 	<p>No public consultation on director appointment policy.</p> <p>What if councils fail to agree on directors?</p>
Cl. 23	Elected members cannot be appointed to the board of a multiply owned substantive CCO.	Doesn't affect existing CCOs.
Cl. 24	<p>Funding arrangements for multiply owned CCOs:</p> <ul style="list-style-type: none"> • Shareholders must agree a funding allocation formula. • Agreement must be unanimous, if not the matter may be referred to the LGC. • A shareholder's contribution can only be reduced with agreement of other shareholders. • Debt can only be incurred in line with the service delivery plan. 	<ul style="list-style-type: none"> • No public consultation on formula. • Formula virtually a mandatory payment to the CCO (elected members lose control of that share of their revenue. This could have implications for long terms plans, consultation and undermines the decision making role of elected members – why vote? • Councils must lend money if stated in service delivery plan. • Not clear how debt is shared between shareholding councils (is this a risk for debt ceilings)?
	<p>Similar financial management provisions for substantive CCOs.</p> <p>Funding and debt provisions same as for multiply owned (except that only one council involved).</p>	<p>Council(s) must contribute funding in accordance with service delivery plan.</p> <p>Similar issues to above.</p>
	Substantive CCOs cannot impose a capital charge for connection to infrastructure services.	
Cl. 25	Substantive CCOs (Whether multiply or not) can require a shareholding council to amend its development contributions policy.	<ul style="list-style-type: none"> • Undermines the accountability of elected members. • Diminishes the ability of councils to take an integrated approach to their finances. • Not integrated within a council's overall strategy for their district – eg one council may have a zero rates DC policy in order to encourage development. • Tail wagging the dog?

Performance requirements Cl. 31- 38		
Cl. 31 (4) & (5)	Allows DIA to set performance benchmarks for substantive CCOs with regard to: <ul style="list-style-type: none"> • prudent financial management; • continuity of service; and • corporate accountability information. 	An unnecessary administrative cost that undermines the ability of citizens, elected members and CCO board members to exercise good governance.
Cl. 33	Allows Minister to set performance measures for discretionary activities.	<ul style="list-style-type: none"> • Allows the Government to set performance measures for activities as diverse as libraries, economic development and tourism promotion. • Undermines role of citizens and elected members in setting levels of service. • More administrative costs.
Cl. 38(2)	Minister may require corporate accountability information to be included in LTPs.	<ul style="list-style-type: none"> • Provisions are too vague – what is ‘corporate accountability information’. • Too much discretion is given to officials and current provisions are already extensive.

Opportunity to find out more:

- The SOLGM Better Local Services Legislation Seminar on 14 July Wellington, go to: https://www.solgm.org.nz/Event?Action=View&Event_id=404
- LGNZ is planning a webinar providing a high level over view of the Bill for elected members, date to be confirmed.

The LGA Amendment Act and the Regulatory impact Statement can be accessed from:

The Bill: <http://www.legislation.govt.nz/bill/government/2016/0144/latest/DLM6868108.html?src=qs>

The RIS: https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Regulatory-Impact-Statements-Index?OpenDocument

For further information please contact Mike Reid at mike.reid@lgnz.co.nz.

Appendix 3



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Te Pātaka Rangahau a Te Whare Pāremata

BILLS DIGEST

Digest No. 2370

Fire and Emergency New Zealand Bill 2016

Date of Introduction:	30 June 2016
Portfolio:	Internal Affairs
Select Committee:	As 4 July, 1st Reading not held.
Published: 4 July 2016 by John McSoriley BA LL.B, Barrister Legislative Analyst P: (04) 817-9626 (Ext. 9626)	Caution: This Digest was prepared to assist consideration of the Bill by members of Parliament. It has no official status. Although every effort has been made to ensure accuracy, it should not be taken as a complete or authoritative guide to the Bill. Other sources should be consulted to determine the subsequent official status of the Bill.

Purpose

The aim of this Bill is to establish a single, unified fire services organisation for New Zealand to be called Fire and Emergency New Zealand (FENZ) and to repeal the Fire Service Act 1975 and the Forest and Rural Fires Act 1977.

Background

The Crown entity, the New Zealand Fire Service Commission is continued by this Bill as Fire and Emergency New Zealand (FENZ) combining urban and rural fire services. The new structure is set up following two reviews of the fire services undertaken in 2012 and 2015. The organisation is given expanded functions for communities, including call-outs to road accidents, natural disasters, and medical emergencies. FENZ is to be advised by local committee. The levy (paid on insurance for property) becomes the principal source of funds, replacing a variety of funding sources for rural fire services and includes insurance for material damage as well as fire damage. The levy on motor vehicle insurance is extended to include third party insurance. The Bill provides for three-yearly public consultation on levy levels. The Bill also provides for:

- an updated offences and penalties regime, including a new infringement offence scheme;
- removal of powers to recover the cost of rural fires;
- new powers for managing hazardous substances incidents;

- new measures to encourage compliance among levy-payers and to protect the integrity of the levy;
- new powers for firefighters to enter premises to investigate the causes of fires and to take a sample or samples of objects for analysis.

“The Bill provides that the existing paid and volunteer workforce will retain its existing entitlements. Volunteers will move into a direct relationship with FENZ, and there is provision for independent advocacy services and support for FENZ volunteers, at no charge to those volunteers. FENZ will be required to develop a framework for supporting volunteers, based on modern volunteer principles.”

The Bill also provides for new provisions for evacuation schemes for relevant buildings.¹

Departmental disclosure statement

<http://legislation.govt.nz/disclosure.aspx?type=bill&subtype=government&year=2016&no=148>

Regulatory impact statement

<http://www.treasury.govt.nz/publications/informationreleases/ris>

Main Provisions

Purpose

The purpose of the Bill is to:

- reform the law relating to fire services, including strengthening the role of the community in the provision of those services;
- unify fire services by establishing FENZ and to provide for FENZ’s objectives, functions, operating principles, and powers;
- provide for a levy-based system to fund FENZ;
- provide for local committees to influence and advise FENZ;
- improve support for volunteers and enable them to communicate directly with FENZ; and
- provide new offences and penalties to improve fire safety (Part 1, Subpart 1, Clause 3 (*the purpose clause*)).

Fire and Emergency New Zealand

The Bill continues FENZ as a Crown entity under the Crown Entities Act 2004 (clause 8). FENZ will be a Crown agent under that Act. FENZ is the same body as the New Zealand Fire Service Commission constituted under the Fire Service Act 1975. The Bill provides that the board of FENZ consists of not fewer than 5, and not more than 6, members. The main objectives of FENZ include:

- reducing the incidence of unwanted fire and the associated risk to life and property;
- in relation to the main functions of FENZ, protecting and preserving life, preventing or limiting injury, and preventing or limiting damage to property, land, and the environment.

The main functions of FENZ include:

¹ Fire and Emergency New Zealand Bill, 2016 No 148-1, Explanatory note, General policy statement, pp. 1-3.

- promoting fire safety;
- providing fire prevention, response, and suppression services;
- stabilising or rendering safe incidents that involve hazardous substances;
- rescuing trapped persons (for example, from a car that has been in an accident);
- providing urban search and rescue services
- efficiently administering this Bill.

FENZ is given additional functions (after ensuring that it retains the capacity to perform its main functions) such as:

- responding to medical emergencies;
- performing technical rescues (for example, from a collapsed building);
- providing assistance at transportation incidents (for example, crash scene cordoning and traffic control);
- responding to severe weather-related events, natural hazard events, and disasters;
- responding to certain incidents involving substances or materials that create a risk;
- promoting safe practices relating to hazardous substances.

The Bill also provides that FENZ to develop operating principles to assist it. There is provision for the establishment to local committees to advise, to advise, and supported by, FENZ. The advice of such committees and also the national strategy, the emergency services required within the local area, and various operational service agreements must be taken into account by FENZ in its local planning for each local area (*Part 1, Subparts 3-5, Clauses 8-22*).

Appointments and vacancies and compulsory removal

The Bill provides for the appointment of officers who must be either an employee of FENZ or a volunteer. Appointments be made on merit, vacancies must be notified, if practicable, appointments must be notified to FENZ personnel, and a review procedure must be put in place for the review of appointments. The Board must prescribe standards of health required of operational personnel to ensure that they are fit to competently perform their duties and may remove officers who do not meet them (following a defined process involving certification by two medical or health practitioners and a right of appeal) (*Part 1, Subpart 6, Clauses 23-32*).

Volunteers

The Bill provides that FENZ, in relation to volunteers, must be a good employer even though volunteers are not employees under Section 6 of the Employment Relations Act 2000 and must:

- take reasonable steps to recognise, respect, and promote the contribution of FENZ volunteers;
- consult FENZ volunteers and relevant organisations;
- develop arrangements that encourage, maintain, and strengthen the capability of FENZ volunteers (*Part 1, Subpart 7, Clauses 33 and 34 cf. Section 118 of the Crown Entities Act 2004 ("Crown entity to be a good employer")*).

Powers of authorised persons, duties and certain offences

The Bill provides that, if an alarm of fire is raised or a fire is reported, an authorised person is empowered to do various things, including to endeavour by all practicable means to extinguish or prevent the spread of the fire, to save lives and property, to direct any person to stop an activity that may contribute to the emergency, and to direct any person to leave, or refrain from entering, a place or to refrain from entering the vicinity of the emergency. Similar powers are provided in respect of hazardous substance emergencies and other emergencies including in respect of various sorts of property (eg land, trees and plants) and to requisition and use installations such as water mains as well as forbidding the lighting of fires and other activities.

Particular provision is also made for FENZ in relation to the declaration of fire seasons, require landholders of forestry land to make and clear firebreaks. A general prohibition is made against allowing a fire to spread to vegetation without a permit.

The Bill provides that it is an offence to knowingly or recklessly light or allow another person to light an open fire in an area that is in a prohibited or restricted season except in accordance with a permit (carrying maximum penalties of two years' imprisonment or a fine of \$300,000 or both in the case of an individual and a maximum fine of \$600,000 in any other case. It is also an offence to knowingly or recklessly cause or permit a fire to spread to vegetation (or to leave such a fire without first taking precautions against the spread of the fire to vegetation) if, as a consequence, fire burns or damages vegetation or other property or damages soil. The Bill also provides that it is an offence to knowing or recklessly leave a burning or smouldering substance so as to cause a fire hazard in vegetation and to fail to take all reasonable steps to extinguish any smouldering substance and any ensuing fire. If the person is unable to extinguish the smouldering substance or fire, to fail to notify FENZ immediately and to continue, as far as possible, to endeavour to control or extinguish the substance or fire (*Part 2, Subpart 1, Clauses 35-58*).

Who is an authorised person?

The Bill provides that an authorised person, in relation to a function, duty or power is a person who is authorised by the board in writing to perform or exercise the function, duty or power and the performance or exercise of the function, duty or power is delegated to the person (*Part 1, Subpart 1, Clause 6*).

Industry fire brigades

This Bill provides for various persons (such as an owner of commercial or industrial premises) to organise and maintain an industry fire brigade. The principal officer of an industry fire brigade is able to perform or exercise functions, duties and powers described above in certain circumstances (*Part 2, Subpart 2, Clauses 59 to 61*).

Evacuation schemes – owners and lessees obligations

The Bill provides that the owners (including “any person with an interest in a property” – this includes lessees and licensees) of various buildings must maintain an evacuation scheme to enable evacuation from the scene of a fire. The relevant buildings include buildings used for the gathering together, for any purpose, of 100 or more persons or buildings used to provide employment facilities for 10 or more persons. A person who knowingly contravenes the requirement commits an offence and is liable to a penalty of imprisonment for a term not exceeding 6 months or a fine not exceeding \$75,000 (in the case of an individual) or a fine not exceeding \$150,000 (in any other case). The evacuation scheme must be approved by FENZ and a District Court may order that a building be closed until the requirements relating to evacuation schemes are complied with (*Part 2, Subpart 4, Clauses 65-68*).

Levy

In order to fund FENZ, the Bill provides for the levy which is payable in respect of every motor vehicle that is insured against physical damage or loss or in relation to which any person is insured against third party liability and any other property that is insured against physical damage or loss. The amount of the levy that is payable in relation to a motor vehicle is an annual amount to be prescribed in regulations and in relation to any other property an amount calculated by reference to the amount for

which the property is insured against physical damage or loss (the amount insured) under the insurance contract (*Part 3, Subparts 2-6, Clauses 69-106*).

Offences

The Bill provides for infringement offences to be prescribed by regulations which must not prescribe an infringement fee exceeding \$1,000 in the case of an individual or \$5,000 in any other case.

Other offences include the following: impersonating operational personnel of FENZ or a FENZ inspector (maximum penalty of imprisonment for two months or a fine not exceeding \$25,000, or both); knowingly giving a false alarm of fire to any personnel or brigade (maximum six months imprisonment or a \$75,000 fine, or both (for an individual), or fine of \$150,000 (in any other case). There are also offences of interfering with the exercise of powers or duties under the bill and knowing or negligently storing combustible materials in breach of prescribed requirements (*Part 4, Clauses 115-121*).

Liability protection

The Bill provides that damage caused during firefighting must be treated as damage by fire within the meaning of any contract of fire insurance and a protection against liability for the Crown, FENZ, its personnel, and other people in relation to performing or exercising functions, duties, or powers in good faith under any relevant fire safety legislation if the acts or omissions were in accordance with the operational instructions of the board and the personnel had complied with all relevant requirements and instructions of FENZ or the board. Similar protections apply for volunteers (*Part 4, Subpart 3, Clauses 122-126: Sections 122-126 of the Crown Entities Act 2004 (for volunteers)*).

Powers of entry, inspection, and search

The Bill provides for the appointment of FENZ inspectors and their powers to enter and inspect any land or building including for the purpose of obtaining information necessary for pre-incident planning, assessing compliance with requirements imposed under fire safety legislation, and conducting post-incident investigations. FENZ inspectors may also enter property to deal with a defective or hazardous thing that is likely to imminently cause a fire or other emergency and also to take samples or seize things for the purpose of assessing compliance with requirements imposed under fire safety legislation. FENZ inspectors may restrict or prohibit entry to sites. The Bill provides that entry to a home or marae may only be carried under a warrant (unless with consent) (*Part 4, Subpart 4, Clauses 127-137*).

Dispute resolution

The Bill provides for FENZ to develop, and for the Minister to approve, a dispute resolution scheme for resolving disputes on any matter under the Bill or the regulations (other than certain excluded matters) (*Part 4, Subpart 5, Clauses 138-147*).

Regulations

The Bill provides that regulations may be made for various purposes including:

- creating offences for the contravention of regulations with a maximum penalty of \$15,000 in the case of an individual or \$30,000 in any other case;
- specifying requirements on, and operating processes for, local committees;
- prescribing the content of fire plans;
- providing for matters relating to the grant of permits by FENZ for the lighting of open fires;

- specifying fire safety requirements in relation to buildings and evacuation procedures for occupants (for example, regulations that prescribe duties about maintaining escape routes and taking fire prevention precautions for systems and appliances in buildings);
- prescribing matters relating to evacuation schemes (*Part 4, Subpart 6, Clauses 148-153*).

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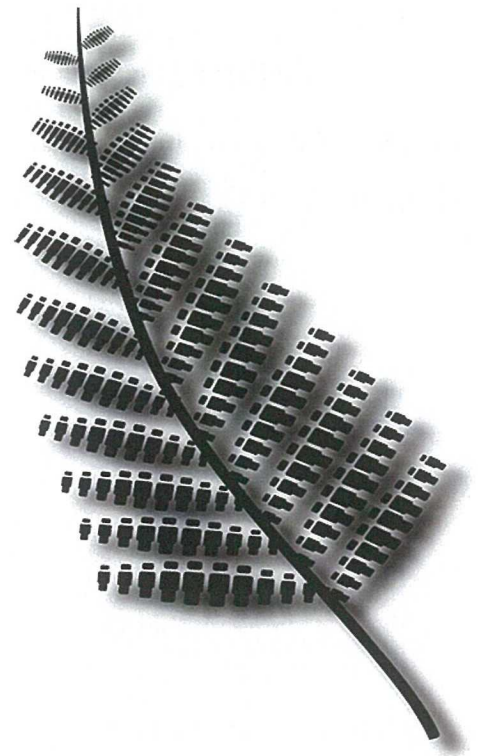
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Appendix 4



Discussion Document: Review of Class 4 gambling

**Department of Internal Affairs
June 2016**



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Glossary of abbreviations and terms

Actual, reasonable and necessary costs	<i>Actual</i> – the society and venue operator must be able to show that the costs were actually incurred; <i>Reasonable</i> – the costs must be in proportion to the size of the operation, and should take into account normal market values or prices for the goods and services provided; <i>Necessary</i> – the costs must be necessary to the conduct of gambling and legal compliance
Apply	Where a society spends its net proceeds directly on the society's own authorised purpose
Authorised purpose	Means a charitable purpose, or a non-commercial purposes that is beneficial to the whole or a section of the community, or promoting, controlling and conducting race meetings under the Racing Act 2003, including the payment of stakes
Class 4 gambling	Gambling where the net proceeds are applied to or distributed for authorised purposes; where no commission is paid to, or received by, a person for conducting it; where it satisfies the relevant game rules; and it utilises a gaming machine
Clubs	Voluntary association of persons combined for a purpose other than personal gain
Community or Communities	The beneficiaries of grants from class 4 and other modes of gambling. Thousands of grants to community groups, schools, sporting organisations and other beneficiaries are made each year from class 4 alone, as well as from other sources of gambling. Some grants are made to national bodies or sporting codes
Distribute	Where a society makes a grant to another person for that person to spend on an authorised purpose
Duty	Tax paid to the Crown on gaming machine profits
Fees	Fees paid by gambling operators to the Department of Internal Affairs
Gaming machine profits (GMP)	The turnover of class 4 gambling minus the total prizes paid
Gross proceeds	The turnover of class 4 gambling, less prizes, plus interest or other investment return on that turnover, plus any gain above the book value from the sale or disposal of gambling assets

Levy	Problem gambling levy
Minimum rate of return	This is the minimum amount of proceeds that a licence holder must distribute for authorised purposes and is currently equivalent to 40 per cent of GST exclusive gross proceeds per financial year
Net proceeds	The amount remaining to be distributed to authorised purposes, which is calculated by taking a society's gambling turnover (less prizes) and <i>adding</i> interest or other investment return, and any gains from the sale of gambling assets above their book value, then <i>deducting</i> costs, levies and taxes, asset depreciation and any loss from selling or disposing of gambling assets below their book value
Society	A society that is incorporated under the Incorporated Societies Act 1908, or incorporated as a board under the Charitable Trusts Act 1957, or a company incorporated under the Companies Act 1993 that does not have the power to make a profit and is incorporated solely for authorised purposes, or a working men's club registered under the Friendly Societies and Credit Unions Act 1982

What is this consultation document about?

This discussion document seeks your views on how community funding from class 4 gambling (pokies in clubs, pubs and bars) can be sustained into the future. Class 4 gambling expenditure has declined since the passing of the Gambling Act 2003, leading to a consequent decrease in funding to communities.

We want your opinion on what the issues and challenges are for the class 4 sector and community funding, and ideas on how things might be improved. We are also seeking ideas for a cost effective regulatory model for the sector that maximises community funding into the future, without increasing harm or driving a growth in gambling.

We are also taking this opportunity to seek views on the future of online gambling in New Zealand.

The Department has had initial conversations with a number of stakeholders about the challenges and opportunities in the sector. Some of their comments have been reflected in this document.

Sending us your submission

Please send your submission to the Department of Internal Affairs by Friday 12 August 2016.

Please note that all submissions may be made publicly available. Even if you request confidentiality, we may have to release your submission at a later date if a request is made under the Official Information Act 1982. In your submission please highlight the information you would prefer was withheld should a request be made.¹

Your submission can be sent in the following ways:

Email: gamblingreview@dia.govt.nz

Post: Safer Communities Team
Policy Group
Department of Internal Affairs
PO Box 805
Wellington 6140

Although all reasonable steps have been taken to ensure the accuracy of the information contained in this document, the Department of Internal Affairs disclaims responsibility for any inaccuracy in relation to the information; and fully excludes liability of any kind to any person or entity that chooses to rely upon the information.

¹ While you may indicate the information you would like withheld, it can only be withheld if it meets the relevant criteria under the Official Information Act 1982.

Why are we doing this review?

The Government is reviewing the framework for managing class 4 gambling to see whether it remains fit-for-purpose. Class 4 gambling provides valuable grant funding to communities (approximately \$260 million last year). Since the enactment of the Gambling Act in 2003, a combination of factors have led to a decrease in class 4 gambling expenditure, and a decline in funds being available for distribution to communities.

Gaming machines were introduced to New Zealand in the late 1980s. As shown in Figure 1 below, there was huge growth in expenditure on gaming machines² in the late 1990s and early 2000s, compared with other forms of gambling. This rapid growth created many issues and prompted a review of gaming machines, resulting in the Gambling Act 2003. A decrease in expenditure on class 4 gambling can be seen from 2004 onwards.

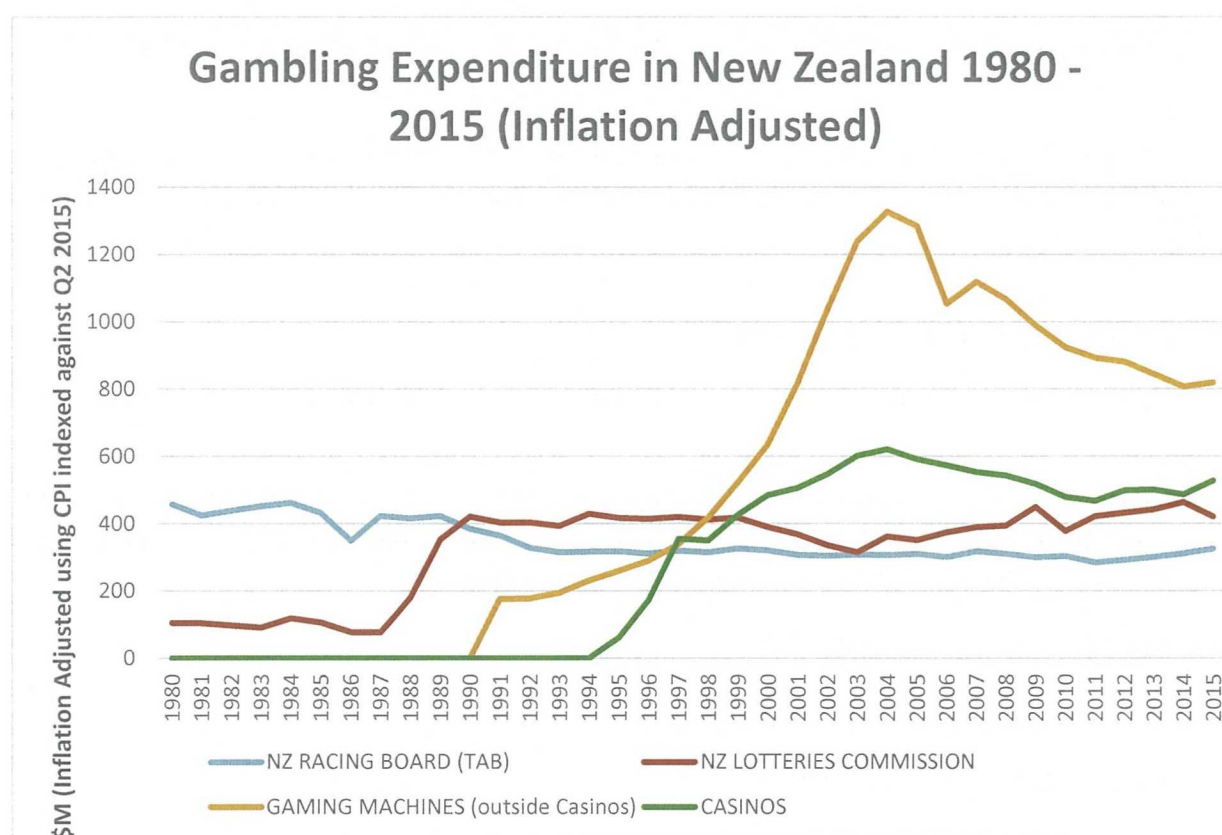


Figure 1: Gambling Expenditure 1980 to 2015 (inflation adjusted³)

Between 2004 and 2015, expenditure decreased from \$1,328 million to \$818 million in real (i.e. inflation-adjusted) terms. The decrease in class 4 expenditure is the reason why total expenditure across all main forms of gambling decreased over this period.

Funding to community organisations from non-club societies reduced from \$389 million in 2004, to \$262 million in 2015⁴ in real terms, a decline of 33 per cent. Community funding from class 4 gambling has been relatively stable in recent years.

² Represented here as gaming machines located outside casinos.

³ Inflation adjusted expenditure is based on CPI adjustments using June 2015 as index point and working backwards using adjustments from Statistics NZ. Figures are GST-inclusive.

Class 4 expenditure has increased since 2014 and there are signs that the sector is stabilising, and is more mature. Improving economic conditions and population growth are likely to have driven some of this growth. However, the future of the sector and the sustainability of community funding remains uncertain, due to factors explored later in this discussion.

Objectives

The objectives of this review are to look at:

- the long-term sustainability and effective allocation of funding to communities without driving a growth in gambling;
- whether the legislation is still fit-for-purpose;
- whether the sector can be regulated more cost-effectively; and
- preventing and minimising harm from gambling.

This discussion paper seeks your views on how to achieve the above objectives.

⁴ All funding figures are GST-exclusive

PART I: Overview of class 4 gambling

The purpose of the Gambling Act 2003 (the Gambling Act) is to:

- control the growth of gambling;
- prevent and minimise harm from gambling, including problem gambling;
- authorise some gambling and prohibit the rest;
- facilitate responsible gambling;
- ensure the integrity and fairness of games;
- limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling;
- ensure that money from gambling benefits the community; and
- facilitate community involvement in decisions about the provision of gambling⁵.

There is potential for conflict between some of these purposes. This approach was deliberate, to encourage decision-making that balances the need to minimise the harm from gambling with the desire to generate benefits to the community from gambling money. In order to achieve these purposes, the Department undertakes gambling licensing, compliance and enforcement functions.

The Gambling Act classifies gambling based on the amount of money spent and the risk of problems associated with that type of gambling. The four classes are:

- Class 1: Small scale gambling where the prizes cannot exceed \$500, and no licence is required. Examples of class 1 gambling include office sweepstakes.
- Class 2: Gambling where the person conducting the gambling is not paid, the gambling must be run by a society, and all the proceeds from gambling must be applied to an authorised purpose (a definition of authorised purposes can be found in the Glossary). Prizes may not exceed \$5000, no more than \$25,000 can be gambled in one session, and no licence is required.
- Class 3: Gambling where prizes awarded for the gambling activity can exceed \$5000, may only be run by a society, the money must be raised for an authorised purpose, and a licence to operate is required. Examples are the national lotteries run by the Heart Foundation and Coastguard NZ.
- Class 4: Gambling activity involving the use of gaming machines outside of a casino, and may only be run by a non-club society or club to raise money for an authorised purpose. The gaming machines are found in clubs, like RSAs and bowling clubs, commercial venues, such as pubs and bars, and New Zealand Racing Board (TAB) venues.

Other major forms of gambling in New Zealand include Lotto New Zealand, betting on racing and sports, and casinos. The focus of this review is on class 4 gambling.

⁵ Section 3 of the Gambling Act 2003

Class 4 gambling

Class 4 gambling is gambling using non-casino gaming machines, also known as “pokies”. There are three types of class 4 societies. Non-club societies operate machines in separately owned pubs and bars. Club societies operate gaming machines from their own clubrooms. The New Zealand Racing Board also operates gaming machines in venues it owns or leases. All operators require licences from the Department.

Table 1 shows a summary of the sector as at 31 March 2016.

Table 1: Class 4 gambling sector by societies, venues and gaming machines, as at 31 March 2016

Type of society	Number licensed	Licensed venues	Gaming machines
Non-club ⁶	38	961	13,015
Club	254	263	3,259
Total	292	1224	16,274

Non-club societies own almost 80 per cent of the gaming machines operating in licensed venues. These societies also generate most of the gaming machine profits and grants returned to the community.

All class 4 societies must apply or distribute their proceeds from gaming machines to authorised purposes. When applying for a licence, a non-club society (which distributes its funds) has to specify what authorised purposes it intends to raise money for. Non-club societies must then grant funds only to those purposes that are specified in their licence, which must be consistent with the purposes set out in their trust deeds or constitutions.

Authorised purposes for class 4 gambling are defined in the Gambling Act as⁷:

- a charitable purpose;
- a non-commercial purpose that benefits the whole or a section of the community; and
- promoting, controlling, and conducting racing meetings under the Racing Act 2003.

Class 4 structure

Clubs

Clubs own and host their gaming machines and mainly apply the money raised from their gaming machines to the club. Most clubs are non-profit organisations which are predominantly owned by their members.

Examples of clubs are RSAs, sports clubs and cosmopolitan clubs. Each club has an active membership that has the opportunity to be involved with sports and other social activities the clubs run. Members who gamble in the clubs are more than likely benefiting from the proceeds of their gambling.

⁶ Includes the New Zealand Racing Board.

⁷ Section 4(1) of the Gambling Act 2003.

Clubs are subject to gaming machine duty and the problem gambling levy. However, the application to authorised purposes and operating costs are different. Figure 2 shows the allocation of funds. Clubs also apply approximately \$55 million per year to their own purposes and the wider community.

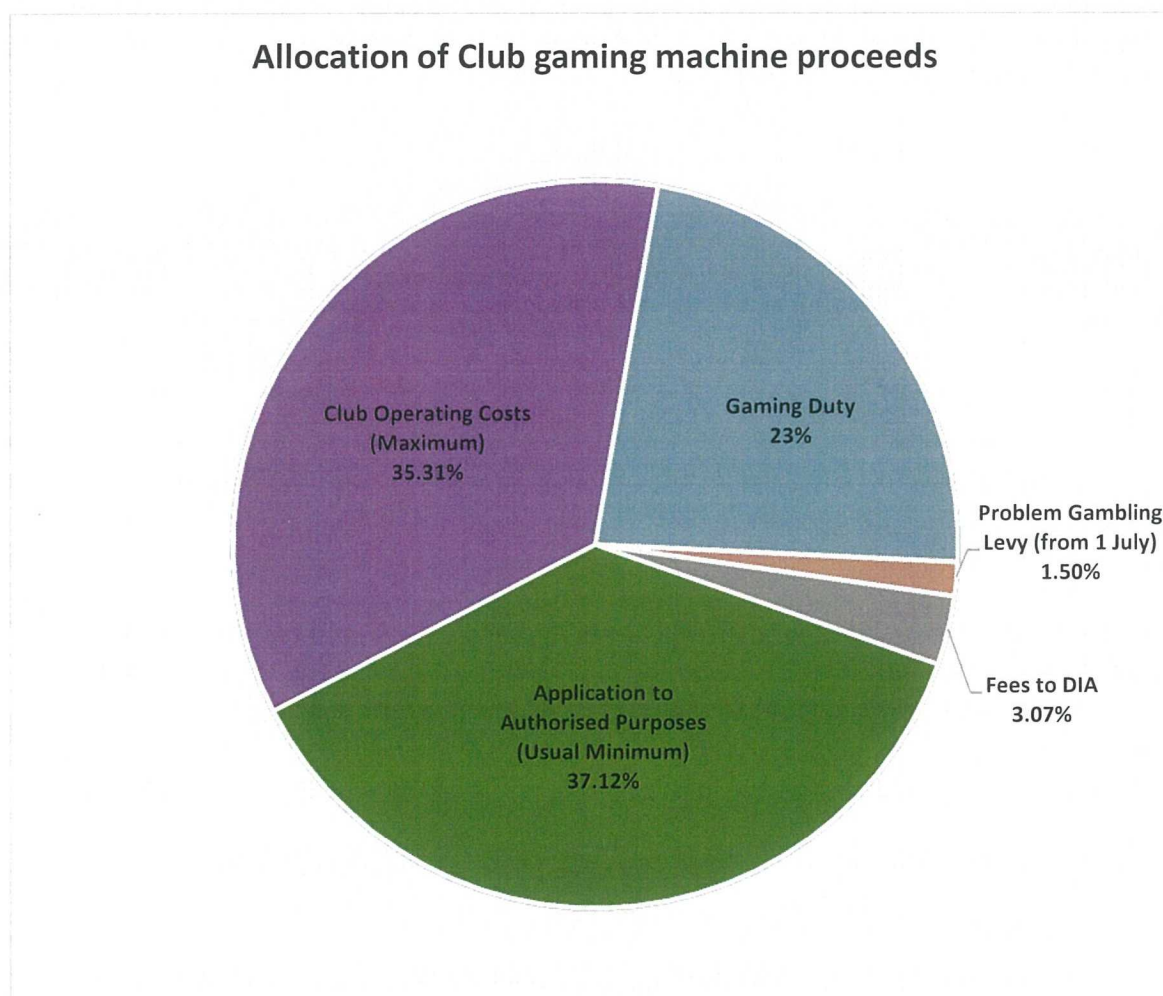


Figure 2: Allocation of Club gaming machine profits (GST exclusive)

Non-club societies

Non-club societies own gaming machines and reimburse pubs and bars for hosting the machines. Non-club societies must be non-commercial, and can be established in various corporate forms, including companies, trusts, charities, or incorporated societies. Non-club societies make their own decisions on how to run their operations and how they distribute their grants, within the constraints of the Gambling Act and its related regulations.

There are no limits on how many non-club societies can be licensed, as long as they meet the licensing requirements of the Gambling Act. This allows persons to establish societies to raise money through gaming machines for their chosen community cause. Non-club societies mainly distribute net proceeds from their gaming machines to community organisations that align with the societies' authorised purposes. There are a small number of non-club societies that mainly apply their proceeds to their own authorised purposes (Youthtown for example).

Non-club society costs are mostly fixed and include gambling fees, gaming machine duty and a problem gambling levy. These make up around a quarter of all costs. Other costs include operating costs and a capped reimbursement payment of 16 per cent of gaming machine profits from gambling to venues that host the societies' gaming machines. Societies are also required to distribute a minimum of 40 per cent of gambling proceeds by way of grants funding to communities. Figure 3 shows a breakdown of non-club societies' costs.

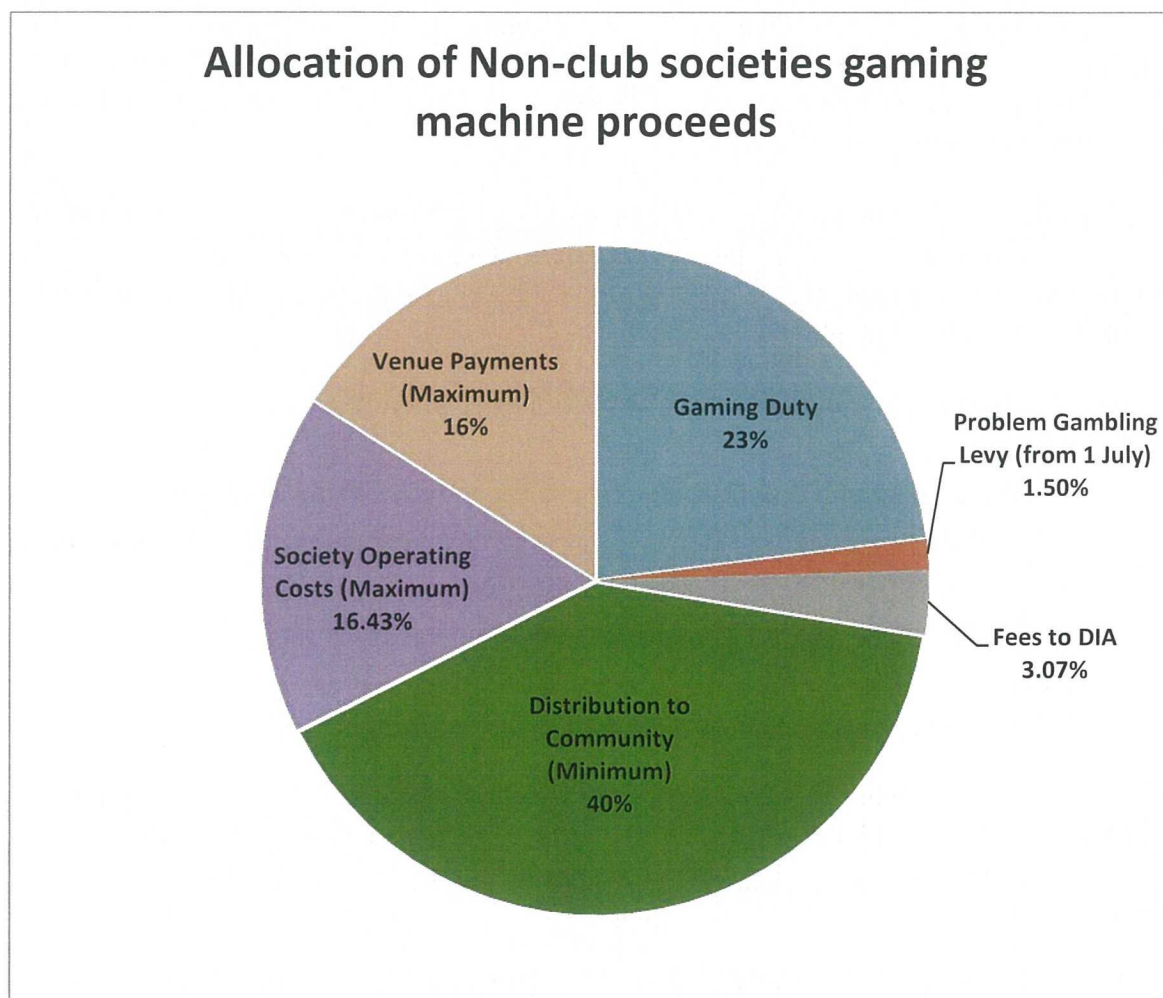


Figure 3: Allocation of Non-club society gaming machine profits (GST exclusive)

New Zealand Racing Board

Under the Racing and Gambling Acts the New Zealand Racing Board (NZRB) has a statutory monopoly on terrestrial sports and racing betting services in New Zealand through the TAB. The Gambling Act also permits the NZRB to operate gaming machines at its TAB venues. Its venues are mainly used for racing and sports betting. The majority of funds generated by the NZRB's gaming machines are applied under its racing authorised purposes and up to 20 per cent distributed to amateur sports.

The Minister for Racing is developing proposals to deal with online racing and sports betting activities. The proposals are relevant to the class 4 review as they will potentially increase overall gambling options for New Zealanders. This work is proceeding separately, though decisions on racing reform will be taken into consideration for this wider review.

Minimising harm from gambling

One of the purposes of the Gambling Act is to prevent and minimise harm from gambling, including problem gambling. Gambling can be a harmless form of adult entertainment that can provide positive social effects. However, gambling can also have adverse effects on many individuals, their families and their communities.

The main gambling providers in New Zealand must pay a problem gambling levy under the Gambling (Problem Gambling Levy) Regulations 2013⁸. Casinos, non-casino gaming machine (class 4) operators, Lotto New Zealand, and the NZRB currently pay a problem gambling levy as specified in the Regulations.

The levy payments reimburse the Crown for the costs of the Ministry of Health to implement the Act's purpose of preventing and minimising harm from gambling. This is part of the Ministry's wider responsibility for the integrated problem gambling strategy described in the Act. This strategy must include⁹:

- measures to promote public health by aiming to prevent and minimise harm from gambling;
- services to treat and assist problem gambling and their families and whanau;
- independent scientific research on gambling, including longitudinal studies on the social and economic impacts of gambling; and
- evaluation.

This strategy is updated every three years, and a new strategy has recently been published and is available on the Ministry of Health's website.

Class 4 societies and venues which host gaming machines also have particular obligations under the Gambling Act to prevent and minimise harm from gambling. Most of these obligations can be found in the Gambling (Harm Prevention and Minimisation) Regulations 2004. For example:

- class 4 gambling operators must develop a policy to identify problem gamblers;
- staff managing a class 4 venue must take all reasonable steps to ensure that the policy is used to identify actual or potential problem gamblers;
- customers who are identified as problem gamblers may be issued an exclusion order. Customers can also request to be excluded from a venue.

Gambling inspectors from the Department will visit venues to check whether they meet the harm minimisation obligations in the Gambling Act. The Department can apply a range of sanctions, including revoking operating licences, if it believes gambling harm policies are not being implemented.

⁸ New problem gambling levy regulations are due to come into effect on 1 July 2016.

⁹ Section 317(2) of the Act.

Problem gambling

Research tells us that harm related to problem gambling is more likely to affect people living in high deprivation neighbourhoods. Māori and Pacific peoples are more likely than the general population to develop problem gambling, and more likely to suffer gambling-related harm.

Estimates of problem gambling in New Zealand vary between surveys. Results from the comprehensive 2012 National Gambling Study indicate that approximately 0.7 per cent of the adult population of New Zealand are problem gamblers. This represents about 23,504 people with significant gambling problems. The National Gambling Study also found that 1.8 per cent of New Zealand adults, or 64,440 people, are moderate-risk gamblers. A further 5 per cent or 167,888 people are lower risk gamblers. More recent results for 2013 indicate a slight reduction in the prevalence of problem gambling (0.5 per cent), but no major change for 2014.¹⁰

In terms of ethnicity, the 2012 National Gambling Study reported a prevalence of problem gambling for Māori of 2.3%, with 3.9% of Māori considered moderate-risk gamblers. For Pacific peoples, the prevalence of problem gambling was 1.6%, with 6.4% considered to be moderate-risk gamblers. For Asian peoples, the prevalence for problem gambling was 0.7% and 2.3% for moderate-risk gamblers. More recent results from 2013 and 2014, indicate that these ethnic groups continue to have similarly high rates of problem and moderate-risk gambling.

There is a significant association between the prevalence of problem gambling and average monthly expenditure. The prevalence of problem gambling is 13.1% for those who spend more than \$500 on average per month on gambling. This is in comparison to a prevalence of 1.1% of problem gambling for those who spend \$51 to \$100 on average per month on gambling.

From 1985 to 1990, total gambling participation by adult New Zealanders increased from 85% to 90% and remained at this level up to the mid-1990s. From this point on participation declined to 80% at 2005, and has remained around this level. However, while total gambling participation has decreased, and risk factors for gambling harm have decreased (such as participation in multiple gambling activities), there has not been a significant decrease in the prevalence of problem or moderate-risk gambling since 2005.

Wider effects

In 2012, approximately 380,000 New Zealanders reported having gambling-related arguments, and about 260,000 reported having to go without something they needed or not paying bills because of another person's gambling.

Harm from gambling can also include poor parenting, family violence, other crime, and suicide. These harms affect people other than the gambler.

¹⁰ "The severity of gambling problems is classified using the Problem Gambling Severity Index (PGSI). Low risk gamblers score 1-2 problems on the PGSI, moderate risk gamblers score 3-7, and problem gamblers score 8 or more". Ferris, J. & Wynne, H. (2001).

New Zealanders' attitudes towards gambling

Research¹¹ has shown that New Zealanders have a high awareness that gambling is associated with harm and that some forms of gambling are more harmful than others. Most participants in the research agreed strongly that more should be done to reduce harm from gambling.

Problem gamblers were much more likely to agree that there were too many non-casino gaming machine venues. There was also found to be some public support to further reduce gambling harm and the number of gaming machines available. Over 50 per cent of the participants considered non-casino gaming machines were socially undesirable.

Changes over time and risk factors

For the total adult population the prevalence for problem gambling and moderate risk gambling reduced significantly during the 1990s and has not changed significantly in the last decade. Some key risk factors for problem gambling improved in the years since 2011, including the proportion of people frequently engaging in more harmful continuous forms of gambling (e.g. gaming machines), those gambling weekly or more, and those engaging in multiple gambling activities.

The role of local government

The Gambling Act specifies that a city council or district council (as listed in Schedule 2 of the Local Government Act 2002), must have a class 4 venue policy. A council's venue policy sets out the rules around class 4 gambling in their districts. The aim of venue policies is to give local councils and the communities they represent a say in how class 4 gambling operates in their districts, in line with the Gambling Act's purposes.

When establishing or reviewing their policies, councils have to go through a consultation process as per the Local Government Act 2002. This process allows for class 4 venue policies to reflect local factors and the differences between communities.

Class 4 venue policies must be updated every three years, and must include:

- whether class 4 gambling venues may be established in their district;
- if permitted, where venues may be located; and
- consideration of the social impact of gambling .

Class 4 venue policies may specify a restriction on the maximum number of gaming machines per venue, and may also include a relocation policy. Class 4 societies need consent from the territorial authority if they wish to establish a venue within that councils' district. Class 4 societies have to apply for consent from territorial authorities when:

- increasing the number of gaming machines that may be operated at a class 4 venue;
- a society is applying for a class 4 venue licence and a licence has not been held by any society for the venue within the last 6 months; and

¹¹ 2015 - Attitudes towards Gambling. New Zealand 2012 National Gambling Study: Report Number 3. Gambling and Addictions Research Centre and Auckland University of Technology.

- a society proposes, in accordance with a relocation policy of the territorial authority, to change the venue to which a class 4 venue licence currently applies.

Once a council grants consent for the establishment of a new venue, the venue can apply for a licence from the Department. The Department then monitors the new venue for compliance with the Gambling Act 2003. Territorial authorities do not have the power to close a venue, and cannot revoke its consent. Only the Department can suspend or cancel a venue's licence for non-compliance.

Some councils have a "sinking lid" policy. This usually means that the council concerned is trying to decrease the number of gaming machines and class 4 venues in its district. A sinking lid policy includes a ban on any new gaming machines or venues in a district. Councils can also have caps of the number of venues and/or gaming machines in their districts. Other councils, however, allow for growth in gaming machine numbers and/or venues within their districts.

Under section 101(2) of the Gambling Act, councils must consider the social impact of gambling in their districts when developing a class 4 venue policy. This can include the impact of harm from gambling, as well as the impact of funds going back to community groups in the form of grants. Councils do their own research on the social impacts of gambling in their districts. Information can also be provided by the community, problem gambling treatment providers, and class 4 gambling societies, through the consultation process.

Community funding

The community funding aspect of the "pokie" system is unique to New Zealand. In most other jurisdictions gambling is a "for profit" activity. The class 4 sector returns about \$260 million per year to communities in the form of grants funding (in addition to tax and duty payments to government).

Depending on its structure, a class 4 society can apply or distribute funds to the community. The funds must be applied or distributed within a set timeframe, which is currently set at 12 months. Non-club societies are required, through regulations, to distribute a minimum of 40 per cent of their GST- exclusive gross proceeds¹² to authorised purposes. Clubs, through licence conditions, are required to apply up to a minimum of 37 per cent to authorised purposes.

The funding for community organisations from the other main forms of gambling (excluding casinos) has increased since 2004, which has resulted in community funding remaining relatively stable overall. The total community returns from the gambling sector decreased by only three per cent over 2004 to 2015 in real terms (from \$619 million to \$603 million¹³). In the 2013/14 year, class 4 societies provided approximately 40 per cent of the total amount distributed for community purposes (using the description of 'community' broadly in this context).

¹² Gross proceeds are Gaming Machine Profits plus all other income of a society (for example interest on bank deposits, or from sale of unwanted gaming machines).

¹³ Total excludes distributions by clubs to their own purposes.

While there are exceptions, in general class 4 funding to the community distributes smaller funding amounts within local communities (e.g. local sports clubs, kindergartens, community organisations), whereas community funding from other classes of gambling (e.g. the Lottery Grants Board) is distributed in larger amounts on more of a national or regional basis. Therefore, while other forms of gambling kept the overall pool of funding to the community stable, the overall distribution of funds has probably shifted away from local communities. While class 4 gambling provides more local community funding, it also comes with the highest risk of harm with respect to problem gambling, compared with other forms of gambling.

Regulatory changes already occurring in the sector

A number of recent amendments to the Gambling Act and changes to regulations will have impacts on the sector in the near future. Recent changes include:

- increasing the fees gambling operators pay to fund the regulatory activity of the Department;
- the introduction of a simpler non-club venue payment regime (which should reduce compliance costs for the regulator, non-club societies and venues); and
- the cancelling of scheduled increases to the minimum rate of return to authorised purposes for non-club societies. The rate of return is now fixed at 40 per cent of GST-exclusive gross proceeds.

Other non-regulatory initiatives are also underway, including: work to strengthen the licensing requirements for new class 4 societies; the capacity to audit management companies; and potential for lower regulatory oversight around highly trusted operators (such as through the use of three-year society licences).

PART II: Factors influencing the class 4 sector

This paper seeks your feedback on a range of factors within the class 4 sector that may affect the sustainability of community funding. These are listed below, along with some questions for your consideration.

Legislative restrictions on the class 4 sector

A purpose of the Gambling Act is to control the growth of gambling, and it sets up a highly prescriptive regime under which class 4 societies can operate. The Act also states that class 4 societies must maximise returns to communities, while minimising operating costs.

The Gambling Act was a deliberate response to a sector that had grown rapidly through the 1990s. By early 2003, there was a widespread perception of an oversupply of gaming machines, with an excess of 25,000 machines in operation, owned by more than 100 societies. This was a very high rate of machines per person compared to other jurisdictions. The legal framework was considered fragmented and not fit-for-purpose, and lacked measures to address harm from gambling. There was widespread community dissatisfaction with this rapid growth, and the inability of communities to have a say on how many class 4 venues there should be, and where they should be located.

This rapid growth and perceived oversupply in the sector prompted the development of the Gambling Act. The new legislation established policies to prevent and minimise harm from gambling, and enabled local communities to be more involved in decisions on the availability of gambling in their districts. Since its implementation, the sector has shrunk in terms of the number of class 4 societies, gaming machines, venues, gaming expenditure and the amount of funds being returned to communities.

The Gambling Act and associated regulations place many restrictions on the class 4 sector in light of the potential for harm from class 4 gambling. These restrictions limit class 4 societies' ability to adapt their operations over time. For example, non-club societies who establish new gambling venues are only allowed a maximum of nine gaming machines, but non-club venues that existed before the Gambling Act were allowed 18 machines as part of 'grand parenting' arrangements. Machine numbers are also capped per venue, rather than, for example, nationally.

As noted on page eight, the class 4 sector's costs are highly regulated, particularly for non-club societies. After all mandatory costs are subtracted, about 17 per cent of gaming machine profits remains for non-club societies to run their operations, for example, administering the grant-making process, depreciation costs, salaries, and office rent. This leaves non-club societies with little room to invest in other parts of their business that might lead to better overall outcomes, for example, improved grant making processes.

The Gambling (Harm Prevention and Minimisation) Regulations 2004 also impose various controls on the class 4 sector. Requirements in these regulations include:

- limits on stakes and prizes, including a limit on jackpots of \$1000 for a single play on a gaming machine;
- gaming machines must display certain messages, including information about the odds of winning a game, the duration of a player's session, and the amount a player has spent in a session;
- gaming machines must have features that interrupt play;
- venues cannot advertise jackpots; and
- venues are required to provide information about problem gambling and how to seek help or advice.

Another restriction on class 4 gambling is the inability to offer online gambling options. In New Zealand, only Lotto NZ and the NZRB are currently allowed to offer forms of online gambling.

Questions:

- **Given the changes in the sector since 2003, are the purposes of the Gambling Act still fit-for-purpose?**
- **Do you think the recent stabilisation of class 4 gambling expenditure is due to economic/population changes or changes within the class 4 sector (or both)?**
- **Do you think any changes should be made to the requirements on the class 4 sector? If so, what changes?**
- **What would the impact of any changes be on the responsibility to prevent and minimise harm from gambling?**
- **Do the provisions in the Act go far enough in ensuring funds to communities are maximised?**

The role of local government through local venue policies

One of the purposes of the Gambling Act is to facilitate community involvement in decisions about the provision of gambling. Local class 4 venue policies allow councils and their communities the opportunity to have a say in where class 4 venues are located in their districts, and whether more gaming machines and/or venues can be established.

Class 4 venue policies vary across the 67 different councils (regional councils are not required to have venue policies), and can reflect differences between communities. For example, some councils do not allow any new venues to be established in their districts, whereas other allow new venues, but only in certain areas.

Councils must review their class 4 venue policies every three years. The review process provides the opportunity for the community to provide information to the council on how gambling and the councils' venue policy are affecting the district. This could be information about the benefits from grants to community groups, or about gambling-related harm.

Under class 4 venue policies as at 2013, 64 per cent of councils allowed new class 4 venues and gaming machines, with 36 per cent allowing no new venues or gaming machines. Councils have to update their venue policies every three years. Councils last reviewed their policies in 2013, and many are currently going through the process of reviewing their policies for 2016.

A council must also consider whether to include a relocation policy, but it is not mandatory. About half of all councils have a relocation policy, which sets out if and when a council will grant consent to a venue to move to a new location, where the venue already holds a class 4 licence. For example, if a class 4 venue operator rents a building, and the landlord does not renew the lease, the venue operator will need to move to a new venue. If a council has a relocation policy, the venue operator can move to a new venue in accordance with the policy. If the council does not have a relocation policy, the venue operator may not be able to move to a new venue and would have to cease operating as a class 4 venue.

Questions:

- **What should the role of local authorities be in balancing the benefits of class 4 funding to their communities with the potential negative impacts?**
- **Are there any requirements in the Gambling Act related to venue policies that should be changed? If so, which requirements?**
- **Is requiring councils to review their venue policies every three years a good policy? Should there be more or less time between reviews?**
- **How have local venue policies impacted on both problem gambling and the sustainability of community grants from class 4 gambling?**

The Department's regulatory functions and the cost of regulating gambling

The Department has responsibility for regulating the class 4 environment under the Gambling Act and its associated regulations. This includes regulating the non-club sector, comprising 38 non-club societies, about 960 non-club venues and \$261.9 million in grant funding (in 2014/15). Regulatory activities include:

- Non-club societies have to apply to the Department for a gambling licence. Currently a society must re-apply for a licence every year.
- The Department monitors the amount of funds non-club societies return to communities to check that it reaches the minimum required under regulations.
- Gambling inspectors inspect venues to check they are operating according to the Gambling Act, including the venue's responsibilities around harm minimisation.

Other regulatory activities include efforts to reduce theft and fraud, minimise harm from gambling and maximise returns to the community.

The cost of regulating the non-club sector is approximately \$14 million per annum (GST exclusive). These costs are met by charging fees to gambling operators, which amount to approximately 3 per cent of gaming machine profits from non-club societies. Two-thirds of the Department's fees revenue comes from fees tied to the number of gaming machines in the class 4 sector.

Non-casino gambling fees increased on 1 February 2016. Prior to this, fees had not been reviewed since 2007. When the fees were set on 1 February 2008, it was assumed the number of gaming machines would not reduce below approximately 20,000. At 30 March 2016, there were 16,274 gaming machines operating in the class 4 sector. This has resulted in the revenue from gaming machines decreasing by 20 per cent since 2008. This has meant that the Department had been under-recovering its costs of regulating class 4 gambling, this under recovery has led to a deficit in the Department's gambling memorandum account of \$12.9 million at 30 June 2015.

The recent increase in fees addresses the Department's operating deficit and reduce the deficit in the memorandum account. However, machine numbers are still decreasing, and the long-term sustainability of a funding model based on gaming machine numbers remains questionable. There are also other cost pressures facing the Department, including:

- the operation and maintenance of the Electronic Monitoring System for class 4 gaming machines;
- development and depreciation costs for the Integrated Gambling Platform to assist with regulating the industry; and
- general cost pressures, Departmental overheads and capital charges.

Questions:

- **What influence do the Department's regulatory functions and operational policies have on the sustainability of funding to communities?**
- **Do you think the cost of regulating the class 4 sector is reasonable?**
- **Are there ways of effectively regulating the sector at less cost?**
- **What areas should the regulator focus on to reduce unwanted/illegal behaviour and problem gambling rates?**
- **Are there more efficient methods of recovering costs from the class 4 sector than the current gaming machine-number based model?**

Problem gambling

Non-casino gaming machine participation decreased from 28 per cent in 1990, to 18 per cent in 2000, and 14 per cent in 2012. Risk factors (weekly or more participation) for total continuous gambling activities (which include gaming machines) also decreased during this period from 18 per cent in 1991, to 10 per cent in 1999, and 6 per cent in 2012.

There was a reduction in annual participation on gaming machines for pubs from 2012 to 2013 (8.9 per cent versus 11.5 per cent), but no change for clubs. There were no other changes up to 2014 for either pubs or clubs on monthly or annual participation.

Non-casino gaming machines

The harm associated with electronic gaming machines is higher than for most other forms of gambling. For example, the 2012 National Gambling Study found an odds ratio of 56.36 for the association of non-casino gaming machines and problem gambling compared to 4.39 for Lotto. This means the risk of problem gambling is significantly higher for non-casino gaming machines than for Lotto. Approximately 14 per cent of adults (462,140 people) report having gambled on non-casino gaming machines. It is estimated that 12.2 per cent of adults gambled on pub machines (402,722 people) and 5.7 per cent (188,157) on club machines.

In 2012, the prevalence of problem and moderate-risk gamblers amongst non-casino machine gamblers was 2.7 per cent (or 12,477 people) and 8.7 per cent (40,206 people) respectively. More recent results for 2014 indicate that electronic gaming machine gambling (casino, pub, club) increased the risk of developing gambling problems by 5 times. This suggests that the prevalence of moderate-risk and problem gambling associated with electronic machine gambling has not changed significantly since 2012. The specific prevalence results will be available later this year.

Figures for 2012/13, 2013/14, and 2014/15 indicate that approximately half of the number of people presenting to Ministry of Health-funded problem gambling intervention services for help identify non-casino gaming machines as causing them problems. This is by far the largest group of clients associated with a particular gambling mode, and has not changed significantly over this time period.

In 2015, gambling expenditure for non-casino gaming machines was \$818 million. Based on annual self-reported expenditure, estimates from the 2012 and 2013 National Gambling Study suggest that approximately 50 per cent of total expenditure for this sector comes from the combined low risk/moderate/ problem gamblers, and approximately 30% of total expenditure comes from the combined moderate/problem gambling group. The figures for 2014 suggest these proportions have decreased slightly, however another year of data collection is required before this downward trend can be confirmed.¹⁴

Questions:

- **What is your experience of any changes in harmful gambling behaviour over time?**
- **What is your view on the class 4 sector's approach to problem gambling?**
- **Do you have suggestions for how problem gambling could be reduced or better managed, i.e. how can both the legislation and practice (e.g. compliance procedures, good host responsibility measures) be improved?**

¹⁴ "The severity of gambling problems is classified using the Problem Gambling Severity Index (PGSI). Low risk gamblers score 1-2 problems on the PGSI, moderate risk gamblers score 3-7, and problem gamblers score 8 or more". Ferris, J. & Wynne, H. (2001).

Non-club class 4 gambling sector

The sector has declined since 2003 in terms of numbers of class 4 societies, venues and gaming machines. Some say this has led to a mature and efficient sector, with the passing of the Gambling Act 2003 driving significant efficiencies into the sector. For example, there is now more money being spent on fewer machines. The introduction of a minimum rate of return of funds back to communities also led to further efficiencies. Participation rates for gambling on gaming machines have also decreased.

There are some advantages to the current number and diversity of non-club societies. It provides a “grass roots” funding model that is responsive and well connected to community needs. Grant recipients have noted they appreciate the fast turnaround of grant applications, and the ability to seek funding from multiple societies. However, having 38 societies also means that the system needs to support the operational costs of multiple organisations, and there is potential for a number of societies to compete for high turnover venues.

Questions:

- Do you think there are an optimum number of non-club societies, venues and machines that would maximise sustainable funds to the community, while minimising harm from gambling? What would this be?
- What criteria do you think should be considered to determine the optimum number of non-club societies?
- What are the advantages and disadvantages of a larger non-club sector versus a smaller non-club sector?
- What are the advantages/disadvantages of large vs small non-club societies?

Non-club venues and their relationships with non-club societies

Along with machine numbers, non-club venue numbers have decreased significantly since the introduction of the Gambling Act in late 2003. For instance, in June 2005, there were 1,801 non-club venues in the sector. There are now 961. Other factors have also impacted on the decrease in venue numbers. For example, the banning of smoking in pubs and bars, the Sale and Supply of Alcohol Act 2012, and amended drink driving limits have had an impact on the wider hospitality sector.

Non-club societies need venues to host their gaming machines in order to generate net proceeds for distribution to communities. Non-club venues that host gaming machines are reimbursed for the cost of hosting them. This system can create competition between non-club societies for venues, especially high turnover venues, as they generate more funds for non-club societies to distribute. This can, in some cases, result in risks of venues using venue market power to effect ‘grant capture’, or improper inducements to attract a venue. For example, a venue hosting the gaming machines of a particular non-club society may have expectations that the society will give grants to groups associated with the venue owner.

The Government recently agreed to a new non-club venue payment regime, which will be in operation from October 2016 and be based on commission. The commission will be calculated as no more than 1.28 per cent of venue turnover on a weekly basis, and not exceed an annual limit of 16 per cent of gross gambling machine proceeds, excluding GST, per non-club venue. This model aims to be more fair and transparent, to remove some of the issues around competition for venues, and is likely to reduce compliance costs.

Some people have expressed concern that the new regime may incentivise some non-club venue operators to reduce or ignore their responsibilities with respect to prevention and minimisation of gambling harm. This is because the greater turnover a venue has, the more they get paid. Conversely, other people consider that under the new system, non-club venues will be adequately funded to provide sufficient resources to increase supervision and manage their gaming environments better.

Questions:

- **Do you think the relationship between venues and societies can create problems? If so, what problems and why?**
- **Are there alternative approaches to the venue/society relationship that may reduce these problems?**
- **Is competition for venues between societies desirable? Why?**
- **What changes in the commercial environment for venues may have implications for their ability to host class 4 gaming machines?**

Clubs

Club societies are different to non-club societies because they host their own machines. Clubs also apply most of the funds from gaming machines to their club's approved purposes. They are subject to the minimum rate of return regulations, but at a lower rate than non-club societies. Although not required to, some clubs do distribute some of their gambling proceeds back to the wider community.

Changing demographics and declining club memberships have led to many clubs struggling to survive. Therefore, unlike non-club venues, two or more clubs can merge into one entity. If two or more clubs want to merge, they have to become a single club that operates at a single class 4 venue. So two clubs cannot merge and then operate in multiple venues. The merging clubs can keep their gaming machines and move them to the new venue. However, the new number of machines cannot exceed 30.

Clubs have to apply for consent from their council if they want to merge. Clubs must then gain permission from the Minister of Internal Affairs to merge, and for any increase in the number of gaming machines to be hosted in one venue.

There is anecdotal evidence that the club sector is declining, with clubs closing and membership rates down because of changing demographics and consumer preferences. However, many clubs are adapting and merging into larger entities to remain financially viable, some very successfully.

Questions:

- How do you see the future of clubs and their operation of gaming machines? For example, how will demographic changes affect clubs' membership?
- Should clubs be supported to remain sustainable? If so, how?

Class 4 funding to communities

Minimum rate of return

In order to gain a licence, the primary purpose of a class 4 society must be to raise funds for an authorised purpose. Non-club societies are required to return a minimum of 40 per cent of GST-exclusive gross proceeds to communities from class 4 gambling. In 2015, the average rate of return to communities by societies was 40.4¹⁵ per cent. A number of non-club societies are currently returning funds to the community above the minimum rate of return.

The minimum rate of return was set to rise in September 2016, but a recent Government decision has kept it steady at 40 per cent. This decision was made because non-club societies have recently faced increased cost pressures such as downloadable jackpots, changes to bank notes and increased gambling fees. Increasing the proportion of proceeds given back to communities on top of the increased cost pressures may have forced non-club societies to shed venues or exit the sector, which could have had a corresponding impact on the level of community funding available.

Questions:

- Is a minimum rate of return the best way to maximise funds to the community?
- If not, can you suggest alternative tools to a minimum rate of return to maximise community returns?
- Do you have any suggestions on how society costs could be lessened to improve the return to communities?

Grants Process

Apart from minimum requirements for grant application forms set out in the *Gambling (Class 4 Net Proceeds) Regulations 2004*, non-club societies are able to develop their own grant application processes. Some grant recipients have advised that some non-club societies have good application processes that are easy to follow. However, we are also advised that some non-club societies have lengthy and difficult application processes that could act as a deterrent to potential applicants that may not have the awareness, resources or knowledge to complete the application process.

There is also concern from some in the class 4 sector that not everyone in the community is aware that funding from class 4 proceeds is available, or they may not know how/be able to apply for it.

¹⁵ This is a provisional figure as the 2015 data is yet to be confirmed following audit and/or processing due to retrospective adjustments that societies can apply.

In order to try and make the process transparent non-club societies are required to publish information about all applications received, and whether or not the applications were accepted or declined.

Questions:

- **What is your experience of the grants process (e.g. application, notification, etc)?**
- **Do you think the process is accessible for everyone?**
- **How efficient do you think the process is?**
- **How fair and transparent do you think the process is?**
- **Do you have any suggestions for change that would benefit the community's ability to gain grants funding?**

Distribution of grants funding

As mentioned above, non-club societies must distribute a minimum of 40 per cent of their GST-exclusive gross proceeds from their gambling operations to the community. For non-club societies, authorised purpose is:

- a charitable purpose; or
- a non-commercial purpose that is beneficial to the whole or a section of the community.

The definition of authorised purposes is broad, and allows non-club societies to decide how the community will benefit from the funding. Non-club societies can choose to have broad authorised purposes that benefit a wide range of community groups, or they can choose to have a narrower or single authorised purpose, where the funding benefits a particular group or area of the community.

Figure 4 illustrates the amount of community funding being allocated to different categories of organisations and groups within the community for the period 2006 to 2015. Amateur sports receives a high proportion of the funding – many people see this as good use of the funding as it is likely to reach grass roots organisations and children's sport, and may encourage higher rates of participation in a wide range of sporting and recreational activities. Some organisations have suggested, however, that there are many other community needs that could benefit from a higher proportion of community funding.

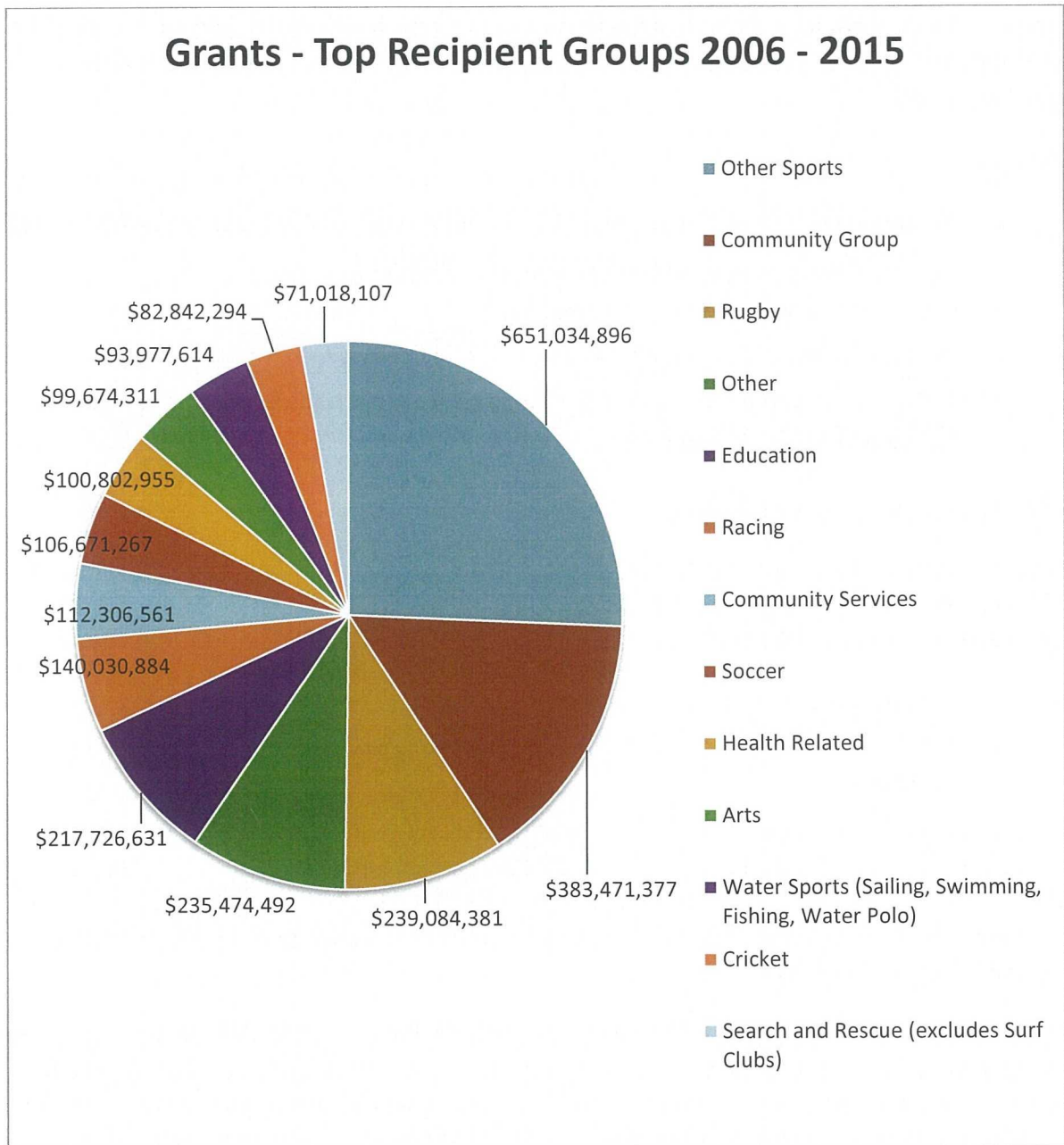


Figure 4: Grants – Top Recipient Groups 2006-2015

As shown in Figure 5 below, over the last 10 years each grant recipient category listed has received a reasonably consistent percentage of the available community funding. Some areas have seen a slight fluctuation or an increase in funding over this time. However, racing has seen a decline in funding over the last five years.

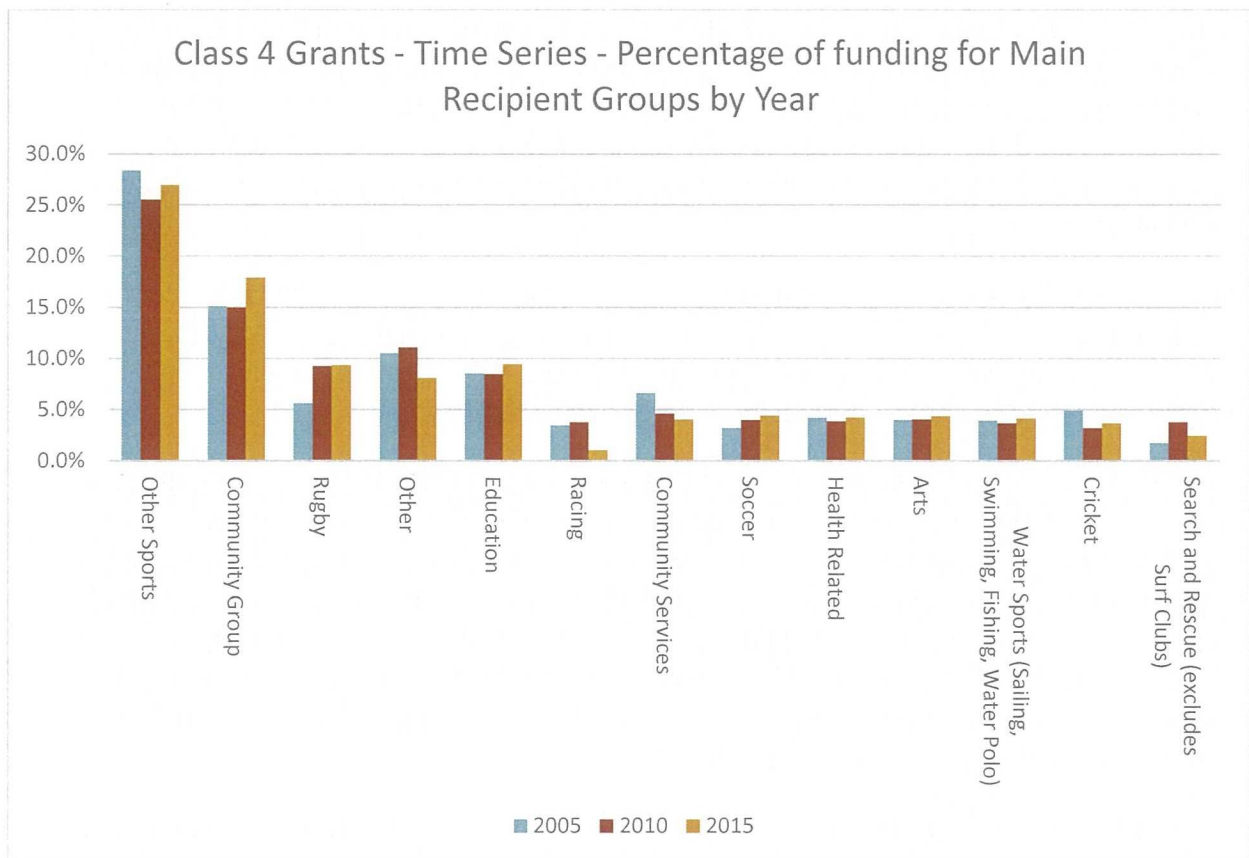


Figure 5: Class 4 grants time series – Percentage of funding for main recipient groups by year

Research on New Zealand attitudes to gambling in 2012 found that 64.5 per cent of participants were happy or largely happy (but with some doubts) about the distribution of funding. This was a similar figure to that expressed in a survey in 2005. Most people (85 per cent) were in favour of gambling proceeds going to the community, however they did not like the idea of gambling proceeds being used for business profits (74 per cent) or government revenue (73 per cent).

Questions:

- What are your views on the current legislative settings around societies' authorised purposes?
- Do you think the funding from class 4 gambling is achieving the maximum impact for the community?
- If not, why and what could change?

Diverse community needs

In our discussions with the class 4 sector, some people voiced concern that class 4 funding is increasing inequalities in communities because significant expenditure on gaming machines is originating from high-deprivation areas, but is not necessarily going back to community organisations that support people living in those areas. There is a perception that the funding is delivering more benefits to middle-to-high income communities instead.

Some of the recipients of funding we talked to had concerns that community organisations in high-deprivation areas may not have the knowledge of the funding or the resources to apply for grants funding and therefore may be missing out. They noted that it took applicants a lot of time and energy to build up knowledge of the different non-club societies, the different purposes those non-club societies applied the funding to, and the different application processes.

In the past few years some non-club societies have been making an effort to ensure the funding is going back to the community it originated from; however this is not currently a requirement. We also understand that some non-club societies are providing support and guidance on the application process to people seeking funding.

National organisations have raised issues with non-club societies providing funding solely to local organisations, as they think that there are other ways to distribute funding to make sure it reaches communities. Currently many national and regional organisations apply for the funding and distribute it across the country to local offices or groups/clubs, or use it to develop coordinated national or regional approaches. Preventing national or regional bodies from applying for the funding could lead to unintended consequences such as local offices or groups missing out on funding because they are not set up to apply for it, or inhibiting coordinated national or regional approaches.

There are also some organisations that provide programmes on a national basis, but where people from all across the country can attend, benefiting a wide range of communities. If these national organisations missed out on being able to access the community funding then people who struggled to pay to go to these national programmes may miss out on the benefits.

Questions:

- **Should societies return funds to the communities where they were generated? Why?**
- **Overall, do you think the distribution of funding is equitable?**
- **If not, why and what could change?**

PART III: Online gambling

This section covers issues wider than the review of class 4 gambling. We are taking the opportunity to find out how people feel about online gambling across all classes of gambling and its future in New Zealand. Please note that the Department is currently undertaking a project relating to offshore racing and sports betting. The Department will make sure that the two pieces of work complement each other as much as possible.

Currently there are two providers of online gambling in New Zealand, the NZRB offers online racing and sports betting including live sports betting (through the TAB), and the New Zealand Lotteries Commission (Lotto NZ) sells some of its products online. It is illegal under the Gambling Act 2003 to organise, manage, or promote any other source of online gambling (referred to in the Act as 'remote interactive gambling') in New Zealand.

Both Lotto NZ and the TAB provide a range of online gambling products, and the minimisation and prevention of gambling harm is a key consideration in the development and provision of these products. The regulatory burdens for these providers are relatively low because their gambling products have a lower risk profile and both are statutory bodies with government appointees.

New Zealanders gambling online with Lotto and the TAB has increased in recent years, though online participation still remains at a lower rate than participating in-person at Lotto outlets or TABs. In 2012, 4.3 per cent of the adult population gambled online using New Zealand products.¹⁶

Compared with other countries, New Zealand has a narrow range of online gambling options. For example, the United Kingdom's online gambling options include casino games, society lotteries, betting activities and Bingo games. However, Australia has a similar range of online options as New Zealand, with online casino-style games illegal. The Australian government also recently decided not to allow the online equivalent of "scratchies".

New Zealanders are not, however, prohibited from gambling with offshore online providers. For example, a growing number of New Zealanders are using offshore online betting services (e.g. Bet 365), which offer a wider range of betting products, such as sports betting, casino games, poker, slots, scratchcards and bingo.

Offshore providers are likely to have a competitive advantage over New-Zealand based products because they operate purely commercial businesses, without the requirement (for Lotto and the New Zealand Racing Board) to make returns to their communities, and they have different tax and duty obligations. In addition, some of the off-shore providers have an advantage from the scale of their operations and often can provide better odds.

¹⁶ The Health Promotion Agency's 2012 Health and Lifestyles Survey.

The number of online gambling products overseas is growing rapidly, as is the use of those products in overseas markets. In 2013, online gambling had an internationally estimated gross profit of US\$35.3 billion and the future prediction is that online gambling will grow at a rate of 10.6% between 2014 and 2018¹⁷.

The number of New Zealanders gambling online on overseas websites is relatively small compared to other forms of gambling i.e. from 1.4 to 1.7 per cent of the adult population in 2012. This is about 55,000 people. More recent results, for 2014 and 2015 suggest no significant changes or possibly a slight increase. Expenditure estimates for New Zealanders using off shore online gambling are limited. Based on self-reported expenditure, the total annual amounts for offshore online gambling for 2012 to 2014 range between \$14.6 million to \$47.6 million¹⁸.

As a nation we are increasingly using online tools for personal use such as shopping, banking and socialising. Having an online presence is becoming more important to businesses to remain competitive.

There is a risk that if we retain the currently limited range of online gambling products, consumers may choose to increasingly gamble on offshore sites, with a corresponding loss of benefit to New Zealand communities, and potential concerns around problem gambling and consumer protection.

If providing online gambling services was permitted in New Zealand, serious consideration would be needed about how an online gambling environment is designed and regulated. For example, it would need to be decided whether another class of gambling should be introduced, and how and at what cost it would be regulated. There would also be choices on whether to restrict the number of operators, or whether it would be an open market.

Potential harm from online gambling also needs to be carefully considered, along with issues such as identity verification and age limits. There would also need to be consideration of whether online gambling would be for-profit (with a high tax) or a continuation of the community benefit model.

Increasing online gambling in New Zealand may have implications for gambling harm. Access to gambling would become a lot more convenient, and while having access to gambling anywhere at any time may present limited risk to some people, for those that have a gambling problem this kind of access could increase harm. Ministry of Health data indicates that from 2012 to 2014 about 2 per cent to 3 per cent of clients (or 100 to 140 people) accessing problem gambling services identified offshore gambling as causing them problems. The figures are similarly low (1.5% to 2.4%) for Ministry of Health clients identifying New Zealand online gambling (Lotteries, TAB) as causing them problems.

¹⁷ Offshore Gambling by New Zealanders Study, Gambling & Addictions Research Centre, AUT University (2015).

¹⁸ Offshore Gambling by New Zealanders Study, Gambling & Addictions Research Centre, AUT University (2015).

Another disadvantage of online gambling may be the removal of socialisation. Safe gambling is a source of adult entertainment, and currently part of that entertainment includes the benefit of socialising with other people, which could be removed if people were to gamble online. Online gambling also takes away the personal interaction between the provider and the person gambling (providers can use the relationships with gamblers to minimise harm).

However, there are also advantages to shifting to an online platform for gambling products. For instance, there would be a different set of tools available to reduce harm from gambling (for example, pre-commitment to a maximum gambling spend per week). If people's online identity can easily be verified, it may be easier to set a range of limits to reduce harm and to enable self-exclusion across providers.

Allowing lower risk forms of gambling online could increase benefit to the community. For instance, class 3 gambling (e.g. non-government national charity lotteries through the Heart Foundation and Coastguard NZ) is currently unable to use any form of interactive device, including telephones. The Heart Foundation and Coastguard NZ have raised the possibility of supporting class 3 societies by allowing online sales. This could increase the community benefit (through greater sales) so long as an online platform can provide appropriate consumer protection and identity verification services. However, if an online platform is provided for class 3 gambling, consideration would have to be given to other classes of gambling that might want to enter the online market.

Questions:

- **Do you think the current policy settings for online gambling are fit-for-purpose?**
- **If not, how do we need to change the policy settings?**
- **Do you think other forms of gambling should be available online in New Zealand? Why/why not?**
- **If yes, what gambling products should this include and how could we ensure gambling harm is minimised?**
- **Do you think class 3 gambling operators such as the Heart Foundation and Coastguard NZ should be able to offer online lotteries?**

Part IV: Further issues/ideas

This discussion paper has set out a number of issues and questions in relation to the class 4 gambling sector. We are aware that this is a complex topic, and you may have a different view on how the issues and options should be explored. This section is an opportunity to give your feedback on any further matters you think should be covered in this review.

Questions:

- Are there issues or questions not set out in this discussion paper that you think need to be considered in this review?
- Can you suggest any further options for improving the status quo that do not fit elsewhere in this discussion paper and do not increase gambling harm or drive growth in gambling?

Attachment 8





Statement of Proposal

EARTHQUAKE-PRONE BUILDING POLICY

Reason for the proposal

Council has reviewed its Earthquake-prone Building Policy. There are no proposed changes to the Policy since last reviewed in 2011 because the Building (Earthquake-prone Buildings) Amendment Act, due to come into effect within two years, will replace Council's Policy. The proposed Policy is enclosed.

During the consultation process Council will be seeking feedback from affected building owners about whether the removal or strengthening of masonry chimneys and parapets has occurred as required under the Policy.

More Information

Where to get a copy of the Summary of Information and submission form

The Summary of Information (and submission form) may be Council's libraries in Bulls, Marton and Taihape, from the Council's Main Office in Marton, or from the Council's website www.rangitikei.govt.nz. You may request a copy be posted to you by calling 0800 422 522.

Period for Consultation

Written submissions on the amended Earthquake-prone Building Policy may be made from **Friday 29 July 2016 until 4 pm Monday 29 August 2016.**

Those who make a written submission may choose to make an oral submission. Hearings of oral submissions are scheduled for **Thursday 29 September at the Council Chambers in Marton**. Please indicate on your submission form if you wish to speak to your submission.



EARTHQUAKE- PRONE BUILDING POLICY 2011

Date of adoption by Council	12 May 2011 ¹
Resolution Number	11/RDC/092
Date by which review must be completed	12 May 2016
Relevant Legislation	Building Act 2001 (s131/132)
Statutory or Operational Policy	Statutory
Included in the LTP	No

1 Introduction and Background

- 1.1 Section 131 of the Building Act 2004 ("the Act") requires territorial authorities ("TAs") to adopt a policy on earthquake-prone buildings by 31 May 2006. Thereafter it must be reviewed at least every five years.
- 1.2 The definition of an earthquake-prone building is set out in section 122 of the Act and related regulations. A building is earthquake prone if it "will have its ultimate capacity exceeded in a moderate earthquake" and would be likely to collapse causing injury or death, or damage to any other property.
- 1.3 "Moderate earthquake" is in turn defined as:

"In relation to a building, an earthquake that would generate shaking at the site of the building that is of the same duration as, but that is one-third as strong as, the earthquake shaking (determined by normal measures of acceleration, velocity and displacement) that would be used to design a new building at the site."
- 1.4 This definition covers more buildings and requires a higher level of structural performance from them than the Building Act 1991. Buildings used wholly or mainly for residential purposes cannot be categorised as earthquake prone unless the building comprises two or more storeys and contains three or more household units.

¹ This policy was first adopted 25 May 2006 06/RDC/14/ and reviewed 28 May 2009 09 RDC/226.

1.5 The policy is required to state:

- The approach that the Council will take in performing its functions under the Act;
- Council's priorities in performing those functions;
- How the policy will apply to heritage buildings.

1.6 In developing and adopting its earthquake-prone buildings policy, the Council has followed the special consultative procedure set out in Section 83 of the Local Government Act 2002.

2 Policy approach

Policy principles

2.1 The Council has noted that the provisions of the Building Act in regard to earthquake-prone buildings reflect the government's broader concern with the safety of the public in buildings, and more particularly, the need to address safety in an earthquake.

2.2 The Council has also noted that the development of earthquake-prone buildings policies is up to the individual territorial authority and has responded accordingly. There is no government funding associated with this requirement.

2.3 The Council understands the need to find a balance between the potential risks posed by the older brick and masonry buildings within the town centres and the long-term viability of these buildings.

2.4 The Council recognises that for the time being, there is no commercial peer pressure on building owners to upgrade buildings as there may be in larger higher risk centres such as Wellington.

2.5 This policy was developed using information obtained through a focus group discussions.

Overall approach

2.6 Rangitikei is in a zone of moderate seismicity² and its buildings comprise a range of types and ages reflecting steady development since early settlement in the mid to late nineteenth century. Building types range from wood, unreinforced masonry and brick buildings to modern steel and concrete buildings. Buildings generally do not exceed three storeys in height and there are a number of listed heritage buildings in the District, predominantly in the main centres of Marton, Bulls and Taihape.

² Manawatu-Wanganui Regional Council Hazard Analysis Manual – Volume 11 – Seismic Analysis, 1996. Seismicity – the geographic and historical distribution of earthquakes.

- 2.7 Council has not actively pursued a policy of identifying and strengthening buildings in the past although a small number of buildings have been strengthened to various degrees under the “Change of Use” provisions under the 1991 Building Act.
- 2.8 This policy reflects a predominantly passive approach but recognises through the experiences of Gisborne in 2007 and Christchurch in 2010 the higher level of risk associated with masonry chimneys and parapets. These are addressed as a separate issue.
- 2.9 The approach the Council will take will be to:
- require building owners to have parapets and masonry chimneys checked and either strengthened or removed if deemed necessary. (At owner’s cost)
 - modifications to buildings may proceed without requiring additional strengthening work provided the work undertaken does not further weaken the building.

Economic impact of policy

- 2.10 The policy recognises that requiring building owners to undertake extensive strengthening work is not only cost prohibitive, but may lead to neglect and diminished use of such buildings. This would have irrevocable economic consequences for the District’s town centres.
- 2.11 The policy has been designed to give building owners flexibility to keep buildings comfortable and fit for purpose without necessarily forcing extensive strengthening work. With this in mind, parapets and masonry chimneys have been addressed as a separate issue due to the higher level of risk associated with these aspects of building structure.

Heritage buildings

- 2.12 For the purposes of this policy, heritage buildings refer to only those registered with New Zealand Historic Places Trust.
- 2.13 There are few properties registered with New Zealand Historic Places Trust within the District that would be considered earthquake prone. Council will address these on a case by case basis and encourages building owners and New Zealand Historic Places Trust to work together find mutually acceptable solutions if deemed necessary.

3 Priorities

- 3.1 The Council has identified that parapets and masonry chimneys have a greater level of risk. Thus parapets and masonry chimneys have been prioritised as needing to be checked and either strengthened or removed with all work being completed within 5 years.

4 Review

- 4.1 This policy will be reviewed within five years of adoption, or sooner, if circumstances require.



Summary of Information

EARTHQUAKE-PRONE BUILDING POLICY

Reason for the Proposal

Council is required to have a policy on earthquake-prone buildings and review it every five years. The last review of the Council's policy was in May 2011; therefore, the policy has been reviewed.

Council considers the current Earthquake Prone Building Policy is appropriate and has not proposed any changes.

The Policy states:

- Building owners are required to have parapets and masonry chimneys checked and either strengthened or removed if necessary within five years - at owner's cost.
- Modifications to buildings may occur without this Policy requiring additional strengthening work provided the work undertaken does not further weaken the building.

Compliance with the Policy

The Earthquake Prone Building Policy requires masonry chimneys and parapets to be checked and strengthened within five years. This timeframe is now up, therefore, Council will be seeking feedback from building owners about whether the work has been completed – and, if not, the intended date.

Building (Earthquake-prone Buildings) Amendment Act

Central Government is in the process of implementing the Building (Earthquake-prone Buildings) Amendment Act. This Act will replace Council's Earthquake-prone Building Policy. The Act is designed to standardise the requirements for managing earthquake-prone buildings.

The amendments take a risk-based approach, with different requirements in areas of low, medium or high seismic areas. Rangitikei is located within the high seismic risk area.

Priority building include unreinforced masonry buildings that could fall from the building in an earthquake (e.g. external wall, parapet, veranda) and fall onto a public road or footpath.

Once the Act comes into effect Council will be required to assess priority buildings, as well as, potentially earthquake-prone buildings. Council must do this within 2 years and 6 months for priority buildings and 5 years for other buildings.

If a building, or part of a building is earthquake-prone the building owner must provide an engineering assessment of the building which needs to be completed within 12

months. This engineering assessment will be used to determine if a building is earthquake-prone and its rating.

Following this assessment Council must issue an earthquake-prone building notice requiring the building owner to undertake seismic work to ensure the building is no longer earthquake-prone – which means at least 34% of the current new building standard. This work must be completed in 7 years and 6 months for priority buildings, and 15 years for other buildings.

Owners of Category 1 heritage buildings may apply for time extensions to complete seismic work. Council may extend the timeframes for up to 10 years.

Failure to complete seismic work can be liable on conviction for a fine up to \$200,000.

Legislative Requirements

Under section 131 of the Building Act 2004, Council is required to have an Earthquake-Prone building Policy that states—

- a) the approach that the Council will take in performing its functions under this Part; and
- b) the Council's priorities in performing those functions; and
- c) how the policy will apply to heritage buildings.

Every time the policy is amended or replaced, the special consultative procedure under section 83 of the Local Government Act 2002 is triggered and public consultation is required.

More Information

Where to get a copy of the Statement of Proposal

The Statement of Proposal (including the Policy) may be collected from Council's libraries in Bulls, Marton and Taihape, from the Council's Main Office in Marton, or from the Council's website www.rangitikei.govt.nz. You may request a copy be posted to you by calling 0800 422 522.

Period for Consultation

Written submissions on the amended Earthquake-prone Building Policy may be made from **Friday 29 July 2016 until 4 pm Monday 29 August 2016**.

Those who make a written submission may choose to make an oral submission. Hearings of oral submissions are scheduled for **Thursday 29 September at the Council Chambers in Marton**. Please indicate on your submission form if you wish to speak to your submission.

Engagement Plan - Earthquake Prone Buildings Policy

Project description and background

The Building (Earthquake-prone Buildings) Amendment Act was assented to on 13 May 2016. It comes into force on the earlier of (i) a date appointed by the Governor-General by Order in Council or (ii) the day that is two years after the date on which the Act received the Royal assent.

Until the Act is in effect, the requirements in section 132 of the Building Act remain — the Council must continue to have an earthquake-prone buildings policy and review it at least every five years. The last review of the Council's policy was in May 2011.

Section 132(5) of the Building Act specifically provides that such a policy does not cease to have effect because it is due for review or being reviewed. However, Council have decided to undertake a review of the current policy. This provides an opportunity to alert building owners to the forthcoming statutory prescriptions, as well as verifying whether parapets and masonry chimneys have been checked and either strengthened or removed if deemed necessary in the required five year time frame.

Engagement objectives

The purpose of the engagement is to:

- Obtain the community's view of whether the draft policy is appropriate
- To seek feedback on whether work required under the Policy has been completed.
- Provide information on the Building (Earthquake Prone Buildings) Act.

Timeframe and completion date

The period of community engagement will be a minimum of one month, followed by analysis and reporting back to council, subsequent amendment (if required) and final adoption.

Key project stages	Completion date
Policy approved by Council for community engagement	30 June 2016
Consultation documents prepared for PPL	July 2016
Consultation documents approved by PPL	14 July 2016
Community engagement (written submissions)	29 July – 29 August 2016
Community engagement (oral submissions)	29 September 2016

Key project stages	Completion date
Oral and written submissions considered by Council, final amendments made, policy adopted.	To be determined Could be 29 September 2016, depending on the number and nature of submissions), otherwise at Council's first business meeting after the elections
Policy published	Within one week following adoption

Communities to be engaged with

- The entire Rangitikei District community
- Community Boards and Community Committees
- Te Roopu Ahi Kaa
- Earthquake-prone building owners

Engagement tools and techniques to be used

Engagement Spectrum position desired: Consult

Community group or stakeholder	How this group will be engaged
Rangitikei District community	Website Rangitikei Line Public notice Information in libraries/main office
Community Committees and Community Boards	Officer report
Te Roopu Ahi Kaa	Officer report
Earthquake prone building owners	Letter

Resources needed to complete the engagement

Resources beyond staff time required for this engagement are:

- notification in the local print media
- the production of printed materials

Communication planning

Key messages

- Information on the Building (Earthquake-prone Buildings) Amendment Act.
- Relationship between Council's Earthquake Prone Buildings Policy and the Act.
- Requirements under Council's Earthquake Prone Building Policy
- Feedback on works undertaken in accordance with the Policy.

Reputation risks

- Lack of clear communication about the differences between the Council's Policy and the new Act may result in community confusion.

Basis of assessment and feedback to the communities involved

After analysing community input, Council officers will prepare a report outlining the communities' views, and any resulting changes to the draft policy. This will then be referred to Council for consideration prior to final adoption. The feedback to the communities will come after Council adopts the policy.

The reports will be made available through the Council order paper and as printed copies from Council facilities. A response will be sent to each person who makes a submission.

Project team roles and responsibilities

Team member	Role and responsibilities
Michael Hodder	Project sponsor
Katrina Gray	Project leader
Katrina Gray	Print media
Carol Downs	External messaging, communications
Anna Dellow	Website

Attachment 9



Rangitikei
UNSPOILT...

MEMORANDUM

TO: Policy/Planning Committee

FROM: Samantha Whitcombe

DATE: 6 July 2016

SUBJECT: **Update on the Path to Well-Being initiative and other community development programmes – July 2016**

FILE: 1-CO-4

1 Background

- 1.1 This report identifies meetings that have taken place involving members of the Policy Team through the Community Partnerships activity, focussing on the Path to Well-being initiatives. Added commentary is provided where necessary.
- 1.2 This report also covers applications for external funding as required by the Policy on external grant applications made by Council.

2 Meetings

What?	When/Where?	Why?
Samoan Independence Day	6 June Marton	Event
Rangitikei Heritage Group meeting	7 June Huntermville	Bi-monthly meeting; local updates, Heritage Weekend, DVD.
Samoan Community Support Committee	14 June Marton	Meeting to debrief from Independence Day event.
Regional Community Development officers meeting	17 June Marton	Quarterly meeting with colleagues from regional TAs
Farani Vaa, Samoan Methodist Church Minister	20 June Marton	To provide advice on fundraising
Safe and Caring Community Theme Group	20 June Marton	Regular networking meeting.
Internal staff team meeting	21 June Marton	To comment on proposed draft web content for a business friendly Council/one stop

What?	When/Where?	Why?
		shop
Bulls and District Community Trust AGM	23 June Bulls	As part of MOU arrangement
Bulls Multi-purpose Centre meeting with Architects	24 June Bulls	Progress meeting
Regional Economic Development Officers meeting	28 June Dannevirke	Quarterly meeting with colleagues from regional TAs
Health Families WRR governance meeting	29 June Whanganui	Monthly governance meeting

3 Youth Leadership Forum

- 3.1 A report of the Level Up Rangitikei Youth Forum, organised Bulls and Community District Trust, with the support of Rangitikei District Council as the 2015/16 Path to Well-being Conference is attached.

4 Funding

- 4.1 Final reports have been prepared for the MYD Youth Development Fund project to fund a youth-led makeover in Marton (Centennial Park), Swim-4-All funding and for the funding received for the Samoan Independence Day celebration in early June.
- 4.2 The application to the Whanganui Community Foundation for \$8,000 towards the transitional programme for the youth development project was successful. Further applications have been submitted as outlined below for the Youth One Stop Shop from October 2016 onwards.
- 4.3 Applications will be prepared for the Youth One Stop Shop to
- Lottery Community Fund closing date 20 July
 - The Sargood Bequest, closing date 31 December
 - Ethnic Community Development Fund, closing date 27 September
- 4.4 An update on all funding applications is summarised in Appendix 1.

5 Recommendations

- 5.1 That the memorandum 'Update on the Path to Well-Being initiative and other community development programmes – July 2016' be received.

Appendix 1

Fund	Project description	How much	Desired outcomes and milestones	Lead Agency	Council role	Policy Team Role	Final report due
MSD - Quality Services and Innovation Fund	Taihape Community Connections; to develop better collaborative and referral practices amongst local health and social service providers, collation and provision of information about services within Taihape.	\$120,000	Central information resource, improved access to services	Taihape Community Development Trust	Support Agency	Prepared application, project steering group: no reporting responsibilities	Dec-13
MYD - Youth Development Fund	Youth Action Plan	\$15,000	Delivery of one youth-led civic projects in Taihape, District-wide training in place-making	RDC	Lead agency, fund holder	Prepared application, holds funds, manages project, reports to funder. In kind support from Council. Cash support from TCP budget for Place-making training sessions.	Completed
Whanganui DHB, Whanganui RHN, Work and Income, Pasific Health Trust, Creative Communities NZ	Samoaan Independence Day	\$4,260	Delivery of Samoaan Independence Day	Samoaan Community Support Committee	Fundholder	Prepared application, holds funds, reports back to funder	Completed: \$918 carried forward
KiwiSport	Swim 4 All	\$10,000	Swimming lessons for Primary School aged children in the Rangitikei District	RDC	Lead agency, fund holder	Prepared application, holds funds, manages project, reports back to funder	Unspent: carried forward to 2016/17

Fund	Project description	How much	Desired outcomes and milestones	Lead Agency	Council role	Policy Team Role	Final report due
MPI Irrigation Assessment Fund	Pre-feasibility study for Tutaenui Community irrigation/Stockwater Scheme	\$75,000	Part of strategic water assessment programme	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Jul-17
Whanganui Community Foundation	Transitional phase for youth development	\$8,000	To transition the youth services programme	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Oct-16
DIA Support For Volunteers Fund	Extension of above programme to Samoan migrants, support for Samoan Community Support Committee	\$9,056	Conversion of Samoan drivers licenses to NZ full licences, monthly information sessions with Samoan interpreters	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Submitted - outcome unknown
DIA Community Development Scheme	Youth development programme in the District	\$240,000	To implement Council's youth development proposals	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Submitted - outcome unknown
COGS	Swim-4-All 29016/17	\$10,000	For the swim programme in the coming season	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Submitted - outcome unknown
JBS Dudding trust	Capital contribution to the Bulls multi-purpose community centre Contribution towards community libraries	\$199,000	As above + ongoing support to libraries	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Submitted - outcome unknown

Fund	Project description	How much	Desired outcomes and milestones	Lead Agency	Council role	Policy Team Role	Final report due
The Tindall Foundation	Youth development programme in the District	\$70,000	To implement Council's youth development proposals	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	First stage submitted June
The Todd Foundation	Youth development programme in the District	tbc	To implement Council's youth development proposals	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Enquiry submitted June
Community Facilities Fund, Lottery	Capital contribution to the Bulls multi-purpose community centre	\$700,000	To develop the centre in Bulls	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Unsuccessful - to be resubmitted in August 2016
Horizons Road Safety Fund	Driver Licensing Programme	\$15,960	Young people to be supported to achieve full drivers licences	RDC	Lead agency, fundholder	Prepared application, holds funds, manages project, reports back to funder	Not successful
as at 07/07/2016	Confirmed	\$232,260					