

Māori Consultative Committee

OPEN AGENDA

Meeting Date: **Wednesday 9 August 2017**
Time: **3pm**
Venue: **Pukemokimoki Marae
191 Riverbend Rd
Onekawa**

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| Council Members | Piri Prentice (in the Chair), the Mayor, T Aranui, Councillor Tapine, L Ratima, G Reti |
| Officer Responsible | Director Community Services, Antoinette Campbell |
| Administrator | Governance Team |

Next Maori Consultative Committee Meeting
Wednesday 20 September 2017

ORDER OF BUSINESS

KARAKIA

APOLOGIES

Nil

CONFLICTS OF INTEREST

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ANNOUNCEMENTS BY THE MANAGEMENT

CONFIRMATION OF MINUTES

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NEW ITEMS FOR MAORI CONSULTATIVE COMMITTEE

1. UPDATE ON REVIEW OF MAORI CONSULTATIVE COMMITTEE TOR

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|--|--|
| Type of Report: | <i>Information</i> |
| Legal Reference: | <i>N/A</i> |
| Document ID: | <i>380264</i> |
| Reporting Officer/s & Unit: | <i>Jane McLoughlin, Team Leader Governance</i> |

1.1 Purpose of Report

To outline progress since the last update on the review of the Maori Consultative Committee's Terms of Reference (TOR).

Officer's Recommendation

That the Maori Consultative Committee:

- a. Receive a verbal update on progress of the review of the Maori Consultative Committee.

MAYOR'S/CHAIRPERSON'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

1.2 Background Summary

Verbal update to be provided at the meeting.

1.3 Attachments

Nil

2. MAORI WARDS

| | |
|--|---|
| Type of Report: | Legal |
| Legal Reference: | Local Electoral Act 1991 |
| Document ID: | 378551 |
| Reporting Officer/s & Unit: | Jane McLoughlin, Team Leader Governance |

2.1 Purpose of Report

To outline the process for consideration of Māori Wards for the 2019 elections.

Officer's Recommendation

That the Māori Consultative Committee

- a. Receive the report titled Māori Wards.
- b. Note that there is an opportunity to discuss and consult with local Māori prior to the decision on Māori Wards being put to Council.
- c. Discuss and provide direction on preferred consultation options for Māori Wards.
- d. Note that staff will undertake consultation and report back to the Māori Committee and the Council on views received to inform Council's decision-making. A report back will be provided at the 20 September Māori Consultative Committee meeting.

CHAIRPERSON'S RECOMMENDATION

That the Council resolve that the officer's recommendation be adopted.

2.2 Background Summary

In accordance with the Local Electoral Act 1991, Council has an opportunity to establish Māori Wards, which if created would be used in the 2019 election. A decision must be made by 23 November 2017. If a decision is made to establish Māori Wards, a public notice is required by 30 November 2017, including the right for the public to demand a poll which can challenge that decision (at least 5% of the electors in the Napier boundary are required for that demand to be made).

A decision on whether to establish Māori Wards is one precursor to a wider Representation Review that is required to be carried out by Napier City Council ahead of the 2019 local election.

Background to Maori Representation in Local Government

Section 14d of the Local Government Act 2002 outlines that a local authority should provide opportunities for Māori to contribute to decision-making. Throughout the New Zealand there are a variety of ways Māori are engaged in decision-making. There has been limited uptake of Māori Wards across the country, with more Councils using Māori Standing Committees and iwi partnership models.

Three councils currently have Māori Wards:

- ☐ Bay of Plenty Regional Council (established in 2001 by specific legislation),
- ☐ Waikato Regional Council (established 2013 by council resolutions), and

- Wairoa District Council (to be established from 2019 as the result of a poll).

Since 2007, six councils have held a poll on whether to establish Māori Wards or not, with one of these resulting in Māori Wards being established. This was in Wairoa in 2016 (54% voted for to 46% against). Wairoa has a Māori population of 58.6%.

More recently, Parliament debated Marama Davidson’s Local Electoral (Equitable Process for Establishing Māori Wards and Māori Constituencies) Amendment Bill, a Member’s bill which recently came out of the ballot. The Bill did not progress.

In June 2017, Local Government New Zealand issued a paper titled Council-Māori Participation Arrangements (**Attachment A**) which provides information for councils and Māori when considering their arrangements to engage and work with each other.

How Māori Wards work

If Māori Wards are implemented, those on the Māori electoral roll vote for the Māori Ward members, and those on the general electoral roll vote for the general elected members. All voters can vote for the Mayor. Anyone can stand as a candidate for a Māori Ward but you cannot stand as a candidate for a Māori ward and a general ward at the same time.

As outlined in Schedule 1A of the Local Electoral Act, there is a formula for determining how many Māori Wards can be established. This formula is based on Māori and general electoral populations.

Under the formula, Napier City could have up to two Māori Ward members. If this were the case, if the total number of elected members were to continue at 12, this would decrease the number of general elected members from 12 to 10 and 2 of the 12 would be Māori Ward members.

| | |
|-----------------------------|--------------------------|
| Total population | 61,000 |
| Māori Electoral Population | 7,900 |
| General election population | 53,100 |
| Total members | 12 (excluding the Mayor) |
| Māori Ward members | 1.55 rounded up to 2. |

Napier City Council’s relationships with Māori

As outlined in the Local Governance Statement, there are a number of ways that Napier City Council currently engages with Māori (**Attachment B**).

In particular, the Terms of Reference of the Māori Consultative Committee are being reviewed, and the Māori Consultative Committee are leading this review.

2.3 Issues

Māori Wards were introduced as an option to provide direct representation for Māori in local government.

In the 2016 elections, the first Maori elected member to Napier City was elected through a Ward (as opposed to “at large”). Whether there are Māori Wards or not, one way to obtain more Māori representation on Council is to encourage more Māori candidates to stand, and more Māori to vote in the elections.

Introducing Māori Wards means that those candidates elected to the positions may directly represent the interests of the voters on the Māori electoral roll.

In general, electors on the Māori electoral roll are only able to vote for the Māori Ward candidates:

- under an “at large” configuration, there is no voting for general election candidates.
- where there is a mixed system, voters are able to vote for the Māori Ward candidates, and the remainder of the “at large” candidates.
- in a Ward system, the voters vote for the Māori Ward candidates and no other wards.

For example,

If Napier City moved to an “at large” representation as opposed to the current “mixed” representation, and introduced up to two Māori positions representing Maori and ten members elected from a general pool.

In this example, the electors on the Māori electoral roll would be able to vote for the candidates for the Māori Ward positions and are guaranteed two members to represent their interests. However, instead of being able to vote for 12 candidates, they would only be able to vote for two, and therefore they may effectively have less influence than other voters who are on the general electoral roll and who are able to influence change on 10 members. This also reduces the voters on the general electoral roll from voting for 12 to 10 members.

Without those on the Māori electoral roll voting for the candidates in the general election, this could have an effect on who is elected in the general positions (which could adversely affect Māori interests as they have no say on who is being elected, and those general positions make up the majority of seats).

2.4 Significance and Consultation

It is suggested that consultation with iwi representatives occur in September/October to inform a decision on Māori Wards.

2.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

2.6 Attachments

- A LGNZ paper on Council-Maori participation, June 2017 [↓](#)
- B Excerpt from Napier's Local Governance Statement [↓](#)

Council-Māori Participation Arrangements

Information for councils and Māori when considering their arrangements to engage and work with each other

June 2017



**We are.
LGNZ.**

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Foreword

Foreword



An opportunity exists for all local authorities to establish meaningful and ongoing relationships with Māori organisations within their cities, districts and regions.

The importance of the relationship between local government and Māori is reflected at a national level in the Memorandum of Understanding that Local Government New Zealand (LGNZ)

signed with the Iwi Chairs Forum in 2015.

Councils operate under a number of statutory regimes that require interaction and a relationship with Māori. Underpinning this is the assumption that dialogue should occur in order to understand the values, aspirations and interest of Māori organisations. The two dominant frameworks are the Resource Management Act 1991 (RMA) and the Local Government Act 2002 (LGA), but provisions are also found in a range of other legislation including that governing reserves, coastal management, flood management and transport.

Yet building relationships with Māori is not simply a matter of complying with legislation. Councils need to recognise, and be responsive to, the nature and diversity of their communities. In particular, they should recognise the mandate and structures established by Māori within their communities. How this occurs, in addition to requirements set out in legislation, should be a matter of mutual negotiation that suits the particular context.

Recent Treaty of Waitangi settlements have introduced new arrangements involving local authorities and Māori working together on strategy, policy and governance. Some local authorities have also moved to a new level of governance arrangement independently of Treaty settlement outcomes. This report summarises the arrangements in place across New Zealand and will give councils and Māori examples as they consider what will work best for their own circumstances.

LGNZ is helping to build stronger relationships between councils and Māori groups to support community wellbeing, by preparing a number of resources to assist councils.

I am pleased that LGNZ has worked with Te Puni Kōkiri (TPK) and the Ministry for the Environment (MfE) to bring this information together to assist Māori and local authorities.



Lawrence Yule
President
Local Government New Zealand

Foreword



Tēnā koutou katoa, ngā piringa karanga maha o ngā kaunihera o te motu, ki runga i ngā tini ahuatanga o te ao hurihuri nei. No reira, rau rangatira ma, tēnā koutou katoa.

When I look at the cover of this document and see that beautiful taonga pounamu, I don't just see a piece of jewellery. I see a representation of a toki (adze) and think of the past, present and future

of creativity, of things hewn from our natural resources which may just have the most menial function ... or possibly the most sacred.

I see the pounamu and think about the waterway it came from, the people who lived, live and will live there and their relationships to the water and each other. I think of our southern iwi, the rightful assertion of their mana over the taonga and their restrictions on its unfettered exploitation.

I see the colours, the inclusions and seams within the stone, the nuances of light and dark which will perform differently when held up to sunlight as opposed to sitting on the wearer's skin or the beneath the bright lights of a souvenir shop. I wonder who will wear it, what the occasions will be and where in the world it might travel to.

I recognise the skill of the artisan who saw the potential in the raw material, who understood the inherent beauty just waiting to be uncovered, who cut and shaped and polished the stone for many hours to get it to its present state. I think about who taught them and the whakapapa of that knowledge. I admire the dexterity needed to do the binding and plaiting of the chord, the patience, the practice and the honing of skills over years to finish the piece so beautifully.

I acknowledge its absolute individuality, its oneness, its autonomy and its ability to stand apart from the rest as recognisable within its own right, while still being connected to and part of the wider cultural narrative spanning millennia and generations. And finally, I appreciate its declaration of power and productivity, of unlimited potential and its promise of even more.

So what does all this have to do with the local government sector and relationships with Māori? Everything actually. I've just outlined the difference between just looking at something at face value versus actually seeing it, engaging with it, questioning it, reflecting on it, trusting it and believing in it.

Such is the potential for local and territorial authorities to create deeper, more meaningful interaction if they understand and appreciate that Te Ao Māori is all about interconnectedness. Nothing can be regarded in isolation. Just like the image on the cover of this document representing more than a piece of jewellery, everything for Māori is more than just a submission on a resource consent or a random comment or an autonomous decision at a hui.

Everything needs wider consideration because for Māori there are far-reaching implications across the many realms which have become siloed portfolios within the Western management model. In Te Ao Māori, there is no separation, no divorce of accountability and responsibility between air, earth, water, flora, fauna and people. Different, but connected, just like councils' inter-related plans and policies and schedules and understanding of inter-generational equity.

There are many varied and nuanced ways in which local government can work with Māori, as outlined in this document. There is no singular answer, there is no sole correct structure. There is no one definitive response to the oft-proposed questions "what do Māori want?"

This document outlines some of those responses, which may or may not suit your people and your circumstances. The purpose of this document is not to tell you how to do things, but is instead to merely highlight that things can - and should - be done according to the needs within your communities.

Like the taonga gracing the cover of this resource, there are many stories, people, places, history, the present and the future all entwined in Te Ao Māori that affect us all, regardless of our whakapapa, how long we've been here and what our belief systems are. What's good for Māori is good for Aotearoa and what's good for Aotearoa benefits us in the here and now - and the generations to come.

Nou te rourou, naku te rourou, ka ora tonu te iwi – by the contributions from your food basket and mine, the people will flourish.

No reira, huri noa te motu, tēnā koutou katoa.

Bonita Bigham
Chairperson – Te Maruata
Councillor – South Taranaki District Council

Executive summary

In 2015, TPK, with support from MfE, developed a stocktake of council-iwi participation arrangements (“the stocktake”). The stocktake was based on a review of readily available public information, and included both voluntary arrangements, and arrangements developed under the RMA and LGA, as well as those delivered through Treaty of Waitangi settlements.

This report reflects some of the information gathered in the stocktake and provides examples of the different types of arrangements currently used by Māori and councils across New Zealand. There is a spectrum of arrangements from informal processes through to formal joint decision-making entities. For convenience, this report groups the arrangements under five broad categories as follows:

1. **engagement and consultation processes;**
2. **relationship agreements/memoranda of understanding** that set out how council and Māori will work together;
3. **representation and advisory structures;**
4. **formal agreements and joint entities;** and
5. **local authority tools and practices.**

This review highlighted that the arrangements are highly variable and tend to evolve over time. One key consideration on the adequacy of the current arrangement is related to the capacity of each party to engage at all levels, with a clear understanding of their mutual and individual goals, and transparent decision-making/engagement processes.

The scope of the review did not extend to assessing the success, limitations, advantages or disadvantages of the arrangements. Opportunities for further work include assessing the strengths of the different arrangements and relationships, and further understanding their effectiveness and limitations in order to determine what arrangements help facilitate a successful relationship and why.

This report does not cover the recent Mana Whakahono ā Rohe agreements that have recently been provided for through the RMA reforms. However, it will be useful as Māori and councils consider what type of arrangement they want to put in place, to respond to the expectations created by Mana Whakahono ā Rohe agreements.



1

Introduction

The relationships between local authorities and Māori are strategically important for both and are based on a range of statutory and non-statutory instruments.

Although the Treaty of Waitangi is between Māori and the Crown, the LGA imposes certain obligations on local government to reflect those Treaty obligations. One of those is an obligation to provide an opportunity for Māori to contribute to the decision-making processes of a local authority. There is a range of other legislation that also imposes obligations on local government in relation to both the Treaty and Māori interests and values more generally.

Compliance with legislation is important for local authorities, but it should not be the sole basis for building relationships. There has been significant process in the building of relationships between local government and Māori. While those relationships have not always been strong or prominent, many local authorities now have developing and strong relationships with Māori in their district or region. In some cases, Treaty settlements have been the catalyst for this, and in many cases there has been a significant improvement in the knowledge and understanding of tikanga Māori and of the role of local government. There are many opportunities for mutual benefit and advancement that are now being realised.

Since 2002, LGNZ has been active in helping to build stronger relationships between local authorities and Māori to support community wellbeing, by preparing a number of resources to assist councils. Te Maruata, a sub-committee of the National Council of LGNZ, assists through promoting increased representation of Māori as elected members of local government, enhancing Māori participation in local government processes, providing the necessary support to councils, and providing Māori input on development of future policies or legislation relating to local government. These resources can be found on LGNZ's website under the online library on Local Authority-Māori arrangements.¹

This report, commissioned by LGNZ, is a review and analysis of the information contained within the stocktake. The kaupapa (purpose /agreed principles of the work) was to group the participation arrangements according to what underpins them and describe the various practices, tools and processes used by councils and iwi to engage and enhance their relationships. It is designed to provide high-level guidance for Māori and local authorities wishing to strengthen their level of engagement. The various forms of engagement are collectively referred to as council-Māori participation arrangements.

This report adds to LGNZ's library on Local Authority-Māori arrangements. LGNZ's first report on this subject was prepared in 2007 and can be downloaded from the LGNZ website. Previous work by LGNZ in this area includes the 2011 paper "Council Māori Engagement: The ongoing story" and "Frequently asked questions on Council-Māori engagement" (2007).

Input and comment has not been sought from the Māori within these arrangements and the report does not seek to assess or evaluate the effectiveness of these arrangements. In addition, the report does not take into account the geographic, environmental, demographic or financial variances between councils, or the willingness of Māori to be involved in council activities and processes. These factors can all have differing impacts on the ability of councils to establish and maintain effective relationships.

The report groups participation arrangements under five broad headings (with subheadings), as outlined below. These groupings are intended to help provide a better understanding of the different arrangements that exist, how they function, and to provide some examples within each group. It is important to note there can be considerable overlap between the different groupings and individual arrangements may comprise elements from a number of groupings. In many cases, a suite of arrangements, council structures and tools are used to deliver on the broader council – Māori relationships.

As noted above, this report groups the arrangements under five broad categories as follows:

1. **engagement and consultation processes;**
2. **relationship agreements/memoranda of understanding** that set out how council and Māori will work together;
3. **representation and advisory structures;**
4. **formal agreements and joint entities;** and
5. **local authority tools and practices.**



¹ <http://www.lgnz.co.nz/home/nzs-local-government/council-ma/>

2

Engagement and consultation processes

Engagement and consultation processes are key mechanisms to support the relationship between Māori and local authorities and are used extensively across the country. These processes not only recognise the mana of Māori in their local area, but also provide an important tool for information gathering and the exchange of ideas.

Engagement and consultation processes are not only seen as good practice and supporting working relationships, but are also required by legislation in a number of cases. For example:

- under the LGA, local authorities are required to have consultation processes in place with Māori;
- under the RMA, local authorities are required to consult with Māori early in the statutory planning processes;
- under the Land Transport Management Act 2003 there are specific requirements on local authorities to consult with Māori; and
- a number of Treaty settlement statutes require local authorities to engage with Māori in relation to certain areas and processes.

Even if there are no specific obligations to consult with Māori, often this is appropriate and necessary to ensure that local authorities can make informed decisions in relation to Māori values and interests.

The processes for engagement and consultation are often captured in relationship agreements, which are discussed further below.

The manner of engagement/consultation needs to be appropriate for the particular circumstances. Section 82 of the LGA sets out the following general principles of consultation:

- that persons who will or may be affected by, or have an interest in, the decision or matter should be provided by the local authority with reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of those persons;

- that persons who will or may be affected by, or have an interest in, the decision or matter should be encouraged by the local authority to present their views to the local authority;
- that persons who are invited or encouraged to present their views to the local authority should be given clear information by the local authority concerning the purpose of the consultation and the scope of the decisions to be taken following the consideration of views presented;
- that persons who wish to have their views on the decision or matter considered by the local authority should be provided by the local authority with a reasonable opportunity to present those views to the local authority in a manner and format that is appropriate to the preferences and needs of those persons;
- that the views presented to the local authority should be received by the local authority with an open mind and should be given by the local authority, in making a decision, due consideration; and
- that persons who present views to the local authority should have access to a clear record or description of relevant decisions made by the local authority and explanatory material relating to the decisions, which may include, for example, reports relating to the matter that were considered before the decisions were made.

A local authority is required under the LGA to have in place processes for consulting with Māori in accordance with these principles.

One challenge faced by local authorities and Māori across the country is to co-ordinate and integrate the many streams of engagement within even one local authority and a Māori group.

While engagement and consultation will always be important tools, relationships between Māori and local government are evolving and include joint entities and decision-making and joint venture or partnering on commercial and other projects.



3

Relationship agreements/ memoranda of understanding

Many local authorities have and continue to use relationship agreements as a mechanism to record and build relationships with Māori.

Memoranda of understanding (MoU); memoranda of partnership; charters; and protocols are types of relationship agreements commonly used to provide a platform for a relationship between a local authority and a Māori group. The stocktake found that MoU and relationship agreements are in common use across councils nationwide.

The nature and purpose of the arrangements varies, from simply establishing a joint intent to work together (requiring the parties to act in good faith, agreeing to acknowledge the Māori world view, terms around processing resource consents and plan making), to addressing resource management issues in a particular area (for example a harbour, river or lake).

In most cases the agreements include a commitment to regular meetings for both parties to provide the necessary resources to work together, along with various council structures and tools to help implement the relationship (covered in later sections of the report). Examples include:

- The MoU between Waimakariri District Council and Te Ngāi Tūāhuriri Rūnanga provides for input to council projects and processes facilitated by monthly meetings with representatives of the Rūnanga Executive Management Committee. Forum meetings also provide for regular updates to the Rūnanga about council projects and activities, and give a chance for the Rūnanga to provide feedback.
- Wellington City Council has a MoU with two mandated iwi Post-Settlement Governance Entities (PSGEs): Te Rūnanga o Toa Rangatira Incorporated and Port Nicholson Block Settlement Trust. New draft MoU include Capacity Funding Agreements (CFAs) that acknowledge and support the capacity contribution by the PSGEs to the MoU.
- Tararua District Council has an MoU with Rangitāne and Ngāti Kahungunu which outlines a detailed policy for the development of Māori capacity to participate in council decision-making as required by the LGA.
- Te Uru Taumatua (post Treaty settlement entity for Ngāi Tūhoe) and its neighbouring councils entered into two protocol agreements in 2013:
 - Relationship Protocol between Te Uru Taumatua and the Bay of Plenty Regional Council. The purpose of the protocol is to increase the opportunity for engagement and input over shared goals, projects and initiatives. This protocol has set a clear platform to ensure councils interact in a timely and appropriate manner.
 - Integrated Planning Protocol between Te Uru Taumatua, the Bay of Plenty Regional Council, Hawke's Bay Regional Council, Wairoa District Council and the Whakatāne District Council. This protocol seeks to promote effective engagement and prevent misunderstandings around respective roles and statutory obligations. Given the Tūhoe rohe is intersected by multiple councils, this protocol is a useful mechanism.
- The Auckland Council has a Mana Whenua relationship agreement template for the purposes of entering into relationship agreements with mana whenua.
- Since 1994, the Kāpiti Coast District Council has had a Memorandum of Partnership in place with each of the three iwi. The goal of the partnership is to forge a relationship of mutual benefit between the Kāpiti Coast District Council and the tangata whenua that will develop into an effective and meaningful partnership. The partnership is managed by the council partnership committee, Te Whakaminenga o Kāpiti.
- A Charter of Understanding was established between seven councils (Environment Southland, Invercargill City Council, Gore District Council, Southland District Council, Queenstown Lakes District Council, Clutha District Council, and Otago Regional Council) and Ngāi Tahu ki Murihiku, in 1997. Te Aō Marama Inc represents the four Murihiku Rūnanga and is the point of contact for resource consent applicants in Murihiku.



4

Representation and advisory structures

A number of local authorities provide for Māori representation on committees while some local authorities have formal Māori constituencies. In other cases, local authorities have in place Māori advisory committees or structures. Committees can exist of both elected and appointed members.

Membership on Committees

Many councils have standing committees with Māori representation. Māori members can be full members with voting rights, or be observers, who generally have the right to speak but not vote.

Examples of standing committees with Māori appointed members with voting rights include:

- The Te Arawa partnership provides for Māori appointees with voting rights on two of the committees of the Rotorua Lakes Council.
- Napier City Council's resource consent hearing committee, which has one Māori appointee with full voting rights.
- In Clutha, Māori representatives are nominated to all committees when deemed appropriate. For example, there are two representatives from Hokonui and Otakou rūnanga who have voting rights on council's wastewater and solid waste working parties.
- In Kāpiti, Māori have representation on the standing committees and tangata whenua working parties which contribute to significant council work programmes. Candidates apply to sit on these committees, they are interviewed by Te Whakaminenga o Kāpiti and appointed by Council. The Chair of the partnership committee also has the ability to attend full meetings of council.
- Marlborough District Council has an iwi representative on each of its standing committees. These appointed representatives have full speaking and voting rights as accorded to elected members.
- In Auckland, the Independent Māori Statutory Board (IMSB) is represented on 16 Auckland Council committees. The IMSB promotes the advancement of issues for mana whenua and mātauranga (Māori living in the Auckland region whose traditional rohe is not Auckland). In addition, they are represented on working parties and hearings panels and various fora.
- The Chair of the Māori Committee for Hawke's Bay Regional Council is an ex-officio member at council meetings with speaking rights only. There are two Māori appointees with full voting rights on the Environmental Management Committee, the Asset Management and Biosecurity Committee, and the Strategic Planning and Finance Committee. There is also one Māori

appointee with full voting rights on the Hearings Committee and one to the full Council.

- Ngāi Tahu's Te Rūnanga o Moeraki has representation on a number of Waitaki District Council committees including the Harbour and Heritage Sub-Committee, the Physical Activity and Walking and Cycling Strategy Implementation Group, the North Otago Museum Advisory Group, the Grants and Awards Sub-Committee, and the Culture and Heritage Group.

Examples of committees where iwi representatives have observer status include:

- Central Hawke's Bay District Council - representatives of Te Taiwhenua o Tamatea (all nine marae in Central Hawke's Bay) are invited to every scheduled ordinary, special, and extraordinary meeting of full council.
- Timaru City Council - there is Māori representation on the Safer Communities Committee and Local Arts Assessment Committee.
- Wellington City Council - the Strategy and Planning Committee has two non-elected members appointed to it, a representative from Port Nicholson Block Settlement Trust and a representative from Te Rūnanga o Toa Rangatira.
- West Coast Regional Council has no formal arrangements with iwi, however they invite representation on its Resource Management Committee from local rūnanga, Te Runaka o Ngāti Waewae, and Te Rūnanga o Makaawhio.

Maōri wards or constituencies

The Local Electoral Act 2001 allows a local authority to establish Māori wards (in the case of a territorial authority) or constituencies (in the case of a regional council) for which eligible voters must be enrolled on the Māori roll. A council can establish a ward or constituency by passing a resolution to that effect, as in the case of Waikato Regional Council, or as a result of a binding poll. Polls can also reverse a council decision. Examples include:

- Bay of Plenty Regional Council has three Māori constituencies (seats on council). These were established under the Bay of Plenty (Māori Constituency Empowering) Act 2001; this was the first regional council to have Māori constituencies.
- In 2012, Waikato Regional Council created two Māori constituencies. As a result, two of the fourteen councillors specifically represent Māori.
- Territorial authorities can have Māori wards, the equivalent of the regional council constituency. There are none in place at this time.

- For Kāpiti, council's partnership committee (Te Whakaminenga o Kāpiti) reviews the proposal for Māori wards as part of the regular representation reviews. To date, the committee has elected not to pursue a Māori ward preferring to appoint iwi representatives to the standing committees of council.

Māori advisory entities

A Māori standing committee is a formal council committee, set up to represent Māori interests within a district or region. The committee reports to council, and can have delegated power. Many provide input into council decision-making processes. Māori committees are also often formed to enable a council to meet its obligations under legislation such as the LGA (eg section 81) and the RMA (eg sections 6(e), 7(a) and 8).

Examples include:

- The IMSB was created through statute and has a purpose of assisting the Auckland Council to make decisions, perform functions, and exercise powers by promoting cultural, economic, environmental, and social issues of significance for mana whenua groups and mataawaka, and ensuring that the Council acts in accordance with statutory provisions referring to the Treaty of Waitangi.
- The Te Arawa Board sits outside of the Rotorua Lakes Council, to represent iwi interests, with board members elected by the Te Arawa community. The Te Arawa Board forwards nominations for appointment to certain council committees, RMA consent hearing panels and strategic working groups. Nominations are considered and appointments made by the full council and there are voting rights for appointed representatives on two of the committees.
- Central Hawke's Bay District Council, Hastings District Council and Hawke's Bay Regional Council each have a Māori Committee to provide policy advice to the councils.

- For Kāpiti District Council, the partnership committee, Te Whakaminenga o Kāpiti, drives the strategic direction for iwi and council relationships. This group also oversees an annual work plan and keeps an oversight of all service level activity across the organisation that addresses and enhances the values and aspirations of tāngata whenua.

- The Northland Regional Council had (during the previous triennium) a Māori Advisory Committee consisting of iwi and hapū representatives from across Te Tai Tokerau and four regional councillors. While the Committee had no delegated authority to make council decisions, the Committee provided policy advice to help improve council's engagement with Māori and inform the Council of Māori views on key topics. A decision has yet to be made regarding re-establishing this Committee for the current term.

- A River and Freshwater Advisory Committee has been provided for through the Te Tau Ihu (top of the South Island) Treaty settlements – this Committee provides formal advice to Marlborough District Council, Nelson City Council and Tasman District Council.
- Dunedin City Council's Māori Participation Working Party was established in 2005 as an informal advisory group to foster Māori participation. Like many arrangements, this has evolved from an informal agreement up until 2006 when a MoU between Council and Te Rūnanga o Ngāi Tahu and Kati Huriapa ki Puketeraki Rūnaka as mana whenua was entered into.



5

Formal agreements and joint entities

In more recent times there has been a movement towards more formalised agreements and entities which provide for local authorities and Māori to work together in decision-making and other processes. Treaty settlements have been a major driver for these new arrangements, but some local authorities have entered into them independently of Treaty settlements.

Formal agreements

These agreements tend to move beyond the relationship type agreement/MoU and into firmer commitments relating to specific statutory processes and decision-making.

One example is the joint management agreements (JMA) that are provided for under section 36B of the RMA. Until the Waikato River settlements provided for river iwi and local authorities to enter into JMAs, there had been minimal use of this mechanism.

Examples include:

- The JMAs between the Waikato River Iwi and local authorities that provide specifically for the iwi and local authorities to work together on RMA and other processes.
- The JMA between Taupō District Council and Ngāti Tūwharetoa (2009) provides for councillors and accredited iwi appointees to make joint decisions on resource consents and private plan changes where they apply to Māori multiple owned freehold land. Two commissioners are chosen each by the Council and the Tūwharetoa Māori Trust Board.
- The recent JMA between Gisborne District Council and Te Runanganui o Ngāti Porou (2015) provides a mechanism for Ngā Hapū o Ngāti Porou to share in RMA decision-making within the Waiapu Catchment. The JMA provides for joint decision-making on notified resource consent applications, plan changes and private plan changes. The JMA provides for the Council and Te Runanganui to select hearing panel members, at least one member is appointed by each party.
- Environment Canterbury has a relationship agreement (Tuia) with the 10 Papatipu Rūnanga of the region, aimed at achieving sustainable environmental outcomes and effective iwi and rūnanga participation. Work includes building rūnanga capacity, actioning local joint projects with Papatipu Rūnanga, and building council staff capability and understanding of Ngāi Tahu values and tikanga.

- Te Waihora Co-governance Agreement (for Te Waihora/Lake Ellesmere, Canterbury), signed between Te Rūnanga o Ngāi Tahu, Canterbury Regional Council, Selwyn District Council and Christchurch City Council, is an agreement to share responsibility for Te Kete Ika a Rākaihautū and the wider Te Waihora catchment. The parties collaboratively exercise functions, duties and powers in the Te Waihora catchment. Te Waihora Co-governance Agreement is not a JMA under the RMA.
- Waimakariri District Council and Te Rūnanga o Ngāi Tahu through the Te Kōhaka o Tūhaitara Trust have a co-management agreement (formalised through a JMA). The Trust administers and manages reserves in coastal areas of the district. The Council vested 593 hectares of reserves in the Trust. The Council and Te Rūnanga o Ngāi Tahu work together under the agreement for the on-going management of these coastal lands. The Council appoints 50 per cent of the trustees with the balance appointed by Ngāi Tahu.

Joint entities

Treaty settlements have also driven the establishment of new entities that provide for local authorities and Māori to work together in statutory and decision-making processes, often in relation to a particular area or natural resource. Many of these entities provide for a “co-governance” type approach where local authorities and Māori representatives work together on the entity, although that is not always the case.

One recent example is the Tupuna Maunga Authority that was created through the Tamaki Collective settlement. That Authority comprises six Auckland Council and six Tāmaki Iwi Collective members, and provides governance for a number of significant maunga (volcanic cones) in Auckland.

Other examples of joint entities include:

- In the Wellington region, Te Upoko Taiao - Natural Resource Management Committee comprises seven elected regional councillors and seven appointed members from the region’s mana whenua, and is co-chaired by a representative of the council and mana whenua. This Committee is underpinned by a Charter of Understanding, and the Committee is responsible for overseeing the development of the new regional plan. In addition, there are mana whenua representatives on all regional council committees.

- The Bay of Plenty Regional Council's Komiti Māori comprises three Māori elected members, three general elected members and an ex-officio (BOPRC Chair). Its function is to set operational direction for Council's legislative obligations to Māori and monitor how these obligations are implemented. The committee can approve actions to enhance Māori capacity, recommend Māori engagement mechanisms, facilitate Māori input into community outcomes, formally receive iwi resource management plans, make submissions on Māori related matters and establish sub-committees and/or advisory committees. Komiti Māori rotates around the region and holds its meeting on Marae to enable and promote effective engagement with local Māori communities.
- Te Oneroa a Tohe Board (the joint local authority/Māori board for Ninety Mile Beach) which has a number of statutory functions including to prepare a strategic plan for Ninety Mile Beach, was delivered through the Te Hiku Treaty settlements.
- The Hawke's Bay Regional Planning Committee was established in April 2011 by Hawke's Bay Regional Council as Treaty of Waitangi redress for tāngata whenua (and subsequently provided for through legislation). Its role is to oversee the review and development of the regional policy statement and regional plans under the RMA. With an equal number of regional councillors and Māori representatives, this Committee is the co-governance group for the management of natural and physical resources in Hawke's Bay. All Committee members have full speaking and voting rights.
- The Waikato River Authority (WRA) was established through the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010, the Ngāti Tūwharetoa, Raukawa, and Te Arawa River Iwi Waikato River Act 2010, and with additional responsibilities arising from the Ngā Wai o Maniapoto (Waipā River) Act 2012. The WRA is required to set the vision and strategy to achieve the restoration of the health and wellbeing of the Waikato River. The WRA is comprised of five Crown-appointed members and five from each river iwi. One Crown member is nominated by Waikato Regional Council with a second nominated by territorial authorities.
- The Rotorua Te Arawa Lakes Strategy Group was established to provide leadership for putting into effect the strategy for the Rotorua lakes and their catchments. As the governance group, it provides the direction, vision, and strategic oversight for the lakes programme. The Strategy Group approves funding decisions under the Rotorua Te Arawa Lakes Programme. The Group began as a joint committee under the LGA as a way of working together to preserve and protect the Rotorua lakes and their catchments. It was then formally mandated (as a permanent joint committee) under the Te Arawa Lakes Settlement Act 2006.
- Taurua District Council supports joint decision-making on the Dannevirke Domain through a joint committee - the joint committee comprises two representatives from each iwi and four council members.
- Te Maru o Kaituna (TMOK) the Kaituna River Authority is a co-governance entity that was created through the Tapuika Settlement. The membership is Bay of Plenty Regional Council, Western Bay of Plenty District Council, Rotorua Lakes Council, Tauranga City Council and representatives from Tapuika Iwi Authority, Te Tāhuhu o Tawakeheimoa Trust (Ngāti Rangiwewehi), Te Kapu o Waitaha (Waitaha) and Te Pūmāutanga o Te Arawa Trust (Te Arawa Affiliates). Ngāti Whakaue currently holds an observer status until such time as their Treaty legislation is enacted.
- The Ngāti Whare Claims Settlement Act 2012 and the Ngāti Manawa Claims Settlement Act 2012 established the Rangitāiki River Forum involving representatives from Bay of Plenty Regional Council, Whakatāne District Council, Taupo District Council, Te Runanga o Ngāti Whare, Te Runanga o Ngāti Manawa, Te Runanga o Ngāti Awa, Tūwharetoa (Bay of Plenty) Settlement Trust, Te Uru Taumatua (Ngāti Tuhoe) and Te Kopere o Te Iwi o Hīneuru Trust (Ngāti Hīneuru). The purpose of the forum is the protection and enhancement of the Rangitāiki River.
- Wellington City Council has three key joint decision-making arrangements with PSGEs in relation to co-management and partnership principles:
 - Ōruaiti Reserve (Point Dorset) Management Plan with Port Nicholson Block Settlement Trust;
 - Taputeranga Island Historic Reserve Planting and Restoration Plan with Te Rūnanga o Toa Rangitira Incorporated; and
 - Wellington Town Belt Management Plan and Wellington Town Belt Act 2016 with both PSGEs.

- The Canterbury Water Management Regional Committees comprise 10 water management zone committees with local territorial authorities, local rūnanga and community representatives.
- Te Roopu Taiiao is made up of councillor and officer representatives from seven councils across Southland and western Otago: Environment Southland, Southland District Council, Gore District Council, Invercargill City Council, Queenstown Lakes District Council, Clutha District Council, and Otago Regional Council with representatives from the four Papatipu Rūnanga in Murihiku. Te Roopu Taiiao deals with the higher-level political interface, budget setting, accessing resources, and commitments for members. Its area of interest covers the traditional area of Murihiku, which extends outside of the regional council boundaries, which is why councils from two regions are involved.



6

Council tools and practices to improve engagement

There are a number of more informal practices, tools and processes that are also used by councils to provide for Māori participation in local government. Policies and practices within councils have been developed to meet the statutory (including LGA and RMA) obligations, and deliver on the various arrangements outlined above.

While some councils have formalised these in relationship agreements or consultation policies, there are also non-formal consultation or communication initiatives that councils use.

These include information-sharing hui, open door policies, regular newsletters, information mail outs, iwi liaison staff and Māori policy units.

There are also iwi capability building initiatives and arrangements including capacity building, training and relationship monitoring tools, funding and strategic development.

Fora and hui

Many councils use fora and hui for the purposes of open discussion and to provide regular updates to Māori about council projects and activities with an opportunity to provide feedback. Unlike an official council committee, they are often open to anyone who wishes to attend and discuss matters. Many councils reported that they use fora and advisory boards, having no decision making arrangements. These mechanisms provide for discussion and learning, for example:

- Whakatāne District Council uses a number of formal and informal fora in their MoU between Council and the Iwi Liaison Committee (a standing committee).
- The Watercare Mana Whenua Kaitiaki Forum holds regular hui to provide for an exchange of views on particular issues. The Forum, made up of a number of iwi representatives, discusses a range of matters, usually to promote partnership and seek feedback on organisational and operational matters.

There are a number of Mana Whenua and Tāngata Whenua Fora:

- Auckland Council, Hauraki District Council and Horowhenua District Council use these for resource management discussions.
- Palmerston North City Council has a regular bi-monthly hui with Rangitāne.
- Tauranga City Council has a Kaumātua Forum.
- Whangarei District Council uses its Te Kārearea Strategic Partnership Forum to address and resolve issues of significance to hapū and work towards an agreed vision for the district.

Iwi management plans

An iwi management plan (IMP) is a formal planning document that is provided for under the RMA. IMPs can be developed by iwi, whānau or hapū. They provide a statement on the position of the tangata whenua on a range of issues and must be taken into account when preparing or changing regional policy statements and regional and district plans.

Iwi liaison and Māori policy units

Some councils have a department dedicated to Māori interests, facilitating consultation, and/or plan and policy development. This includes:

- Auckland Council has Te Waka Angamua – the Māori Strategy and Relations Unit. The role of Te Waka Angamua is to drive Auckland Council's responsiveness to Māori and better enable it to contribute to Māori well-being. The department is responsible for providing advice on all Māori-specific policy, planning, research and evaluation, stakeholder engagement, relationship management, bicultural development and training, and Māori protocol.
- Bay of Plenty Regional Council has a Māori Policy Unit consisting of a manager, team leader, two senior treaty advisors, three māori policy advisors, a Pou Ngāiao position (Resource Consent Technical/Cultural Specialist) and a co-ordinator. The team provides strategic Treaty advice and is involved in implementation of Treaty mechanisms; leads/advises on Māori engagement, has input into Māori policy and planning issues and assists with Māori capacity building initiatives and projects.
- Palmerston North City Council has a principal advisor from Rangitāne to advise on all key matters.
- Wellington City Council has a dedicated business unit for maintaining relationships with Wellington Māori. The Treaty Relations Unit has a manager, senior advisor and cultural advisor. The manager is responsible for liaising between officers and iwi representatives and monitoring activity. The Unit issues a monthly eNewsletter called Nōna te Ao to subscribers.
- Tauranga City Council has had since 2000 the Takawaenga Māori Unit. There are three full time positions that support Council and its relationship with tangata whenua and understanding of Māori issues. The three key functions of the Unit are: relationship management, support and advice, training and education.
- The Iwi Consultative Group was formed in 2000 for the purpose of reviewing and providing input into consent applications being

processed by Rotorua Lakes Council. The Committee now reviews council matters that affect the resources of Te Arawa tribes, sub-tribes, hapū and whānau. It does not, however, assume tino rangatiratanga (sovereignty) of any Te Arawa iwi or hapū.

- Gisborne District Council has a Māori Liaison Group to assist with consultation and protocols.
- The Kāpiti Coast District Council has an Iwi Relationships Team which is responsible for the management of the relationship between Council and iwi.
- New Plymouth District Council has an Iwi Relationship Team.
- In Grey District Council the councillors have portfolios, one is “Māori Affairs” with monthly meetings between the portfolio councillor and an iwi representative.

Internal staff and councillor training

There are various training programmes in place across councils.

- Hastings District Council runs staff and elected member training.
- Tasman District Council uses a local kaumātua who provides elected members with support around tikanga Māori at civic events.
- Tauranga City Council’s Takawaenga Māori Unit provides cultural training to elected members, senior management and city partners.
- Kāpiti Coast District Council provides cultural training programmes for staff and elected members, ensures that staff can access classes in te reo Māori, provides wāhi tapu tours led by iwi; and provides support around tikanga Māori at civic events.
- Whakatāne District Council runs Tumuaki Ki Te Tumuaki, which comprises Cultural Training Wānanga (workshops) to assist the organisation with Māori cultural ceremonies, engagement with Māori and Māori translation of corporate documents and promotional material. They also employ a part-time Māori Policy Analyst.

Projects and funding

Many councils include provision of funding for capacity building or

towards their iwi relationships portfolio.

- Auckland Council provides funding to support iwi and hapū to complete Hapū/Iwi Environmental Resource Management Plans.
- In New Plymouth, Ngā Kaitiaki has mandated iwi and hapū representatives to review the District Plan. New Plymouth District Council resources an independent planner to work with Ngā Kaitiaki to undertake this review.
- Bay of Plenty Regional Council’s Te Komiti Māori Forum approves funding for Māori capacity building initiatives such as funds for the development of hapū and iwi management plans, sponsoring iwi representatives to undertake hearing commissioner training, holding regional Māori conferences, providing financial support for wananga and hui.
- Environment Canterbury, Christchurch City Council, Selwyn District Council and Waimakariri District Council all have service level agreements with Mahaanui Kurataiao Ltd (MKT). MKT is a tangata whenua advisory service owned and mandated by the six Papatipu Rūnanga of mid-Canterbury. It provides advice to the councils on consents, planning, compliance and/or operational functions and activities.
- Tauranga City Council remunerates tangata whenua representatives participation on all its committees and project groups.
- Northland Regional Council has a fund which aims to provide Māori with the opportunity to undertake monitoring projects within Northland. This contestable fund has an annual allocation of \$15,000 (as reported in 2015). In the past this council has funded projects such as macroinvertebrate, water quality, kokako, and shellfish monitoring.
- Kāpiti Coast District Council supports an annual programme of work which includes Māori economic development, marae grants, IMPs, wāhi tapu research, urupā grants, event funding for Waitangi Day, and heritage funding for iwi sites of significance.

7

Discussion



Prior to the stocktake, the last national survey of council-Māori engagement was undertaken in 2004 and is outlined in the 2011 paper "Council-Māori Engagement: The ongoing story". There were 84 councils at that time and 69 councils were reported as having a formal process for consulting with Māori. Seventy nine councils also had informal processes for consultation and information sharing.

In comparison, the current stocktake recorded that there are 78 councils, 81 per cent of which have structured arrangements with iwi (using the term iwi and Māori interchangeably). Of these, the "decision-making" arrangements represented 56 per cent of councils' arrangements.

This review found that the nature of arrangements varies greatly.

The most common grouping is a relationship agreement such as MoUs (used by 40 per cent of councils). The purpose of these varies, from simply establishing an intent to work together, requiring the parties to act in good faith, to decision-making in resource consents and plan making or over specific projects.

In most cases, the agreements set out the ground rules for working together and include a commitment to regular meetings, for both parties to provide the necessary resources for working together, along with various council structures and tools to help implement the relationship.

Co-governance or joint management agreements are used by 23 per cent of councils. They are often established as an outcome of a Treaty settlement and also voluntarily to encourage involvement in decision-making and to help fulfil responsibilities under the RMA and LGA. These agreements are in place both at a governance and operational level. Some agreements are between a number of iwi organisations and span multiple councils as they concern a resource within a rohe that crosses council boundaries.

Councils have developed a number of different structures, mainly various types of committees (both formal and informal) for engaging iwi in decision-making and seeking their views. These were found to be both independent of, or alongside, other relationship or co-governance agreements.

A number of complimentary tools, practices, and policies are being used by councils to help deliver on the various iwi participation arrangements, such as non-formal consultation, use of iwi management plans, communication initiatives, capacity building, training, funding and strategic development. Most councils utilise some form of these as a minimum.

There are limitations to the information in this document and an assessment of the effectiveness of the various arrangements would be the most useful next step. It would appear from the statistics, that over the past 10 years there has not been any remarkable or significant change in the number of councils engaged in relationships with iwi. However, the nature of those relationships and frequency of engagement and interaction is likely to have changed and strengthened.



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of Plenty.
Westland.
Whakatane.
Whanganui.
Whangarei.

Excerpt from Napier's Local Governance Statement

10. RELATIONSHIPS WITH MĀORI

The Local Government Act 2002 requires Councils:

- to provide opportunities for Māori to contribute to decision making, and
- to ensure there are processes in place for consulting with Māori.

Napier City Council recognises the important standing that Ngāti Kahungunu and Ahuriri Hapū have in Napier.

10.1 Relationship building and decision making

Napier City Council has a formal relationship with Māori through its Māori Consultative Committee; this meets every six weeks as part of the governance meeting cycle. The Committee takes place prior to the main Council meetings so that input can be provided on any items that may directly affect Māori. The Committee is also invited to attend Councillor-only seminars.

Council has appointed a Council Kaumātua to strengthen relationships between Council and tangata whenua. Mr Piri Prentice was appointed to the position in January 2014.

There are strong relationships between Council's executive level (Chief Executive and Mayor) and Treaty settlement groups, including Mana Ahuriri and Maungaharuru-Tangitū Trust. The purpose of these relationships is to explore opportunities for partnership.

Ngāti Kahungunu Incorporated is a partner member of the LIFT Hawke's Bay Kia Tapatahi Leadership Group and Executive Group, a cross-sector forum which meets quarterly, involving leaders, executives and staff from each organisation. The purpose of this forum is to work collaboratively to progress a vision for Hawke's Bay, and to facilitate and undertake collective actions that support sustainable growth and development of the region.

Strong relationships have been built with Te Taiwhenua O Te Whanganui a Orotū, the local iwi authority for Napier, through Council's community development work.

Napier City Council is undertaking a review of its existing opportunities for local iwi to be involved in decision making, to ensure that engagement and relationship building is taking place in ways that are meaningful and long-term.

10.2 Processes for consulting with Māori

Napier City Council is currently formalising its engagement with Māori as part of the development of a Community Engagement Strategy.

Specific input from Māori has contributed to the development and implementation of Council initiatives and projects, including:

- the establishment of Te Rōpū Kaiāwhina Taonga, which oversees the holdings of Māori taonga in the Museum Trust Gallery (MTG), and
- the establishment of a Kaitiaki Liaison Group as part of Council's Biological Trickling Filter project. The Group advised the Council on culturally appropriate treatment of waste for the project, which went on to win a Local Government New Zealand Excellence Award.

Council was also involved in the building of Napier's urban Marae, Pukemokimoki Marae, which sits on Council-owned reserve land. The Marae is run by a Trust on which a councillor is always one of the Trustees and the Manager Community Strategies acts as an advisor to the Trust Board. Council also provides funding support to the Marae.

REPORTS FROM STANDING COMMITTEES

MAORI CONSULTATIVE COMMITTEE RECOMMENDATION

That the Maori Consultative Recommendations arising from the discussion of the Committee reports, be submitted to the Council meeting for consideration.

REPORTS FROM STRATEGY AND INFRASTRUCTURE COMMITTEE HELD 19 JULY 2017

1. MATARIKI REGIONAL ECONOMIC DEVELOPMENT STRATEGY

| | |
|--|-------------------------------------|
| <i>Type of Report:</i> | <i>Enter Significance of Report</i> |
| <i>Legal Reference:</i> | <i>Enter Legal Reference</i> |
| <i>Document ID:</i> | 375927 |
| <i>Reporting Officer/s & Unit:</i> | Wayne Jack, Chief Executive |

1.1 Purpose of Report

To endorse the governance structure, delivery and funding model for Mataraki – Hawke's Bay Regional Economic Development Strategy.

COMMITTEE'S RECOMMENDATION

Councillors White / Wise

That Council

- a. Endorse the governance structure, delivery and funding model for the Matariki Regional Economic Development Strategy.

CARRIED

1.2 Background Summary

The Matariki Regional Economic Development Strategy (REDS) for Hawke's Bay – Matariki - was launched by Government Ministers on 27 July 2016. This announcement was the culmination of nearly two years' work with broad and deep regional engagement with the strategy developed in partnership, as aspired for in the principles of Te Tiriti o Waitangi. Matariki REDS has a vision of 'Every household and every whānau is actively engaged in, contributing to and benefiting from, a thriving Hawke's Bay economy. Our Council adopted Matariki REDS on 10 August 2016.

Action 1.1 within the strategic framework required a stock take of the organisation involved in economic development in the region and to recommend the regional economic development delivery model to give effect the Matariki REDS. The governance group overseeing Matariki REDS commissioned Martin Jenkins to draft a report on alternative governance structures,

delivery and funding models. The Martin Jenkins report identified some options but the Matariki REDS Governance Group did not believe they provided the right framework to ensure Hawke's Bay continued to move forward and embrace the partnerships that had been developed. The delivery model was further developed through engagement with key stakeholders.

It was agreed that the proposed structure would enable flexible governance that would be able to accommodate existing and future regional collective action, while at the same time allowing organisations, as appropriate, to have an input into critical regional decision-making. The structure is required to provide ability for central government input in order to ensure that the Matariki REDS strategy is consistent with central government regional economic growth strategy intentions. The proposed structure is also intended to recognise the desire to merge the functions and governance of Matariki REDS and the Regional Social Inclusion Strategy that is currently being developed under the auspices of the Intersectoral Leaders Forum. Finally, any structural solution would provide agility, via an open and transparent governance structure, whereby access to resources by those charged with project implementation is able to be willingly aided by those with available and appropriate skill-sets.

The essential elements of the proposed structure are:

1. Flexible governance arrangement
2. Meaningful iwi and hapu participation
3. Business engagement and participation
4. Social and economic inclusion
5. Robust management overview of identified projects
6. Resourced project management and delivery function
7. Project initiation and review structure
8. Recognition of democratic process and funding realities
9. A distributed and collaborative approach which involves all partners and agencies delivering their contributions

1.3 Social Inclusion integration

Hawke's Bay has for a few years had two groups operating with one focusing on economic development (Matariki REDS) and the second at improving our social outcomes (this group operates under the name LIFT). It was recognised during this review that by focusing on economic inclusion in the growing economy of Hawke's Bay, the opportunity to improve the lives of individuals, households and whānau is genuine and tangible. The work required to deliver this strategy requires all the partners to participate for a shared success. There is therefore an opportunity and a need to bring the components of Matariki and Social Inclusion together to drive equity across Hawke's Bay and to develop integrated pathways between projects, partnerships and results.

Social inclusion is the ability of all individuals, households, whānau and communities to participate in the economic, social, cultural and political life of the community in which they live. This means people have access to some very basic but important things, including enough income to sustain an ordinary life, a safe place to live, an education, the opportunity to develop

skills that are valued and services that support their health. Collectively these form the basis of the resources and opportunities to progress through life in a way that creates wellbeing for individuals, families, whānau, households and communities.

Recognising that adequate income is a significant enabler for social, cultural and civic participation, the central focus of '*Successful Together*', a social inclusion strategy for Hawke's Bay is on economic inclusion and participation to generate improvements in social inclusion.

1.4 Structure and Representation of various Stakeholders

The proposed structure provides for the creation of an expansive group of stakeholders to provide meaningful engagement to occur between the Matariki Board and the key stakeholder groups.

It is proposed that a Forum be created that operates under the name of Matariki Forum be established that recognises all stakeholders with a vested interest in the successful outcome of Matariki are required to be actively engaged and openly participate in project outcomes. Therefore, the ultimate objective of the Forum's creation is to provide a sense of trust between all participating group partnership members. The Forum will provide, via the Governance Group¹, with both regular formal and informal communication regarding the status of Matariki projects. This Forum will meet twice a year to debate new project initiatives considered for inclusion under the Matariki umbrella.

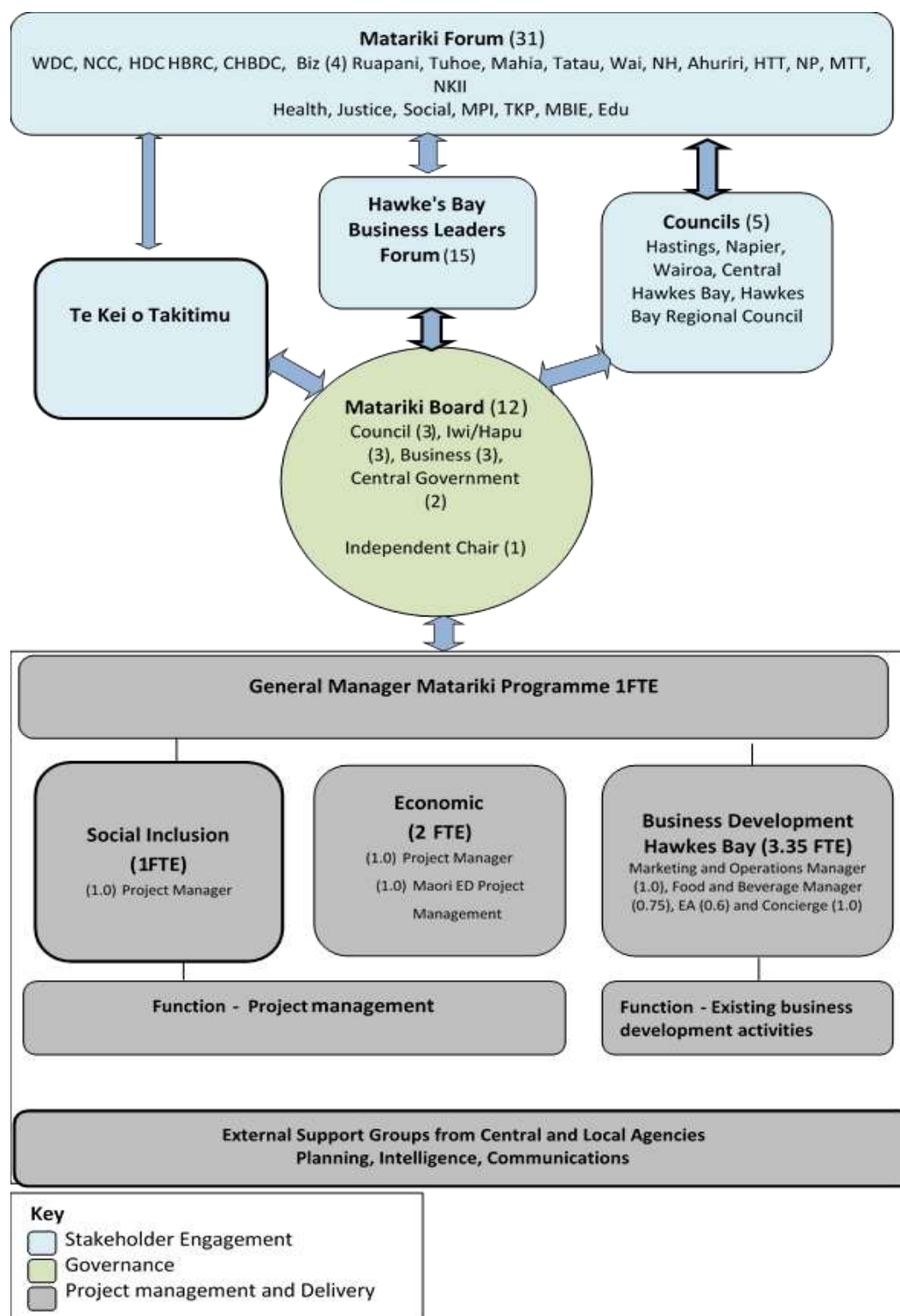
One of the central thrusts of the proposal is to incorporate a unified governance structure to oversee and monitor the progress being made (or not) on each of the identified projects. The process recognises the importance of ongoing coordination, communication and evolution of each project. The entity responsible for the transparent communication of project progress to governors across partnership organisations is the Matariki Board. The Matariki Board will comprise up to 12 participants. These include 3 participants from council, 3 from business, 3 iwi/hapu, 2 from central government and an independent chair (see Table 1 below). It is proposed that selection of the governance board be managed by the respective stakeholder groups.

Other governance groups that will provide input to the Matariki Board are: Te Kei o Takitimu; Hawke's Bay Business Leaders Forum; and the five Councils.

Delivery of the strategy will require the ongoing support of councils, while recognising that no one single agency will be responsible for delivery of all of the strategy. It will require a networked approach. The delivery of REDS will not require councils to give up their own economic development activities, but will allow councils to leverage off REDS regional initiatives and the central Government financial support attached to many of the proposed actions. Councils will continue to provide economic development services to their own communities.

¹ Note: The Governance Board does not report to the Matariki Forum but is responsible for regular communication updates and liaison.

Table 1: Proposed Matariki Governance Framework



1.5 Financial Implications

Councils currently provide funding to Business Hawke's Bay and to the LIFT programme. It is proposed that this funding remain in place to support this new delivery model. There is also the opportunity for funding to be allocated through other funding streams, which will be developed over future months. The funding levels to Business Hawke's Bay and Matariki REDS are as shown on Table 2 below.

Table 2: Current cost versus proposed cost

| Existing structures | BHB (000) | Matariki (000) | Additional Required | Proposed structures | Matariki (000) |
|----------------------|--------------|----------------|---------------------|-------------------------|----------------|
| Cost | | | | Costs | |
| Core | 431.0 | | | Core including Matariki | 735.0 |
| F & B | 100.0 | | | F & B | 103.0 |
| B/Hub | 256.0 | | | B/Hub | 255.0 |
| Total cost | 787.0 | | | | 1093.0 |
| | | | | | |
| Funding | | | | Funding | |
| Council | 335.5 | 140.0 | 11.5 | Council | 487.0 |
| Sponsor | 155.0 | | | Sponsor | 155.0 |
| MBIE* | 70.0 | 65.0 | 40.0 | MBIE | 175.0 |
| B/Hub | 238.0 | | | B/Hub | 238.0 |
| Other agency funding | | | 38.0 | Other agency funding | 38.0 |
| Total funding | 798.5 | 205.0 | 89.5 ² | Total funding | 1093 |
| Total | | 1003.5 | | Total | 1093 |

As a living document, the action plan is likely to change in the future as new action items are added. Individual items in the current action plan that are linked to councils will require a commitment at a future date with integration into Long Term Plans / Annual Plans through the usual council planning processes.

1.6 Options

The options for Council are to either endorse the REDS governance structure, delivery and funding model or to not at this time.

1.7 Development of Preferred Option

The preferred option is to endorse the governance structure, delivery and funding model as presented and continue the support the implementation of the identified actions.

At the Meeting

In response to questions from Councillors, the Chief Executive ('CE') advised that:

- ☐ There are currently three primary goals for the strategy, with measures which will be used to assess success. These goals are:
 - o To increase the average wage across Hawke's Bay
 - o To create 5000 jobs over the next 5 years (measures for this goal include such things as NCEA Level 3 attainment for Māori/ Non-Māori and changes in employment growth)
 - o To become a top quartile regional performer for GDP. Measures for this goal will be broken down by sector.
- ☐ Council are trialling a collaboration portal on behalf of the Ministry of Business,

² This figure represents a funding shortfall (differential between current state and the proposed structure). Assumptions include additional council funding (11.5k), MBIE funding (40.0k) and TBA (38.0k).

Innovation and Employment (MBIE) which will allow elected members to see how we are tracking against those goals on a website. Quarterly reports will also be able to be generated via the portal.

It was asked how the Matariki REDS strategy was or may be able to be aligned with the recently launched government contestable fund for youth projects. The CE advised that the strategy shares a similar 'language' with the new fund in that activities that create and encourage social inclusion are a key focus in how development will be approached. What is important is that the identification of key projects or activities will happen at local level rather than being 'imposed' by government. For example, it has recently been presented to the Matariki team that drivers' licensing programmes have the potential to make a large difference in accessibility to work.

It was expected that there are a number of robust development opportunities that could win a strong share of the contestable fund.

The consultation on the social inclusion strategy has now been completed and the draft document is being finalised. It is expected that this will be circulated to council in the near future.

The Mayor acknowledged the considerable work put into the Matariki REDS by the Chief Executive.

1.3 Attachments

Nil

2. NAPIER AQUATIC CENTRE BUSINESS CASE: OPTIONS FOR EXPANSION

| | |
|--|---|
| Type of Report: | <i>Enter Significance of Report</i> |
| Legal Reference: | <i>Enter Legal Reference</i> |
| Document ID: | 375027 |
| Reporting Officer/s & Unit: | Glenn Lucas, Manager Sport & Recreation |

2.1 Purpose of Report

To seek Council approval of the Napier Aquatic Centre Expansion Business Case and engage with the community on the recommended options.

COMMITTEE'S RECOMMENDATION

Councillors Brosnan / Taylor

That Council

- a. Approves the Napier Aquatic Centre: Options for Expansion Business case
- b. Progresses community engagement and consultation on the recommended three options.

CARRIED

2.2 Background Summary

As a result of the development of the Napier Aquatic Strategy in 2015 which identified issues with the projected life of the Greendale Pool, a Council-funded condition assessment was carried out, followed by a feasibility study into options for pool provision in Taradale.

The Taradale Aquatics Feasibility Study Demand Assessment completed early in 2016, concluded that it was in the Council's best interest to develop facilities at the Napier Aquatic Centre rather than invest in Greendale (Taradale Primary School) or alternative new facilities in Taradale. It was recommended that a business case and master plan were developed to determine the best long-term solution to expand and upgrade Napier Aquatic Centre at Onekawa Park.

In 2016, Global Leisure Group Ltd, supported by Create Ltd were contracted to carry out the business case development and make recommendations on the preferred options (attachment A).

2.3 Issues

The current Napier Aquatic Centre facility is meeting its targets in terms of visitor numbers and cost recovery. Utilisation has been at a consistent level for some time at approximately 200,000 visits per annum with the facility meeting its funding policy target of 40% cost recovery.

The current facilities are used to capacity during peak demand periods (after school to 7.00pm). The only users of the pools during these times are the learn to swim programmes and swimming clubs. During these peak times, these core user groups fully utilise all available lanes resulting in no access for casual swimmers at these peak times.

In addition to there being no capacity for casual health and fitness and leisure swimming during peak periods, both learn to swim and swimming clubs identify unmet demand for additional pool/lane time at these peak times. There is currently uncertainty around the fate of the Greendale pool, though worst-case scenario is that it will not reopen, resulting in sustained additional demand for the Napier Aquatic Centre.

Discussions with key stakeholders indicate that there is a significant and growing section of the community that are unable to access aquatic facilities at peak times due to the lack of available water space. With the growth of event-based participation with events such as the Tremains Triathlon, Iron Maori and others, these event participants with the need to access aquatic space to train, create a demand that currently cannot be met.

The current facility has developed over a period of time with the pools fragmented across three buildings. The resultant layout has a number of implications including:

- ☐ Poor sight lines and multiple spaces increasing staffing levels (and costs)
- ☐ Multiple plant rooms increasing operating costs through inefficiencies.

The buildings range in age from the 1950's through to the 1990's. These buildings are ageing, inefficient and not fully fit for purpose.

Overall building access is limited with a small and poorly designed reception area. This is located within the 'wet' area with the reception staff having their back to the main entrance. This layout increases noise levels and it is difficult to control access to the facility. The outdoor splash park is in high demand for families in summer; however use is restricted by the limited range of activities and lack of shade.

The overall design of the facility restricts the range of activities and reduces the number of services that can be offered, therefore restricting potential income streams that could be developed to offset the operational subsidy. The impact of these challenges is significant as these are key areas of potential net revenue that cannot be realised.

In response to these issues, four options to expand the Napier Aquatic Centre have been developed and assessed. These four options range in scope, benefits delivered, capital cost and operational impact.

The four options considered were:

- ☐ Option 1: No frills replacement
- ☐ Option 2: Expand Ivan Wilson
- ☐ Option 3: New build 25m
- ☐ Option 4: New build 50m

The assessment process of these four options is summarised as follows:

- ☐ Option 1 was discounted due to it not meeting current identified demand and having a limited ability to meet the future demands of the community
- ☐ Option 2 is recommended to proceed to public consultation, as it a lower initial capital outlay option for returning a good level of community benefits
- ☐ Option 3, the preferred option, is recommended to proceed to public consultation, as it is the best rated option in terms of delivered benefits with the greatest reduction of annual operating expenditure
- ☐ While the Business Case does not recommend Option 4 for further consideration, it is recommended that it also proceeds to public consultation so that the community can be fully informed on the full costs and benefits of the development of a 50m pool.

There has been an indication that a 50m high performance swimming complex may be established in the future at the Regional Sports Park development. If this development

does occur, there will be little need for another 50m indoor facility in Hawke's Bay. However the timing of this is unclear.

2.4 Significance and Consultation

It is considered that this business case meets thresholds of Council's Significance and Engagement Policy as the Napier Aquatic Centre is listed as a strategic asset.

Significant stakeholder consultation has been carried out as part of the process of developing the business case.

High Level Engagement Plan – Napier Aquatic Centre expansion

The purpose of engagement on the options for expansion of the Napier Aquatic Centre is to provide opportunities for the public to give feedback on their preferred option for the redevelopment. Importantly the feedback needs to not only identify which option they prefer, but determine the community's willingness to pay.

Planned engagement activities and tools will ensure that the community is given relevant opportunities informed by appropriate information so that feedback received is correctly informed and as representative as possible of the views of the wider community.

A draft engagement plan has been developed. This proposes a mix of engagement activities, using aquatic sports and recreation as the theme, targeted to aquatic facility users and the wider community.

| Phase | Engagement activities | Tools |
|----------------------------------|---|--|
| Web Survey | NCC/Say It Napier webpage with information and voting options. Traffic driven through promotion of site | <input type="checkbox"/> Questions <input type="checkbox"/> Survey <input type="checkbox"/> Supporting information around options |
| Engagement Event | Family-focussed engagement event held at Napier Aquatic Centre. Free entry, food and drink, games for kids and various options for people to give NCC their views. Local stakeholders and residents will receive a personal invite to this event. | <input type="checkbox"/> Event plan <input type="checkbox"/> Activities <input type="checkbox"/> Promotion <input type="checkbox"/> Invites <input type="checkbox"/> Competitions <input type="checkbox"/> Surveys and feedback forms |
| Aquatic Centre Engagement | In-centre engagement through a vote box with corflute information | <input type="checkbox"/> Voting box <input type="checkbox"/> Information <input type="checkbox"/> Posters <input type="checkbox"/> Digital screen |

Following the consultation phase, a report with the results of the consultation and a recommended option to proceed to detailed design, will be prepared for Council.

As part of the business case development to date, considerable consultation has taken place with aquatic clubs and stakeholders. While these groups' views will be important during this engagement phase, the intention is to reach as much of the general public as we can to ensure the results are representative of the wider community.

Formal consultation through the Long Term Plan 2018-28 will give the community another chance to have their say on the inclusion of the community's preferred option on new aquatic facilities.

2.5 Implications

Financial

There are no immediate financial considerations in the decision on options for consultation beyond minor consultation costs from existing budgets. Depending on the outcomes of public consultation and the final decision on which option to proceed with, there will be significant financial implications for capital costs of construction. The financial models within in the business case for all four options indicate reduced operational costs than the current situation.

The final detailed costs of the preferred option will be incorporated to the Long Term Plan 2018-28 process.

Social & Policy

Depending on the final option selected, there will be considerations such as parking, and the way in which the build process and the operational new facility will impact local residents and stakeholders. These issues have been identified and will be worked through during the detailed design phase for the chosen option.

Risk

- ☐ The community doesn't engage in the consultation, resulting in limited public input to the preferred option
- ☐ The community reject the options presented and put forward an alternative option not considered
- ☐ The consultation process is heavily influenced by aquatic sports clubs and participants.

2.6 Options

The options available to Council are as follows:

1. Approve the business case and consult with the community on Options 2 and 3 as recommended by the business case.
2. Approve the business case and consult with the public on options 2, 3 and 4 (New build 50m) to enable the community to be fully informed on the costs and benefits of including an Olympic sized pool.
3. Not to approve it at this time

2.7 Development of Preferred Option

The Napier community has been vocal in all media about the provision of additional quality aquatic space in Napier. Community input to inform the expansion of the Napier Aquatic Centre is required to meet the timeframes of the Long Term Plan. The preferred option is to consult on the options recommended by the business case along with Option 4 – New build 50m, to enable the public to be fully conversed with the true costs and community benefit of each option.

At the Meeting

General support was indicated for the recommendation to take options 2, 3 and 4 to public consultation; it had become clear over recent discussions that a 'no frills' renovation would not meet the community's needs. It was noted that this business case is focussed specifically on the aquatic facilities themselves and consideration to related matters such

as car parking and surrounding environment will be addressed separately.

It was suggested that the appetite for a 50m pool may become clearer through the consultation process. It was hoped that in general there would be good levels of feedback through the process, reflecting the range of people that would use the facilities in different ways.

It was noted that the process of developing the options has been undertaken extremely quickly, in part out of necessity following the unexpected closure of the Greendale Pool in December 2016. The Community Team was thanked for the work they have undertaken to present such strong options as fast as they have.

2.8 Attachments

A Napier Aquatic Centre Options for Expansion July 2017 (*Under Separate Cover*)

CONSULTATION

| | |
|--|---|
| Type of Report: | <i>Procedural</i> |
| Legal Reference: | <i>N/A</i> |
| Document ID: | <i>373788</i> |
| Reporting Officer/s & Unit: | <i>Fleur Lincoln, Strategic Planning Lead</i> |

3.1 Purpose of Report

The purpose of the report is to obtain endorsement of the Final Draft Ahuriri Estuary and Coastal Edge Masterplan, and of the community engagement plan in advance of the community consultation phase.

COMMITTEE'S RECOMMENDATION

Councillors Boag / Taylor

That Council

- a. endorse the Final Draft Ahuriri Estuary and Coastal Edge Masterplan.
- b. endorse the Community Engagement Plan.

CARRIED

3.2 Background Summary

The City Vision sees Napier committed to a number of key principles for the management and development of our city, and how Council operates within the community. Although all of these Principles are reflected in this Draft Masterplan, it is the principle Ecological Excellence that is at its heart. By committing resources to ensuring water and habitat quality is the very best it can be, the success of this place for recreational and commercial uses will follow. The Draft Masterplan reinforces and expands on many of the Project Area ideas of the City Vision, including all of those in the Ahuriri framework and half of those in the Waterfront framework areas.

The Ahuriri Estuary and Coastal Edge Masterplan sets a long-term vision for the Ahuriri Estuary, inner harbour, Iron Pot, and coastal edge from Perfume Point to the Port, as well as the surrounding urban and rural environment. Developed in consultation with Hawkes Bay Regional Council, the Department of Conservation, and Mana Ahuriri, the strategic thinking and initiatives will contribute to Te Muriwai o Te Whanga – Joint Ahuriri Estuary Management Plan under the Mana Ahuriri Settlement. The draft Ahuriri Estuary and Coastal Edge Masterplan is attached in Attachment 1.

The next phase in the development of this Draft Masterplan is to engage with key stakeholders and the wider community. This will commence following the presentation of the Draft Masterplan to the Maori Consultative Committee on the 9th August. A summary of the Community Engagement Plan is attached in Attachment 2.

3.3 Issues

There is currently no strategic framework that provides guidance to Council, businesses, landowners, interest groups, mana whenua, other government agencies, and the community for the Ahuriri Estuary, Pandora Pond, Inner Harbour, and Ahuriri areas in terms of future development and priorities. Although partnerships between agencies is becoming more commonplace, these are often focussed on relatively small geographic

areas or on specific topics. A more co-ordinated approach is needed if the full potential of this special place is to be realised, there is agreement on priorities, and conflicting uses are minimised. As previously noted, the Draft Masterplan will feed into Te Muriwai o Te Whanga – Joint Ahuriri Estuary Management Plan.

3.4 Significance and Consultation

The Masterplan is a high level strategic document that guides Council decision-making and assists in the formation of partnerships working toward a common goal. A number of initiatives have been identified within the Masterplan that affect Council strategic assets, including reserves, stormwater networks, the roading network, the inner harbour and leasehold land portfolio, and Napier City Council's share of the Airport. The Masterplan has been prepared in close consultation with a number of key stakeholders including the Hawke's Bay Regional Council, Department of Conservation and Mana Ahuriri. It is now proposed to take the Masterplan out for further stakeholder and public consultation as outlined in the summary of the Engagement Plan attached in Attachment 2.

Each initiative contained within the Masterplan will be further consulted on, either through the Long Term Plan, Special Consultative Procedure, or through other consultative means.

3.5 Implications

Financial

The Masterplan itself will not incur significant financial implications on Council and ratepayers, with only minimal costs associated with the implementation of the Engagement Plan. However, each initiative contained within the Masterplan will be a cost to the community if it is realised. As noted above, significant projects will be included in the Long Term Plan, while others will be included in operational budgets, or consulted on using the Special Consultative Procedure.

Social & Policy

The Draft Masterplan includes commentary on the measures needed to realise some of the changes proposed by the initiatives. At times, this includes changes to Council policy and to the District Plan. Policy and District Plan changes have their own legal and consultative processes, and these will be followed as each initiative is prioritised.

Risk

There is a risk that some stakeholders may feel that they should have been consulted with prior to this draft being prepared. It was decided to work initially with just the three most affected stakeholders (HBRC, DoC, and Mana Ahuriri) before engaging more broadly for a number of reasons:

- The Masterplan is a high level strategic document, with further opportunities for engagement through the Long Term Plan and at the project development stage;
- Producing a draft that stakeholders can comment on can sometimes be an easier approach than starting with a 'blank sheet'.
- The team took the direction given by Mana Ahuriri who wanted to restrict engagement to key partners at the very early stage.

There is a risk that the public may view the initiatives presented in the Draft Masterplan as confirmed projects for the future and expect that they be instigated, rather than a selection of potential opportunities (which they are). There are a small number of initiatives in this Draft Masterplan that are already being considered as part of the existing work programme. Others will be put forward in the Long Term Plan, while others are ideas for the future, with some being reliant on the movements of private investors or other agencies.

3.6 Options

The options available to Council are as follows:

1. Endorse the Draft Ahuriri Estuary and Coastal Edge Masterplan to commence the consultation phase in accordance with the Engagement Plan;
2. Endorse the Draft Ahuriri Estuary and Coastal Edge Masterplan to commence the consultation phase but not in accordance with the Engagement Plan;
3. Do not endorse the Draft Ahuriri Estuary and Coastal Edge Masterplan to commence the consultation phase.

3.7 Development of Preferred Option

The preferred option is 1) Endorse the Draft Ahuriri Estuary and Coastal Edge Masterplan to commence the consultation phase in accordance with the Engagement Plan. As previously noted, the Draft Masterplan has been developed in close consultation with three key stakeholders, all of whom support the vision for this area.

The Engagement Plan has been prepared and will be executed in partnership with the Community Services team, who have considerable experience in this area of work.

At the Meeting

There was strong support for the draft Ahuriri Masterplan. It was seen as a visionary and robust document, with a heavy focus on environmental considerations while also allowing for recreational use. It was anticipated that future generations would truly see the benefits of the work to be undertaken now under the plan.

It was noted that there will be opportunities to work in partnership with and or alongside a number of organisations and build useful relationships to achieve the aims of the masterplan. Taking the opportunity to work closely with the Hawke's Bay Regional Council and sharing our vision for the Estuary was seen as particularly important.

3.8 Attachments

- A Draft Ahuriri Estuary and Coastal Edge Masterplan (*Under Separate Cover*)
- B High Level Engagement Plan - Estuary - June 2017

High Level Engagement Plan – Ahuriri Estuary and Coastal Edge: Masterplan

The purpose of engagement on the draft Ahuriri Estuary and Coastal Edge Masterplan is to provide information, gain feedback and understand any issues about the Masterplan.

Planned engagement activities and tools will ensure key stakeholders and the community are given appropriate and relevant opportunities to provide feedback on the draft Masterplan.

A draft engagement plan has been developed. This proposes a staged approach to seeking feedback on both the Masterplan as a whole and proposed activities identified in the three character areas (Estuary, Pandora, and Ahuriri/West Quay/inner harbour):

- ☐ Initial and focused direct engagement with major and primary stakeholders
- ☐ Wider engagement with other key stakeholders, residents and users (recreational and organised).

It is noted that the major stakeholders of Mana Ahuriri, HBRC, and DoC have been involved in the development of the draft Masterplan from the very beginning. The engagement plan proposes to extend the sphere of engagement within these organisations beyond the key players.

The table below summarises planned engagement activities and tools for each phase.

| Phase | Engagement Activities | Tools |
|---------------------------|--|---|
| Initial engagement | Meetings with Major Stakeholders including wider DoC team and HBRC team/Council Meetings with primary stakeholders (eg, Thames Tyne Stormwater Working Group, Maori Liaison Roopu, Te Taiwhenua O Te Whangauī-a-Orotu, Friends of the Estuary, Ahuriri Protection Society etc) | <input type="checkbox"/> Presentation (direct consultation) <input type="checkbox"/> Pamphlet/booklet incl FAQs <input type="checkbox"/> Provision of full draft Masterplan for comment |
| Wider engagement | Key stakeholders - information with pamphlet/booklet and details of engagement opportunities | <input type="checkbox"/> Letter <input type="checkbox"/> Pamphlet/booklet incl FAQs <input type="checkbox"/> Web content with feedback forms <input type="checkbox"/> Media release |
| | Local residents and general public – information about engagement opportunities | <input type="checkbox"/> Pamphlet/booklet incl FAQs <input type="checkbox"/> Web content with feedback forms <input type="checkbox"/> Signage and pop up installation in high use areas |

| | | |
|--|---|--|
| | | (eg, Humber Street and Perfume Point) <input type="checkbox"/> Social media <input type="checkbox"/> Media release |
| | Other stakeholders in region - information about Masterplan (eg, HDC, WDC, CHBDC) | <input type="checkbox"/> Letter <input type="checkbox"/> Web content |

An engagement summary will be prepared, outlining engagement activities, key themes, and issues for consideration.

4. PERMANENT COMMERCIAL ACTIVITY ON MARINE PARADE

Type of Report: Operational
Legal Reference: N/A
Document ID: 352651
Reporting Officer/s & Unit: Fleur Lincoln, Strategic Planning Lead

4.1 Purpose of Report

The purpose of this report is to obtain a Council decision on whether to allow a commercial activity to operate on Marine Parade's foreshore reserve throughout the year on a more permanent basis.

COMMITTEE'S RECOMMENDATION

Councillors Jeffery / White

That Council

- a. Agree to grant a 'licence to occupy' for the northern end of the Marine Parade foreshore reserve (adjacent to the petanque court) to a food and beverage related commercial business.
- b. Agree that the license to occupy be managed as a 3 year contract with a review after each year.
- c. Direct officers to hold an open tender process to determine who will be granted this licence to occupy.
- d. Require the future proprietor to cover all costs associated with the provision of infrastructure.

CARRIED

4.2 Background Summary

Magnet Café, operating out of a new repurposed shipping container, was granted a licence to occupy, resource consent, and food licence from Napier City Council in 2016, with a licence to occupy from 19 November 2016 to 21 May 2017. Magnet was located on top of the petanque court at the Napier Port entrance end of Marine Parade foreshore reserve. They were entirely self-sufficient, providing their own water supply, greywater disposal, and electricity (through the use of a generator). They did not prepare any food on-site, but provided ready to go pre-prepared snacks and hot and cold drinks. They also provided seating on the reserve space adjacent to the container, through the use of beanbags, tables and chairs, as well as games for children.

The proprietors were granted permission after approaching Council with the idea to trial this activity in this space over the summer months, promoting their venture to be consistent with the City Vision for activating quiet spaces, creating memorable and enjoying city spaces, and giving things a go.

During their time in operation, they found a number of issues that would need to be addressed should Council decide to provide for a similar type of food-related commercial activity on this site in the future:

- Electricity supply – the generator was not able to cope with the hot summers. It was also considered a fire risk in the dry grass, and filling it with petrol was both a fire risk and an inconvenience. The generator was turned off overnight due to safety concerns, which caused an issue with perishables.
- Shade – the shade sail that was attached to their deck could not cope with the seaside breezes that frequently blew through this area. Shade was however important given the exposed nature of the site, the users (often being young children), and to meet Council's Shade Policy objectives.
- Water supply – Water was transported to the site each day, which was an inconvenient and heavy task.

Despite the issues above, the café was always busy and received wide support from the community. It's location on a reserve away from cars and with plenty of open space around them made it attractive to young families. Appendix B contains information supplied by the current vendors Magnet Café on the success of their enterprise. The only matter of contention was in relation to the placement of the container on the petanque court. If a similar venture were to return to this location, it would be placed adjacent to the court (refer Location Plan Appendix A).

Given the success of this venture Council Officers are now recommending that a food and beverage related (no alcohol) 'pop-up' style business be located in this position of Marine Parade on a permanent basis under a 3 year (review after the close of each year) licence to occupy. It is proposed that the 'pop up' building be granted permission to be sited here all year round to take advantage of Napier's mild winters, and to avoid the considerable cost of relocating the building in the off-season.

To provide an opportunity for everybody who wishes to establish a business in this location to put forward their idea, Council will assess applicants through a tender process. The tender committee will be made up of three Council Officers, with the assessment of tenderers carried out on a weighted attributes basis.

4.3 Issues

To address the issues identified above, Council Officers have costed out the installation of the infrastructure required, as set out below:

- Water supply - \$3,500
- Electricity supply - \$2,000
- 1x Shade sail (as per those in Marine Parade playground) - \$8,000

As no connection to the Council's wastewater supply is possible, any proprietor would need to demonstrate how they will be able to dispose of their greywater without discharging it directly onto the gravels. It is recommended that the future proprietor cover the costs of this infrastructure themselves should they wish to have access to it. Any capital would revert to Council's ownership upon the expiry of the licence to occupy.

4.4 Significance and Consultation

Prior to the commencement of the previous summers trial at this location, letters were sent to all surrounding businesses asking for feedback and to advise of any concerns resulting from the activity. The only feedback received through this exercise was positive in nature. Further to this, and in preparation for this item, letters were sent to the same proprietors asking for feedback on this proposal. No comments have been received.

4.5 Implications

Financial

As outlined in section 1.2 above, there are no costs to Council in issuing a licence to occupy for this commercial enterprise.

It is proposed that the collection of rent under the licence to occupy would be consistent with other businesses occupying Marine Parade foreshore sites; 5% of gross takings per week, payable monthly in arrears without further demand by the Council.

Ongoing electricity costs will be paid for by the proprietor.

Social & Policy

The provision for a 'pop-up' style food and beverage business in this location is consistent with the City Vision, both with regards to the guiding principles and the waterfront framework.

Should Council support the installation of a shade sail at this location, this will ensure consistency with Council's Shade Policy.

Reserves Act and Reserve Management Plan

The reserve is gazetted in the Reserves Act as a Recreation Reserve. The Reserve Management Plan is due to be updated, but currently neither supports nor prevents such use of the reserve.

Trading in Public Places Bylaw

The site falls outside of the prohibited CBD area for trading in public places. The proprietor will be required to obtain a trading licence from Council's Environmental Health Officers.

Marine Parade Foreshore Reserve Business Concession Policy

This Policy sets out the maximum number of and conditions applicable to any food and beverage business established on Marine Parade. The Policy is applicable to the area from the Mardi Gras site to the north, to the Ellison Street carpark to the south. Assuming the Mardi Gras site is the carpark adjacent to Ocean Spa, the site that is the subject of this item falls outside of this area. Nevertheless, applicants in the tender process will be assessed based on the criteria provided in this Policy.

District Plan

Food and Beverage businesses in the Marine Parade Recreation Zone are Controlled Activities, requiring resource consent to establish and operate. If

Magnet is selected as the preferred tenderer, they will not be required to obtain another resource consent.

Risk

There is some risk that the public may feel that the public reserve should be open and available to everyone, without the intrusion of commercial activity. As noted above, the 2016/2017 summer period was used as a testing period, the result of which was that the concept was widely welcomed by the public. As such, it is believed that this risk is low.

There may also be some risk of existing CBD-based business operators believing that the successful tenderer is given assistance in a prime location, while they do not receive such support on privately owned land in the CBD. This has not been something that was raised during the trial period. The open tender process will be open to everyone and will therefore mitigate this risk.

In a manner consistent with the City Vision's Open for Business Principle, Magnet's operation from this site was initially a trial for the summer period. Knowing the popularity and success of this venture, there is a risk that not allowing this site to be occupied for a commercial 'pop-up' food business would see a missed opportunity to activate this quiet spot on our city's waterfront.

4.6 Options

The options available to Council are as follows:

1. To not provide for a new site for a food and beverage-related commercial activity at the northern end of the Marine Parade foreshore reserve.
2. To provide for a new site for a food and beverage-related commercial activity at the northern end of the Marine Parade foreshore reserve.

4.7 Development of Preferred Option

The test period of the summer 2016/2017 has shown a willingness by the community to accept the use of this site for a 'pop-up' style food business. Magnet Café added vibrancy to this coastal reserve and provided a safe and relaxing space for families to enjoy Napier's coastal environment in a manner consistent with the City Vision. As such, the Officers preferred option is (1) to provide for a new permanent site for a food and beverage-related commercial activity at the northern end of the Marine Parade foreshore reserve, and for this site to be tendered in an open tender process.

At the Meeting

It was noted that the initial trial had gone well and the commercial activity was seen as creating vibrancy on the foreshore for cyclists and pedestrians. It was good that the location had been moved to work in better with the petanque club.

Some concerns were raised on two matters:

- ☐ It was noted that the area had experienced inundation in early July; the owners would need to be prepared to address this possibly occurring again.
- ☐ It was asked that Council review the charging model, noting that 5% turnover in

arrears acts as a disincentive to good operators. It was recommended that a set monthly fee be looked at instead.

4.8 Attachments

- A Proposed Location Plan
- B Magnet Trial Analysis

Location Plan

‘Pop-up’ Commercial Food Business, Marine Parade



Proposed location of ‘pop-up’ commercial food business (exact location yet to be determined)



Proposed location of ‘pop-up’ food business (exact location yet to be determined)



**23,000+ video views of Magnet
after only 1 month in business!**



5 Star Public Reviews


19 January · 🌐


Awesome service, can't wait to get back there again

Like Comment Share

Reviews


5.0 ★★★★★ 3 reviews

 Tell people what you think
★★★★★

 **Clare-Louise Gerbault** reviewed Magnet Cafe – 5★
5 February · 🌐


Fabulous location. Relaxed. Yummy iced chocolate. Great company.

Like Comment Share


 **Deb Carrodus-Hudson** reviewed Magnet Cafe – 4★
11 February · 🌐

ulous wee site. Great coffee and very good service. Will make it a regular stop for bike rides.


Like Comment Share

 **Jennie Doolan**
★★★★★ · 11 February 2017

There coffee is very good, and the girls that run it are very friendly, enjoy my seat also to drink the coffee

 **Lulette De Jesus**
★★★★★ · 15 February 2017

Good coffee, friendly staff and perfect spot along Marine Parade to chill

 **Samantha Liebenberg** reviewed Magnet Cafe – 5★
2 January · 🌐

The staff were friendly and prompt' coffee was great and what an awesome set up for the kiddies too! Oh and the view is pretty fab aswell - Highly recommend

Mum's Coffee Groups

Overwhelming support from families! Kids can play safely away from the road, parents can chat and relax, and fit their prams!



CONFIDENTIAL



Making the Most of Napier's Stunning Views



Magnet is reinforcing NCC's “City Vision”

Encourage public-private partnerships that result in the creative use of space and investment beyond property boundaries. Pg. 6

Celebrate and strengthen the unique offerings of the waterfront, to create a destination of world-class experience. Pg. 6

A ‘place-based’ approach creates a much stronger user experience (pg. 30)...developing places along the waterfront, and developing their identity and point of difference...concentrations of activity to build critical mass. Pg.29

Pop-ups, such as hang out places...will continue to ‘pop-up’ around the city. The purpose of these is to provide fun and inexpensive places for visitors and locals to stay awhile within the city. Pg.37

The City Vision is about changing the way the Council interacts with the community and responds to development opportunities. It’s about driving a culture shift. The City Vision challenges the previous approach, by using low-cost, quick-start experiments to test ideas. Pg.6

Enable the waterfront to enhance the development of Napier and cement it as an iconic destination. Pg. 6

The waterfront will become and multifunctional, and multi-layered experience during the day and evening. Pg.31

How could Magnet be even better?



- **Water:** Access to mains water and waste to avoid needing to bring in water and remove waste each day
- **Shade:** Beach conditions require built-in shade sails. Umbrellas and pegged shade sails cannot cope in the weather
- **Power:** Access to mains power to avoid using a generator, allowing fridges and freezers to remain on overnight, reducing food wastage
- **Space:** Opening hours are entirely weather dependent, strategic shade/rain protection and an additional container would provide space for indoor seating and a customer toilet
- **Liquor Licence:** Offering local beer and wine would showcase the local “food-bowl”, increasing desirability of the cafe, and offering more options to customers
- **Location:** Nearer the viewing platform would be a more sheltered and customer friendly location, increasing council revenue

Magnet: A Successful Pop-Up Experiment!



Coffee with a View!



5. HAWKE'S BAY AIRPORT LTD - REAPPOINTMENT OF DIRECTOR

| | |
|--|---|
| Type of Report: | Operational |
| Legal Reference: | Enter Legal Reference |
| Document ID: | 376916 |
| Reporting Officer/s & Unit: | Caroline Thomson, Chief Financial Officer |

5.1 Purpose of Report

To seek endorsement from Council for the re-appointment of Sarah Park as a Director to Hawke's Bay Airport Ltd.

COMMITTEE'S RECOMMENDATION

Mayor Dalton / Councillor Brosnan

That Council

- a. Endorse the re-appointment of Sarah Park for a further term as Director of the Hawke's Bay Airport Ltd.

CARRIED

5.2 Background Summary

Sarah Park is an existing Director of Hawke's Bay Airport Ltd. Her current term in this role is due to end on 30 June 2017.

In order for Ms Park to be reappointed for another term, approval is required from both Napier City Council and Hastings District Council.

Both organisations have advised that they support the recommendation to re-appoint her in the role, and believe she has demonstrated the skills, knowledge and experience to guide the Airport Company and contribute towards the achievements of its objectives, as required under section 57 of the Local Government Act 2002.

5.3 Issues

None

5.4 Significance and Consultation

N/A

5.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

At the Meeting

It was suggested that re-appointments should be undertaken in committee to protect the reputations of anyone involved until a decision has been made.

5.6 Attachments

Nil

REPORTS FROM REGULATORY COMMITTEE HELD 19 JULY 2017

1. GAMBLING VENUES POLICY - HEARING REPORT

| | |
|--|---|
| Type of Report: | <i>Legal</i> |
| Legal Reference: | <i>Gambling Act 2003</i> |
| Document ID: | <i>356506</i> |
| Reporting Officer/s & Unit: | <i>Kim Anstey, Planner Policy/Analyst</i> |

1.1 Purpose of Report

This report provides an analysis of submissions received on the Gambling Venues Policy review and outlines the officer's recommendations on these submissions.

COMMITTEE'S RECOMMENDATION

Councillors Jeffery / Brosnan

That Council

- a. Hear the submissions on the Gambling Venues Policy and determine whether any changes are required to the proposed policy.

CARRIED

1.2 Background

At the Council meeting on 5 April 2017, Council resolved to continue with the current cap policy of 20 venues and 320 Class 4 machines (pokies) and two standalone TAB venues, subject to the following proposed amendments:

1. No new venues are to be located in suburban commercial zones
2. A cap of three Class 4 venues in the Taradale Suburban Commercial Zone (the current number of venues in this zone)
3. Minor amendments to the title, wording and layout of the policy to improve its readability.

At that meeting, Council resolved to publically notify the proposed changes as per section 83 of the Local Government Act ('LGA').

The statement of proposal and amended policy were made available for public submissions from 8 April to 19 May 2017.

A total of 11 submissions were received.

1.3 Statutory Implications

Local Authorities have legislative responsibilities under the Gambling Act 2003 to consider the effects of gambling within their district. The purpose and intent of the Gambling Act is to:

- ☐ Control the growth of gambling
- ☐ Prevent and minimise harm caused by 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 and dishonesty associated with gambling
- Ensure that money from gambling benefits the community
- Facilitate community involvement in decisions about the provision of gambling

The purpose and intent of the Racing Act 2003 is to:

- To provide effective governance arrangement for the racing industry
- To facilitate betting on galloping, harness and greyhound races and other sporting events
- To promote the long-term viability of New Zealand racing.

Review of Class 4 Regulation

In September 2014, the Gambling (Class 4 Net Proceeds) Regulation came into effect. This change increased the minimum percentage return that gaming trusts must make to communities from 37.12% to 40%. Currently there is no legislation that requires funds to be returned to the community they are generated in. However, some gaming trusts have adopted voluntary policies seeking to achieve this outcome. Currently councils have no ability to control how gaming proceeds are distributed.

The government is currently undertaking a review of Class 4 Gambling regulation with the aim to ensure that funding to communities from the class 4 sector remains sustainable without any growth in gambling, and minimising harm in gambling. A Council submission on a public discussion document in June 2016 raised concerns on the sustainability of the class 4 community funding model particularly in regards to funding not being returned to the community in which it was generated i.e. funds from some Napier venues are granted to Auckland organisations. The results of the discussion document and next steps for the government review are yet to be announced.

Conflicting responsibilities

There is potential for conflict and uncertainties around decision-making on the provision of gambling when communities want to balance the need to minimise harm from gambling with the desire to generate benefits to the community from gambling money. The submissions received reflect this conflict, with a number calling for a tougher stance by requesting Council to adopt a sinking lid policy. Others argue that machine numbers are in a natural decline and that lowering machine numbers does not in fact contribute to reducing harm, and may negatively impact on the ability of community groups to gain funding.

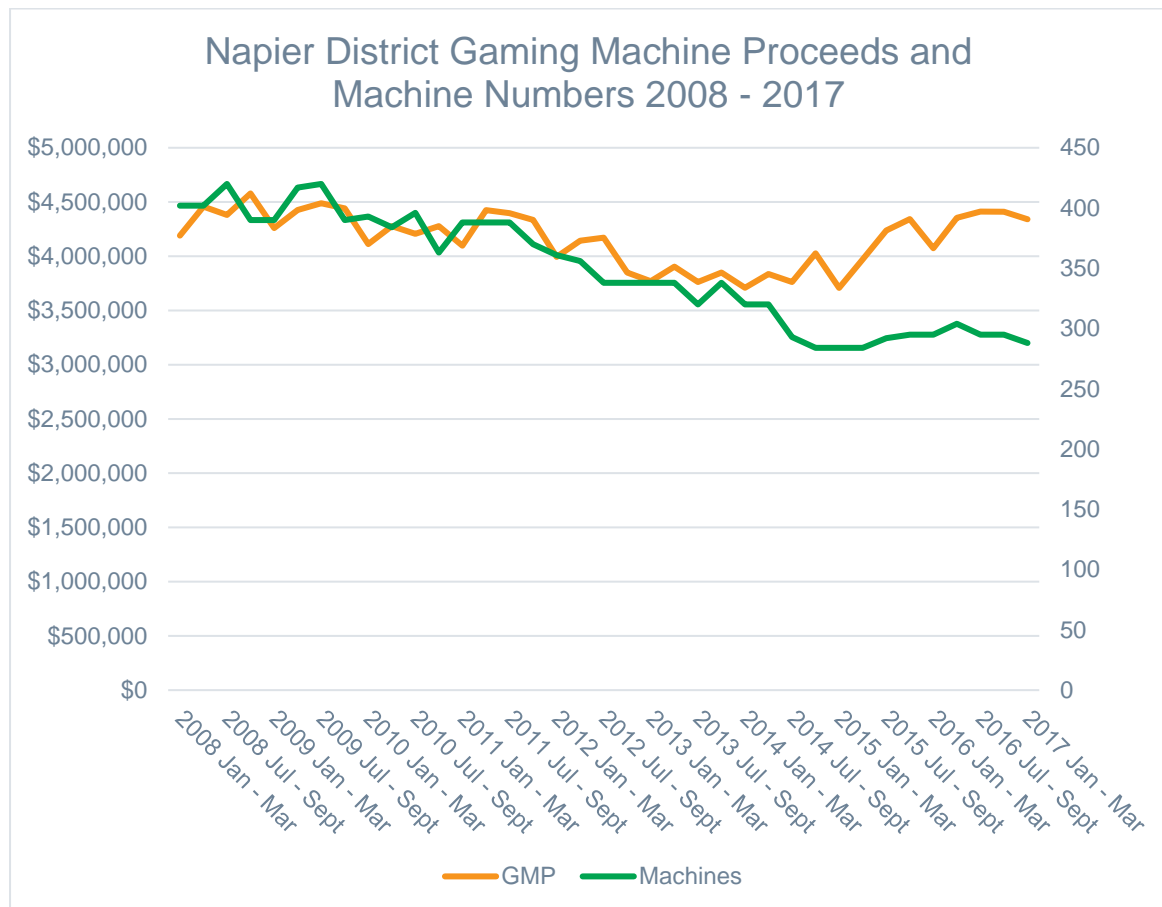
1.4 History of the Napier City Council Gambling Policy

Following the 2003 commencement of the Gambling and Racing Acts, Napier City Council adopted its first gambling policy in 2004. At this time Napier City had 38 Class 4 venues and 492 machines. The first policy was a 'sinking lid' policy, which meant that no new venues were permitted and every time a gaming machine was removed or a venue closed, the number of machines decreased. The policy was reviewed without change in 2006.

In 2010, the policy changed from a sinking lid to a 'cap' policy where numbers were restricted to 26 venues, 350 machines and two TAB venues.

The 2013 policy review lowered this cap to 20 Class 4 venues and 320 machines. The cap on two TAB venues remained.

There have been two venue closures in the last year so current numbers as at 25 May 2017 are 18 venues and 297 machines. Under the policy at it stands, this creates the opportunity for two new venues and up to 23 new machines, providing applicants meet the application requirements. The following graph shows changes in proceeds and machine numbers and venues over time:



A relocation clause was inserted into the policy in 2010. This clause allowed venues to relocate, with the objective being that this may encourage the movement of venues to more appropriate locations. Relocations up to a maximum of 15 machines was allowed in the 2010 policy. This dropped to nine machines during the 2013 review, with a clause added to state that the initial consent operated under must be surrendered prior to approval of an application for relocation. Changes to legislation in September 2015 now render these clauses invalid, as if a policy allows for relocations, venues must be able to maintain the same number of machines. Further discussion on relocations is provided in the submissions analysis below.

1.5 Alignment with Hasting's District Council Policy

A number of submissions have requested a sinking lid policy on the premises as this would align Napier's policy with that of Hasting District Council ('HDC'). Hastings have previously had a sinking lid policy. However, at a policy review hearing on 24 May 2017, HDC amended their policy from a sinking lid to a cap on machines only, based on the current number of machines (293). Based on this new information, the submission request to adopt a sinking lid to align with Hastings is no longer valid.

1.6 Summary of Submissions

- Four submissions oppose the policy, stating that they would prefer a sinking lid. Reasons for this are to align with Hastings District Council and the desire to

have no additional gambling venues in the CBD, over and above what currently exists. These submissions were from Peggy Taurima, Napier Business Inc, Hawkes Bay DHB and HB Gambling Harm Association: Te Rangihaeata Oranga Trust.

- Three submissions support the policy in part, namely the proposal not to allow new venues in suburban commercial zones. All three of these submissions would prefer a sinking lid policy. These submissions were from Wayne Walford, Taradale Marketing Association and Safer Napier Strategic Group.
- Four submissions support the proposed policy. These submissions are from Infinity Foundation, NZ Community Trust, NZ Racing Board and Robyn Gwynn.

The following table provides a summary of the submissions received:

| Submitter | | Support | Summary of reasons |
|-----------|----------------------------------|---------|---|
| 2 | Peggy Taurima | No | <input type="checkbox"/> Concerned about Maraenui venue but no specific policy change requested. |
| 4 | Napier City Business Inc | No | <input type="checkbox"/> Requests sinking lid policy. <input type="checkbox"/> Submission is on behalf of 380 businesses. <input type="checkbox"/> While supports no new venues in suburban areas, is concerned that this could mean more locations should be opened in CBD which could tarnish the Napier City brand. <input type="checkbox"/> Would like to see Council advocate for ring fencing funding as believes more money returned to community would lessen the requirement to have so many machines. <input type="checkbox"/> Supports Cap in Taradale Suburban Commercial Zone. |
| 6 | Hawkes Bay District Health Board | No | <input type="checkbox"/> Requests a sinking lid policy <input type="checkbox"/> Would like to see NCC align with HDC sinking lid policy <input type="checkbox"/> Supports the restrictions on vulnerable areas i.e. no new venues in these areas <input type="checkbox"/> Would like to see social impact assessment for Taradale. |
| 7 | Te Rahgihaeata Oranga Trust | No | <input type="checkbox"/> Requests a sinking lid policy <input type="checkbox"/> While praising Council for considering venue locations as a way to minimise harm, urges Council to return to a sinking lid policy with relocations only allowed to support venues relocating out of high deprivation areas <input type="checkbox"/> Notes the requirement to allow relocations is not compulsory <input type="checkbox"/> Opposes Taradale Cap as would like to see sinking lid applied to whole district. |
| 5 | Taradale Marketing Association | In part | <input type="checkbox"/> Requests a sinking lid policy <input type="checkbox"/> Concerned about venues able to relocate within the Taradale Suburban Commercial Zone. <input type="checkbox"/> Would like policy to be worded so that no relocations are allowed to occur in Taradale Suburban Commercial Zone as well as Napier CBD and Ahuriri. |
| 8 | Safer Napier Strategic Group | In part | <input type="checkbox"/> <i>Late Submission, received 24 March</i> <input type="checkbox"/> Requests a sinking lid policy as would like to see alignment with HDC <input type="checkbox"/> Supports increase in restrictions to not allow new venues in suburban commercial zones <input type="checkbox"/> Agrees on cap for Taradale, no need for further gambling |

| | | | |
|----|-----------------------------|---------|--|
| | | | venues in Taradale <input type="checkbox"/> Requests NCC advocates at National level on: Ensuring fairer distribution of funds, increasing percentage of proceeds allocated to problem gambling levy to enhance treatment services. |
| 3 | Wayne Walford | In part | <input type="checkbox"/> Supports cap policy but would prefer a sinking lid <input type="checkbox"/> Highlights increasing difficulty in community groups obtaining funding. However, believes the threat of reducing funding to the community should not be a defining component of decision to adopt a sinking lid <input type="checkbox"/> Notes that positive leadership is likely to be applauded by the health and law enforcement sectors. |
| 1 | Robyn Gwynn | Yes | <input type="checkbox"/> Balanced and carefully thought out policy |
| 9 | Infinity Foundation | Yes | <input type="checkbox"/> Supports maintaining current cap on machines numbers and venues <input type="checkbox"/> Supports the rejection of a sinking lid and NCCs consideration of the character and risk of particular communities <input type="checkbox"/> Would like cap to be population based, rather than static <input type="checkbox"/> Relocations should not have to reapply for consent <input type="checkbox"/> Recommend no constraints on suburban commercial zones as believes this will restrict funds returned to these communities <input type="checkbox"/> Notes that if these communities have liquor licenced premises, they should not be restrained from operating gambling machines. |
| 10 | New Zealand Racing Board | Yes | <input type="checkbox"/> Supports maintaining current cap on machines numbers and venues with allowance for small growth in CBD area. <input type="checkbox"/> Believes gaming machine numbers are in natural decline and there are existing safeguards to minimise harm <input type="checkbox"/> Would like venues to be able to relocate and retain their current numbers of machines i.e. 18 instead of 9. |
| 11 | New Zealand Community Trust | Yes | <input type="checkbox"/> Supports maintaining current cap on machines numbers and venues <input type="checkbox"/> Supports clauses that prevent venues locating in suburban commercial zones <input type="checkbox"/> Would like venues to be able to relocate existing numbers of machines i.e. 18 instead of 9. |

Submission Analysis

Decisions to be made on the strategic intent of this policy effectively require a conscience type vote by the Council. As a result, officers have focused primarily on the technical aspects of the policy and submissions rather than recommending one option over another.

The following is the officer's response to the main submission points raised:

A sinking lid versus a cap policy

A number of submissions advocated for a sinking lid policy over a cap policy. A sinking lid policy is a restrictive policy that will result in a decrease in venues and machines over time. A cap policy determines the maximum number of machines and/or venues allowed in the district. Where this level is set in relation to existing venues and machines determines whether any new venues can be established e.g. Currently the

number of machines and venues in Napier is under the cap limit and therefore the policy allows new venues to establish (providing they meet the application criteria) up to the maximum allowed under the cap. Generally, a cap policy is seen as a softer approach than a sinking lid in that it allows for more flexibility and movement of venues and machine numbers.

Population based cap

The submission from Infinity Foundation suggested that Council adopt a population-based cap. A population-based cap is a policy option that some Councils have adopted that allows for machine numbers to expand with population. Considering that census data is only available every five years and the policy is required to be reviewed every three years there seems to be no benefit in this approach. The Department of Internal affairs has no information on the effectiveness of population-based caps.

No new venues in CBD and Taradale Commercial Zone

Under the proposed policy, a new venue can only be located in the following zones:

- ☐ Inner city commercial
- ☐ Art Deco Quarter
- ☐ Fringe Commercial
- ☐ Ahuriri mixed use zone
- ☐ Main Industrial zone
- ☐ West Quay Waterfront
- ☐ Taradale Suburban Commercial zone (Max of 3 venues)

Council have indicated that gambling should be accessible to tourists, and therefore it is appropriate that the location of gambling venues are in areas of the city most visited by tourists, such as the CBD, Ahuriri and West Quay Waterfront. These zones are notably not identified as supporting at risk communities and are located away from areas where the risks of harm are greater. As discussed above, to ensure no new venues in the CBD or Taradale, Council would need to adopt a sinking lid or introduce a cap specifically for these zones. Council need to be aware that this would further limit the options for establishing or relocating venues.

Relocations

Since the last policy review, the Gambling (Gambling Harm Reduction) Amendment Act 2013 resulted in changes to the provisions for relocating venues. The changes are designed to make it easier for venues to relocate by allowing the maximum number of machines permitted at the new venue to be the same as permitted at the old venue (up to a maximum of 18). The purpose behind this change was to encourage venues to move out of unsuitable locations.

As highlighted by the Infinity Foundation submission, the existing clause on relocations within Napier does not effectively allow for relocations as determined by the Act. Our current policy states the maximum number of machines allowed to relocate is nine and we require the initial licence operated under to be surrendered and a new consent to be issued. If Council wanted to continue to allow for relocations, the policy wording will need to be amended to comply with the new legislation that allows venues to transfer the same amount of machines they are consented to operate.

Ring fenced funding

Rules around the distribution of funds from Class 4 gambling are determined by national legislation and therefore Council has no control over how funds generated in our district

are distributed. The concern raised in the Infinity Foundation submission that not allowing new venues in suburban commercial zones will restrict the return of funds to these communities is unfounded. Trusts have no legal obligation to return funds to the community in which they were generated, although they may wish to do so on a voluntary basis. Some gaming trusts have voluntarily adopted policies that state a certain proportion of funds will be returned to the community in which they are generated. However, the term community is generally not defined and could conceivably be the immediate community or the wider community.

No venues in suburban commercial zones

This policy change was widely supported in submissions.

TAB Venues

There were no submission points raised in relation to TAB venues.

1.5 Significance and Consultation

Section 102 of the Act requires that any proposed change to the policy must be adopted in accordance with the special consultative procedure as prescribed in section 83 of the Local Government Act.

In addition to the prescribed public notification, the Act further requires that the Council must give notice of the proposed changes to:

1. Each society that holds a class 4 venue licence
2. The New Zealand Racing Board
3. Organisations representing Maori

In addition to this list, notification was sent to all submitters on the last policy review, Sports HB and the Napier Community Network. A total of approx. 160 emails were sent out advising that the policy was out for consultation. The review was advertised on our website and on facebook.

1.6 Options

As discussed above, decisions to be made on the strategic intent of this policy effectively require a conscience type vote by the Council. Therefore, Officers are recommending Councillors consider the verbal submissions and either adopt the policy as proposed albeit with an amendment made to the relocation clause; or chose to amend the policy as a result of submissions.

The following is the recommended wording change to the relocation clause to align it with the Act:

- 3.1 A Class 4 or TAB gambling licence holder who holds consent from Council to operate in the Napier District may apply for consent to relocate.
- 3.2 *Consent to relocate is subject to the conditions provided in the policy and in accordance with section 97A of the Gambling Act.*
- ~~3.2 For any site to which an existing Class 4 venue licence operator wishes to relocate, the maximum number of machines approved shall be 9.~~
- ~~3.3 If the venue from which the licence is relocated operates fewer than 9 machines, then the maximum of machines at the newly licenced site shall be the same as the Class 4 venue prior to being relocated.~~
- ~~3.4 The initial licence operated under must be surrendered prior to approval of an application for relocation.~~

~~3.5 Applications to relocate an existing Class 4 or TAB venue must meet all the necessary requirements of the policy, as if it was a new application for consent.~~

At the Meeting

Deliberations on the Gambling Policy submissions were taken in committee.

As per the decision of the Committee, the record of the deliberations and the Decision of Council is recorded in the open minutes below.

DELIBERATIONS ON SUBMISSIONS – GAMBLING POLICY

The following key points were considered during the deliberations:

- A 'cap' versus a 'sinking lid' approach
- The relocation of machines
- The impacts on community funding.

It was noted that the point raised by the Napier Business Inc. (regarding venues not being able to operate within 100m of each other) could not be discussed today as it had not been included in any written submission. It was noted that this matter had been previously considered during a workshop with Council and discounted at that time.

During discussions the following was noted:

- Although the impacts of problem gambling were clearly outlined by some submitters, it was noted that most people use gambling machines responsibly. The percentage of problem gamblers is very low, and is even lower when only class 4 gambling machines are considered.
- No submission touches on personal responsibility for behaviours. Research suggests that a predilection towards gambling may hinge on a significant early life event. Council cannot manage these events through policy. What it can do is attempt to strike a good balanced approach to the matter.
- The cap approach is believed to be appropriate, and almost becomes self-policing.
- Accessibility and number of venues appears to be key according to international research, as opposed to literal numbers of machines.
- Online gaming is on the rise, and no contributions at all towards communities or addressing problem gambling are made from the spend in these platforms.
- Under the policy, relocations and new venues are essentially treated the same in that they must be within or to specified zones.
- There is the potential for all venues to relocate into the CBD but this is seen as highly unlikely.
- The recent change in legislation to allow up to 18 existing machines to be relocated has been reflected in the change to the policy (where previously only nine machines were able to be relocated).
- As the cap has been reached in Taradale there is no option to relocate into the area or for a new venue to open. However an existing venue in Taradale could move to another location in Taradale (for example of there were issues with the present building).
- Social impact reports were undertaken in 2012 and 2013, as required when a relocation clause is included in a gambling policy. A new impact report is not required if the existing relocation policy is being rolled over.
- There was some expectation from cruise tourists that they would be able to use

The general consensus was that the policy strikes an appropriate and balanced approach to the matter of class 4 gambling machines.

1.7 Attachments

- A Draft Gambling Venues Policy
- B Submissions



| Gambling Venues Policy | | | |
|---------------------------|------------------------------------|---------|--------|
| Approved By: | Council | | |
| Department: | City Strategy | | |
| Date Approved: | | | |
| Next Review Date: | | DOC ID: | 216767 |
| Relevant Legislation: | Gambling Act 2003, Racing Act 2003 | | |
| NCC Documents Referenced: | Napier District Plan | | |

Purpose

The purpose of this policy is to:

- ☐ Address the cumulative effects that additional opportunities for gambling in the district could present our community
- ☐ To curb the growth of gambling in the district
- ☐ To minimise the harm to the community caused by gambling
- ☐ **Control the location of class 4 gambling and TAB board venues**

1.

Definitions

Class 4 Gambling means gambling that utilises or involves a gaming machine as defined in the Gambling Act 2003

Club means a voluntary association of persons combined for a purpose other than personal gain

Gaming Machine means a device whether totally or partly mechanically or electronically operated, that is adapted or designed and constructed for the use in gambling. Also commonly known as 'pokie machines'.

TAB Board Venue means the premises that are owned or leased by the NZ Racing Board where the main business carried on at the premises is providing racing or sports betting services.

Policy

1. Total number of venues and machines to be allowed

1.1. New class 4 and TAB board venues may be established, subject to the following conditions:

- ☐ The maximum number of gaming venues in the Napier does not exceed **20**;
- ☐ **The maximum number of class 4 gaming machines in the Taradale Suburban Commercial Zone does not exceed 3;**
- ☐ The total number of Class 4 gaming machines in the Napier District does not exceed **320**;
- ☐ The maximum number of TAB board venues will not exceed **2**.

2. Number of gaming machines allowed per venue

- 2.1. The maximum number of gaming machines for Class 4 venues, clubs and TABs shall be the same as allowed under section 92, 93 and 94 of the Gambling Act 2003:

| Category | Number of Machines |
|---------------------------------------|--------------------|
| Licensed on or before 17 October 2001 | 18 |
| Licensed since 17 October 2001 | 9 |

2.

3. Class 4 and TAB board venue relocations

- 3.1. A class 4 gambling licence holder who holds consent from Council to operate in the Napier District may apply for consent to relocate.
- 3.2. For any site to which an existing Class 4 venue licence operator wishes to relocate, the maximum number of machines approved shall be 9,
- 3.3. If the venue from which the licence is relocated operates fewer than 9 machines, then the maximum of machines at the newly licenced site shall be the same as the class 4 venue prior to being relocated.
- 3.4. The initial licence operated under must be surrendered prior to approval of an application for relocation.
- 3.5. Applications to relocate an existing Class 4 or TAB venue will be considered a new application for consent.

4. Club Mergers

- 4.1. Upon amalgamation of incorporated clubs operating a class 4 venue, the maximum number of machines of the new entity shall:
- i) Where the total number of machines operated by the clubs exceed 30, the maximum shall be 30 gaming machines, or such lessor number determined by resolution of Council.
 - ii) Where the total number of gaming machines operated by the clubs is greater than 17 but less than 31, the max. shall not exceed the amalgamated total.

5. Conditions for Consent

- 5.1. New or relocating venues may only be located within the following zones specified in the Napier City Council District Plan:
- i) Inner City Commercial Zone
 - ii) Art Deco Quarter
 - iii) Fringe Commercial Zone
 - ~~iv) Suburban Commercial Zone~~
 - v) Ahuriri Mixed Used Zone
 - vi) Main Industrial Zone
 - ~~vii) Ahuriri Local Retail Zone~~ (This zone no longer exists under current plan)
 - viii) West Quay Waterfront
 - ix) Taradale Suburban Commercial Zone
- 5.2. Applicants must meet all application, declaration and fee requirements.



Submissions to the Napier City Council **GAMBLING VENUES POLICY**

Submission numbers 1 - 11

- 1 Dr Robin Gwynn
- 2 Peggy Taurima
- 3 Wayne Walford
- 4 Zoe Barnes, Napier City Business Incorporated
- 5 Linda Walsh, Taradale Marketing Association
- 6 Dr Kevin Snee, Hawke's Bay District Health Board
- 7 Shelley Burne-Field, Te Rangihaeata Oranga Trust – Gambling Recovery Service (HB)
- 8 Wi Ormsby, Safer Napier Strategic Group
- 9 Rick J McLaren, Infinity Foundation Limited
- 10 Jarrod True, New Zealand Racing Board
- 11 Tanya Piejus, New Zealand Community Trust

- 1 MAY 2017



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

Submission to the Napier City Council

Gambling Venues Policy

All submissions must be in writing. You may attach a more detailed submission if you wish.

| | | | |
|--|----------------|--|--|
| Name: | Dr Robin Aynon | | |
| Organisation: (if on behalf of an organisation) | | | |
| Email: | | | |
| Daytime contact no: | | | |
| Postal address: | | | |
| | Postcode: | | |

I wish to speak to my submission at the hearing (please tick): ☐ Yes ☒ No

If you wish to speak at the hearing, we will contact you to arrange a time.

Submission

| | | |
|--|---|-----------------------------|
| Do you support the proposed Gambling Venues Policy? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Reasons: | | |
| The proposed policy is balanced and carefully thought out. | | |
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| I/we seek the following decision: |
| <i>That the proposed policy be supported.</i> |
| |
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| |

- Submissions must be in writing, by way of this form (plus supporting documents if required), or online by going to www.napier.govt.nz and entering keyword: #gamblingvenuespolicy
- Council will take into account all submissions made when making a decision on the proposed policy.
- There will be a Council hearing for submitters who may wish to speak in support of their submission. Please include a daytime phone number for us to arrange a time.
- You do not have to attend this meeting
- Please note that all written submissions will be made available to the public on the Council website and will be included in the agenda for the meeting, which is available to the public.

Return to:

Freepost 172273
 Gambling Venues Policy
 Napier City Council
 Private Bag 6010
 Napier 4142

Closing date for submissions is 12pm, Friday 19 May 2017

22 MAY 2017



Submission to the Napier City Council

Gambling Venues Policy

All submissions must be in writing. You may attach a more detailed submission if you wish.

| | |
|--|---------------|
| Name: | PEGGY TAURIMA |
| Organisation: (if on behalf of an organisation) | |
| Email: | |
| Daytime contact no: | |
| Postal address: | |

| | | |
|---|------------------------------|--|
| I wish to speak to my submission at the hearing (please tick): | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If you wish to speak at the hearing, we will contact you to arrange a time. | | |

Submission

| | | |
|---|------------------------------|--|
| Do you support the proposed Gambling Venues Policy? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Reasons: I LIVE IN MARAENUI HAVE BEEN FOR 30 YEARS. I HAVE SEEN THIS AREA LOSE ALOT OF IT'S SHOPS AS WELL AS OUR BANK, AT ONE TIME THEY HAD TWO VENUE'S HERE WITH POKIES AND ALCOHOL, I SIGNED THE PETITION TWO CLOSE DOWN THE POKIES ON LONGFELLOW AVE WE SUCCEEDED WITH CLOSING THAT ONE, IT'S NOT GOOD WHEN YOU SEE CHILDREN CRYING OUTSIDE THESE PLACES SAYING TO THERE | | |

PARENTS THEY ARE HUNGRY. I COULD GO ON BUT HALF OF MARAENUI ARE UNEMPLOYED SOME ARE OLD OR RETIRED. I HAVE BEEN TOLD THAT THE MONEY FROM OUR T.A.B GOES BACK INTO OUR COMMUNITY NOW WHICH IS G
I/we seek the following decision: THE GOVERNMENT NEED TO GET THESE YOUNG ONES OFF THE STREETS AND INTO HO* IF THEY CAN ACCESS DRUGS WHILE ON THE BENE THEN THEY NEED TO DO SOMETHING ABOUT IT GIVE THEM CARDS SO THEY CAN'T GET DRUGS OR ALCOHOL.

- Submissions must be in writing, by way of this form (plus supporting documents if required), or online by going to www.napier.govt.nz and entering keyword: #gamblingvenuespolicy
- Council will take into account all submissions made when making a decision on the proposed policy.
- There will be a Council hearing for submitters who may wish to speak in support of their submission. Please include a daytime phone number for us to arrange a time.
- You do not have to attend this meeting
- Please note that all written submissions will be made available to the public on the Council website and will be included in the agenda for the meeting, which is available to the public.

Return to:

Freepost 172273
Gambling Venues Policy
Napier City Council
Private Bag 6010
Napier 4142

Closing date for submissions is 12pm, Friday 19 May 2017




Kim Anstey

From: NCC Website Request - Gambling Venues Policy <no-reply@wufoo.com>
Sent: Tuesday, 11 April 2017 10:31
To: Kim Anstey
Subject: Gambling Venues Policy [#2]

Name * Wayne Walford

Who are you submitting as? * Individual

Postal Address * 

Daytime Contact Phone *

Email Address *

If you wish to speak at the Hearing we will contact you to arrange a time. No

I wish to speak at the Hearing (please tick): *

Do you support the proposed Gambling Venues Policy? * Yes

Reasons *

I agree with the proposal for a cap on the number of outlets and position as the lowest level for this policy.

I would prefer to see a sinking lid approach to the number of machines as the impact of gambling continues to affect those striving to make ends meet.

The work I am doing with community groups has demonstrated the increased difficulty of achieving funds from the gambling machine organisations. This is adding pressure to the community groups as funding options reduce. The threat of reduced funding to the community should not be a defining component as part of a decision to apply a sinking lid policy. Positive leadership in this area is likely to be applauded by the health and law enforcement sectors.

I/we seek A sinking lid policy for machines.
the
following
decisions

Submission Online
Method



Napier City Council Gambling Venues Policy Review 2017

This submission is written on behalf of the 380 businesses that comprise the central business district of Napier.

Napier City Business Inc is the business improvement district for the CBD, and is responsible for advocating on behalf of business best interest in matters that may impact the CBD. The organisation also represents business interests on the Safer Napier Strategic Group whose vision is for Napier to be a healthy & safe city.

Currently Napier CBD hosts six out of the nineteen gambling venues, which are located within a very small distance from each other. Whilst the current number is acceptable, any more than this would be excessive, and unnecessary.

Napier City Business supports the following amendments to the current policy:

1. Number of class 4 gaming machines

NCBI supports a sinking lid approach. Whilst we agree with limiting the number of venues in suburban & vulnerable areas, if a current suburban venue closes, the location options for a new venue are restricted, and therefore more locations could open in the CBD. As mentioned above we believe this to be excessive as the current amount is ample for the number of patrons, therefore any more will encourage gambling behaviour and could tarnish the Napier City brand with locals and tourists.

We also believe that the amount of money that is funnelled back in to the local community via the pub charities is not proportional to the amount of money that is collected at these local venues. We would advocate that Council look at ways of ensuring this money is ring fenced and that there is a better return rate of this money in to the communities that are directly suffering because of it. If it was possible to get more money returned to the community from fewer machines then there is no requirement to have so many venues.

2. Location of Class 4 and TAB Venues

We agree with restricting the location of venues in vulnerable areas.

3. Cap on venue's in Taradale Suburban Commercial Zone

We agree to cap the number of venues in Taradale Suburban Commercial Zone.

3

Kim Anstey

From: NCC Website Request - Gambling Venues Policy <no-reply@wufoo.com>
Sent: Friday, 19 May 2017 13:31
To: Kim Anstey
Subject: Gambling Venues Policy [#9]

Name * Linda Walsh

Who are you submitting as? * Organisation

Name of Organisation * Taradale Marketing Association

Title/Position * Secretary

Postal Address * 
PO Box 7147
Taradale, Taradale Napier 4141
New Zealand

Daytime Contact Phone * 022 487 7232

Email Address * info@taradale.co.nz

If you wish to speak at the Hearing we will contact you to arrange a time. No

I wish to speak at the Hearing (please tick):
*

Do you support the proposed Gambling Venues Policy? * No

Reasons *

We do not support the Gaming Venues Policy in its entirety, or in relation to Taradale, because it allows for additional venues to be created and additional machines to be added to current levels and for the possibility of establishment of gaming venues in the main shopping area of the Taradale Suburban Commercial Zone.

We feel that all limits and restrictions should start at current levels and adopt a shrinking lid stance, effectively bring a reduction in venues and number of machines over time and not allowing for new venues to set up, even if in prescribed areas if licences become available through relinquishing.

We particularly do not wish for any policy that allows the possibility of gaming venues to set up in the main shopping area of the Taradale Suburban Commercial Zone which could happen under of the current wording of the draft/proposed Gambling Venues Policy if a current venue decided to relocate.

We appreciate that the Policy has considered a balance between permitting responsible gambling and minimising harm in the community.

We however feel that the Policy has not adequately considered the impact that of location of venues and the clientele they attract and how this affects the business community, particularly the retail and tourism sector.

I/we seek the following decisions

That the Hearing on the Gambling Venues Policy consider adopting this policy with;

1. that the number of allowed venues and machines in Napier are capped at the current levels (19 and 304 respectively)
2. that the policy adopt a sinking lid stance with respect to the number of venues and machines in Napier.
3. that the cap for the Taradale be a sinking lid
4. that there wording added to exclude the possibility of existing venues relocating to the main shopping area of the Taradale Suburban Commercial Zone (both sides of Gloucester Street from Puketapu Road to White Street, Symons Lane and Lee Road).
5. that 4. above also be considered for other community and tourism areas such as Napier CBD and Ahuriri.

Submission Online

Method

(6)



Submission to the Napier City Council

Gambling Venues Policy

All submissions must be in writing. You may attach a more detailed submission if you wish.

| | | |
|--|--|----------------|
| Name: | Dr Kevin Snee | |
| Organisation: (if on behalf of an organisation) | Hawke's Bay District Health Board | |
| Email: | c/o kim.maitland@hbdhb.govt.nz | |
| Daytime contact no: | 06 8732101 | |
| Postal address: | Private Bag 9014 | |
| | Hastings | Postcode: 4156 |

I wish to speak to my submission at the hearing (please tick): ☒ Yes ☐ No

If you wish to speak at the hearing, we will contact you to arrange a time.

Submission

Hawke's Bay District Health Board (HBDHB) focuses on the health of the whole population of Hawke's Bay. Health inequities exist in parts of Hawke's Bay and in supporting the health and wellbeing of people, whānau and communities we aim to work across the whole community to reduce determinants impacting on health¹. Gambling has an impact on healthy via addictions and wellbeing due to the socio-economic impacts.

| | | |
|--|---|-----------------------------|
| Do you support the proposed Gambling Venues Policy? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| <p>Reasons:</p> <p>Number of Class 4 gaming machines</p> <p>We strongly agree and support the recommendation that Napier City Council should adopt a sinking lid policy. Allowing new venues to apply for consent does not reduce harm and continues to preserve harm.</p> <p>Gambling has a negative health impact on people where higher levels of gambling participation results in significantly worse physical and mental health, poorer feelings about self, lower satisfaction with life and more likelihood of unemployment.²</p> | | |

¹ McElnay, C (2014). Health (In) Equity in Hawke's Bay.

² Shore Whariki (2008). Assessment of the Social Impacts of Gambling in New Zealand. Report to Ministry of Health.

We note that the policy may have an unintended consequence of increasing disparity in exposure to gambling if it results in the lid sinking in affluent areas more than in high needs areas with increasing Māori population in Napier³. Māori are a high risk group for gambling, are more likely to be engaged with buying lottery products, bet at the TAB, play electronic gaming machines (EGM) in clubs, bars and casinos more than any other ethnic group and there are also significant associations between gambling participation and poorer quality of life⁴. Accessibility to gambling venues increase opportunities and contribute to widening the inequity gap in Hawke's Bay.

This is not a reason to oppose a sinking lid policy. It does however mean that council may need to consider more active mechanisms to reduce exposure to gambling in areas where exposure is not reducing by this mechanism.

Location of Class 4 and TAB Venues and cap on venues in Taradale Suburban Commercial Zone

We support the increase in restrictions to no commercial zones, to reduce the ability for new venues to be established in vulnerable areas and further support the cap of TAB venues to two.

We believe a Social Impact Statement for the Taradale Suburban Commercial Zone be attached to this policy review.

We seek the following decision:

In general we support the proposals made in the policy review and recommend that:

- Napier City Council adopt a sinking lid policy that aligns to Hastings District Council
- Introduce restrictions to vulnerable urban areas in Napier, to reduce the inequitable impact on communities.

These two recommendations are given with full responses as outlined per the requests in the policy review.

Return to:

Freepost 172273
Gambling Venues Policy
Napier City Council
Private Bag 6010
Napier 4142

Closing date for submissions is 12pm, Friday 19 May 2017

³ Quick Stats in Taradale, stats.govt.nz

⁴ Shore Whariki (2008). Assessment of the Social Impacts of Gambling in New Zealand. Report to Ministry of Health.



Submission on the Proposed Napier City Council Gambling Venues Policy

To: Freepost 172273
Gambling Venues Policy
Napier City Council
Private Bag 6010
Napier, 4142
Attn: Kim Anstey

Submitter: Te Rahgihaeata Oranga Trust

Gambling Recovery Service HB
210 Lyndon Road West,
Hastings, 4122

Proposal: Proposed: Gambling Venues Policy Review 2017

SUBMISSION ON PROPOSED GAMBLING VENUES POLICY REVIEW

Details of submitter

1. Te Rangihaeata Oranga Trust – Gambling Recovery Service (HB) (the submitter) welcomes the opportunity to comment on the Proposed Gambling Venues Policy.
2. The submitter is the leading provider in Hawke's Bay for people who are affected by harmful gambling. We are a Kaupapa Māori Gambling Recovery Service that provides services with integrity to all ethnicities.
3. The submitter is well-known by the venue operators and we build relationships to help minimise harm in the district. One of the tools offered to addicted people is the ability to exclude themselves from venues. There is also an option of Multi-Venue Exclusion (MVE) which we administer in partnership with Societies, venues and the Government.
4. The submitter's goal is to help gamblers improve their own health outcomes. One way to do this is to build closer and effective relationships with Iwi, hapu, individuals, community, local and central government as well as other social services.

General Comments

5. The submitter recognises and supports the New Zealand Government stance that gambling is a public health issue (Gambling Act, 2003).
6. Gambling is often cited as a recreational and entertainment activity, however gambling is highly addictive. It can result in players displaying compulsive behaviours with loss of control to limit intake. Gaming machines (Pokie) machines are extremely addictive. They are specifically designed so players will ultimately lose.
7. Gaming is not a 'fair' wager. Many problem gamblers begin playing pokie machines believing that the machine is offering an entertaining past-time. However, pokie machines are specifically designed to win – and gamblers to lose.

8. Pokies are constructed using techniques which trap players. This is widely accepted in the gaming industry. Mathematical logarithms are used to set win and loss points. Musical scores are composed to heighten perceived winnings and neutral losses. Addiction is targeted.
9. The Gaming Machine industry for players is a zero sum game. Gamblers, their families, and their communities exclusively and continually lose.
10. The submitter acknowledges the widely referenced and uncontested statistics that gaming machines (pokies) and sports betting are two of the most harmful forms of gambling in New Zealand.
11. \$4,341,153.98 of GMP¹ was lost in Napier District over THREE (3) months January – March 2017. \$195 million is played in Napier pokies each year. \$17 million is lost².
12. A primary consideration around harmful pokie gambling is where the money comes from as well as where it goes? In most scenarios money is disproportionately taken from the most deprived communities. There is significant social, health and economic costs to people, families, the community, and businesses in Napier.
13. The submitter notes that 80% of pokie proceeds from (Stand Alone) or Agency TAB Venues which also host pokies are distributed back to the NZ Racing Board. 20% are distributed to amateur sporting codes.
14. The requirement to include a relocation policy in Council's Gambling Venues Policy is non-compulsory. In considering any relocation policy, the most important consideration for Council (under the Act) is to 'have regard' to a robust Social Impact Assessment.
15. Napier City Council has shown great vision by commissioning the 2009 and 2013 Social Impact Assessment.

¹ Gross machine profit, or the amount wagered minus the amount won.

² Department of Internal Affairs, April 2017

16. The 2013 Napier Social Impact Assessment clearly states that the previous policies have provided *"a transitional balance between continuing to provide for Class 4 gambling as a recreational activity enjoyed by many New Zealanders and limiting the identified social harm to the Napier community arising from gambling addiction."*
17. The 2013 Napier Social Impact Assessment clearly states that *"in recognition of the overwhelming evidence of social harm arising from problem gambling, a strong case can be made for the continued imposition of restraint within the Council's policy to achieve continuation of the constriction of the Class 4 industry in Napier City."*
18. The 2013 Napier Social Impact Assessment clearly states that the previous 'sinking lid' policy led to gaming machine numbers reducing from 482 in 38 venues in 2004 to 390 machines operating out of 25 venues as at December 2008 to 338 machines operating out of 23 venues in 2013. Currently there are 304 machines operating out of 19 venues.
19. In 2013, Councillors capped the venues at max 20 and gaming machine numbers at max 320 (based on 20 venues x 15 machines) until this review. It is important to note that simply capping numbers does not benefit at-risk gamblers, their affected families, their communities and employers.
20. If the sinking lid policy was reinstated, there would be currently 19 venues with 304 gaming machines with a decreasing trend in numbers and therefore a decrease in accessibility.
21. Te Rangihaeata Oranga Trust – Gambling Recovery Service HB (the submitter) appreciates the opportunity to provide feedback on the 2017 Gambling Policy Review and has some comments for consideration which would further improve health outcomes for the community.

Specific comments about proposed clauses and amendments:

Napier City Council Gambling Venues Policy

22. "Purpose"

The submitter supports the intent of the policy's purpose to control the location of Class 4 gambling and TAB venues. We praise the Council on considering location as a mechanism to minimise gambling harm in Napier by attempting to reduce exposure to gaming machines (pokies). Re-locating venues, however, needs to be focused and must have regard to a local Social Impact Statement.

23. "Total number of venues and machines to be allowed"

In order to meet the objectives of the current Napier Council Policy

- to curb the growth of gambling in the district
- to minimise the harm to the community caused by gambling
- to address the cumulative effects that additional opportunities for gambling in the district could present to our community

The submitter respectfully requests that Council looks again at re-establishing a sinking lid policy. This way, by simply introducing a clause that **NO NEW Class 4 and TAB Board venues may be established** makes the policy very simple, and allows existing venues to remain trading – without increasing harm to ANY LOCATION in the Napier community.

(The proposed Cap in the Taradale Suburban Commercial Zone is detrimental to the Taradale community. By introducing this cap, a mechanism to decrease the existing amount of access to harmful gaming machines is severely diminished).

24. "Class 4 and TAB venue relocations"

- 3.1 The submitter respectfully requests that Council investigate a "no relocations" policy. This fits in with a strong sinking lid policy as gaming machine numbers can be encouraged to decrease along with business attrition.

- 3.5 Introduction of a relocation policy allowing **only** for relocations that minimise harm **may be acceptable** e.g. moving a venue and gaming machines out of a lower socio-economic area.

TAB Venue

25. In order to meet the objectives of the current policy, the Submitter respectfully requests that Council introduce the following clause to cap the number of TAB agencies in the Napier district on the grounds of minimising harm from a growing public health issue – harmful gambling:

Introduce Clause: ESTABLISHMENT OF BOARD VENUES

“Board venues are defined in the Racing Act 2003 as those premises that are owned or leased by the New Zealand Racing Board (TAB) and where the main business carried on at the premises is providing racing betting or sports betting services. Council will permit the establishment of Board venues with the total number of venues not to exceed 1 (one) venues in the District at any one time. Council believes that there are sufficient standalone Board venues to serve the demand in the District and that restrictive policy is in line with the community’s priorities of health, safety and the promotion of well-being.

Note: territorial authority consent is only required for standalone Board venues and is not required under the Racing Act 2003 to establish a TAB facility in a bar, hotel or club.”

26. “Conditions for Consent”

The adoption of a sinking lid policy will streamline the policy, and not permit ANY NEW or RELOCATED venues (except relocations that may minimise harm in suburban areas).

- The submitter requests that Council reviews these *conditions for consent* once more with a **lens** fully focussed on the community and existing/potential social harm that arises from gaming machines and harmful gambling.

- Many of the zones proposed as acceptable for NEW or RELOCATED venues are surrounded by high deprivation index residential areas.

For example, the Inner City Commercial Zone and the Fringe Commercial Zone are surrounded by Inner City, The Hill, Awatoto, and McLean Park residential areas which feature high on the national deprivation index. The population affected is 10,600 residents as well as 10 churches and 7 schools.

Conclusion

27. Te Rangihaeata – Gambling Recovery Service HB wishes to be heard in support of this submission.

28. Thank you for the opportunity to submit on the review of Napier City Council Gambling Venues Policy

Person making the submission

Shelley Burne-Field Date: 19 May 2017

Health Promoter
Gambling Recovery Service HB

Contact details

Shelley Burne-Field
On behalf of
Te Rangihaeata Oranga Trust - Gambling Recovery Service HB

P 06 876 6267
shelley@trhor.org.nz

Submission to the Napier City Council for:

Gambling Venues Policy

Name: Wi Ormsby
Organisation: Safer Napier Strategic Group, Safer Napier Programme
Email: wi@healthhb.co.nz
Daytime Contact no: 06 876 5659
Postal Address: Health Hawke's Bay
P O Box 11141, Hastings Postcode: 4158

On behalf of the Safer Napier Strategic Group,¹ we wish to put forward a submission for the Gambling Venues Policy. The vision of the Safer Napier programme is 'Napier is a safe and healthy city'. We have five goals to help achieve this, one of which is Napier is free from addiction related harm. Our focus areas under this goal include gambling, alcohol and illicit drugs.

Gambling contributes to the deterioration of individuals, whānau, and communities. A disproportionate amount of gambling harm and gambling losses are carried by people on benefits and those living in low income areas.²

The Safer Napier Strategic Group supports the following options:

- **Number of class 4 gaming machines – Option 4 Adopt a sinking lid**

Reducing the number of gambling venues will assist with reducing the harm of gambling. This provides the opportunity to bring Napier's gambling policy into alignment with that of Hastings District Council who have a sinking lid approach. This alignment between the two areas is already in place for the Joint Alcohol Strategy of the two Councils.

In wealthy areas, there is one pokie machine for every 465 people; in poorer areas there is one machine for every 75 people – reducing the density of pokie machines leads to a decrease in gambling harm.³

- **Location of Class 4 and TAB Venues – Option 2 Increase restrictions – no suburban commercial zones**

We agree with reducing the ability for new venues to be established in vulnerable areas.

- **Cap on venues in Taradale Suburban Commercial Zone – Option 2 Introduce a cap for Taradale Suburban Commercial zone**

We agree Taradale does not need any further gambling venues.

¹ Members as at May 2017: Accident Compensation Corporation, Hawke's Bay Civil Defence Emergency Management Group, Hawke's Bay District Health Board, Health Hawke's Bay, Housing New Zealand Corporation, Ministry of Social Development, Napier City Council, Napier City Business Inc, NZ Automobile Association, NZ Fire Service, NZ Police, NZ Red Cross, Te Puni Kōkiri, RoadSafe Hawke's Bay, Roopu a Iwi Trust and Te Kupenga Hauora – Ahuriri.

² Problem Gambling Foundation of New Zealand. *Fact Sheet 5: Social impacts of problem gambling*. July 2011.

³ Problem Gambling Foundation of New Zealand. *Gambling in New Zealand*. March 2017.

In addition, we request that Napier City Council advocates at a national level on:

- Ensuring fair distribution of authorised purpose grants allocated from the current gross machine profits (GMP) so that the amount gambled in Napier's gaming venues is proportionately returned to Napier's community groups and non-profit organisations.
- Increasing the percentage of the GMP allocated to the Problem Gambling Levy, to enhance treatment services for people with gambling problems.

The Safer Napier Strategic Group would like to speak to this submission at the hearing.

Safer Napier Strategic Group



18 May 2017

Freepost 172273
Gambling Venues Policy Submissions
Attention: Kim Anstey
Napier City Council
Private Bar 6010
Napier 4142

Dear Kim,

SUBMISSION ON GAMBLING VENUES POLICY REVIEW 2017

Background

Infinity Foundation is a Hawke's Bay-based Class 4 Gaming Society with gaming machines located throughout the North Island. Infinity Foundation primarily funds sport, but also with substantial distributions to education, health, welfare and the arts.

In the 12 months to July 2016 (our last completed financial year), Infinity Foundation made over 360 direct community donations in the Napier district, totalling over \$1.4million.

Infinity Foundation went through major change in 2015/2016 and now has an entirely different Board and new highly experienced senior management. We look to the future with confidence and to increasing our assistance to New Zealand communities, building a platform for growth based on:

- Gaming Expertise
- Integrity
- Sustainability
- Responsibility and Care for the Communities we Serve

It is clear from our location, mission and previous financial support that not only are we a significant contributor to Napier communities but have a deep understanding of gambling, with its attendant risks and potential. On this basis, we request careful consideration of our submissions with respect to Napier's Gambling Venues Policy Review.

Napier City's Proposed Policy

Napier's proposed policy is:

1. Continuation of the cap of 320 gaming machines and 20 venues (plus 2 TAB venues), with a current licensed base of 304 machines across 19 venues;
2. No new venues in suburban commercial zones;
3. Capping the number of venues in the Taradale Suburban Zone at 3.

HEAD OFFICE - P O BOX 2349, Stortford Lodge, HASTINGS 4153

P: 06 873 5015 F: 06 873 5016 E: info@infinityfoundation.co.nz W: www.infinityfoundation.co.nz

Comments on Proposed Policy

It is evident from the proposed policy that Napier City wishes its communities to continue to enjoy the benefits of charitable gaming while reducing and minimising the potential harm that could result from uncontrolled gambling activity.

Infinity Foundation supports the Napier City Council in its broader policy direction and specifically supports the Council in the following elements of the proposed policy:

1. Prevention of uncontrolled proliferation of gaming machines through a capping system;
2. Rejection of a “sinking lid” policy;
3. Consideration of the character and risk of particular communities in policy formulation.

Key Points of Our Submission

While Infinity Foundation agrees with the broader policy proposal, we recommend some minor changes in its detailed implementation, as follows (with more detailed discussion of the points thereafter):

1. We recommend that the cap on gaming machine numbers is not static, but varies with change in population over time;
2. We recommend that relocation of existing venue licences should be permitted, without those machines being “returned to the pool” and operators having to re-apply for Territorial Local Authority consent;
3. We recommend that artificial constraints not be imposed on suburban commercial zones.

None of the above recommendations are inconsistent with Napier City’s broader policy proposal, although we acknowledge our shift in emphasis from a predominant concern in the proposed policy from minimising potential for harm to a balance between that and community benefit. The above recommendations are outlined more fully in the remainder of our submission.

Expansion on Key Points

1. Variable (Population-Based) Cap

As at 31/03/2004, Napier City hosted approximately 502 gaming machines with a population at the time of approximately 56,000. There was 1 gaming machine per 112 people. By 31/03/2010, Napier had approximately 393 gaming machines with a population of about 58,600, a ratio of 1 gaming machine per 149 people. As at today’s date, with a cap of 320 gaming machines and a population of about 62,000, the ratio is 1 gaming machine per 194 people.

Given the above numbers, it is inevitable that availability of community funding has contracted significantly over the past 13 years, even more so on a per capita basis. It is accordingly not surprising that large community events such as Art Deco, Festival of Hockey, Horse of the Year and Hawke’s Bay AMP Show are struggling for funding, while large community organisations such as Hawke’s Bay Rugby and Hawke’s Bay Football

also complain about funding issues. This is especially so because Class 4 gaming is one of the few potential sources of funding for many community organisations.

While we recognise and endorse the Napier City Council's intention to limit the potential harm from gambling, it can have the unintended consequence of removing vital sources of funding for local communities, communities that are themselves growing. Infinity Foundation advocates for a more balanced approach, one that allows controlled growth to provide financial support for local charitable organisations while mitigating the risk of increased harm.

In his Opening Address on Wednesday 17 May 2017 to the Australasian Casino and Gambling Regulator's Conference in Auckland, Minister Peter Dunne commented on the decline in gaming in New Zealand in recent years and pointed to the review the Government is undertaking to see "how the level of community funding can be sustained". It is clear that the decline in community funding is a source of concern for Central Government but it is one that Local Government has contributed to in its endeavours to limit the potential for harm. It is also a decline that Local Government can start to address with some careful policy changes, if it has a willingness to make some proactive decisions.

Infinity Foundation recommends that Napier City Council allow for planned growth in gaming machine numbers with a view to maintaining availability of funds for community groups. Retention of a strict cap, without regard for population change, especially given the recent population growth in the Hawke's Bay region and Napier in particular, is certain to reduce availability of community funds even more on a per capita basis over time. We have further ideas on how the details of such a Variable Population-Based Cap could be implemented, which we would be more than happy to discuss further with Council members.

We also wish to make the important point that there is no direct evidence of a relationship between gaming machine numbers and the incidence of problem gambling. Council is encouraged not to assume that such a relationship exists. Modest growth in machine numbers over time would not inevitably lead to more harm. Minimisation of the potential harm from gambling is a key focus and consideration of Infinity Foundation - we recognise our social responsibilities in this regard. The current harm minimisation measures seem to be effective, which is evident from the information and figures provided by the Ministry of Health. In their three-year service plan to 2015/16¹, the Ministry identified that persons seeking help for gambling had declined and that the trend is continuing, resulting in the problem gambling levy rate steadily being reduced. The current rate for the Problem Gambling Levy is 1.3%, well down from the 1.7% rate set for the period 2007 – 2010 and the 1.48% rate for 2010 – 2013. Research shows the majority of gamblers are recreational gamblers; very small numbers are at any risk of problem gambling, with rates reducing from 0.4% in 2006/7 to 0.3% of the population in 2011/12.²

Infinity Foundation is confident that modest growth in the Napier City cap over time would not lead to an increase in the incidence of problem gambling in the city. Thus, while limiting the risk of increased problem gambling, Napier City has the opportunity in its new policy to start securing its community funding base against increasing needs from a growing population.

¹ Ministry of Health. 2013, Preventing and Minimising Gambling Harm: Three year service plan and levy rates for 2013/2014 to 2015/16. Published May 2013 by the Ministry of Health.

² Problem Gambling in New Zealand – Preliminary findings from the New Zealand Health Survey (July 2011 to March 2012). Published August 2012

2. Relocation of Venue Licences

In effect, venue licences cannot usually be relocated in Napier City, because a licence must be surrendered if gaming machines cease to be operated at a specific address and, to be operated at a new address, Territorial Local Authority (TLA) consent is required. This is not the case in all TLA jurisdictions – such relocations are now permitted in Palmerston North, Tauranga, Thames/Coromandel, for example, as well as in other cities/regions. Permitting such relocations is becoming increasingly common in recent revisions of TLA gambling venue policies.

Infinity Foundation recommends that Napier City Council permit relocation of venue licences without those machines being “returned to the pool” under the cap and a new application for consent being required. TLA consent would still, of course, be required for the relocation, so the City could preserve special character or otherwise make decisions on a case-by-case basis with respect to a proposed licence location.

We maintain that such a policy would encourage development of modern venues in needed locations, thereby better serving the needs of tourism and local communities, while removing the current “grandfathered” rights that can contribute to redundant locations purely on historical grounds.

It is the considered view of Infinity Foundation that allowing relocation of venue licences would not increase the potential for harm and that addition of such a dispensation to Napier City’s new policy would benefit the city over time.

3. Special Zones

Infinity Foundation acknowledges and supports the desire of Napier City to limit the potential for harm from gambling. It is our position, however, that the City’s gambling policy should reflect balance and that prohibiting gambling licences in suburban commercial zones will simply prevent those communities from being able to access grants from gaming trusts. This follows because, almost without exception, gaming trusts return funds to the communities in which those funds were raised. In essence, this matter distils down to the perennial debate in Class 4 gambling of personal choice versus community benefit – positions on this matter predominantly reflect social perspective rather than absolute facts.

Suburban commercial zones are by definition areas that include younger families and many local community organisations, sports clubs, schools, etc. It seems undesirable to not only limit the opportunities of those local residents to enjoy the fun of casual gambling on occasion at their “local” (by far the majority of gamblers are casual, social gamblers) but the City could cause financial difficulties through a change in its policy in this regard for emerging community organisations that would not have access to charitable grants.

Residents of those communities would have to travel to other areas in order to enjoy a “flutter”, with gaming proceeds going to the areas they visited rather than their own. Our position is that, if individuals in a community choose to engage in fun that may result in “voluntary taxation”, they should be allowed to do so in their area, with their community at least gaining the benefit of their fun, rather than being prevented from doing so by regulation and being forced to travel further afield, with the community benefit being relocated in geographic terms. “Dry” areas (alcohol) have caused anomalies and adverse unintended consequence elsewhere and the concept of “dry” gambling areas seems to be out of place in a free, modern society. If suburban

commercial zones have liquor licensed premises, then we maintain that they should not be artificially constrained from operating gaming machines through Council policy.

Summary and Conclusion


While supporting the broader policy proposals of Napier City Council with respect to its proposed Gambling Venues Policy 2017, Infinity Foundation recommends that some aspects of the policy be amended to allow for growth in the cap on gaming machine numbers in accordance with population growth, to protect a vital source of funding for community groups. We further recommend that the policy be extended to permit relocation of venue licences. Finally, we urge Council not to introduce “dry gambling” areas in suburban commercial zones which would have the direct consequence of preventing access by those communities to grants from gaming trusts while limiting entertainment options for local residents.

Infinity Foundation is a highly professional gaming trust. We fully recognise our responsibility to minimise harm and we advocate for sustainability against the background of care for the communities we serve. We believe that the comparatively minor variations we are recommending to the policy would not materially increase the risk of harm from gambling but would yield significant community benefits over time.

We request the opportunity to discuss this submission in person with the Napier City Council.

If you require any further clarification on any matter contained in this submission, please do not hesitate to contact me directly on 027 442 6464 or email rick@infinityfoundation.co.nz.

Yours sincerely



Rick J McLaren
Chief Executive
Infinity Foundation Limited

The New Zealand Racing Board's Submission on Napier City Council's Gambling Venue Policy



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NEW ZEALAND
RACING BOARD

The New Zealand Racing Board's Submission on Napier City Council's Gambling Venue Policy

Summary

1. The New Zealand Racing Board supports the proposed amended policy, but invites Council to amend clause 3.2 to enable venues that relocate to retain the same number of machines, rather than reduce their machine numbers to nine.

Gaming Machines – Key Facts

2. Gaming machines have been present in New Zealand communities since the early 1980s. Initially the machines were operated without a gaming licence. The first gaming licence was issued to Pub Charity on 25 March 1988, over 28 years ago.
3. Gambling is a popular form of entertainment that most New Zealanders participate in. The Health and Lifestyles Survey 2012¹ found that 70.3% of New Zealanders aged 15 and over had participated in some form of gambling in the previous 12 months.
4. Gaming machine numbers are in natural decline. In 2003, New Zealand had 25,221 gaming machines. In December 2016, New Zealand had 16,393 gaming machines. In 2003, Napier had 40 class 4 venues and 504 machines. Napier currently has 19 venues and 295 machines.
5. New Zealand has a very low problem gambling rate by international standards. The New Zealand National Gambling Study: Wave 2 (2013)² found the problem gambling rate was 0.5% of people aged 18 years and over (Problem Gambling Severity Index screen). This amounts to 16,205 people. The problem gambling rate is for all forms of gambling, not just gaming machine gambling.
6. All gaming machine societies contribute to a problem gambling fund. This fund provides approximately \$18,500,000.00 per annum to the Ministry of Health to support

¹ http://www.hpa.org.nz/sites/default/files/NZers_participation_in_gambling.pdf

² <http://www.health.govt.nz/system/files/documents/pages/report-national-gambling-study-12-month-final-23-10-15.pdf>

and treat gambling addiction and to increase public awareness. The funding is ring-fenced and not able to be redirected to other health areas.

7. An excellent, well-funded problem gambling treatment service exists. The problem gambling helpline is available 24 hours a day, 365 days per year. Free, confidential help is available in 40 different languages. Free face-to-face counselling is also available and specialist counselling is available for Maori, Pacifica and Asian clients. An anonymous, free text service (8006) is available. Support via email is also available (help@pgfnz.org.nz).

Existing Gaming Machine Safeguards

8. The current cap is appropriate given the significant measures that are already in place to minimise the harm from gaming machines.
9. Limits exist on the type of venues that can host gaming machines. The primary activity of all gaming venues must be focused on persons over 18 years of age. For example, it is prohibited to have gaming machines in venues such as sports stadiums, internet cafes, and cinemas.
10. There is a statutory age limit that prohibits persons under 18 years of age playing gaming machines.
11. There are very restrictive limits on the amount of money that can be staked and the amount of prize money that can be won. The maximum stake is \$2.50. The maximum prize for a non-jackpot machine is \$500.00. The maximum prize for a jackpot-linked machine is \$1,000.00.
12. All gaming machines in New Zealand have a feature that interrupts play and displays a pop-up message. The pop-up message informs the player of the duration of the player's session, the amount spent and the amount won or lost. A message is then displayed asking the player whether they wish to continue with their session or collect their credits.
13. Gaming machines in New Zealand do not accept banknotes above \$20.00 in

denomination.

14. ATMs are excluded from all gaming rooms.
15. All gaming venues have a harm minimisation policy.
16. All gaming venues have pamphlets that provide information about the characteristics of problem gambling and how to seek advice for problem gambling.
17. All gaming venues have signage that encourages players to gamble only at levels they can afford. The signage also details how to seek assistance for problem gambling.
18. All gaming venue staff are required to have undertaken comprehensive problem gambling awareness and intervention training.
19. Any person who advises that they have a problem with their gambling is required to be excluded from the venue.
20. It is not permissible for a player to play two gaming machines at once.
21. All gaming machines have a clock on the main screen. All gaming machines display the odds of winning.
22. The design of a gaming machine is highly regulated and controlled. For example, a gaming machine is not permitted to generate a result that indicates a near win (for example, if five symbols are required for a win, the machine is not permitted to intentionally generate four symbols in a row).
23. It is not permissible to use the word "jackpot" or any similar word in advertising that is visible from outside a venue.

The Current Cap Strikes a Fair Balance

24. The current cap of 20 venues and 320 machines and two TAB Board Venues strikes an appropriate balance. A more restrictive policy is not justified in the current environment of high regulation and naturally reducing machine numbers.

25. There is no direct correlation between gaming machine numbers and problem gambling rates. The table below details the problem gambling surveys that have been undertaken.

| Survey Year | Survey Name | Screen | Problem Gambling Rate | Survey Size |
|-------------------------|---|--------|---|-------------|
| 1991 | 1991 National Prevalence Survey | SOGS-R | 1.2% of people were current pathological gamblers (SOGS-R score of 5) | 3,933 |
| 1999 | 1999 National Prevalence Survey ³ | SOGS-R | 0.5% of people aged over 18 years had a SOGS-R score of 5 | 6,452 |
| 2006/2007 | 2006/07 New Zealand Health Survey ⁴ | PGSI | 0.4% of people aged 15 years and over | 12,488 |
| 2010 | 2010 Health and Lifestyles Survey ⁵ | PGSI | 0.7% of people aged 15 years and over | 1,740 |
| 2011/2012 | 2011/12 New Zealand Health Survey ⁶ | PGSI | 0.3% of people aged 15 years and over | 9,821 |
| 2012 (March to October) | 2012 National Gambling Survey ⁷ | PGSI | 0.7% of people aged 18 years and over | 6,251 |
| 2013 | New Zealand National Gambling Study: Wave 2 (2013) ⁸ | PGSI | 0.5% of people aged 18 years and over | 6,251 |

26. The graph below details the machine numbers over time and the problem gambling rate. Between 1991 and 1999 the problem gambling rate declined considerably despite gaming machine numbers doubling and gaming machine expenditure trebling. Between 2006 and 2010 the problem rate increased, despite the number of gaming machines in New Zealand falling considerably in the same period. Between 2010 and 2012 the problem gambling rate stayed the same, despite a continual decline in gaming machine numbers. When viewed as a whole, the above survey results confirm that there is no direct correlation between gaming machine numbers and problem

³ [http://www.dia.govt.nz/pubforms.nsf/URL/TakingthePulse.pdf/\\$file/TakingthePulse.pdf](http://www.dia.govt.nz/pubforms.nsf/URL/TakingthePulse.pdf/$file/TakingthePulse.pdf)

⁴ <http://www.health.govt.nz/system/files/documents/publications/portrait-of-health-june08.pdf>

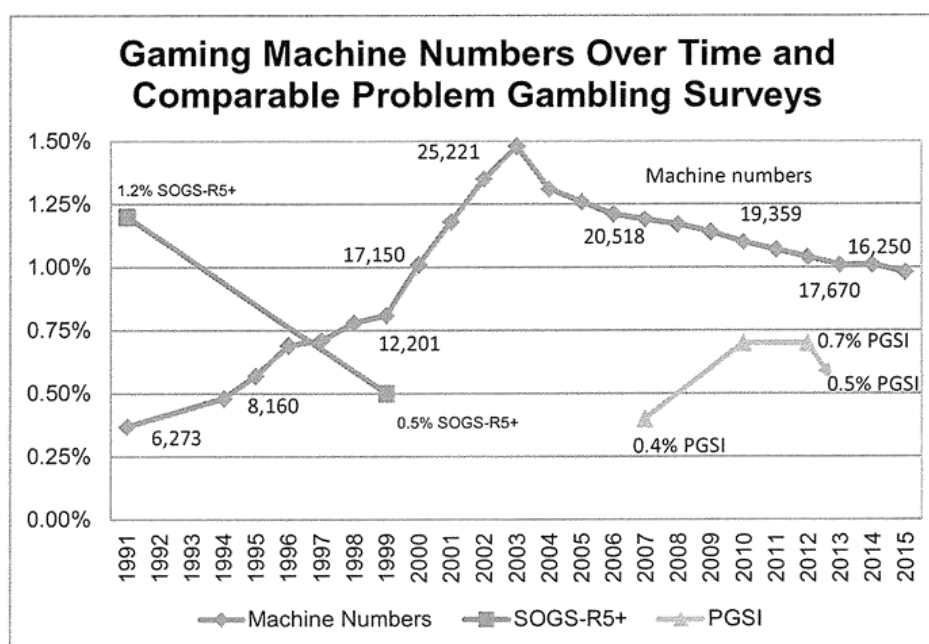
⁵ Gray, R 2011 *New Zealanders' Participation in Gambling: Results from the 2010 Health and Lifestyles Survey* – Health Sponsorship Council http://www.hsc.org.nz/sites/default/files/publications/Gambling_Participation_final-web.pdf (page 14)

⁶ <http://www.health.govt.nz/system/files/documents/publications/problem-gambling-preliminary-findings.pdf>

⁷ http://www.health.govt.nz/system/files/documents/pages/national_gambling_study_report_2.pdf

⁸ <http://www.health.govt.nz/system/files/documents/pages/report-national-gambling-study-12-month-final-23-10-15.pdf>

gambling rates. The reasons for an increase or decrease in problem gambling are complex and multi-faceted, not simply the direct by-product of an increase or decrease in machine numbers.



27. The 2012 National Gambling Survey⁹ concluded that the prevalence of problematic gambling reduced significantly during the 1990s and has since stayed about the same. The report stated on pages 17 and 18:

Problem gambling and related harms probably reduced significantly during the 1990s but have since remained at about the same level despite reductions in non-casino EGM numbers and the expansion of regulatory, public health and treatment measures. Given that gambling availability expanded markedly since 1987 and official expenditure continued to increase until 2004, these findings are consistent with the adaptation hypothesis. This hypothesis proposes that while gambling problems increase when high risk forms of gambling are first introduced and made widely available, over time individual and environmental adaptations occur that lead to problem reduction.

28. Professor Max Abbott is New Zealand's leading expert on problem gambling. In 2006, Professor Abbott published a paper titled *Do EGMs and Problem Gambling Go Together Like a Horse and Carriage?* The paper noted that gaming machine reductions and the introduction of caps generally appear to have little impact on problem gambling rates. Professor Abbott noted:

⁹ http://www.health.govt.nz/system/files/documents/pages/national_gambling_study_report_2.pdf

EGM reductions and the introduction of caps generally appears to have little impact (page 1).

Over time, years rather than decades, adaptation ('host' immunity and protective environmental changes) typically occurs and problem levels reduce, even in the face of increasing exposure. (page 6).

Contrary to expectation, as indicated previously, although EGM numbers and expenditure increased substantially in New Zealand from 1991 to 1999, the percentage of adults who gambled weekly dropped from 48% to 40%. This is of particular interest because it suggests that greater availability and expenditure do not necessarily increase high-risk exposure. (page 14).

29. The introduction of a more restrictive policy is unlikely to reduce problem gambling, but will reduce the amount of funding available to Napier-based community groups. Problem gamblers are people who are addicted to gambling. If a new bar is established and the policy prevents that bar from hosting gaming machines, a person who is addicted to gambling will simply travel the short distance to the next bar that has gaming machines, or worse, may move to another form of gambling such as offshore-based internet and mobile phone gambling.

Temptation to Simply Reduce Gambling Activity

30. There may be a temptation to adopt a more restrictive policy to simply reduce the gambling spend as a whole. It must, however, be remembered that gambling is a lawful entertainment activity and that individuals in New Zealand remain free to make their own decisions as to how they spend their money on the lawful entertainment options that are available.
31. The Gambling Commission has been very critical of steps that have been taken in the past that have been aimed at reducing the gambling spend as a whole. In the Gambling Commission decision GC16/06, the Commission stated:

...measures should only be imposed if they reduce the harm caused by problem gambling, as distinct from simply reducing gambling activity which is a lawful and permitted activity under the Act.

Gaming Machine Funding

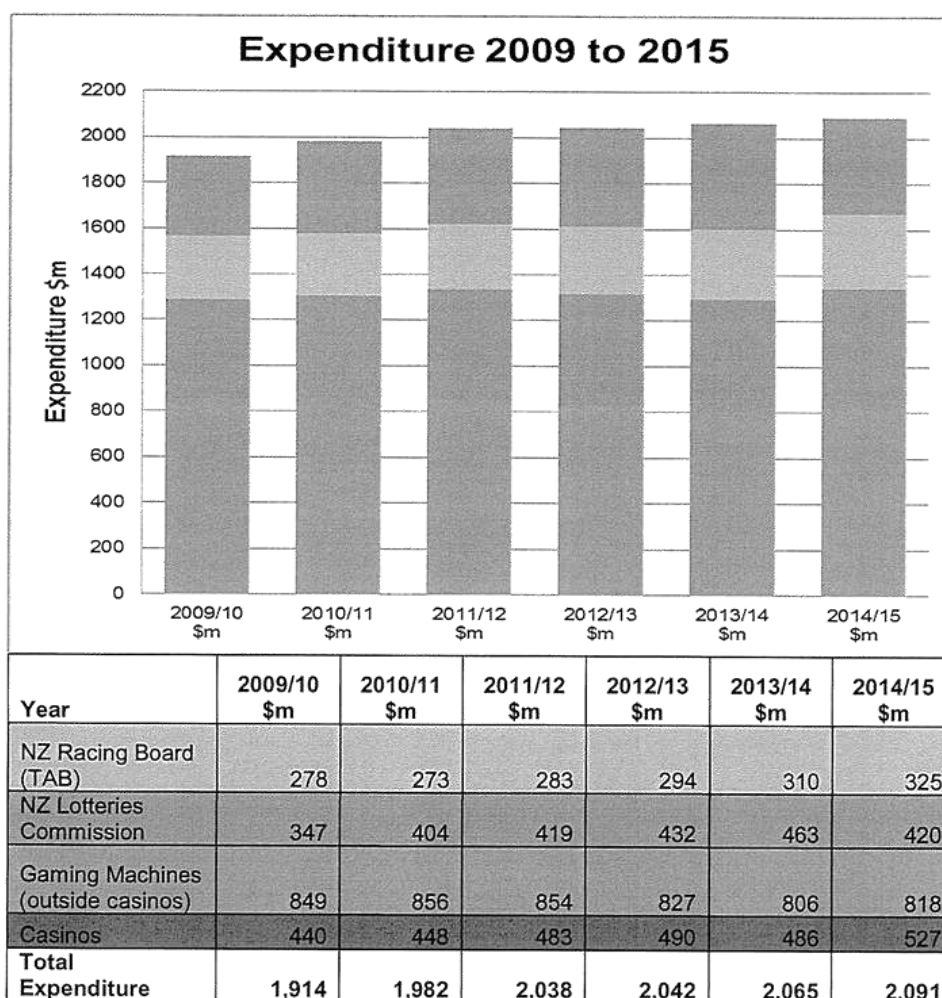
32. The Gambling Act 2003 seeks to balance the potential harm from gambling against the benefits of using gaming machines as a mechanism for community fundraising. Approximately \$300 million in grants are made each year from non-casino gaming machines. In addition to the external grants, clubs such as RSAs and Workingmen's

Clubs receive approximately \$50 million each year in gaming proceeds to assist with meeting the clubs' operating costs. This funding is crucial.

33. The annual total authorised purpose funding (including the non-published club authorised purpose payments) received from Napier-based venues is over \$6.9 million.

Unintended Consequences – Increase in Internet and Mobile Phone Gambling

34. Any reduction in the local gaming machine offering may have unintended consequences as this may simply lead to a migration of the gambling spend to offshore internet and mobile based offerings. While it is illegal to advertise overseas gambling in New Zealand, it is not illegal to participate in gambling on an overseas-based website or mobile phone application.
35. The internet is progressively becoming a normal feature of commercial and social exchange. In 2013, 51% of music sales in New Zealand were via an online download or online music streaming service. We all know of someone who has an addictive-like passion for the mobile and tablet game, Candy Crush. Candy Crush has been downloaded more than 500 million times worldwide. Candy Crush's addictiveness is evident by its revenue of \$US10 million a week.
36. The graph below shows the total gambling expenditure for New Zealand from 2009 to 2015.



37. The above data shows a downward trend for expenditure on non-casino gaming machines and an upward trend in the amount spent on TAB offerings and Lotteries Commission offerings. The total amount gambled from 2005 to date has remained reasonably steady. This data suggests that a reduction in gaming machine numbers reduces non-casino gaming machine expenditure, but not total gambling expenditure, i.e., it may promote a migration to other forms of gambling. Other forms of gambling have a lower return to players, and a lower return to the community.
38. Historically, overseas-based online gambling has not been available to people in lower socio-economic areas due to limited access to computers, the internet and limited access to credit cards. However, this has all changed. The internet is progressively becoming a normal feature of commercial and social exchange. A Nextbook Android 4.4 Tablet (with a 7 inch screen and Wi-Fi) can currently be purchased from the

Warehouse for a mere \$89.00. Today almost all cell phones include internet access and the ability to download apps. The introduction of Visa debit cards and Prezzly Cards mean that a bad credit rating is no longer a barrier to being able to spend money online or via mobile apps.

39. It now takes only a simple search and a few minutes to download to your computer, tablet or mobile phone any type of casino game you desire, including an exact replica of the gaming machine programs currently available in New Zealand venues. International Gaming Technology (an international provider of pokie machines with a New Zealand presence) has produced a 58 page brochure¹⁰ detailing their online and mobile offering. The catch phrase is *The Playing Field is Now Everywhere, Online and Mobile Gaming by IGT: It's a whole new game.*
40. On 28 April 2015, the Problem Gambling Foundation circulated a link to an article published on the Huffington Post site about the rise of gaming on smart phones. Excerpts from the article are below:



"Traditional" gaming companies are quickly moving from online gaming to online gambling and much of the latter is via a phone. Bandwidth is cheap, smartphones are ubiquitous: by 2016 it's estimated over 2 billion people will have smartphones.

...

Global revenues from online gambling via pure play sites like TitanBet are leading the fray. Online gambling is projected to be over \$35 billion this year, with mobile gambling estimated to be over \$100 billion by 2017.

Clearly, the market is moving from desktop connectivity to mobile, especially as Apple and Samsung continue to improve the size of their screens, making it much easier to access and utilize any type of gaming site.

...

There is too much reward baked in to smartphone gaming and I would wager by 2020 (or sooner) you will have to put up with that person next to you shouting bingo and possibly broadcasting a Periscope enabled hologram of a blackjack hand.

¹⁰ http://media.igt.com/marketing/PromotionalLiterature/IGT_Online_Mobile_Games_Portfolio.pdf

41. Without the need to cover GST and gaming duties, overseas-based gambling providers are able to attract customers from New Zealand with a comprehensive gambling offer. Due to the lower margins and costs, the overseas-based providers can engage in extensive advertising and provide large rebates to players.
42. Offshore-based online gambling, however, poses considerable risks because it:
 - is highly accessible, being available 24 hours a day from the comfort and privacy of your home;
 - has no restrictions on bet sizes;
 - has no capacity for venue staff to observe and assist people in trouble;
 - reaches new groups of people who may be vulnerable to the medium;
 - provides no guaranteed return to players;
 - is more easily abused by minors;
 - has reduced protections to prevent fraud, money laundering or unfair gambling practices. The most notable recent example was 'Full Tilt Poker', which is alleged by the US Attorney's Office to have diverted \$USD444m from customer accounts to its directors and shareholders, despite being regulated by the Alderney Gambling Control Commission (Guernsey); and
 - is unregulated, so on-line gamblers are often encouraged to gamble more by being offered inducements or by being offered the opportunity to gamble on credit. For example, many overseas sites offer sizable cash bonuses to a customer's account for each friend that they induce to also open an account and deposit funds.
43. If a reduction in gaming machines only redirects gamblers to offshore-based internet gambling, there is no harm minimisation advantage in that strategy. In addition, there are further disadvantages in the fact that no community funding is generated for New Zealanders, no tax revenue is generated for the New Zealand Government and no contributions are made via the New Zealand problem gambling levy.

Relocation Provision – Limit of Nine Machines

44. Clause 3.2 of the policy currently limits venues that relocate to a maximum of nine machines. Section 97A of the Gambling Act 2003 was inserted in September 2013. The new section encourages venues to relocate from undesirable areas to more desirable areas (such as the CBD) by expressly enabling venues to relocate and retain up to 18 machines.
45. Section 97A(2)(b) provides that the maximum number of gaming machines permitted to operate at a relocated venue is the same as the maximum number of gaming machines permitted to operate at the old venue immediately before the old venue licence was cancelled. Council is invited to amend clause 3.2 of the policy to mirror section 97A.
46. Encouraging relocation by allowing venues to retain their machine numbers has a number of benefits.
47. Allowing relocation enables gaming venues to move to new, modern, refurbished premises. Allowing local businesses to upgrade their premises and provide a more modern, attractive offering to the public helps to revitalise business districts, improves the local economy and encourages tourism.
48. The first venue to relocate under the amendments made to the Gambling Act 2003 was the Te Rapa Tavern in Hamilton. The photos below show the old rundown premises and the new modern premises. The redevelopment cost \$3,000,000.



The old Te Rapa Tavern



The new Te Rapa Tavern

49. A venue is sometimes required to relocate to adjacent premises due to its fixed lease coming to an end or public works acquisition. When it is clear that the same business

exists but has simply relocated a short distance, it is fair and reasonable for the policy to permit the venue to continue its current gaming machine operation.

50. Enabling relocation enables venues to move out of buildings that may be earthquake prone.
51. Currently, once a venue has obtained a licence to host gaming machines its value is artificially increased. This often leads to landlords demanding higher than normal rentals. Allowing full relocation prevents landlords demanding unreasonable rentals as it gives the venue operator the ability to relocate to an alternative venue.
52. Enabling relocation permits venues to re-establish after a natural disaster or fire.
53. Enabling relocation allows venues to move away from large premises, with large car parking areas, where such land may be better used for affordable high density housing.

Conclusion

54. It is acknowledged that Council needs to strike a balance between the costs and benefits of gaming machine gambling. It is accepted that a small percentage of people (0.5% of people aged 18 years and over) have a problem with their gambling (all forms of gambling). However, for the vast majority of people, casual expenditure on gaming machines is a form of entertainment that they participate in and enjoy, without any harm being caused. Gaming machines also provide a considerable amount of community funding (over \$6.9 million annually) to local community groups and clubs.
55. Gaming machine numbers are in natural decline, gaming machine revenue is naturally trending down and gaming machine participation is reducing. However, the harm minimisation measures that are now in place have never been higher. In light of the new regulations now in place, the proposed policy that allows for a small amount of future growth in the CBD, is entirely appropriate. The adoption of a more restrictive policy is unlikely to reduce problem gambling, but will reduce local community funding opportunities, and may encourage people to seek out other forms of gambling, including offshore-based internet and mobile phone-based gambling. This form of gambling is very harmful and provides no return to the local community and no contribution to employment, taxation and health services in New Zealand.

56. Council is invited to amend the relocation provision to allow a venue to retain its machine numbers following a relocation. Enabling venues to relocate and retain their machine numbers, removes the barrier which would otherwise prevent venues moving from undesirable areas to more desirable areas, and permits the gaming offering to move from rundown premises to new, modern, premises. Allowing full relocation also prevents artificially inflated rentals being charged and creates fairness in the event of public works acquisition or a natural disaster.
57. We wish to speak to our submission.



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12 April 2017



Submission to
Napier City Council
on the proposed
Class 4 Gambling Venue Policy

May 2017

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Executive summary

Community organisations rely on pub gaming to survive

The purpose of the pub gaming sector is to raise funds for the community. Many community sports, arts and other groups depend on pub gaming to survive. It is crucial that this fundraising system is sustainable long-term.

Funding to community organisations from gaming trusts reduced from \$389 million in 2004 to around \$260 million in 2016¹ – a decline of 33%. Seventy-five percent of groups surveyed in 2012 indicated their organisation is moderately or totally reliant on gaming funding to support their core business. Fifty-five percent said there would be a high to extreme risk to their organisation and their core business if they did not receive this funding.²

The reduction in gaming trust funding has had a negative impact on community organisations, with many organisations and activities ceasing to operate and others severely reduced in capacity and capability. Grassroots communities are struggling with few alternative sources for funding available to replace the loss of gaming funding. Voluntary organisations are increasingly reliant on nationwide public donation campaigns to stay afloat.

In the year 31 March 2017, NZCT alone returned over \$350,000 to the Napier district to support sports, community, educational, cultural and welfare organisations.

In the year to 30 June 2016, the gaming trust sector as a whole raised around \$260 million³ for thousands of worthwhile sports and community groups. The sector's contribution to the community through funding, in addition to the contribution to government revenue from GST, other taxes and levies, is acknowledged by the Government, prompting the current Class 4 review with its central focus on long-term sustainability of the funding model.

We anticipate that the Government will regulate to require gaming societies to return at least 80% of the net proceeds they generate to the region where the funds were raised. This means communities that do not operate gaming machines will be unlikely to receive gaming grants and their local sports and community groups will suffer. NZCT already aims to return a minimum of 80% of our funds locally.

The pub gaming sector has experienced a significant decline

During the last 10 years the pub gaming sector has experienced a significant decline. Department of Internal Affairs (DIA) statistics show that, between 31 December 2004 and 31 December 2016:

- the number of gaming venues reduced from 1,850 to 1,206 (a 35% reduction)⁴
- the number of gaming machines operating reduced from 22,231 to 16,148 (a 28% reduction)⁵
- pub gaming expenditure fell from \$1,328 million to \$843 million (a 36.5% reduction),⁶ translating to a decline of around \$129 million in funds available for distribution to the community.

¹ *Pokie Proceeds: Building Strong Communities*, DIA, 2016.

² Page iii, *Community Funding Survey*, Point Research 2012.

³ *Pokie Proceeds: Building Strong Communities*, DIA, 2016.

⁴ DIA statistics: https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Summary-of-Venues-and-Numbers-by-Territorial-AuthorityDistrict

⁵ Ibid.

⁶ DIA statistics: https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-Information-We-Provide-Gambling-Expenditure-Statistics

Council policies contribute to the decline in the pub gaming sector

One of the main contributors to the decline of the pub gaming sector is the inflexibility of council gambling policies, particularly those with sinking lids on gaming machine numbers and those that do not allow relocation of venues.

Such policies are based on the erroneous belief that limiting gaming machine numbers will limit problem gambling. In fact, despite the 26% reduction in gaming machine numbers during the past 10 years, New Zealand's problem gambling rate has remained consistently low at around 0.3% to 0.7% of the population. The New Zealand 2012 Gambling Study concluded "...there has probably been no change in the prevalence of current problem and moderate-risk gambling since 2006."⁷

Changes to the legislation have meant a higher minimum percentage of gaming machine profits must be returned to the community than previously (40% up from 37.12%), putting additional pressure on many gaming societies. This will force them to shed venues not contributing enough, given other cost pressures.

Online gambling is an unregulated threat

The public has access to a growing number of overseas gambling websites where they can spend their entertainment dollar. These sites are highly accessible, even to minors, often offer inducements to keep players betting, and have no bet size restrictions or guaranteed return to players. They do not return any funds to the New Zealand community or the New Zealand Government, and have no harm minimisation measures in place.

Location of gambling machines is more important than their number

Research⁸ suggests that when it comes to preventing and minimising gambling harm, the location of gaming machines is more important than the number of gaming machines operating. The Government acknowledged this point in 2013 when it amended the Gambling Act⁹ to require local authorities to consider adding relocation clauses to their gambling policies.

As well as harm minimisation benefits, relocation clauses provide sensible options for business owners who are otherwise at the mercy of building owners who know they have captive tenants. Relocation clauses also give councils more flexibility for re-zoning and city planning.

NZCT's recommendations

The New Zealand Community Trust recommends Napier City Council:

- maintain its existing policy to cap venues at 20 and gaming machines at 320 to allow for modest growth from current numbers (status quo)
- include the proposed clauses preventing venues locating in suburban commercial zones and limiting the number of venues in Taradale Suburban Zone to three to reduce the likelihood of harmful gambling

⁷ Page 7, *New Zealand 2012 Gambling Study: Gambling harm and problem gambling*.

⁸ *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

⁹ Section 97A and 102(5A).

- include a specific relocation clause, allowing businesses with gaming machines to relocate within the zones specified in the proposal to new premises in a wide range of circumstances (a suggested clause is included on page 14 of this submission).

Pub gaming's vital support for the community

In most countries, gambling is purely for commercial gain. New Zealand is different. We are one of the few countries with a community-focused model for pub gaming, where the proceeds are returned to the community instead of the private sector.

For every dollar a player wagers at an NZCT gaming room, on average:



Research¹⁰ shows that the annual entertainment value from the pub gaming sector to recreational players is around \$250 million. The government revenue in the form of tax, duties and levies was also substantial at over \$279 million in 2014.

Grants distributed by gaming machine trusts were 10% of the total philanthropic funding to the community and voluntary sector in 2011 and were at almost twice the level given by New Zealand businesses. In 2016, the amount of funds returned to the community from non-casino gaming grants was around \$260 million.¹¹ Class 4 societies are required to distribute a minimum return of 40% to the community, on top of government fees, levies and GST, site rental, and machine and operating costs (see the chart below showing NZCT's revenue distribution for the 2015/16 reporting period).

Each year the gambling industry pays around \$18.5 million to the government, so the Ministry of Health can implement its Preventing and Minimising Gambling Harm Strategic Plan. These funds pay for the implementation of public health services, intervention services, research, evaluation and workforce development.

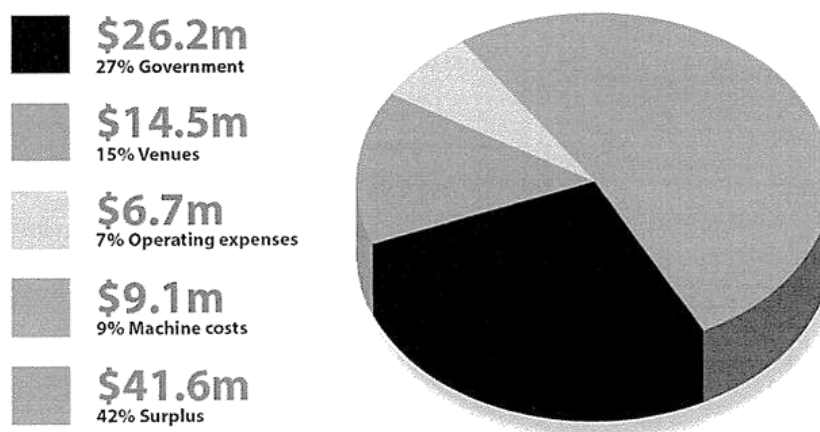
Pub gaming is tightly regulated and no more than 16% of gaming proceeds can be paid to gaming venue operators to cover site rental, including staff costs and business overheads relating to the gambling operation.

¹⁰ Maximising the benefits to communities from New Zealand's community gaming model, BERL, February 2013.

¹¹ Pokie Proceeds: Building Strong Communities, DIA Website, 2016.

NZCT's contribution to community sports and other groups in 2015/16

Where the money went



In the year ending 30 September 2016, NZCT distributed \$40.9 million to 1,821 sports and community groups.

Amateur sport is our main focus, so around 80% of the grants we distribute go to sports organisations. Each year, NZCT funds around 50 different sports.

In 2015, we funded the equivalent of:

- uniforms for 46,771 rugby teams (one uniform costs \$60)
- 2,806,236 footballs (one football costs \$15)
- 5,262 four-person waka (one waka costs \$8,000)
- more than 2.1 million hours – or 241 years – of coaching (one hour of coaching costs \$20)
- 28 artificial playing fields (one field costs \$1.5 million).

To raise this much money themselves, our grant recipients would have had to:

- cook and sell more than 21 million \$2 sausages at sausage sizzles and every person in New Zealand would need to buy and eat four sausages, or
- sell at least four \$2 raffle tickets to every man, woman and child in New Zealand each year, or
- wash around 8.4 million cars at \$5 a wash, which would take 10 people continuously washing cars for 30 minutes each more than 48 years to achieve.

Between 1 April 2016 and 31 March 2017, NZCT made the following grants to Napier sports and community organisations that illustrate the diversity of causes we support:

- Asthma Hawke's Bay – \$5,000
- Basketball Hawke's Bay – \$20,000
- Hawke's Bay Kayak Racing – \$7,500
- Nelson Park School – \$5,000

- Hawkes Bay Multiple Sclerosis Society – \$2,000
- Napier Group Riding for the Disabled Association – \$3,000

Full lists of Napier grants is in Appendix 2.

The pub gaming sector faces multiple, significant challenges

During the past 10 years the sector has experienced a significant decline.

- The number of gaming venues reduced from 1,850 to 1,206 (a 35% reduction).
- The number of gaming machines operating reduced from 22,231 to 16,148 (a 28% reduction).
- Pub gaming expenditure fell from \$1,328 million to \$843 million (a 36.5% reduction),¹² translating to a decline of around \$129 million in funds available for distribution to the community.

As at 31 December 2016, there are 19 Class 4 gaming venues operating 295 electronic gaming machines (EGMs) in Napier. This is a decline from the 31 venues operating 448 EGMs as at 31 December 2004. This is a 39% decline in venues and a 35% decline in EGMs, both of which are greater than the national declines stated above.

The Class 4 gambling sector is vulnerable to a number of ongoing cost pressures on what is an already-vulnerable hospitality sector. These may contribute to – or accelerate – its decline.

Increased minimum return to the community

In September 2014, regulations were promulgated that set a new minimum threshold for the return of gaming funds to the community. Societies must return a minimum of 40% of net proceeds, up from 37.12%. While NZCT achieved the 40% return in the year ending 30 September 2016, we have serious concerns about our ability to sustain this level of distribution due to other cost increases, such as the licence fee increase (see below).

We expect the minimum return rate of 40% will similarly put pressure on many gaming societies. Some societies are being forced to shed their lower-performing gaming venues to achieve this percentage return, given other cost pressures. Such venues are typically located in smaller centres. The 40% requirement may result in a lower overall dollar amount being returned to the communities through pub gaming grants. The Government's decision to limit the increase to 40%, rather than the proposed stepped increase to 42% over five years, recognised the potential for actual dollar returns to reduce under a higher percentage return.

In addition, the sector is awaiting regulatory changes that are expected to require gaming societies to return at least 80% of the net proceeds they generate to the region where the funds were raised. This means communities that do not operate gaming machines will be unlikely to receive gaming grants and their local sports and community groups will suffer.

¹² DIA statistics. See footnotes on page 3 for full references.

Licence fee increase

A 53% increase in Class 4 gambling licence fees was introduced on 1 February 2016. This increase added approximately \$1 million to NZCT's annual operating costs alone and has exacerbated the financial pressure imposed by the increased minimum return requirement of 40%.

Increased competition

During the past four years, other modes of gambling, such as casinos, Lotto products and the New Zealand Racing Board (NZRB), have seen revenue increases – Lotto by 33%. While the Lotteries Commission does return funds to the community, casinos' profits go directly to their shareholders and the majority of NZRB distributions are directed towards the racing industry.¹³ Many Lotto and NZRB products are available online and this area of their operation is growing, but the pub gaming sector is prohibited from operating online or otherwise promoting its offering.

In addition, the public has access to a growing number of overseas gambling websites where they can spend their entertainment dollar. These sites are highly accessible, even to minors, often offer inducements to keep players betting, and have no bet size restrictions or guaranteed return to players. They do not return any funds to the New Zealand community or the New Zealand Government, and have no harm minimisation measures in place.

The 2010 Health and Lifestyles Survey found that 19% of survey participants played an internet game for money through an overseas website.¹⁴ According to the Problem Gambling Foundation, the problem gambling rate among those who gamble on the internet is 10 times higher than that of the general population.¹⁵ We expect this form of unregulated gambling will increase exponentially.

Strict compliance requirements

The pub gaming sector is closely monitored by the DIA to ensure it complies with a complex regime of rules and regulations in addition to the Gambling Act. The resources needed to meet these compliance thresholds can be prohibitive and could explain why some people and organisations are leaving the sector.

One-off costs

One-off costs have been, and will continue to be, a challenge for societies. These include any new technological requirements imposed by regulations in the future, such as pre-commitment, player tracking or harm minimisation systems in, or associated with, gaming machines.

For example, the introduction of new bank notes in 2015 and 2016 required gaming societies to upgrade gaming machine software and hardware at significant cost. For NZCT, the cost of this project was around \$1 million. By 2 December 2015 all gaming machine jackpots had to be downloadable. Each conversion from a manual to a downloadable jackpot cost between \$3,000 and \$20,000 per venue. Based on the number of venues (1,220¹⁶) at the time, this project added a cost burden to the sector of between \$3.66 million and \$24.4 million. As a result of these two projects, gaming societies had fewer funds available for distribution to the community in the 2014/15 and 2015/16 years.

¹³ Page 6, NZRB *Annual Report 2016* reports \$135.3 million total distributions, of which only \$3 million (2.2%) was directed to sporting causes other than racing.

¹⁴ Page 16, http://archive.hsc.org.nz/sites/default/files/publications/Gambling_Participation_final-web.pdf.

¹⁵ Problem Gambling Foundation Fact Sheet 04, July 2011.

¹⁶ DIA statistics.

The Government's response

In a media statement on 15 October 2015 relating to the passing of the Gambling Amendment Act (No.2), the Minister of Internal Affairs acknowledged the value of pub gaming grants and the need to ensure the sustainability of this funding model long-term. The sector is currently the subject of a major government review with a focus on long-term sustainability and effective allocation of funding to communities, without driving a growth in gambling.¹⁷

¹⁷ Discussion document: Review of class 4 gambling, Department of Internal Affairs, June 2016.

NZCT's position

In the following pages, we provide five reasons why we advocate for gaming venues to be allowed to relocate to new premises in a broad range of circumstances. We also provide six reasons for moving to a cap-based limit on gaming machines, rather than a sinking lid policy.

Reasons to allow gaming operations to relocate in a broad range of circumstances

Helping reduce harm

Research¹⁸ by Auckland University of Technology shows that problem gambling behaviour is influenced more by the distance to the nearest gambling venue, rather than the number of gambling venues within walking distance.

The Ministry of Health's 2013 Gambling Resource for Local Government acknowledges this point and states that one of the major factors associated with increased prevalence of problem gambling is "location and/or density of gambling venues and machines".¹⁹ The Ministry of Health also found "being a problem gambler is significantly associated with living closer to gambling venues."²⁰ Allowing gaming operations to move out of high-deprivation areas could potentially diminish gambling harm for at-risk communities.

Supporting local hospitality businesses

Relocation clauses help ensure the continual improvement and growth of your local hospitality sector. Rather than tying gaming operations to a physical address, which may over time become a less desirable location, relocations allow gaming operators to move their business to more suitable premises. This is particularly important if premises are deemed unsafe or unusable for a lengthy period of time, such as after a fire or earthquake. The result is attractive and safe entertainment environments in your community.

Responding to future demand

Broad relocation clauses help gambling venue policies accommodate urban growth, re-zoning changes or changes in population demographics. This is not possible while gambling machine entitlements are linked to a physical address.

The DIA recommended relocation policies as a way of allowing territorial authorities to future-proof their class 4 gambling policies.²¹

Allowing appropriate benefit and responsibility

Gaming machine entitlements sit with the property at a physical address, yet property owners are not regulated under the Gambling Act. In effect, the property owner holds the power, but has no responsibility for the gambling operation, unless they are also the operator of the site.

A broad relocation clause distributes the benefit and responsibility more fairly, enabling the gambling operator to choose where they wish to establish their business. A building owner could hike rents and ignore building maintenance because they know they have a captive tenant. In contrast, having a broad

¹⁸ *Brief Literature Review to Summarise the Social Impacts of Gaming Machines and TAB Gambling in Auckland*, Gambling & Addictions Research Centre, AUT University, 2012.

¹⁹ Page 21, *Ministry of Health Gambling Resource for Local Government*, 2013.

²⁰ *Ibid.*

²¹ *Internal Affairs Policy Briefing 3: Options for improving territorial authority gaming machine policies*, 28 March 2013.

relocation clause incentivises building owners to maintain and upgrade their premises to attract and retain high-quality tenants.

Parliament's directive is being acknowledged by other councils

Of the local authorities that completed a gambling venue policy review in 2015, 2016 or 2017, all but one have included a relocation option or explicit clause in their new policy.

This reflects legislative change in September 2013, which required councils beginning a review of their gambling policy for the first time following the Gambling Act amendment to consider introducing a relocation clause (section 102(5A)).

| Council | Submissions made | Review result |
|-------------------|------------------------|--|
| Thames Coromandel | March 2015 | Added relocation option |
| Wellington City | May 2015 | Added relocation option |
| Hutt City | June 2015 | Added relocation clause |
| Westland | May 2015 | Added relocation option |
| Kaipara | June 2015 | Added relocation option |
| Invercargill City | July 2015 | Added relocation option |
| Waipa | August 2015 | Added relocation option |
| Waitaki | September 2015 | Added relocation option |
| Gisborne | November 2015 | Added relocation option |
| Whakatane | April 2016 | Added relocation clause |
| Matamata-Piako | April 2016 | Added relocation clause |
| Southland | July 2016 | Added relocation option |
| South Taranaki | August 2016 | Added relocation option |
| Palmerston North | October 2016 | Existing relocation option remains unchanged |
| Tasman | No public consultation | No relocation clause added |

NZCT's proposed relocation clause

Napier City Council's current gambling venues policy does not provide for a broad relocation clause as allowed for under section 101(3)(c) of the Gambling Act 2003. We recommend that the policy allow for relocation of venues in a wide variety of situations, for example, when an operator would like to move to newer or better maintained premises, when a change in population demographics alters the suitability of the current location, or when a building owner charges exorbitant rents.

We suggest a suitable clause:

A new venue consent will be issued by Council in the following circumstances:

- (a) *where the venue is intended to replace an existing venue within the district;*
- (b) *where the existing venue operator consents to the relocation; and*
- (c) *where the proposed new location meets all the other requirements in this policy.*

In accordance with section 97A of the Gambling Act 2003, when consent is sought to relocate a venue under this relocation provision, the new venue may operate up to the same number of

machines that was permitted to operate at the old venue immediately before the old venue licence is cancelled as a result of the relocation.

Reasons to maintain the policy of a cap on machine numbers

Gaming machines are an important component of your local hospitality sector and an important source of community funding

Local hospitality sector

Businesses that host gaming machines are typically pubs and hotels. NZCT has one active gaming venue operating in the Napier City Council area – The Water Bar at 10 West Quay – and one former venue (@ Our Place). In the 18 months to 31 March 2017, these venues returned \$747,702 to the community, representing 42.7% of their net profit.

These businesses also contribute to your local economy, employing staff and providing hospitality options for residents and tourists.

Community funding

Between 1 April 2016 and 31 March 2017, NZCT approved 48 grants totalling \$352,169 to organisations in Napier. NZCT's primary purpose is to support amateur sport, so most of these grants went to local sports clubs. However, NZCT also granted funds to schools, health and welfare, and community organisations.

Grants we have awarded recently include \$10,000 to Greendale Tennis Club towards resurfacing their tennis courts, \$5,000 to Nelson Park School towards replacement surface matting for the playground and \$15,000 to Tamatea High School to restore their gym floor. These are some of the many infrastructure projects we are keen to fund that provide long-term benefits to a club or community.

We have probity processes we go through with every grant application to ensure the applicant is authentic and able to deliver the outcomes detailed in their grant application, and that any goods or services to be paid for by the grant are at arm's length and free from any conflicts of interest.

A full list of our grants to Napier is in Appendix 2.

Regional funding

Between 1 April 2016 and 31 March 2017, NZCT approved 31 grants totalling \$548,733 to organisations that cover the whole Hawke's Bay region, many of which provide benefits to residents in Napier. Again, most of these grants were for amateur sports purposes. We often fund sports officers' salaries as these roles are pivotal to the success of regional sporting programmes and events. For example, we contributed:

- \$3,000 to Napier Group Riding for the Disabled Association towards the wages of two Assistant Coaches and a Head Coach
- \$30,000 to Basketball Hawke's Bay towards the salary of an Officials Development Officer and Operations Manager
- \$1,000 to Bowls Napier towards the wages of a Trainee Greenkeeper
- \$15,000 to Hawke's Bay United Football towards salaries for a General Manager, and Goalkeeper, Head and National Youth League Coaches

- \$20,000 to Regional Indoor Sports and Events Centre Trust towards the salary of a General Manager
- \$7,500 to Hawke's Bay Kayak Racing towards the salary of a Senior Coach.

Full details of our funding across the Hawke's Bay region are in Appendix 2.

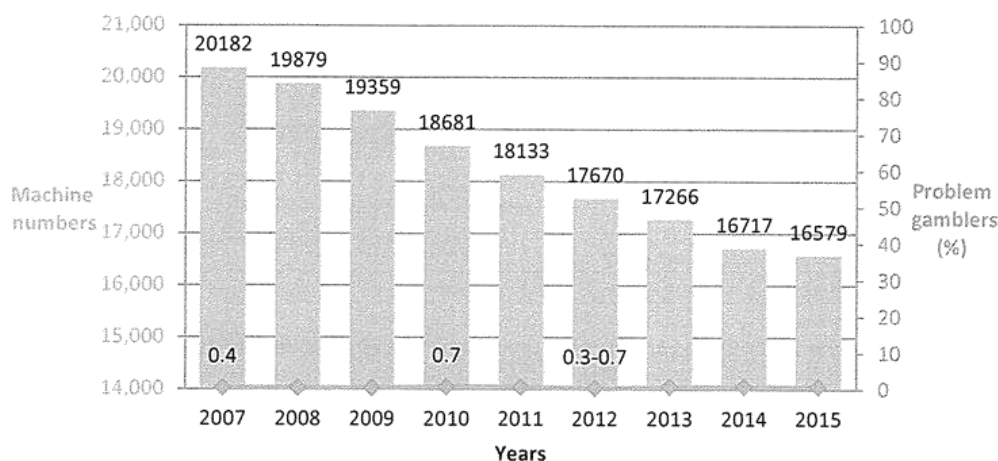
Difference between pub gaming societies, and clubs and NZRB

The pub gaming model differs from the gaming run at clubs like RSAs and in New Zealand Racing Board (NZRB) venues. Those entities are able to apply the funds they raise to their own purposes, for example, maintaining clubrooms or funding race meetings. In its 2016 annual report, NZRB advised its distributions totalled \$135.3 million to the three racing codes and only \$3 million to other sports codes. In contrast, Class 4 societies like NZCT distribute all net proceeds to the community.

Gaming machine numbers have little effect on problem gambling numbers

It is misleading and wrong to assume that fewer gaming machines will result in fewer problem gamblers. A gambling addiction is a complex psychological condition, which is influenced by many factors. As shown in the graph on the next page, a reduction of nearly 4,000 gaming machines across the country between 2007 and 2015 has had almost no impact on the small percentage of problem gamblers nationally.

Gaming machine numbers and problem gambling prevalence 2007–2015:



Note: In the 2006/07 Ministry of Health NZ Health Survey, 0.4% of the population were categorised as problem gamblers using the Problem Gambling Severity Index (PGSI). In the 2010 Health and Lifestyles Survey, the rate increased to 0.7%. In the preliminary findings from the 2012 New Zealand Health Survey, the rate was 0.3% of the population, but the 2012 National Gambling Survey found the rate was 0.7% of people aged 18 years and over.

Gaming machines are a legal and valid entertainment choice

Pub gaming is a valid and enjoyable source of entertainment for Napier residents and tourists alike. Most players regard gaming as light entertainment and know when to stop. The Gambling Commission has reminded councils and the regulator that "... conditions can only properly be imposed if they reduce the harm caused by problem gambling, as distinct from simply reducing gambling activity which is a lawful and permitted activity under the Act."²²

We recognise that Napier City Council aims, through its Long-term Plan, to balance the needs of visitors and residents while achieving economic development. We support this objective and believe a vibrant hospitality sector is a vital part of achieving this outcome.

Pub gaming brings many benefits to New Zealand. Business and Economic Research Ltd research²³ has calculated that each year the entertainment value to recreational players is around \$250 million, the grants value to the community is also around \$250 million, and the Government revenue value in the form of tax, duties and levies is around \$279 million.

Problem gambling rates have plateaued

The New Zealand 2012 National Gambling Study found that the number of people who regularly participate in continuous forms of gambling, like gaming machines, decreased from 18% in 1991 to 6% in 2012.²⁴ The study concluded that "Problem gambling and related harms probably reduced significantly during the 1990s but have remained at about the same level despite reductions in non-casino EGM

²² Gambling Commission decision GC 03/07.

²³ *Maximising the benefits to communities from New Zealand's Community Gaming Model*, BERL, February 2013.

²⁴ Pg 8, *NZ 2012 National Gambling Study: Overview and gambling participation*.

[electronic gaming machine] numbers and the expansion of regulatory, public health and treatment measures.”²⁵

Prevalence of gambling by level of risk of gambling problems:²⁶

| Problem gambling level | 2006/07 | 2011/12 |
|------------------------|---------|---------|
| No gambling | 34.9% | 47.9% |
| Recreational gambling | 59.9% | 49% |
| Low-risk gambling | 3.5% | 1.8% |
| Moderate-risk gambling | 1.3% | 1% |
| Problem gambling | 0.4% | 0.3% |

Preliminary results from the 2016 Health and Lifestyle Survey indicate there has been no increase in the overall prevalence of problem gambling from 2014 to 2016. The planned national gambling survey for 2017 will indicate whether this downward trend has been sustained. When taking into account population growth from 2014 to 2016, the preliminary results indicate there has been no significant increase in the numbers of people who meet the criteria for problem gambling.²⁷

Problem gambling rates in New Zealand are relatively low

NZCT is committed to reducing and minimising the harm that can be caused by gambling. Thankfully, as can be seen in the table below, New Zealand has one of the lowest rates of problem gambling in the world.²⁸ Relatively few New Zealanders are gambling at levels that lead to negative consequences; the majority of people who gamble know when to stop.

International comparison of problem gambling prevalence:

| Country | Problem gambling prevalence (% population*) |
|--|---|
| New Zealand | 0.3–0.7 |
| UK | 0.6 |
| Norway | 0.7 |
| Australia | 0.5–1.0 |
| USA | 2.3 |
| Canada | 2.6 |
| *Mixture of CPGI, PGSI and SOGS scores ²⁹ | |

Gaming machines can only be played in strictly controlled environments

As a corporate society licensed to conduct Class 4 gambling, NZCT is fully aware of its obligations under the Gambling Act 2003. All our gaming rooms are operated by trained staff at licensed venues.

²⁵ Pg 18, *ibid*.

²⁶ 2006/07 New Zealand Health Survey, 2011/12 New Zealand Health Survey preliminary findings.

²⁷ DIA media release: <http://livenews.co.nz/2017/04/21/new-zealand-gaming-pokie-spending-patterns-continue/>

²⁸ *Maximising the benefits to communities from New Zealand’s community gaming model*, BERL, February 2013.

²⁹ A range of different measurements are available to measure problem gambling rates. CPGI refers to the Canadian Problem Gambling Index, PGSI is the Problem Gambling Severity Index and SOGS is the South Oaks Gambling Screen.

The DIA is responsible for monitoring the Class 4 gambling industry, including venue 'key persons', bar staff and societies, to ensure they adhere to legislative requirements. The penalties for non-compliance include fines, suspensions, loss of operating or venue licence and potential criminal charges.

Strict harm minimisation obligations

A key purpose of the Gambling Act is to prevent and minimise the harm that can be caused by gambling, including problem gambling. To that end, in all Class 4 gambling venues:

- stake and prize money is limited
- odds of winning must be displayed
- gaming rooms are restricted to people over the age of 18 years
- gaming rooms can only be operated in adult environments, such as pubs, nightclubs, clubs
- play is interrupted every 30 minutes with an update on how long the player has been at the machine, how much money they've spent, and their net wins and losses
- \$50 and \$100 notes are not accepted
- no ATMs are allowed in licensed gambling areas
- gaming advertising is prohibited
- the DIA monitors every gaming machine's takings
- syndicated play is prohibited
- all venues must have staff trained in gambling harm minimisation on duty whenever gaming machines are operating
- all venues must have a gambling harm minimisation policy in place
- all venues must display pamphlets and signs directing gamblers to help services
- venue staff must be able to issue and enforce Exclusion Orders
- venue staff must help problem gamblers if they have an ongoing concern about them.

NZCT's harm minimisation activities

NZCT takes all its legal obligations very seriously, none more so than those around minimising the harm that can be caused by gambling. To meet our harm prevention and minimisation requirements, NZCT provides a problem gambling resource kit to each of its gaming venues. The kit includes:

- NZCT's Harm Prevention and Minimisation Policy
- Exclusion Orders and guidance on the Exclusion Order process
- a Harm Minimisation Incident Register to record any problem gambling issues and action taken by staff
- signage, pamphlets and other problem gambling resources.

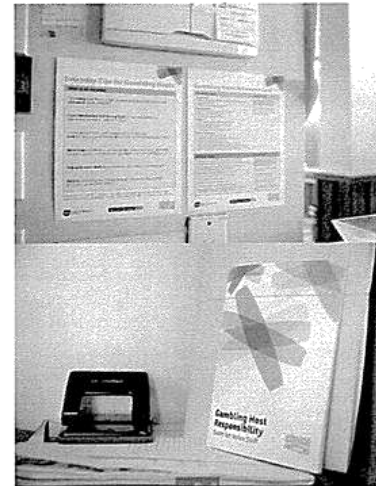
NZCT also provides all its gaming venues with harm minimisation signs to display in and around the gaming area.



Ongoing obligations

The Gambling Act obliges venue staff to provide ongoing help to a potential or current problem gambler. Offering help once, and then ignoring continued warning signs, is not sufficient. A venue is automatically in breach of the law if an excluded person enters the gambling area. Venues have to be able to show they have robust systems and processes in place that restrict excluded people from entering.

In late 2015 the Health Promotion Agency (HPA) developed a resource kit specifically to help pub staff interact with and help players. HPA interviewed 34 venue staff across the country to find out what barriers and challenges they face when interacting with gaming customers and what support they would find useful. They used this information to produce material that aims to make these interactions easier.



The kit includes posters that staff can refer to when talking to customers, a wallet card that can be given to customers, and guidelines and tips that bar staff can refer to when scanning for issues.

Training

NZCT provides face-to-face and online problem gambling training to staff at each of its gaming venues and trains over 500 staff a year.

Trainers deliver a presentation on problem gambling and take staff members through each part of the problem gambling resource kit in detail. Venue staff also have to work through an online training tool, which includes an assessment that they must pass. Refresher training is provided at regular intervals. Gaming venues are continually reminded of their obligation to ensure a person trained in harm minimisation is on duty at all times the venue is operating.

Support is available for problem gamblers

Each year the gambling industry pays around \$18.5 million to the government in the form of a problem gambling levy, so the Ministry of Health can implement its Preventing and Minimising Gambling Harm Strategic Plan (PMGH). These funds pay for the implementation of public health services, intervention services, research, evaluation and workforce development.

Encouragingly, two of the findings from the inaugural PMGH baseline report were that problem gambling services are effectively raising awareness about the harm from gambling, and interventions for gambling-related harm are moderately accessible, highly responsive and moderate to highly effective.³⁰

It is also pleasing to note that the world's largest clinical trial³¹ for problem gambling treatment found that, one year after calling the Gambling Helpline, three-quarters of callers had quit or significantly reduced their gambling. This research provides a level of assurance for local communities, councils and the government.

³⁰ Page 16, *Outcomes Framework for Preventing and Minimising Gambling Harm Baseline Report*, May 2013.

³¹ *The Effectiveness of Problem Gambling Brief Telephone Interventions*, AUT, Gambling & Addictions Research Centre.

Further information about our submission

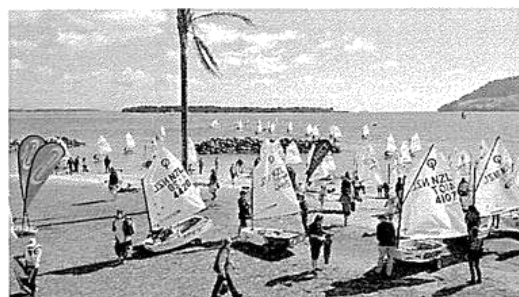
For further information, or if you have any questions about NZCT's submission, contact Tanya Piejus, Communications Manager on (04) 495 1594 or tanya.piejus@nzct.org.nz.

Appendix 1 – About NZCT

Established in 1998, NZCT is New Zealand's largest gaming trust with 16% market share. Our publicans raise funds by operating gaming lounges within their pubs. In the 12 months to 30 September 2016, NZCT approved \$40.9 million in grant funding to sporting, local government and community groups nationwide.

We have twin goals of serving both our publicans and the communities in which they operate. At least 80% of the funds we distribute are directed towards sports activities, making NZCT the largest funder of amateur sports participation in New Zealand. We focus on sport because of the many positive benefits it offers communities, such as:

- crime reduction and community safety
- economic impact and regeneration of local communities
- education and lifelong learning
- participation
- physical fitness and health
- psychological health and wellbeing
- social capital and cohesion.³²



Overseas research³³ has found participation in sport can lead to increased health and productivity for individuals, and increased wealth or wellbeing of society as a whole. While amateur sport is our main focus, we are also strong supporters of other worthy community activities, including local government projects. The list of grants appended to this submission shows the local organisations that have benefited from NZCT funding recently.

Who we are

We are proud of our robust grants system and of the quality of people involved with NZCT. All our trustees³⁴ are highly regarded business and community leaders with extensive governance experience. They are supported by an experienced staff and nine Regional Advisory Committees (RACs) who add local knowledge and insight to our grant decisions.

Our Horizons RAC member who covers Hawke's Bay, Gerard Gillespie, reviews and makes recommendations on grant applications submitted by organisations in your region. Gerard has a strong interest in sport and wide networks that enable him to provide funding recommendations based on local feedback.

³² Sport England's Value of Sport Monitor.

³³ http://www.ausport.gov.au/information/asc_research/publications/value_of_sport.

³⁴ Alan Isaac (NZCT chairman, professional director and sports administrator), Peter Dale (former Hillary Commission chief executive), David Pilkington (professional director), Kerry Prendergast (former mayor of Wellington) and Lesley Murdoch (Olympian and former New Zealand cricket captain, broadcaster).

Appendix 2: NZCT Napier local and Hawke's Bay regional grants

Between 1 April 2016 and 31 March 2017, NZCT approved 48 grants to the value of \$352,169 to sports and community groups in Napier. We also approved 31 grants totalling \$548,733.31 to Hawke's Bay regional organisations, many of which provide benefits to Napier residents.

| Organisation | Amount | Purpose |
|---|----------|--|
| Asthma Hawke's Bay (Asthma & Respiratory Services HB Trust) | \$5,000 | Towards wages of Mobile Respiratory Nurse Educator from May 2016 |
| Hawke's Bay Kayak Racing | \$5,000 | Towards coaching from 15 April 2016 |
| Cruizers Netball Club | \$1,000 | Towards netball equipment |
| Napier Pirate Rugby and Sports Club | \$1,000 | Towards medical equipment and strapping |
| Hawke's Bay Multiple Sclerosis Society | \$2,000 | Towards club rental and salary of Fieldworker from 15 April 2016 |
| Napier Group Riding for the Disabled Association | \$3,000 | Towards wages of two Assistant Coaches and Head Coach from May 2016 |
| Hawkes Bay Wheelchair Sports Club | \$1,340 | Towards accommodation costs to attend a tournament in Wellington in July 2016 |
| Napier Sailing Club | \$1,000 | Towards beach trolleys for junior members |
| Greendale Tennis Club | \$10,000 | Towards resurfacing of tennis courts |
| Tamatea High School | \$15,000 | Towards restoration of gymnasium floor |
| Napier Old Boys Marist Rugby Football | \$2,000 | Towards strapping tape and bus hire for women's rugby team to travel to Waipukurau on 18 June 2016 |
| Basketball Hawke's Bay | \$10,000 | Towards salary of Officials Development Officer from June 2016 and accommodation and vehicle hire for U17 rep team competing in BBNZ Nationals in North Shore, July 2016 |
| Napier Marist Football Club | \$3,000 | Towards playing uniforms |
| Port Hill United Football Club | \$20,000 | Towards purchase and install new lights at training ground |
| Maraenui Golf Club | \$10,000 | Towards the purchase of an irrigation computer system programme |
| Taradale Softball Club | \$2,500 | Towards batting cage |
| Bowls Napier | \$1,000 | Towards wages of Trainee Greenkeeper from August 2016 |
| Basketball Hawke's Bay | \$20,000 | Towards salary of Operations Manager from August 2016 |
| Napier Technical Old Boys' Football Club | \$3,000 | Towards Club Administrator's Contract Fee from September 2016 |
| Napier Operatic Society | \$10,000 | Towards installation of air conditioning |
| Napier Technical Old Boys' Cricket Club | \$7,400 | Towards purchase of new bowling machine |
| Eskview Tennis Club | \$10,000 | Towards tennis court upgrade |
| Westshore Surf Lifesaving Club | \$5,000 | Towards the purchase of three (3) new Dolphin Rescue/Competition Paddleboards |

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| | | |
|--|------------------|---|
| Hawke's Bay United Football | \$15,000 | Towards salaries for General Manager; Goalkeeper, Head and National Youth League Coaches; office rental; facility hire and physiotherapy |
| Tamatea Intermediate | \$6,000 | Towards accommodation and activities for Year 8 Camp in Taupo |
| Taradale Cricket Club | \$3,000 | Towards contractor fee for senior cricket coaching 2016/17 season |
| Hawke's Bay Filipino Sports Club Incorporated | \$1,000 | Towards annual venue hire for Basketball |
| Regional Indoor Sports and Events Centre Trust | \$20,000 | Towards salary of General Manager |
| Hawke's Bay Kayak Racing | \$7,500 | Towards Senior Coach |
| Nelson Park School | \$5,000 | Towards replacement safety surface matting for school playground |
| Napier Aquahawks Swim Club | \$3,050 | Towards costs of timing equipment, finish gantry and barrier hire for 2017 Napier Port Ocean Swim held 18 February |
| Napier Pirate Rugby and Sports Club | \$2,000 | Towards costs of van hire and accommodation for National Club Rugby 7's Tournament held 4-5 Feb 2017 |
| Napier Free Kindergarten Association | \$6,000 | Towards costs for stage 2 playground safety matting upgrade |
| Napier City Council | \$2,800 | Towards sound system for New Year's Eve event |
| Napier Group Riding for the Disabled Association | \$5,000 | Towards salary for Head Coach, Assistant Coach and Assistant Coach/Group Administrator |
| Hawke's Bay Canoe Club | \$5,384 | Towards two new canoes |
| Napier Age Concern | \$2,000 | Towards rental of activities room |
| Regional Indoor Sports and Events Centre Trust | \$10,000 | Towards costs of replacement safety mats for entry and exit points at Pettigrew Green Arena |
| Napier Sailing Club | \$8,000 | Towards a coaching boat and accessories |
| Napier City Rovers AFC | \$5,000 | Towards salary of Head Coach |
| Sport Hawke's Bay | \$50,000 | Towards salaries for KiwiSeniors Coordinator and Recreation Team Leader, Kiwi Senior Coordinator and Recreation Team Leader, 2015 KiwiSeniors Coordinator, Recreation Team Leader |
| Haeata Ocean Sports | \$7,500 | Towards two waka ama |
| Napier Technical Old Boys' Cricket Club | \$5,000 | Towards contract fee for Junior Administration and Coaching |
| Pacific Surf Life Saving Club | \$4,850 | Towards equipment |
| Taradale Cricket Club | \$3,500 | Towards costs of ground fees for 2016/17 season |
| Basketball Hawkes Bay | \$9,880 | Towards salary for Development Officer |
| Napier Old Boys Marist Cricket Club | \$2,500 | Towards costs of ground fees for 2016/17 season |
| Napier Old Boys Marist Rugby Football | \$965 | Towards accommodation to attend the Spillane Tournament in Palmerston North |
| Total | \$352,169 | |

| Organisation | Amount | Purpose |
|---|-----------|--|
| Hawkes Bay Netball Centre | \$70,000 | Towards salaries of Administrator, Dev Officer, Junior Coordinator, Operations Mgr, Officials Mgr from 15 April 2016 |
| Hawkes Bay Hockey Association | \$3,500 | Towards flights and vans hire for U18 Rep Teams travelling to Invercargill and Timaru for their National Hockey Tournament in July 2016 |
| Hawkes Bay Cricket Association | \$6,000 | Towards salary of CEO and Women's Development Contract from July 2016 |
| Hawkes Bay Hockey Association | \$10,000 | Towards Hockey Community Manager from July 2016 |
| Volleyball Hawkes Bay | \$2,000 | Towards playing uniforms |
| Hawkes Bay Rugby Football Union | \$5,000 | Towards salaries of Administrator and Gear Custodian from August 2016 Administrator |
| Hawkes Bay Netball Centre | \$10,000 | Towards costs associated with hosting Court in the Bay netball festival in Hastings, 30 September-1 October 2016 |
| Hawkes Bay Rugby Football Union | \$10,000 | Towards travel for U14 and secondary girls team to various tournaments in August/September 2016 and salaries of Club and Schools Officer and Rugby Development Officer from September 2016 |
| Marching Hawkes Bay Association | \$500 | Towards venue hire only (excludes registration fees) |
| Hawkes Bay Hockey Association | \$8,300 | Towards salary of Administration Manager |
| Hawkes Bay Rescue Helicopter Trust | \$50,000 | Towards cost of monthly lease for helicopter |
| Golf Hawkes Bay & Poverty Bay Women | \$1,500 | Towards travel and accommodation to attend Interprovincial Golf tournament in New Plymouth |
| Swimming Hawkes Bay Poverty Bay | \$8,000 | Towards travel and accommodation for Hawkes Bay/Poverty Bay swimmers to NZ Division II Championships in Rotorua on 5-8 March 2017 |
| Central Districts Cricket Association | \$100,000 | Towards playing uniforms, 8x development programme costs and 1x tournament participation cost (excluding catering) |
| Hawkes Bay Hockey Association | \$10,000 | Towards salary for Hockey Community Manager |
| Volleyball Hawkes Bay | \$15,200 | Towards salary for Operations Manager |
| Squash Eastern | \$9,000 | Towards salary of District Administrator |
| Hawkes Bay Rugby Football Union | \$20,000 | Towards purchase of gym equipment |
| Tennis Eastern | \$453.91 | Towards cost of van hire, accommodation, entry fees and team uniforms for TNZ National Junior Teams Event 7-15 Jan 2017 |
| Hawkes Bay Land Search and Rescue | \$5,000 | Towards purchase of a portable VHF radio repeater and antenna |
| Marching Hawkes Bay Association | \$1,500 | Towards airfares to attend National Marching Championships in Invercargill |
| Hawke's Bay Multisports Club (Trading as Triathlon Hawke's Bay) | \$5,000 | Towards costs of electronic safety/timing and safety barriers for Tremains Community Triathlon held 19 March 2017 (excludes gantry) |
| Hawkes Bay Cricket Association | \$6,000 | Towards salary of CEO |

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| | | |
|--|---------------------|--|
| No 4 District Federation of NZ Football - Central Football | \$80,000 | Towards salaries of Football Development Manager and Football Development Officer from May 2016 |
| Rugby League Hawke's Bay | \$1,900 | Towards vehicle hire Junior Representative Unicorn 15's and 17's to travel to Hawera, Taranaki, and play in the NZMRL Rangatahi Tournament |
| No 4 District Federation of NZ Football - Central Football | \$80,000 | Towards salaries of Operations Managers from 3 June 2016 |
| No 4 District Federation of NZ Football - Central Football | \$22,142 | Towards travel and accommodation for National Age Group Tournament 2016 |
| No 4 District Federation of NZ Football - Central Football | \$55,000 | Towards salaries for Football Development Officers in Hawke's Bay and Poverty Bay |
| Volleyball Hawkes Bay | \$2,000 | Towards van hire, accommodation and entry fees for Volleyball New Zealand 2017 Inter-provincial Championships held 2-4 June 2017 in Wellington |
| Tennis Eastern | \$737.40 | Towards van hire and accommodation for Intra-regional Rosebowl Event held 8-9 April 2017 in Rotorua |
| Hawke's Bay Hockey Association | \$5,000 | Towards salary for Hockey Community Manager |
| Total | \$548,733.31 | |

2. SET PARKING FEES AND CHARGES - 292 HASTINGS STREET

| | |
|--|--|
| Type of Report: | <i>Operational</i> |
| Legal Reference: | <i>Traffic Regulations, Parking Control Bylaw 2008</i> |
| Document ID: | <i>374136</i> |
| Reporting Officer/s & Unit: | <i>Hayleigh Brereton, Manager Regulatory Solutions</i> |

2.1 Purpose of Report

To seek Council's approval for establishing parking fees for a property at 292 Hastings Street, Napier, which has recently been acquired by Council to bolster the supply of parking options in the city.

COMMITTEE'S RECOMMENDATION

Councillors Wright / White

That Council

- a. Establish the property at 292 Hastings Street, Napier, as an all-day casual car park.
- b. Agree that the parking fees be set at \$1 per hour with an all-day rate of \$5 per day
- c. Agree that the car park be trialled as a technology only payment system, with payment made by car parking App Parkmate.

CARRIED

2.2 Background Summary

Council purchased an existing privately owned car park at 292 Hastings Street in May 2017. The car park has a total of 18 car parking spaces and was previously utilised as a leased car park.

The site is in close proximity to the Napier District Court, Napier City Council and Marine Parade, and the areas of lost leased car parking due to the Marine Parade redevelopment.

There are four casual all-day off-street car parks and nine off-street leased car parks in the CBD.

2.3 Issues

There are a number of potential uses for the car park, including leased car parking or casual all day parking. Currently, on-street car parking occupancy in Hastings Street is at 85.6% (Parking Survey, December 2016). Leased car parking occupancy in the city is at 100%. There is demand for both casual and leased car parking.

Parking fees across the CBD off-street car parks are generally \$1 per hour. All-day casual rates at the CBD's four off-street car parks are \$5 per day. Leased car parking across the CBD ranges from \$20 - \$30 per week. Seven of the nine leased car parks fees are set at \$25 per week.

This car park provides an opportunity to trial the success of utilising cashless technology to provide payment for car parking through the 'Parkmate' App. This is a

unique trial. It will allow us to test the market and the willingness of customers to use the system as the only mechanism for payment.

Napier has been utilising the 'Parkmate' App for parking payment since May 2014 and have seen considerable uptake in usage. It is available for use in all of Napier's 'pay and display' car parks (on or off street).

There is no additional installation or maintenance cost involved in extending the usage of 'Parkmate' to this car park. There is however additional cost involved in installation and ongoing maintenance of a 'Cale' Pay and Display machine should the trial prove to be unsuccessful.

The use of 'Parkmate' allows us to better understand real time parking trends across a whole car park. It allows us to contact customers to improve customer service, e.g. if the car lights are left on. It allows us to understand the communities willingness to utilise different payment mechanisms, as well as providing a promotional opportunity for the 'Parkmate' app.

2.4 Significance and Consultation

N/A

2.5 Implications

Financial

Expected conservative annual returns for the car park operating as an all-day casual car park (with the assumption customers all use the all-day parking rate and the park is 80% occupied) is a return of \$23,868.

The annual return for the car park if used for leased car parking is \$23,400 when based on a fee of \$25 per week with 100% occupancy.

There are no additional financial implications for utilising Parkmate as a payment platform. There are additional costs for installing a 'Cale' pay and display machine. Costs are approximately \$2,000 for installation, on-going maintenance and pay and display ticket costs.

Social & Policy

N/A

Risk

There is a risk that the use of the 'Parkmate' App to pay for parking may limit the occupancy rate of the car park. If this did occur, a 'Cale' pay and display machine can be readily installed.

2.6 Options

The options available to Council are as follows:

1. All day casual car park, with payment facility provided by Parkmate App. Fee and charges aligned with council car parks, at \$1 per hour with an all-day rate of \$5 per day.
2. All day casual car park, with payment facility provided by Parkmate App and 'Cale' pay and display machine. Charges aligned with council car parks, at \$1 per hour with an all-day rate of \$5 per day.

3. Leased car park at \$25 per week.

2.7 Development of Preferred Option

The preferred option is Option 1.

- ☐ All day casual car park.
- ☐ Fees aligned with council car parks \$1 per hour with an all-day rate of \$5 per day.
- ☐ Payment via Parkmate App only, to trial success of technology solutions, to further promote the App and encourage users to use the app.

At the Meeting

In response to queries from councillors it was clarified that:

- ☐ The Bylaw offers the opportunity for multiple payment options. It will be confirmed prior to the council meeting whether there is a specific requirement to accept cash as payment.
- ☐ As this is a relatively small carpark it can be used as a trial for the Parkmate app without too much difficulty, and it was anticipated that a standard payment machine could be installed if the app became problematic (people not having the right type of phone, being comfortable with the technology etc)
- ☐ The proposed set up may in fact be useful to those attending the adjacent Courthouse as a receipt is necessary for those doing jury service to claim back their expenses.
- ☐ Parkmate is also used in Hastings and by the DHB so there is some consistency across the region with people being able to use the app for multiple sites.
- ☐ Education in downloading and using the app will be important.

2.8 Attachments

Nil

3. FUNDING APPLICATION FOR ELITE ROAD NATIONAL CYCLING CHAMPS

| | |
|--|-----------------------------|
| Type of Report: | Operational |
| Legal Reference: | N/A |
| Document ID: | 374244 |
| Reporting Officer/s & Unit: | Kevin Murphy, Event Manager |

3.1 Purpose of Report

To seek approval for the Marketing Department to apply for external funding to support the Elite Road National Cycling Champs to be held in Napier 5-8 January 2018

COMMITTEE'S RECOMMENDATION

Mayor Dalton / Councillor Taylor

That Council

- a. Approve an application for funding being made to the Lion Foundation for \$50,000 to assist with costs to manage the Elite Road national Cycling Champs in January 2018.

CARRIED

3.2 Background Summary

The Elite Road National Cycling Champs has been held in Napier for two years and it is intended to be held here again in January 2018. (Cycling NZ has contracted Napier to host this event for a three year period).

Funding from a variety of sources contributes towards the successful running of the event. However, the contribution from the Lions Foundation is the primary grant for the event.

Council has placed successful applications to the Foundation for funding for this event in both years it has been held to date.

The Lion Foundation support is used towards equipment hire, accommodation, St Johns Ambulance, volunteering, management and promotional costs.

3.3 Issues

N/A

3.4 Significance and Consultation

N/A

3.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

3.6 Options

The options available to Council are as follows:

1. To apply to Lion Foundation for funding.
2. To apply to other funding trusts for funding.
3. To not apply and to fully fund the event from rates.

3.7 Development of Preferred Option

Is to apply to Lion Foundation for funding as they have previously granted this funding and are likely to support the event again this time.

At the Meeting

The event has been very successful over the last two years and brings in good levels of revenue to the city.

Other sponsorship is received on top of this grant as well as contributions in kind.

3.8 Attachments

Nil

REPORTS FROM FINANCE COMMITTEE HELD 2 AUGUST 2017

1. CATO ROAD ACCESSWAY

| | |
|--|---|
| Type of Report: | Legal |
| Legal Reference: | Public Works Act 1981 |
| Document ID: | 377905 |
| Reporting Officer/s & Unit: | Debra Stewart, Team Leader Parks, Reserves, Sportsgrounds |

1.1 Purpose of Report

To gain Council approval for a Licence to Occupy. The proposed Licence to Occupy relates to a piece of land which forms part of the Wharerangi Cemetery and a portion of Council's Paper Road.

The purpose of the Licence is for a road to access a commercial childcare centre that is proposed on an adjoining site. The childcare centre is subject to Resource Consent which is currently being considered by Council's Planning Team.

COMMITTEE'S RECOMMENDATION

Councillors Taylor / Tapine

That Council

- a. Receive the report titled *Cato Road Accessway*.
- b. Consider the information provided, including the issues and options outlined in this report.
- c. Approve the Licence to Occupy for the part of the cemetery and paper road as shown in Attachment A.
- d. Direct officers to undertake engagement with neighbouring residents and cemetery users on the proposed accessway (for example through a letter drop to neighbouring residents, a site notice in the area and social media) prior to the final decision of Council at its meeting scheduled for 16 August 2017.

CARRIED

1.2 Background Summary

A Resource Consent (RM170045) application has been received for a childcare centre at 49 Oak Road (being Lot 5 DP 19237 CT: HBL2/958) as shown below within the red border:



Figure 1 – Area outlined in red is the site to be occupied by the childcare centre

The application is for a childcare centre to be known as “The Den”. The childcare centre is reliant on access being provided partially across the paper road and partially across the adjoining Wharerangi Cemetery land (Refer **Attachment A**) being the land subject to this Licence to Occupy.

The Resource Consent application is currently being assessed by Council’s Planning and Regulatory Team. The application is on hold pending a decision on the Licence to Occupy.

Matters of reverse sensitivity and noise have been considered and will be addressed as part of the resource consent process. The Planning and Regulatory Team have confirmed that the application is being considered on a non-notified basis which means that affected persons and public notification are not required.

Following the lodgement of the Resource Consent with Council, numerous Council officers have in conjunction with the applicant, reviewed the options for providing the access solely within the paper road. There are a number of physical constraints including topography and the presence of overhead power lines which mean that this option is physically difficult and would be hard to achieve without considerable investment.

Councils Traffic and Safety Engineer has reviewed a revised design for the road and access through the Cemetery and Paper Road and has agreed that the design shown in **Attachment A** is appropriate.

1.3 Issues

Legal Considerations

The portion of land subject to the Licence to Occupy forms part of the Wharerangi Cemetery, which was transferred to the Napier Borough Council for the purpose of Cemetery in 1943.

Licences to occupy are not normally reported to Council for approval however this situation is considered unique given that part of the land required for the access is set aside as part of the cemetery.

Legal advice has been obtained which confirms that a Licence to Occupy can legally be issued for the stated purpose should Council consider this appropriate. Council is able to issue a Licence to Occupy for this area under the Public Works Act 1981.

Termination of Licence

Licences to Occupy are usually issued subject to a one-month termination notice. This means that Council may choose to terminate the Licence to Occupy should the land be required for another purpose giving the occupier one months notice. This also means that the applicant can terminate the Licence to Occupy giving one months notice.

The Licence to Occupy is not transferable and should the Licensees land or business be sold, then the Licence to Occupy would terminate.

The applicant has however requested a 12-month termination clause on the basis this is a more appropriate term given the commercial nature of the activity and would also allow Council more time to plan if the area was required for alternative use. The 12 month termination request can be legally added to the notice and is considered appropriate by Infrastructure Services team.

Roading, Access and Traffic Safety

The proposed access and road alignment are within the Cemetery and Council's Paper Road. Council's Traffic and Safety Engineer has reviewed the proposal with the applicant and has agreed that design (shown in **Attachment A**) is appropriate; subject to conditions should Resource Consent be granted.

Public Pedestrian Access and Vehicle Access

In considering the approval of the Licence to Occupy, it is of utmost importance to ensure that public and pedestrian access through the Cemetery to Fryer Road is maintained and in fact enhanced.

The existing pedestrian access is well utilised by the local community. Discussions with the applicant have been undertaken to ensure the final design of the road and access takes into consideration pedestrian and public access. An alternative pedestrian access is shown in **Attachment A**.

Maintenance vehicle access is currently provided along the existing formed pathway and it is unlikely that this will be able to be provided over the proposed pedestrian pathway because the new path will weave through the trees. The applicant has agreed that a gate will be provided at the top end of the new vehicle access suitable for maintenance vehicle entry if required.

Resource Consent

The Resource Consent is currently on hold pending the decision from Council on the Licence to Occupy.

Resource Consents cannot be issued with conditions that are subject to third party approval and therefore it is necessary to have the Licence to Occupy approved prior to approving and issuing a Resource Consent.

Resource Consents can however be issued subject to conditions and should consent to the application be granted, conditions of consent have been recommended to the Planning Team which cover the following matters -

- requiring the applicant to provide pedestrian access adjacent to the road through the cemetery and linking to the existing access to Freyer Road.
- This is a particularly low lying part of the cemetery and drainage will be a key consideration when forming both the vehicle and pedestrian access.
- There are two large Swamp Cypress trees that are close to the proposed road and will need to be protected from both short term and long-term damage that may occur as a result of the road formation, use and maintenance.

1.4 Significance and Consultation

There has been considerable consultation with the applicant and the relevant teams of Council.

There has been no consultation with the wider community on the matter of the Licence to Occupy. A Licence to occupy can be issued for land held for a Public Work pursuant to Section 45 of the Public Works Act without the need for consultation. A Licence to occupy can also be issued for a paper road without consultation.

Consultation, affected parties and notification considerations under the Resource Management Act 1991 are separate to this process. Council's Planning and Regulatory Team have confirmed that the application is being considered on a non-notified basis, which means that consultation, affected persons and public notification are not required.

Should the Council consider that consultation with the wider community (on matters pertaining to the Licence to Occupy for the area of Cemetery) was desirable (albeit not mandatory) this would need to be discussed and agreed to with the applicant. This would result in the applicant's consent being placed on hold until such time as consultation was completed.

1.5 Implications

Financial

The applicant would be responsible for forming and maintaining the vehicle access. The applicant would be responsible for forming the new pedestrian access but Council would be responsible for the ongoing maintenance. This is consistent with the current situation.

The applicant would be charged an annual fee of \$500.00 for the Licence to Occupy.

Social & Policy

N/A

Risk

No consultation has been undertaken with the community in respect of this matter and users of the areas may have concerns around changes to the amenity values as a result of the introduction of the vehicle access to this area.

1.6 Development of Options

Option 1

The area of cemetery over which the applicant requires a Licence to Occupy is highly unlikely to ever be used for the cemetery purposes. In the event that it is required for cemetery purposes the Licence to Occupy could be terminated giving 12 months notice.

It does however provide an important public access link between Cato Road and Fryer Road and has some passive recreation and amenity values. The applicant has agreed to providing a replacement pathway to ensure that the public access link between Cato Road and Fryer Road is maintained, this would be secured by way of a condition of resource consent.

Option 2

Cemeteries are sensitive sites. There has not been any wider community consultation undertaken on this matter. In addition the access through this area is an important link for the wider community and the users and the realignment of the path and the introduction of the vehicles to this area may be of concern to the users of this area.

At the Meeting

General agreement was expressed that the presentation and concept for the child care centre were excellent but the lack of consultation with neighbouring residents and cemetery users was a risk to Council. Significant discussion was held as to appropriate forms of engagement with the community on the matter.

It was specified that parts a, b and c of the officer's recommendation would be moved, with the original part d and replaced by a direction that community engagement to be undertaken by officers prior to the meeting of Council on 16 August 2017.

1.7 Attachments

A Plan showing accessway

2. COMMUNITY OUTCOME, ACTIVITIES AND ACTIVITY GROUPS

| | |
|--|---|
| Type of Report: | <i>Legal and Operational</i> |
| Legal Reference: | <i>Local Government Act 2002</i> |
| Document ID: | <i>371697</i> |
| Reporting Officer/s & Unit: | <i>Elaine Cooper, Corporate Planner</i> |

2.1 Purpose of Report

In preparation for the 2018–2028 Long Term Plan (LTP) a number of Policies, Strategies and building blocks are required to be adopted by Council. This report outlines the first set of building blocks to define Council's overall direction for this LTP: Council's Mission, Vision, Community Outcomes, Activities and Activity Groups through which Council will deliver on its outcomes. The report also identifies the community outcome to which each activity primarily contributes.

These statements provide the strategic direction for the preparation of activity and asset management plans and in the preparation of required policies and strategies.

COMMITTEE'S RECOMMENDATION

Councillors Hague / Brosnan

- a. That Council adopt the Mission, Vision, Community Outcomes and Council's Activities and Activity Groups to be used for the preparation of the 2018 – 2028 LTP and supporting plans, policies and strategies.

CARRIED

2.2 Background Summary

Council's Mission defines its purpose and the Vision describes its desired future position. The community outcomes are the outcomes through which Council aims to achieve the Mission and Vision and the activities are the means by which Council delivers on the Community Outcomes.

For disclosure in the LTP, activities are consolidated into Activity Groups. These statements and structures define how Council will meet the current and future needs of the community for good-quality local infrastructure, local public services, and performance of regulatory functions, as required in the LGA.

Council has reviewed the 2012-25 LTP Mission, Vision, Community Outcomes and Activities in a series of working seminars to ensure these encompass the desired strategic direction for the 2018-28 LTP.

The Mission Statement remains unchanged from the 2015-2025 LTP. The Vision, Community Outcomes and Council's Activities and Activity Groups have been amended to reflect Council's desired direction of Sustainability, Excellence and Vibrancy. The activities are aligned to the Council's structure for service delivery.

It is important that the outcomes and activity structure are confirmed for Council management to continue with the next steps of preparation for the LTP. Asset and Activity Management Plans are being prepared based on this structure and these plans will determine the detailed requirements for service delivery included in the LTP.

2.3 Issues

No issues

2.4 Significance and Consultation

Not applicable

2.5 Implications

Financial

Not applicable

Social & Policy

Not applicable

Risk

Not applicable

At the Meeting

Council were pleased that the vision and new mission are clearly outlined, as well as the five primary outcomes to be delivered.

2.6 Attachments

A Council Community Outcomes and Activities



Council Community Outcomes and Activities

for the 2018-28 LTP



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

Contents

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1. Mission

To provide the facilities and services and the environment, leadership, encouragement and economic opportunity to make Napier the best city in New Zealand in which to live, work, raise a family, and enjoy a safe and satisfying life.

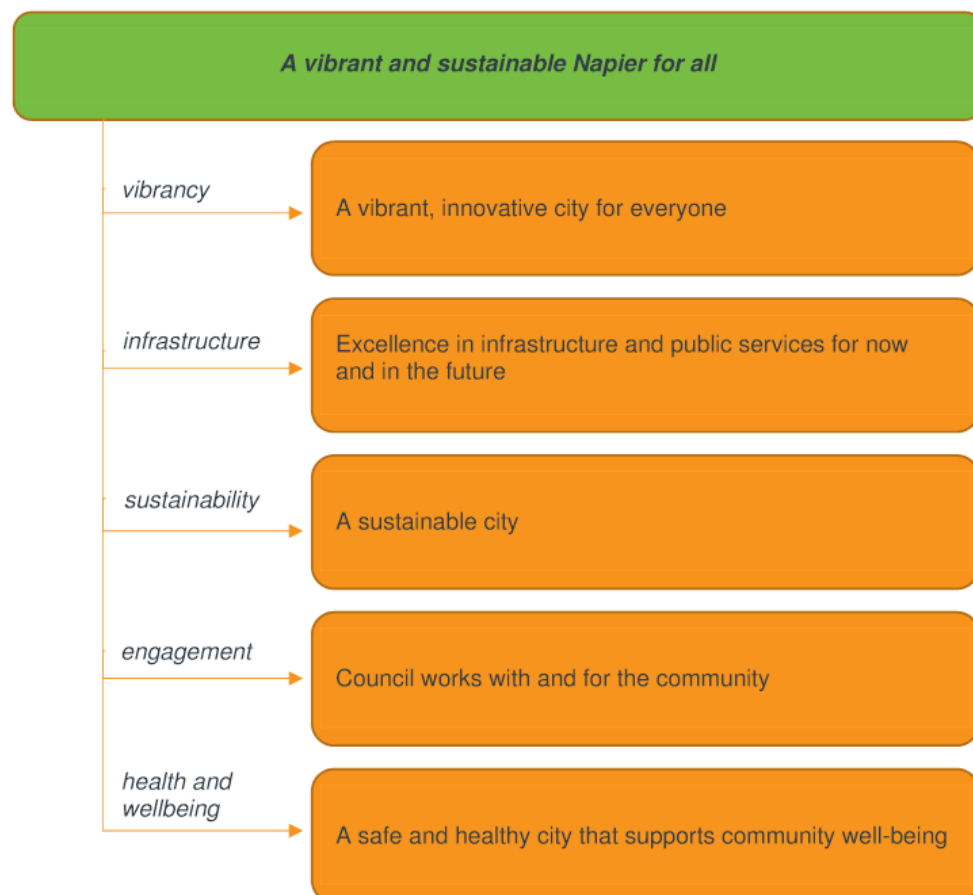
2. Vision

A vibrant and sustainable Napier for all.

3. Council Outcomes

Council's mission and vision are supported by the Community Outcomes, which provide a long term perspective on the development of Napier City and provide Napier City Council with a framework for contributing to the community aspirations through Council activities.

The five outcomes are depicted below and the following pages detail the goals and strategies contributing to these outcomes.



4. Council Outcomes and Goals

| Outcome | Goal |
|---|---|
| 1. A vibrant innovative city for everyone | 1.1. Napier is a vibrant city through excellent strategy and planning |
| | 1.2. Social cohesion is achieved for all ages and ethnicities |
| | 1.3. Innovative services are provided using technology whilst protecting the environment |
| | 1.4. Technology connects Napier to the rest of New Zealand and the world |
| | 1.5. Napier is an appealing tourist destination |
| | 1.6. Business-friendly economic development is encouraged |
| 2. Excellence in infrastructure and public services for now and in the future | 2.1. Facilities and infrastructure will support community and visitor needs, focussing on excellent service and accessibility |
| | 2.2. Napier's transportation system is safe and affordable |
| | 2.3. All transport choices are catered for: cars, cycles, pedestrians and disabled users |
| 3. A sustainable city | 3.1. Our natural resources are renew and enhanced. We act as steward for our environment for future generations |
| | 3.2. Napier values its character and history |
| | 3.3. Napier is an affordable city to live in |
| 4. Council works with and for the community | 4.1. Council guides the city with effective leadership |
| | 4.2. Council encourages community consultation and collaboration to assist in shaping the future direction of the city |
| 5. A safe and healthy city that supports community well-being | 5.1. Services and facilities support social and recreation opportunities |
| | 5.2. Community safety is supported and improved |
| | 5.3. Social services are supported |

5. Activity Groups and Primary Contribution to Community Outcomes

The LGA requires the disclosure of the community outcome to which each activity *primarily* contributes. The following table defines these links.

Note: Most activities contribute to additional outcomes in a secondary manner.

| Activity Groups and Activities | Vibrancy and Innovation | Infrastructure | Sustainability | Engagement | Health and Wellbeing |
|--|-------------------------|----------------|----------------|------------|----------------------|
| Democracy and Governance | | | | | |
| Democracy and Governance | | | | ● | |
| Transportation | | | | | |
| Transportation | | ● | | | |
| Stormwater | | | | | |
| Stormwater | | ● | | | |
| Sewerage | | | | | |
| Sewerage | | ● | | | |
| Water Supply | | | | | |
| Water Supply | | ● | | | |
| Other Infrastructure | | | | | |
| Waste Minimisation | | | ● | | |
| Reserves and Sportsgrounds | | | | | ● |
| Cemeteries | | | ● | | |
| Public Toilets | | ● | | | |
| City Strategy | | | | | |
| City Development | ● | | | | |
| Regulatory Activities | | | | | ● |
| Parking | | ● | | | |
| Community and Visitor Experiences | | | | | |
| Community Strategies | | | | | ● |
| Sport and Recreation Activities | | | | | ● |
| Housing | | ● | | | |
| Cultural Activities | | | ● | | |
| Tourism Activities | ● | | | | |
| Property Assets | | | | | |
| Property Assets | | ● | | | |

3. CIVIC AND LIBRARY BUILDING

| | |
|--|---|
| Type of Report: | <i>Legal and Operational</i> |
| Legal Reference: | <i>Building Act 2004</i> |
| Document ID: | <i>378350</i> |
| Reporting Officer/s & Unit: | <i>Adele Henderson, Director Corporate Services</i> |

3.1 Purpose of Report

To formally receive the Detailed Seismic Assessment (DSA) undertaken on the Civic and Library buildings and to approve the decanting of staff into alternative locations until such time a fit for purpose Council building is available.

Item(s) of business to lie on the table

Councillors Brosnan / Jeffery

That pursuant to Standing Order 3.12.1 that Item 3 – Civic and Library Building lie on the table and will not be further discussed at this meeting but will be reconsidered at the Council meeting scheduled to be held on 16 August 2017.

COMMITTEE'S RECOMMENDATION

Councillors Wise / Brosnan

That Council:

- a. Receive the Detailed Seismic Assessment report undertaken by Strata Group.
- b. Approve the relocation of staff to alternative locations within Napier that meet the due diligence requirements.
- c. Approve the capitalisation of improvement and lease costs associated with alternative premises to be funded from the building upgrade budget.
- d. Seek any variance in funding through the Long Term Plan 2018-28.
- e. Note that Council will undertake a Special Consultative Procedure on the proposed options for the Civic Building and potential Commercial development opportunities approximately October 2017. A separate consultation on Library options will be undertaken once the Library Strategy has been completed.
- f. Provide the Chief Executive delegation up to \$1m per annum to undertake and sign lease negotiations to accommodate staff, customer services and a library service centre for a period of 2/3 years with rights of renewals up to 5 years
- g. Provide the Chief Executive delegation up to \$1m to undertake fitout requirements for staff, customer services and library service centre requirements
- h. That a DECISION OF COUNCIL is required urgently due to the timeframe within which lease agreements must be finalised to secure appropriate alternative office space.
- i. This will require the following resolution to be passed before the decision of Council is taken:

That, in terms of Section 82 (3) of the Local Government Act 2002, that the principles set out in that section have been observed in such manner that the

Napier City Council considers, in its discretion, is appropriate to make decisions on the recommendation.

CARRIED

3.2 Background Summary

As part of the Long Term Plan 2015-25, Council signalled that the Civic Building in Hastings Street required an upgrade and that seismic work was required to strengthen the Council Chambers (based on the report that was completed 2011)

As part of the due diligence process for the proposed upgrade, a Detailed Seismic Assessment was commissioned. The Christchurch and Kaikoura earthquake has resulted in significant changes in building requirements and standards which resulted in changes to methodology to assess buildings.

Strata Group Consulting Engineers Limited (SGL) was engaged by Napier City Council to undertake a Detailed Seismic Assessment of both buildings. Following this assessment the building seismic ratings were identified as follows:

- a. Library Building, with Importance level 3 was identified at 15% New Building Standard (based on 1 in 1000 year event)
- b. Civic Building, with Importance level 3 was identified at 10% New Building Standard (based on 1 in 1000 year event)

Under current legislation, building owners have seven years to consider the findings and then years to improve and strengthen the building. However as a territorial authority it is recommended that we take a leadership position on this which we hope will give our staff and our community a sense of comfort. We want our public to be able to continue to access democracy in a building that is safe for them to visit and for our staff to feel confident and secure while at work.

Until strengthening work is undertaken and given the seismic rating of the buildings, it is recommended that staff be decanted to alternative accommodation within Napier.

There are three sites being considered to decant Councils administration staff to. A site for a temporary Library Service centre (a substantially reduced service offering than the current library) is also being considered and due diligence work on the proposed site is currently being carried out. The Library will remain open while this due diligence work is being undertaken, however, Council may need to consider whether a timeframe is made for the closure of the library in the short term until suitable alternative arrangements are made.

Cost estimates are currently being compiled on strengthening and upgrades of both buildings and will be presented to council in the near future.

It is proposed that Consultation will be undertaken through a Special Consultative Procedure (approximately October 2017). The preferred option will be approved via the consultation for the Long Term Plan.

Council staff who are uncomfortable working from the current premises have been provided with alternative Council owned sites until the temporary office accommodation is established.

3.3 Issues

1. Civic Administration Site

Cost estimates prior to the receipt of the seismic information indicated that it would not be cost effective to upgrade the building. Quantity surveyor costs are currently being prepared to ascertain the full cost of the building including seismic works however, it is unlikely to be cost effective to upgrade and remedy.

Opportunities exist for alternative commercial development options for the site. A Business case on the Civic Building is currently being developed and will require a Special Consultative procedure for the options available.

2. Staff

The proposed scenario of housing staff in three locations is not ideal. The proposed fitouts of the sites will provide for collaborative areas so that staff can move between the buildings and continue to work across the business. Reducing the current footprint of staff from two buildings is likely to require new desks so that they can be accommodated in smaller work spaces. These costs were not planned as part of the upgrade project.

3. Library Building and services

The seismic report will mean that Napier main library will close and a temporary premise will be required until an alternative site is developed. Council officers are currently undertaking due diligence on temporary locations. A Library strategy underway to determine the future needs and requirements for a library. A business case will be developed including site options. A special consultative procedure will be undertaken with the public to determine a preferred option.

4. Council committee meetings

Council committee meetings will be held within the community including Napier Conference Centre, School Halls, and the Taradale Town Hall until such time a Council facility is available. Although this is not ideal, it will provide an opportunity for meetings to be within the community and to provide democracy differently in the short term.

3.4 Significance and Consultation

A Special Consultative procedure will be undertaken October 2017 on the Civic building and commercial opportunities options. Consultation on the Library options will be undertaken on completion of the Library Strategy .

3.5 Implications

Financial

Costs associated with the lease and fitout will be capitalised to the project. Once a full understanding of the seismic upgrade related costs and upgrade costs are known, any funding variance will be included in the Long Term Plan 2018-28

Social & Policy

N/A

Risk

That the current provision for funding allocated in the 2015-25 will be insufficient to meet the needs of the upgrade

3.6 Options

The options available to Council are as follows:

1. Close offices and library effective immediately – not a viable option as it would significantly impact upon service delivery, difficult in terms of IT needs and meeting customer service requirements
2. Negotiate leases for alternative locations that meet the following requirements and move staff as soon as practicable once fitouts, and building consent requirements are met:
 - i. Seismic Performance
 - ii. Fire Safety
 - iii. Toxins
 - iv. Accessibility

3.7 Development of Preferred Option

Option 2. Move staff as soon as practicable once leases, fitout and regulatory requirements are met. Legislation only requires the completion of seismic strengthening works to be undertaken within ten years. The proposed timeline is a low risk approach for a Territorial Authority. Any staff who are uncomfortable with working in the earthquake prone buildings have been provided with alternative Council sites from which to work from.

At the Meeting

Updated recommendations were tabled at the meeting (attachment A).

The Chief Executive spoke to the item, providing an update to information provided at a previous seminar on the topic. It was noted that the original intention to upgrade the library building in stages while staff were still in the building had been assessed by engineers as unfeasible due to noise and construction issues.

While the preference was to keep teams together as much as possible, there were also some key criteria that any building had to meet in order to be considered acceptable:

- ☐ A current seismic assessment, or recent strengthening work with an engineer's assessment
- ☐ Fire safety certification
- ☐ Toxins certification (particularly but not limited to asbestos in keeping with regulations that will be implemented in the near future)
- ☐ A high standard of accessibility

Three smaller sites have been identified which meet the criteria and negotiations are underway to finalise likely costs. The sites are essentially empty 'shells' and fit outs cannot begin until a lease is signed.

The need to act in the best interests of staff safety and wellbeing was reiterated strongly. This, as well as the timing of required fitouts and availability of contractors to complete the work, were some key considerations in the decision to present the recommendations for a Decision of Council at this meeting.

In response to questions from Councillors it was clarified that:

- ☐ The signage on buildings identifying them as earthquake prone is required under law.
- ☐ A business case on options for the Civic Building is currently being prepared by

officers and will be brought to Council in the near future.

Work is underway to better clarify the expected timeframes for the work on the Library Building. A motion was proposed that the decision lie on the table until the Council meeting of 16 August 2017.

3.8 Attachments

Nil

4. REMUNERATION OF ELECTED MEMBERS

| | |
|--|--|
| Type of Report: | Operational and Procedural |
| Legal Reference: | Local Government Act 2002 |
| Document ID: | 378660 |
| Reporting Officer/s & Unit: | Adele Henderson, Director Corporate Services |

4.1 Purpose of Report

To advise Council of the proposed remuneration levels to apply for the 2017/2018 year, as received from the Remuneration Authority, and to seek Council approval of these.

COMMITTEE'S RECOMMENDATION

Councillors Wright / White

- That the remuneration levels proposed by the Remuneration Authority for the 2017/18 year be adopted.
- That confirmation be sent to the Remuneration Authority that the adopted remuneration levels will be implemented from 1 July 2017.

CARRIED

4.2 Background Summary

The Remuneration Authority has set base remuneration (Local Government Act 2002, clause 7 of Schedule 7) for Councillor and community board remuneration, and provided for a remuneration increase of 1.7% which reflects the increase in the Labour Market Statistics across the board for the public sector in the year ending March 2017. All councils have had their confirmed structures and allocation of additional duties gazetted by the Authority and it is the intention of the Authority to automatically gazette and approve increases to without any requirement for submissions or information by councils.

The proposed annual remuneration levels for the period 1 July 2017 to 30 June 2018 year advised by the Authority are:

| | Current | 2017/18 |
|------------------------|--------------|--------------|
| Mayor | \$123,872 pa | \$125,978 pa |
| Deputy Mayor | \$47,300 pa | \$48,104 pa |
| Committee Chair | \$45,101 pa | \$45,868 pa |
| Deputy Committee Chair | \$42,000 pa | \$42,714 pa |
| Councillor | \$39,270 pa | \$39,938 pa |

4.3 Significance and Consultation

Not applicable.

4.4 Implications

Financial

Not applicable.

Social & Policy

Not applicable.

Risk

Not applicable.

At the Meeting

There was no discussion on this item.

4.5 Attachments

Nil

5. ELECTORAL SYSTEMS FOR ELECTIONS

| | |
|--|--|
| Type of Report: | <i>Legal</i> |
| Legal Reference: | <i>Local Electoral Act 1991</i> |
| Document ID: | <i>377703</i> |
| Reporting Officer/s & Unit: | <i>Jane McLoughlin, Team Leader Governance</i> |

5.1 Purpose of Report

To outline the process for making any changes to the electoral system to be used for the 2019 elections.

COMMITTEE'S RECOMMENDATION

Councillors Price / McGrath

That Council

- a. Receive the report titled Electoral Systems for Elections.
- b. Note that if Council wishes to make a decision to change the electoral system to STV for the 2019 elections, a decision will need to be made by 12 September 2017.
- c. Note that staff will undertake an education campaign and consultation process and report back to Council on the community's views to inform Council's decision-making. A report back will be provided at the Strategy and Infrastructure Committee meeting on 30 August for Council to make a decision on the electoral system.

CARRIED

5.2 Background Summary

In accordance with the Local Electoral Act 1991, Council has an opportunity to change the electoral system to be used in the 2019 election. An electoral system is the system used for voting at a local authority election.

A decision on which electoral systems to use is a precursor to a wider Representation Review that is required to be carried out by Napier City Council ahead of the 2019 local election.

There are two kinds of electoral systems available: First Past the Post (FPP) and Single Transferable Vote (STV) – Note: It is mandatory for elections for District Health Boards to use STV.

To start building interest and involvement in the wider Representation Review process, Napier City Council intends to undertake a joint media “education and feedback” campaign on the electoral system in conjunction with Hawke's Bay Regional Council.

We are undertaking the education and feedback campaign for the following reasons:

- ☐ The decision of which electoral system is to be used is a decision which affects the whole community
- ☐ It is important that Council take all opportunities to consult with the community
- ☐ Council has not consulted on this decision since 2003 via a poll.

What is FPP and STV

FPP has traditionally been the only option for local authorities. In 2004, STV was introduced as an option as well. In 2003, Napier City Council held a poll on the electoral system and the result of the poll was to retain FPP. Since then, Council has resolved to continue with FPP each election. In the 2016 elections, eight councils used STV, the rest remained with FPP.

The First Past the Post electoral system will be used in the 2019 election unless a decision is made to change it to STV. This decision will hold for two general elections 2019 and 2022, including any bi-elections. There are three main ways the electoral system for the 2019 elections can be changed:

- 1) Council may resolve to change the electoral system to take effect for the next two elections (no later than 12 September 2017). Council must then issue a public notice by 19 September 2017 of the right for electors to demand an electoral system poll.
- 2) 5% of electors may demand a poll on a proposal that a specified electoral system be used at the election of a local authority before 21 February 2018. Any poll must be held no later than 21 May 2018.
- 3) Council may resolve to hold an electoral system poll – no later than 21 February 2018.

If Council retains FPP for the 2019 election the next opportunity to change the electoral system is prior to the 2022 election.

FPP and STV have different ways of casting a vote: counting votes, and announcing results. No electoral system is perfect, both FPP and STV have advantages and disadvantages. Outlined below are some of the key differences between the two systems and some of the main advantages and disadvantages as referenced by academics (Janine Hayward, Senior Lecturer, Department of Politics, University of Otago. For more detailed information refer to Attachments A and B on Choosing Electoral Systems in Local Government in New Zealand, and The Local Government Electoral Option.

How do the two electoral systems work?

| | FPP | STV |
|----------------|---|--|
| Casting a vote | <p>You place ticks equal to the number of vacancies next to the candidate(s) you wish to vote for.</p> <p>In multi-member wards/constituencies you cast one vote for each vacancy to be filled, as above.</p> <p>In single-member wards/constituencies you cast one vote.</p> | <p>You cast one single vote regardless of the number of vacancies.</p> <p>You cast this single vote by consecutively 'ranking' your preferred candidates beginning with your most preference candidate ('1') your next preferred candidates ('2') and so on.</p> <p>In multi-member wards/constituencies you cast a single vote by ranking as few or as many candidate as you wish, as above.</p> <p>In single-member wards/constituencies you case a single vote by ranking as few or as many candidates as you wish.</p> |
| Counting votes | <p>The candidate (s) with the most votes win(s). Each winning candidates is unlikely to have a majority of votes, just the largest number of</p> | <p>The candidate(s) are elected by reaching the 'quota' (the number of votes required to be elected. (The quote is calculated using the total number of valid votes cast and the number of vacancies).</p> |

| | | |
|--------------------|--|--|
| | votes cast. | <p>Vote counting is carried out by computer.</p> <p>First preference votes ('1s) are counted. Candidates who reach the quote are elected. The surplus votes for elected candidates are transferred according to voters' second preferences. Candidates who reach the quote by including second preferences are elected. This process repeats until the required number of candidates is elected.</p> <p>In multi-member constituencies, despite voters casting only a single vote, a voter may influence the election of more than one representative (if their vote can be transferred to other candidates according to voters' preferences).</p> |
| Announcing results | <p>FPP results can usually be announced soon after voting ends.</p> <p>Results are announced and published showing the total votes received by each candidate.</p> | <p>Because vote counting is multi-part, it is likely to take longer than for FPP election results.</p> <p>Results are announced and published showing elected candidates in the order they reached the quota and unsuccessful candidates in the reverse order they were excluded. All elected candidates will have the same share of the vote.</p> |

What are the advantages and disadvantages of each system?

| | <i>Advantages</i> | <i>Disadvantages</i> |
|-----|--|---|
| FPP | <ul style="list-style-type: none"> <input type="checkbox"/> Simplicity of process in ways votes are cast, counted and announced. | <ul style="list-style-type: none"> <input type="checkbox"/> The results of the election, including the generally 'less representative' nature of FPP councils. <input type="checkbox"/> The obstacles to minority candidate election. <input type="checkbox"/> The number of wasted votes. <input type="checkbox"/> A 'block' of like-minded voters can determine the election of multiple candidates in multi-member wards/constituencies, without having a majority of the votes, thereby 'over-representing' themselves. <input type="checkbox"/> 'Tactical' voting is possible; votes can be used with a view to preventing a candidate from winning in certain circumstances. |
| STV | <ul style="list-style-type: none"> <input type="checkbox"/> STV may achieve broader proportionality (in multi-member wards/constituencies) <input type="checkbox"/> Majority outcomes in single-member elections <input type="checkbox"/> More equitable minority representation <input type="checkbox"/> A reduction in the number of wasted votes. <input type="checkbox"/> It is virtually impossible to cast a 'tactical' vote under STV. As a result, voters are encouraged to express their true preferences. | <ul style="list-style-type: none"> <input type="checkbox"/> Public less familiar with the system and possibly finding it hard to understand <input type="checkbox"/> Matters of process such as the way votes are cast and counted (for example perceived complexity may discourage some voters, and some voters might not fill out their forms correctly) <input type="checkbox"/> The information conveyed in election results. |

5.3 Issues

SOLGM, *Electoral Systems, Code of Good Practice, Electoral Systems* paper highlights that STV is of most benefit when applied to a constituency of a minimum of 3-9 positions and the Local Government Commission *Guidelines for local authorities undertaking representation reviews* highlights that between 5-7 positions is where you see the most benefits with a minimum of 3 positions.

Napier's current representation arrangements are six members elected at large and six members elected in wards. It is likely that the benefits of STV would be seen for the voting of 'at large' members, but less so for the wards given traditionally there have been limited number of candidates for wards (sometimes only one) and there is only a maximum of 1 or 2 candidates elected per ward.

The Representation Review which occurs in 2018 may have an unknown impact on any perceived benefits of changing the electoral system. For example, if Napier City moved from a mixed system of "at large" and "wards", to a ward system, the number of positions available in the wards would increase to some degree, but it is unknown how many positions would be available in each ward and how many candidates there would be.

Conversely, a move to STV may encourage more candidates to apply as the STV system is reported as enabling more minority representation as the votes get distributed.

5.4 Significance and Consultation

As it is felt that the advantages and disadvantages of FPP and STV are not widely known, Communications and Marketing will deliver a small education campaign. There has been some discussion with other councils in the region whether this could be a joint campaign, and Hawke's Bay Regional Council have agreed to undertake a joint campaign.

Specifically, the following consultation will be undertaken:

- ☐ Media release announcing that we are getting ready to take a paper to our Councils and we need the public to have their say.
- ☐ A Talk To Us page on the Napier City Council website educating community on the two possible systems and what they mean – the public will be able to nominate which they choose.
- ☐ 2 x half or quarter page ads in Napier Mail –9 August/16 August.
- ☐ Various social media (Facebook) engagement across the two weeks.

Feedback from these channels will be collated and provided to Councillors to make a decision.

5.5 Implications

Financial

A change to STV would incur a slightly higher election cost (approximately \$5,000) to Council due to the complexity of vote counting.

There is currently no budget allocation for a poll. A poll is likely to cost up to \$100,000. A cost effective way to hold a poll is to include a question during the vote for 2019 election.

Social & Policy

N/A

Risk

N/A

At the Meeting

There was no discussion on this item.

5.6 Attachments

- A Choosing Electoral Systems in Local Government in New Zealand
- B The Local Government Electoral Option 2018



Te Tari Taiwhenua



MANATŪ HAUORA



Choosing Electoral Systems in Local Government in New Zealand

A Resource Document

Produced by the STV Taskforce
May 2002

Acknowledgements

This document was prepared at the instigation of the STV Taskforce, convened by the Department of Internal Affairs.

The Taskforce members involved in the preparation of the document were:

- the New Zealand Society of Local Government Managers (SOLGM)
- *Local Government New Zealand (LGNZ)*
- the Department of Internal Affairs (DIA)
- the Ministry of Health (MoH)
- the Electoral Commission

Contributions were provided by:

- | | |
|---------------------------------|--|
| • Donald Riezebos | Choosing between electoral systems |
| • Alan McRobie | The STV electoral system, and A comparison between FPP and STV |
| • David Curry | The influence of District Health Boards |
| • SOLGM Electoral Working Party | Indicative costs |
| • David Barnes | The STV 'calculator' |

Formal chapter reviewers were:

- | | |
|------------------------|--|
| • Dr Graham Bush | The STV electoral system, and A comparison between FPP and STV |
| • Simpson Grierson Ltd | Choosing between electoral systems |
| • Ministry of Health | The influence of District Health Boards |

Additional contributions, comment and advice were provided by: the SOLGM Electoral Working Party (Janice Bailey, Jenny Bentley, Ross Bly, Dale Ofoske, Max Robertson, David Smith, Glenn Snelgrove); Mike Reid (*LGNZ*); Gavin Beattie and Francis Ryan (DIA); Christopher Hunt (MoH), Victoria Crawford, Vivienne Wilson, and others.

The document was reviewed by Professor Nigel Roberts.

David Curry managed production of the document and it was edited by Helena Barwick.

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Introduction

This resource document is designed to help local government elected members and officials as they consider whether or not to change from a First Past the Post (FPP) electoral system to a Single Transferable Vote (STV) electoral system for the 2004 local elections. It may also be useful to members of the public.

Councils may decide that an STV electoral system would be beneficial to their district or region. Others may decide that FPP is the preferable system. Some councils may choose to watch others try out STV first before deciding whether or not to adopt it. Communities also have a role to play through the consultative processes and through polls initiated by electors or by the council itself.

Whatever councils decide, all territorial authorities will be involved with STV in 2004, as they run the elections for the District Health Boards (DHBs) which must use STV.

The document has been prepared with contributions from a number of expert authors and reviewers. It is not intended to be a textbook and does not attempt to explain the innermost workings of the STV 'calculator', nor to test the mathematical aptitude of readers with detailed tables.

The document does not present an argument for or against STV, nor is it a 'how to' document. It simply sets out the facts, and tries to describe processes in objective and relatively straightforward terms. It addresses:

- why a change must be considered
- what STV is
- how STV compares with FPP
- the impact of DHB elections
- the possible cost implications for councils, and
- how the STV 'calculator' does its job.

We intend to update this document from time to time, as new information comes to hand, and as comments are received from readers. Updated versions will be available on the Internet from www.dia.govt.nz under Local Government Services.

We hope that this resource document will be helpful.

The STV Taskforce
May 2002

In a nutshell

This document contains some facts that anybody considering local government electoral systems in New Zealand should know. It also identifies a number of important issues for consideration. These facts and issues are summarised very briefly here.

The essence of STV

Under STV, each voter has one vote, which is exercised by ranking candidates in order of preference, 1st, 2nd, 3rd etc. Voters may rank as many or as few candidates as they wish, as long as they indicate just one first preference and consecutively rank other candidates without skipping or repeating a ranking.

The rationale of STV is that when a candidate receives sufficient votes to be elected, any surplus votes are not wasted, but instead are available to help other candidates become elected, based on the second or subsequent preferences of voters. Similarly, votes given to candidates without sufficient support to be elected are available to help other candidates become elected, according to voters' second and subsequent preferences. This means most voters are represented by the member or members for whom they voted.

The mechanics of counting

Vote counting under STV will be carried out using computers after all votes have been received. To do this, councils will have their own software which will relate to an STV 'calculator' provided by the Department of Internal Affairs.

Council considerations

To reach their decisions on what electoral system to use, councils will need to consider:

- the electoral principles of:
 - fair and effective representation,
 - equal opportunities for participation, and
 - public understanding of, and confidence in electoral processes
- the representation review process (review of membership and basis of election)
- encouraging electors to vote
- the timeliness of final election results
- the impact of DHBs using the STV electoral system

- the costs associated with the different electoral system options.

When making their decisions, councils will also need to consider:

- the importance of community participation
- the need for community information and education on electoral systems
- the promotion of local government elections
- the costs of polls.

Timing

Key last dates for councils to note in relation to the 2004 elections are:

| | |
|----------------------|---|
| By 12 September 2002 | Council decision whether to change electoral system |
| By 19 September 2002 | Public notice of right for community to demand a poll on electoral system |
| By 18 December 2002 | Community may demand a poll on electoral system |
| By 28 February 2003 | Council decision to hold a poll on electoral system |
| By 8 September 2003 | Public notice of council's proposed representation arrangements |

1.0 Choosing between electoral systems

1.1 Electoral systems

The *Local Electoral Act 2001* prescribes a choice of two electoral systems that may be used in council elections from 2004 onwards:

- First Past the Post (FPP), and
- Single Transferable Vote (STV).

The *Local Electoral Act 2001* defines STV as 'STV using Meek's method of counting'. Schedule 1 of the Act, however, includes a number of modifications to Meek's method. Further necessary modifications have been identified in the development of the STV 'calculator' to reflect the New Zealand local elections environment. It is anticipated that these further modifications will be reflected in the new STV regulations and, as a result, it is considered appropriate to refer to the New Zealand STV (NZSTV) electoral system in this document.

1.2 How electoral systems can be changed

The *Local Electoral Act 2001* sets out a procedure by which the electoral system used for council elections may be changed.

In practice, any decision to change electoral systems prior to the 2004 local elections, means a change from FPP to NZSTV.

There are 3 alternative methods for changing electoral systems:

- by a resolution of a council
- as a result of a poll demanded by electors
- as a result of a poll held on the initiative of the council.

A change in the electoral system will have effect for at least the next 2 successive triennial general elections subject to the enactment of the Local Government Bill presently before Parliament.

The statutory decision-making procedure is briefly as follows:

Resolution of a council

| Procedure | Statutory provision | Deadline |
|--|--------------------------------|--|
| Council may resolve to change electoral system | s. 27 Local Electoral Act 2001 | Not later than 12 September in the year that is 2 years before the next triennial general election |

Poll demanded by electors

| Procedure | Statutory provision | Deadline |
|---|--------------------------------|---|
| Council must give public notice of right to demand poll | s. 28 Local Electoral Act 2001 | Not later than 19 September in the year that is 2 years before the next triennial general election |
| Elector demand for poll | s. 29 Local Electoral Act 2001 | Before the date of the public notice given under s. 28, or no later than 90 days after the date of that public notice |

Poll initiated by council

| Procedure | Statutory provision | Deadline |
|---|--------------------------------|--|
| Council may resolve to hold poll | s. 31 Local Electoral Act 2001 | Not later than 28 February in the year immediately before the next triennial general election |
| Poll of electors (either as a result of a demand or council initiative) | s. 33 Local Electoral Act 2001 | Not later than 82 days after the date on which notice under s. 33(1) is received or the last notice under s. 33(2) is received |

Council resolution

A council **may** resolve to change its electoral system not later than 12 September in the year that is 2 years before the next triennial general election (s. 27 LEA). Therefore, a resolution to change the electoral system to be used for the 2004 local elections, would need to be made by 12 September 2002.

The *Local Electoral Act 2001* does not specify what, if any, form of consultation is required prior to such a decision being made. However, good practice would suggest that the community should be consulted over an issue as significant as this. This is particularly so as there will not always be a poll held following a council resolution.

A council is **not required** by law to make a decision on its electoral system for the next triennial general election by 12 September – the current system will continue to apply unless changed either by council resolution or as a result of a poll of electors. It is however important that elected members are briefed on the statutory provisions and have the opportunity to consider the issue.

Poll demanded by electors

A council is required to give public notice no later than 19 September in the year that is 2 years before the year in which the next triennial general election is to be held:

- of any resolution made by it under section 27, and
- of the right of electors to demand a poll on the electoral system to be used at the next 2 triennial general elections of that council.

To be successful, a demand for a poll must be signed by at least 5% of the electors enrolled to vote at the previous triennial general election of the council (s. 29(3) LEA). There are also some technical requirements that need to be met for a demand to be valid. These are set out in s. 30.

Demands for polls may be lodged either:

- before the date of public notice, or
- not later than 90 days after the date of public notice.

The first of these requirements means that in relation to the following triennial general election, a poll could be requested at any time before 18 December in the year that is 2 years before the next triennial general election.

The second requirement means a poll could be requested between 18 September and 18 December in the year that is 2 years before the next triennial general election.

Good practice would suggest that only one poll is held in any triennium, and that this be in the period March to May in the year before the next triennial general election. This would avoid, for example, the risk of the poll coinciding with Parliamentary elections.

A demand for a poll would arise in the following circumstances:

- where the council has not resolved to change the electoral system, the demand would propose a change in the electoral system, or
- where the council has resolved to change the electoral system the demand would propose that the existing system be retained.

Poll initiated by council

A council may resolve that a poll be held on a proposal that a specified electoral system be used for its next 2 triennial general elections (s. 31 LEA). A resolution to hold a poll must be made not later than 28 February in the year immediately before the year in which the next triennial general election is to be held. In relation to the 2004 elections, this means 28 February 2003.

A council may resolve to hold a poll whether or not:

- the deadline for a demand from electors for a poll has expired, or
- a valid demand for a poll from electors has been received.

1.3 Polls

Where electors have successfully demanded a poll or the council has decided to conduct a poll, the electoral officer must give public notice of the poll and arrange for the poll to be held in the normal manner prescribed by the *Local Electoral Act 2001* for polls.

The poll must be held not later than 82 days after the date on which the electoral officer is advised by the principal administrative officer of a valid demand for a poll or of a resolution of the council to hold a poll. The principal administrative officer is required to give the electoral officer this advice as soon as practicable. In practice this means that a poll would have to be held at the latest in the second half of May in the year immediately before the year in which the triennial general election is held.

If the electoral officer receives more than one valid demand for a poll, or, one or more valid demands for a poll and advice of a decision of the council to hold a poll, the polls required to be held must be combined and only one poll is to be conducted. The result of a poll is **binding**.

1.4 Effect of decision

A decision on the electoral system made solely by way of a resolution of a council at present continues in effect until either:

- a further resolution takes effect, or
- a poll of electors is held.

Note: The Local Government Bill currently before Parliament proposes that any such decision apply for at least the next two triennial general elections.

A decision on the electoral system made by a poll continues in effect:

- for the next two triennial general elections, and
- for all subsequent triennial general elections until the council makes a resolution under section 27 to change the electoral system or a further poll is held, whichever occurs first.

This applies whether or not the poll has resulted in a change in the existing electoral system.

A decision on the electoral system relating to a territorial authority also applies to the elections of any community boards in the district of that territorial authority.

Territorial authorities, regional councils and other local authorities to which the *Local Electoral Act 2001* applies, make their own decisions about the electoral system to apply to their elections. The exceptions to this rule are:

- District Health Boards (DHBs), which are required to be elected by STV
- any local authority required by another Act to be elected by a particular electoral system (s. 32(b) LEA).

1.5 Electoral systems for other polls

Section 35 of the *Local Electoral Act 2001* provides that a council may adopt a particular electoral system for the purposes of a particular poll or for the purpose of two or more polls being held at the same time.

If a council has not made a resolution about the electoral system to be used for a poll, the system to be used is the FPP electoral system.

Sections 27 to 35 of the *Local Electoral Act 2001* are attached as an **Appendix**.

2.0 The Single Transferable Vote electoral system (STV)

2.1 Introduction

The Single Transferable Vote electoral system (STV) is a form of preferential voting where voters rank some or all candidates in order of personal preference. In order for a vote to be valid, each voter needs to rank only one candidate. However, the more candidates that are ranked by a voter the greater the contribution that vote makes to the final result.

STV was first proposed in the mid-nineteenth century. The goal was to develop a voting system in which voters' votes could be transferred from one candidate to another so that every vote would be as effective as possible regardless of whether it was used to support a political party or organised political grouping, or an individual candidate.

Today, STV is used to elect the national assemblies of Eire and Malta, some Australian State legislatures, as well as Tasmanian and some other local authorities.

The form of STV to be used for local elections in New Zealand is based on the 'Meek method' of counting votes. This counting method uses the power of modern computers to more accurately reflect voters' wishes and to avoid the arbitrary rules for traditional hand counting of votes. The method has been further modified for New Zealand local electoral conditions and can be referred to as 'New Zealand STV'. Details of modifications additional to those included in the *Local Electoral Act 2001*, are set out in Section 2.5. NZSTV also applies to mayoral and single-member wards and constituencies as a 'reduced' form of STV or 'majority-preferential' vote.

2.2 How STV works

With STV, voters' entitlement to vote does not change. What changes is the way that they exercise their vote.

In an STV election each voter has only one vote, hence the name Single Transferable Vote, but is able to rank some or all candidates in preferred order. This enables each voter's single vote to be transferred from their most preferred candidate to their second preference, and so on, if their preferred candidate has either more votes than required to be elected, or so few as to have no chance of being elected.

Successful candidates are those who win enough support to reach the quota. This is established by dividing the total number of valid votes cast by one more than the number of vacancies to be filled, and adding a fraction or a whole number to that quotient. The following table provides examples.

| | 1 vacancy | 2 vacancies | 4 vacancies |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| $Q = \frac{\text{total valid votes (100)}}{\text{no. of vacancies} + 1} + 1^*$ | $Q = \frac{100}{1+1} + 1^*$ = 51 | $Q = \frac{100}{2+1} + 1^*$ = 34 | $Q = \frac{100}{4+1} + 1^*$ = 21 |

* this figure is either a whole number or a fraction

Votes can be made more effective by being transferred to other candidates in accordance with voters' wishes as expressed on the voting document. In effect, voters are saying, *'The candidate I most wish to see represent me on the council is Joe Bloggs. If Joe wins so many votes that he doesn't need my vote to be elected, then my vote is to be transferred to Bill Smith to help him get sufficient votes to be elected. But if Joe has so few votes that he can't possibly be elected, my vote is to be transferred to Bill'*.

Districts and regions using STV are often divided into multi-member wards or constituencies, although STV can also be used in both single-member wards and constituencies, and wards encompassing an entire territorial authority district – an 'at large' election. The number of representatives to be elected from each ward or constituency can vary. There is no pre-determined size for STV wards or constituencies, but between three and nine representatives is generally regarded as providing benefits of additional proportionality reflecting voters' preferences. Larger units electing a greater number of representatives are possible, but risk making the voters' task very onerous.

Under STV, elections for mayoralties and single-member wards and constituencies will provide an absolute majority (50% + 1 of all valid votes cast) for the winning candidate. Since there are usually a number of candidates contesting these elections, it is likely that voters' second and even third preferences will have to be allocated before the winning candidate attains the quota. Although there is only one vacancy to be filled, voters will cast their votes in exactly the same way as for multi-member ward or constituency elections.

As a broadly proportional electoral system, the political composition around the council table under STV should reflect the range of opinions within the community that elects the council. An odd number of representatives in each ward or constituency is likely to achieve a more proportional outcome in districts or regions where political groupings predominate by preventing each party gaining an equal number of positions.

2.3 General outline of how votes are counted in STV elections

Once all votes are cast and voting has closed, counting can commence. Usually, several counting stages are needed to determine which candidates are elected. The count proceeds as follows:

- the quota is determined
- each voter's first preference is allocated to his or her most preferred candidate
- any candidate who achieves the quota is declared elected, and any surplus votes for that candidate, that is votes in excess of the quota required for the candidate to be elected, are transferred to other candidates in accordance with those voters' second preferences
- after the transfer of these surpluses, any candidate who has attained the quota is declared elected and any further surpluses arising from the transfer of votes are transferred on to the candidates who are the voter's next preferences
- once all or any surpluses have been dealt with, or if there are no surpluses to transfer, the candidate with the lowest number of votes is excluded and next preferences listed on the voting documents which gave preference to the excluded candidate are transferred to the remaining candidates. If two or more candidates are tied for last place the candidate who had the smallest number of votes credited after the first count is excluded
- at the conclusion of this redistribution of preferences any candidate who has reached the quota of votes required for election is declared elected and any surpluses are redistributed 'pro rata' across those candidates who remain.

These procedures are repeated in turn until all vacancies have been filled. This may take several cycles depending on the number of candidates contesting the election and the number of vacancies to be filled.

The earliest STV elections used a fairly crude method of determining the transfer of surplus votes. It was an arbitrary process which lacked randomness since the selection of voting papers depended on the point at which they were counted and there was no guarantee that they would accurately represent all the second and subsequent preferences of other votes in the pile.

In more recent times surpluses have been distributed pro rata to remaining candidates. While this procedure was a distinct improvement on previous practice in that it ensured that all voters' preferences were acknowledged, it did not totally eliminate the chance of votes being discarded as a result of the order in which candidates were eliminated.

2.4 The “Meek Method” of counting votes

The ‘Meek method’ of counting votes was devised by mathematician Brian Meek in 1969, and designed to eliminate the potential inequalities in the transfer of surplus votes resulting from arbitrary decisions present in previous counting methods. Meek developed an algorithm (a set of rules for solving a mathematical problem) that computes a retention factor – referred to in the *Local Electoral Act 2001* as the ‘keep value’ – for each elected candidate.

This means each elected candidate retains a fraction of each vote received and the balance of each vote is transferred to the voter’s next preference. The effect of Meek’s method is that the count, as far as possible, reflects the voting preferences of each voter and the number of wasted votes is kept to an absolute minimum.

Meek recognised that if the problems of earlier counting methods were to be avoided, votes must be transferred to all candidates other than those already excluded – even candidates who had already attained the quota. This means that repeated transfers of surpluses are required from candidates who have already been elected.

All votes cast are dealt with exactly as voters have specified. A number of key principles apply:

- a candidate who achieves the quota retains a calculated proportion of every vote received and the remainder is transferred to other active candidates. The elected candidate retains only enough votes to equal the quota
- when or if candidates who have already been declared elected gain new surpluses, they must be transferred out again immediately, pro rata, to other active candidates
- all non-transferable votes (votes that do not have any further preferences declared) play no further role in the count, and
- whenever a candidate is excluded, all voting documents are treated as if that candidate had never stood and the votes credited to that candidate are transferred to candidates who are still ‘active’, including to any candidates who have already been declared elected, strictly in accordance with voters’ preferences.

Whenever non-transferable votes are set aside the quota has to be recalculated because there are fewer valid votes remaining in the count. Because of this, the ‘keep values’ of any elected candidates also have to be recalculated as all candidates are elected at the quota.

In this way the number of votes that cannot be transferred to another candidate is kept to a minimum, the preferences of each voter are taken into account as far as possible, and there is no incentive for voters to cast their vote in any way other than according to their actual preferences.

Meek's method computes the quota and the fractions of votes that each candidate retains to the accuracy of the computer rather than rounding the fraction to tenths or hundredths.

2.5 New Zealand STV

To take account of the New Zealand local electoral environment and to provide refinements in the counting program, New Zealand STV (NZSTV) vote counting further modifies 'Meek's method' as described in the *Local Electoral Act 2001*. These further modifications are:

- the rounding of fractions up to nine decimal places for the calculation of quota and keep values – this will ensure that each candidate retains at least a quota of votes, making it impossible for too many candidates to be elected
- the facility to withdraw a candidate and allow that candidate's votes to be transferred to the next preferred candidate
- the facility to guard elected candidates in the event of a recount after the withdrawal of an elected candidate – this will preserve the position of already elected candidates in the event of a redistribution of votes following the withdrawal of a candidate
- the facility to complete the count in the event of insufficient candidates chosen by voters at any preference level.

How the quota is established and the way in which votes are counted in a NZSTV election, are described in more detail in Chapter 6.0.

It is noted that not all voters will want to follow the complexities of STV counting. What they need to understand is that they are able to express a ranked set of preferences, and that these will be distributed, exactly as they have indicated, to assist their preferred candidates to reach the quota.

2.6 Other issues relating to STV

Representation reviews

Currently councils are required to consider the size of membership and basis of election prior to every triennial general election. Under the Local Government Bill they will be required to undertake these representation reviews at a minimum of every 6 years. The Bill requires achievement of effective and fair representation including criteria for establishing wards and constituencies based on population per member. There is, however, scope to vary this requirement based on recognition of communities of interest.

Any decision to change electoral system will influence issues to be considered as part of the representation review. These issues include:

- representation of women, Maori, and minority ethnic communities
- Maori wards and constituencies
- choice between ward/constituency or ‘at large’ election, or combination
- elections contested by political parties or organised political groupings
- elections contested by independent candidates
- the number of representatives.

Representation of women, Maori and minority ethnic communities

STV is seen as enhancing opportunities for women, for Maori and for members of minority ethnic communities to be elected to councils. This is because it allows voters to vote for their preferred candidates on the understanding that nearly all voters have an equal effect on the election outcome and candidates with a general level of support reflected across all preferences are likely to get elected.

Maori wards and constituencies

The *Bay of Plenty Regional Council (Maori Constituency Empowering) Act 2001* authorised the Bay of Plenty Regional Council to establish separate Maori constituencies. The Local Government Bill currently before Parliament will, if enacted, permit councils to establish separate Maori wards or constituencies if they choose, or if determined by a poll of electors. Any separate Maori wards or constituencies will work in exactly the same way as wards or constituencies for general electors.

The choice between ward/constituency or ‘at large’ election or a combination

Where large numbers of members are to be elected, wards or constituencies may be seen as more manageable. If political parties or organised political groupings contest elections under STV, multi-member ward or constituency structures are likely to produce broad proportionality. In districts with smaller populations, ‘at large’ elections are seen as a practical possibility, particularly where elections are predominantly contested by independents.

If territorial authorities adopt the provision allowing councillors to be elected by wards **and** ‘at large’, as provided by the Local Government Bill, voting documents will need to be separated into two sub-sections, one for recording voters’ preferences for ward representation, and the other to record preferences for ‘at large’ representatives.

Political parties or organised political groupings contest elections

Where, as in the larger cities, local politics tends to be organised around political parties or organised political groupings, STV has the capacity to produce results that broadly reflect the range of political opinion across the district. Where such groups contest elections, and where broad proportionality is seen as a desirable goal, at least five member wards or constituencies may be seen as desirable. STV provides voters with much greater choice and

helps to moderate 'block' voting.

Districts where elections are contested by independent candidates

Independent candidates often contest elections in smaller councils. STV is still likely to produce results that broadly reflect the range of opinion within the district or region, but the minimum number of members for each ward or constituency can probably be reduced to three.

The number of representatives

Because STV usually produces broadly proportional outcomes in line with voters' preferences, there is no need for all wards or constituencies in a district or region to elect the same number of councillors. As long as the statutory provisions of the *Local Electoral Act 2001* are adhered to, that is, ensuring that the ratio of elected representatives to population is similar across all wards or constituencies, including single-member wards and constituencies, boundaries can be drawn to reflect coherent communities of interest rather than being determined purely on a population basis.

Extraordinary vacancies

Occasionally during the term of a council a mayor or a councillor dies or resigns and a vacancy is created. There are two possible ways of dealing with this issue if STV is in use:

- if the vacancy occurs more than 12 months before the next triennial general election, a by-election must be held. In this case its form will be identical to the election for mayor or single-member ward or constituency (described above)
- if the vacancy occurs 12 months or less before the next triennial general election it is, as under FPP, filled by appointment or left vacant (if the vacancy is that of mayor, an appointment must be made).

Timeliness of election results

Under FPP, preliminary election results are announced on election day. Once the eligibility of special voters has been confirmed, special votes are added to give official election results.

Final policy decisions have yet to be made on the form of election results under STV. Results on election day (i.e. excluding special votes) could comprise first preferences only. Alternatively, to provide 'meaningful' results (including special votes once verified) would mean no election results were provided on election day.

Publication of results

When an FPP election result is announced, candidates are listed in order of the number of votes received and it is easy to see who 'won' and who 'lost'.

Generally, STV election results are published by listing the successful candidates in the order that they attained the quota, while unsuccessful candidates are listed in the order they were excluded. It is, however, customary for spreadsheets to be published showing the result of each transfer of votes. Final policy decisions on these matters are still to be made.

Form of the voting document

The *Local Electoral Act 2001* provides that the Secretary for Local Government must approve general formats for voting documents. This is to provide necessary flexibility in the future. Criteria for voting documents are presently being developed to accommodate the different electoral systems and technologies used now (e.g. vote processing by barcode wand or scanning) and into the future (e.g. electronic voting).

3.0 A comparison between FPP and STV

| Characteristics of First Past the Post (FPP) | Characteristics of Single Transferable Vote (STV) |
|---|---|
| How to vote | |
| Voters place a tick alongside the name of the candidate or candidates they wish to vote for. | Voters rank candidates in order of preference – ‘1’ alongside their most preferred candidate, ‘2’ alongside the second-most preferred candidate, and so on. Voters do not have to rank all candidates for their votes to count; they may rank one or more but all rankings must be consecutive. |
| How candidates are elected | |
| Each voter has one vote for each vacancy to be filled. | Each voter has one vote for each issue, even though there may be more than one vacancy. Each voter can exercise this vote by expressing preferences for any or all candidates. |
| The candidate who wins the most votes – regardless of his or her share of the total valid votes cast – wins a position. | Candidates who gain sufficient preferences to reach the quota will be declared elected. All candidates are elected with the same proportion of the vote. |

The number of vacancies decides the number of candidates to be elected. If, for example, there are four vacancies, the four candidates with the highest number of votes will be successful.

The number of vacancies decides the number of candidates to be elected. To determine which candidates have the greatest support, all first preferences are counted.

Any candidate who has more than the quota is declared elected and any surplus votes are transferred (redistributed) to the remaining candidates strictly in accordance with voters' preferences.

If at any stage there are no surplus votes to be transferred, the candidate with the fewest votes drops out and that candidate's votes are redistributed to the remaining active candidates.

As each candidate achieves the quota he or she is declared elected. This procedure continues until all vacancies have been filled.

Proportionality

FPP is not a form of proportional representation. This means that elected members may not necessarily reflect the range of opinions in proportion to the electors of the district or region holding those opinions.

STV is a broadly proportional electoral system. It provides effective representation for all significant points of view. It cannot, however, guarantee that there will be an increased diversity of representation.

Many voters may not support the candidates who are elected because they did not vote for them. Votes that are not cast for successful candidates are in effect 'wasted'.

Nearly all voters can point to at least one, and probably more than one, person they helped to elect because they were able to transfer their support to another candidate when their first, and sometimes their second or subsequent preference, did not need all of their vote to get elected.

Many votes cast may be ‘wasted’ because successful candidates often receive many more votes than they need to be elected.

STV is widely considered to reflect voters’ wishes better than other electoral systems.

Each vote is of equal value at any given point in the count, and – provided votes have not been made non-transferable – very few votes are ‘wasted’ by not being able to help elect at least one candidate.

Later preferences cannot harm earlier preferences so voters can split their vote between candidates from different parties or organised political groupings.

FPP provides a direct link between voters and their elected representatives because those elected represent everyone, not just those who voted for them. However, even in multi-member wards or constituencies some voters may not have voted for any of the successful candidates.

STV provides direct links between voters and their elected representatives because those elected represent everyone, not just those who voted for them. Most voters are able to point to at least one representative who they helped get elected.

To place a tick beside the name of one’s preferred candidate or candidates represents a positive choice, but this extent of support which can be indicated, is restricted to the number of vacancies to be filled.

To express a ranked preference for candidates for office is a positive action. Voters are, in effect, saying: ‘I prefer candidate B ahead of candidate D, but if both of these candidates can be elected without needing all of my vote I would like part of it to go to candidate A.’

Single vacancies or multiple vacancies

Some wards and constituencies may elect a single member to represent them while others may elect two or more representatives.

Some wards and constituencies may elect a single member to represent them while others may elect two or more representatives, with the additional benefits of a more representative and/or proportional result.

Since each territorial authority elects only one mayor there is only one vacancy to be filled for that position. So the election of a mayor is just like an election for a local (constituency) MP.

Since each territorial authority elects only one mayor there is only one vacancy to be filled for that position.

The candidate who wins the most votes wins the mayoralty, regardless of how big or how small a proportion of all the votes cast. [Note: since regional councils do not directly elect their chairpersons, this provision does not apply to them.]

Where, as in a mayoral election, there is only one vacancy, if no candidate attains 50% plus 1 of the valid votes cast, the candidate with the least votes is excluded and their votes are transferred to the remaining candidates in accordance with voters' 2nd preferences. This process continues until one candidate has an absolute majority – i.e. has 50% plus 1 of all valid votes cast.

Advantages and disadvantages

FPP is a straightforward system of voting and counting.

STV is more complex, particularly STV vote counting.

FPP is an electoral system that is familiar to most people and it is generally easy to understand.

The STV electoral system is unfamiliar to most New Zealanders. Many people understand how to cast their votes (by ranking candidates in order of preference) but they do not understand how the result is arrived at. Some find it difficult to understand why they have only one vote when there are a number of vacancies to be filled.

Minor political parties or organised political groupings usually find it difficult to be elected in ward or constituency elections because their electoral support is spread thinly across the wards or constituencies of the district or region and certain communities of interest may not be reflected by ward or constituency boundaries.

Minor parties or organised political groupings usually find it easier to win representation under STV. This is because it is an electoral system that produces results that broadly reflect the range of opinions and views in the community. Where there are no political parties or organised political groupings the preferences expressed by voters still usually result in the range of the community's views being represented around the council table.

In multi-member wards or constituencies voters who vote for fewer than the maximum number of vacancies may actually help another candidate whom they do not support, to get elected, and it may possibly count alongside the candidate they most want to see elected.

In STV the way that votes are transferred from one candidate to another makes it virtually impossible to cast a tactical vote. This is because the transferred votes are shared in appropriate proportions between all candidates as identified by the voter and not just across those still active candidates who have not yet been declared to be elected.

It may also encourage 'tactical' voting in certain circumstances – i.e., where a voter's preferred candidate is known to have no chance of being elected, the vote may be used to support a candidate in an attempt to prevent another candidate from winning.

Where council elections are held in multi-member wards or constituencies, or 'at large' (a single ward across an entire district), each voter is able to cast one vote for each vacancy to be filled. This can result in a disproportionate result where political parties or organised political groupings contest the elections. Candidates from one party or organised political grouping can win all the vacancies being contested as a result of 'block' voting without having a majority of the votes.

STV is seen as a fairer system for electing representatives because it allows voters to discriminate among parties or political groupings, and also between different candidates from the same party or political groupings. It therefore provides voters with much greater freedom of choice, and also helps moderate 'block' voting.

Even without party or organised political groupings, a popular candidate can conceivably be defeated in multi-member wards or constituencies by the votes of his/her supporters that are cast for other candidates. Thus tactical voters may be encouraged either not to use their votes, or to vote for a particular candidate to try to prevent another candidate from winning.

The opportunity to express preferences for all candidates standing for election ensures that the candidates with the greatest level of support will be elected. Tactical voting is virtually impossible.

FPP preliminary election results are usually announced shortly after polls close. The official results (including special votes) are published simply and are easy to understand, and who 'won' and who 'lost', or who 'topped the poll' or who 'just made it', is easy to determine.

Under STV any 'on the day' results are far less indicative of final or official results. Accordingly there will be a greater delay before 'meaningful' results are available.

The results of STV elections can be published in a form that enables people to identify which candidates have been successful and which have not. However the notice does not so readily identify the candidate with the greatest level of voter support as all successful candidates are elected with the same proportion of the vote.

Maori may be represented through general wards or constituencies established by councils, or they may be represented through designated Maori wards or constituencies (subject to the enactment of the Local Government Bill).

STV is likely to provide greater opportunities to elect Maori to councils from general wards or constituencies. This is because candidates are elected as they attain the STV quota through first or subsequent preferences. It will, however, also be possible for councils to establish separate wards or constituencies for Maori electors.

Whether they are standing in a Maori ward or constituency, or in a general ward or constituency, to be successful, candidates are still dependent on enough electors giving them their vote.

Whether they are standing in a Maori ward or constituency, or in a general ward or constituency, to be successful, candidates are still dependent on enough electors including them in their ranked preference list of candidates.

For the same reasons that STV has the potential to give greater representational opportunities to Maori, STV is likely to enhance electoral opportunities for other minority groups such as Pacific and Asian peoples.

4.0 The influence of District Health Boards

4.1 District Health Boards and STV elections

The first District Health Board (DHB) elections were held in 2001 using the same First Past the Post (FPP) electoral system used by councils. At that time there was no requirement for DHBs, or any councils, to use the Single Transferable Vote (STV) electoral system for their elections.

However, from 2004 there is a legal obligation that DHBs use the STV electoral system in their board elections. The legal requirement reads as follows:

“The elections of DHBs to be held at the triennial general election in 2004 and at every subsequent triennial general election must be conducted by the Single Transferable Voting electoral system (STV) using the Meek’s method of counting votes”.¹

4.2 Responsibilities of territorial authorities for DHB elections

DHB elections must be held at the same time as territorial authority triennial general elections.²

Legislation requires that the functions (ie the powers and duties) involved in conducting a DHB election be split between an electoral officer appointed by the DHB and those appointed by the relevant territorial authorities (although these can be the same people). Territorial authorities are obliged to carry out at least some of the DHB election functions.³ In particular, territorial authority electoral officers are required to be responsible for the ‘core’ functions of DHB elections comprising electoral rolls and issuing voting documents as well as processing and counting votes.

DHBs must appoint an electoral officer⁴. As DHBs are local authorities for the purposes of the elections⁵ they can either undertake ‘non-core’ functions (those not carried out by territorial authority electoral officers) themselves or delegate these to the relevant territorial authority.

¹ Section 150 of the Local Electoral Act 2001 inserts this as an additional clause, (9A) into Schedule 2 of the New Zealand Public Health and Disability Act 2000.

² Clause 9, Schedule 2 of NZPH&D Act 2000.

³ Clause 11 of Schedule 2 of the NZPHD Act 2000 and Section 18 of the LE Act 2001

⁴ Section 12 of the LE Act 2001.

⁵ See definition of local authority in Section 5 of the Local Electoral Act 2001 (a DHB is a ‘partly-elected body’).

In 2001, DHBs recognised that their core business and expertise did not include running elections, and only two DHBs⁶ chose to appoint an internal electoral officer to carry out some of the election work. In all other cases DHBs delegated the responsibilities to one of the territorial authority electoral officers in their districts.

Elections in all 21 DHB districts worked satisfactorily. This was assisted by the negotiation of a memorandum of understanding between the Society of Local Government Managers (SOLGM) on behalf of territorial authorities, and the Ministry of Health on behalf of DHBs.

4.3 Payment for DHB elections

DHBs are required to pay territorial authorities for the election work carried out on their behalf.⁷

In 2001, a national formula was negotiated between SOLGM and the Ministry of Health as part of the memorandum of understanding. The vast majority of territorial authorities considered the payment arrangements to be fair. Territorial authority electoral officers will be consulted over a similar arrangement proposed for 2004.

4.4 Numbers and geography

As there are 21 DHBs and 74 territorial authorities, in most cases each DHB encompasses more than one territorial authority. Territorial authorities within a DHB area must work co-operatively to run the DHB elections under the control of a single electoral officer appointed by the DHB after consultation with territorial authorities.

Most DHB boundaries are consistent with (combinations of) territorial authority boundaries but in two cases the DHB boundary cuts across a territorial authority. Where this happens (Queenstown-Lakes and Ruapehu Districts), territorial authorities must work closely together to manage the electoral processes.

It is likely that some territorial authorities within a DHB district will continue to use FPP for their own elections, while others will use STV. This will complicate the administration of the DHB STV election as different vote collecting and counting arrangements will be needed, and these will have to be explained to the public.

⁶ Canterbury and Hawkes Bay DHBs

⁷ Clause 13 of Schedule 2 of the NZPH&D Act 2000.

In 2001, DHBs used electoral constituencies based on territorial authority boundaries and population size. In deciding the DHB constituency boundaries, the local communities of interest were also taken into account. The overall aim was to provide a fair spread of elected representation across each DHB. As yet, no decision has been made as to whether the DHB STV elections will continue to use constituencies or will revert to an 'at large' system. However it is assumed that the same criteria of community of interest and providing a fair spread of representation, will still apply.

Any changes to DHB constituencies, including changing to a single 'at large' constituency, must be made by Order in Council.⁸ In determining its position in relation to any such constituency changes, the Government will be interested in the views of the relevant DHBs and territorial authorities.

4.5 The impact of DHB STV elections on councils

In choosing the electoral system they wish to use in 2004, territorial authorities will need to consider all the philosophical and practical issues raised in other chapters of this document. They must also take into account their obligation to run DHB STV elections and the impact that this will have on their administrative capabilities, costs and on voters.

As all territorial authorities have a legal obligation to undertake at least some of the DHBs' electoral work, the options for territorial authorities are either:

- to use the FPP system for the territorial authority elections and to accommodate the DHB STV elections at the same time, or
- to use the STV system for territorial authority elections as well as for the DHB elections.

Regional councils will also have to consider to what extent their decisions are influenced by the electoral system being used by DHBs and territorial authorities within their respective regions. The territorial authority will then also have to accommodate this independently made decision.

Some may see the prospect of running a dual system – STV for DHB elections and FPP for territorial authority and regional councils elections – as an opportunity to try out STV before committing to it. This would mean that electoral officers would be able to run the familiar and established FPP system for all council elections, while coming to terms with the requirements of STV for only a 'limited' DHB election.

⁸ Section 19(3) New Zealand Public Health and Disability Act 2000.

Others may consider that the administrative complexities of running two different systems outweigh the advantages of a 'limited' exposure to STV in this election.

Further factors to take into account when considering a dual STV and FPP approach are:

- opportunities for electoral cost-sharing between a DHB and a territorial authority will be fewer than under a single system
- there may be a heightened risk of public confusion associated with a dual system, and reduced voting response in council and DHB elections as a result.

5.0 Indicative costs

5.1 Introduction

How much it will cost is likely to be one of the first things elected members want to know when considering changing their electoral system. This chapter attempts to address that question.

The most truthful answer is that what it will cost is not yet clear, as there are many factors which are still unknown. It is possible, however, to make some intelligent and informed assumptions; and from them and what has been learned from recent experience, to produce a range of costing projections.

5.2 Influences on costs

There are many influences on the costs of a Single Transferable Vote (STV) election. They include:

- the number of candidates
- the number of electors
- whether a new electoral system is used for all or just some issues
- whether territorial authorities and regional councils use the same electoral system as DHBs
- how much of the required technology is already in place
- whether new software has to be purchased
- the costs of linking territorial authority election software to the STV 'calculator'
- what data capture processes will be used (eg wand)
- whether separate voting documents are required for different electoral systems
- whether voting documents relating to different electoral systems must be sent out in different envelopes
- how much local publicity is produced
- how many temporary staff will be needed.

What is known is that:

- DHB elections must use STV from 2004
- territorial authorities are required to undertake DHB elections
- DHBs are required to pay territorial authorities for DHB electoral costs
- DHBs and territorial authorities gained some mutual savings in 2001 by working together
- territorial authorities and regional councils have the right to decide independently which electoral system they wish to use (unless a poll is required in which case the electors will decide).

5.3 Assumptions

For the purposes of generating the indicative costs below, a number of important assumptions have been made. When considering the costs, these assumptions must be borne in mind and adjustments made as appropriate. These are the assumptions:

Hard copy voting will continue to be used in 2004 and data capture will be either by barcode wand or by scanning. This assumes that Internet and other electronic means of voting will not be introduced in time for this election.

Current ward and constituency arrangements will continue. It is not yet possible to predict any alterations to boundaries, but some will inevitably be needed in time.

The number of candidates per issue is likely to be similar to 2001 levels except that the number of DHB candidates is predicted to be lower in at least some constituencies. The number of candidates impacts on printing and other costs, and on the number of preferences that need be indicated by voters.

Data capture will take more than twice as long for STV votes (112.5% longer) than an equivalent process for First Past the Post (FPP). This has been calculated using old 2001 voting documents and barcode wand.

Overall staffing costs will increase significantly, due largely to data capture requirements. (Calculated at about 34% overall, based on assessed costs including the increase in counting time as described above).

Equipment costs, including computers and wand, will increase to reflect the increase in staff (see above).

Accommodation costs may increase. This depends on the capacity of the territorial authority to accommodate the additional short-term staff and their equipment.

Software and administration charges associated with linking the STV calculator to the territorial authority's existing database or software will be imposed. This assumes that a straightforward universal software solution is not available in time for 2004, and that costs arise from analysis, specification drafting, linking the STV 'calculator', coding the software for data-entry and structure, and internal and external testing.

5.4 Mutual cost benefit

In 2001, both DHBs and territorial authorities gained a mutual cost benefit by sharing most electoral costs.

If territorial authorities choose not to use STV in 2004, some of those cost savings will not be available. However, territorial authorities will still be able to recover DHB STV election costs from the DHBs.

If territorial authorities and regional councils choose to use STV in 2004, it is likely that both DHBs and councils will make greater savings than if they do not both use STV.

5.5 Indicative costs

The table on the next page shows the results of calculations of the indicative additional STV election costs for a range of territorial authorities.

For illustrative purposes, the table includes real examples from a range of territorial authorities of different sizes. It is based on 2001 election costs, and uses:

- the eight assumptions above, and
- the additional assumption that the net cost to territorial authorities of DHB elections, is \$0.00.

Variations in the 'indicative extra cost' part of the table reflect anticipated situations in the selected territorial authorities.

| Range of territorial authorities | | | | | | | | | |
|---|----|----|----|----|-----|----|-----|-----|-----|
| 000s | | | | | | | | | |
| Number of electors | 7 | 12 | 21 | 25 | 28 | 28 | 123 | 228 | 256 |
| \$000s | | | | | | | | | |
| Election cost 2001 (excluding DHB contributions) | 40 | 49 | 75 | 69 | 80 | 58 | 280 | 544 | 548 |
| Indicative extra costs for territorial authority STV elections | | | | | | | | | |
| additional; paper and printing (calculated at 20c per sheet) | 1 | 2 | 4 | 5 | 6 | 6 | 25 | 46 | 51 |
| additional staff (34.17%) | 2 | 3 | 4 | 3 | 5 | 4 | 27 | 43 | 58 |
| additional hardware for staff | 1 | 0 | 1 | 3 | 1 | 1 | 0 | 7 | 5 |
| additional accommodation for staff | 1 | 0 | 0 | 0 | 0 | 0 | 3 | 3 | 3 |
| new software (assuming most use available package) | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 46 | 10 |
| Total additional indicative STV election cost | 15 | 15 | 19 | 21 | 22 | 21 | 65 | 145 | 127 |
| Total indicative STV election cost | 55 | 64 | 94 | 90 | 102 | 79 | 345 | 689 | 675 |
| Percentage increase for STV in 2004 | 27 | 31 | 25 | 30 | 27 | 36 | 23 | 27 | 23 |

6.0 The STV ‘calculator’

6.1 Introduction

To make it possible for councils to use the Single Transferable Vote (STV) electoral system should they so choose, the Department of Internal Affairs has developed specialised software for counting votes under STV.

The objective of developing this software (called the STV ‘calculator’) was to validate the STV vote counting method to be used in New Zealand, and to provide a basis on which detailed STV electoral regulations could be developed. The development of one software package was also seen as an opportunity to ensure nationally consistent results and to facilitate any future modifications.

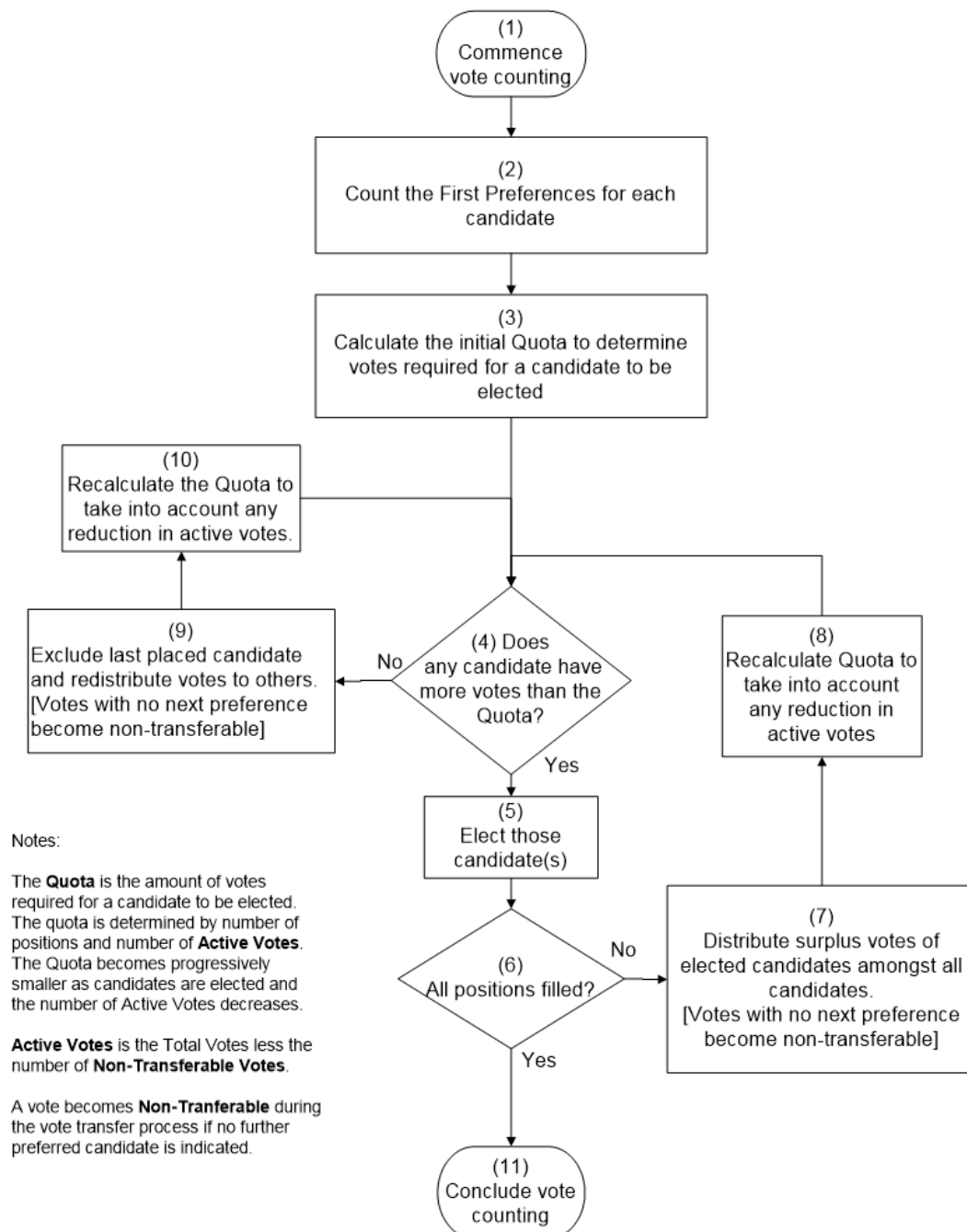
The STV ‘calculator’ is not a total STV electoral management system. It is a counting program only and will need to interface with territorial authorities’ existing electoral systems and data capture programs. The STV ‘calculator’ will be licensed to STV system developers and users, on the basis that it is the **only** counting software permissible for STV elections under the *Local Electoral Act 2001*.

6.2 How it works

The diagram on the next page (Figure 1) summarises the STV ‘calculator’ as implemented in the STV vote counting software.

Each of the numbered steps in the diagram is then described in more detail, followed by a glossary of terms.

Figure 1 – The STV vote counting process after close of voting



Notes to Figure 1

(1) **Commence STV vote counting process**

- all valid voting documents have been captured into the database
- each voting document contains the voters' ranked preferences for the candidates
- each voter can rank as few or as many candidates as they wish.

(2) **Count first preferences**

- the first preference of each voter is attributed to the appropriate candidate
- each candidate is assigned a keep value of 1 meaning they keep the whole of each vote attributed to them
- if a candidate is withdrawn, then that candidate's keep value is set to 0 and any vote attributed to them is assigned to the next preferred candidate. If no second preference exists that vote becomes non-transferable.

(3) **Calculate initial quota**

- the initial quota is calculated. The quota is the number of votes that a candidate must attain to be elected
- the quota is calculated (to 9 decimal places after the point with any remainder being disregarded) in accordance with the following formula:

$$q = v/(n+1) + 0.000000001$$

where

q is the quota

v is the total number of valid votes, less the number of non-transferable votes

n is the total number of members to be elected

(In the above formula 0.000000001 is added to ensure that it is impossible for more candidates to be elected than the number of positions)

(4) **Determine candidates who have exceeded quota**

- the number of votes attributed to each candidate is compared to the quota
- if the total votes attributed to a candidate equals or exceeds the quota then that candidate is elected proceed to (5)
- if no candidate reaches the quota at this step then the lowest candidate is excluded proceed to (9).

(5) Elect candidates

- any candidate whose total votes now equal or exceed the quota is elected
- all elected candidates' surpluses are calculated (each candidate's current votes less the current quota), and all such surpluses are summed to get the total surplus.

(6) Determine whether all positions filled

- the number of elected candidates is compared to the number of positions to be filled
- if the number of elected candidates is less than the number of positions, then go to (7), otherwise go to (11).

(7) Redistribute surplus votes after election of candidate

- the keep value of the elected candidate is recalculated using the following formula to ensure that the candidate retains the correct proportion of each vote received to remain at or just above the quota.

$$k = (ck * q)/cv$$

where

k is the candidate's new keep value
 ck is the candidate's current keep value
 q is the current quota
 cv is the candidate's current votes

- the reduction in that candidate's keep value then results in a redistribution of all votes among all candidates. The elected candidate retains enough votes to remain at (or just above) quota while the excess votes go to the other preferred candidates.
- votes with no next preference become non-transferable, thus reducing the total number of active votes (valid votes less the number of non-transferable votes).

(8) Recalculate quota (following redistribution of surplus votes)

- the quota is recalculated to take into account the reduced number of active votes. [Note that the quota gets progressively smaller with any increase in the number of non-transferable votes.]
- return to (4) to check whether any candidates have now attained the quota.

(9) Exclude lowest candidate(s) and redistribute votes

- the candidate with the least votes is excluded if:
 - the sum of that candidate's votes and the total surplus (total votes of elected candidates in excess of the quota) is less

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- than the votes of any other non-excluded candidate, or
 - the total surplus is less than 0.0001. This saves continual vote redistributions which would have virtually no effect on the current result.
 - in the event of a tie for lowest position, the tie will be resolved by excluding the tied candidate who had the fewest votes the first time they were different (ahead at first difference method). If this method does not resolve the tie, then a candidate is randomly excluded (utilising a random number generator).
 - the keep value of the excluded candidates is set to 0.
 - the keep values of the remaining active candidates are recalculated.
 - all votes are redistributed among the remaining active candidates. Where no further preferences for active candidates exist among these votes, then the vote becomes non-transferable.
- (10) Recalculate quota (following exclusion of lowest candidate)**
- the quota is recalculated to take into account the reduced number of active votes. Note that the quota gets progressively smaller with any increase in the number of non-transferable votes
 - return to (4) to check whether any candidates have now attained the quota.
- (11) Conclude STV vote counting process**
- the STV vote counting process finishes when the number of elected candidates equals the number of positions available.

Glossary of terms

The following definitions are based on the commonly used terminology associated with the New Zealand local electoral environment and the New Zealand Single Transferable Voting (NZSTV) electoral system.

Candidate (active) – candidates in the counting process who are either hopeful or elected.

Candidate (elected) – status of a candidate who has reached or exceeded the quota.

Candidate (excluded) – status of a candidate who has been eliminated as a candidate because he or she had the lowest number of votes at the point in the counting process where all surpluses have been allocated and not all positions have been filled.

Candidate (guarded) – candidate already elected, whose position is protected in the event of a rerun of the counting process.

Candidate (tied) – ties occur in NZSTV voting when the candidate with fewest votes must be excluded and two or more have equal fewest.

Candidate (withdrawn) – candidate withdrawn before the commencement of counting process. The votes this candidate receives (if any) are allocated to each voter's next preferred candidate.

Count – iteration of the counting process, repeated until all positions have been filled.

Electoral system - Section 2 of the *Local Electoral Act 2001* defines electoral system as follows:

“*electoral system* - means any of the following electoral systems that are prescribed for use at an election or poll:

the system commonly known as First Past the Post:

the system commonly known as Single Transferable Voting (STV) using Meek's method of counting of votes”.

Keep value – the proportion of each vote retained by a candidate. The keep value of all candidates is 1.0, meaning they keep all of every vote (or part of a vote) they receive. One of the key features of Meek's method is that elected candidates continue to receive portions of votes after they have reached the quota. Once a candidate reaches the quota, and is deemed elected, his or her keep value is recalculated as they receive surplus votes, to determine the proportion of all their votes they will retain to remain at the quota, and the remainder of each vote is redistributed as surplus.

In calculating the keep value, both the multiplication and division are taken to

9 decimal places after the point, and in each case, rounded up if not exact.

New Zealand STV – the STV process of counting votes based on, and consistent with Algorithm 123 published in *The Computer Journal (UK)*, Vol 30, 1987, pp 277-81 plus the additional modifications described in this document. (This method of counting votes is referred to as Meek's Method in the *Local Electoral Act 2001*.)

Preferences – the ranking by the voter of the preferred order of choices for a set of candidates or options.

Quota – the number of votes that a candidate [or option] must attain to be elected [selected] under the STV counting system. The quota is based on the number of positions available, and the total number of votes.

Voting document – previously known as voting paper, the actual form (physical or electronic) provided to voters to indicate electoral choices and returned to Electoral Officers.

Vote (non-transferable) – a voting document on which no next preference for a non-excluded candidate is indicated or can be identified by the Electoral Officer.

Appendix

Local Electoral Act 2001 (Sections 27-35)

Part 2: Local elections and polls

Electoral systems for elections

27 Local authority may resolve to change electoral systems

(1) Any local authority may, not later than 12 September in the year that is 2 years before the year in which the next triennial general election is to be held, resolve that that triennial general election will be held using a specified electoral system other than that used for the previous triennial general election.

(2) A resolution under this section---

(a) takes effect, subject to paragraph (b), for the purposes of the next triennial general election of the local authority and its community boards (if any); and

(b) continues in effect until either---

- (i) a further resolution under this section takes effect; or
- (ii) a poll of electors of the local authority is held under section 33.

(3) This section is subject to section 32.

28 Public notice of right to demand poll on electoral system

(1) Every local authority must, not later than 19 September in the year that is 2 years before the year in which the next triennial general election is to be held, give public notice of the right to demand, under section 29, a poll on the electoral system to be used for the next 2 triennial general elections of the local authority and its community boards (if any).

(2) If the local authority has passed a resolution under section 27 in respect of the next triennial general election, every notice under subsection (1) must include---

(a) notice of that resolution; and

(b) a statement that a poll is required to countermand that resolution.

(3) This section is subject to section 32.

29 Electors may demand poll

(1) A specified number of electors of a local authority may demand that a poll be held on a proposal by those electors that a specified electoral system be used at the next 2 triennial general elections of the local authority and its community boards (if any).

(2) This section is subject to section 32.

(3) In this section and sections 30 and 31,---

demand means a demand referred to in subsection (1)

specified number of electors, in relation to a local authority, means a number of electors equal to or greater than 5% of the number of electors enrolled as eligible to vote at the previous general election of the local authority.

30 Requirements for valid demand

(1) A demand must be made by notice in writing---

(a) signed by a specified number of electors; and

(b) delivered to the principal office of the local authority, either---

(i) before the date of the public notice given under section 28;

or

(ii) no later than 90 days after the date of the public notice given under section 28.

(2) An elector may sign a demand and be treated as 1 of the specified number of electors only if---

(a) the name of that elector appears,---

(i) in the case of a territorial authority, on the electoral roll of the territorial authority; and

(ii) in the case of any other local authority, on the electoral roll of any territorial authority or other local authority as the name of a person eligible to vote in an election of that local authority; or

(b) in a case where the name of an elector does not appear on a roll in accordance with paragraph (a),---

(i) the name of the elector is included on the most recently published electoral roll for any electoral district under the Electoral Act 1993 or is currently the subject of a direction by the Chief Registrar under section 115 of that Act (which relates to unpublished names); and

(ii) the address for which the elector is registered as a parliamentary elector is within the local government area of the local authority; or

(c) the address given by the elector who signed the demand is---

(i) confirmed by a Registrar of Electors as the address at which the elector is registered as a parliamentary elector; and

(ii) within the district of the local authority; or

(d) the elector has enrolled, or has been nominated, as a ratepayer elector and is qualified to vote as a ratepayer elector in elections of the local authority.

(3) Every elector who signs a demand must state, against his or her signature,—

- (a) the elector's name; and
- (b) the address for which the person is qualified as an elector of the local authority.

(4) The principal administrative officer of the local authority must, as soon as is practicable, give notice to the electoral officer of every valid demand for a poll made in accordance with section 29 and this section.

(5) This section is subject to section 32.

31 Local authority may resolve to hold poll

(1) A local authority may, not later than 28 February in the year immediately before the year in which the next triennial general election is to be held, resolve that a poll be held on a proposal that a specified electoral system be used for the next 2 triennial general elections of the local authority and its community boards (if any).

(2) A local authority may pass a resolution under subsection (1), irrespective of whether—

- (a) the time for delivering a demand specified in section 30(1) has expired; or
- (b) any valid demand under section 29 is received by the date specified in section 30(1).

(3) The principal administrative officer of the local authority must, as soon as is practicable, give notice to the electoral officer of any resolution under subsection (1).

(4) This section is subject to section 32.

32 Limitation on change to electoral systems

Sections 27 to 31 do not apply if—

- (a) the electoral system to be used at the next triennial general election of the local authority and its community boards (if any) was determined under section 33 by a poll held in the year immediately before the year in which the previous triennial general election of the local authority was held; or
- (b) another enactment requires a particular electoral system to be used for the election of members of a local authority.

33 Poll of electors

(1) If the electoral officer for a local authority receives notice under section 30(4) or section 31(3), the electoral officer must, as soon as is practicable after receiving that notice, give public notice of the poll under section 52.

(2) Despite subsection (1), if an electoral officer for a local authority receives 1 or more notices under both section 30(4) and section 31(3), or more than 1 notice under either section, in any period between 2 triennial general elections, the polls required to be taken under each notice must be combined and 1 poll only must be taken.

(3) A poll held under this section must be held not later than 82 days after the date on which---

- (a) the notice referred to in subsection (1) is received; or
- (b) the last notice referred to in subsection (2) is received.

(4) Every poll under this section determines whether the electoral system to be used for the next 2 triennial general elections of the local authority and its community boards (if any) is to be---

- (a) the electoral system used at the previous general election of the local authority; or
- (b) the electoral system specified in any resolution under section 27; or
- (c) the electoral system specified in any demand of which the electoral officer has received notice under section 30(4) and, if notice of more than 1 demand is received, 1 of the systems specified in those demands and, if so, which one; or
- (d) the electoral system specified in any resolution of which the electoral officer has received notice under section 31(3).

34 Effect of poll

If a poll is held under section 33, the electoral system adopted or confirmed must be used---

- (a) for the next 2 triennial general elections; and
- (b) for all subsequent general elections until a further resolution under section 27 takes effect or a further poll is held under section 33, whichever occurs first.

Electoral systems for polls

35 Electoral systems for polls

(1) Every poll conducted for a local authority must be conducted using an electoral system adopted by resolution of the local authority---

- (a) for the purposes of the particular poll; or
- (b) for the purposes of 2 or more polls that are to be conducted at the same time.

(2) If a poll is to be conducted for a local authority and there is no applicable resolution, that poll must be conducted using the electoral system commonly known as First Past the Post.

The Local Government Electoral Option 2008

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Introduction

The Local Electoral Act 2001 offers the choice between two electoral systems for local government elections: first past the post (FPP) and the single transferable vote (STV).

The option was first offered for the 2004 local government elections. As a result of that option, ten city/district councils used STV at the 2004 elections (Kaipara, Papakura, Matamata-Piako, Thames-Coromandel, Kapiti Coast, Porirua, Wellington, Marlborough, Dunedin and the Chatham Islands). After the 2004 election, two councils (Papakura and Matamata-Piako) resolved to change back to FPP. The remaining eight councils used STV at the 2007 elections.

Councils now have the option to decide, by 12 September 2008, whether to stay with their current electoral system (either FPP or STV), or whether to change to the alternative system for the 2010 elections.¹

Whether or not a council passes a resolution by 12 September 2008, it must give public notice by 19 September of the right for 5% of electors to demand a poll on the electoral system to be used at the 2010 local elections.

This guide has been developed to help councils reach their decision. It is also intended to provide a basis for information to help local communities understand the issues. Communities have an important role to play in the decision. They must be consulted by way of public notice and may be polled on their preferred electoral system or demand a poll themselves.

The guide includes:

1. a brief description of the two electoral systems including important differences
2. some commonly identified advantages and disadvantages of each electoral system
3. responses to common concerns and questions councils and the public have raised about each electoral system and the electoral option.

This guide does not intend to influence councils either way in their decision-making. It presents arguments for and against both systems and encourages councils to make an informed choice about the electoral system best suited for their community.

¹ This option does not apply for any council that for the 2007 elections had the electoral system determined by way of a poll. The outcome of such a poll applies for two triennial elections i.e. 2007 and 2010.

1. The Choice: First Past the Post (FPP) or the Single Transferable Vote (STV)

(a) How do the two electoral systems work?

| FPP | STV |
|--|---|
| <p>FPP: casting a vote</p> <ul style="list-style-type: none"> You place ticks equal to the number of vacancies next to the candidate(s) you wish to vote for. In multi-member wards/constituencies you cast one vote for each vacancy to be filled, as above. In single-member wards/constituencies you cast one vote. <p>FPP: counting votes</p> <ul style="list-style-type: none"> The candidate(s) with the most votes win(s). Each winning candidate is unlikely to have a majority of votes, just the largest number of votes cast. | <p>STV: casting a vote</p> <ul style="list-style-type: none"> You cast one <i>single</i> vote regardless of the number of vacancies. You cast this <i>single</i> vote by consecutively ‘ranking’ your preferred candidates beginning with your most preferred candidate (‘1’) your next preferred candidate (‘2’) and so on. In multi-member wards/constituencies you cast a <i>single</i> vote by ranking as few or as many candidates as you wish, as above. In single-member wards/constituencies you cast a <i>single</i> vote by ranking as few or as many candidates as you wish. <p>STV: counting votes</p> <ul style="list-style-type: none"> The candidate(s) are elected by reaching the ‘quota’ (the number of votes required to be elected).² Vote counting is carried out by computer.³ First preference votes (‘1s’) are counted. Candidates who reach the quota are ‘elected’. The ‘surplus’ votes for elected candidates are transferred according to voters’ second preferences. Candidates who reach the quota by including second preferences are ‘elected’. This process repeats until the required number of candidates is elected.⁴ |

² The quota is calculated using the total number of valid votes cast and the number of vacancies.

³ The New Zealand method of STV uses the ‘Meek method’ of counting votes. Because this method transfers proportions of votes between candidates, it requires a computer program (the STV calculator).

⁴ If at any point there are no surpluses left to transfer, the candidate with the lowest number of votes is excluded and the votes redistributed according to voters’ next preferences. For further information on the details of vote counting, see, for example, STV Taskforce, ‘Choosing Electoral Systems in Local Government in New Zealand: A Resource Document’, (May 2002).

| FPP | STV |
|--|---|
| <p>FPP: announcing results</p> <ul style="list-style-type: none"> FPP results can usually be announced soon after voting ends. Results are announced and published showing the total votes received by each candidate. | <ul style="list-style-type: none"> In multi-member constituencies, despite voters casting only a <i>single</i> vote, a voter may influence the election of more than one representative (if their vote can be transferred to other candidates according to voters' preferences) <p>STV: announcing results</p> <ul style="list-style-type: none"> Because vote counting is multi-part, it is likely to take longer than for FPP election results. Results are announced and published showing elected candidates in the order they reached the quota and unsuccessful candidates in the reverse order they were excluded. All elected candidates will have the same share of the vote. |

(b) What are the most important differences between the two electoral systems?

To understand the important differences between the two electoral systems it is helpful to think about what happens to 'wasted votes' in both cases. A 'wasted vote' is a vote that does not help to elect a candidate. This might be because the candidate was very popular (so did not need all the votes received), or was very unpopular (and had no chance of being elected).

Let's imagine that you vote in a local government FPP election to fill two vacancies, with four candidates standing for election. You vote for Candidates A and B. Imagine Candidate A wins by a landslide and Candidate B is the least popular of all the candidates. The vote for the other candidate to be elected is very close between Candidates C and D; in the end Candidate D wins the second vacancy by a very small margin. Candidate D is your least preferred candidate.

You might think to yourself, once you see the results, 'I wish I had known that Candidate A didn't need my vote to win, and that Candidate B didn't have a chance of being elected as I would have voted differently. I may have still voted for Candidate A, but would have voted for Candidate C instead of Candidate B.'

Now imagine you vote in the same election using STV. You have a *single* transferable vote even though there are two positions to fill. Again Candidate A wins by a landslide and Candidate B is the least popular candidate. Candidates C and D are very close on first preference votes and so second and subsequent preferences become important.

You cast your vote by ranking the candidates according to your preferences; you rank Candidate A as '1', Candidate B as '2' and Candidate C as '3'. You don't rank candidate D at all because you don't want that candidate to be elected. Under STV:

- Candidate A is very popular and is elected on first preferences
- Candidate A has votes surplus to the number required to reach the quota and these are transferred according to voters' second preferences
- the surplus portion of your vote for Candidate A is transferred to your second preference, Candidate B
- both Candidates C and D are very close to the quota at this point and Candidate B is least popular
- Candidate B is excluded and the proportion of your vote for this candidate is transferred to your third preference, Candidate C
- when preferences are counted again Candidate C reaches the quota and is elected.

Under STV, unlike the FPP election, your ranking of the candidates made your vote more effective and avoided it being 'wasted' on Candidates A (who had a surplus of first preference votes) and B (who was excluded once surplus votes from Candidate A were transferred). In other words, despite Candidates A and B being your most preferred candidates, under STV you were also able to influence the race between Candidates C and D because you showed a preference between them on your voting document.⁵

These election results reveal an important difference between FPP and STV electoral systems. Think again about your FPP vote. You voted for two candidates to fill two vacancies. If you are part of the largest group of like-minded voters, even if that group is not the majority, you could determine the election of both candidates. Other voters (from perhaps only slightly smaller groups) won't have gained any representation at all.

In the STV election, however, you cast only one *single* transferable vote, even in multi-member wards/constituencies. That vote is used to greater effect as long as you rank all the candidates you like in order of preference. Because your vote is a single vote that can be transferred in whole or in part according to your wishes, you and other voters will not be over-represented or under-represented. This is why STV, unlike FPP, in multi-member wards or constituencies, is called a proportional representation system. The outcomes potentially better reflect community views.

⁵ These scenarios oversimplify how the vote count actually works under NZSTV, in order to explain the principle of vote transfers. The STV calculator uses a complex mathematical set of rules to ensure that the appropriate proportions of votes are transferred between candidates.

2. What are the advantages and disadvantages of each system?

No electoral system is perfect. Both FPP and STV have advantages and disadvantages.

Overall, the advantages of STV relate to the people who get elected using STV.⁶ The system potentially achieves:

- broad proportionality (in multi-member wards/constituencies)
- majority outcomes in single-member elections
- more equitable minority representation
- a reduction in the number of wasted votes.

The disadvantages of STV relate to:

- the public being less familiar with the system and possibly finding it harder to understand
- matters of process such as the way votes are cast and counted (for example perceived complexity may discourage some voters)
- the information conveyed in election results.

The advantages of FPP, on the other hand, relate to the simplicity of the process including the ways votes are cast, counted and announced.

The disadvantages of FPP relate to:

- the results of the election, including the generally ‘less representative’ nature of FPP councils
- the obstacles to minority candidate election
- the number of wasted votes.

Deciding which electoral system is best for your community may come down to deciding which is more important: process, or outcome. Unfortunately, neither electoral system can claim to achieve well in both.

⁶ For further discussion, see Graham Bush, ‘STV and local body elections – a mission probable?’ in J. Drage (ed), *Empowering Communities? Representation and Participation in New Zealand’s Local Government*, pp 45–64 (Wellington: Victoria University Press, 2002).

More detailed advantages and disadvantages

| FPP | STV |
|---|--|
| <p>FPP: casting votes</p> <ul style="list-style-type: none"> FPP is a straightforward system of voting. FPP is familiar to most people. ‘Tactical’ voting is possible; votes can be used with a view to preventing a candidate from winning in certain circumstances. <p>FPP: counting votes</p> <ul style="list-style-type: none"> FPP is a straightforward system for counting votes. Votes can be counted in different locations and then aggregated. Election results are usually announced soon after voting ends. <p>FPP: election results</p> <ul style="list-style-type: none"> Official results show exactly how many people voted for which candidates. Results are easy to understand. A ‘block’ of like-minded voters can determine the election of multiple candidates in multi-member wards/constituencies, without having a majority of the votes, thereby ‘over-representing’ themselves. The overall election results will not be proportional to voters’ wishes, and will not reflect the electoral wishes of the <i>majority</i> of voters, only the <i>largest group</i> of voters who may not be the majority. | <p>STV: casting votes</p> <ul style="list-style-type: none"> STV is a less straightforward system of voting. There is a need for more information for people to understand the STV ranking system of candidates. It is virtually impossible to cast a ‘tactical’ vote under STV. As a result, voters are encouraged to express their true preferences. <p>STV: counting votes</p> <ul style="list-style-type: none"> STV vote counting requires a computer program (the STV calculator). Votes must be aggregated first and then counted in one location. Election results will usually take a little longer to produce. <p>STV: election results</p> <ul style="list-style-type: none"> Official results will identify which candidates have been elected and which have not and in which order. They do not show how many votes candidates got overall, as all successful candidates will have the same proportion of the vote (the quota). This information, at stages of the count, can still be requested. Results can be easy to understand if presented appropriately. STV moderates ‘block’ voting as each voter casts only one <i>single</i> vote, even in multi-member wards/constituencies. The overall election results reflect the wishes of the majority of voters in proportion to their support for a variety of candidates. |

| FPP | STV |
|--|--|
| <ul style="list-style-type: none"> • In single-member elections, the winner is unlikely to have the majority of votes, just the largest group of votes. • There will be more ‘wasted’ votes (votes that do not contribute to the election of a candidate). | <ul style="list-style-type: none"> • In single-member wards/constituencies, the winner will have the majority of votes (preferences). • Every vote is as effective as possible (depending on the number of preferences indicated) meaning there are fewer ‘wasted votes’ and more votes will contribute to the election of a candidate than under FPP. |

3. Common Questions and Concerns

FPP ain’t broke: so why fix it?

For those voters supporting candidates who tend to get elected under FPP, it can appear that there is nothing wrong with this system. But FPP councils do not truly ‘represent’ their community in terms of their composition. STV is a proportional representation voting system that means (if a diversity of candidates stand for election and a diversity of electors vote) the candidates elected will better represent the wishes of a greater number, and a wider diversity of voters.

FPP is easy to understand. I can’t trust a complicated system like STV.

It is true that FPP is a very easy way to vote, and to count votes. Voting under STV is less straightforward, but as long as a voter knows how to rank their preferred candidates, they will find it easy to vote. A post-election survey has found that most people found it easy to fill in the STV voting document and rank their preferred candidates.⁷ The way votes are counted is complicated. That is why it requires a computer program (STV calculator). The STV calculator has been independently certified and voters *can* trust that it only transfers a vote according to voters’ preferences ranked on their voting documents. Nothing (and no person) can influence the transfer of votes set out on voting documents.

Won’t voters be put off if the voting system is too complicated?

Voter turnout (the number of people voting) in 2004 and 2007 in the STV local body elections was mixed. Some councils’ turnout was higher than the national average, and some lower.⁸ Turnout for DHB elections (which must use STV) can be seen to be

⁷ Local Government Commission, ‘Report to the Minister of Local Government on the review of the local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation’ (February 2008), p 14

⁸ Local Government Commission, ‘Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation’ (February 2008), p 13

influenced by a range of factors including elections being at large for seven vacancies, the number of candidates (and often less well-known than council candidates) and the fact this issue is usually at the end of the voting document).

Overall, voter turnout has been on the decline for many years. It is possible that *more* voters would turn out to local elections in the future if they feel with STV they have a better chance of electing a representative who better represents them than FPP has in the past.

Won't there be more blank and informal votes under STV, which is not good for democracy?

Despite voters saying in the Local Government Commission survey that they generally found STV an easy way to vote, some voters did cast an invalid vote in STV elections (including DHB elections). A small proportion of these voters seemed confused by the voting system. But most blank and informal votes are thought to be due to two different voting systems (FPP and STV) appearing on the same voting document and to other factors, rather than being due to the way STV votes are cast.⁹

STV will not work for our council because of our ward/at large system.

Eight of the ten councils using STV in 2004 had wards, one used the at large system, and one had a combination of wards and at large. There is no 'rule' about the need or otherwise for wards or constituencies, but STV can be seen to provide the greatest benefit in wards or constituencies of between three and nine candidates. If there are fewer than three candidates, the benefits of the transferable vote in terms of proportionality are not likely to be evident. If there are a very large number of candidates to choose from, voters are likely to find it a more difficult task to rank preferred candidates (though there is no need to rank all candidates).

STV hasn't made any difference to the diversity of representation in STV councils

Until a greater variety of people stand for local body election and a wide diversity of electors vote, no representation system will be able to improve the diversity of representatives elected. There has been some change in the gender, ethnicity and age of some members elected by STV in 2004 and 2007 which may be due to STV.¹⁰ But it will take some time for a diversity of candidates to see the opportunities of standing in an STV election and more electors to see the potential benefits of voting under a proportional representation system. Two elections in a small number of councils is not enough time to judge the difference STV could make over time.

⁹ Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), pp 13–18

¹⁰ Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008), pp 18–19

Useful resources

Graham Bush, 'STV and local body elections – a mission probable?' in J. Drage (ed), *Empowering Communities? Representation and Participation in New Zealand's Local Government*, pp 45–64 (Wellington: Victoria University Press, 2002).

Local Government Commission, 'Report to the Minister of Local Government on the review of the Local Government Act 2002 and the Local Electoral Act 2001: Special topic paper: Representation' (February 2008)

(Note: this paper has now been withdrawn from the Commission's website but its contents may be found in the Commission's main report on its review of the above legislation which will be posted on its website in the near future at www.lgc.govt.nz.)

Justice and Electoral Committee, 'Inquiry into the 2004 local authority elections' reported to Parliament in August 2005.

Christine Cheyne and Margie Comrie, 'Empowerment for Encumbrance? Exercising the STV Options for local Authority Elections in New Zealand, *Local Government Studies*, Vol. 31, No. 2, 185-204, (April 2005).

STV Taskforce (The Department of Internal Affairs, Ministry of Health, SOLGM, Electoral Commission and Local Government New Zealand), 'Choosing Electoral Systems in Local Government in New Zealand: A Resource Document', (May 2002).
[[http://www.dia.govt.nz/Pubforms.nsf/URL/STV.pdf/\\$file/STV.pdf](http://www.dia.govt.nz/Pubforms.nsf/URL/STV.pdf/$file/STV.pdf)]

6. NEW YEAR'S EVE EVENT - FUNDING APPLICATIONS

Type of Report: Operational
Legal Reference: N/A
Document ID: 376879
Reporting Officer/s & Unit: Belinda McLeod, Community Funding Advisor

6.1 Purpose of Report

To seek approval to apply for external funding to support the New Year's Eve event for 2017-18.

COMMITTEE'S RECOMMENDATION

Councillors Wright / Taylor

- a. That the Council apply to external funders as outlined in **Table a**.
- b. That a **DECISION OF COUNCIL** is required urgently. This will require the following resolution to be passed before the decision of Council is taken:
 That, in terms of Section 82 (3) of the Local Government Act 2002, that the principles set out in that section have been observed in such manner that the Napier City Council considers, in its discretion, is appropriate to make decisions on the recommendation.

CARRIED

DECISION OF COUNCIL

Councillors Price / Wright

That, in terms of Section 82 (3) of the Local Government Act 2002, that the principles set out in that section have been observed in such manner that the Napier City Council considers, in its discretion, is appropriate to make decisions on the recommendation.

CARRIED

COUNCIL RESOLUTION

Councillors Wright / Brosnan

That the Council apply to external funders as outlined in Table a:

| External Funder | Apply for funding up to: |
|-----------------------------------|--------------------------|
| Pub Charity Ltd | 23,000 |
| Eastern & Central Community Trust | 14,000 |
| Youthtown | 6,000 |

| | |
|-----------------------|-----------------|
| North and South Trust | 4,000 |
| First Sovereign Trust | 4,000 |
| Infinity Foundation | 10,000 |
| Grassroots Trust | 9,000 |
| Total | \$70,000 |

CARRIED**6.2 Background Summary**

The New Year's Eve event was initiated, in its current form, in 2000 by the Millennium Committee. The event is held at the Soundshell, and is organised by PM Event Management, a preferred provider. This family event is well attended by a range of people in the community, drawing around 23,000 people each year. The event draws a multi-generational crowd, and is promoted as alcohol and smoke free, so behavioural issues are minimal.

6.3 Issues

No Issues

6.4 Significance and Consultation

N/A

6.5 Implications**Financial**

Council provides \$40,000 for the event and seeks external funding for the remainder. In recent years due to the decline of funding available from external sources, costs have had to be cut back to enable the event to go ahead. The total cost of the event is between \$72,000 and \$76,000 each year.

Social & Policy

By offering an alcohol and smoke free events to the community and its young people, the New Year's Eve event contributes to the Council's Joint Alcohol Strategy, Smoke Free Policy and Youth Policy. It also contributes to the vibrancy of the city utilising an iconic community facility.

Risk

In the past, Community Development Funding has funded a small shortfall. However, should a significant shortfall occur Council reserves the right to cancel the event. Fees of \$12,500 are not recoverable if this occurs. Grant applications are made early in order to secure funding well ahead of time. Multiple applications are made to funders if appropriate.

6.6 Options

The options available to Council are as follows:

1. **Scale Back** –do not apply for external funding, retain Council contribution of \$40,000, and reduce the scope of the event.
2. **Increase Council contribution** - to enable to event to go ahead in its current form, with no external funding.
3. **Status Quo (preferred option)** - apply for external funding, to top up Council's contribution to enable the event to go ahead in its current form.

6.7 Development of Preferred Option

Continue Council support and apply for external funding to enable the event to go ahead in its current form. Apply for external funding as follows in **Table a**.

Table a

| External Funder | Apply for funding up to: |
|-----------------------------------|--------------------------|
| Pub Charity Ltd | 23,000 |
| Eastern & Central Community Trust | 14,000 |
| Youthtown | 6,000 |
| North and South Trust | 4,000 |
| First Sovereign Trust | 4,000 |
| Infinity Foundation | 10,000 |
| Grassroots Trust | 9,000 |
| Total | \$70,000 |

At the Meeting

There was no discussion on this item.

6.8 Attachments

Nil

REPORTS FROM COMMUNITY SERVICES COMMITTEE HELD 2 AUGUST 2017

1. NAPIER SOCIAL MONITOR REPORT - 2017

| | |
|--|--------------------------------------|
| Type of Report: | <i>Enter Significance of Report</i> |
| Legal Reference: | <i>Enter Legal Reference</i> |
| Document ID: | 377356 |
| Reporting Officer/s & Unit: | Michele Grigg, Senior Advisor Policy |

1.1 Purpose of Report

To provide a summary of findings from the Napier Social Monitor report 2017.

COMMITTEE'S RECOMMENDATION

Councillors Jeffery / Taylor

That Council

- a. receives the Napier Social Monitor report 2017.

CARRIED

1.2 Background Summary

The Napier Social Monitor is a social monitoring tool for Napier City, conducted by APR Consultants Limited. The survey has been undertaken for Council since 1998. It was initially conducted annually, and moved to a two-yearly cycle in 2007. The questionnaire has changed minimally to ensure comparability over time. Questions cover: housing, health, safety, employment, education and training, community relationships, quality of life, input into Napier's direction, and vehicle, internet and smartphone access.

Survey objectives

The objectives of the Napier Social Monitor are to establish:

- ☐ Satisfaction with living in Napier
- ☐ Satisfaction with housing
- ☐ Satisfaction with overall health and access to healthcare facilities
- ☐ Perception of safety for oneself and other family members
- ☐ Current employment (type of employment, hours worked, gross annual household income)
- ☐ Involvement in education and training (training provider, barriers to training)
- ☐ Access to a car, the internet, and smartphones
- ☐ Nature of the community (how well the Napier community takes care of each other)
- ☐ Community work and volunteer work undertaken
- ☐ Community relationships between different ethnic groups
- ☐ Perception of quality of life
- ☐ Degree of opportunity to express view about the future direction of Napier City and New Zealand.

Survey methodology

The 2017 survey was conducted during April and May 2017. The survey was largely conducted by telephone (randomly generated residential telephone numbers) and online.

Face-to-face interviews also took place to achieve adequate levels of participation reflecting Napier's demographics. The link for the online survey was promoted via social media channels and we approached residents at local events to complete the survey using mobile tablets.

A stratified sampling approach was used to achieve a final sample of 400 residents. This sample size is adequate to make generalisations to the wider community. The survey reflects the population of Napier aged 15+ years as at the 2013 Census, including good representation of Maori, males and females, and place of residence, with a reasonable representation of age groups (but with slightly fewer young people). The margin of error for the 2017 survey was +/-4.88% at the 95% level of confidence.

Survey findings

Key results from the 2017 survey are listed below. Full detailed analysis is provided in the report attached.

Housing

- ☐ Most respondents own their own home (83%), 17% rent.
- ☐ 57% of renters state they rent because house prices are too expensive and 16% state renting is their preferred option.
- ☐ The majority (94%) are either very or fairly satisfied with their current housing.

Health

- ☐ Almost nine out of ten people rate their health as excellent, very good, or good (89%).
- ☐ The majority of those seeking health care from a doctor or medical health service report no problems with the service (86%). The most common problems specified were delays getting treatment.
- ☐ Most people who sought health care from the Hawke's Bay Hospital report no problems with the service (82%). Of the 16% reporting problems, most involved delays in getting treatment – 39% faced delays when visiting the facility, and 30% faced long waits to visit the facility.

Safety

- ☐ Almost all respondents rate their feeling of safety for themselves and other family members as average or better (94%). Most (69%) say they feel very or fairly safe, with a further 25% rating their safety as average.
- ☐ A large number of comments were received about safety concerns – largely focusing on burglary (29% of all respondents), going out at night (10%), and attacks/abuse/violence (10%).

Education and training

- ☐ Nearly one in five respondents (18%) have been involved in post-secondary education or training in the last 12 months from a range of providers both within the region and nationally. The Eastern Institute of Technology (32%) and employers (23%) were the most likely to provide training.
- ☐ Seventy-eight percent report success with the training or education they've undertaken.

Employment

- ☐ Just over a third of respondents are employed full-time (39%), 17% are employed part-time, and 27% are parenting, doing home duties or retired.
- ☐ Twenty percent of those not working stated they would like a job.
- ☐ Of those currently working, 10% have more than one job.

Napier community

- ☐ Over half of residents rate the current relationship between different ethnic groups in Napier as either very or fairly satisfactory (57%). A further 26% rate it as 'sometimes satisfactory and sometimes not', with the remaining (6.5%) rating the relationship as not very or not at all satisfactory.
- ☐ The majority of people (88%) view Napier as excellent, very good or good at being a caring community.
- ☐ Over a quarter of respondents (28%) do regular volunteer community work and 12% are members of social service groups.

Quality of life

- ☐ Over half of respondents state their quality of life has improved in the last five years (56%); an additional 40% report no improvement.

Views about future direction

- ☐ Almost one in three people report they have plenty or quite a lot of opportunity to express their views about the future direction of Napier City (30%). Twenty-four percent say they have just enough of a say, and 41% say they have very little, none or virtually no opportunity.
- ☐ In comparison, 12% of respondents report they have plenty or quite a lot of opportunity to express their views about the future direction of New Zealand. Twenty-three percent say they have just enough of a say, and 60% say they have very little, none or virtually no opportunity.

Access

- ☐ A total of 94% of respondents have access to a vehicle during the day.
- ☐ A total of 93% of respondents have access to the internet in some way (at home, school, work etc) and 80% have access to a smartphone in some way.

Compared to 2014

- ☐ A higher proportion of residents who are renting feel that house prices are too high (57% in 2017 vs 40% in 2014)
- ☐ Fewer residents reported problems obtaining health care at Hawke's Bay hospital (16% in 2017 vs 23% in 2014)
- ☐ More residents said a course had provided them with the training they needed (78% in 2017 vs 71% in 2014)
- ☐ Slightly more residents were employed full-time (39% in 2017 vs 33% in 2014)
- ☐ Slightly more residents reported an improved quality of life over the previous five years (56% in 2017 vs 51% in 2014).

1.3 Issues

There was little change to overall feelings of safety – 94% rated their feeling of safety for themselves and other family members and their possessions as average or better in 2017; also 94% in 2014. However, the percent of residents feeling very or fairly safe declined by almost seven percentage points in 2017 (more people rated their safety as 'average' compared to 2014). Lower safety ratings in the 2017 survey point to residents' concerns about burglary in particular (29%).

Levels of overall safety are still high at 94%.

1.4 Significance and Consultation

N/A

1.5 Implications

Financial

N/A

Social & Policy

Findings support the focus areas of the Safer Napier programme and service agreements held by Council with community organisations. Key findings will be provided to Safer Napier Strategic Group members.

Risk

N/A

1.6 Options

The options available to Council are as follows:

1. To receive the Social Monitor 2017 report.

At the Meeting

In response to questions from councillors, it was clarified that:

- ☐ Information from the report is available to other agencies via our public website but is not directly shared.
- ☐ No other agencies contribute towards the cost of the report.
- ☐ The type of information included in the report is under review. This is because many matters, while interesting as an indicator of shifts in themes for the community, are not within the scope of Council to make changes if required.

It was suggested that the report may only need to be produced triennially as a useful tool for incoming councillors. The statistics reported may also be useful to provide a more balanced picture to issues of debate within the community where the majority may feel differently to submitters through other channels.

1.7 Attachments

- A FINAL Napier Social Monitor Report 2017.pdf (*Under Separate Cover*)

Māori Consultative Committee

OPEN MINUTES

Meeting Date: **Wednesday 10 May 2017**
Time: **3pm-4pm**
Venue: **Main Committee Room
3rd floor Civic Building
231 Hastings Street
Napier**

Present: Piri Prentice (in the Chair), Cr Api Tapine, Tiwana Aranui

In Attendance: Mayor Dalton, Chief Executive, Director Community Services,
Director City Infrastructure, Manager Community Strategies,
Maori Engagement, MTG Hawke's Bay, Cr Maxine Boag

Administration: Governance Team

KARAKIA

APOLOGIES

APOLOGIES

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Councillors Tapine / Prentice

That the Committee:

Accept the apology from Liz Ratima and George Reti

Accept the apology from Tiwana Aranui for lateness.

CARRIED

CONFLICTS OF INTEREST

Nil

PUBLIC FORUM

Nil

ANNOUNCEMENTS BY THE CHAIRPERSON

The Chair presented his completed Register of Interests form and noted that other members of the committee should be presented with their forms to complete.

In response to the Chair's concern on a proposal for a sinking trawler to be positioned in the reef for the use of diving, it was clarified that:

- Any consents of this nature do not fall under Napier City Council's purview, but are likely to fall under Hawke's Bay Regional Council.
- The Mayor shares similar concerns including of retaining cleanliness of the dive site.
- Cr. Tapine as a newly appointed member on the Hawke's Bay Regional Council planning committee will find out more about the consent and report back to the Committee.

ANNOUNCEMENTS BY THE MANAGEMENT

Quorum

The Mayor noted that it was often difficult to achieve quorum with the current number of members on this committee and proposed that appointing a further member may help address this. Cr Tapine advised that he anticipated that the process of reviewing the Terms of Reference of the committee, with the requisite consultation involved, may well bring the committee to the attention of more whanau and spark renewed interest in participation. It was also suggested that the meeting time could be adjusted to better meet the needs of the committee members; 3pm could be difficult to navigate with work and other commitments.

Tiwana Aranui joined the meeting at 3.15pm

Cemetery Hours

The Director City Infrastructure responded to a query regarding the cemetery operating hours that had been raised at the previous meeting.

The cemetery is open 8am – 4pm Monday to Friday, and 8am-12noon on Saturdays. It is not open on Sundays or public holidays. Burials outside of these times may take place by arrangement with the Sexton, however this will incur extra charges to cover the costs of providing the services. It was noted that Saturdays and public holidays are particularly difficult for whanau, as the practices appropriate to a tangi take some time.

The Director City Infrastructure noted that no extra charges are incurred for bookings that have been made for times within normal cemetery hours and happen to take longer than the usual hours, or where parties are late as long as they arrive within the opening hours.

The Director will email the current cemetery hours and charges to the Committee.

It was agreed that the Chair and Tiwana Aranui would confirm the specific issues (for example, weighing up the costs to the marae of hosting mourners for a longer period of time compared with the extra costs of a burial out of ordinary hours).

CONFIRMATION OF MINUTES

Councillor Tapine / Mayor Dalton

That the Minutes of the meeting held on 29 March 2017 were taken as a true and accurate record of the meeting.

CARRIED

NEW ITEMS FOR MĀORI CONSULTATIVE COMMITTEE

1. UPDATE ON PROPOSED PROCESS FOR REVIEWING THE TERMS OF REFERENCE OF THE MĀORI CONSULTATIVE COMMITTEE

| | |
|--|--|
| <i>Type of Report:</i> | <i>Information</i> |
| <i>Legal Reference:</i> | <i>Local Government Act 2002</i> |
| <i>Document ID:</i> | <i>352298</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Jane McLoughlin, Team Leader Governance</i> |

1.1 Purpose of Report

To review the notes from the Terms of Reference ('TOR') intersessional meeting and agree the next steps and time frame for the TOR.

At the Meeting

Cr Tapine advised that research has been undertaken into the processes that other similar organisations have been through to review their own TOR.

It is anticipated that the process of reviewing the TOR will contribute in its own right to building engagement and creating new or greater interest in participating in and with this Committee.

Representatives from Wairoa District Council have agreed to meet with this Committee to go through their own recent experiences with their equivalent Committee and renewing its TOR.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Mayor Dalton / Tiwana Aranui

The Committee:

- a. Discuss the proposed Terms of Reference for reviewing the Māori Consultative Committee.
- b. Agree to the proposed Terms of Reference for reviewing the Māori Consultative committee, including the proposed timeframe.
- c. Note the invitation by Wairoa's Standing Committee to speak to the Committee about the changes they have implemented and lessons learnt.

CARRIED

REPORTS FROM STANDING COMMITTEES

MĀORI CONSULTATIVE COMMITTEE RECOMMENDATION

T Aranui / Mayor Dalton

That the Māori Consultative Recommendations arising from the discussion of the Committee reports, be submitted to the Council meeting for consideration.

CARRIED

REPORTS FROM STRATEGY AND INFRASTRUCTURE COMMITTEE HELD 19 APRIL 2017

1. PARK ISLAND MASTER PLAN REVIEW

| | |
|--|---|
| Type of Report: | <i>Legal and Operational</i> |
| Legal Reference: | <i>Resource Management Act 1991</i> |
| Document ID: | <i>347334</i> |
| Reporting Officer/s & Unit: | <i>Antoinette Campbell, Director Community Services</i> |

1.1 Purpose of Report

To outline the process undertaken in reviewing the 2013 Park Island Master Plan and provide the updated Park Island Master Plan 2016 for Council's consideration.

At the Māori Consultative Committee meeting

The Director Community Services advised that the Park Island Master Plan was reviewed in 2016 and the updated document taken to the recent Strategy and Infrastructure Committee meeting. Multiple new artificial turfs are proposed, along with increased lighting, which will improve the longevity of the fields and increase the times of day available for training. There will also be an overall increase in the amount of sports space.

Since that meeting further updates have been made following new information from the Hawke's Bay Rugby Union regarding the structure and layout of their fields and club building.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Councillor Tapine / Tiwana Aranui

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillor Brosnan / Councillor Hague

That Council

- a. Adopt the Park Island Master Plan 2016 and
- b. That a District Plan Change is initiated to rezone Park Island's Northern Sports Hub to meet the Master Plan objectives.

CARRIED

2. MCLEAN PARK RE-TURF PROJECT

| | |
|--|--|
| Type of Report: | <i>Operational and Procedural</i> |
| Legal Reference: | <i>Enter Legal Reference</i> |
| Document ID: | <i>348170</i> |
| Reporting Officer/s & Unit: | <i>Debra Stewart, Team Leader Parks, Reserves, Sportsgrounds</i> |

2.1 Purpose of Report

The purpose of this report is to update Council on the Mclean Park Re-turf Project and seek approval for an additional \$330,000 to be transferred from the Sportsground Renewal fund to enable the hybrid turf to be secured this (2016/17) financial year.

At the Māori Consultative Committee meeting

The Director City Infrastructure provided a brief overview of the status of the McLean Park re-turfing project and associated works.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Councillor Tapine / Tiwana Aranui

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillors Jeffery / Wise

That Council:

- a. receive the report titled McLean Park Re-Turf Project.
- b. approve an additional \$330,000 to be transferred to the McLean Park Re-turf Project from the Sportsground Renewal fund to be spent in the 2016/2017 financial year.

CARRIED

3. GROUND LEASE - HAWKE'S BAY SPEEDWAY CLUB INCORPORATED

| | |
|--|---|
| <i>Type of Report:</i> | <i>Legal</i> |
| <i>Legal Reference:</i> | <i>Reserves Act 1977</i> |
| <i>Document ID:</i> | <i>347418</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Bryan Faulknor, Manager Property</i> |

3.1 Purpose of Report

To obtain Council approval to grant a new ground lease to the Hawke's Bay Speedway Club Incorporated for the land occupied by the Club's racetrack and buildings at Papakura Domain for a term of ten years with one ten year right of renewal.

At the Māori Consultative Committee meeting

No discussion was had on this item.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Councillor Tapine / Tiwana Aranui

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillor Brosnan / Councillor McGrath

That Council

- a. Grant a new ground lease to the Hawke's Bay Speedway Club Incorporated for the land occupied by the Club's racetrack and buildings at Papakura Domain for a term of ten years with one ten year right of renewal; and
- b. That the terms and conditions of the lease will be as per Council's standard terms for leases on Reserve land to community groups.

CARRIED

4. GROUND LEASE - HAWKE'S BAY SEAFARERS WELFARE SOCIETY INCORPORATED

| | |
|--|---|
| <i>Type of Report:</i> | <i>Legal</i> |
| <i>Legal Reference:</i> | <i>Reserves Act 1977</i> |
| <i>Document ID:</i> | <i>347419</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Bryan Faulknor, Manager Property</i> |

4.1 Purpose of Report

To obtain Council approval to grant a new ground lease to the Hawke's Bay Seafarers Welfare Society Incorporated, for the land occupied by the Seafarers Centre on Marine Parade, for a term of 15 years with one fifteen year right of renewal.

At the Māori Consultative Committee meeting

No discussion was had on this item.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Councillor Tapine / Tiwana Aranui

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillor Brosnan / Councillor Wise

That Council

- a. Grant a new ground lease to the Hawke's Bay Seafarers Society Incorporated, for the land occupied by the Seafarers Centre on Marine Parade, for a term of 15 years with one 15 year right of renewal; and
- b. That the terms and conditions of the lease will be as per Council's standard terms for leases on Reserve land to community groups.

CARRIED

5. OMARUNUI REFUSE LANDFILL JOINT COMMITTEE MINUTES, 17 MARCH 2017

| | |
|--|--|
| <i>Type of Report:</i> | <i>Information</i> |
| <i>Legal Reference:</i> | <i>Local Government Act 2002</i> |
| <i>Document ID:</i> | <i>347158</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Jon Kingsford, Director Infrastructure Services</i> |

5.1 Purpose of Report

To provide key points of interest and a copy of the minutes from the Omarunui Refuse Landfill Joint Committee meeting held on 17 March 2017.

At the Māori Consultative Committee meeting

No discussion was had on this item.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Councillor Tapine / Tiwana Aranui

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillor Wise / Councillor White

That Council:

- a. receive the minutes from the Omarunui Refuse Landfill Joint Committee held on 17 March 2017.

CARRIED

REPORTS FROM REGULATORY COMMITTEE HELD 19 APRIL 2017

1. ADOPTION OF THE 2016 REVIEW OF THE HERETAUNGA PLAINS URBAN DEVELOPMENT STRATEGY

| | |
|--|---|
| <i>Type of Report:</i> | <i>Enter Significance of Report</i> |
| <i>Legal Reference:</i> | <i>Enter Legal Reference</i> |
| <i>Document ID:</i> | 344792 |
| <i>Reporting Officer/s & Unit:</i> | Dean Moriarity, Team Leader Policy Planning |

1.1 Purpose of Report

The purpose of this report is for the Council to adopt the 2016 Review of the Heretaunga Plains Urban Development Strategy (HPUDS2016).

At the Māori Consultative Committee meeting

Mayor Dalton provided a brief overview of the intentions of the HPUD strategy.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Mayor Dalton / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillors Jeffery / White

That Council:

- a. receives and notes the HPUDS Implementation Working Groups Hearing meeting record and the recommendation reports
- b. adopts the Review of the Heretaunga Plains Urban Development Strategy (HPUDS2016) in accordance with the Joint Working Group's recommendations on submissions, as set out in the appendices attached to this report, as the regional strategy to direct urban development from 2015 to 2045.
- c. appoints Councillor White as the second elected member (in addition to Councillor Jeffery) on the Implementation Working Group of HPUDS to represent Napier City Council's interest.
- d. approves the Terms of Reference for the Heretaunga Plains Urban Development Strategy Implementation Working Group for the 2016-19 Triennium, conditional on the other two partner councils (Hawkes Bay regional Council and Hastings District Council) also agreeing to the same Terms of Reference.

CARRIED

2. FREEDOM CAMPING WORKING GROUP UPDATE

| | |
|--|---|
| Type of Report: | <i>Procedural</i> |
| Legal Reference: | <i>N/A</i> |
| Document ID: | <i>347883</i> |
| Reporting Officer/s & Unit: | <i>Kim Anstey, Planner Policy/Analyst Paulina Wilhelm, Manager City Development</i> |

2.1 Purpose of Report

The purpose of this report is update Council on the progress of the Freedom Camping Working Group and present the terms of reference (ToR) that the group have adopted.

At the Māori Consultative Committee meeting

Cr Tapine provided a short update on the status of the Freedom Camping Working Party.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Mayor Dalton / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillors White / Wise

That Council

- a. Approve the Freedom Camping Working Group Terms of Reference.

CARRIED

3. STREET NAMING - TE AWA ESTATE

| | |
|--|--|
| <i>Type of Report:</i> | <i>Procedural</i> |
| <i>Legal Reference:</i> | <i>N/A</i> |
| <i>Document ID:</i> | <i>347705</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Paul O'Shaughnessy, Team Leader Resource Consents</i> |

3.1 Purpose of Report

The purpose of this report is obtain Council approval for three new street names within stages X, XI, XII and XIII of the Te Awa Estates residential subdivision

At the Māori Consultative Committee meeting

The Mayor advised that it had been noted by councilors that there were no local rivers in the three proposed names. The list that the names were chosen from has already been carefully researched and brought to both Council and this Committee some years ago. It was also noted that many local rivers have already been recognised in existing street names and duplication was important to avoid, particularly for emergency services.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Mayor Dalton / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Mayor Dalton / Councillor White

That the Council

- a. Approve three new streets within the Te Awa Estates subdivision (consent plan 09067 approved in August 2010) as follows:

Road 3 (stages XI and XII) - Hurunui Drive

Road 12 (stage X) - Kaituna Place

Road 11 (stage XIII) - Arrow Place

CARRIED

REPORTS FROM FINANCE COMMITTEE

HELD 3 MAY 2017

1. HB LASS LIMITED - DRAFT STATEMENT OF INTENT

| | |
|--|---|
| <i>Type of Report:</i> | <i>Operational and Procedural</i> |
| <i>Legal Reference:</i> | <i>Local Government Act 2002</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Adele Henderson, Director Corporate Services</i> |

11.1 Purpose of Report

To provide the draft Statement of Intent 2017/18 for Hawke's Bay Local Authority Shared Services Limited (HB LASS Ltd) to Council for its consideration as part of the reporting requirements for council-controlled organisations.

At the Māori Consultative Committee meeting

The Chief Executive provided a brief update on HBLASS and the draft Statement of Intent.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Tiwana Aranui / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillor Hague / Councillor Jeffery

That Council:

- a. Receive the Draft Statement of Intent for 2017/18 for HB LASS Limited (HB LASS Ltd) and provide any feedback to the HB LASS board by 31 May 2017.

CARRIED

2. QUARTERLY REPORT TO 31 MARCH 2017

| | |
|--|---|
| <i>Type of Report:</i> | <i>Operational</i> |
| <i>Legal Reference:</i> | <i>Local Government Act 2002</i> |
| <i>Document ID:</i> | <i>347953</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Mary Quinn, Senior Management Accountant Caroline Thomson, Chief Financial Officer</i> |

2.1 Purpose of Report

To consider the Quarterly Report on performance by Activity Group for the period 1 January 2017 to 31 March 2017 and the Health and Safety Report to March 2017.

At the Māori Consultative Committee meeting

The Chief Executive provided a brief overview of the report from the third quarter, noting that a surplus had been returned due to greater tourist revenue than forecast.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Tiwana Aranui / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillor Taylor / Councillor Hague

That Council:

- a. Receive the Quarterly Report for the period 1 January 2017 to 31 March 2017.
- b. Receive the Health and Safety Report to March 2017.

CARRIED

3. JOINT WASTE FUTURES PROJECT COMMITTEE - TERMS OF REFERENCE

| | |
|--|--|
| <i>Type of Report:</i> | <i>Procedural</i> |
| <i>Legal Reference:</i> | <i>Local Government Act 2002</i> |
| <i>Document ID:</i> | <i>349973</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Deborah Smith, Governance Advisor</i> |

3.1 Purpose of Report

The purpose of this report is to obtain approval from Council for the amended Terms of Reference (ToR) for the Joint Waste Futures Project Steering Committee.

At the Māori Consultative Committee meeting

It was noted that a large amount of work is going into waste minimisation and there has been a significant reduction in waste tonnage over the year.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Tiwana Aranui / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillors Dallimore / Tapine

That Council

- a. Approve the updated Terms of Reference for the Joint Waste Futures Project Steering Committee.
- b. Appoint Cr Brosnan as the third Napier City Council representative to the Committee.

CARRIED

4. HAWKE'S BAY CREMATORIUM COMMITTEE - MINUTES OF MEETING 10 APRIL 2017

| | |
|--|--|
| <i>Type of Report:</i> | <i>Information</i> |
| <i>Legal Reference:</i> | <i>Local Government Act 2002</i> |
| <i>Document ID:</i> | <i>350013</i> |
| <i>Reporting Officer/s & Unit:</i> | <i>Deborah Smith, Governance Advisor</i> |

4.1 Purpose of Report

To provide the minutes from the Hawke's Bay Crematorium Committee to Council.

At the Māori Consultative Committee meeting

No discussion was had on this item.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Tiwana Aranui / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillors Taylor / McGrath

That Council

- a. Receive the draft minutes of the Hawke's Bay Crematorium Committee from the meeting on 10 April 2017

CARRIED

5. COASTAL HAZARDS JOINT COMMITTEE - DRAFT MINUTES 28 FEBRUARY 2017

| | |
|--|--|
| Type of Report: | <i>Procedural</i> |
| Legal Reference: | <i>Local Government Act 2002</i> |
| Document ID: | <i>350014</i> |
| Reporting Officer/s & Unit: | <i>Deborah Smith, Governance Advisor</i> |

5.1 Purpose of Report

To provide Council with the draft minutes from the meeting of the Coastal Hazards Joint committee on 28 February 2017.

At the Māori Consultative Committee meeting

No discussion was had on this item.

MĀORI CONSULTATIVE COMMITTEE'S RECOMMENDATION

Tiwana Aranui / Councillor Tapine

That the Council resolve that the Committee's recommendation be adopted.

CARRIED

COMMITTEE'S RECOMMENDATION

Councillors Dallimore / Jeffery

That Council

- a. Receive the draft minutes from the Coastal Hazards Joint Committee meeting held on 28 February 2017.

CARRIED

A brief round table korero was held where attendees noted pieces of work that are currently key within their own spheres.

The meeting closed at 4pm.

APPROVED AND ADOPTED AS A TRUE AND ACCURATE RECORD OF THE MEETING

CHAIRPERSON: _____

DATE OF APPROVAL: _____