

CENTRAL HAWKE'S BAY



I hereby give notice that a Meeting of Council will be held on:

Date: Wednesday, 31 October 2018
Time: 9.00 am
Location: Council Chamber
28-32 Ruataniwha Street
Waipawa

AGENDA

Council Meeting 31 October 2018

Our vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand.

Monique Davidson
Chief Executive

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1 PRAYER

*"We dedicate ourselves to the service of the District of
Central Hawke's Bay/Tamatea and its people.
We ask for God's help
to listen to all
to serve all
and to lead wisely.
Amen."*

2 APOLOGIES**3 DECLARATIONS OF CONFLICTS OF INTEREST****4 STANDING ORDERS****RECOMMENDATION**

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers

RECOMMENDATION

THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

5 CONFIRMATION OF MINUTES

Ordinary Council Meeting - 20 September 2018

Extraordinary Council Meeting - 27 September 2018

Extraordinary Council Meeting - 4 October 2018

Extraordinary Council Meeting - 18 October 2018

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 20 SEPTEMBER 2018 AT 9.00 AM**

PRESENT: Mayor Alex Walker
Cr Ian Sharp (Deputy Mayor)
Cr Shelley Burne-Field
Cr Kelly Annand
Cr Tim Aitken
Cr Tim Chote
Cr Gerard Minehan
Cr David Tennent

IN ATTENDANCE: Monique Davidson (Chief Executive)
Bronda Smith (Group Manager, Corporate Support and Services)
Doug Tate (Group Manager, Customer and Community Partnerships)
Nicola Bousfield (People and Capability Manager)
Lisa Harrison (Organisation Transformation Lead)
Leigh Collecutt (Governance and Support Officer)
Lizz Jenkins (Governance and Support Officer)

1 PRAYER

2 APOLOGIES

Dr Roger Maaka – overseas

Cr Brent Muggeridge – on leave

Cr Tim Aitken - late

3 DECLARATIONS OF CONFLICTS OF INTEREST

Cr Annand declared conflict having previously worked for Epic Ministries

Cr Sharp declared conflict as a current sponsor of Epic Ministries

4 STANDING ORDERS

RESOLVED: 18.65

Moved: Cr Ian Sharp

Seconded: Cr David Tennent

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers
- THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

CARRIED

5 CONFIRMATION OF MINUTES

RESOLVED: 18.66

Moved: Cr Gerard Minehan

Seconded: Cr David Tennent

That the minutes of the Ordinary Council Meeting held on 9 August 2018 as circulated, be confirmed as true and correct.

CARRIED

6 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

RESOLVED: 18.67

Moved: Cr David Tennent

Seconded: Cr Tim Chote

THAT Council has read the reports associated with items 8.1, 9.1, 9.2, 9.3, 9.4, 9.5, 9.6, 9.7, 9.8, 9.9, 9.10, 9.11, 10.1, 10.2, 10.3 and 10.4 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting.

CARRIED

7 REPORTS FROM COMMITTEES

Nil

8 CHIEF EXECUTIVE REPORT**8.1 CHIEF EXECUTIVE - SIX WEEKLY ORGANISATION REPORT****PURPOSE**

The purpose of this report is to present to Council, the six weekly organisation report for August/September.

RESOLVED: 18.68

Moved: Cr Ian Sharp

Seconded: Cr Gerard Minehan

That, having considered all matters raised in the report, the report be noted.

CARRIED

9 REPORT SECTION**9.1 2017/18 EPIC MINISTRIES ANNUAL REPORT****PURPOSE**

To present to Council the 2017/18 Annual Report of EPIC Ministries.

RESOLVED: 18.69

Moved: Cr Gerard Minehan

Seconded: Cr Tim Chote

That, having considered all matters raised in the report, the report be noted.

CARRIED

9.2 2017/18 ANNUAL REPORT FROM SPORT HAWKE'S BAY

SPORPURPOSE

The purpose of this report is to present to Council the 2017/18 Annual Report from Sport Hawke's Bay.

RESOLVED: 18.70

Moved: Cr Ian Sharp

Seconded: Cr Shelley Burne-Field

That, having considered all matters raised in the report, the report be noted.

CARRIED

9.3 2017/18 CENTRAL HAWKE'S BAY SETTLERS MUSEUM ANNUAL REPORT

PURPOSE

To present the 2017/18 Annual Report of the Central Hawke's Bay Settlers Museum to Council.

RESOLVED: 18.71

Moved: Cr Tim Chote

Seconded: Cr Kelly Annand

That, having considered all matters raised in the report, the report be noted.

CARRIED

Meeting adjourned at 10.30am

Meeting commenced at 10.51am

9.4 APPROVAL TO GRANT EASEMENT - NELLY JULL PARK**PURPOSE**

The matter for consideration by the Council is to seek approval as the administering body and under delegated authority from the Minister of Conservation, to approve the granting of an easement at Nelly Jull Park in favour of Centralines Limited, for the installation of a power transformer.

RESOLVED: 18.72

Moved: Cr Ian Sharp

Seconded: Cr Kelly Annand

That having considered all matters raised in the report:

- a) That Council approve the granting of an easement in favour of Centralines Limited as set out in Attachment A on Lot 2 Deposited Plan 23677 - commonly known as Nelly Jull Park, in accordance with Section 48(1)d of the Reserves Act 1977, as the administering body of the Reserve;
- b) That Council approve the granting of an easement in favour of Centralines Limited as set out in Attachment A on Lot 2 Deposited Plan 23677 - commonly known as Nelly Jull Park, in accordance with Section 48(1)d of the Reserves Act, under delegated authority from the Minister of Conservation.
- c) That the Chief Executive be delegated authority to negotiate the specific details of the easement agreements with Centralines Limited.

CARRIED

9.5 ADOPTION OF ENVIRONMENTAL AND SUSTAINABILITY STRATEGY PROJECT CHARTER**PURPOSE**

The matter for consideration by the Council is to approve a Project Charter that will initiate a project to develop an Environmental and Sustainability Strategy for Central Hawke's Bay District.

RESOLVED: 18.73

Moved: Cr Gerard Minehan

Seconded: Cr Ian Sharp

That having considered all matters raised in the report:

- a) That Council approve the Project Charter to initiate the Environmental and Sustainability Strategy project.

CARRIED

9.6 ADOPTION OF THE DELEGATIONS REGISTER

PURPOSE

The matter for consideration by the Council is adoption of the Delegations Register.

RESOLVED: 18.74

Moved: Cr Tim Chote

Seconded: Cr Kelly Annand

That having considered all matters raised in the report:

That Council adopt the Delegations Register dated 20 September 2018.

CARRIED

9.7 CENTRAL HAWKE'S BAY CONSUMERS POWER TRUST 2018 TRUSTEE ELECTION

PURPOSE

The matter for consideration by the Council is to approve the election of 4 candidates for the Central Hawke's Bay Consumers Power Trust 2018 election.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

MOTION

Moved: Cr David Tennent

Seconded: Cr Ian Sharp

That Council does not exercise its voting rights for the Central Hawke's Bay Consumer Power Trust 2018 election.

9.8 OTANE WASTEWATER RESOURCE TREATMENT PLANT RESOURCE CONSENT EXTENSION**PURPOSE**

The matter for consideration by Council is to gain approval to apply for an extension to the resource consent for the Otane Wastewater treatment plant.

RESOLVED: 18.75

Moved: Cr Tim Chote

Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

- 1) That Council approve putting the Otane Wastewater Treatment Project on hold, and further options are investigated as part of the wider Waipawa and Waipukurau Wastewater Treatment project; and further**
- 2) That Council endorse seeking an extension application for 24 months with the Hawke's Bay Regional Council.**

CARRIED

9.9 ELECTED MEMBERS REMUNERATION**PURPOSE**

The purpose of this report is to seek agreement from Council to submit to the Remuneration Authority, Elected Members' Remuneration for the period 1 July 2018 to 30 June 2019.

RESOLVED: 18.76

Moved: Cr David Tennent

Seconded: Cr Kelly Annand

That having considered all matters raised in the report:

That Council submits to the Remuneration Authority that the allocation of the reviewed 2018/19 remuneration pool be as tabulated in the report.

In Favour: Crs Alex Walker, Ian Sharp, Kelly Annand and David Tennent

Against: Crs Shelley Burne-Field, Tim Chote and Gerard Minehan

CARRIED 4/3

MOTION

Moved: Mayor Alex Walker

Seconded: Cr Ian Sharp

That the recommended changes to elected members remuneration be effective from 20th September 2018.

CARRIED

Cr Burne-Field raised concern that the proposed structure would cut out the importance of the committee structure.

9.10 DRAFT RESULTS AND CARRY FORWARDS**PURPOSE**

The matter for consideration by the Council is the draft financial results for 2017/18 and for Council to approve the Carry Forwards and additional Loans.

RESOLVED: 18.77

Moved: Cr Ian Sharp

Seconded: Cr Tim Chote

That having considered all matters raised in the report:

- a) Council approve the budget allocations proposed to be carried forward from 2017/18 year to 2018/19 year to enable projects to be completed and future work to be funded.
- b) Council approve the Wastewater additional loans of \$200,933 for Operational for a period of 10 years and \$145,570 for Capital for a period of 20 years to fund the additional expenditure required for the 2017/18 financial year.

CARRIED

At 12.51pm, Cr Tim Aitken returned to the meeting.

9.11 APPROVAL OF LOCAL ALCOHOL POLICY**PURPOSE**

The matter for consideration by the Council is the approval of the Central Hawke's Bay Local Alcohol Policy.

RESOLVED: 18.78

Moved: Cr Gerard Minehan

Seconded: Cr Kelly Annand

That having considered all matters raised in the report:

The Central Hawke's Bay Local Alcohol Policy will come into force on 1 November 2018; except for elements 2.1.1, 2.2.1, 2.2.2, 2.3.2, which shall come into force on 1 February 2019.

CARRIED

10 PUBLIC EXCLUDED BUSINESS

RESOLUTION TO EXCLUDE THE PUBLIC**RESOLVED: 18.79**

Moved: Cr Ian Sharp

Seconded: Cr Tim Chote

That the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Public Excluded Minutes of the District Plan Subcommittee Meeting held on 15 August 2018	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.2 - Public Excluded Minutes of the District Plan Subcommittee Meeting held on 29 August 2018	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.3 - Public Excluded Minutes of the District Plan Subcommittee Meeting held on 12 September 2018	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	
10.4 - Public Excluded Minutes of the Council Meeting held on 9 August 2018	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
CARRIED		

11 DATE OF NEXT MEETING

RESOLVED: 18.80

Moved: Cr Shelley Burne-Field

Seconded: Cr Tim Aitken

THAT the next meeting of the Central Hawke's Bay District Council be held on 4 October 2018.

CARRIED

12 TIME OF CLOSURE

The Meeting closed at 12.57pm.

The minutes of this meeting were confirmed at the Council Meeting held on 31 October 2018.

.....
CHAIRPERSON

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE MUNICIPAL THEATRE, 18 KENILWORTH ST, WAIPAWA,
ON THURSDAY, 27 SEPTEMBER 2018 AT 12.00PM**

PRESENT: Mayor Alex Walker, Cr Ian Sharp (Deputy Mayor), Cr Shelley Burne-Field, Cr Kelly Annand, Cr Tim Aitken, Cr Tim Chote, Cr Gerard Minehan, Cr Brent Muggeridge, Cr David Tennent

IN ATTENDANCE: Monique Davidson (Chief Executive)
Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Harry Robinson (Solid Waste Manager)
Themba Ncomanzi (Solid Waste Officer)
Ben Swinburne (Building Consent Officer)
Doug Tate (Group Manager, Customer and Community Partnerships)
Nicola Bousfield (People and Capability Manager)
Lisa Harrison (Organisation Transformation Lead)
Leigh Collecutt (Governance & Support Officer)

1 PRAYER

2 APOLOGIES

3 DECLARATIONS OF CONFLICTS OF INTEREST

4 STANDING ORDERS

RESOLVED: 18.82

Moved: Cr David Tennent
Seconded: Cr Gerard Minehan

RECOMMENDATION

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers
- THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

CARRIED

5 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

RESOLVED: 18.83

Moved: Cr Tim Chote
Seconded: Cr Ian Sharp

RECOMMENDATION

THAT Council has read the reports associated with items 6.1 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting

CARRIED

6 PUBLIC EXCLUDED BUSINESS

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLVED: 18.84

Moved: Cr David Tennent
Seconded: Cr Tim Aitken

That the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
1.1 - Procurement for Kerbside Collection, Recycling and Transfer Station Contract	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

RESOLVED: 18.85

Moved: Cr Tim Chote

Seconded: Cr David Tennent

That Council moves out of Closed Council into Open Council.

CARRIED**7 DATE OF NEXT MEETING****RESOLVED:**

Moved: Cr Tim Chote

Seconded: Cr David Tennent

RECOMMENDATION

THAT the next meeting of the Central Hawke's Bay District Council be held on 4 October 2018.

CARRIED**8 TIME OF CLOSURE****The Meeting closed at 1.24pm.****The minutes of this meeting were confirmed at the Ordinary Meeting of the Council held on 31 October 2018.**.....
CHAIRPERSON

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 4 OCTOBER 2018 AT 9.00AM**

PRESENT: Mayor Alex Walker,
Cr Ian Sharp (Deputy Mayor)
Cr Kelly Annand
Cr Tim Aitken
Cr Gerard Minehan
Cr Brent Muggeridge
Cr David Tennent

IN ATTENDANCE: Doug Tate (Group Manager, Customer and Community Partnerships)
Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Bronda Smith (Group Manager, Corporate Support and Services)
Harry Robinson (Solid Waste Manager)
Themba Ncomanzi (Solid Waste Officer)
Lisa Harrison (Organisation Transformation Lead)
Leigh Collecutt (Governance and Support Officer)

1 PRAYER

2 APOLOGIES

Cr Tim Chote

Cr Shelley Burne-Field

Monique Davidson – Chief Executive,

Dr Roger Maaka – Maori Consultative Representative

3 DECLARATIONS OF CONFLICTS OF INTEREST

No interests were declared by members

4 STANDING ORDERS

RECOMMENDATION

RESOLVED:

Moved: Cr Annand

Seconded: Cr Tennent

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers
- THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

CARRIED

5 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY**RECOMMENDATION****RESOLVED:**

Moved: Cr Sharp
Seconded: Cr Tennent

THAT Council has read the reports associated with items 6.1 through to 8.2 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting

CARRIED**6 REPORTS FROM COMMITTEES****6.1 MINUTES OF THE FINANCE AND PLANNING COMMITTEE MEETING HELD ON 6 SEPTEMBER 2018****RESOLVED: 18.86**

Moved: Cr Ian Sharp
Seconded: Cr Gerard Minehan

1. That the minutes of the meeting of the Finance and Planning Committee held on 6 September 2018 be received.

CARRIED**6.2 MINUTES OF THE ENVIRONMENT AND REGULATORY COMMITTEE MEETING HELD ON 6 SEPTEMBER 2018****RESOLVED: 18.87**

Moved: Cr David Tennent
Seconded: Cr Brent Muggeridge

1. That the minutes of the meeting of the Environment and Regulatory Committee held on 6 September 2018 be received.

CARRIED

6.3 MINUTES OF THE RISK AND AUDIT COMMITTEE MEETING HELD ON 6 SEPTEMBER 2018**RESOLVED: 18.88**

Moved: Cr Gerard Minehan

Seconded: Cr Kelly Annand

1. That the minutes of the meeting of the Risk and Audit Committee held on 6 September 2018 be received.

CARRIED**7 REPORT SECTION****7.1 REPRESENTATION REVIEW SUBMISSIONS AND FINAL PROPOSAL****PURPOSE**

The purpose of this report is to provide submissions and a brief analysis for the hearing and deliberations on the Representation Review Initial Proposal

RESOLVED: 18.89

Moved: Cr Brent Muggeridge

Seconded: Cr Tim Aitken

That having considered all matters raised in the report:

- a) Council receives the submissions on the Initial Proposal.
- b) Council retain the status quo for representation arrangements with 4 members for the Aramoana-Ruahine ward and 4 members for the Ruataniwha ward and no community boards are established.
- c) Directs Officers to record and publicly notify the Final Proposal and the responses to submissions along with the reasons for each response, as required under section 19N(2) of the Local Electoral Act 2001

CARRIED

Cr Sharp noted that all submissions received supported the status quo.

8 PUBLIC EXCLUDED BUSINESS**RESOLUTION TO EXCLUDE THE PUBLIC****RESOLVED: 18.90**

Moved: Cr Kelly Annand

Seconded: Cr Gerard Minehan

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the

reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
8.1 - Procurement for Professional Services Contract	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
8.2 - Procurement for Landfill Management Contract	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

RESOLVED: 18.91

Moved: Cr Kelly Annand

Seconded: Cr David Tennent

That Council moves out of Closed Council into Open Council.

CARRIED

9 DATE OF NEXT MEETING

The next meeting will be held on 18 October 2018.

10 TIME OF CLOSURE

The meeting closed at 10.36am.

The minutes of this meeting were confirmed at the Ordinary Meeting of the Council held on 31 October 2018.

.....
CHAIRPERSON

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 18 OCTOBER 2018 AT 9.00AM**

PRESENT: Mayor Alex Walker
Cr Ian Sharp (Deputy Mayor)
Cr Shelley Burne-Field
Cr Kelly Annand
Cr Tim Aitken
Cr Tim Chote
Cr Gerard Minehan
Cr Brent Muggeridge
Cr David Tennent

IN ATTENDANCE: Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Harry Robinson (Utilities Engineer)
Barbara Nicolle (Safety and Wellbeing Manager)
Shawn McKinley (Land Transport Manager)
Christine Renata (Safer Communities Co-ordinator)
Helen O'Shaughnessy (Senior Planner)
Bronda Smith (Group Manager, Corporate Support and Services)
Doug Tate (Group Manager, Customer and Community Partnerships)
Nicola Bousfield (People and Capability Manager)
Lisa Harrison (Organisation Transformation Lead)

1 PRAYER

2 APOLOGIES

Cr Muggeridge
Cr Chote
Dr Roger Maaka

3 DECLARATIONS OF CONFLICTS OF INTEREST

NONE

4 STANDING ORDERS

RESOLVED:

Moved: Cr Kelly Annand
Seconded: Cr David Tennent

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers

- THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

CARRIED

5 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

RESOLVED:

Moved: Cr Gerard Minehan

Seconded: Cr Kelly Annand

THAT Council has read the reports associated with item 6.1 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting.

CARRIED

6 REPORT SECTION

6.1 ANNUAL REPORT 2017/18

PURPOSE

The matter for consideration is the adoption of the Annual Report 2017/18 and the Annual Report Summary 2017/18.

RESOLVED: 18.94

Moved: Cr Tim Aitken

Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

- Council adopt the Annual Report for 2017/18 and the Annual Summary Report 2017/18.**
- Delegate responsibility to the Chief Executive and Group Manager – Corporate Support and Services to approve the final edits required to the Annual Report and Annual Summary Report in order to finalise the documents for printing and distribution.**

CARRIED

7 PUBLIC EXCLUDED BUSINESS

Nil

8 DATE OF NEXT MEETING

9 TIME OF CLOSURE

The Meeting closed at 9.25am

The minutes of this meeting were confirmed at the Ordinary Meeting of the Council held on 31 October 2018.

.....
CHAIRPERSON

6 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

RECOMMENDATION

THAT Council has read the reports associated with items 8.1, 8.2, 8.3, 9.1 and 10.1 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting

7 REPORTS FROM COMMITTEES

Nil

8 REPORT SECTION

8.1 SH2 BORE UPGRADE PROJECT

File Number: COU1-1400

Author: Darren de Klerk, 3 Waters Programme Manager

Authoriser: Monique Davidson, Chief Executive

Attachments: Nil

PURPOSE

The matter for consideration by the Council is regarding the original budget set for the project to upgrade the bores, pumps, wet well and general site on SH2 supplying water to the Pukeora reservoir.

CHBDC has a project to upgrade the bores onsite to ensure compliance with drinking water standards (DWS). The original budget set, prior to the LTP and #thebigwaterstory is insufficient to complete the project.

CHBDC has recently been working with WSP Opus to better understand the costs, finalise design and timeframe for completion of this project.

It has been identified the costs expected are in excess of the original budget, CHBDC identified it to be prudent to come back to council prior to moving any further with this project.

1. RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Council approves to increase the budget to \$850,000 via re-allocation of funds for the project to upgrade the drinking water bores on SH2.**

COMPLIANCE

Significance	This matter is assessed as being of some importance
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Approve officers to re-allocate \$71,758 from 17/18 water renewals and re-allocate \$87,000 from Takapau Water Treatment Improvement Project and \$84,000 from the Otane Alternate Supply project to the SH2 Bore Upgrade project. 2. Undertake project using existing budget of \$607,500 and excluding certain items from scope. 3. Abandon project altogether, and rely on upgrades to Pukeora treatment process to meet Drinking Water Standards.
Affected persons	The persons who are affected by or interested in this matter are Councillors, council staff and community members.

COMPLIANCE	
Recommendation	This report recommends option 1 for addressing the matter to complete the project and ensure robust, safe and sustainable supply to Waipukurau.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY

This paper requests council to approve a re-allocation of budget to allow the safe completion of the project to ensure security of supply of the Waipukurau water supply.

The project is required due to the assets reaching end of life, along with the risk of potential failure of the pumps and cables, and the consequence to the community and the Waipukurau water supply.

An upgrade will ensure security of supply and the site contributes towards drinking water standards compliance.

The budget for this project is currently funded through an existing budget of \$607,500, officers propose to re-allocate \$71,758 from 17/18 water renewals re-allocate \$87,000 from Takapau Water Treatment Improvement Project and \$84,000 from the Otane Alternate Supply project to the SH2 Bore Upgrade project.

The Otane and Takapau project amounts will be loan funded.

Project	Existing Budget	Variance	Revised Budget	Type
Otane Alternate Supply	\$1,023,000.00	\$84,000.00	\$939,000.00	Loan
Takapau Water Treatment Improvement	\$767,250.00	\$87,000.00	\$680,250.00	Loan
Water Renewals	\$199,941.00	\$71,758.00	\$128,183.00	Carry Forward
SH2 Bore Upgrade	\$ 607,500.00	\$242,758.00	\$850,258.00	

This will set a new budget of \$850,258 for this project, council officers will progress the project with an expected physical completion of 30 June 2019.

BACKGROUND

In 2016, WSP Opus were engaged to review the Waipukurau water supply, and work with CHBDC to meet drinking water standards. The actions required were presented in two stages.

Stage one of the project was completed by installing UV treatment at the Pukeora Hill reservoir, and extending the treatment building.

Stage two of the project is to upgrade the bores and pumps at the SH2 site, along with the electrical setup. The age of the syphon bores C,D,E are estimated to be from 1976 with the pumps from 1998.

The pumps and electrical controls are at end of life and require upgrade/ replacement.

The site has had recent cable failures and runs the risk of pump failures, turbidity is also a concern, the installation of turbidity meters will allow council offers the ability to proactively manage the turbidity levels.

The district health board through monthly meetings and the joint action plan are expecting this upgrade to take place.

Council carried forward budget of \$607,500 from FY17/18 to FY18/19 and has \$71,000 of FY17/18 water renewals to add to the budget, council now requires a further \$172,000 to ensure sufficient budget is in place to complete the project to the scope outlined.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as **of some importance** because it ensures safe and reliable water supply to the residents of Waipukurau.

OPTIONS

The following considerations apply to all options;

- Participation by Māori
 - This issue is not identified as requiring specific engagement with Maori.

Option 1. Approve officers to re-allocate \$71,758 from 17/18 water renewals and re-allocate \$87,000 from Takapau Water Treatment Improvement Project and \$84,000 from the Otane Alternate Supply project to the SH2 Bore Upgrade project.

a) Financial and Resourcing Implications

Additional funding will be required to complete the project, this will ensure greater performance of the site in the future. Re-allocating funding from an existing water treatment improvement project, will ensure no changes to overall budgets or LTP figures.

The Takapau and Otane re-allocation amounts are loan funded, the water renewal portion is carried forward from FY17/18.

b) Risk Analysis

This option is considered the lowest risk option. This option would contribute towards compliance with drinking water standards, as well as security of supply moving forward.

c) Promotion or Achievement of Community Outcomes

This approach would achieve the core outcome and a vast improvement to the current status of the bore site and future pump performance.

d) Statutory Responsibilities

Will contribute towards meeting drinking water standards.

e) Consistency with Policies and Plans

The project is not part of the latest LTP, and the budget available is from previous years and has been carried forward. Re-allocating budget will ensure no amendments to budgets or policies will be needed.

f) Community Views and Preferences

The completion of the project aligns with the council's vision, whilst sending a message to community the council is determined to deliver on its outcomes. This site also serves the greatest footprint within the community.

g) Advantages and Disadvantages

This option presents the greatest advantage of completing the project to scope and ensuring the site and new bores gain the greatest value out of the upgrade, the turbidity meters will allow for greater visibility to the operations team for future operation of the site.

The upgrade will also ensure security of supply to the community

Option 2. Undertake project using existing budget of \$607,500 and excluding certain items from scope

a) Financial and Resourcing Implications

No difference to financial budget implications, but some concerns lie with changing scope and the reduced impact and improvements on the bores and pumps.

b) Risk Analysis

Some risk lies within the scope changes that would be required to complete the project within the existing budget. The cost of further retrospective works as well as the increased likelihood of non-compliance with drinking water standards from reducing scope are considered the key risks.

c) Promotion or Achievement of Community Outcomes

This approach would achieve the core outcome and a vast improvement to the current status of the bore site and future pump performance.

d) Statutory Responsibilities

Will contribute towards meeting drinking water standards.

e) Consistency with Policies and Plans

The project is not part of the latest LTP, and the budget available is from previous years and has carried forward.

f) Community Views and Preferences

Community views will likely be minor, but the assumption is the preference would be to complete project fully.

g) Advantages and Disadvantages

Advantages are the project will continue, and improvements will be made to the site,

Disadvantages are the full scope and value may not be realised, and the cost to fit these at a later date will likely come at a greater cost to the community.

Further disadvantages are understanding which activities within the current scope will need to be removed to complete the works.

Option 3. Abandon project altogether, and rely on upgrades to Pukeora treatment process to meet drinking water standards.

h) Financial and Resourcing Implications

Minimal financial or resourcing implications. Some existing cost incurred will need to be written off.

i) Risk Analysis

Risk of breaching drinking water standards
Risk of pump failure and supply loss

Risk of cable burn out

- j) Promotion or Achievement of Community Outcomes
This would not achieve community outcomes of durable infrastructure.
- k) Statutory Responsibilities
Will risk breaching drinking water standards, and adding further fuel to the conversation around councils managing water assets.
- l) Consistency with Policies and Plans
Not adhering to THRIVE principles within LTP.
- m) Community Views and Preferences
This would be a poor reflection of council if the project was abandoned, the project will have to take place at some stage in the future, and will likely cost more than this proposal.
- n) Advantages and Disadvantages
Disadvantages are aplenty, failure to deliver project, failure to ensure safe drinking water, financial concerns ahead of community outcomes and safety of the public regarding a necessity.

NEXT STEPS

The next steps if option 1 if approved, would be to re-allocate funding as outlined from the Takapau water treatment project, Otane Alternate supply and FY17/18 water renewals carry forwards and add to this project budget.

For the projects - Takapau Water treatment and Otane alternate supply, the recent #bigwaterstory forecast has given officers the confidence to deliver these projects within the reduced budget, and thus are confident to re-allocate funding from the projects to be able to deliver the SH2 Bore Upgrade project.

Officers will approve the design to move to detailed phase via our engaged consultants, once finalised construction drawings will be issued for tender.

Working towards a physical project completion date of 30 June 2019.

2. RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) **That Council approves to increase the budget to \$850,000 via re-allocation of funds for the project to upgrade the drinking water bores on SH2.**

8.2 SEPTEMBER WEATHER EVENT FUNDING**File Number:** COU1-1400**Author:** Josh Lloyd, Group Manager - Community Infrastructure and Development**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The matter for consideration by the Council is the approval of the use of \$450,000 from the adverse events fund to support Councils contribution to the costs of repairing the September storm damage.

3. RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Council approve the use of up to \$450,000 from the Adverse Events Fund to support Councils contribution to the costs of repairing September storm damage.
- b) That Council delegate authority to the Chief Executive to expedite the procurement of services to support repair works.

COMPLIANCE

Significance	This matter is assessed as being of some importance.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Approve use of up to \$450,000 from the Adverse Events Fund to support Councils contribution to the costs of repairing September storm damage, and to delegate authority to the Chief Executive to expedite the procurement of services to support repair works 2. Not approve use of money from the Adverse Events Fund and require repairs to be funded from other budget sources in the Land Transport activity, and mandate strict adherence to the existing tendering policy for all works.
Affected persons	The persons who are affected by or interested in this matter are the ratepayers of Central Hawke's Bay who rely on the use of Council-owned and maintained roads and road infrastructure.
Recommendation	This report recommends option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY

The September weather event caused significant damage to Central Hawke's Bay roads and associated road infrastructure assets. Over 200 items of work are required to repair the damage at an estimated cost of \$4,500,000. NZTA will fund up to 80% for a large portion of the work so long as Council can ensure the work is completed prior to June 30 2019. To enable this, Council must be agile in its procurement work and while not sacrificing quality or cost-competitiveness, must act quickly to secure contractors and begin work. Council must also still fund a portion of the repairs itself and to not place undue strain on existing budgets is seeking a resolution to utilise up to \$450,000 from the Adverse Events Fund. There is currently a total of \$738,000 in the Adverse Events Fund.

BACKGROUND

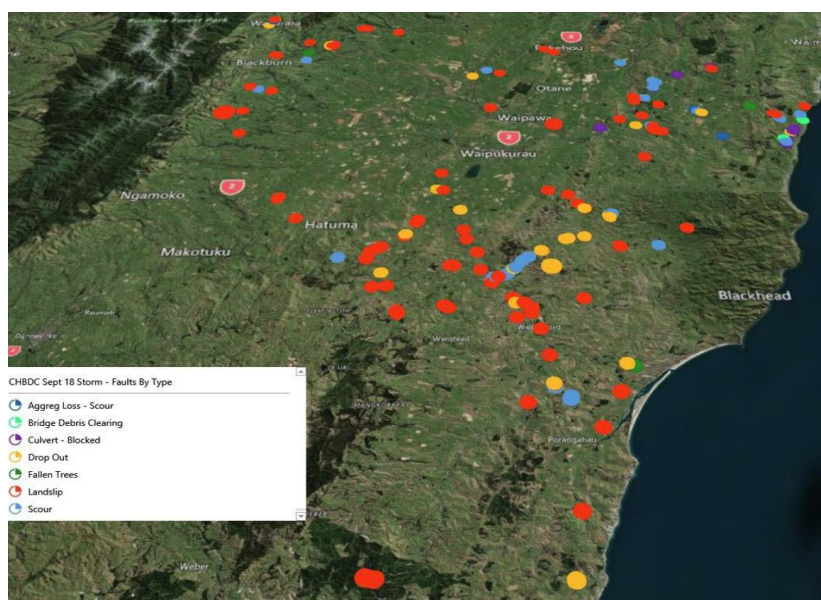
Network Damage

In the 5 days between the 4th and 8th of September parts of the district received up to 400mm of rain. The complex low-pressure system had been previously forecast and Officers prepared accordingly in activating appropriate emergency management protocols and preparing contractors. Fortunately, the storm eventually moved and settled further north than originally forecast meaning the district was spared some of the worst.

The very high rain volumes caused surface flooding closing some coastal and inland roads as well as numerous under and over slips closing further roads. The 3 waters networks were inundated but coped well with no reported damage or major concerns. Wastewater pond levels in urban centres were beyond maximum capacity with designed overflow systems operating and pumps running at full capacity. Turbidity spiked at Pukeora but quickly came down to within normal levels and did not threaten compliance. Moderate wind also caused several large trees to fall and temporarily close some rural roads.

Officers and the public recognised the exceptional response of road maintenance crews (Downer) during the event.

The map below illustrates the scale and spread of damage to the networks roading infrastructure.



In the weeks following the event Officers and contractors have worked to make urgent repairs and to assess and accurately quantify the damage. Council's incumbent Professional Services Provider GHD assisted in the completion of a report detailing 200 known areas of work required on the network and providing a workable description and budget estimate for work. This report has been provided to NZTA who have visited the network to witness the damage. NZTA have given praise to the quality of information captured and its usability in justifying the now-required investment.

The total estimated cost of repair works is \$4,500,000 with several large over and under slips being key contributors to cost.

Funding

NZTAs additional funding mechanism for extreme weather events is triggered when the costs of repair go beyond 10% of the districts subsidised annual land transport budget. That is, repair costs up to a value of 10% of Councils total annual funded land transport budget are subsidised by NZTA at 60%. Costs beyond this are subsidised at 80%. Based on our annual land transport budget of \$11,000,000, costs up to \$1,100,000 are funded at 60% and costs beyond the first \$1,100,000 are funded at 80%.

The table below sets out the funding as it applies to the September weather event:

Total Annual Land Transport Investment	\$11,090,000
Total costs of September Weather Event	\$4,500,000
Portion of event costs funded at 60% (10% of total annual investment)	\$1,109,000
Portion of event costs funded at 80%	\$3,391,000
Total NZTA contribution (60% of 1,109,000 + 80% of 3,391,000)	\$3,378,200
Total Council contribution (40% of 1,109,000 + 20% of 3,391,000)	\$1,121,800

NZTA have visited Council and verbal agreement has been received by regional NZTA to the additional funding mechanism at 80% with the condition that all works are completed by June 30 2019. This is currently being reviewed by NZTA in Wellington:

Funding

The following funding is available for the Council required portion of \$1,121,800

Current year's funding for Adverse Events in budgets	\$145,000
Carry forward from previous years of accumulated funding	\$529,797
Balance required to be funded	\$447,003

Procurement

Council's procurement and tendering policy requires in most cases an open-market tendering approach to secure services and specifically requires Council approval for all procurements above \$1,000,000.

Officers consider that preparing formal contract and procurement documents would be disadvantageous through the time required to properly carry out such processes. Instead Officers have proposed an agile procurement approach where small works are bundled into larger packages of work (some exceeding \$1,000,000) and contractors are approached directly to provide a price and commit resource. This is considered by Officers to be the only practical means of delivering the quantum of work required by June 30 2019.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as **of some importance**.

OPTIONS

The following are considered common across the two listed options and are therefore discussed together here:

Option 1 Approve use of up to \$450,000 from the Adverse Events Fund to support Councils contribution to the costs of repairing September storm damage, and to delegate authority to the Chief Executive to expedite the procurement of services to support repair works

- a) Financial and Resourcing Implications
This option is considered to have the lowest financial impact on the organisation and rate payers as it is the only option whereby Council will receive maximum external funding support.
- b) Risk Analysis
- c) Alignment to Project Thrive and Community Outcomes
This option promotes the quick and cost-effective repair of critical infrastructure highlighted as important to the prosperity of the district through Project THRIVE.
- d) Statutory Responsibilities
This option directly supports CHBDC to obtain additional funding as made available under NZTAs funding policies.
- e) Consistency with Policies and Plans
This is not consistent with the procurement and tendering policy and is required to be approved by Council.
- f) Participation by Māori
The options have not been identified as requiring specific engagement with Maori.
- g) Community Views and Preferences
The options have not been identified as requiring engagement with the community.
- h) Advantages and Disadvantages
This option has the advantages of reducing costs to ratepayers and of enabling the timely delivery of work through agile procurement processes. There are no perceived disadvantages of this option relative to option 2.

Option 2 Require repairs to be funded from other budget sources in the Land Transport activity, and mandate strict adherence to the existing tendering policy for all works.

- a) Financial and Resourcing Implications
This option is considered the higher financial risk option in that it will not enable Council to secure additional funding made available by NZTA and will put added pressure on already strained land transport budgets.

- b) **Risk Analysis**
This option is considered the higher risk option in that through mandating a generic procurement process it is considered unlikely that work will be completed pre June 30 2019.
- i) **Alignment to Project Thrive and Community Outcomes**
This option is considered not to align with the learnings of Project THRIVE in that it cannot guarantee the repair of vital infrastructure that was flagged as a key priority through the THRIVE process.
- c) **Statutory Responsibilities**
This option may be seen as being inconsistent with the Local Government Act's requirements of efficiency and effectiveness as it may mean levels of service for other activities is unable to be achieved.
- d) **Consistency with Policies and Plans**
This option is consistent with the current tendering policy.
- e) **Participation by Māori**
The options have not been identified as requiring specific engagement with Maori.
- f) **Community Views and Preferences**
The options have not been identified as requiring engagement with the community.
- g) **Advantages and Disadvantages**
This option has the relative (to Option 1) disadvantage of not enabling the capture of additional NZTA funding to support investment. There are no perceived advantages of this option.

NEXT STEPS

If the funding and procurement approach is approved, and following the official approval from NZTA, officers will develop the detailed programmes of work to take to market and will regularly update Council regarding the progress of the physical works.

Recommended Option

This report recommends option1, to approve use of up to \$450,000 from the Adverse Events Fund to support Councils contribution to the costs of repairing September storm damage, and to delegate authority to the Chief Executive to expedite the procurement of services to support repair works, for addressing the matter.

8.3 PROCUREMENT AND CONTRACT MANAGEMENT POLICY**File Number:** COU1-100**Author:** Bronda Smith, Group Manager, Corporate Support and Services**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Procurement and Contract Management Policy - Draft [↓](#)**PURPOSE**

The matter for consideration by the Council is the adoption of the Procurement and Contract Management Policy

4. RECOMMENDATION FOR CONSIDERATION**That having considered all matters raised in the report:**

- a) Council adopts the Procurement and Contract Management Policy to replace the current Tendering Policy.

COMPLIANCE

Significance	This matter is assessed as being of some importance
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Council adopts the Procurement and Contract Management Policy to replace the current Tendering Policy. 2. Council does not adopt the Procurement and Contract Management Policy and retains the current Tendering Policy.
Affected persons	The persons who are affected by or interested in this matter are the officers of Council and the wider community.
Recommendation	This report recommends option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

BACKGROUND

As part of the Internal Audit Programme, Council received a report from the Internal Audit on Contract Management within Council. As part of the recommendations of the audit, it was identified that Council-wide contract management policies and procedures should be developed. The report identified 4 key areas where policy and procedures are required. The findings and recommendations in the report broadly related to these four policy areas:

- Risk management (identification, mitigation strategies and monitoring);
- Contract management plans;
- Contract records management; and
- Defined roles and responsibilities, appropriate delegated authority to support roles and responsibilities and clear accountability and reporting routes aligned with the organisational structure.

Following the audit, advice on the requirements of the Contract Management policy was obtained from a number of Consultants and it was recommended that Council develop a combined Procurement and Contract Management Policy as the Contract Management requirements are developed as part of the Procurement cycle.

As part of this advice, it was also recommended that the current Tendering Policy be replaced by the Procurement and Contract Management Policy. The Tendering Policy was identified by the Consultants as not being fit for purpose. The current policy is process based and it was recommended that processes required be included in the Procurement Manual rather than in the policy. The procedures in the policy are also not based on current best practice as identified by MBIE.

Tim Munro, Infracore was approached to assist the Council in the development of the policy based on the previous work completed for Council. Mr Munro worked with officers to develop the draft policy taking into account Office of the Auditor General guidance and best practice guidance from agency such as MBIE and NZTA. A council workshop was held on 18 October to obtain feedback from Council on the direction and content of the policy.

A presentation will occur at the meeting that will include further examples of the application of the current tendering policy to provide Councillors with information regarding the current tender policy not being fit for purpose.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as **of some importance**.

OPTIONS

Option 1 Council adopt the Procurement and Contract Management Policy to replace the current Tendering Policy.

- a) Financial and Resourcing Implications
There are no financial or resourcing implications in the adoption of the policy. There is however the option to obtain better outcomes from Procurements and Contract Management with the adoption of the policy including the obtaining better value for money from procurements approaches based on the objectives and principles of the policy.
- b) Risk Analysis
There is a reduction in risk to the Council as the Procurement and Contract Management includes a risk based process for procurement and contract management and the objectives and principles give clear direction to the officers of Council.
- c) Alignment to Project Thrive and Community Outcomes
There is the option to obtain better outcomes from Procurements and Contract Management with the adoption of the policy including better alignment of options and outcomes for procurement with the vision of

Council including working together, thinking smarter and customer excellence.

- d) **Statutory Responsibilities**
There is a statutory responsibility within the Local Government Act to ensure that Council is being efficient and effective. The policy allows officers to ensure that appropriate processes are in place for the different levels of procurement from low value to complex procurements.
- e) **Consistency with Policies and Plans**
This is consistent with the direction of Council to the development of principle based policies.
- f) **Participation by Māori**
This options has not been identified as needing specific consultation with Maori.
- g) **Community Views and Preferences**
This options has not been identified as needing consultation the community.
- h) **Advantages and Disadvantages**
The advantages of this option are as follows:
 - Clear direction to officers of the expectations of Council in regards to alignment with Thrive for procurement and contract management.
 - A principles based approach which ensure the context and intent of the policy is emphasised rather than a rules based approach.
 - Clearly defined objectives of Council regarding the expected outcomes of Procurement and Contract Management activities
 - The policy incorporates current best practice including guidance from Officer of the Auditor General, MBIE and NZTA.There are no identified disadvantages of this option.

Option 2 Council does not adopt the Procurement and Contract Management Policy and retains the current Tendering Policy

- a) **Financial and Resourcing Implications**
There are no financial or resourcing implications in the retention of the policy. There is however the risk that adherence to the current policy reduces the Council to obtain the best value for money due to the tender requirements of the policy.
- b) **Risk Analysis**
The current tendering policy does not include any risk requirements and therefore increases the risk to Council in the Procurement and Contract Management process
- c) **Alignment to Project Thrive and Community Outcomes**
There is no alignment between the current tendering policy and Thrive.
- d) **Statutory Responsibilities**
There is a statutory responsibility within the Local Government Act to ensure that Council is being efficient and effective. The current policy does not allow officers to ensure that appropriate processes are in place for the different levels of procurement from low value to complex procurements. The current tendering policy

- e) Consistency with Policies and Plans
This is not consistent with the direction of Council for the development of principle based policies.
- f) Participation by Māori
This options has not been identified as needing specific consultation with Maori.
- g) Community Views and Preferences
This options has not been identified as needing consultation the community.
- h) Advantages and Disadvantages
The disadvantages of this option are as follows:
 - No clear direction to officers of the expectations of Council in regards to alignment with Thrive for procurement and contract management.
 - A rules based approach which is based on processes rather than being a policy that gives guidance and expectation at a governance level.
 - No clearly defined objectives of Council regarding the expected outcomes of Procurement and Contract Management activities. The policy is process based and the objectives of Council are not identified.
 - The policy does not incorporate current best practice including guidance from Officer of the Auditor General, MBIE and NZTA.There are no identified advantages of this option.

NEXT STEPS

Following the adoption of the policy, officers will develop a communication programme to ensure officers and contractors are aware of the policy and the implications that the policy has on procedures followed within Council.

Officers will then develop Procurement and Contract Management Manuals to advise staff on the processes and templates that are required based on the policy. Officers are working with the other Hawke's Bay Councils to investigate the option of the development of the Procurement and Contract Management Manuals regionally to assist with region wide Procurement and Contract Management opportunities.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) Council adopts the Procurement and Contract Management Policy to replace the current Tendering Policy.

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Reference note: this policy will replace the Tenders Policy

Procurement and Contract Management Policy

1. Introduction

The Central Hawkes Bay District Council is a local authority with obligations to its ratepayers and the public as defined under the Local Government Act 2002.

Procurement and contract management plays an important role in the delivery of Council outcomes, with a wide variety of goods, services and works being purchased from third party suppliers to deliver the levels of service and capital projects in the Long Term Plan (LTP). Procurement policy traditionally focuses on sourcing the right suppliers but it needs to be supported by effective contract management to ensure Council receives the value that was promised by suppliers in the procurement process. The scope of contract management can range from simple 'on time, on cost and in spec' operational delivery through to broader strategic innovations and contributions. Most Council staff are involved with some or all procurement and contract management processes including planning sourcing and managing as demonstrated in the procurement lifecycle diagram below.



Procurement and Contract Management Lifecycle

The Council recognises that it is a significant user of public money, and that the expenditure of this money impacts the local and domestic economy and the overall performance of the Council. Council must demonstrate that its procurement and contract management processes from source and selection through to payment are fair, transparent, compliant and auditable, and that staff and suppliers are able to deliver services in a safe and efficient commercial environment.

This policy provides clarity for staff and suppliers and outlines how Council will meet its obligations as described in the Office of the Auditor General's 'Procurement Guidance for Public Entities' (<https://www.oag.govt.nz/2008/procurement-guide/docs/procurement-guide.pdf>).

Procurement and Contract Management Policy – Draft October 23 2018**Procurement Framework**

Council's procurement framework is as follows:

**Compliance and Delegations**

All Council Groups will comply with guidelines outlined in this policy and Council expects all staff and business units to be guided in their procurement of goods, services and works by the sensible application of the following principles and procurement policies. For clarity, this includes compliance with Council's preferred suppliers, contracted suppliers and their associated purchasing and invoicing processes.

Council's default policy is an open competitive tender process commensurate with delegated financial authority supported by effective contract compliance. However, Council encourages innovation, and if a new or different approach or methodology will deliver better value for money then it can be proposed and approved by way of a Procurement Plan.

Approach to Policy and Guidelines

Council's approach to procurement and contract management policy is to develop and maintain principles and business rules that are appropriate for delivering its outcomes. For guidelines, or 'how to' practices and procedures, Council will work with Hawkes Bay Local Authority Shared Services (HBLASS) to develop a common set of tools and guidelines. This will be informed by best practice tools and templates developed and maintained by Ministry of Business Innovation and Employment (MBIE), and the New Zealand Transport Agency (NZTA) procurement guide for infrastructure construction and maintenance tendering.

Procurement and Contract Management Policy – Draft October 23 2018**Alignment to Organisation Principles and Values**

Council's suppliers are often the 'face of council' in our community and they can also be part of our community as local businesses or staff who reside in Central Hawkes Bay. It is important that we recognise this through aligning our interactions with suppliers with the core principles and values of 'Thrive' where we demonstrate the following:

- **DOING IT TOGETHER:** Central Hawke's Bay will be stronger when we work together. Partnerships and collaboration are at the core of everything we do.
- **CUSTOMER EXCELLENCE:** The communities we serve are our customers. They are at the heart of our decisions, interactions and communication. We'll engage with our customers to deliver value and exceed expectations.
- **THINKING SMARTER:** We need to think smarter and better in everything we do. With a culture of innovation and continuous improvement we will add value to our communities.
- **VALUES:**
 - ✓ **TRUST** – We create trust by acting with integrity.
 - ✓ **HONESTY** – We do what is right even when no one is looking.
 - ✓ **RESPECT** – We have respect for each other, our community and our stakeholders.
 - ✓ **INNOVATION** – We find smarter ways to do things to produce improved and sustainable results.
 - ✓ **VALUING PEOPLE** – We are one team, supporting each other to succeed.
 - ✓ **EXCELLENCE** – We deliver exceptional results.

Our objectives

The objectives of the Procurement and Contract Management Policy are to provide clear direction to management and staff in relation to the procurement, contract management and purchasing functions and establishes a decision framework that:

- Ensures purchases are made in a transparent and accountable manner
- Delivers best value for money through the most appropriate goods or services provider
- Ensures open and effective competition
- Supports sustainability with particular regard to longer term affordability
- Appropriately manages risk e.g. contractual, financial and public interest
- Promotes efficient purchasing practices and their continuous improvement
- Ensures suppliers are delivering their service promise, contractual obligations and/or innovations that improve efficiency and effectiveness
- Encourages local economic development
- Ensures Council's purchasing activities are in accordance with its legal responsibilities

Purpose

This Procurement and Contract Management Policy states the procurement principles of the Council, and aims to:

- Inform Council staff, and those acting on behalf of the Council, of the objectives, behaviours

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and principles appropriate when undertaking procurement and purchasing activities

- Protect staff and suppliers from exposure to fraud, conflict of interest and illegal activities
- Encourage a common understanding and consistent management practice across the Council organisation to realise procurement-related value for money¹
- Promote transparency in how the Council manages its procurement
- Promote effective management of contracts and the supply market
- Ensure procurement practices are always consistent with legislation
- Provide a framework for common understanding of Council procurement practices for potential vendors

Scope

The policy applies to all contracting and procurement activities at Council and is binding upon councillors, council staff and suppliers engaged by Council. These processes cover all goods and services delivered in part or in full by 3rd party suppliers and include:

- Source and selection of suppliers (direct award, quotes and tenders)
- Contracts and contract management
- Establishing and maintaining approved vendors
- Sourcing and managing preferred suppliers and/or supplier panels
- Raising and approving purchase orders
- Goods or services receipting and invoice approval (including contracted claims processes)

For clarity this includes goods or services supplied by non-commercial entities such as Iwi, volunteer and other community organisations.

This policy does not apply to the following activities:

- The employment of staff (excluding the engagement of contractors and consultants to supply services)
- The acquisition or lease of strategic land or buildings (excluding the design, construction or refurbishment of buildings)
- Disposals and sales of Council assets
- Investments, loans, guarantees, or other financial instruments
- Gifts, donations and grants
- Non-contractual agreements between public sector agencies, such as memorandums of understanding.

¹ Council will follow the Office of the Auditor General's definition for value for money in procurement which is:

Value for money means using resources effectively, economically, and without waste, with due regard for the total costs and benefits of an arrangement, and its contribution to the outcomes the entity is trying to achieve. In addition, the principle of value for money when procuring goods or services does not necessarily mean selecting the lowest price but rather the best possible outcome for the total cost of ownership (or whole-of-life cost). Value for money is achieved by selecting the most appropriate procurement method for the risk and value of the procurement, and not necessarily by using a competitive tender

Procurement and Contract Management Policy – Draft October 23 2018

- Statutory or ministerial appointments.

Related Policies and Legislation**Legislation and central government guidance**

Council procurement and contract management practices must be compliant with current legislation and council officers must actively seek assurance that suppliers comply with their legal obligations.

Council Policies

- Sensitive Expenditure Policy
- Purchases Policy
- Delegations Register

Policy owner

This policy is the responsibility of Group Manager Corporate Support and Services

Policy Management

This policy will be managed by the Executive Leadership Team. The Executive Leadership Team and Council will meet and agree the formation and role of a Tenders sub-committee to oversee the annual procurement strategy process and outcomes, and procurement plans for procurements with a value greater than \$1,000,000.

Procurement and Contract Management Policy – Draft October 23 2018

2. Management - Procurement Strategy

Council will obtain better value for money through strategic planning of its procurement and contract and relationship management. For strategic procurement planning and management purposes Councils requirements for goods and services are assigned to one of three main categories being

- **Infrastructure Services** – all asset maintenance, service delivery and capital works associated with, Property, Roads, Water, Wastewater, Solid Waste and Stormwater
- **Community Services and Governance** – all outsourced activities associated with community services and governance including parks and open spaces, parking, animal control, libraries, swimming pools, elections, hearings and licencing and consents
- **Corporate Services and Purchasing** – all goods and services required for the effective and efficient management of Council offices including stationery, professional and legal services, information, communications and technology (ICT), electricity and consumables. Also includes purchasing transaction management.

The Executive Leadership Team (ELT) will assign ownership of the procurement strategy for each of these categories.

Strategy Outcomes

The procurement strategy(s) will outline specific objectives, procedures and initiatives that will contribute to the following long term outcomes where Council will:

- Increase its measurable contribution to Council's Economic Development Strategy, and local economic wellbeing and growth
- Increase value for -money from its suppliers
- Realise opportunities from works programme bundling, sequencing and prioritising
- Optimise outsourced asset lifecycle costs
- Consider the depth and sustainability of the regional supply market
- Increase its capability to procure goods and services efficiently and effectively
- Position itself as a client of choice for high performing value adding suppliers
- Maintain compliance with requirements for fair and transparent value for money procurement and contract management

Strategy dependencies

Council will consider and align procurement strategy development and reviews to the following:

Section17a reviews

Section 17a of the Local Government Act requires Council to regularly review how it delivers services, which informs decisions to insource or outsource services. Council requires procurement strategy reviews to consider the timing and outcomes of S17a reviews.

Procurement and Contract Management Policy – Draft October 23 2018**NZTA Procurement Strategy**

NZTA requires Approved Organisations to maintain a procurement strategy for all activities supported by funding from NZTA. Many of Councils Infrastructure Services category suppliers offer goods and services across all infrastructure assets and Council therefore requires staff to integrate the requirements of a complying NZTA strategy into its wider Infrastructure Services category strategy.

Central and regional initiatives

For many expenditure categories such as electricity, stationery and fleet, Council has access to arrangements made by central government through All of Government contracts (AOG) or through shared procurement with regional organisations such as Hawkes Bay Local Authority Shared Services (HBLASS). Council requires national and regional initiatives to be considered in its procurement strategy.

Strategy scope, development and reviews

The ELT will oversee the development and maintenance of a rolling three year procurement strategy for each of the three categories. The scope of the strategy will encompass the following:

- Relevant Section 17a reviews
- Relevant contracts expiry and term renewals
- NZTA complying strategy for NZTA funded activities
- Supply chain capability and capacity development
- Identification and development of strategic supply partners
- Local economic development including upstream and local suppliers
- Programme optimisation
- Regional shared opportunities and initiatives
- Identification and development of preferred supplier panels
- Preferred suppliers for minor expenditure
- Relationship and contract management
- Strategic and significant supplier business ownership and accountability
- Procure to pay processes

The ELT will provide an annual procurement strategy review report to the Risk and Audit committee by 31 July each year.

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3. Operations - How we work

Principles

Council has aligned its procurement and contract management policy and practices to the principles developed and maintained by the Ministry for Business Innovation and Employment (MBIE) which are:

Plan and manage for great results: This is about actively planning for success – it's as simple as 'plan, do, check, improve'. Make sure your process is reasonable and set realistic timeframes.

Be fair to all suppliers: This is about giving all suppliers a chance to respond – either as a prime contractor or a sub-contractor. We need to make it easy for people to do business with us. It's essential to give suppliers enough time to prepare and send in their proposals.

Get the right supplier: This is about choosing the right supplier and being confident that they will successfully deliver.

Get the best deal for everyone: This is about achieving best value for money – which often isn't the lowest purchase price. It's also about making quality decisions that remain good over the life of the contract.

Play by the rules: This is about building trust with suppliers and keeping a reputation as a fair buyer.

Delegations

All procurement decisions will be subject to approval as outlined in Council's Delegated Financial Authority (DFA) guidelines. In addition to the DFA the ELT will act as Council's Tenders Committee and maintain oversight over all Council procurements.

The Executive Leadership Team has the responsibility to oversee the procurement processes for all purchases requiring a commitment between \$200,000 and \$1,000,000 over the life of the contract. Procurements with a value greater than \$1,000,000 must be approved by Council by way of a procurement plan and a supplier recommendation report.

Procurement Plans

Procurement Plans (a form of business case) must be completed for all procurements where an existing supplier is not being used. The Procurement Plan must be approved by the appropriate manager under the Delegations Register.

Any non-budgeted goods or services procurement with a value of more than \$5,000 must be supported by an approved procurement plan regardless of value or risk.

Managing Risk and Value

Procurement risk is a combination of value, complexity and other non-financial factors such as public profile, sensitive expenditure areas, depth of supply market or dependencies across projects.

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A key step in developing a procurement plan is to complete a simple risk assessment. This assessment helps identify particular issues that staff should address in their procurement plan.

All procurement activity will be authorised in line with Councils delegated financial authorities. Approved procurement methods will be determined by the value and risk of the procurement.

The value / risk profile is defined as follows:

Low value procurement – this is where there is little or no risk and the value of the procurement is less than **\$10,000**. In most cases the goods or services will be provided by a preferred or contracted supplier as published by the Corporate Support and Services Group.

Simple procurement – this is where there is some risk and the value is **>\$10,000 and <\$100,000**. In this case the standard procedure is quotes from preferred or panel suppliers. If existing contracted, preferred or panel suppliers are not appropriate then a Procurement Plan that recommends another approach must be prepared (e.g. an open tender or direct award to a high performing supplier).

Complex procurement – this is for high risk and/or procurements valued at **over \$100,000**. This is a full business case based process starting with a procurement plan approved by the appropriate delegated financial authority.

Note – the value is the total potential value of the contract ie: if it is valued at \$25,000 per annum, and it's a three year contract, then the procurement value is \$75,000

Probity and legal review

Complex procurements are significant and can include advanced procurement methodologies such as weighted attribute evaluation. They also usually result in a contract and attendant schedules being prepared and executed. To ensure Council's interests and responsibilities are well managed the procurement plan must address how probity and legal review will be managed.

This should be addressed on a case by case basis, however as a general guide any procurement with a value greater than \$1,000,000, or involving sensitive expenditure, should require independent probity audit and legal review.

For clarity, the probity period for any procurement commences with the approval of a procurement plan and concludes with the approval of a supplier recommendation report. Staff involved must ensure that they do not compromise themselves or Council through things such as accepting gifts or gratuities from suppliers, or communicating with suppliers or other interested third parties about the procurement.

Conflict of Interest

All staff involved in the preparation and execution of a public procurement process are to complete a Conflict of Interest declaration which is to be approved by the delegated financial authority for the procurement.

Procurement and Contract Management Policy – Draft October 23 2018**Form of Contract**

Council does not have a specific preferred form of contract and expects the Procurement Plan to specify the recommended form of contract to be used in the circumstance. Forms of contract to consider include:

- Council's template for Strategic Relationships
- MBIE templates (<http://www.procurement.govt.nz/procurement/for-agencies/government-model-contracts>)
- NZS series (NZS 3910,16,17 etc) (<https://shop.standards.govt.nz/search/ed?q=Contracts&fq=&sort=&start=10>)
- NEC series (<https://www.neccontract.com/Products/Contracts>)
- FIDIC books (<http://fidic.org/bookshop/about-bookshop/which-fidic-contract-should-i-use>)
- Bespoke (refer to Executive Leadership Team)

Contract Management

Contracted and/or preferred suppliers must be well managed in order for Council to obtain best value for money through contract compliance, ongoing development and innovation and effective contract management.

Council's contract managers will provide an annual contract compliance report to the Executive Leadership Team that provides assurance that both Council and the supplier have met their contracted obligations.

Council requires all preferred suppliers, panel suppliers and contracted suppliers of ongoing services (such as infrastructure maintenance or fleet management) of more than \$100,000 pa, or high risk (such as legal advisors and engineering consultants), to prepare and maintain a Continuous Improvement Plan which should be refreshed annually and reported against half yearly. Suppliers who are required to maintain these plans will be itemised in the annual procurement strategic plan.

Emergency Procurement

From time to time Council must undertake emergency procurement in order to protect life and/or property and infrastructure from the effects of natural or manmade events, health or environmental emergencies or other unanticipated events.

In these cases, if it is impractical to follow normal procurement procedures, then staff should proceed using the following guidelines:

- Refer to the Delegations Register for approved purchasers
- Procure the required goods or services from Council's preferred or existing suppliers. Large contracts should already have provisions in place for emergency or response based activities.
- Follow up any verbal request for service with a written confirmation as soon as practicable
- Retrospectively comply with purchasing rules as soon as practicable. Please note that suppliers will not be paid until these processes have been complied with.

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- Complete a post-procurement report to the Executive Leadership Team with recommendations and an implementation plan for improved practices

Purchasing Rules

Council must protect itself, its staff and its suppliers from fraudulent activities in addition to supporting efficient and effective management of its financial transactions with suppliers. To achieve this, the following rules must be complied with:

- **Purchase orders (POs)** – all POs with a value greater than \$5,000 require a two-step approval as detailed in the Delegations Register
- **Invoice approval** – ‘two step approval required if the invoice value is flagged as varying from the PO value by more than the allowed percentage recorded in the financial management system
- **‘No purchase order – no pay’**: if a supplier doesn’t put a valid PO# on their invoice they will not be paid. In the case of monthly claims for large contracts, then contractors must provide the required work order or purchase order number for each activity claimed, or, obtain approval for a pro-forma claim from the budget holder.
- **New Vendor requests**: raised by requestor and approved by budget holder

Contract Register: no tender can be let, and no contract can be signed, without a valid contract number Any exceptions to the above rules must be approved in writing by Group Manager Corporate Support and Services.

Procurement and Contract Management Practice guidelines

Council practice will be informed by MBIE and NZTA procurement guidelines and manuals. The reasons for this are:

- Tools and templates are legally reviewed and regularly updated
- MBIE practices include all current public sector procurement methodologies together with guidelines as to when a particular methodology is appropriate
- The site supports All of Government (AOG) contracts that Council and/or HBLASS may join
- The site supports training and capability development
- Suppliers are becoming increasingly familiar with the practices, contract and supplier relationship management tools and templates recommended by MBIE
- Adopting a centrally provided resource will reduce risk, cost and administration for Council

Review

This policy replaces any policies that are currently in use and will be reviewed in **DATE**

Signed: _____

Monique Davidson
CHIEF EXECUTIVE

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Date: _____

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Glossary of terms:

Term	Meaning
Claim	Claim is a contracting term for the documentation that supports an invoice in (normally) larger capital and asset management contracts.
CUP clause	A clause that enables Eligible Agencies to join an Open Syndicated contract. The CUP clause must be included in all syndicated contracts.
Preferred supplier	A provider of goods or services under a non-exclusive contractual arrangement, especially for indirect categories. The arrangements are usually non-binding, standing-offer agreements which offer preferential terms for a defined period of time. Preferred suppliers may be selected after a competitive evaluation as being the best value providers for a given category, and the terms of the preferred supplier arrangements are publicised to end users who are encouraged to raise purchase orders on those suppliers. The use of preferred supplier arrangements can help achieve better value and help reduce the size of the active supply base.
Probity	Probity is demonstration that the procurement process will be conducted ethically and fairly, with all participants provided an equal opportunity. All procurement processes need to win the trust of suppliers so that they feel confident that their offers will remain confidential and that the best offer will win. However, probity is of especial concern to the public sector, as not only do public sector procurement processes need to be conducted in a transparent and impartial way, officers need to be able to demonstrate the integrity of the process in the event of challenge.
Procurement	Procurement describes all those processes concerned with developing and implementing strategies to manage an organisation's spend portfolio in such a way as to contribute to the organisation's overall goals and to maximise the value

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	released and/or minimise the total cost of ownership. Procurement is a more comprehensive term than purchasing, which is more focused on the tactical acquisition of goods and services and the execution of plans rather than the development of strategies.
Procurement plan	Effectively a Business Case for a procurement activity
Procurement Strategy	The procurement strategy documents how Council will coordinate all of its procurement activities to meet its business objectives.
Purchasing	Purchasing describes all those transactional processes concerned with acquiring goods and services, including payment of invoices. It is a narrower term than procurement, describing reactive, tactical processes. Typically purchasing processes are triggered by the development of a request to purchase by a user.
Purchase Order	A purchase order [PO] is a document issued by a buyer to their supplier that defines what is needed, in what quantity, when performance is required, and on what terms, including price and payment terms. The issue of a purchase order is increasingly a prerequisite in many payment systems for the payment of invoices.
Vendor	The term 'vendor' is a generic label applied to suppliers.



Procurement Policy
Policy date:
Review date:

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9 CHIEF EXECUTIVE REPORT

9.1 CHIEF EXECUTIVE - SIX WEEKLY ORGANISATION REPORT

File Number: COU1-1001

Author: Monique Davidson, Chief Executive

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. [Six Weekly Organisation Report](#) [↓](#)
2. [Council Monitoring Report](#) [↓](#)

PURPOSE

The purpose of this report is to present to Council, the six weekly organisation report for September/October.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

This report seeks to update Council on a number of key projects and priorities for Central Hawke's Bay District Council.

FINANCIAL AND RESOURCING IMPLICATIONS

This report does not present any financial or resourcing implications.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Together we thrive!

Chief Executive's Report
Central Hawke's Bay District Council

September/October





**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Our vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand.

Together we thrive!

Our Strategic Direction for Central Hawke's Bay

What we know - Our DNA -



WORKING TOGETHER

Central Hawke's Bay will be stronger when we work together. Partnerships and collaboration are at the core of everything we do.



CUSTOMER EXCELLENCE

The communities we serve are our customers. They are at the heart of our decisions, interactions and communication. We'll engage with our customers to deliver value and exceed expectations.



THINKING SMARTER

We need to think smarter and better to everything we do. With a culture of innovation and continuous improvement we will add value to our communities.

What we stand for - Our Values -



Our values capture who we are and what matters most to us. They are the attitudes we embrace as individuals, teams and as a whole organisation. We are all personally responsible for acting with these in mind.

- T** TRUST – We create trust by acting with integrity.
- H** HONESTY – We do what is right even when no one is looking.
- R** RESPECT – We have respect for each other, our community and our stakeholders.
- I** INNOVATION – We find smarter ways to do things to produce improved and sustainable results.
- V** VALUING PEOPLE – We are one team, supporting each other to succeed.
- E** EXCELLENCE – We deliver exceptional results.

What we're most proud of - Our Greatest Asset -

People are our greatest asset. At Central Hawke's Bay District Council we are committed to providing a safe and great place to work that values diversity and inclusion, and develops skilled people who can lead our community to thrive.



Why we do what we do - Our Purpose -

It's our goal to create an environment that supports a thriving Central Hawke's Bay district, by providing efficient and appropriate infrastructure, services and regulatory functions.



The outcomes we want to achieve - Our Objectives -



- A proud district.
- A prosperous district.
- Strong communities.
- Connected citizens.
- Smart growth.
- Environmentally responsible.
- Durable infrastructure.

How we'll reach our outcomes - Our Focus -



- Promoting smart growth.
- Attracting and enabling business success.
- Strengthening our district and community identity.
- Protecting and promoting our unique landscape.
- Planning for tomorrow to future-proof Central Hawke's Bay.

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CHIEF EXECUTIVE REPORT

2

Overview

FROM CHIEF EXECUTIVE

KIA ORA FROM THE CHIEF EXECUTIVE

E ORA NGĀTAHI ANA – TOGETHER WE THRIVE.

It is hard to believe that we are drawing to the end of October, and before we know it will be Christmas. The organisation has a clear roadmap, and Council Officers have clarity on expectations.

In the last 6 week period, I took two weeks of Annual Leave. My thanks goes to the Executive Leadership Team who stepped up in my absence.

End-of-year activities are starting to gain momentum as we prepare ourselves for the busy summer period.

Below is some updates of key things happening across the organisation, or across the Local Government sector.

Local Government Act 2002 Amendment Bill (No 2)

This Bill primarily proposes changes to the Local Government Act 2002. It is in the final stages of being in front of the Committee of the Whole House where it is being debated. Once final amendments have been made it will be presented for its third and final reading. The Bill seeks to give local authorities more flexibility to enable improved service delivery by co-ordinating and combining resources and infrastructure networks across regions and towns.

To achieve this goal, the bill proposes enabling:

more functions to be transferred between local authorities joint governance arrangements for areas of common or shared interest greater use of joint council-controlled organisations (CCOs) for providing core services such as water and transport flexible reorganisation processes, led by local authorities or the Local Government Commission, which can focus on service delivery arrangements for specific activities.

Local Government Excellence Programme – Council Mark

In late August we had Peter Crow and James Lockhart who are independent assessors for Local Government New Zealand on-site to complete our CouncilMARK assessment. They spent time with staff, external stakeholders and elected members over the two days they were on-site. An embargoed report has been received from the Independent Assessment Board, which at the time of writing this report is currently embargoed. The report will be released publically at the end of October. A workshop is planned with the assessors sometime prior to the end of the year so lessons learnt and areas for improvement

can be discussed at a governance and executive leadership level.

Community Facilities and Infrastructure Maintenance Services Contract

In late July, Central Hawke's Bay District Council awarded a new contract for the delivery of its Community Facilities and Infrastructure Maintenance Services to a joint venture between Recreational Services Limited and Veolia.

Work continues on the mobilisation of the contract with the implementation of the overall mobilisation plan progressing well. Recruitment is now well underway with a number of the incumbent staff having been secured as well as a number of new staff in the District.

There are no risks to the mobilisation, with Contractors anticipating to be ready for work to commence on 1 December.

Sale and Supply of Alcohol Act

Changes to the Sale and Supply of Alcohol Act are currently before the House. The Member's Bill from Louisa Wall provides that where a local alcohol policy is in place any renewal of a license under the Act must not be inconsistent with the provisions of that local alcohol policy. The proposed change closes an existing gap in alcohol licensing where there was not a strong basis for regulating existing licenses. It gives more power to a local alcohol policy to meet the purpose of the Act to minimise the harm caused by the excessive or inappropriate consumption of alcohol. The Bill is currently in Select Committee.

Water Taskforce

Hawke's Bay Regional and Central Hawke's Bay District Councils continue to work together on the joint water taskforce that is focussed on bringing together short, medium and long-term water quantity issues in Central Hawke's Bay.

The two councils have agreed on a number of initiatives:

- Bring together a taskforce to manage water quantity in the short, medium and long term in Central Hawke's Bay.
- Undertake a survey of Tikokino and Ongaonga residents to better understand their current water supply situation, to inform assistance offered by the two councils. This survey is currently underway.
- Hold a joint community forum before Christmas to discuss the water management challenges in Central Hawke's Bay and increase public awareness. A date for the water forum has been set for Tuesday 27th

November and further information can be expected to be promoted publically.

- Work closely with water users (irrigators and industrial users) and the wider community to deal with the new minimum flows in the Tukituki Catchment, which are likely to have an effect on irrigation this summer.

The Regional Council also has a programme of science underway, which includes reviewing the groundwater monitoring network to re-develop the Ruataniwha Groundwater Model, investigating the possibility of managed aquifer recharge, and plans for an electro-magnetic aerial survey of the aquifer geology, which will give the Regional Council the ability to manage the water takes and their impacts with far greater precision and certainty.

The Hawke's Bay Regional and Central Hawke's Bay District Councils are committed to working together with our community to find long term solutions, as well as supporting people and businesses through the challenges they are facing right now. At the time of writing this report only one water taskforce meeting has been held, however a meeting is set for Tuesday 30 October. Elected Members can expect a further verbal update at the Council meeting on Wednesday 31 October.

Solid Waste Contracts

On October 20th Smart Environmental Ltd took over as CHBDCs contractor for kerbside collection and recycling services. This followed a radically fast mobilisation of less than 3 weeks following a decision by the incumbent contractor to withdraw from the region earlier than planned. Smart Environmental have brought a new level of sophistication to the contract with new equipment and technology allowing for enhanced services and customer offerings. Teething issues due to the fast mobilisation are being worked through as the new contractor gets to know the district, residents and expectations.

September Weather Event

The significant rain event in September continues to create challenges for Officers working to prioritise, schedule and fund repair works. A schedule of >200 pieces of work has been created and costed with a total combined value of \$4.3M. NZTA have visited the network, seen the damage and approved the methodology being used to prioritise, scope and issue work. A formal application for funding assistance has been submitted to NZTA and is expected to be approved within the month. A paper will come to the Council table late in October to seek approval to access our own contingency funds to make up our share of the investment. Council's new professional services provider, Stantec, have expressed an eagerness, capability and capacity to assist with the ongoing detailed design and management of physical works to see all work completed by June 30 2019.

Activity

UPDATES



GOVERNANCE AND LEADERSHIP

Representation Review

The Local Electoral Act 2001 requires all councils to review their representation arrangements at least once every 6 years. Following initial discussions in September 2017, Council went out to the community for preliminary consultation, seeking open views from the community on representation for Central Hawke's Bay District.

Following this preliminary consultation, Council adopted an initial proposal on 9 August for formal consultation with the community. Consultation closed on 14 September 2018. There were four submissions with all submissions supporting the retention of eight Elected Members, elected via two wards, and the Mayor elected at-large across the district.

On the 4 October 2018 Council adopted the initial proposal as the final proposal with no amendments.

Any person who made a submission on the Council's initial proposal may lodge an appeal against the Council's decision. An appeal must relate to matters raised in that person's submission. Appeals must be made in writing and must be received no later than Friday 24 November 2018.

Partnership with Maori

Council continues to progress discussions with Te Taiwhenua o Tamatea on the developing relationship and how we can work together better. A further meeting will be held on the return of Professor Roger Maaka from leave to further progress this partnership.

A visit to Rakautatahi Marae was planned for early October on the invitation of the Marae but was postponed due to unavailability.

Howard Estate Advisory Board

Following the resignation of the Rural Bodies Representative on the Howard Estate Advisory Board, the Council along with Tararua District Council and Wairoa District Council, are asking for expressions of interest from suitably experienced candidates to be the Rural Bodies Representative. Expression of interest close on Friday 16 November.



SOCIAL AND ECONOMIC DEVELOPMENT

Community Funding

Councils Community Voluntary Organisation Scheme funding opened on 16 July for a four week period – closing on Friday 10 August. The fund has \$30,000 to distribute and is split into two categories:

- Category One \$10,000 New Community Initiatives/Projects
- Category Two \$20,000 Ongoing Support

A total of 44 applications seeking over \$140,000 have been received and the Assessment Committee, consisting of three elected members and three community members, met on Tuesday 18 September to distribute the funding.

Organisations that received funding are:

- | | |
|--|---|
| • Waipukurau Bowling Club | • Omakere School and Community Association |
| • Ongaonga Historical Society | • The Food Basket |
| • Waipukurau Little Theatre Inc | • Takapau Scout Group |
| • CHB Fire Safety & Education Charitable Trust | • Takapau Tennis Club |
| • Takapau Promotions | • Connecting for Youth Employment |
| • Elsthorpe Hall Committee | • Pakeke Centre – Anglican Care Waiapu |
| • Elsthorpe Community Playgroup | • Growing Through Grief- Anglican Care Waiapu |
| • Pukehou Playgroup | • The Paul Hunter Centre |
| • Wanstead Polo Club | |

- Epic Ministries
- Waipawa United Incorporated
- Waipukurau Scout/Guide Hall
- Porangahau Playcentre
- Waipukurau Little Theatre Inc
- St Vincent de Paul
- CHB Foodbank
- Takapau Playcentre
- Christmas Lights House Takapau
- Aramoana Environmental & Education Charitable Trust
- CHB Volunteer Cancer Support Group
- CHB Grey Power
- Central Hawke's Bay Parents Centre
- Central Hawke's Bay Budget Service Inc
- Takapau Community Health Charitable Trust

Community Pride and Vibrancy Fund

Applications are now open for Councils new Community Pride and Vibrancy Fund.

The Community Pride and Vibrancy fund seeks to support community opportunities to create pride and vibrancy in Central Hawke's Bay. The fund support projects that are an activity, programme or development that will occur in a public space and promotes our Community to THRIVE.

Successful applications will result in outcomes that support our communities' identity, attract people's interest, inspire and engage people and overall, contribute to a sense of community.

Applications to the fund may not always be monetary and could include the provision of materials, labour or other support.

A media release and advertising for the fund was released the week of 8 October 2018.

The Spring Fling

Local Hawke's Bay Tourism Co-Ordinator Jenna Mabey left Hawke's Bay Tourism in late September with Anna (Molly) Baldwin currently in an acting role. Adverts for a permanent replacement for this role will go out in October.

The Spring Fling range of events generally continues to be well supported. The fullest weekends of events are yet to occur at the time for writing. A full debrief of this year's events is planned to see the events ongoing success into the future.

Powhiri for new Central Hawke's Bay Sergeant Mel Humphries

On Monday 8 October the CHB Community welcomed Sergeant Mel Leonard as she takes up her new role as Officer in Command for CHB. Mel takes over the role after the retirement of Sergeant Ross Gilbert and is looking forward to working closely with the community.

Community Wellbeing Strategy

Safer Central Hawke's Bay

The bi-monthly governance meeting of Safer CHB was held at council offices on 16th October. Gina McGrath, Customer Relationships and Experience Manager for CHB District Council updated the group on the recently adopted Local Alcohol Policy. The meeting also reflected on the Safer CHB Strategic Workshop held in August. Common themes of current and emerging issues were identified and will be included in the annual planning process of the group. Safer CHB Work stream groups continue to meet on a regular basis.

Positive Ageing

Council Officers met with this group to gain feedback on the Customer Excellence and Digital Enablement projects. A number of specific items relevant to the older population were raised and noted.

Age Concern has secured funding to hold a Positive Ageing Expo in Central Hawke's Bay and this will be held in Waipukurau on Monday 1 April 2019. Member's of the Positive Ageing Forum have formed a working party to support the planning of this event.

CHB Disability Reference Group

Once again, Council Officers met with this group to gain feedback on the Customer Excellence and Digital Enablement projects. A number of specific items relevant to people living with disabilities in our community were raised and noted.

The group has also completed a project, which sees external PowerPoints installed at both CHB Libraries. This project was initiated after Scooter Mob members completed the Tukituki trail scooter from Waipukurau to Waipawa and back again. They found that they were running short on battery power and that this could be a barrier for them for future trips. Thanks to sponsorship from Centralines and Isaac's Electrical, mobility scooters can now re-charge their batteries 24 hours a day, 7 days a week in Waipawa and Waipukurau.



Economic Development Lead Role

The key focus for this activity has been on the recruitment of an Economic Development Lead role for Central Hawke's Bay.

Craig Ireson, currently of Giblin Group will join Council in November as our new Economic Development Lead. With a background in private business, local government, recreation and eventing, Craig will bring a unique mix of capability to the role.

Provincial Growth Fund

Officers have also been working closely with officials from the Ministry of Business Innovation and Employment (MBIE) and Regional Partners on applications and ongoing support work from the Provincial Growth Fund.

Central Hawke's Bay District Councils applications are focussing on the considerable foundational work that Council needs to undertake on behalf of the community and the capacity challenges we face in making applications to the fund.

Central Hawke's Bay District Council has five applications currently submitted:

- Enhancing Social Inclusion through Collaboration
- Nga Ara Tipuna - Waipukurau Pa Site Interpretation
- Supporting Central Hawke's Bay to participate in the Tukituki Water Taskforce
- Exploring central Hawke's Bay's Economic Development Opportunities
- Forestry Infrastructure Needs Assessment

Further applications are likely on the basis that these applications are successful, to progress work identified in these initial applications.

Officers continue to work closely regionally, to ensure consistency in approach, to identify opportunities for collaboration and minimising any potential duplication.



DRINKING WATER

Waipukurau Second Supply

Positive progress is continuing on this, one of the flagship projects of the Big Water Story. Two alternate options to the preferred location for bores were evaluated during the period as part of normal due-diligence. A deeper take from the Mangatarata Stream catchment and a deep take from the Jameson's property on the Northern side of the Tukituki river were both considered. Both of these options have been ruled out on indicative feasibility studies. Work continues with two landowners on the Southern bank of the Tukituki River upstream of the Wastewater ponds with both agreeing early to allow test bores on their properties. The details of these agreements are to be confirmed. Drilling contractors have been approached and have provided prices (within initial estimates) to drill test bores.

Compliance

Officers met with DHB Drinking Water Assessors in October as part of routine regular meetings. Unexpectedly, DHB relaxed some monitoring and reporting criteria at this meeting. It will no longer be a requirement for Council to formally report any detected E.Coli at bores across the district. Instead it will only be a requirement to report where E.Coli is detected beyond treatment plants in a reticulated network. DHB also relaxed the frequency of monitoring at bores from weekly to 6-monthly. Further, DHB relaxed the frequency of monitoring the reticulated network in Kairakau from weekly to monthly. The net effect of these changes in monitoring will be positive on operational budgets and resource capacity. These changes reflect the strong relationship we have built with the District Health Board and the improvements we have made. It will allow the transfer of lab services from Wellington to Hastings which comes at a marginally higher cost but will improve timeliness and accuracy of lab results and is a move wholly supported by the DHB.

Pukeora Upgrades

A detailed engineer's estimate for the work required to upgrade the SH2 bores has been completed and will see a paper come to Council on 31 October for approval of additional funds to complete the project. A full breakdown of project costs and the reasons for the increase in budget from that originally created in 2016 will be provided. Confidence has been given in the delivery timelines with work expected to be completed prior to 30 June 2019.

A geo-technical survey of the land below the Pukeora reservoir was also carried out in the period to further understand concerns about land movement and the development of new springs. The survey confirmed the presence of several springs however no immediate concern for the reservoir was identified. Some additional drainage will be added to the slope to control water run-off.



Otane Alternate Supply

An RFP was issued to market in the period for design and procurement work for the Otane alternate supply providing improved water security and capacity from Waipawa to Otane. An application was submitted to Kiwirail for work within the rail corridor and confidence in the pricing for the project was restored as part of the larger piece of work reviewing and reforecasting all Big Water Story budgets.



WASTEWATER

Waipawa and Waipukurau Wastewater Project

A third meeting of the project reference group was held on 15th October where the group heard about the consenting process and requirements from HBRC. Importantly, the group agreed to a set of criteria against which options will be considered/evaluated. The criteria represent four agreed pillars (Social, Cultural, Environmental and Economic). At the next meeting scheduled for 13th November these criteria will be fleshed out with further detail and a long-list of options created for evaluation. The long-list will be evaluated against the criteria with a view to have a preferred high-level solution early in the New Year.

The group also discussed and agreed the importance of wider community engagement and ongoing communication. It is intended that following an update to Council on 31 October, information will be put to our

residents providing an update on the project progress, a reminder of key elements of the project and providing an initial means for feedback. This is not considered to be formal consultation, which will be requirement for the project as it seeks to amend the LTP, but is an important part of maintaining closeness and alignment with the community.

Otane Land Development

An important milestone was reached in the period with physical works on the reticulated wastewater system for the new Otane subdivision complete (pending commissioning). Final sections of pipework were laid and new pumping stations complete that will come online in November.

Waipawa Trunk Sewer Main Renewal

Beyond the build of new infrastructure or the upgrade of specialised equipment and plant, maintaining existing, aging and deteriorating pipework is a key focus and makes up a significant component of expenditure. The upgrade of the Waipawa Sewer Main represents a significant undertaking to improve poor condition infrastructure that is causing high operational costs to maintain, allowing stormwater and rainwater ingress into the wastewater network and causing repeated reliability issues. 2,200m of pipe has been identified for upgrade through a mix of relining and replacement. The project is expected to be put to market through an open RFP in February 2019 with a 2-year build timeframe.



STORMWATER

Waipukurau CBD Stormwater Improvements

A brief update only this period with work progressing on modelling high risk areas in Waipukurau for surface flooding. Projects are expected to be issued to market in December for remedial work on the back of the modelling. The known issue with the condition of Helicore pipes remains a focus with further CCTV work carried out to assess asset condition.



LAND TRANSPORT

The Professional services Contract was awarded to Stantec Ltd during this period. This procurement represents a significant step forward for Council with opportunities to improve the delivery of land transport services through improved asset management planning, data management, and core engineering services. The team have focussed on ensuring a smooth transition from GHD to Stantec and have been impressed by Stantec's ability to quickly take on tasks beyond the original scope of the tendered contract.

NZTA representatives visited the district during the period to assess the damage from the September weather event and approve requests for additional funding assistance. NZTA were impressed by the availability of accurate and useable information captured during the event to justify investment and repair work.



EMERGENCY MANAGEMENT

New Local Civil Defence Co-Ordinator Teresa Simcox

The new local Group Co-Ordinator starts with Council in November. Teresa has previously delivered various packages in Central Hawke's Bay with her previous roles as part of the HB Emergency Management Group.

Shakeout

18 October was the National Earthquake Drill Shakeout. The Central Hawke's Bay District Council promoted this initiative through channels such as facebook, including with schools and other organisations. Council itself got involved, with all staff and Councillors participating in the exercise.

Safe Communities Precinct

Safer CHB will again be present at the CHB A & P Show, being held on 10 November 2018, with their Safe Communities Precinct. The theme for the precinct this year is "Resilience" and over 15 groups and organisations will come together to promote this to our community. Considerable marketing collateral for Civil Defence that has been collected over previous years will be shared with the public, further supporting the get ready – get thru messaging.



RECREATION AND COMMUNITIES GROUP

Central Hawke's Bay District Libraries

The libraries of Central Hawkes Bay have been engaged in a multitude of training and change over the last few weeks, including being responsible for council services at the Waipukurau Library, HIVE, Kotui, PressReader, Spark Jump.

Highlights for the service include:

- Kotui training continues as the go live date nears. All staff have received some training related to their responsibilities, which will continue through the dates the library is closed, 20-21 November.
- An evening with well-known celebrity cook and author Jo Seagar was held in the Otane Hall was attended by over 170 people and what a great night was had by all.
- The Seed Library in the Waipukurau Library was officially opened in September and has been very busy and attracted new visitors to the library. An example of a successful partnership between the libraries and Sustainable Ewe which is benefiting our community.
- We continued our digital experience with Mt Herbert House bringing Osmo activities and a purpose written on-line quiz to challenge there mental and physical dexterity.
- We have just joined a new eBook consortium called ePukaPuka, this involves many libraries in the lower North Island and will increase our access to eResources hugely.
- The interest in Spark Jump continues to grow; this recent increase has been in response to advertising the opportunity in school newsletters.
- The Home-school group officially meet at the Waipawa Library every Wednesday now. The highlight for them recently has been Stop motion animation
- PressReader is now available to all library members via the app or the library OPAC. This valuable asset gives our community access to over 6000 national and international magazines and newspapers.
- Plugged in at the CHB Libraries – Scooter charging power points have been placed at both libraries, another example of the libraries connecting with our community.
- John McConville has been involved in some exciting new projects including Youth Employment Pathways and Lottery Tuia – Encounters 25, with the CHB Early Settlers Museum and has plans for Armistice Day presentation to intermediate and Year 9-10 students.

The highlight of the six weeks was the Jo Seagar event held at the Otane Town Hall on 17 October. With a strong crowd of 190 people, tickets were sold out to this event catered by locals Doug and Sharon from Nola's Café that catered from Jo's book – Better than a bought one. It was a great night, well received by the community and those that attended.



Places and Open Spaces

The focus for this activity during the period continues to remain on ensuring operational delivery of parks, property and open spaces, as we prepare for the new Community Facilities and Infrastructure Maintenance Services Contract.

The role of Places and Open Spaces Officer has now been filled, with the Manager role remaining vacant at this time.

Opening of the Centralines Multisport Turf

The official turf opening is now planned for 3 November. At the time of writing the final finishing touches were being made by the Trust, including the laying of the new synthetic carpet and tidying the grounds around the turf.

Porangahau Hall – Memorial Plaza

Work commenced the week of 8 October on a project to upgrade the memorial in front of the Porangahau Hall. The project will coincide with other work underway by the Hall committee in the entrance to the hall. This project will be opened on Armistice Day in November.

Waipukurau Holiday Park

The current Lessees of the Waipukurau Holiday Park have placed the business for sale looking to relocate. Council Officers are working closely alongside the agent and Lessees, with any future assignee required to be approved by the Landlord.

**BUILDINGS AND REGULATORY**

The building control team have completed a review and update of all policies and procedures and compiled these into a technical manual ahead of accreditation set for 13th-16th November. Competency assessments for the teams Building Control Officers is also planned for November as part of annual review. Volumes of both building and resource consents remain very high with challenges experienced in processing resource consents to timeframes in September. The on-boarding of new resource in the period has alleviated this issue and processing timeframes are back on track.

The team have been working together to build a roadmap of future IT requirements to support a greater and improved online presence. The streamlining of systems and the usability of key in-the-field hardware are being prioritised.

Safety

AND WELLBEING

CONTRACTORS

All Council contractors were required to complete safety pre-qualification by the end of September 2018 to continue to be engaged.

The Safety & Wellbeing Lead worked with a number of outstanding contractors to assist them in completing their pre-qualification paperwork. This work successfully saw all current contractors complete pre-qualification.

The Safety & Wellbeing Lead is currently investigating app based auditing tools which are planned to be rolled out to employees. This will improve the ease in which contractor audits are completed. Auditing of contractors directly engaged with Council will be transferred to contract overseers with the assistance of the Safety & Wellbeing Lead.

ACTIVITIES UPDATE

Hazard/Risk Register Reviews

Following the asset review with Veolia and Recreational Services in September, individual hazard registers will be created for each pump station site and water treatment plant, moving away from the generic register covering each operations site activity.

Training

Wellbeing Workshops are planned for the next period, running once a month in October, November and December. The workshops started in Mental Health Awareness week and are run for staff by a psychologist from EAP Support Services. The workshops cover topics on 'building a positive workplace culture,' 'building resilience to stress,' and 'fatigue and sleep.'

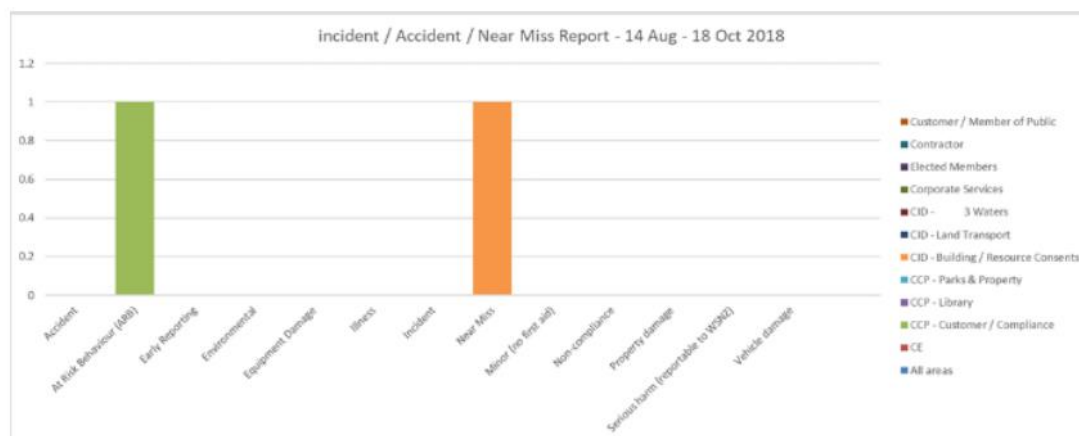
Shake Out 2018 - Council employees participated in the New Zealand 'Shake Out' in October. Shake Out is held across the world to remind people of the right action to take during an earthquake, Drop, Cover and Hold - and to practise a tsunami hīkoi (evacuation) if in a coastal area.

Wellbeing

Mental Health Awareness Week was 8-14 October 2018. The theme of this year's Mental Health Awareness Week 2 is Let nature in, strengthen your wellbeing – Mā te taiao kia whakapakarī tōu ora!

- Employees constructed a vegetable planter box garden outside the smoko room. All staff were invited over the week to assist in getting the garden set up. Employees were also invited to participate in the collection activities at end of week.
- Employees are also participating in the fundraising campaign street appeal.

Pink Ribbon Street Appeal 12-13 October 2018 employees volunteered to help the collection days.



Financial

PERFORMANCE

FINANCIAL PERFORMANCE YEAR ENDING 30 JUNE 2018

The Annual Report for the year ending 30 June 2018 was adopted by Council at an Extraordinary Council Meeting on the 18 October 2018. This followed the recommendation from the Risk and Audit Committee that the report be adopted after the report was considered by the Committee with the Auditors in attendance.

Below is the high level results included within the Annual Report and the Annual Summary Report

Statement of Comprehensive Revenue and Expense			
	2017 Council Actual \$'000	2018 Council Budget \$'000	2018 Council Actual \$'000
Total Revenue	28,692	28,192	31,555
Finance Costs	216	433	195
Other Operating expenditure	29,645	28,192	31,550
Net Operating Surplus/(Deficit)	(1,169)	(433)	(190)
Other (Gains)/Losses	(110)	-	53
Income Tax	-	-	-
Net Surplus/(Deficit)	(1,059)	(433)	(243)
Movements in PPE revaluations	36,823	13,793	11,529
Total Comprehensive Revenue and Expense	35,764	13,360	11,286

Statement of Financial Position Summary			
	2017 Council Actual \$'000	2018 Council Budget \$'000	2018 Council Actual \$'000
Total Current Assets	5,542	5,668	8,393
Total Non-Current Assets	785,794	780,263	794,561
Total Assets	791,336	785,931	802,954
Total Current Liabilities	6,923	5,813	6,019
Total Non-Current Liabilities	2,796	7,307	4,032
Total Liabilities	9,719	13,120	10,051
Special & Other Funds	6,162	6,476	6,835
Trust Funds	184	185	186
Revaluation Reserve of Assets	530,659	535,731	542,188
Ratepayers' Equity	244,612	230,419	243,694
Total Equity	781,617	772,811	792,903
Total Liabilities and Equity	791,336	785,931	802,954

Following the adoption of the Annual Report, the final edits are being made and the Annual Report will then be made available on the Council website and from the Council Offices.

The first Quarterly Financial Reporting is currently being compiled and, at the time of reporting, it will be provided to Councillors by the end of October. It will be formally reported to the Finance and Planning Committee on the 14 November 2018 due to the timing of the Committee and Council meetings. This will include the updates of carry forwards and phased based on current knowledge.

Organisational

PERFORMANCE



THINKING SMARTER

Organisational Transformation

Following on from the SMART Bank Workshops being held with staff in mid-August further work has been progressing to implement the deposits made in the SMART Bank. A total of 13 deposits have been implemented.

We are seeing a clear culture shift where staff are taking ownership of their ideas (deposits) and are being enabled to see them through from the initial concept to implementation which is very rewarding for staff.

The focus going forward in the world of organisation transformation is to continue implementing the deposits from the SMART Bank and continue to foster an environment of innovation and smart thinking.

Innovation in Practice

Our 3 Waters Programme Manager is currently leading an exciting continuous improvement project in the on-line space called **Before U Dig**. Before U Dig is an online service which enables anyone undertaking excavation works to obtain information on the location of cables, pipes and other utility assets in and around any proposed dig site, helping to protect themselves and the valuable assets during these works. This is programmed to go live in March 2019. This project will save time and provide an enhanced customer service experience with Council as we continue on our journey of excellence.

Digital Enablement Strategy

In September, work on the Digital Enablement Strategy was begun with staff workshops combined with our discussions on customer excellence given the crossover between the two projects.

Following the workshops, analysis is being conducted on the inputs with a view of development a high level strategy to assist with the priorities of digital enablement work within the organisation. This will have a two levelled focus with a view of better for customers and stakeholders and a view of better for staff.

Electronic Data Management System (EDRMS) – THE HIVE

The EDRMS project is a key component of the move towards a digital Council and is a step change in the way we manage our data. Along with having the potential to increase staff productivity, the EDRMS will also improve the records function of the Council and will be the backbone to opening up access to the public the data we hold in the future.

The project team are in the middle of training the staff and the work on the enhanced sites continues. The enhanced sites includes integration between our main Enterprise system, Magiq and The Hive to allow staff to bring the information together and allow connectivity between the two systems.

The project team is investigating the development of a Councillor portal to replace the current system Goodreader. The purpose is to enable Councillors better access to information required to make decisions.



WORKING TOGETHER

Shared Services across the Region

Of note is the 3 Waters Review which the five Chief Executive's from across the region are working together to investigate options for a regional Three Waters delivery model to manage the region's water infrastructure. The Councils are working in partnership with central Government and support its review of the current Three Waters (drinking water, storm water, waste water) model most regional and local authorities work to. An increasingly complex operating environment, increasing standards and expectations, and affordability are part of the Government review. A final Terms of Reference for the project have been developed and awaiting confirmation from the 5 Councils so that a scope of works can be determined and appropriate resources to complete the review. The terms of reference identify that the Hawkes Bay region wants to gain a broad understanding of the problems and opportunities with the asset management and delivery of three waters and to assess the benefits of establishing a Three Waters shared services arrangement to deliver on the following objectives:

1. Ensure the region can meet a collective vision for the management and delivery of three waters that aligns with the Government's vision for the future of water services
2. Identify realistic service and delivery model opportunities through joint provision of all or some elements of water services

Council can expect further updates as this project progresses.



CUSTOMER EXCELLENCE

Customer Excellence Charter

In August we presented to Council and ran a workshops geared at obtaining Councillors views on what customer excellence is. We will be running similar workshops in September with staff and focus groups. Together, the combined views will give us a clear sense of what customer excellence is. This gives us a foundation to build off for the Charter.

We have adjusted the timing for the workshops so that we can combine our discussions on customer excellence with digital enablement, given the amount of crossover between the two. This has meant our workshops will roll out later than expected, but analysis continues in the background, particularly with the finalised Residents' Satisfaction Survey results, to garner additional community views.

To date we have held sessions with Safer CHB, the Positive Aging Forum and the CHB Disability Forum. We are now working on the charter expected for delivery in the New Year.

Residents' Satisfaction Survey

The Inaugural Resident Satisfaction Survey was completed in June 2018, and a final report has now been produced and presented to Elected Members. This has been presented to staff, with an overview of areas of improvements, themes, and what it means for them.

The raw data from the survey will be analysed and will be able to inform work programmes, communications and other key projects. The report is yet to be formally released, however will be shortly along with infographics and information to assist with communicating its content.

Strategic

PROJECTS

DISTRICT PLAN

Background

The review of the draft District Plan is now substantially complete. The draft document will be adopted by the District Plan Sub-Committee on Friday 26 October and then presented to the full Council for their adoption on 31 October 2018.

The completion of the draft document marks a major milestone in the District Plan Review process. The review of the District Plan began in August 2017 and was divided into five major sections including; Urban, Rural, Coastal, Subdivision and Remaining Chapters.

In addressing each of these phases of the review the focus of Officers has been on ensuring that the new Plan will be compliant with the provisions of the Resource Management Act 1991 and also include best practise. The Council has been assisted in this from a number of technical experts engaged by Council to provide advice on a range of resource management issues.

Next Steps

Councillors are aware that there is a high level of interest in the draft plan and the new provisions it introduces to the district. Council wants to ensure that all ratepayers are aware of the draft being released and that submissions can be made by the public on provisions in the draft.

Public Consultation

Focus on consultation with the community on the draft Plan will be a priority for the Council in 2019. Council propose to undertake a comprehensive programme of consultation with key industry and stakeholders to introduce and explain the key messages in the draft. Council believes that taking a practical and pragmatic approach to introducing and explaining the key messages in the draft is a wise and sensible way to ensure the community fully appreciate the proposed approach in the draft Plan.

Elected members are enthusiastic about talking to the community about the draft and are keen to provide opportunities for members of the community to share their views on this document with Council.

Public engagement is likely to start with Council releasing some key messages about the draft including advise on when the draft will be available for public submissions. Information will also be provided on how people can make submissions on the draft and where hard copies of this document are located for access by the public.

Depending on the level of interest in the draft the Council may decide to hold informal hearings to provide an opportunity for submitters to talk directly with elected members about their reaction to the draft Plan provisions and if they support them or not.

Additional Work

There remain additional bodies of work that will need to be completed before the draft plan can be finalised.

Following the completion of the additional bodies of work any required amendments will be made to the draft plan. Amendments to the draft plan will also be made to include recommendations from the informal hearings and other comments made through submissions from the public.

The Statutory Review Begins

Once all appropriate amendments have been made to the draft Plan following public consultation, the document will then be called the Proposed Plan. The Proposed Plan will then be notified for public comment. This marks the beginning of the statutory phase of the review and Council will be following the process required by the Resource Management Act to ensure all sectors of the community have an opportunity to comment on the Proposed Plan.



WAIPAWA AND DISTRICT CENTENNIAL MEMORIAL POOL REDEVELOPMENT

The Waipawa Pool Project is a two-stage project, with Stage 1 being the installation of a new pool and filtration available for public use by 1 December 2018.

The project was considered as part of the 2018 – 2028 Long Term Plan, following the Waipawa Pool being unable open for the 2017/18 summer season due to considerable age-related defects. Council approved funding of \$650,000 that initiated the project in May 2018. Phase 1 of the project has three key objectives/success criteria:

1. To provide clean, safe, reliable and accessible bodies of water for recreation and active water sport in Waipawa by 1 December 2018.
2. To enable facilities that will provide a unique 'Central Hawke's Bay' range of activities and opportunities based in Waipawa that will double historical attendances within the first 12 months of operation.
3. To develop an overarching master plan for Waipawa Pool and surrounds that has the approval of the community for future implementation by 1 July 2020.

The project team is made up of staff, specialist external support and community members. The project is being managed with the support of specialist project management and aquatics support. Oversight of the project and the community-funding portion of the project is being led by a Community Reference Group made up of Council staff and members of the Central Hawke's Bay Community.

Programme and Objectives

The first objective of the project to have a pool open by 1 December 2018 will not be met. Due to delays outside of the Contractors control the pool will not be open to meet the target of 1 December 2018.

Despite the best efforts, including procuring the Myrtha Pool early in the programme, delays have still resulted from the manufacturer of the pool incurring delays in component being manufactured from suppliers and shipping delays occurring while in transit in Singapore from Italy.

At this time an opening date is anticipated in January.

It is acknowledged that this is a disappointing outcome, however is completely outside of the control of the Contractor. Officers are now underway planning summer activities on the basis the pool will not be open for the New Year.

The delay in the arrival of the pool will affect the project, with the installation of the pool and critical task in order for reticulation and other works to occur. Works that can be complete prior to the arrival of the Myrtha are 'on track'.

Funding

Council has committed \$650,000 of funding to Stage 1 of the project. In June Council were successful in achieving \$120,000 of funds from the New Zealand Community Trust, with applications to other local funding and other organisations underway or submitted.

The project reference group have already held a number of fundraising avenues including raffles, a quiz night, the selling of lanes and a 'drop' campaign. To date a total of \$126,287 has been raised.

Applications and presentations to the Eastern and Central Community Trust, and Centralines will occur in the next six week period.

Key achievements since last report

Since our last report the following key achievements have occurred on the project:

- Work is now underway on the physical construction with the demolition and construction of the play pool and accessible ramps underway.
- Fundraising in the 'drop' fundraising campaign is underway
- Work has begun procuring services for the operation of the pool.
- Nearly all of the pool lanes have been sold, with funds to shortly be received.



the BIG Water Story

Budget Reforecast

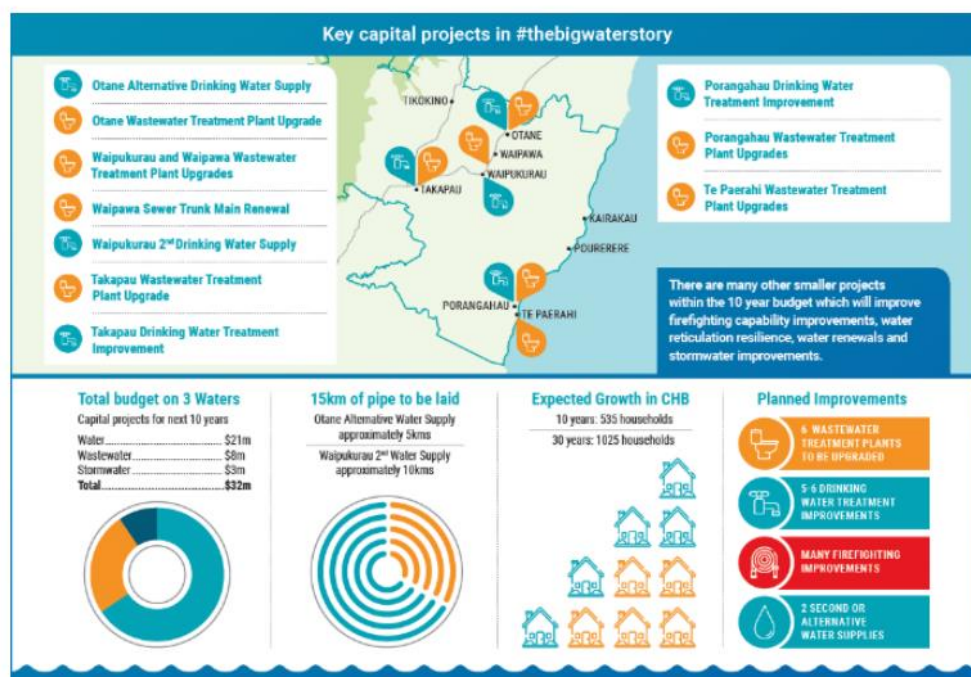
In October, officers presented revised budget forecast figures to Council. The presented figures sought to give confidence in the deliverability of the Big Water Story programme from a financial perspective and followed a significant piece of work. Officers and external consultants reviewed all listed projects in the Big Water Story programme and provided revised budget estimates for various options/outcomes. The revised figures provide a glimpse, based on the best information available, into the likely costs of delivering the programme. In most cases the listed projects are considered to be deliverable within budget with the major financial risks associated with 3 wastewater treatment plant upgrades.

Operational Delivery

Progress has been made on several key projects, many of which are discussed earlier in this report under wastewater or drinking water. A level of sophistication is being added to how these projects are managed internally with new tools and methodologies being used to deliver on basic project management fundamentals.

Communications and Reporting

A key focus for the teams involved with delivering the Big Water Story is ongoing communication with all stakeholders. A holistic Communication strategy has been created to guide all communication and is being given effect by comms plans developed for each individual project. Reporting templates and dashboards are being created and will continue to evolve as the programme matures.





Thrive! PROJECTS

DUST SUPPRESSION AND RURAL SEALING PROJECT

Dry weather through October has provided further information about the effectiveness of previously applied dust-suppression products and has reinforced awareness of issues in known problem areas on the network. Officers have visited sites where product was applied last summer and are aware of the varying effectiveness of different products in different areas and road-use patterns.

In November Officers will workshop the complete land transport planning approach with Council. This effectively represents the 3-year work programme and will include a focus on how unsealed roads fit. A proposal will be put forward to adopt a set of criteria for sealing un-sealed roads with the criteria aligning to that of NZTA for funding as well as our own unique CHB drivers.

DISTRICT FOOTPATHS

As part of the November workshop on the land transport planning approach, footpaths will be discussed for investment options going forward. Officers have developed a set of criteria for prioritising footpath funding and have created a draft list of footpaths (based on the criteria) for investment. The proposal will ensure capture of new NZTA funding assistance and is deliverable by financial year end.

BILINGUAL SIGNAGE

This project is still in the initiation phases. An initial scoping meeting was held with the Community Development Committee in August with a further meeting to be held on the return of Professor Roger Maaka from leave, with Ngati Kahungunu on work that they already have underway on bilingual signage. This meeting is still yet to progress.

LEACHATE TO LAND

In September, Officers discussed with HBRC the process and requirements for consenting a discharge to land scheme at the landfill. HBRC signalled no barriers to the approach in principle with detailed work required to understand exactly what type of scheme would be required. Capital funds are available to support the investment to create a scheme and Officers, alongside our newly approved landfill contractor and consultant, are 'projectising' the work. It is expected that in November a project plan for the leachate to land scheme will be drafted and brought to Council for feedback.

ENVIRONMENTAL STRATEGY

In October Officers met with a reference group for the Environmental and Sustainability Strategy. The group completed an exercise similar to the one that Council completed in August and captured views and ideas about the current and future states for environmental and sustainability issues in CHB. Officers commented on the similarity between views raised by elected members and reference group members.

A draft strategy is being prepared and is expected to be workshopped with Council in November. Officers have also been extremely fortunate to secure the services of Nobel Peace Prize winner Professor John Haye who has agreed to provide input into our strategy free of charge.

COMMUNITY AND TOWN CENTRE PLANS

In June Council workshopped its proposed approach to Town Centre and Community Planning. Community Planning has been identified as the priority for implementation with Town Centre Planning proposed to complement and address potential challenges and opportunities as part of earthquake strengthening in Waipawa and Waipukurau. Planning preparations are underway in the background for the first community planning programme that will be delivered in Takapau followed by Otane. Communications to the Takapau Community is planned for late November.

SOCIAL HOUSING STRATEGY

In August Council adopted the Social Housing Strategy Project Charter to initiate the project to develop a Social Housing Strategy and action plan.

Work on the strategy is now underway with Tracey Hunt of Geoff Canham Consulting leading the delivery of the strategy. An update is being presented to Council at workshop at its meeting of 31 October.

Council Resolution Monitoring Report – 2018

Key	
Completed	
On Track	
Off Track	

Item number	Council Resolution	Date of Resolution	Responsible Officer	Progress Report
18.14	That Council <ul style="list-style-type: none"> • Adopt Procurement Option 5 – Selected In-house Resources and a Professional Services Contract. • Adopt the Supplier Selection Model – Quality Based to obtain the required services. 	22.02.2018	Josh Lloyd	Completed. The Professional Services contract has been awarded to Stantec following a robust procurement process. The new contract goes live 1 December 2018.
18.28	Council considers Option 5 – Retain the current funding for drinking water and wastewater with targeted rates for those connected to the network and initiate a full Rating Review only after all the information is gathered and known about the extent of the CHB drinking water and wastewater future expenditure.	03.05.2018	Bronda	On Track. An initial discussion with Elected Members was held on scope of the Rates Review. Officers are currently preparing a project scoping document which will be presented in a workshop before the end of 2018.
18.29	Council proceed with Option 1 as outlined in the Long Term Plan and carry out proposed works in the first 10 years such as the second supply to Waipukurau.	03.05.2018	Josh	On Track. The Big Water Story is prioritised operationally and strategically. A programme manager has been appointed and key projects are being progressed. A reforecasting exercise was completed and presented to Council in October. The wider programme is progressing well.

18.30	<p>c) Council proceeds with Option three of the Draft Long Term Plan for the Waipawa Pool, being that a staged approach estimated at \$1.72 million is adopted, with Council contributing funding of \$650,000 in Year 1 of the Long Term Plan for the construction of a new 25 metre pool and learn to swim pool/playpool and filtration, at a value of \$900,000 with the remaining funds to be funded by the Central Hawke's Bay Community; and further:</p> <p>d) Council underwrites from Reserves, any community funding shortfall to ensure the development of the new 25 metre pool and learn to swim pool/playpool and filtration can be completed in the first year of the Long Term Plan and that phase 2 of the project not commence until the balance of community funds from phase 1 is completed.</p>	03.05.2018	Doug	<p>On Track.</p> <p>While construction has commenced there has unfortunately been delays outside of the contractors control that will result in the delay of the Myrtha Pool arriving from Italy. This impact will result in the pool not being complete until January 2019.</p> <p>The project reference group continue to progress with the raising of funds. This project is also outlined in the Chief Executives Report and will again be outlined in the next Key Status Report.</p>
18.31	That Council proceeds with Option two of the Draft Long Term Plan being to develop town centre plans for Waipukurau and Waipawa and Community Plans for Tikokino, Ongaonga, Takapau, Porangahau and Otane.	03.05.2018	Doug	<p>On Track.</p> <p>This work is being planned. The first of the rank will be Takapau planned for late this calendar year.</p>
18.36	That Council support Officers to advocate for the continued enhancement of public transport in Central Hawke's Bay through the HBRC Regional Public Transport Plan.	03.05.2018	Josh	<p>On Track.</p> <p>Public transport linkages remains a key discussion point at relevant working groups. Officers continue to work with HBRC to promote public transport. This work stream aligns with new direction provided by NZTA under the 2018 GPS that prioritises access to roading infrastructure with public</p>

				transport seen as a key means of doing so.
18.40	That Council contributes \$60,000 in year 1 of LTP for upgraded toilets at Te Paerahi Freedom camping area, to be funded from the Rural Ward Fund with the balance being sourced from the Tourism Infrastructure fund or other external partner.	03.05.2018	Doug	On Track. The next round is expected in March 2019. Officers are however preparing background work including developing a scope for the project and costings prior to the next round of funding opening.
18.43	That Officers explore the status of the longest place name project and bring a report back to the Elected Council on the potential reallocation of funding to the Porangahau Hall Project.	03.05.2018	Doug	Completed. Report came to Council in August seeking permission to reallocate the funding to the Porangahau Hall project. This request was approved and works are underway.
18.58 PE	That, Council approve the procurement approach for the Landfill, kerbside collection, recycling and transfer station management contract/s. That, the minute relating to this item be released as publicly available information immediately.	28.06.2018 PE	Josh Lloyd	Completed. The Refuse and Recycling Contract was awarded to Smart Environmental who mobilised the contract on the 18 th October. The Landfill Contract was awarded to Higgins who begin on 1 December 2018.
PE	That the contents of this report be noted. That progress on the risks and actions identified in the Contract Management Internal Audit be reported to the Risk and Audit Committee quarterly.	13.06.2018 PE	Bronda Smith	On Track. An update on the progress of the actions from the Contract Management Internal Audit is being

	<p>That this report be released as publicly available information on 1 August 2018.</p> <p>That the minute relating to this item be released as publicly available information on 1 August 2018.</p>			reported to the Risk and Audit Committee as part of the Risk Update Report.
18.48 PE	<p>That Council awards the Community Facilities and Infrastructure Maintenance Services Contract – Ref 551 to a joint venture consortium of Recreational Services Limited and Veolia Limited for a term of up to 11 years, subject to performance for a value of up to \$3,920,000 excluding GST per annum.</p> <p>That the Successful supplier and the contract price contained in this report are released publicly available information immediately, following the adoption of this report.</p> <p>That the Chief Executive be delegated authority to negotiate the final details of the contract and to execute the contract.</p>	26.07.2018 PE	Doug Tate	<p>On Track.</p> <p>Contract Awarded. Mobilisation phase is underway. No risks to mobilisation.</p>
18.59	<p>That Council approve the reallocation of funding of \$20,000 from the Longest Place Name Project to a new project being the Porangahau Hall War Memorial Project</p>	9.08.2018	Doug Tate	<p>Completed</p> <p>Project underway. No further update at this stage.</p>
	<p>Council adopt the status quo for representation arrangements with 4 members for the Aramoana-Ruahine ward and 4 members for the Ruahine ward and no community boards are established and to advise via public notice the initial proposal of the representation arrangements for the 2019 election.</p> <p>The consultation includes commentary about why this proposal is being put forward.</p>	9.08.2018	Bronda Smith	<p>Completed</p> <p>Consultation closed. Public hearing of submissions took place on the 4th October 2018, at which time Council resolved to retain the status quo.</p>

18.62	That Council adopt the new Community Funding Policy as amended.	9.08.2018	Doug Tate	Completed This policy is now in place.
18.63	That Council approve the Project Charter to initiate the Social Housing Strategy project.	9.08.2018	Doug Tate	On Track Councillors will be receiving an update at its 31 October workshop.
18.63 PE	Council adopt a 'Price-quality' procurement approach for the Professional Services Contract.	9.08.2018 PE	Josh Lloyd	Completed. The Professional Services contract has been awarded to Stantec following a robust procurement process. The new contract goes live 1 December 2018.
18.48	That Council awards the Community Facilities and Infrastructure Maintenance Services Contract – Ref 551 to a joint venture consortium of Recreational Services Limited and Veolia Limited for a term of up to 11 years, subject to performance for a value of up to \$3,920,000 excluding GST per annum. That the Successful supplier and the contract price contained in this report are released as publicly available information immediately, following the adoption of this report. That the Chief Executive be delegated authority to negotiate the final details of the contract and to execute the contract.	20.09.2018	Doug Tate	On Track. Contract Awarded. Mobilisation phase is underway. No risks to mobilisation.
18.72	That Council approve the granting of an easement in favour of Centralines Limited as set out in Attachment A on Lot 2 Deposited Plan 23677 - commonly known as Nelly Jull Park, in accordance with Section 48(1)d of the	20.09.2018	Doug Tate	Completed No further action is required.

	<p>Reserves Act 1977, as the administering body of the Reserve;</p> <p>That Council approve the granting of an easement in favour of Centralines Limited as set out in Attachment A on Lot 2 Deposited Plan 23677 - commonly known as Nelly Jull Park, in accordance with Section 48(1)d of the Reserves Act, under delegated authority from the Minister of Conservation.</p> <p>That the Chief Executive be delegated authority to negotiate the specific details of the easement agreements with Centralines Limited.</p>			
18.73	That Council approve the Project Charter to initiate the Environmental and Sustainability Strategy project.	20.09.2018	Josh Lloyd	<p>On Track.</p> <p>Community engagement underway. Progress report to Council Workshop on the 31st October 2018.</p>
18.74	That Council adopt the Delegations Register dated 20 September 2018.	20.09.2018	Bronda Smith	<p>Completed.</p> <p>No further action is required.</p>
18.75	<p>That Council approve putting the Otane Wastewater Treatment Project on hold, and further options are investigated as part of the wider Waipawa and Waipukurau Wastewater Treatment project; and further</p> <p>That Council endorse seeking an extension application for 24 months with the Hawke's Bay Regional Council.</p>	20.09.2018	Darren de Klerk	<p>On Track.</p> <p>Officers continue to work with Hawke's Bay Regional Council. Officers are working with original submitters to the consent to ensure appropriate consultation has occurred before the final extension request is submitted on Tuesday 30 October 2018.</p>

18.76	That Council submits to the Remuneration Authority that the allocation of the reviewed 2018/19 remuneration pool be as tabulated in the report.	20.09.2018	Bronda Smith	Completed. No further action is required.
18.77	Council approve the budget allocations proposed to Be carried forward from 2017/18 year to 2018/19 year to enable projects to be completed and future work to be funded. Council approve the Wastewater additional loans of \$200,933 for Operational for a period of 10 years and \$145,570 for Capital for a period of 20 years to fund the additional expenditure required for the 2017/18 financial year.	20.09.2018	Bronda Smith	Completed. No further action is required.
18.78	The Central Hawke's Bay Local Alcohol Policy will come into force on 1 November 2018; except for elements 2.1.1, 2.2.1, 2.2.2, 2.3.2, which shall come into force on 1 February 2019.	20.09.2018	Gina McGrath	Completed. No further action is required.

10 PUBLIC EXCLUDED BUSINESS**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Adoption of Draft District Plan Review	<p>s7(2)(b)(ba) - the withholding of the information is necessary to protect information where the making available of the information in the case only of an application for a resource consent, or water conservation order, or a requirement for a designation or heritage order, under the Resource Management Act 1991, to avoid serious offence to tikanga Maori, or to avoid the disclosure of the location of waahi tapu</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public</p> <p>s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

11 DATE OF NEXT MEETING

RECOMMENDATION

THAT the next meeting of the Central Hawke's Bay District Council be held on 13 December 2018.

12 TIME OF CLOSURE