

**QLDC Council****17 August 2017****Report for Agenda Item: 18****Department: CEO Office****Chief Executive's Report****Purpose**

To provide updates on matters of general democratic interest and to present recommendations from the Wanaka Community Board and Community and Services Committee for Council approval.

**Recommendation**

That the Council:

1. **Directs** the Chief Executive to give public notice of the right for electors to demand a poll on the electoral system used for QLDC elections; and
2. **Directs** the Chief Executive to take no further action on the matter of Māori wards at this time.
3. **Appoint** Councillor Smith as a member of the:
  - a) Planning and Strategy Committee
  - b) Infrastructure Committee
  - c) Dog Control Committee
  - d) Elected Member Conduct Committee
  - e) Event Funding Panel
4. **Appoint** Councillor McRobie as the Council's representative on Lake Wanaka Tourism.
5. **Remove** Councillor MacLeod from the Infrastructure Committee and **appoint** him as Deputy Chair of Community and Services Committee;
6. **Approve** a three year funding contribution to the Otago Museum to commence from 1 July 2018.
7. **Agree** that the funding contribution be at an agreed ratio of 0.72% of the Museum's annual budget (circa \$30,000 pa).
8. **Adopt** the proposed Otago Museum Heads of Agreement 2017-27.
9. **Resolve** pursuant to section 31 of the Local Electoral Regulations 2001 that the voting papers for the 2017 Wanaka Community Board By-election be printed in random order;

10. Wanaka Community Board: Proposal to Vest Lands as Reserve and to Offset Reserve Land and Reserve Improvements Contributions as per the Development Contributions Policy

1. **Approve** the vesting of the two identified proposed reserves:
  - a. Lots 200 and 201, Kirimoko Limited Partnership, 'Kirimoko Heights' development, Kirimoko Crescent.  
Subject to the following works being undertaken at the applicant's expense:
    - i. Presentation of the reserve in accordance with Council's standards for reserves;
    - ii. A potable water supply point to be provided at the boundary of the reserve lot;
    - iii. The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserves to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between a public reserve vested in or administered by the Council and any adjoining land;
    - iv. A three year maintenance period by the current landowner commencing from vesting of the reserve;
    - v. Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy.
2. **Offset** reserve land contributions in accordance with the Development Contributions Policy current at the time of contributions payment and the Parks and Open Space Strategy 2017, subject to recommendation (iii) above.
3. **Offset** reserve improvement contributions are offset against those payable in accordance with the Development Contributions Policy current at the time of contributions payment, subject to:
  - a. Detailed design plans for the reserves to be submitted and the approval of these to be delegated to the Parks and Reserves Planning Manager.
  - b. Final approval of reserve improvement costs to be delegated to the Parks and Reserves Planning Manager and is subject to the applicant demonstrating the actual costs of the improvements.
  - c. If the cost of work to construct the approved plans exceeds the contributions available to be credited, the additional cost shall be at the applicant's expense.

11. Community and Services Committee: Shotover Country No.2 Ltd/Shotover Country Ltd, Proposal to Vest Various Lands as Reserve and to Offset Reserve Land and Reserve Improvements Contributions as per the Development Contributions Policy

1. **Approve** the vesting of the five identified proposed reserves:
  - a. Lot 1002 SH160139 Recreation Reserve, Shotover Country.
  - b. Lot 1003 SH160139 Local Purpose Reserve (water supply, pedestrian and cycle access), Shotover Country.
  - c. Lot 1004 SH160139 Recreation Reserve, Shotover Country.
  - d. Lot 803 RM161023 Recreation Reserve, Shotover Country.
  - e. Lot 804 RM161023 Local Purpose Reserve, Shotover Country.

subject to the following works being undertaken at the applicant's expense:

- i. Presentation of the reserve in accordance with Council's standards for reserves;
  - ii. A potable water supply point to be provided at the boundary of the reserve lot;
  - iii. The registration of a fencing covenant under s6 of the Fencing Act 1978 on the reserves to vest in QLDC to protect the Council from liability to contribute towards any work on a fence between a public reserve vested in or administered by the Council and any adjoining land;
  - iv. A five year maintenance period by the current landowner commencing from vesting of the reserve in accordance with the relevant consent;
  - v. Vesting of reserves to be undertaken in accordance with the QLDC Vesting of Roads and Reserves Policy.
2. **Approve** an offset of credit from reserve improvement contributions, provided the amount becomes available through the future development of consented stages of Shotover Country - Shotover Country No.2 Ltd/Shotover Country Ltd: \$209,455.90 (excl GST) subject to the following works being spent in accordance with the associated costs, and in the following order of development/offsets:
- a. Sports field in future reserve adjacent to Lower Shotover - \$72,768.95 (additional to the \$138,231.05 agreed by Council on 24 February 2016 for this purpose)
  - b. Bike pump track in Richmond Park - \$35,000
  - c. Cycleway through future reserve adjacent to Lower Shotover to trail - \$35,000
  - d. Play space in Merton Park - \$66,455.90

and subject to:

- i. Detailed design plans for the reserves to be submitted and the approval of these to be delegated to the Parks and Reserves Planning Manager.
- ii. Final approval of reserve improvement costs to be delegated to the Parks and Reserves Planning Manager and is subject to the applicant demonstrating the actual costs of the improvements.
- iii. If the cost of work to construct the approved plans exceeds the contributions available to be credited, the additional cost shall be at the applicant's expense.

## 1. Representation Review

Councils are required under the Local Electoral Act 2001 ('LEA') to review their representation arrangements at least once every six years. This 'Representation Review' enables Council to review the structure of its membership and how Councillors and Community Board members are elected. This includes the total number of members, whether they are elected by a ward or 'at large' from the

wider district, and the boundaries of wards. The representation structure emerging from this process will be used for the 2019 and 2022 QLDC triennial elections, unless the Council resolves to undertake an optional review prior to the 2022 election. This was discussed at the Council workshop on 10 August.

### **Associated tasks**

In addition to the topics raised at the workshop, the representation review provides opportunities for Council to consider the adopted electoral system, specifically the model of First Past the Post ['FPP'] or Single Transferable Vote ['STV'], and the establishment of Māori wards.

The Council is not required to resolve formally on either of these issues but at any time, 5% of electors may demand a poll on the electoral system or the establishment of Māori wards. Council's only legal obligation is to publicly notify that 5% of electors may demand a poll on the electoral system to be used (Section 28, LEA).

#### **a. Choice of Electoral System**

Section 27 of the LEA states that the Council may resolve to change the electoral system that will be used for the next two elections. This resolution must occur before 12 September two years before election year.

It is recommended that the Council directs the Chief Executive to give public notice of the right for electors to demand a poll on the electoral system used for QLDC elections. This is the minimum mandatory requirement.

#### **b. Māori Wards**

LEA allows Māori wards to be established, either by Council resolution or through a favourable poll of electors. This poll may be held as a result of a Council resolution or demanded by at least 5% of electors.

Local Government Commission data specified that as of 30 June 2016 only 2.5% of the Queenstown Lakes District electoral population identified as Māori.

Furthermore, the table below demonstrates the number of members that would be elected from Māori wards if they were established in the Queenstown Lakes District. The analysis assumes the current total membership of the Council would remain the same.

Māori electoral pop <sup>n</sup>	General electoral pop <sup>n</sup>	Total pop <sup>n</sup>	Total Members	Māori Ward Members	Māori Ward Members (rounded)
900	33,800	34,700	10	0.26	0

It is recommended that no further action be taken on the matter of Māori wards at this time.

## 2. Committee Membership

The current committee structure was adopted by the Council on 15 December 2016. The resignation of Councillor Lawton left vacancies on the committees of which she was a member. Following the recent election of Councillor Smith, it is timely to review the current committee membership and the following changes are proposed:

*Appoint Councillor Smith as a member of:*

- *Planning and Strategy Committee*
- *Infrastructure Committee*
- *Dog Control Committee*
- *Elected Member Conduct Committee*
- *Event Funding Panel*

*Move Councillor MacLeod from the Infrastructure Committee to become Deputy Chair of Community Services Committee.*

*With Councillor MacLeod's shift to the Planning and Strategy Committee, this then creates a vacancy in the Infrastructure Committee and the Mayor is discussing possible options with the Chairperson and other Councillors. This may result in a further recommendation being tabled at the meeting.*

In addition, Councillor Lawton was the Council's representative on Lake Wanaka Tourism and it is recommended that Councillor McRobie be appointed in her place.

Other positions held by Councillor Lawton were determined by the Wanaka Community Board and it is appropriate therefore that the Board make these appointments at its next meeting.

## 3. Otago Museum Proposed Funding Contribution

The Otago Museum is currently governed under the auspices of the Otago Museum Trust Act 1996. This legislation establishes Dunedin City, Clutha, Central Otago and Waitaki Districts as the contributing authorities, and establishes both their representation on the board, and their funding contribution (the funding arrangement is managed and detailed through a ten year funding agreement between the contributing Councils). Queenstown Lakes District has no formal relationship with the Museum, or its funding. At present the funding mechanism is apportioned as follows: Dunedin City (93.07%), CODC (0.623%), Clutha (5.69%) and Waitaki (1.26%).

The matter of future funding was raised through the Mayoral Forum in 2016/17 and an alternative funding model has been proposed which would result in QLDC making a contribution to the museum. The proposed adjustment is premised on the basis that as part of the Otago region, it is appropriate that QLDC should make a financial contribution.

A number of models that considered population and distance from Dunedin were examined to establish a reasonable contribution rate. The final proposal is that QLDC will make a contribution of circa \$30,000 per annum for the next three years. This is expressed in the attached Heads of Agreement as a 0.72%

contribution. The proposed arrangement, if adopted by Council, will run for three years, and allows a minor readjustment to the contributions by the other Councils. The draft HOA expressly states that the Councils contribution is voluntary, is committed for the first three years of the next Ten Year Plan, and that beyond that, any continued contribution is entirely at the discretion of the QLDC.

In essence, the recommendation to make a contribution is a recognition by QLDC that it is part of the wider Otago region, and that there are some benefits that accrue to the broader regional community from having an active regional museum. The funding does not entitle Council to have any direct role in the governance of the museum, which would require a change in the legislation governing the institution. Council may want to consider seeking such a change if it wants to continue with funding into the future.

It is accordingly recommended:

- That Council approve a three year funding contribution to the Otago Museum to commence from 1 July 2018.
- That the funding contribution be at an agreed ratio of 0.72% of the Museums annual budget (circa \$30,000 pa).
- That Council adopt the attached proposed Heads of Agreement 2017-27.

#### **4. Wanaka Community Board By-election**

Under section 31 of the Local Electoral Regulations 2001, the Council can decide by resolution the order in which the name of candidates will appear on the voting paper, whether it is in alphabetical order of surname, pseudo random order or random order.

If there is no Council resolution, the default option of alphabetical order is used.

Modern software means that generating voting papers with names in fully random order no longer incurs additional expense, so there is no cost saving by using alphabetical or pseudo random order. Furthermore, it appears anecdotally to be the accepted best practice for local elections to use fully random order, as this removes any possibility of giving advantage to candidates whose names under alphabetical order are listed first on the voting paper.

Members may recall that in both the Dunstan Constituency (ORC) and Wanaka Ward By-elections, candidate names were printed in random order.

It is recommended that the Council resolve that the voting papers for the 2017 Wanaka Community Board By-election be printed in random order.

#### **5. Minutes Correction**

Staff noted a minor drafting error in a report recommendation from the Council meeting held on 23 June 2017 which flowed through to the minutes. Accordingly, since the meeting, the following change has been made to the minutes:

*Item 9: Chief Executive's report*

*Approval of Wanaka Community Board recommendation*

*Approve the vesting of the 13 identified proposed reserves;*

- a. Lots 200 and 201, Orchard Road Holdings 'Alpha Ridge' Meadowstone Drive.*
- b. Lots 96 and 97, GAD Ltd, Kirimoko Crescent.*
- c. Lots 100 - 105, Quartz Development Group Ltd 'Sentinel Park' Hawea*
- d. Lots 998 and 999, Willowridge Developments Ltd 'Timsfield' Hawea*
- e. Lot 1000, Universal Exclusive Developments Ltd, 'Hikuwai' Aubrey Road.*

## **6. Committee meetings of previous round**

### **Wanaka Community Board – Ms R Brown (3 August 2017)**

Information:

- 1. Temporary Road Closure - Wanaka A&P Show 2018
- 2. Licence to Occupy Road Reserve – Lot 8 (Business Subzone), Three Parks, Wanaka
- 3. Licence to Occupy Road Reserve - Otago Regional Council Ground Water Monitoring Bore, Hawea
- 5. Chair's report

Ratification:

- 4. Proposal to vest lands as reserve and to offset reserve land and Reserve Improvements Contributions as per the Development Contributions Policy

### **Community and Services Committee – Councillor Stevens (10 August 2017)**

Information:

- 1. Heritage Incentive Grant Application – Wellingtonian Trees, 24 Berkshire Street, Arrowtown
- 2. Heritage Incentive Grant Application – McClintock's Cottage, 31 Merioneth Street, Arrowtown

Ratification

- 3. Shotover Country No.2 Ltd/Shotover Country Ltd, Proposal to Vest Various Lands as Reserve and to Offset Reserve Land and Reserve Improvements Contributions as per the Development Contributions Policy

# Heads of Agreement – 2017–2027

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## **BETWEEN**

The Mayor and Chief Executive, Central Otago District Council

and

The Mayor and Chief Executive, Clutha District Council

and

The Mayor and Chief Executive, Dunedin City Council

and

The Mayor and Chief Executive, Queenstown Lakes District Council

and

The Mayor and Chief Executive, Waitaki District Council

and

The Chairperson and Chief Executive, Otago Museum Trust Board

## **1 Preamble**

- 1.1 This Heads of Agreement follows and replaces the Heads of Agreement endorsed and approved by the Central Otago District Council, Waitaki District Council, Dunedin City Council and Clutha District Council in 1995 and 2000.
- 1.2 Nothing in this Agreement binds any of the parties except by any resolution that may occur in our respective authorities in due course.
- 1.3 The parties acknowledge that the Museum has been exempt from the status of Council Controlled Organisation by the Minister of Local Government and that the Long Term Plan/Annual Plan process provides a planning framework to identify the future needs of the Museum and relate these to local authorities funding priorities.
- 1.4 This Heads of Agreement is seen as a complete package by itself. The various clauses relate to each other and are mutually dependent. Alteration to any could affect the alteration of others. It is therefore recommended as a total proposal.
- 1.5 The parties acknowledge that the Otago Museum has a regional function and funding and support should recognise this. Furthermore they acknowledge the excellence achieved to date through the redevelopments and in the delivery of services in the Otago region. The wider economic impact of the Museum is noted alongside the Museum's commitment to assisting with and enhancing the wider cultural heritage in Otago.
- 1.6 The Otago Museum acknowledges that each local authority has responsibilities to other museums. There is to be prior consultation with the relevant local authority on any significant change in direction that could be perceived as being an overlap or duplication, to ensure that this is minimised. This is to be treated in good faith and is not intended to restrict the activities of the Museum or to discourage the Museum from responding to appropriate opportunities in the marketplace that require a quick response.



## **2 Governance**

- 2.1 All parties acknowledge the importance of supporting the Otago Museum as a major Otago region cultural institution holding significant collections; with particular focus on natural sciences, human history and culture, and interactive science; having research, conservation and educational components; obtaining and promoting local, national and international exhibitions; providing various activities for interaction between the public and the collections; providing exciting and participatory learning opportunities in the community; and aiming to be relevant to the communities within which it operates and at all times, having regard for 1.6 above.
- 2.2 The parties acknowledge that the funding commitment by ratepayers is significant, given all other demands on ratepayers including similar facilities.
- 2.3 The parties acknowledge that governance representation and financial commitment is determined by the Otago Museum Trust Board Act 1996, which came about as a result of the first Heads of Agreement in 1995. Also that the Local Government Act 2002 has processes that contributing authorities need to adhere to. The Queenstown lakes District Council acknowledges that the current act does not provide for representation by QLDC (and this is in part reflected in the nature of the financial contribution made by QLDC through this MOU).
- 2.4 The constituent authorities acknowledge that the appointments to the Trust Board will be based on commitment to museological best practice, skill and with a clear view to positive development of the Otago Museum, and that the Trustees will provide to the Museum a range of skills necessary to have a complete governance board including management, financial, marketing and project management skills.

## **3 Relationship**

- 3.1 All parties will work to enhance the relationship at all times through open communication and a willingness to appropriately raise and address issues that may arise in the future for any party.
- 3.2 It is expected that consultation and communication will be commenced in a manner to allow other parties sufficient time to respond appropriately to the significance of the issue being considered.

## **4 Future Funding**

- 4.1 The Otago Museum will develop a Master Plan for the period 2018-28. This will form the basis by which the local authorities and Otago Museum can debate and agree an appropriate response to funding requests.
- 4.2 This Business Plan will be updated every three years to fit in with the three-year up-date of Long Term Plans by local authorities.
- 4.3 The Otago Museum Trust Board acknowledges that it will continue to manage the operations of the Museum in line with the following principles:
  - Products and services to be relevant and consistently high in quality, as perceived by our communities and approved by the local authorities;
  - Effective and positive leadership and management of collections, resources and skills by all staff and board.
- 4.4 The Otago Museum Trust Board acknowledges that the Dunedin City Council is the primary funder, and will recognise the budget process of the Dunedin City Council to the extent that it includes a target maximum rate overall increase and a budgeting process which is initially delegated to the Chief Executives. To this end, therefore, the Museum and the Dunedin City Council will work together as per the Annual Plan process/timeline agreed which takes into

consideration the Otago Museum Trust Board Act and the Dunedin City Council planning cycle (Schedule 2).

4.5 Contribution from local authorities:

- a) The percentage contributed by each constituent authority is determined in Schedule 1.
- b) The local authorities will work together to review the levy contribution percentages as part of the Master Plan preparation process for the Otago Museum.
- c) The percentage funded by Queenstown Lakes District Council is a voluntary contribution, and is fixed for an initial three year term (commencing 1 July 2018). QLDC shall review its continued voluntary contribution prior to the conclusion of the term and may at its sole discretion agree to extend, amend, or withdraw its contribution beyond that date

4.6 The Otago Museum, assisted by the constituent authorities, will endeavour to seek funding from other sources, including Government, toward the above. Should such funding become available it will be reflected in the level of future contribution required from the constituent authorities.

## **5 Development Programme**

- 5.1 The Mayors and Chief Executives of the constituent authorities are informed of the Museum's Master Plan and recognise the value and importance of such a plan in the strategic improvement of the Museum. It is understood that depending on funding and factors beyond the control of the parties to this agreement timeframes and funding requirements of this plan may change.

## **6 Review Clause**

- 6.1 The Heads of Agreement be reviewed after 10 years as to funding, representation or any other matters, or earlier by majority agreement.
- 6.2 The parties note that the meeting every three years to review the Otago Museum Master Plan provides the opportunity to review the high level Heads of Agreement issues. The three year review is to coincide with the Long Term Plan budget round.

**SCHEDULE 1****LOCAL AUTHORITY****%**

Dunedin City Council	93.70%
Central Otago District Council	0.63%
Clutha District Council	3.69%
Queenstown Lakes District Council	0.72%
Waitaki District Council	1.26%
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	100%

## SCHEDULE 2

### OTAGO MUSEUM ANNUAL PLAN PROCESS/TIMELINE

#### Taking into consideration Otago Museum Trust Board Act and CLA planning cycles

1	By end October	OMTB approves draft Annual Business Plan with ideal budget sought for the coming year (also identifying excluded items) and submits this to Councils by 19 October (or thereabouts as agreed).  Councils given until 31 January (or thereabouts as agreed) to make submissions (this is a few days more than 3 months as per OMTB Act).
2	November	Museum Director and Council ELT discuss plan and budgets. Ideally "Agreement in Principle" reached. If not reached "DCC ELT recommendation" identified (10 November (or thereabouts as agreed)).
3	December	"Agreement in principle" figure or "DCC ELT recommendation" (whichever occurs) included in DCC January Agenda. Agenda also includes identification of Museum's full request for the coming year. Written advice to the Museum Director on the DCC ELT recommendation for January Agenda by 9 December (or thereabouts as agreed).
4	December	"Agreement in Principle" figure or "DCC ELT recommendation" (whichever occurs) noted at OMTB meeting in December.
5	January	Museum Director advised on decision in respect of OMTB Annual Business Plan approval from DCC by 31 January (or thereabouts as agreed).
6	January	Discussions with other contributing LAs if necessary.
7	February	At the February Board meeting OMTB consider contributing LA submissions to Annual Plan. The OMTB identify Museum's priorities for submission to DCC Annual Plan if necessary. This would apply if DCC Draft Annual Plan proposal is less than the OMTB requests. The OMTB to acknowledge in writing that they would accept the DCC January funding decision, as a baseline, subject to the outcome of any submissions to the DCC Draft Annual Plan. This letter will also, if necessary, identify additional funding requirements that the Museum would like considered.
8	April	If necessary OMTB makes submission to the DCC Annual Planning process.
9	2 June or earlier	Museum receives notification from DCC of final figure following DCC Annual Plan submission process.
10	June	Museum finalise Annual Plan with DCC final figure as approval within DCC Annual Plan process. Formally adopted by OMTB at Board meeting.
11	Late June	Final Annual Plan distributed to Councils along with levy sheets.