

# Finance & Corporate Committee Public Agenda

## 15 June 2021

Council Chambers  
Waipa District Council  
101 Bank Street  
Te Awamutu



Chairperson  
AW Brown

### Members

His Worship the Mayor JB Mylchreest, EM Andree-Wiltens, EH Barnes, LE Brown, PTJ Coles, RDB Gordon, ML Gower, B Koroheke (Te Kanohi Representative), SC O'Regan, MJ Pettit, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber

15 June 2021 01:00 PM - 01:46 PM

Agenda Topic	Presenter	Time	Page
1. Apologies	Chairperson	01:00 PM-01:01 PM	3
2. Disclosure of Members' Interests	Chairperson	01:01 PM-01:02 PM	4
3. Late Items	Chairperson	01:02 PM-01:03 PM	5
4. Confirmation of Order of Meeting	Chairperson	01:03 PM-01:04 PM	6
5. Confirmation of Minutes	Chairperson	01:04 PM-01:05 PM	7
5.1 Finance & Corporate Committee Minutes - 18 May 2021	Chairperson	01:05 PM-01:06 PM	8
6. Financial Report for the Period Ended 31 May 2021	Sarah Davies	01:06 PM-01:16 PM	15
7. New Community Lease - Cambridge Tree Trust	Carol Wood	01:16 PM-01:21 PM	26
8. New Community Lease - Te Awamutu Rod & Custom Club Incorporated and Te Awamutu Community Cadet Unit Support Trust	Carol Wood	01:21 PM-01:26 PM	32
9. Granting of lease to Fire and Emergency New Zealand	Bruce Nunns	01:26 PM-01:36 PM	38

10.	Iwi Consultative Committee - Meetings Fees and Expenses	Jo Gread	01:36 PM-01:41 PM	43
11.	Resolution to Exclude the Public	Chairperson	01:41 PM-01:42 PM	46



## **APOLOGIES**

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There are no apologies.



## **DISCLOSURE OF MEMBERS' INTERESTS**

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Members are reminded to declare and stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interest they may have.



## LATE ITEMS

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Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.



## CONFIRMATION OF ORDER OF MEETING

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### **Recommendation**

*That the Finance & Corporate Committee confirms the order of the meeting.*



**To:** The Chairperson and Members of the Finance and Corporate Committee

**From:** Governance

**Subject:** **CONFIRMATION OF MINUTES**

**Meeting Date:** 15 June 2021

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## **1 EXECUTIVE SUMMARY**

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To confirm the open minutes of the Finance and Corporate meeting held on 18 May 2021.

## **2 RECOMMENDATION**

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*That the open minutes of the Finance and Corporate Committee meeting held on 18 May 2021, having been circulated, be taken as read and confirmed as a true and correct record of that meeting.*

## **3 ATTACHMENTS**

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Finance and Corporate Open Minutes – 18 May 2021



**Time:** 1.00pm  
**Date:** Tuesday 18 May 2021  
**Venue:** Council Chambers, Waipā District Council, 101 Bank Street,  
Te Awamutu

## **PRESENT**

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### **Chairperson**

AW Brown

### **Members**

His Worship the Mayor JB Mylchreest, EM Andree-Wiltens, EM Barnes, LE Brown, PTJ Coles, RDB Gordon, ML Gower, B Koroheke (Te Kanohi), SC O'Regan, MJ Pettit, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber

## **1 APOLOGIES**

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There were no apologies.

## **2 DISCLOSURE OF MEMBERS' INTERESTS**

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There were no new disclosures.

## **3 LATE ITEMS**

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There were no late items.

## **4 CONFIRMATION OF ORDER OF MEETING**

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### **RESOLVED**

3/21/27

*That the Finance and Corporate Committee confirms the order of the meeting.*

Councillor Coles / Councillor Thomas





## 5 MINUTES OF PREVIOUS MEETING

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### RESOLVED

3/21/28

*That the open and public excluded minutes of the Finance and Corporate Committee meeting held on 20 April 2021, having been circulated, be taken as read and confirmed as a true and correct record of that meeting.*

Councillor St Pierre / Councillor L Brown

## 6 HEALTH AND SAFETY FIVE MONTH REPORT; NOVEMBER 2020 TO MARCH 2021 INCLUSIVE

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Manager Human Resources, Stephanie Shores and Health and Safety Advisor, Bev Taylor presented the Health & Safety (H&S) report, for the five-month period November 2020 to March 2021 inclusive, to the Finance and Corporate Committee.

The KPMG SafePlus Assessment report was discussed and staff were congratulated for their efforts and for the improved rating.

Manager Human Resources, Stephanie Shores also highlighted the very pleasing results coming out of the staff survey in terms of health and safety.

Driver training for staff was discussed and the planned staff workshops and use of a product called Fleet Coach.

### RESOLVED

3/21/29

*That the information contained in the 'Health and Safety Five Month Report; November 2020 to March 2021 Inclusive' (document 10611123), of Stephanie Shores, Manager Human Resources; and Bev Taylor, Health and Safety Advisor be received.*

Councillor St Pierre / Councillor Pettit

## FINANCE AND CORPORATE COMMITTEE MINUTES



### 7 FINANCE REPORT FOR THE PERIOD ENDED 30 APRIL 2021

[Item 9 Quarterly Property Services Report was taken prior to Item 8 Finance Report for the period ended 30 April 2021 due to staff availability].

Manager Finance, Sarah Davies presented the Financial Report for the period ended 30 April 2021 on behalf of Nada Milne, Financial Accountant, who gave her apologies.

Ms Davies highlighted for the Committee the good news in the Key Risk Indicator Report that growth impact on rates had exceeded target and was now at 2.56%.

Ms Davies answered questions from the committee.

#### RESOLVED

3/21/31

That –

- a) *The information contained in the 'Financial Report for the Period Ended 30 April 2021' (document number 10609288), of Nada Milne, Financial Accountant, be received; and*
- b) *The Committee **APPROVE** the following 2020/21 funding requests and budget changes:*
  - *An increase of EIGHTEEN MILLION, SEVEN HUNDRED AND ONE THOUSAND, NINE HUNDRED AND FIFTY THREE DOLLARS (\$18,701,953) for the Transportation budget for asset write off's from database improvements. This is non-funded.*
  - *An increase in budget of TWO MILLION, FIVE HUNDRED AND FOURTEEN THOUSAND, THREE HUNDRED AND SIXTY NINE DOLLARS (\$2,514,369) for the Water Treatment & Supply budget for asset write off's from database improvements. This is non-funded.*
  - *An increase in budget of ONE MILLION, FIVE HUNDRED AND EIGHTY THOUSAND, THREE HUNDRED AND FORTY TWO DOLLARS (\$1,580,342) for the Waste Water Treatment & Disposal budget for asset write off's from database improvements. This is non-funded.*
  - *An increase in budget of SIX HUNDRED AND FIFTEEN THOUSAND, TWO HUNDRED AND NINETY FIVE DOLLARS (\$615,295) for the Stormwater budget for assets write off's from database improvements. This is non-funded.*



- *An increase in budget of FIVE MILLION, SEVEN HUNDRED AND FIFTY NINE THOUSAND AND FIFTY FIVE DOLLARS (\$5,759,055) for the Transportation budget for the loss on sale from road pavement layers database improvements. This is non-funded.*

Councillor Gordon / Mayor Mylchreest

## 8 QUARTERLY PROPERTY SERVICES REPORT

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Manager Property Projects, John Miles, and Manager Property Services Bruce Nunns provided information on the activities of the Property Services Team for the 1 January to 31 March 2021 quarter. This was an 'information only' report as no decisions were required.

Mr Nunns advised the committee that the 36 hectares of Pirongia forest due to be harvested from March to June of this year had been delayed with harvesting now due in November 2021. In response to a question he advised that Council's Housing for the Elderly portfolio will be fully compliant with the healthy homes requirements by 30 June 2021. Other matters being progressed by the property team currently included leasing issues, the property strategy and the cycleway between Te Awamutu and Pirongia.

### **RESOLVED**

3/21/30

*That the information contained in the 'Quarterly Property Services Report' (document number 10590049), of Bruce Nunns, Manager Property Services, and John Miles, Manager Property Projects, be received.*

Councillor Coles / Councillor Andree-Wiltens

## 9 NEW COMMUNITY LEASE – TE AWAMUTU RUGBY SPORTS AND RECREATION CLUB (INCORPORATED)

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[Councillor Lou Brown declared an interest as patron of the club and refrained from discussion]

Property Advisor, Carol Wood spoke to the report, noting key points.



**RESOLVED**

3/21/32

*That –*

- a) *The report of Carol Wood, Property Advisor be received;*
- b) *The Committee approve the granting of a five (5) year lease with two (2) rights of renewal of five (5) years each to Te Awamutu Rugby Sports and Recreation Club (Incorporated) in respect of the portion of Albert Park (being part of Section 2 Survey Office Plan 423469 and being part of the land in Record of Title 610909) outlined on the map in Appendix 1 of this report (ECM 10600629), and otherwise subject to Council's standard community lease terms and such other conditions as may be considered appropriate, in accordance with section 54(1)(b) of the Reserves Act 1977; and*
- c) *The Group Manager Business Support be authorised to sign all documentation relating to the lease noted in part b) above.*

Councillor Stolwyk / Councillor O'Regan

## **10 VARIATION OF COMMUNITY LEASE TO CAMBRIDGE MODEL ENGINEERING SOCIETY INCORPORATED**

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Property Advisor, Carol Wood spoke to the report, noting key points.

**RESOLVED**

3/21/33

*That –*

- a) *The 'Variation of Lease to Cambridge Model Engineering Society Incorporated' report (document number 10603776) of Carol Wood, Property Advisor, be received; and*
- b) *The Finance and Corporate Committee approve the variation of the lease between Waipa District Council (as landlord), and Cambridge Model Engineering Society Incorporated (as tenant), of the property at Leamington Domain, commencing 1 November 2011, to increase the leased property by an area of approximately 45m<sup>2</sup> for the creation of a storage facility and for tracks linking the storage facility to the existing rail tracks and such other conditions*



*as may be considered appropriate, in accordance with section 54(1)(b) of the Reserves Act 1977.*

Councillor Barnes/ Councillor Pettit

## 11 RESOLUTION TO EXCLUDE THE PUBLIC

### RESOLVED

3/21/34

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

*The general subject of the 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(1) 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(1) for the passing of this resolution
12. Confirmation of Public Excluded Minutes 13. Maungatautari Ecological Island Trust Quarterly Report 14. Civic Financial Services Limited Annual General Meeting Proxy Vote 15. Lease of Part Cambridge Town Belt to Waikato-Bay of Plenty Harness Inc 16. Purchase of land Encroaching onto 81 Blundell Street, Te Awamutu	Good reason to withhold exists under section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)



*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may be, which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, are as follows:*

Item No.	Section	Interest
14	Section 7(2)(a)	To protect the privacy of natural persons
13	Section 7(2)(b)(ii)	To protect information which if public would unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information
13,14	Section 7(2)(c)(i)	To protect information which is subject to an obligation of confidence where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, where it is in the public interest that such information should continue to be supplied.
12,16	Section 7(2)(h)	To enable the council to carry out, without prejudice or disadvantage, commercial activities
12,15	Section 7(2)(i)	To enable the Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

Councillor St Pierre / Councillor Coles

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## CONFIRMED AS A TRUE AND CORRECT RECORD

**CHAIRPERSON:**

\_\_\_\_\_

**DATE:**

\_\_\_\_\_



# FINANCE AND CORPORATE COMMITTEE REPORT



**To:** His Worship the Mayor and Councillors  
**From:** Financial Accountant  
**Subject:** **Financial Report for the Period Ended 31 May 2021**  
**Meeting Date:** 15 June 2021

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## 1 EXECUTIVE SUMMARY

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The financial position for the period ended 31 May 2021 is detailed in Section 3 and the attached report.

## 2 RECOMMENDATION

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*That the information contained in the 'Financial Report for the Period Ended 31 May 2021' (document number 10629112), of Nada Milne, Financial Accountant, be received.*

## 3 STAFF COMMENTS

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### FINANCIAL RESULTS FOR MAY

Total income is currently at 96 per cent of forecast. Operating expenditure is at 87 per cent of full year forecast.

Vested Assets of \$21.4 million have been recognised to date, which is 101 per cent of the forecast. These assets are mainly from the Thorncombe Park, Pukekura Stage 3, Frontier Estate Stage 1 & 2, and Pukerimu subdivisions, as well as the Waikeria Prison wastewater upgrades.

Discovered Assets of \$7.3 million have been recognised to date. These assets are mainly from database improvement work completed on stormwater, wastewater and road pavement layers.

Development and reserve contributions of \$6.8 million have been received to date.

Subsidies and Grants are at 83 per cent of forecast and this variance is due to the \$3.41 million received from the New Zealand Government for the Three Waters Reform Program which has been offset by the delayed timing of roading capital works and subsequently the NZTA subsidy.

## STATEMENT OF COST OF SERVICES

The Cost of Service Statement shows the breakdown of revenue for each significant activity and the breakdown of expenditure for each activity.

The table below summarises the operating revenue and expenditure for each significant activity:

Significant Activity	Operating Revenue			Operating Expenditure		
	Actuals	Forecast		Actuals	Forecast	Forecast
Year to Date	'000	'000	Forecast %	'000	'000	%
Governance	75	60	125%	7,793	10,561	74%
Planning & Regulatory	6,392	5,928	108%	8,570	9,364	92%
Community Services & Facilities	4,828	5,278	91%	21,662	25,529	85%
Transportation	11,485	16,539	69%	44,614	46,717	95%
Stormwater	121	300	40%	4,186	5,231	80%
Wastewater Treatment & Disposal	1,627	2,800	58%	10,914	12,125	90%
Water Treatment & Supply	15,156	12,680	120%	13,315	16,241	82%
Support Services	252	216	117%	12,817	15,294	84%

Overall the gross revenue from Significant Activities is at 91% of the forecast. Activity revenue results of significant activities are below or above the anticipated 92% of forecast mainly due to revenue timing.

Overall the gross expenditure from Significant Activities is 88%. There are larger variances in Governance and Stormwater due to timing of expenditure.

## CAPITAL EXPENDITURE

Capital expenditure to date is \$103 million which is 77% per cent of forecast.

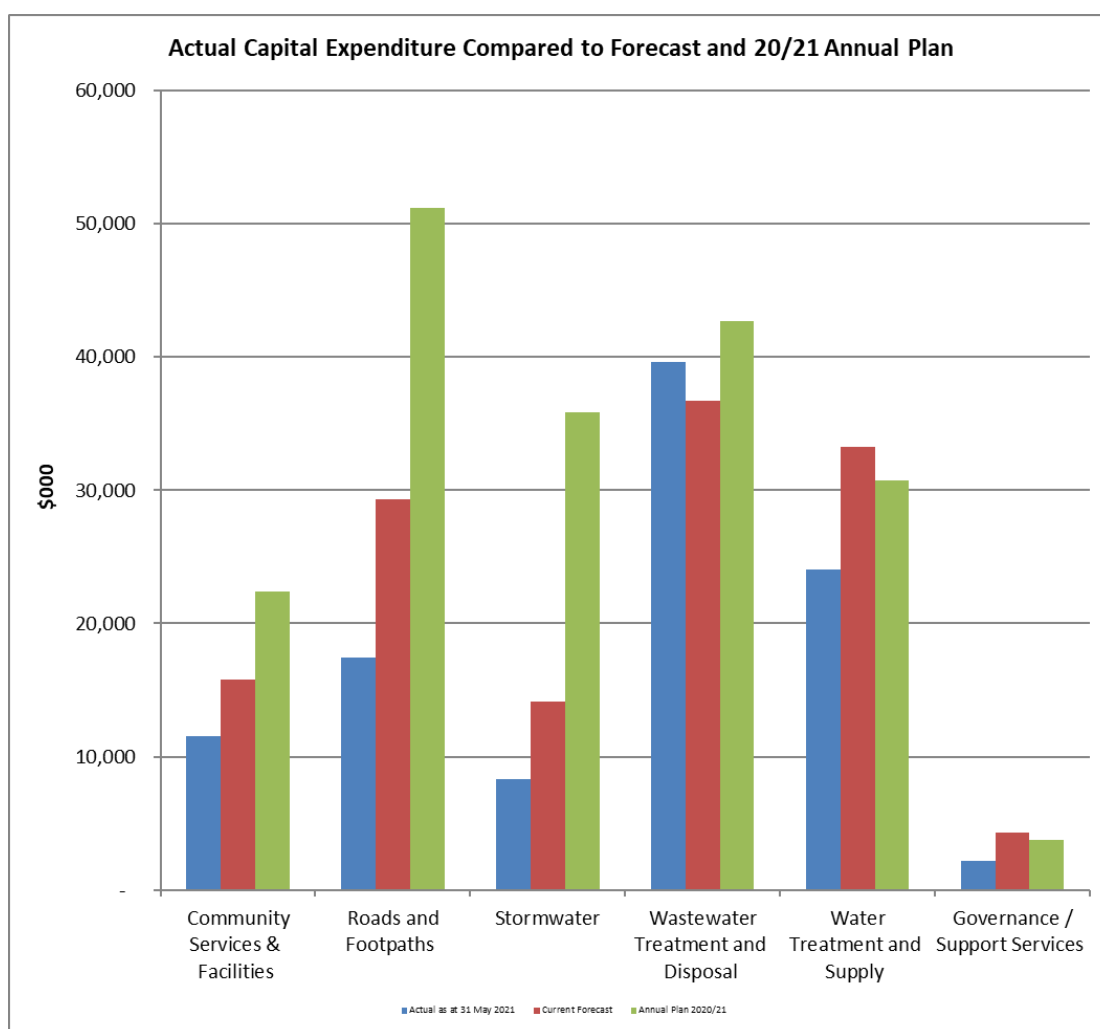
A total of \$13.7 million was carried forward from the 2019/20 year to the current year to complete the 2019/20 contracts. Other capital adjustments totalling (\$68.5) million were included in previous financial reports.

The following major capital budgets have changed since the April report:

- Increase in budget of \$1.7 million for the Cambridge Town Pool Development as per Council Resolution. This is loan funded.

The capital forecast budget totals \$133.5 million. The graph below summarises the capital expenditure for each significant activity.





### BUDGET CHANGES REQUIRING APPROVAL

There are no budget changes requiring approval this month:

### ARBITRAGE ARRANGEMENTS

There have been no arbitrage arrangements undertaken this month.

# Key Risk Indicator Report

Status = **Not started** - **On track** - **Off track** - **At risk** - **Complete**

Risk Title	KRI	Status
Delivery of the capex programme against the Annual Plan budget	Annual Plan 70%. Growth	At risk
Monitoring of assumptions used in preparing Annual Plan as year progresses	Borrowing interest rates	On track
Risk to Financial Sustainability	Building Consents: Number of consents issued against same time last year	On track
Delivery of the capex programme against the Annual Plan budget	Capex 80%. LOS	On track
	Growth - Impact on rates	On track
Delivery of the capex programme against the Annual Plan budget	Projects 100%. Renewal	Off track
Risk to Financial Sustainability	Rates collection rates against same time last year	On track
Risk to Financial Sustainability	Resource Consents: Number of consents issued against same time last year	On track
Risk to Financial Sustainability	Value of Building Consents issued against same time last year	On track

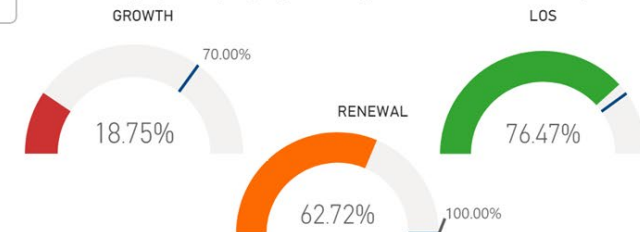
## Budget vs actual variance for capex:

Budget	Actual
\$186.61M	\$103.1M

## Budget vs actual variance for operations:

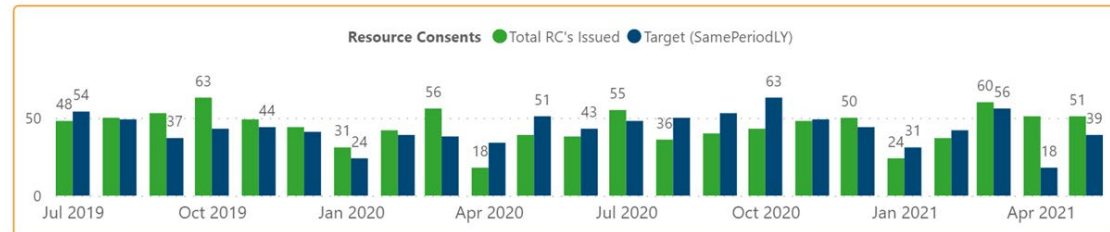
Actual	Budget
\$107.77M	\$97.83M

## Delivery of the capex programme against the Annual Plan budget:

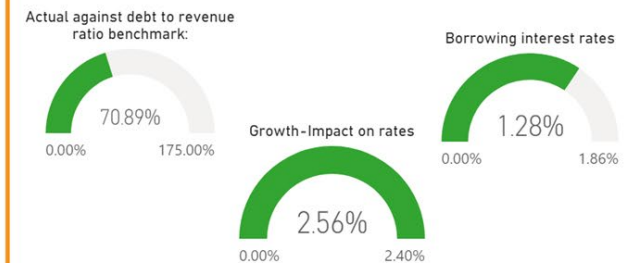


## Calendar YTD vs Same Period LY:

BC's granted	BC value of work	Resource Consents Issued	Additional lots granted
<b>816</b>	<b>\$198.19M</b>	<b>223</b>	<b>123</b>
Year Prior: 562 (+45.2%)	Year Prior: \$137.84M (+43.78%)	Year Prior: 186 (+19.89%)	Year Prior: 224 (-45.09%)



## Monitoring of assumptions used in preparing Annual Plan as year progresses:



**RATES STATUS**

Rates of \$65.9 million (GST inclusive) have been set for the year. The attached report summarises the position in relation to the collection of rates. The amount outstanding from prior years is \$99,000.

There is a balance outstanding of just over \$1.0 million for the current year, after billing of the final instalment which was due for payment on 21 May 2021.

**WATER RATES STATUS**

Water Rates of \$13.4 million have been invoiced for the year. The attached report summarises the position in relation to the collection of water rates.

The amount outstanding is \$1.6 million. There have been prepayments of \$119,000 leaving a total amount owing of \$1.5 million.

**RATES REBATES 31 MAY**

	Number Received	Number Approved	Amount Credited to Rate Accounts
2021	1,168	1,044	\$616,151
2020	1,124	990	\$588,019



Nada Milne  
**FINANCIAL ACCOUNTANT**



Reviewed by Sarah Davies  
**MANAGER FINANCE**



Approved by Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 May 2021**

		2020/21	2020/21		2020/21	Budget	Budget	Budget	2019/20
			Full Year		Full Year	Variance	Variance	Variance	YTD
		Actual	Forecast	Forecast	Budget	Carryforward	Previously	This Period	Last Year
Notes		\$000	\$000	%	\$000	from 19/20	Reported	\$000	\$000
<b>OPERATING INCOME</b>									
Rates, excluding targeted water supply rates		51,283	58,830	87%	58,860	-	(30)	-	48,419
Fees, charges, and targeted rates for water supply	1	23,297	23,613	99%	26,006	-	(2,394)	-	20,473
Reserve contributions		269	486	55%	522	-	(36)	-	328
Development contributions	2	6,505	7,627	85%	12,072	-	(4,445)	-	4,526
Gain on revaluation of investment properties & forestry		-	447	0%	447	-	-	-	(322)
Vested assets	3	21,407	21,176	101%	15,176	-	6,000	-	11,903
Discovered assets		7,288	-		-	-	-	-	402
Dividends		4	4	100%	20	-	(17)	-	51
Finance income	4	7	4	175%	271	-	(267)	-	848
Subsidies and Grants	5	16,298	19,719	83%	11,327	-	8,393	-	8,397
Other revenue	6	591	753	78%	1,553	-	(799)	-	373
<b>Total Operating Income</b>		<b>126,949</b>	<b>132,659</b>	<b>96%</b>	<b>126,254</b>	<b>-</b>	<b>6,405</b>	<b>-</b>	<b>95,398</b>
<b>OPERATING EXPENDITURE</b>									
Employee benefit expenses	7	22,841	26,794	85%	27,023	-	(249)	20	22,210
Depreciation & amortisation		24,056	25,461	94%	25,461	-	-	-	23,043
Other expenses	8	59,898	70,746	85%	43,475	969	26,322	(20)	33,550
Finance costs	9	976	1,091	89%	1,870	-	(779)	-	1,224
<b>Total Operating Expenditure</b>		<b>107,771</b>	<b>124,092</b>	<b>87%</b>	<b>97,829</b>	<b>969</b>	<b>25,294</b>	<b>-</b>	<b>80,027</b>
<b>OPERATING SURPLUS</b>		<b>19,178</b>	<b>8,567</b>	<b>224%</b>	<b>28,425</b>	<b>(969)</b>	<b>(18,889)</b>	<b>-</b>	<b>15,371</b>
<b>Other Comprehensive Income recognised directly in Equity</b>									
Property Plant and Equipment									
Revaluation gains/(losses) taken to equity		-	20,819	0%	20,819	-	-	-	180
<b>Total Other Comprehensive Income for the year</b>		<b>-</b>	<b>20,819</b>	<b>0%</b>	<b>20,819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180</b>
<b>Total Comprehensive Income for the year</b>		<b>19,178</b>	<b>29,386</b>	<b>65%</b>	<b>49,244</b>	<b>(969)</b>	<b>(18,889)</b>	<b>-</b>	<b>15,551</b>

\* Any Operating surpluses generally come from non-cash items. Council budgets for a general funds cash breakeven position.

1. Decrease in fees and charges revenue of \$2.4 million which includes a reduction in Forestry revenue of \$1.8 million due to harvesting being delayed until the 2021/22 year. A further reduction in revenue including; a reduction in revenue for Forestry harvesting of \$736,000, offset by lower costs), a reduction in revenue for Cambridge District Pool cost recoveries of \$161,000, a reduction in revenue for Rata cost recovery of \$91,000 and a reduction in revenue forecast for the Don Rowlands Centre of \$89,000 offset by additional revenue forecast for Resource Consents of \$261,000, additional revenue forecast for building fees of \$151,000, additional revenue for Pensioner Housing rent of \$77,000 and additional revenue for dog registrations of \$70,000.
2. Decrease in Development and Reserve contributions of \$4.5 million based on revised estimates of development timing.
3. Increase in Vested assets of \$6 million mainly due to Waikeria Prison expansion being completed earlier than anticipated which has been offset by other development timing.
4. Decrease in Finance income of \$267,000 mainly due to decreased interest rates and a reduction in cash balances held.

5. Increase in subsidies and grants of \$8.4 million due to an increase in revenue of \$3.4 million for the New Zealand Government Three Waters Reform programme, an increase in revenue of \$2.7 million in NZTA external funding for Hanlin Road Intersection, an increase in revenue of \$1.4 million in NZTA external funding for District Wide Cycleway projects, an increase in NZTA funding of \$559,000 for Innovating Streets – Safer routes to schools & businesses and an increase of \$293,000 in external funding for the Hora Hora Memorial Hall Refurbishment.
6. Decrease in other revenue of \$800,000 mainly due to a reduction in revenue for the profit on sale of Te Rahu Road development of \$1.1 million (deferred to next year) offset by an increase in revenue for the profit on sale of vehicles of \$115,000 and an increase in revenue for the profit on sale of Blundell Place of \$175,000.
7. Decrease in employee benefits expenses of \$229,000 mainly due to vacant positions.
8. Increase in other expenses of \$27.4 million due to unspent balances carried forward of \$969,000, this includes the Community Board grants, Community Arts, District Promotion Fund grants, Structure Plans and Town Concept Plans. A further decrease in other expenses including; decrease in budget of \$1.2 million for Forestry due to harvesting being delayed until the 2021/22 year, decrease in budget of \$800,00 for Forestry harvest costs, decrease in budget of \$650,000 for the Cambridge Museum (CB Heritage Charitable Trust) due to deferral to 2023/24, decrease in budget of \$650,000 for Cambridge Wastewater Treatment Plan due to savings in budget, decrease in budget of \$350,000 for Information Technology due to savings found in budget, decrease in budget of \$170,000 for the Cambridge District Pool due to delay in opening partially offset by decrease in revenue, decrease in budget of \$124,000 for District Town Halls due to maintenance work deferred to 2021/22, decrease in budget of \$110,000 for Karapiro Domain from savings in budget due to Covid-19 restrictions, decrease in budget of \$107,000 for secretarial and stationery expenses due to savings in budget, decrease in budget of \$58,200 for legal expenses and a decrease in budget of \$57,000 for new toilet blocks due to savings in budget, offset by an increase in budget of \$23.4 million due to infrastructure asset write offs from database improvement work, an increase in budget of \$5.8 million due to loss on sale from pavement layers database improvement work, an increase in budget \$770,000 due to the three waters water reform program, increase in budget of \$480,000 for consultancy costs and agency staff due to positions still vacant, increase in budget of \$205,000 for Resource Management Consents cost recovery offset by an increase in revenue and an increase in budget of \$95,000 for engineering work required at 101 Bank Street.
9. Decrease in finance costs of \$779,000 due to lower than anticipated debt balances and a reduction in interest rates.

**STATEMENT OF COST OF SERVICES  
FOR THE PERIOD ENDED 31 May 2021**

	2020/21	2020/21		2020/21	Budget	Budget	Budget	2019/20
		Full Year		Full Year	Variance	Variance	Variance	YTD
	Actual	Forecast	Forecast	Budget	Carryforward	Previously	This Period	Last Year
	\$000	\$000	%	\$000	from 19/20	Reported	\$000	\$000
<b>Revenue</b>								
Governance & Strategic Direction	75	60	125%	54	-	5	-	113
Planning and Regulatory	6,392	5,928	108%	5,553	-	375	-	5,448
Community Services and Facilities	3,717	3,950	94%	5,091	-	(1,140)	-	2,886
Forestry	-	-		2,498	-	(2,498)	-	-
Pensioner Housing & Own Your Own Housing	1,111	1,328	84%	1,162	-	166	-	1,131
Roads and Footpaths	11,485	16,539	69%	11,834	-	4,706	-	8,825
Stormwater	121	300	40%	7	-	293	-	27
Wastewater Treatment and Disposal	1,627	2,800	58%	845	-	1,954	-	643
Water Treatment and Supply	15,156	12,680	120%	11,517	-	1,163	-	10,194
Support Services	252	216	117%	87	-	-	-	12,801
<b>GROSS REVENUE</b>	<b>39,936</b>	<b>43,801</b>	<b>91%</b>	<b>38,648</b>	<b>-</b>	<b>5,024</b>	<b>-</b>	<b>42,068</b>
Less Internal Charges	(14,187)	(15,440)	92%	(15,477)	-	-	-	(12,730)
<b>NET INCOME</b>	<b>25,749</b>	<b>28,361</b>	<b>91%</b>	<b>23,171</b>	<b>-</b>	<b>5,024</b>	<b>-</b>	<b>29,338</b>
<b>Expenditure</b>								
Council & Committees	2,679	2,993	90%	2,949	26	19	-	2,430
Cambridge Community Board	187	212	88%	212	-	-	-	178
Te Awamutu Community Board	167	187	89%	187	-	-	-	167
Elections	1	14	7%	1	-	13	-	166
Community Grants	838	1,385	61%	1,222	163	-	-	1,149
Strategic Planning	1,776	3,396	52%	3,026	407	(37)	-	1,726
Community Relationships	2,145	2,374	90%	2,219	-	156	-	1,508
Resource Management	2,984	3,098	96%	2,844	50	219	(15)	2,279
Building Control	2,861	3,130	91%	3,114	-	14	2	2,729
Environmental Health	1,051	1,230	85%	1,247	-	(18)	-	965
Animal Control	753	884	85%	888	-	(15)	10	677
Development Engineering	921	1,022	90%	1,005	-	17	-	747
Parks and Reserves	5,907	7,195	82%	7,301	54	(161)	-	5,946
Karapiro Domain	1,358	1,497	91%	1,585	-	(88)	-	1,410
District Museums	988	1,399	71%	1,955	138	(695)	-	1,023
District Libraries	2,005	2,462	81%	2,406	-	55	-	1,864
District Pool Te Awamutu / Events Centre	1,913	1,940	99%	1,940	-	-	-	1,669
District Pool Cambridge	1,193	2,132	56%	2,302	-	(170)	-	233
Halls	453	426	106%	532	-	(106)	-	348
Heritage	219	167	131%	187	15	(35)	-	353
Cemeteries	345	520	66%	532	-	(12)	-	321
Public Toilets	563	580	97%	637	-	(57)	-	444
Properties	1,859	2,504	74%	2,522	-	(48)	30	2,754
Pensioner Housing & Own Your Own Housing	1,777	1,377	129%	1,296	-	81	-	1,157
Forestry	117	154	76%	2,007	-	(1,854)	-	68
Rural Fire/Civil Defence	319	337	95%	337	-	-	-	384
Waste Management	2,646	2,839	93%	2,867	-	(28)	-	2,718
Roads & Footpaths	44,614	46,717	95%	22,369	-	24,356	(8)	20,706
Stormwater	4,186	5,231	80%	4,368	-	863	-	3,293
Wastewater Treatment and Disposal	10,914	12,125	90%	11,124	-	1,001	-	10,533
Water Treatment and Supply	13,315	16,241	82%	13,124	-	3,123	(7)	11,174
Support Services	12,817	15,294	84%	15,562	88	(344)	(13)	12,934
<b>GROSS EXPENDITURE</b>	<b>123,871</b>	<b>141,062</b>	<b>88%</b>	<b>113,867</b>	<b>941</b>	<b>26,249</b>	<b>(1)</b>	<b>94,053</b>
Less Internal Charges	(14,187)	(15,477)	92%	(15,477)	-	-	-	(12,730)
Less rates charged to Council properties	(1,296)	(1,296)	100%	(1,126)	-	(170)	-	(1,093)
<b>NET EXPENDITURE</b>	<b>108,388</b>	<b>124,289</b>	<b>87%</b>	<b>97,264</b>	<b>941</b>	<b>26,079</b>	<b>(1)</b>	<b>80,230</b>

**STATEMENT OF CAPITAL EXPENDITURE  
FOR THE PERIOD ENDING 31 May 2021**

	Actual	Full Year Forecast	Forecast	Full Year Budget	Budget Variance Carryforward from 19/20	Budget Variance Previously Reported	Budget Variance This Period	YTD Last Year
	\$000	\$000	%	\$000	\$000	\$000	\$000	\$000
Water treatment and supply	24,029	33,267	72%	30,718	2,507	43	-	23,357
Waste water	39,643	36,703	108%	42,670	602	(6,569)	-	27,150
Roads and Footpaths	17,403	29,310	59%	51,206	4,896	(26,792)	-	16,330
Stormwater	8,304	14,098	59%	35,871	4,116	(25,889)	-	6,030
Community Services & Facilities	11,505	15,807	73%	22,367	887	(9,133)	1,685	10,499
Governance	3	-	0%	-	-	-	-	9
Support services	2,207	4,313	51%	3,776	710	(172)	-	842
Planning & Regulatory	8	14	57%	-	14	-	-	7
	<b>103,102</b>	<b>133,512</b>	<b>77%</b>	<b>186,608</b>	<b>13,732</b>	<b>(68,512)</b>	<b>1,685</b>	<b>84,224</b>
<b>Vested Assets (included above)</b>					<b>Carryforward from 19/20</b>	<b>Previously Reported</b>	<b>This Period</b>	
Water treatment and supply	1,485	1,660	89%	1,660	-	-	-	1,841
Waste water	14,911	2,697	553%	2,697	-	-	-	1,666
Roads and Footpaths	2,441	7,714	32%	7,714	-	-	-	5,839
Stormwater	2,570	3,105	83%	3,105	-	-	-	2,557
	<b>21,407</b>	<b>15,176</b>	<b>141%</b>	<b>15,176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,903</b>
<b>Totals excluding Vested</b>					<b>Carryforward from 19/20</b>	<b>Previously Reported</b>	<b>This Period</b>	
Water treatment and supply	22,544	31,607	71%	29,058	2,507	43	-	21,516
Waste water	24,732	34,006	73%	39,973	602	(6,569)	-	25,484
Roads and Footpaths	14,962	21,596	69%	43,492	4,896	(26,792)	-	10,491
Stormwater	5,734	10,993	52%	32,766	4,116	(25,889)	-	3,473
Community Services & Facilities	11,505	15,807	73%	22,367	887	(9,133)	1,685	10,499
Governance	3	-	0%	-	-	-	-	9
Support services	2,207	4,313	51%	3,776	710	(172)	-	842
Planning & Regulatory	8	14	57%	-	14	-	-	7
	<b>81,695</b>	<b>118,336</b>	<b>69%</b>	<b>171,432</b>	<b>13,732</b>	<b>(68,512)</b>	<b>1,685</b>	<b>72,321</b>

<b>RATES STATUS REPORT</b>			
	<b>Notes</b>	<b>May 2021 \$000</b>	<b>May 2020 \$000</b>
<b>Arrears from prior years</b>			
Opening balance		540	401
Add penalties		20	10
Less receipts	1	(461)	(353)
<b>Total owing from prior years</b>		<b>99</b>	<b>58</b>
Percentage collected		82%	86%
<b>Rates for 2020/21</b>			
Rates instalment	2	65,920	62,097
Add penalties		90	215
Less remissions		(192)	(242)
Less receipts	1	(64,810)	(61,088)
<b>Total owing from current year</b>		<b>1,008</b>	<b>982</b>
Percentage collected		98%	98%
<b>Summary of rates for the year</b>			
Arrears from prior years		101	59
Rates for 2020/21		1,007	982
Prepayments for future rating periods	1	(5)	(130)
Instalments not yet due	2	-	-
<b>Total</b>		<b>1,103</b>	<b>911</b>
Notes:			
1) Receipts have been split across the different rating years			
2) 4 instalments charged			



<b>WATER RATES STATUS REPORT</b>			
	<b>Notes</b>	<b>May 2021 \$000</b>	<b>May 2020 \$000</b>
<b>Water Rates for 2019/20</b>			
Opening Balance		324	604
Total Invoiced	1	13,408	10,918
Add penalties		21	66
Less remissions & adjustments		(11)	(113)
Less receipts		(12,125)	(10,358)
<b>Total owing from current year</b>	2	1,616	1,117
Percentage collected		88%	90%
<b>Summary of rates for the year</b>			
Water Rates for 2019/20		1,616	1,117
Prepayments	1	(119)	(207)
<b>Total Owing</b>		1,498	910
Notes: 1) Number of quarters invoiced are as follows: Te Awamutu, Kihikihi, & Pirongia - 4th quarter invoiced Pukerimu/Ohaupo - 3rd quarter Invoiced Cambridge - 4th quarter Invoiced <b>2) Current owing includes charges not yet due \$1,123,857.46</b>			




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**To:** The Chairperson and Members of the Finance and Corporate Committee

**From:** Property Advisor

**Subject:** **New Community Lease - Cambridge Tree Trust**

**Meeting Date:** 15 June 2021

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## 1 EXECUTIVE SUMMARY

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Cambridge Tree Trust (“the Trust”) is based on the Cambridge Town Belt, the majority of which is held by Council as recreation reserve subject to the Reserves Act 1977 (“the Act”).

The lease to the Trust has expired and it has indicated a desire to enter into a new lease in accordance with Council’s Community Leasing Policy.

The Cambridge Town Belt is covered by Council’s Cambridge Town Belt Reserve Management Plan (“the Plan”). As the proposed lease is specifically contemplated and in conformity with the Plan, Council, as the administering body of the reserve, has the power to grant the proposed new lease without a public notification process being undertaken and without the need for Council to act in its supervisory role as the delegate of the Minister of Conservation.

The Committee is therefore asked to approve the granting of the proposed lease on the basis that the group is actively utilising the site for community use for which it is classified under the Act.

## 2 RECOMMENDATION

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*That –*

- a) The report of Carol Wood, Property Advisor be received;*
- b) The Finance and Corporate Committee approve the granting of a five year lease with two rights of renewal of five years each to Cambridge Tree Trust in respect of the portion of the Cambridge Town Belt (being part of Allotment 370 Town*

*of Cambridge East and being part of the land in Record of Title 451548) outlined on the map in Appendix 1 of this report (10622938), and otherwise subject to Council's standard community lease terms and such other conditions as may be considered appropriate, in accordance with section 54(1)(b) of the Reserves Act 1977; and*

- c) *The Group Manager Business Support be authorised to sign all documentation relating to the lease noted in part b) above.*

### 3 BACKGROUND

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Parts of the Cambridge Town Belt are leased to a variety of sporting clubs and organisations ranging from 'rugby' and 'athletics' to 'BMX' and 'polo' with the majority of the Cambridge Town Belt classified as recreation reserve subject to the Reserves Act 1977.

The lease to Cambridge Tree Trust has recently expired and the Trust has indicated a desire to enter into a new lease in accordance with Council's Community Leasing Policy.

The Trust have requested that the area leased to it is increased to provide an additional area for car parking. The Trust's membership has increased and the existing onsite parking is insufficient for its numbers. Staff are supportive of this request on the conditions that the Trust is responsible for forming a metalled area suitable for parking, erecting a barrier around the area to prevent vehicles accessing the grassed area outside of the leased area, using only the existing/main entrance to the site and for planting part of the border around the parking area to screen the views from the road and footpath. This will increase the area leased to the Trust by approximately 390m<sup>2</sup>. A map outlining the area proposed to be leased to the Club is attached as Appendix 1.

#### **Cambridge Tree Trust**

The Cambridge Tree Trust was formed in 1991 with a vision to assist with caring for Cambridge's parks and reserves. The Trust carries out planting and the maintenance of planted areas. Recent projects include the planting of the Maple Arboretum, the Meadow Walk, the Swale and the Pump Park and the Trust is involved in ongoing maintenance work at Lola Silcock Park, Payne Park, the Oak Arboretum and other older projects around town. It also undertakes plant propagation thereby providing plants and plantings at very little cost to Council.

Its membership has grown considerably and the club now has 30 members who meet regularly on Tuesday mornings and up to 12 meet on Thursday mornings to plan, prepare, plant and maintain the 28 projects that the Trust is managing around the town. Conservatively this amounts to over 100 hours of labour weekly donated to the town to help keep its reputation as one of the most beautiful towns in the country.

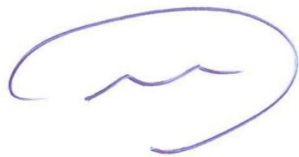
The Cambridge Town Belt is covered by Council's Cambridge Town Belt Reserve Management Plan. The proposed lease is on recreation reserve and specifically contemplated in the Plan, and as such, Council has the power to grant the proposed new lease.



Carol Wood  
**PROPERTY ADVISOR**



Bruce Nunns  
**MANAGER PROPERTY SERVICES**



Approved by Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**

## SUPPORTING INFORMATION: ASSESSMENT OF PROPOSAL

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### 1 Statutory and policy requirements

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#### Reserves Act 1977

Activity on the Cambridge Town Belt must be carried out in accordance with the Reserves Act 1977. The land is vested in Council, so the issuing of any lease on the Cambridge Town Belt is Council's responsibility.

Council's function, as the administering body of a reserve, is to manage the reserve for the purpose for which it is classified (s40). Council's management duties are to ensure, as appropriate, the use, enjoyment, development, maintenance, protection and preservation of reserves.

Section 41 of the Act requires that management plans be adopted by Council in order to set policies for the administration of reserves, specific to the classification of each reserve. The Cambridge Town Belt is covered by the *Cambridge Town Belt Reserve Management Plan – 30 June 2012*. Policy 15.3 of the plan states *"to permit leasing by recreational clubs and societies where activities are consistent with the purpose of the reserve classification"*.

Section 54(1)(b) of the Act enables Council, as the administering body of a recreation reserve, to:

*"lease to any voluntary organisation part of the reserve for the erection of stands, pavilions, gymnasiums, and, subject to sections 44 and 45, other buildings and structures associated with and necessary for the use of the reserve for outdoor sports, games, or other recreational activities, or lease to any voluntary organisation any such stands, pavilions, gymnasiums, and, subject to section 44, other buildings or structures already on the reserve."*

Section 54(2A) of the Act applies, given that the proposed lease is *"in conformity with and contemplated by the approved management plan for the reserve"*. It is not, therefore, necessary for Council to undertake a public notification process or to act in its supervisory role as the delegate of the Minister of Conservation in relation to the proposed leases.

#### Community Leisure Plan (May 2002)

The Community Leisure Plan is intended to set a strategic direction for leisure in Waipa. The vision expressed within it (s4.3) states that Council will *"provide healthy and balanced lifestyle opportunities by:*

- *supporting the community's physical well-being by making physical activity opportunities accessible, attractive and affordable;*

- *supporting the community's mental, social and cultural well-being by providing and promoting programmes, services and facilities that foster creativity, achievement, excitement and involvement, giving residents a strong sense of belonging and pride in their local community and District."*

The proposed lease fits neatly into these objectives.

### **Community Leasing Policy**

Section 2.3.5 of the Procedural Policy Manual 2010 (updated 1 April 2019) deals with Leasing. Policy 2.3.5.2 ("Leasing Land for Recreational Use") states:

*"Where land is reserve, Council will support recreational, educational, cultural and sporting clubs by permitting use of existing reserve land at minimal cost, provided the use meets the criteria of the relevant Reserve Management Plan and the Community Leisure Plan."*

Council has a standard community lease document that contains terms and conditions to protect Council's interests. Leases are generally issued for a term of five years with two rights of renewal (five years each). The standard lease document (including term) will be utilised for the proposed lease.

Lessee groups such as this that is the subject of this report, tend to be charged a peppercorn rental, calculated on the value of the property being leased. In addition, community lessees are made responsible for the following outgoings:

- Annual administration charge (currently \$210.00 plus GST)
- Annual sewerage charge, if connected
- Metered water supply, based on consumption, if connected
- Utility costs (such as electricity)
- Insurance of their facilities
- Grounds maintenance



## Appendix 1

Cambridge Tree Trust, Proposed Lease Area





**To:** The Chairperson and Members of the Finance and Corporate Committee  
**From:** Property Advisor  
**Subject:** **New Community Lease - Te Awamutu Rod & Custom Club Incorporated and Te Awamutu Community Cadet Unit Support Trust**  
**Meeting Date:** 15 June 2021

## 1 EXECUTIVE SUMMARY

Te Awamutu Rod & Custom Club Incorporated and Te Awamutu Community Cadet Unit Support Trust (“the Clubs”) are based on Albert Park in Te Awamutu, all of which is held by Council as recreation reserve subject to the Reserves Act 1977 (“the Act”).

The lease to the Clubs (whom jointly own and share occupation of the building) has expired and they have indicated a desire to enter into a new lease in accordance with Council’s Community Leasing Policy.

Albert Park is covered by Council’s Urban Reserves Management Plan Volume 1 (Te Awamutu and Cambridge) (“the Plan”). As the proposed lease is contemplated and in conformity with the Plan, Council, as the administering body of the reserve, has the power to grant the proposed new lease without a public notification process being undertaken and without the need for Council to act in its supervisory role as the delegate of the Minister of Conservation.

The Committee is therefore asked to approve the granting of the proposed lease on the basis that the Clubs are actively utilising the site for recreational use for which it is classified under the Act.

## 2 RECOMMENDATION

*That –*

- a) *The report ‘New community lease – Te Awamutu Rod & Custom Club Inc and Te Awamutu Community Cadet Unit Support Trust (document number 10623552) of Carol Wood, Property Advisor be received;*



- b) *The Finance and Corporate Committee approve the granting of a five year lease with two rights of renewal of five years each to Te Awamutu Rod & Custom Club Incorporated and Te Awamutu Community Cadet Unit Support Trust in respect of the portion of Albert Park (being part of Section 2 Survey Office Plan 423469 and being part of the land in Record of Title 610909) outlined on the map in Appendix 1 of this report (10623552), and otherwise subject to Council's standard community lease terms and such other conditions as may be considered appropriate, in accordance with section 54(1)(b) of the Reserves Act 1977; and*
- c) *The Group Manager Business Support be authorised to sign all documentation relating to the leases noted in part b) above.*

### 3 BACKGROUND

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Parts of Albert Park are leased to a variety of sporting and community clubs with all of Albert Park classified as recreation reserve subject to the Reserves Act 1977. The lease to Te Awamutu Rod & Custom Club Incorporated and Te Awamutu Community Cadet Unit Support Trust has recently expired.

The Clubs, whom have been at their current location since around 2001 when they jointly purchased their building from Council, have indicated a desire to enter into a new lease in accordance with Council's Community Leasing Policy.

A map outlining the proposed leased area for the subject community groups is attached as Appendix 1.

#### **Te Awamutu Rod & Custom Club Incorporated**

The Club has been in existence for approximately 40 years and was founded by a group of car enthusiasts interested in classic and collectable cars. It currently has 65 members and its membership has been stable for the past 10 years.

They have monthly club nights and meetings and regular club runs, car shows and swap meets. They are active in the community with one of their initiatives being "grab a granny" whereby they visit rest homes and take residents for a ride. They also support cancer events and Enrich where they take people for rides. They also participate in the local Christmas parade.

#### **Te Awamutu Community Cadet Unit Support Trust**

The Te Awamutu Community Cadet Unit is part of the New Zealand Cadet Forces which is a voluntary military-style training organisation for New Zealand youth. The Te Awamutu Unit currently has 10 cadets, but they are in a rebuilding phase and are aiming to increase this to at least 15. They have recently appointed an interim Commanding Officer and are looking to make a permanent appointment.

The Unit holds weekly parade nights during school terms together with meetings and camps. They teach drills, bush craft, survival, leadership and navigation skills and give cadets a taste of life in the military. They also learn about team work and it provides an opportunity for cadets to build new friendships.

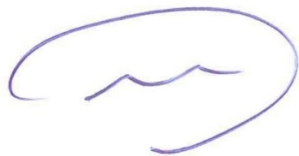
Albert Park is covered by Council's Urban Reserves Management Plan Volume 1 (Te Awamutu and Cambridge) ("the Plan"). The proposed lease is on recreation reserve and is contemplated in the Plan, and as such, Council has the power to grant the proposed new lease.



Carol Wood  
**PROPERTY ADVISOR**



Bruce Nunns  
**MANAGER PROPERTY SERVICES**



Approved by Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**

## SUPPORTING INFORMATION: ASSESSMENT OF PROPOSAL

---

### 1 Statutory and policy requirements

---

#### Reserves Act 1977

Activity on Albert Park must be carried out in accordance with the Reserves Act 1977. The land is vested in Council, so the issuing of any lease on Albert Park is Council's responsibility.

Council's function, as the administering body of a reserve, is to manage the reserve for the purpose for which it is classified (s40). Council's management duties are to ensure, as appropriate, the use, enjoyment, development, maintenance, protection and preservation of reserves.

Section 41 of the Act requires that management plans be adopted by Council in order to set policies for the administration of reserves, specific to the classification of each reserve. Albert Park is covered by the *Urban Reserves Management Plan Volume 1 (Te Awamutu and Cambridge) – January 2006*. Policy 5.15 of the plan states *"to permit leasing by recreational clubs and societies where activities are consistent with the purpose of the reserve classification"*.

Section 54(1)(b) of the Act enables Council, as the administering body of a recreation reserve, to:

*"lease to any voluntary organisation part of the reserve for the erection of stands, pavilions, gymnasiums, and, subject to sections 44 and 45, other buildings and structures associated with and necessary for the use of the reserve for outdoor sports, games, or other recreational activities, or lease to any voluntary organisation any such stands, pavilions, gymnasiums, and, subject to section 44, other buildings or structures already on the reserve."*

Section 54(2A) of the Act applies, given that the proposed leases are *'in conformity with and contemplated by the approved management plan for the reserve'*. It is not, therefore, necessary for Council to undertake a public notification process or to act in its supervisory role as the delegate of the Minister of Conservation in relation to the proposed leases.

#### Community Leisure Plan (May 2002)

The Community Leisure Plan is intended to set a strategic direction for leisure in Waipa. The vision expressed within it (s4.3) states that Council will *"provide healthy and balanced lifestyle opportunities by:*

- *supporting the community's physical well-being by making physical activity opportunities accessible, attractive and affordable;*
- *supporting the community's mental, social and cultural well-being by providing and promoting programmes, services and facilities that foster creativity, achievement, excitement and involvement, giving residents a strong sense of belonging and pride in their local community and District."*

The proposed leases fit neatly into the objectives.

### **Community Leasing Policy**

Section 2.3.5 of the Procedural Policy Manual 2010 (updated 1 April 2019) deals with Leasing. Policy 2.3.5.2 ('Leasing Land for Recreational Use') states:

*"Where land is reserve, Council will support recreational, educational, cultural and sporting clubs by permitting use of existing reserve land at minimal cost, provided the use meets the criteria of the relevant Reserve Management Plan and the Community Leisure Plan."*

Council has a standard community lease document that contains terms and conditions to protect Council's interests. Leases are generally issued for a term of five years with two rights of renewal (five years each). The standard lease document (including term) will be utilised for the proposed leases.

Lessee groups such as those that are the subject of this report tend to be charged a peppercorn rental, calculated on the value of the property being leased. In addition, community lessees are made responsible for the following outgoings:

- Annual administration charge (currently \$210.00 + GST)
- Annual sewerage charge, if connected
- Metered water supply, based on consumption, if connected
- Utility costs (such as electricity)
- Insurance of their facilities
- Grounds maintenance

## Appendix 1





**To:** The Chairperson and Members of the Finance and Corporate Committee

**From:** Manager Property Services

**Subject:** **Granting of lease to Fire and Emergency New Zealand**

**Meeting Date:** 15 June 2021

## 1 EXECUTIVE SUMMARY

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On 16 May 2017, the Finance and Corporate Committee passed a number of resolutions in regards to the transfer of assets and the granting of a lease of the Pirongia Fire Station to Fire and Emergency New Zealand (“FENZ”), this property located at 766 Franklin Street, Pirongia.

The Crown owned local purpose (community) reserve at 766 Franklin Street, Pirongia is legally described as Section 1 SO 48235. Council holds an appointment to control and manage the reserve by the authority contained in New Zealand Gazette Notice 2000 (pages 1079 and 1081). A record of title has not been issued for the land.

Unfortunately in relation to the ground lease, the original report and the resolutions contained a mis-reference and referred to recreation reserve instead of local purpose reserve.

Given the local purpose reserve status of the land which is in the ownership of the Crown, it is proposed that Council recommends that the Minister of Conservation enter into a new ground lease with FENZ under section 61 of the Reserves Act 1977 (“the Act”) with the commencement date of 1 July 2017.

## 2 RECOMMENDATION

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*That –*

- a) The report of Bruce Nunns, Manager Property Services be received;*
- b) Pursuant to section 40 of the Reserves Act 1977, the Finance and Corporate Committee resolves to recommend to the Minister of Conservation the issue of a new lease to Fire and Emergency New Zealand under s61(3) of the Reserves Act 1977; and*



- c) *The Group Manager Business Support be authorised to sign all documentation relating to the lease noted in part b) above.*

### 3 OPTIONS AND ASSESSMENT

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Council administers a number of properties on behalf of the Crown, many of which are leased to third parties. The granting of a new lease for these properties is exercised by the Minister of Conservation on the recommendation of Council.

On 16 May 2017, the Finance and Corporate Committee passed a number of resolutions in regards to the transfer of assets and the granting of a lease of the Pirongia Fire Station to Fire and Emergency New Zealand ("FENZ"), this property located at 766 Franklin Street, Pirongia.

Unfortunately, in relation to the ground lease, the original report and recommendations contained a mis-reference to the land in question. The report referenced recreation reserve and not local purpose reserve.

#### **Land Status and Authority to Enter into a Lease**

The land at 766 Franklin Street, Pirongia was classified as local purpose (community) reserve (Gazette Notice 2000 p1079) and on the same day, Council was appointed to control and manage the reserve (Gazette Notice 2000 p1081). Council is therefore the "administering body" of the reserve.

Council cannot directly grant a lease as the reserve remains vested in the Crown and therefore, section 61(3) of the Reserves Act 1977 applies and the lease will need to be granted by the Commissioner.

*s61 (3) The powers of leasing conferred on an administering body by this section shall, with respect to any local purpose reserve which is not vested in an administering body, be exercised by the Commissioner.*

The powers of the Commissioner to grant a lease under section 61(3) have not been delegated to territorial authorities such as Council.

The 766 Franklin Street, Pirongia reserve is covered by the Urban Reserves Management Plan Volume 2. Leases in respect of reserves are provided for in the general policy statements at clause 5.15 of the Plan.

## 4 BACKGROUND

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The property at 766 Franklin Street, Pirongia was formerly used by the Forest Service for a Forest Park Visitor Centre. With the creation of DOC and the disestablishment of the New Zealand Forest Service, the Visitor Centre (a dwelling) and garage was purchased by Waipa District Council and a lease was entered into with Pirongia Volunteer Rural Fire Service and approved by the Commissioner pursuant to the powers conferred on him by Section 61(3) of the Reserves Act 1977.

In 2006, the Pirongia Voluntary Rural Fire Force submitted a proposal to Waipa District Council to develop their leased site at 766 Franklin Street. The proposal involved removing and demolishing all the existing buildings to build new purpose built facilities. The proposal was funded partly by the National Fire Authority with the assistance from the community. It was agreed that on completion of the development that the buildings would continue to be under the ownership of Waipa District Council, as the Rural Fire Authority. The National Rural Fire Authority agreed to this approach, as they supplied their grant to the Waipa District Council for the development.

On 1 July 2017 all fire brigades, both urban and rural, amalgamated into one new fire service called, Fire and Emergency New Zealand (FENZ) which replaced the New Zealand Fire Service Commission (NZFSC).

As part of the amalgamation of the NZFSC, in May 2017 Council approved:

1. the transfer of the ownership of the buildings and associated fit-out assets located at 766 Franklin Street, Pirongia, from Council to FENZ; and
2. the entering into a new ground Lease with FENZ.

While the transfer of the fit-out assets was executed on 1 July 2017, the ground lease with FENZ was not actioned.

Bruce Nunns  
**MANAGER PROPERTY SERVICES**

Approved by Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**



## SUPPORTING INFORMATION: ASSESSMENT OF PROPOSAL

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### 1 STATUTORY AND POLICY REQUIREMENTS

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#### **Reserves Act 1977**

Council's function, as the administering body of a reserve, is to manage the reserve for the purpose for which it is classified (s40). Council's management duties are to ensure, as appropriate, the use, enjoyment, development, maintenance, protection and preservation of reserves.

In relation to local purpose reserves, s61(3) of the Act states that the powers of leasing conferred on an administering body by this section shall, with respect to any local purpose reserve which is not vested in an administering body, be exercised by the Commissioner.

Section 41 of the Act requires that management plans be adopted by Council in order to set policies for the administration of reserves, specific to the classification of each reserve. The 766 Franklin Street, Pirongia Reserve is covered by the Urban Reserves Management Plan Volume 2 (the Plan). Leases in respect of reserves are provided for in the general policy statements at clause 5.15 of the Plan. The lease will, however, be required to be exercised by the Commissioner pursuant to s61(3) of the Act.

## Appendix 1

Location map showing 799 Franklin Street, Pirongia





**To:** The Chairperson and Members of the Finance and Corporate Committee  
**From:** Manager Governance  
**Subject:** **Iwi Consultative Committee - Meeting Fees and Expenses**  
**Meeting Date:** 15 June 2021

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## 1 EXECUTIVE SUMMARY

In order to assist with recent Iwi Consultative Committee quorum issues and recognise that non committee members are able to table the views of their respective trust board or hapū, at a Council meeting on 27 April 2021 the quorum of the Iwi Consultative Committee was reduced to three Elected Members and three non-elected members.

Following on from this Council decision the purpose of this report is to extend the remuneration and expenses paid to non elected members of the Iwi Consultative Committee to those representatives who attend in a Committee members absence to speak to the views of the particular iwi or hapū.

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## 2 RECOMMENDATION

*That –*

- a) The 'Iwi Consultative Committee - Meeting Fees and Expenses' report (document 10629451) of Jo Gread, Manager Governance, be received; and*
- b) The Finance and Corporate Committee approve the payment of:*
  - i) a meeting fee of \$145 per meeting, and*
  - ii) mileage at the rates and conditions as allowed for under the Local Government Elected Members Determination issued by the Remuneration Authority,*

*to be paid to any person attending an Iwi Consultative Committee meeting on behalf of a non-elected Iwi Consultative Committee member, in their absence. All expense and remuneration fees are to be paid on completion of an expense claim form and the required documentation.*

### 3 COMMENTARY

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One of the Council's Committees is the Iwi Consultative Committee, which has the following purpose:

*To facilitate communications between Council and Tangata Whenua. The Committee will consider any matter impacting on the interests of Tangata Whenua including but not limited to historical, cultural, recreational, health, housing, environmental and resource management. The Committee will advise Council and the various Iwi on Treaty of Waitangi implications for policies and activities of Council.*

As the membership of the committee includes representatives from the iwi trust boards and hapū, there are quite a significant number of committee members and some of the positions are still to be filled. Membership of the committee is set out below:

*Membership: Mayor Mylchreest, Councillor Stolwyk, Councillor O'Regan, Councillor Brown, Councillor Webber, Councillor Gower, Waikato Tainui Trust Board – representative to be advised, Raukawa Settlement Trust – representative to be advised, Maniapoto Trust Board – Barney Manaia, Ngā Iwi Toopu o Waipa Chairperson – Gaylene Roberts, Kaumatua – Jim Keremeta, Wharepuhunga – Kataraina Hodge, Ngāti Haua – Chris Riki, Purekireki – Haupai Puke, Puniu – Harold Maniapoto, Kakepuku – Waitiahoaho Te Ruki, Kaniwhaniwha – Rangiuia Riki, Maungatautari – Josephine Taute, Ngāti Ngawaero – Te Uira Reg Naera, Ngāti Hikairo – Hano Ormsby, Ngāti Apakura (Apakura Runanga Trust Board) – Bill Harris.*

There are various reasons it can be difficult for iwi and hapū representatives to attend these committee meetings. These include work commitments, the various ever increasing calls for Māori involvement with organisations, such as local government etc, and commitments to their own iwi or hapū.

The Local Government Act 2002 provisions do not allow for proxies for committee members when they are unable to attend. While representatives of the trust boards or hapū, may arrange for other representatives to attend the meeting to present their respective trust board or hapū views, these members can only be granted speaking rights and cannot be counted for a quorum or vote on a matter.

The committee meets every quarter and there have been three times this triennium that the Iwi Consultative Committee has not been able to hold a meeting due to a lack of a quorum, either due to low attendance by iwi representatives or councillors. In order to assist with recent quorum issues and recognise that non committee members are able to table the views of their respective trust board or hapū, at a Council meeting on 27 April 2021 the quorum of the Iwi Consultative Committee was reduced to three elected members and three non-elected members.

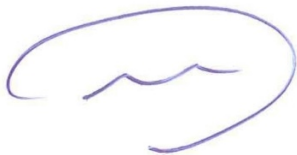
Following on from the Council decision in April 2021, it is proposed that the remuneration and expenses paid to non elected members of the Iwi Consultative

Committee is also extended to those representatives who attend in the Committee members absence to speak to the views of the particular iwi or hapū.

Council has a work programme to review partnership arrangements with tangata whenua. As part of this programme, the role of the Iwi Consultative Committee will also be considered



Jo Gread  
**MANAGER GOVERNANCE**



Ken Morris  
**DEPUTY CHIEF EXECUTIVE / GROUP MANAGER BUSINESS SUPPORT**



**To:** His Worship the Mayor and Councillors  
**From:** Governance  
**Subject:** **RESOLUTION TO EXCLUDE THE PUBLIC**  
**Meeting Date:** 15 June 2021

## 1 RECOMMENDATION

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

*The general subject of the 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(1) 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(1) for the passing of this resolution
12. Confirmation of Public Excluded Minutes 13. Renewing of Contract 27-19-12 Security & Enforcement	Good reason to withhold exists under section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)

*This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may be, which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, are as follows:*

Item No.	Section	Interest
12	Section 7(2)(a)	<i>To protect the privacy of natural persons, including that of deceased natural persons.</i>
12	Section 7(2)(b)(ii)	<i>To protect information which if public would unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information</i>
12	Section 7(2)(c)(1)	<i>To protect information which is subject to an obligation of confidence where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, where it is in the public interest that such information should continue to be supplied</i>
12	Section 7(2)(h)	<i>To enable the council to carry out, without prejudice or disadvantage, commercial activities</i>
12,13	Section 7(2)(i)	<i>To enable the Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>