

**Wanganui District Council Extraordinary Meeting
– 14 March 2011**

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Minutes of an Extraordinary Meeting of the Wanganui District Council held at 2.00PM on Monday, 14 March 2011, in the Council Chamber, Municipal Office Building, 101 Guyton Street, Wanganui

Present: Ms Annette Main – the Mayor – in the Chair, Crs AR Anderson, PJ Baker-Hogan, JT Bullock, R Dahya, NA Higgie, MB Laws, HCS McDouall, C Solomon, RM Stevens, RV Vinsen and SM Westwood.

Apologies: Deputy Mayor Cr RM Wills, Mr A Taylor (Chairman, Wanganui Rural Community Board).

Officers in Attendance: Mr J Harkness (Acting Chief Executive), Ms S Patrick (Community and Cultural Manager), Mr R McGregor (Property Manager), Ms M Heron (Customer Services Manager). Minutes: Mr MH Hunt (Governance Services Manager), Helen Couper (Governance Services Officer).

1. New Zealand Cycling Centre of Excellence

<p>Significance statement – In terms of the Policy on determining significance, the recommended decision is not significant.</p>

Julian Harkness, Deputy Chief Executive, reports:

“As announced by Sport and Recreation New Zealand (SPARC) on 10 March 2011, Wanganui District Council has not been short-listed to develop a New Zealand Cycling Centre of Excellence (NZCCOE). In view of this the Council needs to consider its 10-Year Plan amendment and references to the NZCCOE in its Annual Plan 2011/12.”

Julian Harkness, Acting Chief Executive, tabled a further report:

“Background

The Council, at its meeting held on 31 January 2011, considered a paper on whether the Council should submit a bid to SPARC for the New Zealand Cycling Centre of Excellence (NZCCOE) and resolved:

- That the Council submits a Wanganui bid for the New Zealand Cycling Centre of Excellence.
- **That the bid makes clear that the Council’s involvement and funding is dependent on the Council carrying out the required consultation and finally deciding to amend the 10-Year Plan.**
- That the Council consult with the community via initiating a 10-Year Plan Amendment that includes council funding of \$5.2M in 2011/12 and \$9.1M in 2012/13 for the New Zealand Cycling Centre of Excellence.

- That the balance of the funding required will be sought from external sources.
- That no legally binding agreement will be signed between SPARC and the Council, without a further resolution of the Wanganui District Council.
- That the Council delegate to the Mayor and Chief Executive the final signing of the bid.
- That the question of raising capital for the New Zealand Cycling Centre of Excellence through the issuing of local authority stock be included for consideration in the Annual Plan.

The Council, at its meeting held on 22 February, further resolved:

- That in accordance with sections 83, 84, 93(4) and (5), and 97(2) of the Local Government Act 2002, the Council adopts the Statement of Proposal, 10-Year Plan Amendment 2009-2019, New Zealand Cycling Centre of Excellence, for the Special Consultative procedure
- And that the Special Consultative submission period starts 25 February 2011 and closes 25 March 2011.

On Thursday, 10 March, SPARC announced that Wanganui District Council's bid for the NZCCOE was not selected for the shortlist."

Discussion

Mayor Main noted that as Wanganui's bid had not made the NZCCOE shortlist, an amendment to the 10-Year Plan was not required. Cr Higgle noted that there were also references to the NZCCOE project in the 2011/12 Annual Plan that should be removed.

Cr Baker-Hogan explained that SPARC had a process in place for the selection of the venue for the NZCCOE. When this process was complete the Council would receive a report from SPARC about its bid. Her major concern now was the 'big picture' as there were wider ramifications for Wanganui of not gaining the NZCCOE. She said there was a question as to how the Council could grow Wanganui and gain Government support. Compiling the bid had excited Wanganui's residents, the Council and the business community, and the Council needed to build on this enthusiasm. Cr Baker-Hogan emphasised that Wanganui's declining population was a real concern. She proposed that the Mayor express to the Minister of Sport and to the Prime Minister the Council's disappointment and concern that Wanganui had not made the NZCCOE shortlist.

Responding to Cr Baker-Hogan's comments, Cr Laws said there was a great deal of myth-making about the ramifications of the bid, when in reality the bid itself was extraordinarily disappointing. and he was disappointed that Councillors did not have the detail of the bid prior to it going to SPARC. He proposed that the bid be made publicly available to give Wanganui people themselves the opportunity to decide the quality of the bid. For example weaknesses included:

1. The linkage to high performance was through UCOL's gym which, Cr Laws said, was nowhere near high performance level.

2. Access to Wanganui's airport, but where was the level of air travel service necessary?
3. Widespread community, corporate and Council support. Cr Laws said the Council did not consult with the community. The loudest voices of support were from the Wanganui Chamber of Commerce. Whilst there were over 1,400 businesses registered in Wanganui, only 19 funding pledges, less than 2% of the entire commercial business of Wanganui, were received.

Cr Laws said that if SPARC saw these figures and these answers it knew that Wanganui could not support an NZCCOE. Querying why the Council should wait for SPARC to complete its process, Cr Laws said he had personally submitted under the Official Information Act a request that SPARC provide him all internal analysis and bid reports. From this information he would know where Wanganui failed. Cr Laws said SPARC advised it was likely to make reports available after the bid process was completed. From seeing the SPARC report Wanganui would learn whether it had done a good job and how to bid for the next opportunity.

Responding to Cr Laws' comments, Cr Westwood said that the project team had put untold hours into the bid and deserved to be thanked. She said a bid was made, it was unsuccessful and Councillors could read whatever they liked into SPARC's decision, but she suggested the Council express its disappointment to SPARC, wait on SPARC's report, and then if appropriate, write to the Minister of Sport. Cr Westwood said the bid was about process – where the Council was at, what the Council could do – and being negative would not move Wanganui's case forward.

Cr McDouall agreed it was a good idea to take a long term look at the report and how robust it was. He said Hastings had also failed in its bid and it too believed it had a good bid. He was critical of Cr Baker-Hogan describing in a media report the failure to be short-listed as Wanganui's 'death knell'.

Cr Dahya applauded the enthusiasm with which the working party, led by Cr Baker-Hogan, had approached this project. He commented that Central Government had never helped Wanganui in any way.

Cr Solomon agreed with the comments of Crs Laws, Westwood, McDouall and Dahya and agreed that it was absolutely appropriate for Wanganui District Council to put in a bid for the NZCCOE. He assumed that the passion of the people involved meant they did their best for Wanganui. He said Wanganui had entered a very difficult contest and whilst it would have been fabulous if Wanganui had been short-listed it should be accepted that Wanganui was not short-listed. However, he said, there was no evidence that SPARC conducted its selection in less than a professionally managed method. There was no reason, Cr Solomon said, to criticise neighbouring Palmerston North for having its bid short-listed and he believed this would benefit Wanganui enormously. Noting that it was appropriate for each Councillor to have a personal view, he was concerned that Cr Baker-Hogan's comments were damaging to Wanganui. He said her comment that SPARC's decision would adversely affect the services of the Whanganui District Health Board were incorrect as the NZCCOE would have no impact on Wanganui's health services. He asked that Cr Baker-Hogan's comments be removed from the Council's website.

Cr Vinsen said the project group had undertaken an immense planning effort which the Council had funded and he did not believe that any bidder had put in a better bid than Wanganui's. He was concerned that Cr Laws found the Council's bid documentation 'amateurish'. Cr Vinsen said there was nothing amateurish about the project group's work. He agreed that reference to the UCOL gym was not a strong factor but noted that five other bidders also did not have an international airport. He said he personally believed that what went against Wanganui was that technically most of the bids were the same but the commercial funding models differed. The Wanganui project group had acted responsibly and could not have bid any other way. He thanked the working group for putting in the best bid they could and noted that whilst the NZCCOE was not coming to Wanganui the Council should get behind either Cambridge/Rotorua or Palmerston North/Massey University in their bids and move ahead.

Mayor Main said Councillors had put forward a lot of strong opinions today and had correctly taken this opportunity to discuss the decision on the NZCCOE. Whilst not being short-listed was disappointing, the Council should see where the bid failed and talk with SPARC. She noted Cr Laws' suggested that the Council, through the Official Information Act, request all information on the bids and selection process from SPARC. Councillors generally agreed that an understanding of SPARC's selection process would assist the Council in future similar projects.

Cr Solomon proposed, seconded pro forma by Cr Laws, that the Council resolve to distance itself from the comments of Cr Baker-Hogan, that the decision regarding the NZCCOE is the death knell of Wanganui. Mayor Main said that this statement by Cr Baker-Hogan was a personal observation to a reporter. Cr Baker-Hogan said she accepted that some Councillors would find her comments too strong and she apologised but said she would not withdraw her comments. She also said she stood by her comments about the impact of the decision on Whanganui District Health Board services and noted that she was a member of the Health Board. She said her point was not just about the passion she had for a project on which she had worked for over five years, but was about Wanganui, the home of cycling and with recognition of the Council's investment of \$7.5M in the velodrome. She believed the community should tell the Government that this was not acceptable to it. Cr Baker-Hogan said she was happy for a request under the Official Information Act be made to gain the necessary information from SPARC to show that Wanganui's bid was robust.

Cr Vinsen said he did not agree with Cr Solomon that the Council reprimand Cr Baker-Hogan for the media statements she made in her personal capacity and as spokesperson for the working party. He said the correct process would be to address the concern through the Council's Code of Conduct and then it would come before the Council.

Cr Laws said there was a simple way to handle the matter of Cr Baker-Hogan's comments to the media and acknowledged she was entitled to her opinion. He said the issue here was to affirm the Council's faith in the future of Wanganui. He said that SPARC's decision would make no difference to this and the Council was going to attract new business and new jobs. In reply to a question Rowan McGregor advised that bid documents were required to remain confidential for 180 days.

Council’s Resolution

Proposed by Mayor Main, seconded by Cr Stevens:

THAT the Council resolves to terminate the 10-Year Plan Amendment for the New Zealand Cycling Centre of Excellence.

CARRIED UNANIMOUSLY

ACTION: Julian Harkness

Proposed by Cr Laws, seconded by Mayor Main:

THAT the Council puts in an Official Information Act request for all SPARC papers relating to the New Zealand Cycling Centre of Excellence bids

AND THAT a report from the SPARC debrief be awaited.

CARRIED

Cr Solomon and Cr Vinsen recorded their vote against.

Cr Baker-Hogan withdrew from the Council table.

Council’s Resolution

Proposed by Cr Solomon, seconded (pro forma) by Cr Laws:

That this Council resolves to distance itself from comment of Cr Baker-Hogan that the decision regarding the New Zealand Cycling Centre of Excellence was a ‘death knell’ to Wanganui.

The motion was put by division

For		Against
Cr Bullock		Cr Anderson
Cr Laws		Cr Dahya
Cr Solomon		Cr Higgle
		Cr Vinsen
		Cr Stevens
		Cr Westwood
Cr McDouall abstained from voting.		
<u>LOST</u>		

Cr Baker-Hogan rejoined the table.

Proposed by Cr Laws, seconded by Cr Higgle:

THAT the Council affirms that irrespective of the decision on Wanganui’s bid for the New Zealand Cycling Centre of Excellence, that this Council has faith in the future of Wanganui.

CARRIED

Proposed by Cr Westwood, seconded by Cr McDouall:

THAT the Working Party be thanked for the work they put into the bid for the NZ Cycling Centre of Excellence.

CARRIED

ACTION: Rowan McGregor

Mayor Main welcomed Hayden Wilson, Lawyer of Kensington Swan; and Senior Sergeant Shane Wainhouse, of Wanganui Police; and Ms Brigitte Windley, a legal advisor with the New Zealand Police; to the meeting.

MOTION TO EXCLUDE THE PUBLIC

Proposed by Mayor Main, seconded by Cr Anderson:

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

Item No	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
2. Wanganui District Council (Gang Insignia Prohibition) Bylaw 2009 – Decision of the High Court – Schubert v Wanganui District Council	Maintain legal professional privilege	Good reason to withhold exists under section 7	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 which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

2. Wanganui District Council (Gang Insignia Prohibition) Bylaw 2009 – Decision of the High Court – Schubert v Wanganui District Council	Maintain legal professional privilege	Section 7(2)(g)
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AND THAT Hayden Wilson, Lawyer, Kensington Swan, Senior Sergeant Shane Wainhouse, NZ Police, and Ms Brigitte Windley, NZ Police Legal Advisor, be allowed to remain in the meeting after the public has been excluded to provide information to Item 2: Wanganui District Council (Gang Insignia Prohibition) Bylaw 2009 – Decision of the High Court – Schubert v Wanganui District Council, which may be of assistance to the Council in its deliberations.

CARRIED

**Pages 670 to 676 are confidential
and are unavailable to the public**

MOTION TO REOPEN THE MEETING TO THE PUBLIC

Proposed by Cr Main, seconded by Cr Bullock:

THAT the meeting be reopened to the public and the preamble, discussion and recommendations associated with Item 2. Wanganui District Council (Gang Insignia Prohibition) Bylaw 2009 – Decision of the High Court – Schubert v Wanganui District Council, remain confidential until all parties have either accepted the terms of the proposals or agreed to cease negotiations. The Mayor or Chief Executive may then release a press report on the matter.

CARRIED

The meeting closed at 4.35pm.

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CERTIFICATE OF CONFIRMATION OF MINUTES

The minutes of the meeting of the Wanganui District Council held on 14 March 2011 were confirmed as a true and correct record of that meeting at a meeting of the Wanganui District Council held on 18 April 2011.

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Annette Main
Mayor of Wanganui District

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Date