

# Wanganui District Council Meeting – 26 May 2011

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**Minutes of a Meeting of the Wanganui District Council held at 1.00PM on Thursday, 26 May 2011, in the Council Chamber, Municipal Office Building, 101 Guyton Street, Wanganui**

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

**Apologies:** Cr C Solomon, and Cr RM Stevens for lateness.

**In Attendance:** Mr A Taylor (Chairman, Wanganui Rural Community Board).

**Officers in Attendance:** Mr K Ross (Chief Executive), Mr J Harkness (Deputy Chief Executive), Mr J Reweti (Infrastructure Manager), Ms S Patrick (Community and Cultural Manager), Ms M Heron (Customer Services Manager), Mr G Morris (Deputy Property Manager), Mr D Boothway (Deputy Infrastructure Manager), Mr S Hylton (Senior Policy Advisor), Mr S Manville (Financial Systems Accountant), Ms S Sherris (Communications Officer). Minutes: Helen Couper (Governance Services Officer).

**Apologies**

Mayor Main noted apologies had been received from Cr Solomon who had been unexpectedly called away to Gisborne Hospital, and Cr Stevens for lateness.

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Stevens:

THAT the apologies from Cr Solomon and Cr Stevens be accepted.

CARRIED

**1. Consideration of Public Submissions on the Draft Annual Plan 2011/12**

<p><b>Policy on Determining Significance</b> – The decision to adopt the 2011/12 Annual Plan is significant and has, therefore, been through a consultation process. Decisions that arise out of the Annual Planning process may be significant and if determined to be so, will be required to go through the appropriate consultative process.</p>
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Stuart Hylton, Senior Policy Advisor, reports:

“The purpose of this meeting is for the Council to consider all submissions to the Draft Annual Plan 2011/12 and make final recommendation to its Annual Plan adoption meeting to be held on 21 June 2011.

It is suggested that all submissions be considered in their associated activity groups.

A total of two hundred and fifteen (215) submissions were received through the public consultation process.

Fifty (50) submitters were heard by the Council at its meeting held on 19 May 2011 and reconvened on 23 May 2011.

The Council now needs to consider all submissions and decide on them accordingly. The Council's officers will then apply these decisions to developing a final Annual Plan 2011/12."

**Additional information tabled:**

Additional information requested by Councillors at Annual Plan submission meetings on 19 May and 23 May 2011.

Annual Plan submissions resulting in rate changes.

Officers recommendations following submissions.

Heads Road, Beach Road, Prince Street intersection.

Wanganui East Pool Trust – Officers Comment on Annual Plan Submission.

Ultra Fast Broadband case study Dublin, Ohio, USA.

Commercial Strategies of FTTH/P Network operators and benefits analysis of e-initiatives.

**Presentation**

Julian Harkness, Finance and Corporate Services Manager, gave a PowerPoint presentation and responded to Elected members' queries:

**Agenda**

- Annual Plan overview
- Key Issues
  - Annual Report
  - Personnel costs
  - \$200,000 debt repayment or infrastructure spend?
  - Heads Road roundabout
  - Museum funding
- Officers recommendations following submissions
- Councillors will consider changes to the Draft Annual Plan activity by activity.

Julian Harkness referred Elected members to the Council's Annual Report for the year ended 30 June 2010, page 9 which indicated increased personnel costs. He explained that the Annual Report was 160 pages long and the document as a whole told the story, not just one sentence in it. Mr Harkness referred to page 26 where payments to contractors had decreased, and explained that whilst staff costs had increased by \$1.2M, payments to contractors had decreased by \$3M. He referred to page 12 where the cash flow from operating activities – payments to suppliers and employers reduced from \$40.2M in 2009, to \$39.7M in 2010. He noted that the Council had at times targeted to bring services inhouse where it believed the standard of service and costs were better. Looking at one figure in isolation did not reflect the whole story.

Cr Stevens joined the meeting at 1.13pm.

Mr Harkness explained that rather than an increase in staff costs being a large driver for increased costs it was an increase in Council assets. In the 2010 Annual Report the Council had \$865M in assets, whereas in 2007 its assets were \$686M.

**Personnel costs and FTE (full-time equivalent)**

	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
Budgeted FTE	206	218	226
Salary and wages	\$11.818M	\$12.885M	\$13.595M

**Reasons for changes to Council's staff levels were given as follows:**

**Changes from 2009/10 to 2010/11**

Sarjeant Gallery brought in-house (10 staff)  
 Computer Clubhouse Co-ordinator x 1 (externally funded)  
 Planner x 1  
 Development Engineer x 1 (cost/benefit to overall finance)  
 Graffiti team x 1

**Changes from 2010/11 to 2011/12**

Deputy Economic Development Manager  
 Port x 2.0  
 Safer Wanganui Co-ordinator (externally funded)  
 Casual administration pool x 1.0  
 Human Resources Health and Safety Administration x 0.5  
 Sarjeant Gallery x 1.0

Mr Harkness referred to the personnel costs and full-time equivalent graph, and explained staff numbers had increased because contractors had decreased. In response to a query Mr Harkness explained that the Sarjeant Gallery's staff, previously included as contractors, were now staff costs. Whilst staff costs had risen, some staff particularly in the Community Development area were funded by subsidies which were reflected in a different area of the Annual Report. Therefore ratepayers were benefiting by receiving additional services at no cost to them.

In response to a query from Cr Baker-Hogan, Julian Harkness said officers had been looking at a better way of explaining the Council's financial strategy to the ratepayers, noting the Annual Plan was a technical document.

In response to concerns raised about relaying information to the public, Mayor Main said submissions were being considered today and answers could be relayed to the public.

In response to a Councillor's query, Julian Harkness explained that Council staff salaries were based on the market median, however this generally could not be achieved and most positions were paid under this median.

**\$200,000 debt repayment or infrastructure spend?**

- This is a decision for this meeting.

**Heads Road Roundabout**

Julian Reweti referred Elected members to the following tabled information about the Heads Road roundabout.

**Heads Road, Beach Road, Prince Street Intersection**

Julian Reweti, Infrastructure Manager, reports:

**“Introduction**

The purpose of this report is to respond to questions raised by the Council regarding options for the Heads Road, Beach Road, and Prince Street Intersection.

**Background**

Tabled (**Ref 1**) is the information provided to the Council in March 2010 which subsequently was referred to the Annual Plan process 2010/11.

The approved outcome is listed on page 93 of the 2010/11 Annual Plan document is tabled (**Ref 2**).

The study referred to in the Annual Plan will be completed by the end of June 2011 by Geoff Hintz, who has already undertaken extensive consultation with Heads Road. This strategy is a key document for use with any funding application.

**Feasibility and cost update**

Since March 2010 the generic options have been reassessed and it is clear that a specific detailed design is required. The original options did not anticipate the rail link re-opening; because of this the small roundabout option has substantial negative safety implications and would not link to potential consideration by KiwiRail of barrier arms and lights. Therefore the small roundabout is deemed no longer technically feasible and it is not included in further work.

The rough order of costs for a larger roundabout and road realignment modifications has been revised to \$1.5M. This is based on the actual construction costs associated with the Southern Entranceway and the knowledge gained from that works.

**Accident history and NZTA funding criteria**

Please find tabled (**Ref 3**) the accident history of the significant intersections in Wanganui. This is the primary assessment criteria to achieve NZTA funding. This location ranks low under these criteria; an application made on this basis would only likely attract \$40,000. Hence a comprehensive design and industrial strategic study will be the basis for application to NZTA during 2011/12, for consideration of higher level funding in the 10-Year Plan as a potential dispensation/ exception to the standard criteria.

It must be noted that there is no surety that funding subsidy will be achieved. The fiscal constraint on the national roading fund will mean the application will be made more difficult. It is being signalled that roads of national significance and Christchurch issues will take precedence on the national roading fund.

**Timeframe – current design and strategy study**

- Preliminary meetings held with KiwiRail by end of June 2011.
- The survey and design will take approximately 16 weeks.
- KiwiRail regulatory approval team to review and approve the design. This could take around eight weeks; however this process could extend to take substantial time as previous experience has shown.

- Application to NZTA for consideration; it could take about six weeks for NZTA's review.

It should be noted that you would not start construction in winter as stormwater issues would be high and the roads would not be able to be sealed. Construction would most likely commence late 2011/early 2012. This would mean the Council could loan fund in 2012 which would have no impact on this year's Plan. Attracting other funding is critical to reduce actual cost to the Council.

**Interim mitigation options**

- We would strongly lobby KiwiRail to introduce at least lights and bells at the intersection.
- We will look at 'alert' signage notifying users (however signage has a limited period of effectiveness before familiarity takes place).
- We will explore texture options for roading markings.
- We will explore some traffic calming options outside of the intersection to slow through traffic (minor safety improvements).
- AFFCO could mitigate crashes with vulnerable users by providing pedestrian/cycle gates at its connections with Balgownie Avenue and Wordsworth Street.
- Interim roundabouts are not an option as KiwiRail regulatory requirements would not be met and significant negative safety implications are anticipated from such a move. Further, traffic regulations would exclude this option. The negative impacts of a small roundabout include the loss of movement for heavy vehicle traffic (see tabled (**Ref 4**) truck movement diagram).

**Implications if no NZTA subsidy attained**

When the Council weighs up the priority of this project, it would need to consider and balance the benefits of this location and prime industrial economic support in comparison to what could be achieved through obtaining NZTA subsidised projects (i.e. \$1.5M can achieve \$4M total NZTA approved works with a 62% subsidy)."

**References – Tabled/Agenda Attachments**

- 1 Extract from minutes of Council meeting 15 March 2010; Infrastructure and Property Committee meeting 2 March 2010.
- 2 Page 93, 2010/11 Annual Plan document.
- 3 Wanganui District Road safety report – Council Roads Black Spot List Urban.
- 4 Beach Road/Heads Road Intersection truck movements.

**Discussion**

In response to queries Julian Reweti explained that for interim roundabouts within 10 metres of a rail track, it would be difficult to get Kiwirail's approval. He would liaise with Police and AFFCO regarding safety measures at the intersection at congestion times. Installing rail-crossing barrier arms was not an option due to the width of the intersection and it would be a complex situation with traffic lighting controlling the whole intersection. Cr Dahya suggested one option may be flashing signs, as in Grey Street and near Mosston School. Cr Wills suggested installing truck turning electronic signs on Beach Road to allow trucks to exit across the railway line with a slip road for going towards port.

Cr Laws, referring to the cost/benefit analysis provided, asked if there was much chance of getting a variation of policy and if we lobby would it delay providing an interim or local

solution. Julian Reweti said that it was difficult to get dispensation for capital works the most recent one being for elements of the Southern entranceway project.

Cr Vinsen, referring to traffic movements noted in submissions received, queried if work had been carried out to establish traffic movements. He commented that trains were currently going through that intersection at walking pace. Mr Reweti said as part of the cost benefit study, traffic counts had been carried out and they were currently low. There would be another comprehensive traffic count carried out in the area along with a forecast of traffic counts.

Cr Baker-Hogan asked that the Council show its intention to complete the Heads Road roundabout in the 2011/12 year with funding from the 2012/13 year. Kevin Ross clarified that if it was to go ahead, the design work would be carried out from the 2011/12 budget. The \$1.5M would have to be in the 2012/13 roading budget, however that \$1.5M would not receive the \$3M of roading subsidy that it would normally attract.

Cr Laws thought the work should not proceed as it was not a priority. He asked when mitigation costs would be known. Julian Reweti explained that excluding lights, which would be KiwiRail's concern, the Council's contribution for traffic calming, after subsidy, would be under \$50,000. He said signage would be approximately \$25,000. The two items could be funded within the existing roading budget.

Cr Westwood suggested that the exclusion of \$1.5M for the Heads Road roundabout from the 2011/12 Annual Plan, be included in the 10-Year Plan discussions.

Cr Anderson thought the possibilities of subsidy should be kept open and care taken not to spend a lot of money on mitigation measures in the meantime.

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Dahya:

THAT the Council confirms its intention to undertake the study for the Heads Road, Beach Road, Prince Street intersection and work with stakeholders to implement low cost mitigation measures

AND THAT the funding for the Heads Road, Beach Road, Prince Street intersection roundabout be included with the Council's 10-Year Plan discussion.

CARRIED

**ACTION: Julian Reweti**

Cr Wills declared an interest in Whanganui Regional Museum funding and left the Council table.

**Museum Funding**

Sally Patrick gave a verbal report, noting the following:

Three broad key points to considering Regional Museum funding:

1. A requirement for the Council to be effective in making decisions is around what officers can give you to benchmark the cost on the efficiency of the activity.
- Elected members need an effective measure to show prudent use of ratepayer money. Historically cultural activities could generate clear lines around the cost of the activity, e.g. could compare Library, Gallery, Museum and Opera House.

- Since 2008 when the Whanganui Regional Museum took over responsibility for the staff there has been reticence for the Museum's governance to provide information to the Council. Since March 2011 there has been a marked improvement in the Council receiving financial information.
  - The collections managed by the Sarjeant Gallery and the Museum are similar in value at around \$30M.
  - What the Council is paying for is the protection of and access to a substantial community asset.
  - What is the cost of Museum going independent as opposed to being a close member of the cultural stable? – Sarjeant Gallery, 11.6 full-time equivalent staff (FTE) – \$662,000; Museum 10.3 FTE staff – \$654,000.
  - Sarjeant Gallery has recently undergone restructure to ensure protection of and access to its asset. Currently cannot ascertain if the Museum can demonstrate that staffing structure is based on the same deliverable as the Sarjeant Gallery.
2. Consequence of the Museum's financial reserves.
- Financial reserves for capital expenditure have been used to supplement operational expenditure. Sally Patrick was reasonably confident that about five years ago the Museum had reserves of \$800,000, which were now around \$300,000. She believed a financial lifeline was required this year, taken in conjunction with the need to refocus on key outcomes and structuring the staffing framework to support this.
3. To what degree can the Museum collaborate and work alongside the other Queen's Park institutions, sharing resources to create leveraged outcomes?
- The Service Level Agreement (SLA) has been designed to promote that.
  - The past three years the Museum has been performing to the SLA.

Pete Gray, Deputy Community and Culture Manager, further reported:

- The SLA included an assessment of the Museum's operation measured against the National Museums Standard Scheme. The next phase of the SLA needs to put plans into the SLA with specific measures. He had looked at the overall cost of the Museum's operation and staffing needed to deliver to the SLA.

**Discussion**

Cr Stevens referred to the cost of insurance for the Museum of \$27,000, which included \$5M for replacement of the cover and \$9M earthquake cover, as a waste of money.

Cr Laws noted the Sarjeant Gallery had an extra 1.3 FTE for less money for a collection the Council owned, against a collection it did not own.

Expressing his concern about the relationship between the Council, the Museum and its Trustees, Cr Laws questioned if the Museum's funding should remain the same until the Council could be assured that the current tranche of funding was being spent appropriately and there was confidence in the information being received from the Museum. In response to Sally Patrick's belief that the Museum needed an increase in funding that set the framework for the future, Cr Laws queried recommending an increase of funding to the Museum when the improvement in the relationship with the Council was only over the last three months.

Sally Patrick said the issue for the Council’s decision was whether the current level of funding would diminish the effect of the operation of the Museum while it changes its course.

In response to a query from Mayor Main from when the figure of \$580,000 was put into the Draft Annual Plan, Sally Patrick explained the Museum was asking for an additional \$225,0000, and Pete Grey had spent time evaluating what affect that would deliver for the Council and community. Ms Patrick believed that level of increase was not justified but to get the Service Level Agreement under way a \$100,000 increase was required.

In response to Councillors’ queries that if the Museum was a stand-alone entity, what would it cost the Council to transfer ownership of the building and contract the Museum’s services to the Council, Julian Harkness explained that the cost of maintaining the Museum building in future would be more than the Council receives from rental.

Cr Higgle hoped the Council would agree that it wanted to continue to have a wonderful Museum in the District, however she would not like money to be given without a definite conviction of good communication and a guarantee that it would be spent prudently. She foreshadowed a motion that \$50,000 be made available after a satisfactory six months’ review. This was supported by Cr Baker-Hogan.

Cr Vinsen thought that without a funding increase the Museum would not be able to continue to operate, therefore he would vote against the motion.

**Council’s Resolution**

Proposed by Mayor Main, seconded by Cr Laws:

THAT the level of funding for the Museum Activity as in the Draft Annual Plan 2011/12 be approved

AND THAT a relationship with be further developed with the Museum to ensure that an adequate level of funding going forward will be made available

AND FURTHER THAT a report on this matter be made to the Council’s 10-Year Plan process.

The motion was put by division

<b>For</b>	<b>Against</b>
Mayor Main	Cr Baker-Hogan
Cr Anderson	Cr Higgle
Cr Bullock	Cr McDouall
Cr Dahya	Cr Vinsen
Cr Laws	Cr Westwood
Cr Stevens	

**CARRIED**

**ACTION: Sally Patrick**

Cr Wills returned to the Council table.

**Officers recommendations following submissions**

<b>Topic</b>	<b>Rates funding</b>	<b>Loans funding</b>
Dog fees income increase	(\$20,000)	-
Insurance cost increase	\$200,000	-
Earthquake buildings, preliminary studies costs	\$100,000	-
Interest – petrol tax	(\$100,000)	\$100,000
Opera House operations expenses	\$23,000	-
Wanganui East Pool operational cost increase	\$20,000	-
Broadband (communications) (plus % officer time)	\$20,000	-
Billy Webb event cancelled	(\$10,000)	-
\$12,000 for Mainstreet flags – fund from this year’s budget		
Promotional levy \$2,000	-	-
Increase targeted rate		
<b>Total change</b>	<b>\$213,000</b>	<b>\$100,000</b>

- Julian Harkness explained the dog fees income increase was the result of an increase in fees agreed to by the Council.
- The Council’s insurance cost increases due to the Christchurch earthquakes were still unknown – still seeking insurance for underground assets.
- Earthquake buildings, preliminary studies costs – speeding programme up.
- Interest savings were due to financial conditions. The petrol tax increase was due to aggressive budgeting and market conditions.
- Opera House – minor spending omitted from the Plan.
- Wanganui East Pool operational increase
- Broadband – big initiative for Wanganui and the Council has a key role.
- Billy Webb event – postponed for this year.

Julian Harkness said that these Officer changes would be considered as the Council reviewed the Annual Plan Activity by Activity.

The meeting adjourned at 3.00pm and reconvened at 3.27pm.

**Council Activities****Cemeteries****Council’s Resolution**

Proposed by Cr Westwood, seconded by Cr Stevens:

THAT the Cemeteries budget for the Annual Plan 2011/12 be approved.

CARRIED

**Central Business District maintenance**

**Discussion**

It was generally agreed the resealing could be referred to next year's Plan. In response to Councillors' queries Greg Morris clarified Mainstreet Wanganui's contract was revisited each year. He noted Mainstreet's error requesting \$511,000, instead of \$536,000.

**Council's Resolution**

Proposed by Cr Stevens, seconded by Cr Higgle:

THAT the Central Business District budget for the Annual Plan 2011/12 be approved.

CARRIED

**Community buildings and rural halls**

**Council's Resolution**

Proposed by Cr Stevens, seconded by Cr Higgle:

THAT the Community buildings and rural halls budget for the Annual Plan 2011/12 be approved.

CARRIED

**Parks and Reserves**

**Discussion**

Several Councillors expressed concern regarding the lack of toilet facilities at Peat Park, especially now the Park had an upgraded playground. It was agreed the matter of toilets along with the planting of fruit and nut trees be referred to the Community and Environment Committee.

**ACTION: Greg Morris**

An investigation into roofing the velodrome was referred to the Strategy and Finance Committee.

**ACTION: Rowan McGregor**

Cr Laws noted there were a lot of issues requested by submitters. It was generally agreed issues be referred to the appropriate committee.

**Council's Resolution**

Proposed by Cr Stevens, seconded by Cr McDouall:

THAT the Parks and Reserves budget for the Annual Plan 2011/12 be approved.

CARRIED

**Pensioner Housing**

**Discussion**

It was agreed that submissions received on pensioner housing be taken into consideration during the review on pensioner housing.

**ACTION: Greg Morris/Marie Gorinski**

**Council's Resolution**

Proposed by Cr Higgle, seconded by Cr Stevens:

THAT the Pensioner Housing budget for the Annual Plan 2011/12 be approved.

CARRIED

**Property**

**Discussion**

Cr Higgle, referring to Submission N<sup>o</sup> 205 from Wanganui Community Arts Council Trust, asked if a flexible lease arrangement for the Trust could be considered. Cr Westwood, noting the difficulty competing for funds with the removal of central government funding, suggested an arts contract, similar to community contracts, be considered. In response Sally Patrick said the Arts Co-ordinator's role was to raise the capacity of arts' groups within Wanganui. She said the Wanganui Community Arts Centre had retail space and the Council had been advising how to make that space more sustainable to raise funds.

Greg Morris, Deputy Property Manager, advised that the Wanganui Community Arts Centre had a 15 year renewable lease with a clause that if the Council required that site for redevelopment it had the ability to approach the Centre and compensate. In response to questions, Mr Morris noted the Riverfront development plan contemplated no change for that site; and that other similar leases did not include compensation.

In response to a query from Mayor Main, Sally Patrick explained that the Community Arts Council Trust was advised four years ago that the Council would undertake development of an arts co-ordinator role and its funding would be cut.

Cr Laws expressed the view that the Harbour Endowment was answerable only to the Council and could change its policy if it wished. Cr Westwood expressed concern that officer comment noted that the Trust did not warrant a grant. She thought there should be some easement made to ensure the Trust remained viable.

Cr Laws questioned gifting the Wanganui Community Arts Centre funds to subsidise their members in their hobbies. Mayor Main said the Centre had demonstrated it had value in the Wanganui art community.

Proposed by Cr Higgle, seconded by Cr Wills:

That the Council offers the Wanganui Community Arts Council Trust a lower lease of halfway between a Commercial rate and the Community Lease, recognising the physical infrastructure it needed to put into its premises, that could be accessed if it was prepared to go to a flexible arrangement.

LOST

**Council's Resolution**

Proposed by Cr Laws, seconded by Cr Westwood:

THAT Submission N<sup>o</sup> 205, from Wanganui Community Arts Council Trust, along with relevant officer reports, be referred to the Community and Environment Committee.

CARRIED

**ACTION: Greg Morris/Sally Patrick**

**Council’s Resolution**

Proposed by Cr Stevens, seconded by Cr Baker-Hogan:

THAT with the addition of \$100,00 for earthquake buildings’ preliminary studies costs, the Property budget for the Annual Plan 2011/12 be approved.

CARRIED

**Swimming Pools**

**Wanganui East Pool Trust – Officers Comment On Annual Plan Submission**

Greg Morris, Deputy Property Manager, and Edward Dennis, Health and Safety Advisor, report:

**“Introduction**

The purpose of this report is to provide commentary on the submission of the Wanganui East Pool Trust (Submission N<sup>o</sup> 72) to the Annual Plan and obtain a decision on the future of the Wanganui East Pool facility.

**Background**

In 2007/08 after feedback from the community the Council decided to reverse its decision to close the Wanganui East Pool facility (once the Splash Centre extension was opened) and fund its operation by the Wanganui East Pool Trust (the Trust) on a reducing basis. Funding started at \$20,000 and has reduced annually with this year’s \$5000 grant being the final amount budgeted.

The Trust subsequently took over the management of the facility and usage has been maintained at a consistent level as shown by the following total attendance figures for each of the last three seasons. Note, one attendance means an individual using the facility on a discrete occasion.

<u>Season</u>	<u>School Attendance</u>	<u>Total Attendance</u>
2008/2009	5,167	15,236
2009/2010	9,152	15,112
2010/2011	6,200	15,447

While the Trust managed to keep the pool open during the first two seasons using the budgeted Council funding, this year it had to ask the Council for an additional \$3,130 to cover a shortfall in operating costs. However, in addition to the extra Council funding the Trust also required and received this year an additional \$21,600 in funding from other trusts for operational costs such as energy and wages. This is highly unlikely to be repeated as external funding trusts and bodies such as the NZ Lotteries Commission have a strong preference to funding capital projects rather than operating costs. The Trust has therefore, determined that unless it is able to obtain a grant of \$20,000 from the Council it is not financially viable for it to run the pool for the 2011/12 season.

Notwithstanding its operational funding issues the Trust has been successful in obtaining capital funding and the donation of material and labour to carry out a significant amount of planned maintenance work and capital renewal projects at the facility. Some of these include:

- Conversion of the chlorination system to gas instead of liquid at a cost of \$2,700. This brings it into line with the Splash Centre and WDC water treatment processes

and has reduced the amount of chlorine required to maintain the water quality to the required standard.

- The purchase of covers for the pools at a cost of \$14,100. These contribute to lower heating costs for the pool.
- Purchase of a new vacuum cleaner for \$12,850.
- \$12,000 towards the cost of planned maintenance on the hydroslide structure. There is a further \$18,000 budgeted in the Council's accounts to fund the balance of this work in the current financial year. However we have agreed with the Trust that there is no point carrying out the work until the Council makes a decision on the operational grant and we know whether or not the pool will remain open in the medium to long term.

The ability to attract this sort of external contribution is one of the key benefits of the Council/Community Trust partnership model for running the facility. The Trust has also been successful in its management of the day-to-day operation and maintenance of the plant and buildings that make up the facility.

Balanced against these positive aspects of the Trust's involvement in the running of the facility are some issues we have had in respect to poolside/water safety management and the Trust's liaison with schools about their swimming programmes. The latter is being addressed by the Trust's proposal to appoint an office manager to take control of staff rosters, bookings, and public enquiries and we are satisfied this will improve things. In respect to poolside management and health and safety issues, there have been two incidents which have brought to our attention some shortfalls in the Trust's management practices. The first was the fatal accident that occurred in February 2010 and the second was a more recent non serious harm incident involving a child being affected by chlorine gas while using the hydroslide.

In the case of the fatal accident, while neither the Trust nor the Council were found by the Department of Labour and the Coroner to have contributed to the death, the Department's report did highlight deficiencies in the Trusts processes and practices. The Trust understands where it needs to improve and while it has been working towards rectifying the issues, progress has not been as swift as we would have liked to have seen. We feel that this is partly due to the nature of volunteer organisations and partly due to the need to adapt the Trust's collective mindset in relation to dealing with the health and safety requirements of today's world.

With respect to the hydroslide incident, while this was a non serious harm injury the child involved was still taken to hospital for a check-up on the recommendation of the ambulance officers who attended. The incident resulted from a lack of a documented and practiced standard operating procedure (SOP) for the start up of the hydroslide. As a result the child was allowed to ride the slide before the chlorine gas which naturally builds up in the flume was flushed out by the water flow. Our concern is two-fold. Firstly the lack of an SOP and secondly that the pool manager did not make contact with Council officers to advise that an incident involving an ambulance callout had occurred thus potentially depriving us of the opportunity to engage with the family concerned and address the issue of the lack of an SOP.

While the Council and pool users must accept that incidents will occur no matter what sort of procedures are put in place, both these incidents indicate to us an 'old school' approach to pool side management and health and safety procedures which needs to change. Minor incidents occur on a regular basis at the Splash Centre and every other aquatic facility in the country but the public are reassured and major incidents minimised by the implementation of robust SOP's and training which reduce the chance of an incident occurring and deal effectively with them when they happen.

In order to give the Trust clear guidelines as to what is expected, one of the actions we have taken is to require the Trust to achieve ACC Poolsafe accreditation before the facility opens for the 2011/12 season. This Water Safety New Zealand programme requires them to have in place robust SOP's, and train their staff as lifeguards as opposed to lifesavers. The distinction being that in addition to being trained in rescue and first aid techniques, lifeguards are trained in the management of people and the identification of hazards in a pool environment (the Splash Centre operation is ACC Poolsafe accredited). As per the Trust's submission they are in the process of making arrangements with the operators of the Makino Pool in Feilding to have the staff trained as lifeguards. Contact has also been made with the ACC Poolsafe accreditation team. While they have made a start, the Trust needs to maintain its momentum on these initiatives and until they have attained ACC Poolsafe accreditation we can not support the opening of the facility to the public.

**Summary**

1. The Trust's strengths to date have been in the areas of sourcing additional funding and in-kind support for capital and planned maintenance projects and the operation and maintenance of the plant and machinery at the facility.
2. The community and schools continue to use the facility at a fairly consistent level which indicates stable support for its continuing operation as an alternative to the Splash Centre.
3. The Trust's weaknesses have been in the area of poolside management and health and safety procedures. They have agreed to achieve ACC Poolsafe accreditation and to rectify deficiencies in their standard operating procedures and are working towards this. Momentum needs to be maintained.
4. It is not financially viable for the Trust to operate the facility without a grant of \$20,000 from the Council. This will allow them to maintain the existing operation and make the changes identified in point 3."

**Discussion**

Cr Westwood thought that the service provided by the Wanganui East Pool Trust to the community for the additional \$20,000 was valuable.

Cr Vinsen, whilst supporting the additional \$20,000 being provided to the Wanganui East Pool Trust, believed there were areas where savings could be made within the Swimming Pools activity.

Cr Stevens felt the Wanganui East Pool Trust had had significant time to improve health and safety requirements at the Wanganui East pool. He had concerns about the professional running of its operation and would vote against the additional \$20,000 being made available to the Wanganui East Pool Trust. Greg Morris advised Elected members that the Accident Compensation Commission pool accreditation had an audit system in place.

Cr Laws was concerned the Wanganui East Pool Trust had not proved it could be a financial unit without requiring financial subsidy and that health and safety issues had not been resolved.

Cr Baker-Hogan believed the Wanganui East Pool Trust should be supported and there could be cost savings at the Splash Centre. In response to Councillors' queries, Greg Morris advised that the Council held an open book contract with the Splash Centre which had already implemented cost savings and that the Managers were happy to have further discussions. Mr Morris said there was \$500,000 in the draft plan to reduce heating costs. Cr Vinsen thought the open book policy should be reviewed.

**Council's Resolution**

Proposed by Cr Westwood, seconded by Cr Higgle:

THAT \$20,000 is included in the Annual Plan 2011/12 to provide the Wanganui East Pool Trust with an operational grant for the 2011/12 year

AND THAT payment of the \$20,000 operational grant is conditional upon the Wanganui East Pool Trust achieving ACC Poolsafe accreditation and the Chief Executive being satisfied that the appropriate health and safety requirements have been met prior to opening the facility for the 2011/12 season

AND FURTHER THAT including the additional \$20,000 for the Wanganui East Pool Trust, the Swimming Pools budget for the Annual Plan 2011/12 be approved.

**CARRIED**

Cr Laws, Stevens and Vinsen voted against.

Cr Laws left the meeting at 4.10pm.

**Community Development**

**Discussion**

Cr Higgle's proposal that \$50,000 be provided annually for Sculpture Wanganui to proceed was not supported.

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Anderson:

THAT the Community Development budget for the Annual Plan 2011/12 be approved.

**CARRIED**

**Library**

**Discussion**

It was agreed Submission N<sup>o</sup> 209, Lesley Stead, Paige's Book Gallery, be referred to Library Board for consideration.

**ACTION: Sally Patrick**

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Stevens:

THAT the Library budget for the Annual Plan 2011/12 be approved.

CARRIED

**Opera House**

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Stevens:

THAT including the additional \$23,000 that the Opera House budget for the Annual Plan 2011/12 be approved.

CARRIED

**Sarjeant Gallery**

**Discussion**

Referring to Submission N<sup>o</sup> 211, Grey Power Wanganui Inc, Julian Harkness explained the decision to loan fund the environmental control system had been made as it was for the benefit of the artworks collection for ratepayers now and in the future. In response to Elected members' queries regarding deaccession, Pete Gray said he was not aware of any of the Gallery's collection that was not valuable, and explained it was international practice to not deaccession as a means to raising money. To dispose of donated artworks was telling future donors not to donate as the artworks may be sold.

Cr Baker-Hogan left the meeting at 4.29pm, and rejoined the meeting at 4.32pm.

**Council's Resolution**

Proposed by Cr McDouall, seconded by Cr Wills:

THAT the Sarjeant Gallery budget for the Annual Plan 2011/12 be approved.

CARRIED

Crs Anderson, Bullock and Dahya voted against.

**War Memorial Conference and Convention Centre**

**Council's Resolution**

Proposed by Cr Stevens, seconded by Mayor Main:

THAT the War Memorial Conference and Convention Centre budget for the Annual Plan 2011/12 be approved.

CARRIED

**Economic Development**

**Discussion**

Cr Vinsen believed economic development was an area where savings could be made. Mayor Main said this was looked at line by line during draft Annual Plan discussions. She said that currently an additional \$300,000, a direct result of the Christchurch earthquake, would increase the average rate increase to 5.5% and asked Councillors if they were comfortable with this. Some Councillors were not, however some Councillors did believe additional savings could be made.

**Council's Resolution**

Proposed by Cr Higgle, seconded by Cr Stevens:

THAT the Economic Development budget for the Annual Plan 2011/12 be approved.

CARRIED

Cr Anderson, Baker-Hogan, Dahya, Westwood and Wills voted against.

Cr Westwood left the meeting at 4.50pm.

**Strategy and Policy**

**Council's Resolution**

Proposed by Cr Higgle, seconded by Cr Stevens:

THAT the Strategy and Policy budget for the Annual Plan 2011/12 be approved.

CARRIED

**Roading**

**Discussion**

In response to a query, Julian Reweti advised the Wikitoria Road culvert was a subsidisable item, but as NZ Transport Agency was not subsidising it this financial year the Council would bring it to the 10-Year Plan discussions.

**ACTION: Julian Reweti**

**Council's Resolution**

Proposed by Cr Higgle, seconded by Cr Stevens:

THAT with the decrease of petrol tax income of \$100,000, the Roothing budget for the Annual Plan 2011/12 be approved.

CARRIED

Cr Baker-Hogan voted against.

**Footpaths and Berms**

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr McDouall:

THAT the Footpaths and Berms budget for the Annual Plan 2011/12 be approved.

CARRIED

**Airport**

**Council's Resolution**

Proposed by Cr Higgle, seconded by Mayor Main:

THAT the Airport budget for the Annual Plan 2011/12 be approved.

CARRIED

**Sea Port**

**Discussion**

Referring to Submission N<sup>o</sup> 203, Q-West Board Builders Limited, Cr Vinsen advised that Wanganui District Council Holdings Ltd would liaise with Myles Fothergill.

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Stevens:

THAT the Sea Port budget for the Annual Plan 2011/12 be approved.

CARRIED

**Central Business District Parking**

**Council's Resolution**

Proposed by Cr McDouall, seconded by Cr Stevens:

THAT the Central Business District Parking budget for the Annual Plan 2011/12 be approved.

CARRIED

**Water Supply**

**Discussion**

In response to a Councillor's query, Julian Reweti explained that \$100,000 was included for the softwater plant's commissioning.

**Council's Resolution**

Proposed by Cr Stevens, seconded by Cr Higgle:

THAT the Water Supply budget for the Annual Plan 2011/12 be approved.

CARRIED

**Stormwater**

**Discussion**

Cr Westwood rejoined the meeting at 4.58pm.

In response to a query, Julian Reweti explained that the catchment study for Springvale was included in this Annual Plan. The flooding issues in Heads Road were currently being dealt with.

Cr McDouall, noting several submitters requested the stormwater project be advanced rather than paying \$200,000 off debt, queried if this was beneficial. Julian Reweti explained this was a small amount compared to the larger issue of debt.

**Council's Resolution**

Proposed by Cr Stevens, seconded by Cr McDouall:

THAT the Stormwater budget for the Annual Plan 2011/12 be approved.

CARRIED

**Wastewater**

**Council's Resolution**

Proposed by Cr Stevens, seconded by Cr McDouall:

THAT the Wastewater budget for the Annual Plan 2011/12 be approved.

CARRIED

**Waterways and Natural Drainage  
Council's Resolution**

Proposed by Cr Stevens, seconded by Cr McDouall:

THAT the Waterways and Natural Drainage budget for the Annual Plan 2011/12 be approved.

CARRIED

**Waste Minimisation**

**Discussion**

It was agreed that the Solar Saver Programme be investigated further by the Community and Environment Committee.

**ACTION: Stuart Hylton**

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr Dahya:

THAT the Waste Minimisation budget for the Annual Plan 2011/12 be approved.

CARRIED

**Corporate Management**

**Discussion**

Julian Harkness explained that a decision was required on whether to pay \$200,000 off debt or to spend on infrastructure.

Cr Wills suggested the \$200,000 be used to pay for the increase in insurance. Julian Harkness said a direct question was asked and it was up to the Council how comfortable it was on receiving submissions on a question then changing it.

Julian Reweti explained the capital projects had been reduced by \$200,000 to allow the decision. He asked if the Council wanted to transfer that back into the capital project or leave it in to repay debt.

Alan Taylor said there was a fundamental philosophy – getting infrastructure was currently more important than reducing a small amount of debt.

Cr Stevens left the meeting at 5.15pm.

Cr Wills said at the time of consultation the Council did not know what the increase in insurance costs would be.

In response to Councillor's queries, Julian Harkness advised that if no money was put into the Annual Plan there would be no insurance for the Council's assets. The \$200,000 was an operating expense and Cr Vinsen queried if this could be used from borrowings. Mr Harkness explained it was funding the future of those assets.

**Council's Resolution**

Proposed by Cr Wills, seconded by Cr Higgle:

THAT the \$200,000 set aside to repay debt, or on planned infrastructure, be removed from the Infrastructure budget, and be applied to the increase in insurance required to protect the Council's infrastructure.

CARRIED

Cr McDouall and Westwood voted against.  
Cr Vinsen abstained from voting.

**Corporate Management**

**Council's Resolution**

Proposed by Cr McDouall, seconded by Cr Baker-Hogan:

THAT including the additional \$100,000 in interest savings, and \$20,000 for Ultra Fast Broadband, the Corporate Management budget for the Annual Plan 2011/12 be approved.

CARRIED

**Governance**

**Council's Resolution**

Proposed by Mayor Main, seconded by Cr McDouall:

THAT the Governance budget for the Annual Plan 2011/12 be approved.

CARRIED

**Investments**

Cr Vinsen declared an interest in the Investment budget and withdrew from the table.

**Discussion**

Mayor Main said she had been involved with Wanganui District Council Holdings Ltd's Board (Holdings) and believed the Directors had considerable knowledge in the economic development area. She thought the Council could be in danger of losing that expertise if it did not reinstate funding for the Directors and invest in that intellectual knowledge.

Kevin Ross advised the current Directors came onto the Board with Wanganui Incorporated and it was an advantage to have them until a review has taken place.

Cr Wills noted that three of the Holdings Directors were on the Port Subcommittee and had a huge addition role. He thought they should receive additional fees. There were currently five Directors on the Holdings Board.

Cr McDouall felt it premature to raise the Directors' fees in the deepest part of a recession that may continue for some time, noting a Director's fee of \$20,000, considering the mean income of Wanganui, was entirely disproportionate. He would be disappointed if economics paid a part in Directors leaving.

**Council's Resolution**

Proposed by Cr McDouall, seconded by Cr Westwood:

THAT the Investments budget for the Annual Plan 2011/12 be approved.

CARRIED

Cr Anderson and Dahya voted against.

Cr Vinsen returned to the Council table.

**Emergency Management**

Proposed by Cr McDouall, seconded by Mayor Main:

THAT the Emergency Management budget for the Annual Plan 2011/12 be approved.

CARRIED

**Regulatory Services**

Proposed by Cr McDouall, seconded by Cr Baker-Hogan:

THAT with the additional \$20,000 dog fee increase, the Regulatory Services budget for the Annual Plan 2011/12 be approved.

CARRIED

**Discussion**

Julian Harkness explained that with the overall changes made at today's meeting, along with reducing the Corporate Management budget by \$40,000, it was now possible to move the rate increase back to: Residential 4.3%, Farming 6%, and Commercial 4.9%, making an overall increase of 4.9%.

**Council's Resolution**

Proposed by Cr Higgie, seconded by Cr Baker-Hogan:

THAT the Council requests the Chief Executive to reduce the Corporate Management budget by \$40,000.

CARRIED

**Conclusion**

Mayor Main thanked officers for the process used to guide Elected members through the Annual Plan.

The meeting closed at 5.43pm.

\* \* \* \* \*

**CERTIFICATE OF CONFIRMATION OF MINUTES**

The minutes of the meeting of the Wanganui District Council held on 26 May 2011 were confirmed as a true and correct record of that meeting at a meeting of the Wanganui District Council held on 21 June 2011.

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Annette Main  
Mayor of Wanganui District

.....  
Date