

Date: Tuesday 18 April 2023 at 3.00PM

Venue: Council Chambers, 63 Miranda Street, Stratford

Present

The Deputy Mayor – M McKay (the Chairperson), the District Mayor N C Volzke, Councillors: S J Beck, G W Boyde, A M C Dudley, J M S Erwood, A K Harris, E E Hall, V R Jones, M McKay, W J Sandford, C M Tongaawhikau, M J Watt

In attendance

The Acting Chief Executive and Director – Corporate Services – Mrs T Radich, the Director – Assets – Mrs V Araba, the Director – Environmental Services – Mr B Sutherland, the Acting Director – Community Services – Mr C Julie, the Committee Advisor and Executive Assistant – Mrs E Bishop, the Communications Manager – Ms G Gibson, the Sustainability Advisor – Mrs V Dombroski (*part meeting*), the Community Development Officer – Mrs A Kingston (*part meeting*), the Community Development Officer – Mrs V Fischer (*part meeting*), the Roading Asset Manager – Mr S Bowden, the Parks and Reserves Officer – Mrs M McBain (*part meeting*), the Project Engineer/Manager – Mr S Taylor (*part meeting*), the Property Officer – Mrs S Flight (*part meeting*), the Environmental Health Manager – Ms R Otter (*part meeting*), the Services Asset Manager – Mr J Cooper (*part meeting*).

1. Welcome

The opening karakia was read.

The Deputy Mayor welcomed the Acting Chief Executive, Councillors, staff, and the media.

The Deputy Mayor reiterated the health and safety message and emergency procedures.

2. Apologies

An apology was received from the Chief Executive – Mr S Hanne

Recommendation

THAT the apology be noted.

ERWOOD/TONGAAWHIKAU
Carried
P&S/23/50

3. Announcements

The District Mayor requested Councillors remain behind following the meeting to discuss the upcoming LGNZ Conference and Zone 3 meeting.

4. Declarations of members interest

Elected members were asked to declare any real or perceived conflicts of interest relating to items on this agenda. There were no declarations of interest.

5. Attendance Schedule

The Attendance schedule for Policy and Services Committee meetings, including Hearings, was attached.

6. Confirmation of Minutes

6.1 Policy & Services Committee – 28 March 2023 D23/12257 Page 9

Recommendation

THAT the minutes of the Policy and Services Committee Meeting held on Tuesday 28 March 2023 be confirmed as a true and accurate record.

BOYDE/HALL
Carried
P&S/23/51

The Committee Advisor and Executive Assistant undertook to make the following amendments:

- Page 17, fourth bullet point 5-7% amend to \$5-\$7.

7. Matters Outstanding

D16/47 Page 22

Recommendation

THAT the Matters Outstanding be received.

SANDFORD/HARRIS
Carried
P&S/23/52

The Acting Chief Executive noted that the Assets Monthly report provided a partial update on an ongoing investigation for the Stratford Croquet Club.

The Roading Asset Manager noted the following points:

- A business case for Whitianga Road is being compiled to be submitted to Waka Kotahi for funding. The ideal solution would be three retaining walls costing between \$85,000 to \$100,000.
- A short term solution would be a road retreat, it is very unstable ground and contractors are picking up debris from the bank every winter. Photos of this damage has been presented in previous monthly reports. A retreat would not be a permanent fix.
- There are a lot of slips around the district so it is about prioritising which ones need to be repaired and finding the funds to do the repairs. To fix immediately would require another job to be cancelled.
- There is alternative access to Whitianga Road via Kohuratahi Road.

Questions/Points of Clarification:

- The District Mayor noted he had written to the Croquet Club with council's request for the club to investigate other options with other sporting codes. He did receive a visit from club members noting there were no alternative options and he felt the idea had been dismissed before being explored any further. He noted he had made it very clear to the Taranaki Daily News reporter that council would not be funding the \$400,000 for the relocation.
- Councillor Boyde noted his concern regarding the concept design for the possibility of relocating the croquet courts and noted council had not agreed to anything.

Recommendations

1. THAT the report be received.

DUDLEY/VOLZKE
Carried
P&S/23/53

- ~~2. THAT the committee review and approve the amendments to the *draft* Class 4 Gambling Venues Policy as recommended at the Policy and Services meeting held on the 28 June 2022.~~
- ~~3. THAT the committee release the *draft* Class 4 Gambling Venue Policy and Statement of Proposal for public consultation.~~
- ~~4. THAT the committee release the *draft* TAB Venue Policy and Statement of Proposal for public consultation.~~

Recommended Reason

On 28 June 2022, the Policy and Services committee reviewed the *draft* Class 4 Gambling Venues Policy and the *draft* TAB Venue Policy. As a result of the review, the committee recommended amendments to the *draft* Class 4 Gambling Venue Policy prior to the public release of the policy, and approved the TAB Venue Policy with no changes.

The recommended amendments have been made to the *draft* Class 4 Gambling Policy and the committee is now required to review the changes and release both policies and their statement of proposals for public consultation.

Questions/Points of Clarification:

- Page 31, clause 6 – amend bullet points to read a, b and c.
- The Deputy Mayor questioned what would happen if a business changed ownership. Mrs Otter clarified that under the policy presented once a business leaves a premises a new applicant would not be able to apply for a license. The sinking lid means once a business stops operating the new business owner could not apply. These machines are then removed completely from the district's number. The Deputy Mayor noted that this was potentially a big income stream for these business owners and questioned if a business remains the same, but under new ownership, could that allow a license to be applied for? Ms Otter clarified that this can be done, for example, with an off-license license application but not for gaming machines.
- It was clarified the current proposed policy did not allow a business to relocate due to growth or business expansion.
- The terms of the policy can be adapted, including looking at the relocation policy on a case by case basis for example if a business was relocating due to expansion of the overlying business. However the sinking lid would not allow a new business owner to apply for a license, the current cap at 36 allows a new entity to apply for a license.
- It was noted that New Plymouth has a sinking lid in Waitara but a cap for the rest of the district. A number of councils were opting to have sinking lid policy, some with a variation to a capped number, to help control harm within their communities. Ms Otter thought South Taranaki did have a cap, but this could be different for other towns within its district.
- It was confirmed a sinking lid policy aimed to reduce the number of machines and harm within a community.

Points noted in discussion:

- The District Mayor noted that when this policy had been first introduced there were 54 gaming machines in the district. There was no cap and no sinking lid, however the number has naturally reduced to 36 at which point a cap was introduced. At the time the cap was introduced there were nine machines at the New Commercial, 18 machines at the Empire and nine machines available which were taken up by the Stratford Club when it reopened. When the club closed those nine machines were then available for a licensed premises. The goal when reviewing this policy at that time was to reduce the cap to 27, however while it was being considered the Midhirst Tavern took the opportunity to apply for the available nine machines. The sinking lid policy had been suggested so the total number of machines would sink to 27 if an operator were to close. He agreed with the Deputy Mayor that this would have the effect of lowering the value of a business considerably when they came to sell.
- The District Mayor suggested an amendment to the Class 4 Gambling Venues Policy to replace the two current objectives with:
 - To prevent and minimise the harm caused by gambling in the Stratford District and to control the location of Class 4 gambling venues and the number of gaming machines.
 - A sinking lid policy will apply in the Stratford District until the total number of gaming machines that may be operated in Class 4 Gambling Venues is reduced to 27. Once there are no more than 27 gaming machines operating in the District, the maximum number that may be operated will be capped at 27.
- He noted this would control growth and reduce the number of machines and operators but would allow a new entity to take over a license.
- Councillor Erwood supported the amendments but noted council needed to do the best it can to reduce harm in our community.
- The Deputy Mayor reiterated her concern about existing businesses. She acknowledged the need to reduce harm but overnight this policy could slash the value of businesses which would create more harm. She requested that the relocation policy allow for a business to seek a change of venue due to business growth.
- Councillor Hall agreed with the concern regarding existing businesses and those business owners livelihoods, but noted she would be happy to see zero gambling machines due to the harm that they cause. She questioned if the cap at 27 was agreed upon then would it be 27 forever, or reviewed again in a number of years with the view to reduce it a further?
- Councillor Boyde agreed with the Mayor's amendments. He noted there are good mechanisms and regulations with machines, however there is no control with online gambling, online TAB and online Lotto. He felt there needed to be more discussion regarding the amendment to the relocation policy.
- The District Mayor suggested to protect existing businesses the sinking lid could be retained with an exemption for existing licenses to allow a new operator to proceed with a continuation of existence.
- Councillor Beck supported the sinking lid policy as he saw this as a way for the district to head to zero machines. He supported the compromise as suggested by the Mayor. He noted he no longer attended the Midhirst Tavern due to the addition of gaming machines.
- Councillor Sandford reminded councillors that not everybody who uses the gaming machines is a problem gambler. There are methods within these facilities to identify problem gamblers and that some people simply liked to have a beer and a play on the machines. He reiterated that there were no controls for online gambling and noted that he had asked professional agencies this over and over again. Gaming Machines are also an entertainment factor in a controlled environment. He noted there were rumours that TAB facilities would be moved out of venues here which would impact revenue for these businesses. He supported a sinking lid to 27.
- Councillor Harris supported the amendments suggested by the Mayor and acknowledged the impact on the value of a business when it was being sold. She noted that the relocation policy was only permitted if a venue was unfit due to natural disaster or fire. She questioned if this could be delegated to an officer to deem the building was unfit which could also be due to building deterioration or growth of the business. Ms Otter noted that this could be delegated to an officer to look at on a case by case basis. Councillor Harris noted she would support the approval for a business to move due to growth as it would also provide more employment opportunities.
- **Changes to the Draft Class 4 Gambling Venues Policy**
 - Changes as proposed to Objectives 1.1 and 1.2
 - 5.1 – amend to No *new or additional machines*.
 - An exemption to the sinking lid policy for an existing business changing ownership.
 - Relocation classification to be considered on a case by case basis.
- It was clarified that if a business closed the limit will sink to 27.

- It was clarified that this policy is reviewed every three years.
- The statements of proposals would be updated to reflect the changes to the policies.
- Changes to the Draft TAB Venue Policy
 - Objective 1.1 and 1.2 to be replaced by:

To prevent and minimise the harm caused by gambling in the Stratford District and to control the location of new TAB venues.

Recommendations

2. THAT the committee review and approve the amendments to the *draft* Class 4 Gambling Venues Policy as recommended at the Policy and Services meeting held on the 28 June 2022 and with the amendments above.
3. THAT the committee release the *draft* Class 4 Gambling Venue Policy and Statement of Proposal for public consultation.
4. THAT the committee release the *draft* TAB Venue Policy and Statement of Proposal for public consultation.

DUDLEY/McKAY
Carried
P&S/23/54

Recommended Reason

On 28 June 2022, the Policy and Services committee reviewed the *draft* Class 4 Gambling Venues Policy and the *draft* TAB Venue Policy. As a result of the review, the committee recommended amendments to the *draft* Class 4 Gambling Venue Policy prior to the public release of the policy, and approved the TAB Venue Policy with no changes.

The recommended amendments have been made to the *draft* Class 4 Gambling Policy and the committee is now required to review the changes and release both policies and their statement of proposals for public consultation.

The Environmental Health Manager left the meeting at 3.44pm

9. Monthly Reports

9.1 Assets Report D23/11876 Page 46

Recommendation

THAT the report be received.

BOYDE/ERWOOD
Carried
P&S/23/55

Questions/Points of Clarification:

- Councillor Boyde noted his concern that the report noted that the construction is complete at the Wai o Rua – Stratford Aquatic Centre but minor remedial work and landscape work was with the architects for concept design. He did not think any discussion had been held regarding an outdoor facility including the relocation of the croquet club which was included in the concept design. He

noted there was an additional \$2 million allocated to the swimming pool through loan funding and did not think spending a further cent was warranted in the current climate.

- Mrs Radich noted that council had set a \$22 million budget with \$20.5 million spent for the year to date. Consideration for the remaining funds could be held for design work. The Director – Assets noted the Chief Executive had instructed staff for no additional work with the remaining funds now. The outdoor facility would look at landscaping to enhance the look of the area and the use of the pool with the concept design purely to show what could be done. Officers were instructed to look at council owned land to see where the four croquet courts could be accommodated and this is what was being done. At this stage all that has been commissioned is a landscaping plan to help answer the question of whether the croquet club could be accommodated on this site.
- It was clarified that the doors could be opened to allow access to an outdoor area at the pool but it would not be left open, it was questioned if opening the door would increase power consumption. Mrs Araba noted that landscaping would not cost a lot but would make the area a nice green space.
- The Project Engineer/Manager clarified that at this stage the design was purely to see if the croquet club and an outdoor area could fit in the area. Having a design in place would also mean officers could apply for funding if an opportunity arose.
- Councillor Sandford noted council had been told that as the pool area was a controlled atmosphere it would have huge savings. He also noted his concern that creating an outdoor area would attract vandalism and create a security risk for access into the facility.
- Councillor Hall questioned if the committee could decide to not spend any more of the allocated budget on the capital at the pool? Mrs Radich confirmed they could.
- Councillor Tongaawhikau questioned if the funds would sit there for future advantage or if it was tagged for this specific project? Mrs Radich noted that budget had been set for a specific amount, some of this had been grant funded and the remainder was to be loan funded as it was spent. She noted \$1.4 million had not yet been spent so this had not yet been borrowed. She noted the question was now whether to halt spending. There was a small cafeteria area and some other work within the building also proposed. Councillor Tongaawhikau noted his support for halting spending.
- Councillor Hall noted feedback from staff would be required if there were things required that would help grow the revenue of the facility over the coming year.
- Councillor Jones questioned the timeframe for the concept design as he noted council had already made the decision to look at this for the croquet club. Mr Taylor noted that the design was expected by the end of April and this would then be presented to council for further discussion.
- It was clarified that the issue for the waste water contractor timing of response would always be in deficit for this year due to the statistics where the targets were not met during the August storms. The Services Asset Manager confirmed contractors were meeting response times now. It was requested that both the water and waste water level of service tables be updated to include monthly results as well as the year to date totals.

The Property Officer, the Parks and Reserve Officer, and the Services Asset Manager left the meeting at 3.59pm.

9.2 Community Services Report
D23/12589 Page 66

Recommendation

THAT the report be received.

HALL/HARRIS
Carried
P&S/23/56

Questions/Points of Clarification:

- The District Mayor noted the request for the names of those making official information requests had been added to this report. He noted the names were in line with what he suspected and expressed the amount of time and money this costs council to answer these questions.
- Councillor Harris noted that the Sport New Zealand Rural Travel Fund had met at the beginning of this month. There had been an additional \$3,500 allocated to the next two years by Sport New

Zealand so there was a total of \$12,325 to allocate in this funding round although the total amount of funding requested from applicants was \$16,000.

- Councillor Sandford acknowledged and thanked the District Mayor for stepping in for him with his role in Stratford Positive Ageing Group while he had been unavailable. He noted that the process for changing signatories for a group or organisation with TSB had become that difficult the group was struggling to find volunteers to be a signatory. As a result the group has decided to add two council staff members alongside the volunteers.

The Community Development Officers, the Sustainability Advisor and the Project Engineer/Manager left the meeting at 4.02pm.

9.3 Environmental Services Report

D23/11467 Page 75

Recommendation

THAT the report be received.

ERWOOD/McKAY
Carried
P&S/23/57

9.4 Corporate Services Report

D23/13090 Page 82

Recommendation

THAT the report be received.

DUDLEY/BOYDE
Carried
P&S/23/58

Questions/Points of Clarification:

- Councillor Boyde requested clarification on the outstanding debtors noting the cost recovery related to the farm implied the debtors were related to the council farm. Mrs Radich clarified that sundry debtors was funding expected to be received with some of this being overdue, she noted that one was due to an overdue invoice from one of the contractors for damage and one was related to the farm. The debtor accruals were reported on each month and this is largely attributed the revenue accrued from interest on term deposits however this was not paid until the investment matured. This also included the Fonterra milk revenue which is related to the portion of the milk production that has not yet been paid as Fonterra pays a small portion of the milk price through the year and catches up in September which is after the closing date for yearend for council.
- It was clarified that the one off payment from Fonterra of \$79,000 was budgeted for rate mitigation in the next financial year and would be received in the next financial year so it would be used straight away.
- It was clarified that the revenue was above budget largely due to the capital grant funding through the Transport Choices Project and Better Off funding that had not been budgeted for.
- It was clarified that a large amount of the infringements were outstanding dog registrations. All these were sitting with the Ministry of Justice and some of them did date back many years. These have to be handed over to the Ministry for collection. Some of these were being paid back on small weekly payments. The District Mayor questioned if these could be written off in council's book as it is showing as debt council would receive, he noted that it had been reported in the paper recently that council had \$53,000 of outstanding debt but a lot of this would not be collectable and the reality is some of it would never be paid. Mrs Radich noted that staff could go through these and see which ones had not had any payments at all and would look into what can be done in terms of looking to write infringements off if they were older than three years.

- Councillor Jones noted his concern regarding the \$6 million in term investments. He noted the biggest spend for the cashflow forecast was \$3.7 million but the term investments could not be used due to their terms. He questioned the point of having debt and investment and questioned at what point was council going to break those deposits and repay debt. Mrs Radich clarified that there was no current plan to not have term investments as they were held as reserve funding. She noted this could not be changed unless the Treasury Policy was changed.
- It was noted that borrowing requires a month notice but could be completed in a matter of weeks. Borrowing is usually only carried out once a year due to the paperwork and involvement of lawyers in the process.

The Director Assets left the meeting at 4.13pm.

- Councillor Jones noted the investments had been sitting at that level for a while without being required to be broken and with interest rates rising he felt it might be time to reinvestigate that option. Mrs Radich reiterated that the purpose of the investments was to fund reserves, the term investments were not to be used for capital projects. She noted that proposing to use the investments to repay debt would mean council was not financially backing its reserves. She also clarified that currently council was able to get better interest rates for term investments than lending rates therefore there was a slight profit rate on what is borrowed and invested. The District Mayor noted that council's situation was different to other commercial entities as it could borrow from a government agency and invest on a commercial level.
- Councillor Boyde questioned when the Treasury Policy was coming up for review as he reiterated there were funds sitting there that could be used to repay the debt and felt with rising interest rates there could be a huge benefit in doing this. Mrs Radich noted that that she could look at how the balance sheet is structured and look at all investments and returns from all assets such as the farm.
- The Deputy Mayor questioned the increase on recycling revenue. This would be added to the matters outstanding for clarification.

10. Questions

There were no questions.

11. Closing Karakia

D21/40748 Page 99

The closing karakia was read.

The meeting closed at 4.20pm.

M McKay
Chairperson

Confirmed this 23rd day of May 2023.

N C Volzke
District Mayor