

A G E N D A

Ordinary Council Meeting

**Council Chambers,
36 Weld Street
Hokitika**

**Thursday 24 May 2018
commencing at 11.00 am**

His Worship the Mayor R.B. Smith
Deputy Mayors Cr H.M. Lash and Cr L.J. Martin
Crs D.L. Carruthers, R.W. (G) Eatwell, D.M.J. Havill ONZM,
J.A. Neale, G.L. Olson, D.C. Routhan.



ORDINARY COUNCIL MEETING

AGENDA FOR AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, TO BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 24 MAY 2018 COMMENCING AT 11.00 AM

18 April 2018

COUNCIL VISION

We work with the people of Westland to grow and protect our Communities, our Economy and our unique natural environment.

Purpose:

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
- (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Health & Safety Snapshot

	Accidents	Incidents	Near Misses
December 2017	0	1	0
January 2018	0	0	0
February 2018	0	1	0
March 2018	0	1	0
April 2018	0	0	0
To 18 May 2018	0	0	0

1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:

1.1 Apologies & Leave of Absence

Cr D.C. Routhan.

1.2 Interest Register

2. CONFIRMATION OF MINUTES:

2.1 Ordinary Council Meeting – 26 April 2018

Pages 6-13

2.2 Extraordinary Council Meeting – 16 May 2018

Pages 14-16

3. PRESENTATIONS:

3.1 12 noon – Citizenship Ceremony

- 10 candidates will be in attendance to receive a certificate of His Worship the Mayor, on behalf of Internal Affairs.

Lunch from 12.30 pm to 1.00 pm.

3.2 1.00 pm – Heritage West Coast and Hokitika Museum

- Jackie Gurden will be in attendance at 1.00 pm.

4. ACTION LIST:

The Action List is attached.

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5. REPORTS FOR INFORMATION:

Nil.

6. REPORTS FOR DECISION:

6.1 Proposed Council Funded Graduate Scholarship Programme

Pages 18-22

7. ADMINISTRATIVE RESOLUTIONS:

Council is required to confirm its seal being affixed to the following documents:

7.1 Warrant of Appointment – Daniel Alan John SCHUMACHER

To act in the Westland District as:

- An Officer pursuant to Section 174 of the Local Government Act 2002; AND
- An Authorised Officer pursuant to Section 222 of the Building Act 2004; AND
- An Enforcement Officer pursuant to Section 229 of the Building Act 2004; AND
- An Officer pursuant to section 11 of the Fencing of Swimming Pools Act 1987; AND
- An Officer under the Westland District Council Bylaws; AND
- An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991.

7.2 Warrant of Appointment – Kurt Francis JOHNSTONE

To act in the Westland District as:

- An Officer pursuant to Section 174 of the Local Government Act 2002; AND
- An Authorised Officer pursuant to Section 222 of the Building Act 2004; AND
- An Enforcement Officer pursuant to Section 229 of the Building Act 2004; AND
- An Officer pursuant to section 11 of the Fencing of Swimming Pools Act 1987; AND
- An Officer under the Westland District Council Bylaws; AND
- An Enforcement Officer pursuant to Section 38 of the Resource Management Act 1991.

8. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION':

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

8.1 Confidential Minutes – 26 April 2018

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	Minutes/ Report of	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
8.1	Confidential Minutes – 26 April 2018	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)

**Date of next Ordinary Council Meeting – 28 June 2018
to be held in the Council Chambers, 36 Weld Street, Hokitika**

MINUTES OF AN ORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 26 APRIL 2018 COMMENCING AT 11.00 AM

1 MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER

1.1 Members Present

His Worship the Mayor R.B. Smith (Chair)
Deputy Mayor Cr L.J. Martin, Deputy Mayor H.M. Lash (part of the meeting)
R.W. (G) Eatwell, D.M.J. Havill (ONZM), J.A. Neale, Cr G.L. Olson,
Cr D.C. Routhan (part of the meeting).

Apologies

Moved Cr Neale, seconded Cr Havill and **Resolved** that the apologies from Cr D.L. Carruthers be received and accepted.

Leave of Absence

Moved Cr Neale, seconded Cr Havill and **Resolved** that the Leave of Absence be granted for Cr D.C. Routhan for the 24 May 2018 Council Meeting.

Staff in Attendance:

S.R. Bastion, Chief Executive; L.A. Crichton, Group Manager: Corporate Services;
D. Inwood, Group Manager: District Assets; J.D. Ebenhoh, Group Manager:
Planning, Community and Environment; D.M. Maitland, Executive Assistant.

1.2 Interest Register

The Interest Register was circulated and no amendments were noted.

2. CONFIRMATION OF MINUTES:

2.1 Ordinary Council Meeting – 22 March 2018

Moved Cr Havill, seconded Cr Neale and **Resolved** that the Minutes of the Ordinary Meeting of Council, held on the 22 March 2018 be confirmed as a true and correct record of the meeting, subject to the following amendment:

Amendment to Page 7 - Council Controlled Organisations – Director Appointment Policy

Item 9.12 Items of business not on the agenda which cannot be delayed
(b) The reason why the discussion of the item cannot be delayed until a subsequent meeting

Additional text:

“Due to the reason that current staff were unaware that the Director’s Appointment Policy had been revoked previously, the item was required to be placed before Council in order to comply with LGA s 57 (1), adoption of a Director Policy before any further Director Appointments were made.”

The meeting then moved to the CE’s Quarterly Report and the following items were taken out of order to the Agenda papers.

5. REPORTS FOR INFORMATION:

5.1 Chief Executive’s Quarterly Report

The Chief Executive spoke to the Quarterly Report for the months of 1 January to the 31 March 2018. He advised that the purpose of the report is to provide an update on the positive aspects that are happening in the Westland District, and to provide an update on Matters of Significance and Priority.

Moved Cr Olson, seconded Cr Neale and **Resolved** that the Quarterly Report from the Chief Executive for the period 1 January 2018 to the 31 March 2018 be received.

3. PRESENTATIONS:

3.1 Jim Little, Chief Executive, Tourism West Coast

Jim Little, Chief Executive, Tourism West Coast was in attendance at the meeting to provide a powerpoint presentation to Council regarding year to date activity. Items discussed included:

- The West Coast ranks as the #1 region for visitor expenditure, with a percentage growth at 12% to \$548 million.

- Tourism spend – Westland District \$357 million which is a +13% increase.
- Budgets increased from \$86,000 per annum to \$100,000 per annum.
- The new brand untamed natural wilderness has won two awards; LGA Award for Economic Development WCRC and the Tourism Industry Aotearoa brand alignment award for TWC. The brand is being used by numerous businesses and organisations.
- Tourism West Coast has commissioned a major photo and video shoot of the following West Coast icons which are the Oparara Arches, Punakaiki, Lake Brunner, Hokitika Gorge, Franz Josef and Fox Glaciers and Haast.
- A major marketing and advertising campaign is running nationally called Pin and Win, which is funded by Development West Coast.
- The West Coast attracted 582 travel agents and travel media visits over the last 12 months.

3.2 Holly Robinson

Holly Robinson was in attendance at the meeting to receive a Certificate of Achievement for attaining a Silver Medal in the Javelin Throw Para Sport F46 – Women, Athletics, at the Commonwealth Games on the Gold Coast 2018. The Certificate and flowers recognised Holly’s inspiration and commitment to her chosen sport and for being a respected role model in the Westland District.

3.3 Sharlotte Lucas

Sharlotte Lucas was in attendance at the meeting to receive a Certificate of Achievement for attaining fourth place in the Women’s Road Race at the Commonwealth Games on the Gold Coast 2018. The Certificate and flowers recognised Sharlotte’s inspiration and commitment to her chosen sport and for being a respected role model in the Westland District.

Amelia Rae presented a plaque to Sharlotte Lucas and Holly Robinson on behalf of the Hokitika Lions Club for their achievements in their chosen sports at the Commonwealth Games 2018.

The meeting adjourned for lunch with Holly Robinson, Sharlotte Lucas and their families and supporters at 12.12 pm and reconvened at 12.53 pm.

3.4 Westreap, Youth Strategy

Corrina Gestro-Best and Julia Lavers from Westreap attended the meeting and provided a presentation regarding the Westland District Youth Development Strategy for 2017-2027. Items discussed included:

- There are 1389 young people in the Westland District making up 16.6% of the population.

- Young people in Westland are spread over rural areas with half of that population based in the semi-rural town of Hokitika. The district stretches over 400kms and is home to just 8,307 people. By nature of the area they live in, the majority of young people in Westland experience some level of isolation.
- There are 12 schools within the District including one secondary school, one area school, four year 1-6 primary schools and six year 1-8 primary schools
- South Westland Area School and Westland High School have a total of 325 young people over the age of 12.
- Noted their Mission (10 year focus) is to build Westland as a region where young people can thrive, develop, take opportunities, contribute to and feel valued by their community.

4. ACTION LIST:

His Worship the Mayor went through the Action List in the Agenda and various amendments and updates to the list were provided.

Moved Cr Havill, seconded Cr Routhan and **Resolved** that the Action List as amended be adopted.

6. REPORTS FOR DECISION cont.

Inger Perkins, West Coast Penguin Trust

Inger Perkins, Manager, West Coast Penguin Trust spoke in support of Agenda Item 6.4 – Review of Bylaws and Policy on Dogs

Inger Perkins, Manager, West Coast Penguin Trust attended the meeting to explain the Trust's interest in dog control, and provided an update on the status of the blue penguins; noting that their conservation status is at risk as their population is declining.

Ms Perkins advised that the West Coast Penguin Trust has established that the biggest threat to blue penguins in our region is vehicles on coast roads; with the second biggest threat being dogs.

The key messages from the Penguin Trust were:

1. To keep dogs out of vegetated coastal areas, where penguins may be nesting, or on a leash when passing through.
2. To keep dogs on a leash at the beach during the hours of darkness, between dusk and dawn.
3. At all other times, to keep dogs under close control when at the beach.
4. To keep dogs safe and secure at home so that they cannot roam to the beach unsupervised.

The Trust supported that the proposed bylaw will go a long way to encouraging more responsible dog owner behaviour and protect the local penguins and other wildlife.

His Worship the Mayor thanked Ms Perkins for attending the meeting and for speaking to Council.

6.2 Tenders Committee – Terms of Reference

The Group Manager: District Assets spoke to this report and noted that the purpose of the report was to review and adopt the proposed terms of reference for the newly-formed tenders committee.

Moved Cr Havill, seconded Deputy Mayor Martin and **Resolved** that:

- A) Council adopts the terms of reference for the Tenders Committee as attached to the agenda.
- B) Council instructs the Chief Executive to update Part III of the Delegations Manual – “Delegations to Standing Committees” to reflect these terms of reference.

6.3 Westland Economic Development Plan

The Chief Executive spoke to this report. Further information had been circulated to the Mayor and Councillors from Kevin Stratful, West Coast Economic Development Manager, to enable Council to proceed to consultation of the Westland Economic Development Plan.

Moved Deputy Mayor Martin, seconded Cr Havill and **Resolved** that:

- A) The further information from Kevin Stratful be received.
- B) That the report from the Chief Executive be received and Council approve to proceed to consultation of the Westland Economic Development Plan.

6.4 Review of Bylaws and Policy on Dogs

The Group Manager: Planning, Community and Environment spoke to the report and advised the purpose of the report was to seek Council approval of 10 draft Bylaws and an associated Policy on Dogs for public consultation, under the Special Consultative Procedure as per Section 83 of the Local Government Act 2002, to run concurrently with consultation on the Council’s 2018-2028 Long Term Plan.

Moved Deputy Mayor Lash, seconded Cr Eatwell and **Resolved** that:

- A) Council adopts the attached Statement of Proposal for the Review of Various Bylaws and Policy on Dogs with the amendments; and
- B) Council undertake a Special Consultative Procedure as per Section 83 of the Local Government Act 2002 on the Draft bylaws and Policy on Dogs, with

an opening date and closing date for submissions that matches the consultation period for the 2018-2028 Long Term Plan.

6.1 **Revocation of Resolution**

A Revocation of Resolution signed by Deputy Mayor Lash, Cr Eatwell, Cr Routhan and Cr Neale had been received in accordance with Section 23.1 of the Westland District Council Standing Orders. The breaches that were identified by the four elected members were as follows:

LGA Sec 78 Community views in relation to decisions. Sec 78 (1): *in breach, by the failure to consult persons affected including elected Councillors.*

LGA Sec 79 Compliance with procedures in relation to decisions (1) (a): giving particular reference to Sec 76 AA. The Sec 79 (1) (b): *also has relevance to the breach.*

LGA Sec 76AA Significance and engagement policy:

76AA (1) (a): *No effort was made to comply with this part when the significance of the resolution impacted on the governance of all of the District assets managed under the CCO company process.*

Sec 80 Identification of inconsistent decisions: *This part was not considered in the process in particular in relation to the Act. (LGA)*

The process followed had failed to comply with the Act:

LGA Sec 57: Appointment of Directors:

- (1) A local authority must adopt a policy that sets out an objective and transparent process for:
 - (a) The identification and consideration of the skills, knowledge, and experience required of Directors of a council organisation; and
 - (b) The appointment of directors to a council organisation.

As there is no statutory compliant Director Appointment policy adopted by Council by a transparent process, *compliance to the above conditions has not been met.*

LGA Sec 82: Principles of consultation:

Given that several Councillors have not been consulted in the process of Directors appointment most of the conditions of this section have not been satisfied.

The Director Appointment policy laid down in the Constitution of the CCO WHL does not absolve the Council of its obligations in relation to the governance of CCO's laid down in the Local Government Act 2002.

The Councillors had advised that as Westland Holdings is the 100% shareholder of the trading companies and has the obligation of governance over management of them and the duty to report to Council as laid down in the Constitution, this matter had a high requirement of prudential importance to the Westland Ratepayers.

Moved Deputy Mayor Martin seconded Cr Havill and **Resolved** that Council revoke the following resolution from the 22 March 2018 Council Meeting:

“6.1 Board Appointment and Removal: Westland Holdings Limited

*Moved His Worship the Mayor, seconded Cr Carruthers and **Resolved** that:*

A) *Council appoints the Chairman of Westroads (currently Peter Cuff) and the Chairman of Hokitika Airport Limited (currently Ian Hustwick) to the Board of Westland Holdings Limited.*

B) *Council retains Cr Routhan and Cr Carruthers on the board of WHL and seeks an independent Chairman based on the policy.*

Cr Eatwell recorded his vote against the motion specifically as he advised he did not believe the process was statutorily compliant.”

6.5 Council Controlled Organisations - Director Appointment Policy Amendment

The Group Manager: Corporate Services spoke to this report and advised the purpose of the report is to review the Policy on Appointment and Remuneration of Directors of Council Organisations (COs) and Council Controlled Organisations (CCOs).

Deputy Mayor Martin left the meeting at 1.43 pm and returned to the meeting at 1.44 pm.

Deputy Mayor Martin declared a conflict of interest as a Director of Hokitika Airport Limited and Westland District Property Limited.

Moved Cr Eatwell, seconded Cr Havill and **Resolved** that Council adopt the policy on Appointment and Remuneration of Directors of Council Organisations and Council Controlled Organisations.

7. MATTERS CONSIDERED IN THE ‘PUBLIC EXCLUDED SECTION’:

Moved Cr Olson, seconded Deputy Mayor Martin and **Resolved** that Council confirm that they excluded the public at the commencement of the Council Meeting, in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 1.52 pm.

Council moved that the public be excluded from the following parts of the proceedings of this meeting, namely:

7.1 Confidential Minutes – 22 March 2018

7.2 Board Appointment – Westland Holdings Ltd

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	Minutes/ Report of	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
7.1	Confidential Minutes – 22 March 2018	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)
7.2	Board Appointment – Westland Holdings Ltd	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)

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

No.	Item	Section
7.1	Protect the privacy of natural persons, including that of deceased natural persons.	Section 7(2)(a)
7.2	Protect the privacy of natural persons, including that of deceased natural persons.	Section 7(2)(a)

Moved His Worship the Mayor, seconded Cr Havill and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed, and accordingly, the meeting went back to the open part of the meeting at 2.34 pm.

**Date of next Ordinary Council Meeting – 24 May 2018
to be held in the Council Chambers, 36 Weld Street, Hokitika**

MEETING CLOSED AT 2.34 PM

Confirmed by:

Mayor Bruce Smith
Chair

Date

MINUTES OF AN EXTRAORDINARY MEETING OF THE WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON WEDNESDAY 16 MAY 2018 COMMENCING AT 8.00 AM

1 MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER

1.1 Members Present

His Worship the Mayor R.B. Smith (Chair)

Deputy Mayor Cr L.J. Martin

Crs D.L. Carruthers, R.W. (G) Eatwell, D.M.J. Havill (ONZM), J.A. Neale, G.L. Olson

Apologies

Cr D.C. Routhan

Moved Deputy Mayor Martin, seconded Cr Olson and **Resolved** that the apology from Cr D.C. Routhan be received and accepted.

Absent

Deputy Mayor Lash.

Also in Attendance:

S.R. Bastion, Chief Executive; L.A. Crichton, Group Manager: Corporate Services; D. Inwood, Group Manager: District Assets; F. Scadden, Acting Group Manager: Planning, Community and Environment; D.M. Maitland, Executive Assistant.

1.2 Interest Register

The Interest Register was circulated and no amendments were noted.

2. BUSINESS:

2.1 Adopt Council Vision

Moved Cr Carruthers, seconded Cr Eatwell and **Resolved** that Council adopt the amended Westland District Council Vision as follows:

“We work with the people of Westland to grow and protect our communities, our economy and our unique natural environment”.

The letter of representation for the audit of Westland District Council’s Long-Term Plan Consultation Document was then signed by His Worship the Mayor.

2.2 Independent Auditor’s Report – Audit New Zealand

The Independent Auditor’s Report on Westland District Council’s Consultation Document for its proposed 2018-28 Long Term Plan was tabled at the meeting.

Moved Deputy Mayor Martin, seconded Cr Eatwell and **Resolved** that the Independent Auditor’s Report on Westland District Council’s Consultation Document for its proposed 2018-28 Long Term Plan be received.

2.3 Supporting Policies and Documents to the Revenue and Financing Policy

Moved Cr Havill, seconded Cr Carruthers and **Resolved** that:

- A) Council receives the Audit report for the draft Council Plan 2018-28.
- B) Council adopts the draft Funding Needs Analysis, Rating Policy and Funding Impact Statement as supporting documentation for the Long Term Plan 2018/28 Consultation Document and Revenue and Financing Policy consultations.

2.4 Revenue and Financing Policy

Moved Deputy Mayor Martin, seconded Cr Eatwell and **Resolved** that Council adopts the Revenue and Financing Policy, as attached to the Agenda, for consultation concurrent with the LTP consultation.

2.5 Adoption of the Draft Council Plan 2018–28 and Consultation Document, and Approval to Publicly Notify the Consultation Document

Moved Cr Eatwell, seconded Cr Neale and **Resolved** that:

- A) Council adopt the amended Westland District Council Vision.
- B) Council adopts the draft components of the Council Plan 2018–2028 and the Consultation Document.
- C) Council approves the Consultation Document being publicly notified as a Special Consultative Procedure under s. 82 of the Local Government Act 2002.
- D) Council approves the components of the Council Plan being made accessible to the public, for a month long public feedback process to occur (from 17 May 2018 to the 15 June 2018).

His Worship the Mayor thanked the staff involved in the preparation of the 2018-28 Long Term Plan.

MEETING CLOSED AT 8.16 AM

Confirmed by:

Mayor Bruce Smith
Chair

Date

Council Meetings - Action List

Date of Meeting	Item	Action	Who Responsible	Timeframe	Status
26.10.17	Hokitika Lions Club	Colin Adams Memorial	GMDA		Location has been confirmed and agreed with all parties. Council working with the Lions Club for the memorial installation.
22.02.18	Geothermal Energy Definition Study Expenditure	Payment of \$20,000 funded from general cash reserves to GNS	GMCS		The invoice has been received, and once a purchase order has been raised against it, the payment can be made.
22.02.18	New Westland Sports Hub Covered Complex	Ownership of the covered courts being developed at WHS on the condition that a MOU be entered into on terms and conditions satisfactory to the Council	CE		Progressing to tenders process. Expect the tender to be out by mid-June for a review end of June.
26.04.18	Economic Development Plan	CE be authorised to proceed to consultation	CE	ASAP	Public Notice in the Hokitika Guardian on the 21.05.18. SOP drafted.
26.04.18	Review of Bylaws and Policy on Dogs	Proceed to Special Consultative Procedure	GMPC&E	ASAP	Proceed to public notification at the same time as the Long Term Plan.
26.04.18	Director Appointment Policy – Amendment	Add to list of Policies	GMCS	ASAP	Policy listing updated.

Report



DATE: 24 May 2018
TO: Chief Executive
FROM: Senior Planner

PROPOSED COUNCIL FUNDED GRADUATE SCHOLARSHIP PROGRAMME

1 SUMMARY

- 1.1 The purpose of this report is to inform the Council on a proposed Council Funded Graduate Scholarship Programme whereby Council enters into an agreement with prospective students with Westland connections in their final year at various schools to sponsor their study towards a Council preferred degree programme in return for working for Council for a specified period of time on completion of the degree programme.
- 1.2 It is proposed that the prospective students be drawn from Westland High School, South Westland Area School and any other school outside Westland as long as the student hails from Westland and that they are bonafide residents of Westland through family connections or otherwise.
- 1.3 It is proposed that students are bonded to work for Council for the number of years equivalent to the length of their degree programme before they are released from the bond.
- 1.4 It is proposed that students work for Council in their respective departments during vacations to familiarise themselves with Council operations and their future roles. It is proposed that students are employed on a casual basis on minimum wage during vacation.
- 1.5 The expected average cost to sponsor one student scholarship is about **\$12,700.00** per annum made up of full tuition fee per year of **\$7,000.00** and student internship paid work at Council of **\$5,700.00** based on minimum wage rate of \$18/hour for about eight weeks per year.

- 1.6 This issue arises from the difficulties that the Council encounters in recruiting and retaining professionally qualified personnel in critical fields such as Engineering, Planning and Finance and Administration. Council is spending a significant amount of money in recruitment costs due to high turnover of staff in critical departments. The continued transition of staff result in interruption of critical service delivery to the community.
- 1.7 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.8 This report concludes by recommending that Council establish and fund an inaugural Graduate Scholarship Programme for a maximum of three recipient students at any one time, one each in Civil Engineering, Planning and Finance and Administration. It is proposed to gradually roll out the programme starting with one student intake per year beginning with financial year 2019-2020. It is proposed that Council take the rest of this year (2018) to publicise and select interested and qualified student based on a selection criteria to be developed. It is proposed that Council set up a selection criteria in collaboration with teachers and parents to identify suitable candidates. The selection criteria should be based, among other things, on the ability and likelihood of the student completing their training programme on time, likelihood of living and working in Westland after graduation, strong connection to Westland through historical connections, family connections or any other credible links to Westland. The prospective students could be studying at any high school as well as the two high schools in Westland as long as they fit the selection criteria. This is to take into consideration students who study at boarding schools and other schools outside the District with resident parents.
- 1.9 The programme is proposed to ongoing as long as Council deem it necessary but it is proposed that a pilot programme be undertaken beginning with a staggered intake of three graduates and review the programme performance over the first five years it would have run.

2 BACKGROUND

- 2.1 Over the years Westland District Council experienced difficulties in recruiting and retaining qualified staff resulting in significant disruption of critical Council Services. Where the Council succeeded in recruiting qualified staff, more often than not, the staff stays for a short time and usually there is a gap between the incumbent resigning and the new staff being appointed to the role. The high staff turnover puts a burden not only on Council finances but also result in poor service to the community. High staff turnover costs Council

in many ways, among them, recruitment costs, lack of continuity in Council programmes and generally loss of institutional knowledge staff would have gained during their time at the Council. It is in this context that Council should look at long term staff development, in particular by promoting home grown skilled people starting with educational investment in local young people.

3 CURRENT SITUATION

- 3.1 Because of high staff turnover Council loses money in the recruitment process and as soon as the staff get up-to-speed with their job responsibilities and become familiar with the District, they will be thinking of resigning. At any one time Council is advertising for qualified staff but the positions never get filled up. As a result Council outsources the jobs to consultants who are not only expensive to hire but also that Council has very little control of what they do. Therefore it important to train and develop local young people to take over critical Council jobs on a long term basis given that these would be local young people who call Westland District home.

4 OPTIONS

- 4.1 Status quo – Continue the current recruitment programme.
- 4.2 Establish and run a scholarship programme.

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 Council has duty to employ and retain qualified personnel to be able to deliver on services which is basically infrastructure building and maintenance and regulation. Council performance is measured on how well services are delivered and how orderly planning of development is managed through regulations.
- 5.2 No consultation has been done but staff believe this policy will not only make Council a responsible corporate body by promoting skilled education on local students but also makes sure that at any one time Council has qualified staff to man its offices and deliver services to achieve Council vision.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 Option 1: Status quo

Advantages	Disadvantages
<ul style="list-style-type: none"> • No initial upfront investment, • No long term agreements with staff and therefore no liability. 	<ul style="list-style-type: none"> • High staff turnover, • Poor Council Service delivery, • High costs of recruitment, • Loss of institutional knowledge, • Council is training ground for other employers elsewhere.

6.2 Option 2: Establish and fund scholarship programme

Advantages	Disadvantages
<ul style="list-style-type: none"> • Long term staff retention, local people likely to stay longer or return after OE, • Less recruitment costs, • Promote local students into tertiary education, • Recipients guaranteed a job on completion of studies • Vacation work familiarise students with their future roles, • Continuity of staffing and Services at Council, • Council corporate responsibility, • Raise general awareness among students from Westland on career guidance. 	<ul style="list-style-type: none"> • Long term investment upfront, • Liability of guaranteeing students work after studies, • Liability of contract break up, • Risk of students failing to complete course.

7 ESTIMATED COSTS ASSOCIATED WITH OPTION 2

The average tuition fee per year for a full time student at any New Zealand University is currently at **\$7,000.00**. The recipient students are expected to work as casual employees at Council during their summer vacation for about eight weeks at an average of 40 hours per week, paid at a minimum wage of \$18 per hour. This will add up to an annual wage bill to Council of about **\$5,700.00**. The total cost per scholarship per year will be about **\$12,700.00** minus the actual labour provided by the student during their internship.

It is proposed that Council develop a binding detailed scholarship contract agreement covering all issues to do with progress of study and reporting, bonding period and conditions and managements of all other risks identified in this report.

It is proposed to start with gradual introduction of scholarships starting with one student in the 2019-2020 financial year and build up to three graduate student scholarships in the third year of the programme.

In the fourth year the first recipient begins work with Council and in the fifth year the second recipient commences work as well. At this juncture it is proposed that Council review the whole programme from selection criteria, student progress in studies and reporting systems, performance and commitment of the students to their studies and work, Council staff complements at the time, etc. Based on that information including Council staffing capacity at the time, decisions will be made as to continuing with the scholarship programme and the required number of intakes per year and how they are staggered to suit Council budget. In the future it may be necessary to skip some years if the recipients completes their bonding period and decides to stay with Council.

Estimated Council expenditure in the first 5 years of the programme assuming each degree programme last 3 years.

Financial year	2019/20	2020/21	2021/22	2022/23	2023/24
Number of scholarships	1	2	3	2	1
Tuition fee	\$7,000.00	\$14,000.00	\$21,000.00	\$14,000.00	\$7,000.00
Wages	\$5,700.00	\$11,400.00	\$17,100.00	\$11,400.00	\$5,700.00
Yearly totals	\$12,700.00	\$25,400.00	\$38,100.00	\$25,400.00	\$12,700.00

8 PREFERRED OPTION(S) AND REASONS

8.1 **Option 2** is preferred because of the many advantages as outline above.

9 RECOMMENDATION(S)

- A) **THAT** the Council adopt **Option 2** and establish a Council funded Graduate Scholarship Programme starting with one recipient student to study towards a recognised degree programme in either Civil Engineering, Planning or Finance and Administration beginning 2019- 2020 financial year.
- B) **THAT** the Council develop a recipient selection criteria based on the principles of promoting local students with strong Westland connections.
- C) **THAT** Council develop a detailed contract agreement similar to the attached example.

Simon Mutohori
Senior Planner