



Hastings District Council

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OPEN

A G E N D A

COUNCIL MEETING

Meeting Date: **Thursday, 24 May 2012**

Time: **2.00pm**

Venue: **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Council Members	Chair: Mayor Yule Councillors Bowers (Deputy Mayor), Bradshaw, Collin, Hazlehurst, Heaps, Henderson, Kerr, Lester, Nixon, O'Keefe, Poulain, Roil, Twigg and Watkins
Officer Responsible	Chief Executive – Mr R McLeod
Council Secretary	Mrs J Pani (Telephone 871 5018)

HASTINGS DISTRICT COUNCIL

COUNCIL MEETING

THURSDAY, 24 MAY 2012

VENUE: Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings

TIME: 2.00pm

A G E N D A

1. Prayer

2. Apologies & Leave of Absence

At the close of the agenda no apologies had been received.

At the close of the agenda no requests for leave of absence had been received.

3. Conflict of Interest

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or Group Manager Corporate & Customer Services (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

4. Minutes for Confirmation

There were no confirmation of committee minutes.

Minutes of the Council Meeting held 19 April 2012.
(Previously circulated)

- | | | |
|------------|---|-----------|
| 5. | Reports of Council Representatives on Outside Organisations | 1 |
| 6. | Proposed naming of new reserve at Raureka | 3 |
| 7. | Horse of the Year | 7 |
| 8. | Additional Business Items | |
| | There were no additional business items. | |
| 9. | Extraordinary Business Items | |
| | There were no extraordinary business items. | |
| 10. | Recommendation to Exclude the Public from Item 11 | 11 |
| 11. | Confirmation of the Minutes of Council held 19 April 2012 while the Public were Excluded | |

REPORT TO: COUNCIL

MEETING DATE: THURSDAY 24 MAY 2012

**FROM: DEMOCRATIC SUPPORT MANAGER
JUDE PANI**

**SUBJECT: REPORTS OF COUNCIL REPRESENTATIVES ON OUTSIDE
ORGANISATIONS**

Item 5

RECOMMENDATION

That the verbal reports of Council representatives on outside organisations be received.

REPORT TO: COUNCIL

MEETING DATE: THURSDAY 24 MAY 2012

**FROM: PARKS PLANNER
KIRSTY OOSTERKAMP**

SUBJECT: PROPOSED NAMING OF NEW RESERVE AT RAUREKA

1.0 SUMMARY

- 1.1 The purpose of this report is to obtain a decision from Council to adopt the community recommended name “Whenua Takoha Reserve” for the new reserve located on the corner of Cobham Street and Cobham Place, Raureka, Hastings.
- 1.2 This request arises from need to appropriately name our parks and reserves as required by Section 5.6.2 of the District Wide Reserve Management Plan incorporating that the park naming process be carried out in accordance with Council’s Reserve Naming Policy, adopted in November 2011. See **Appendix 1**.
- 1.3 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 includes the promotion of the social, economic, environmental and cultural wellbeing of communities. The Council seeks to meet this obligation and the achievement of community outcomes through the strategic objectives set out in the 2009-2019 Long Term Council Community Plan. The matters raised in this report relate to those elements of the strategic objectives identified in the following table.

Strategic Objectives	Achieved By
<p><i>Our lifestyle and people</i></p> <ul style="list-style-type: none"> <i>Put people at the centre of planning</i> 	<p>Adopting the name as recommended by the local community for the new reserve located in Raureka.</p>

- 1.4 This report concludes by recommending that Council adopt the name “Whenua Takoha Reserve” for the new reserve located on the corner of Cobham Street and Cobham Place, Raureka, Hastings.

2.0 BACKGROUND

- 2.1 At the 1 November 2011 Policy and Strategy Committee meeting, Council formally adopted an amended Reserve Naming Policy that identified the process for the naming of any new reserves acquired by Council – Refer **Appendix 1**.
- 2.2 The first step of the adopted policy requires officers to decide whether the new reserve warrants a unique name due to:
- its classification, size, location or function; or
 - whether hapu, Council or the developer has requested a unique name; or
 - whether there is another park or reserve already on the road or street.

- 2.3 At the March Landmarks Advisory Group (Landmarks) it was recommended that the new reserve in Raureka be given a unique name, given the high level of involvement and interest from the local community to acquire and develop the reserve. The Landmarks recommended that this reserve warrants a unique name, rather than utilising the adjoining street name. As such, the naming policy process requires name suggestions to be researched and consulted on with key stakeholders before Council makes a decision as to the name.
- 2.4 In addition, as the development of the new reserve is nearing completion, officers are eager to resolve the reserve name so that it can be recognised during the official opening, scheduled for late May. As the reserve is to receive a blessing as part of the opening ceremony, it is an important protocol to have the name officially adopted prior to the opening ceremony.

3.0 CURRENT SITUATION

- 3.1 Following the consultation process, only one name suggestion was put forward. Therefore the proposed name, as suggested by the community is “Whenua Takoha Reserve”, meaning “Gifted Land”.
- 3.2 This name was deemed appropriate by the community as it recognised the partnership between Housing NZ, whanau and Hastings District Council in developing the reserve, as well as the intergenerational residential occupation of the area.

4.0 OPTIONS

- 4.1 Option 1: Adopt the recommended name “Whenua Takoha Reserve”
- 4.2 Option 2: Reject the recommended name and seek alternative name suggestions.

5.0 SIGNIFICANCE AND CONSULTATION

- 5.1 As part of the naming policy process, Officers have undertaken consultation with Landmarks, Ward Councillors, emergency services, community representatives and Council’s Strategic Advisor – Culture & Heritage.
- 5.2 Landmarks are in support of the community proposing the new name for the reserve given their close affiliation with the area. In addition, Hastings Ward Councillors have recently been canvassed on the proposed name and the majority of them have advised officers that they endorse the recommended name.
- 5.3 In relation to consultation with hapu, officers sought advice from Council’s Strategic Advisor – Culture & Heritage on whom to engage in relation to this matter. While the naming policy allows for such consultation with mana whenua, officers have been advised that no special consultation with iwi is required as it would undermine the good faith established between the community and Council, especially as most are Maori and belong to local hapu. To consult any wider, or include other iwi in the consultation process would be considered inappropriate, as local community are in themselves effectively, the affected hapu.

5.4 In addition, as the recommended name is unique to the District, there should be no confusion about the location of the reserve in the event of an emergency. Feedback from the emergency services advises that the name of any asset and any confusion arising is now irrelevant as the assets are globally positioned and easily located regardless of name.

5.5 The cost of naming the reserve is a minor amount and relates to the cost of signage. This is funded through the project costs for the park and does not trigger any significance thresholds.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 The advantages of adopting Option 1 is that it is a name that the community affiliates with and would preserve the “good faith” Council has established with the community through the course of this park development project by fostering community “ownership” of the reserve.

6.2 Should Council adopt Option 2 and look to an alternative name, there is a risk that the community may feel spurned which would be harmful to Council’s relationship with this community and could be potentially detrimental when engaging other communities on similar projects in the future.

6.3 This project has been community driven and the naming of the reserve, with the name of the local residents’ choice, is essentially the finishing of a strong Community – Council – Housing NZ initiative.

7.0 PREFERRED OPTION/S AND REASONS

7.1 The preferred option is Option 1.

7.2 Officers recommend that the new reserve, located on the corner of Cobham Street and Cobham Place, Raureka, Hastings, be named “Whenua Takoha Reserve” as recommended by the community.

7.3 The recommended name has special significance to the intergenerational residential occupation of the area as well as recognising the parties involved in the acquisition and development of the reserve for the local community.

8.0 RECOMMENDATIONS AND REASONS

A) That the report of the Parks Planner titled “Proposed naming of new reserve at Raureka” dated 24/05/2012 be received.

B) That the name “Whenua Takoha Reserve” be adopted for the new reserve (Lot 1 Deposited Plan 10127) at Raureka.

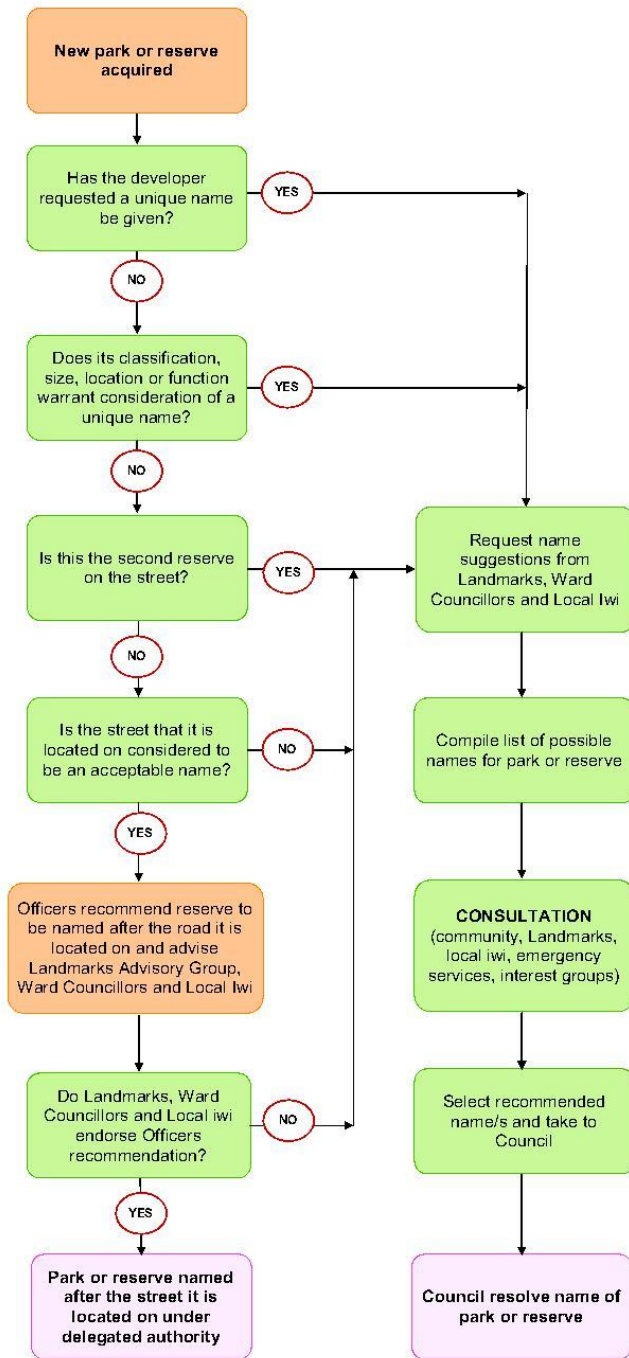
With the reasons for this decision being that the objective of the decision will contribute to the Council’s Strategic Objectives by:

Adopting the name as recommended by the local community for the new reserve located in Raureka.

Attachments:

1 Reserve Naming Policy

12/526



REPORT TO: COUNCIL

MEETING DATE: THURSDAY 24 MAY 2012

FROM: CHIEF FINANCIAL OFFICER
TONY GRAY

SUBJECT: HORSE OF THE YEAR

1.0 SUMMARY

- 1.1 The purpose of this report is to obtain a decision from Council on taking a shareholding interest in Horse of the Year Limited (HOY Limited).
- 1.2 This proposal arises from Equestrian Sports New Zealand offering Hastings a 15 year contract to host the Horse of the Year show and a requirement to put into place an appropriate governance structure for the event.
- 1.3 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 includes the promotion of the social, economic, environmental and cultural wellbeing of communities. The Council seeks to meet this obligation and the achievement of community outcomes through the strategic objectives set out in the 2009-2019 Long Term Council Community Plan. The matters raised in this report relate to those elements of the strategic objectives identified in the following table.

Strategic Objectives	Achieved By
<p><i>Our economy</i></p> <ul style="list-style-type: none"> • <i>Grow our appeal as a tourism destination</i> 	<p>Providing a first class national and international event attracting many participants and visitors to Hastings.</p>

- 1.4 This report concludes by recommending that Council approve subscribing for a one-third ownership interest in Horse of the Year Limited.

2.0 BACKGROUND

- 2.1 The Horse of the Year has been hosted by Hawke's Bay Show Jumping Incorporated since 1999 with the event management contracted to Eventpro (Kevin Hansen). The show has been running successfully although there has been some financial stress created from the 2009 and 2010 events. During this time the event has undergone substantial growth and is now the region's largest event.
- 2.2 In response to a submission to the Draft Annual Plan 2011/12, Council resolved to:-
"fund \$15,000 to assist with the establishment of the event governance, management and delivery of the Horse of the Year 2012, subject to the 15 year contract with Equestrian Sports New Zealand being secured and the new governance model being adopted."
- 2.3 Since HOY began in Hastings in 1999, the event has grown to be a premier equestrian event in Australasia. The event's governance structure has not kept pace with the substantial growth in the scale and sophistication of the event.

- 2.4 Council on 25 August 2011 noted that Equestrian Sports New Zealand have requested that an improved governance structure be set up to hold the rights to host HOY before it granted a longer term arrangement for Hastings. This governance structure was expected to include representation from a number of stakeholders with a strong interest in ensuring the show succeeds. A “board” was established comprising representatives of Equestrian Sports New Zealand, HDC, Show Jumping Hawkes Bay along with two independents. The “Board” is not a board in a legal sense, but was established to drive the establishment of an entity to run the Horse of the Year for 15 years.
- 2.5 The role of the HOY Board is to:
- Secure a hosting agreement from ESNZ for the hosting of the Horse of the Year event for 15 years.
 - Provide strategic guidance and vision for the delivery and future development of the Horse of the Year event.
 - Ensure effective delivery of the Horse of the Year event.
 - Work with the Agricultural and Pastoral Society to ensure the facilities are upgraded and secure a long term tenancy of those facilities.
- 2.6 Council resolved on 25 August 2011
“That Councillor Bowers is nominated as Hastings District Council’s representative on the Board of the Horse of the Year Show”.

3.0 CURRENT SITUATION

- 3.1 The current “board” comprises of:-
- Cynthia Bowers (Chair), Hastings District Council
 - Warwick Hansen, Show Jumping Hawkes Bay
 - Greg Gent, Equestrian Sports New Zealand,
 - Cindy Mitchener, Independent
 - Colin Stone, Independent
- 3.2 The Board have met on numerous occasions and now wish to formally establish HOY Limited as a not for profit, tax exempt limited liability company. The Board have come to the view that this is the most appropriate vehicle after seeking professional advice. This view has been supported by the Equestrian Sports New Zealand Board and the Show Jumping Hawkes Bay Committee. Council Officers had this advice peer reviewed by Jodi Lett of Bannister and von Dadelszen and Chris Guillemont of WHK and this supported the independent advice reviewed by the Board. The entity provides limited liability to shareholders, a tax effective entity and has the ability to raise funds from corporates, charities and other entities.
- 3.3 The Board have decided that in order to ensure strategic alignment that equal shareholding be held by HDC, Equestrian Sports New Zealand and Show Jumping Hawkes Bay. The Board are preparing a constitution and related agreements. Formal approval of the constitution by the Inland Revenue Department will be sought in order to obtain tax exempt status.
- 3.4 The Board are currently developing a business plan for the Horse of the Year show and this will be submitted to Council in June 2012. The business plan will identify the forecast financial performance for the event and the working

capital required to fund it. The company when formed will have nominal share capital with funding from shareholders to be made as shareholder advances. This will provide the mechanism for capital to be returned to shareholders should the company have excess funds. The amount of funding from shareholders has not been clearly identified but is not expected to exceed \$100,000 from each shareholder and this would be paid on a monthly basis until the 2013 show funds are received (funds are expected from October 2012).

3.5 The Board wishes to incorporate a company as at 1 June 2012 so that it can be formally involved in making arrangements for the 2013 HOY show. HOY Limited through its Event Manager will negotiate contracts with service providers.

3.6 The HOY "Board" has agreed that Kevin Hansen of Eventpro will be retained for a period of two years to run the 2013 and 2014 Horse of the Year events, subject to reaching an agreement with him. The HOY Board have sought a proposal from Eventpro to run the show and are in the process of formalising a contract.

4.0 OPTIONS

4.1 Council can:-

- Accept the proposal to take up one-third shareholding in HOY Limited
- Reject the proposal
- Seek further information from Council Officers

5.0 SIGNIFICANCE AND CONSULTATION

5.1 This proposal is not of significance that would trigger Council's thresholds under its Significance Policy and no consultation is required.

5.2 As it is proposed that Council obtains only a one third shareholding of HOY Limited and does not have control over the appointment of the majority of directors, it is not deemed to be a Council Controlled Organisation under the Local Government Act 2002 and hence it requires no consultation.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 The option to take up a one-third shareholding in HOY Limited will secure the Horse of the Year to Hastings for a 15 year period. The Horse of the Year is a prestigious national and international event, attracting thousands of visitors and participants to the show each year. Economic assessments undertaken in 2008 identified a gain of \$11.52 million in regional Gross Domestic Product arising from the event.

6.2 The option to not take up the one-third shareholding will require the Equestrian Sports New Zealand and Show Jumping Hawkes Bay to increase the shareholding in HOY Limited, something that either or both organisations may struggle to do. This could result in the HOY show not being secured for 15 years and the rights to the show being granted to another city.

6.3 Council Officers cannot be definitive of the financial implications until after the business plan is completed. Officers however considered that share capital will be minimal and funding would be made by way of shareholder loans (in

essence working capital). Based on the work done to date Council's share of capital is expected to be to the order of \$100,000 with up to \$10,000 potentially being required in the 2011/12 year. Officers are making a submission for the require capital in 2012/13 in the 2012-22 Long Term Plan process. The company would work to repay this whilst at the same time creating a financial reserve from successful events.

- 6.4 If Council require further information this will delay the formation of HOY Limited and inhibit its ability to effectively work to organise the 2013 HOY event.

7.0 PREFERRED OPTION

- 7.1 The preferred option is that Council approve taking up a one-third share of HOY Limited to ensure that the rights to host Horse of the Year in Hastings for 15 years is secured. This will result in the securing of a prestigious national and international event, assessed in 2008 as contributing \$11.52 million of additional regional Gross Domestic Product. Equestrian Sports New Zealand and Show Jumping Hawkes Bay have confirmed their equity participation.
- 7.2 Officers have prepared a Council Officer submission for \$100,000 in the 2012-22 Long Term Plan submission process to provide capital to Horse of the Year Limited.

8.0 RECOMMENDATIONS

- A) That the report of the Chief Financial Officer titled "Horse of the Year" dated 24/05/2012 be received.**
- B) That Council:-**
- i) APPROVE subscribing for one-third of the shareholding in Horse of the Year Limited**
 - ii) NOTE that the Horse of the Year business plan together with the Constitution and related documents will be submitted to the Council in June 2012 and that no significant financial commitment will be made by Council until Council is satisfied with the business plan, Constitution and related agreements..**

With the reasons for this decision being that the objective of the decision will contribute to the Council's Strategic Objectives by:

Providing a first class national and international event attracting many participants and visitors to Hastings.

Attachments:

There are no attachments for this report.

HASTINGS DISTRICT COUNCIL
COUNCIL MEETING
THURSDAY, 24 MAY 2012

RECOMMENDATION TO EXCLUDE THE PUBLIC

SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

THAT the public now be excluded from the following part of the meeting, namely:

11 Confirmation of the Minutes of Council held 19 April 2012 while the Public were Excluded

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the matter and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this Resolution is as follows:

<i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i>	<i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i>	<i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i>
11 Confirmation of the Minutes of Council held 19 April 2012 while the Public were Excluded	As stated in the minutes	Section 48(1)(a)(i) Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.