

Elected Member Briefing – 26 April 2018
Commencing at 11.00am in Committee Room One

Topic	HCC Contact / Presenter(s)	Open / Closed	Time Req'd (mins)
Delegations to Housing Accords and Special Housing Areas Act (HAASA) prior to hearings	Fraser McNutt	Open	60
Sport and Recreation: Strategic Direction	Nick Chester/Amanda Banks	Open	60
LUNCH			
TIF Prioritisation	Lance Vervoot	Open	60
Growth Assumptions	Jen Baird	Open	30
Peacocke Affordability	Stephen Halliwell	Open	30
Bill amendments affecting Local Government in relation to online voting	Dale Ofoske	Open	60
MEETING ENDS			

Memo

Planning Guidance, City Growth Group

To: Elected members

From: Fraser McNutt, Acting Unit Manager Planning Guidance

Subject: HASHAA Delegations – briefing document handout

Date: 23 April 2018 File: D-2659104

1.0 Establishment of Hamilton’s first special housing area (SHA) under the Housing Accords and Special Housing Areas Act 2013 (Act) has just occurred (Jebson Place).

As soon as an SHA is established, a resource consent application (*Qualifying Development*) can be lodged with Council under the Act to develop land within the SHA for predominantly residential purposes. The Act’s consent process is a deliberately condensed version of the more familiar process under the Resource Management Act 1991 (RMA).

The Act’s hybrid consent process, with its truncated timeframes and limited participation, lends itself to delegations to ensure Council can conduct its responsibilities, duties and powers under the Act effectively and efficiently.

Council’s responsibilities, duties and powers relevant to the Act’s hybrid consent process are similar to corresponding functions under the RMA. Council’s existing delegations under the RMA to its Chief Executive, officers and independent hearings commissioners provide a tried and tested approach to delegations which Council may consider making under the Act.

2.0 This report covers the following matters:

- Context and background
- Delegations under the Act
- Options

Context and background

The purpose of the Act, recorded in section 4, is “to enhance housing affordability by facilitating an increase in land and housing supply...”

The Housing Accord signed by Council and the then Minister of Building and Construction in December 2016 enables Council to recommend to the new Minister for Housing and Urban Development (Minister) the establishment of SHAs in Hamilton City.

In response to Council’s recommendation, the Minister has considered, gazetted and is currently considering establishing Jebson Place / 5A Cassidy Street as Hamilton’s first SHA under the Act.

As soon as this SHA is established, a consent application can be lodged with Council under the Act to

develop land within the SHA for predominantly residential purposes (referred to as a qualifying development (QD) under the Act). The Act's consent process is a deliberately condensed version of the more familiar process under the RMA.

To ensure Council conducts its responsibilities, duties and powers under the Act effectively and efficiently as envisaged by clause 32(1) of Schedule 7 of the Local Government Act 2002 (LGA), delegation of certain powers relating to the Act's hybrid resource consent process are recommended. Because Council's powers to process and decide a related plan change under the Act cannot be delegated, the Act's condensed hybrid plan change process is not discussed further in this report.

Delegations under the Act

Council's Delegations Positions Policy (Delegations Policy) records Council's delegations of its statutory responsibilities, duties and powers to its Chief Executive. The Act commenced in

Council's delegations to its Chief Executive are subject to the overriding condition, recorded in Schedule 2 of the Delegations Policy, that the Chief Executive may refer any matter arising while exercising those delegations back to Council for decision if he considers it appropriate to do so.

Section 76(2)(d) of the Act allows the Chief Executive to, in turn, delegate responsibilities, duties and powers relating to the Act's resource consent process to Council officers. These delegations from the Chief Executive to officers can be recorded in a management policy issued by the Chief Executive.

The Act's resource consent process is, as already noted, a condensed hybrid of the more familiar resource consent process under the RMA. In summary, the Act's resource consent process consists of the following key steps:

- The applicant lodges a resource consent application with Council for a QD under section 25 of the Act (not the alternative section 88 of the RMA). This starts the condensed hybrid process under the Act rather than the traditional process under the RMA.
- Council decides, under section 27 of the Act, whether or not the application is complete. If the application is considered complete, Council accepts the application as lodged and starts to process, consider and decide the application.
- Council can request further information from the applicant under section 28 of the Act to help it consider and decide the application.
- Council can only notify the application, under section 29(3) of the Act, to:
 - Owners of land adjacent to the application site;
 - Waikato Regional Council;
 - Infrastructure providers with assets on or adjacent to the application site; or
 - Requiring authorities with designations on or adjacent to the application site,

who have not otherwise given their written approval to the QD. Council must, under section 29(4) of the Act, make its notification decision within 10 working days of the application being lodged.

- Only persons who have been notified can make a submission on the application under section 29(7) of the Act.
 - Council can only hold a hearing on the application under section 30 of the Act if submissions have been made on the application and submitters have asked to be heard.
 - If a hearing is held, it must commence no later than 20 working days and be completed within 30 working days after the closing date for submissions.
 - Council must decide the application having regard to criteria listed in section 34(1) of the Act. The criteria are ranked in order of importance. Primary importance is placed on the purpose of the Act. The purpose and principles of the RMA are of secondary importance.
 - Section 34(2) of the Act prohibits Council from granting consent for a QD unless it is satisfied that sufficient and appropriate infrastructure will be provided to support the QD. In every other case, Council may exercise its discretion to grant or decline the application under section 36(1) of the Act.
 - Council can, under section 36(2) of the Act, impose conditions if it decides to grant resource consent for the QD.
 - A right of appeal to the Environment Court against Council's decision only exists for QDs of four or more storeys. Only the applicant and submitters (if any) can exercise this right under section 79 of the Act.
 - A right of objection to Council against Council's decision to decline an application only exists where the decision on the application is made by a Council officer rather than full Council or a hearings commissioner. Only the applicant can exercise this right under section 81 of the Act. Section 84 of the Act confirms that there is no right of appeal to the Environment Court against Council's decision on an objection.

Council's responsibilities, duties and powers relevant to the Act's hybrid resource consent process are similar to corresponding RMA functions which have been successfully delegated to Council officers and hearings commissioners for a number of years now. Delegations under the RMA could therefore provide a tried and proven approach to delegations under the Act.

Options

The Act's condensed hybrid resource consent process, with its truncated timeframes and limited participation, lends itself to delegations to ensure Council can conduct its responsibilities, duties and powers under the Act effectively and efficiently.

The Act's requirement to commence and complete hearings (if a hearing is required at all) and make decisions on resource consent applications for QDs within a very short timeframe is a feature of the hybrid consent process that is particularly challenging to align with full Council's meeting schedule. Council does, however, have two options to manage this challenge.

One option available to Council is to delegate its decision-making powers to Council officers and/or hearings commissioners, just as it currently does under the RMA.

To this end, the Chief Executive could issue a management policy recording his delegations to officers

to make certain decisions under the Act and Council could extend its delegations to its existing Independent Hearings

Commissioners Panel to include hearing and decision-making functions under the Act. The latter would ensure that hearings commissioners hearing and deciding applications under the Act and/or objections against a Council decision under the Act hold pre-requisite accreditation under the RMA, as required by section 76(2)(g) of the Act, and are suitably qualified and experienced to conduct a fair and robust hearing process.

Another option available to Council is to appoint an accord territorial authority panel under section 89 of the Act and delegate its functions and powers in the hybrid resource consent process to that panel under section 90 of the Act.

SHA Process for Delegations/Hearings

Housing Accords and Special Housing Areas Act 2013

Hamilton was added to Schedule 1 of the Act in 2015.

Central
Government

Hamilton Housing Accord

The Hamilton Housing Accord (the Accord) was signed by Mayor King and the then Building and Construction Minister, Nick Smith, on 22 December 2016 and approved by the Council on 8 February 2017.

Central
Government

Council

Hamilton Special Housing Area Policy

20 June 2017- Growth and Infrastructure Committee considered and approved the draft Hamilton Special Housing Areas Policy (the Policy) for public consultation for a period of three weeks (22 June 2017 to 17 July 2017), a public hearing of the draft policy was held on 3 August 2017 and the Council approved the Policy on 24 August 2017.

Council

Expressions of Interest

Tranches to go out for expressions of interest set by staff (CE) and applications for SHAs processed by staff.

Staff

Council's decision to recommend the Expression of Interest to be advanced for recommendation to the Central Government as a Special Housing Area (SHA).

Council

Minister for Housing, Urban Development and Transport decision to gazette site as a Special Housing Area (SHA).

Central
Government

Resource Consent Applications

Processing of applications, including accepting/returning under s88(3) of HAASHA, determination of notification decision, making a decision if not notified, making a decision if notified but no submitters or submitters do not want to be heard - Staff

Staff

If notified and submitters want to be heard, a hearing is held. *Chief Executive to decide delegations on Council panel/commissioners to make decision to grant or refuse and impose conditions under s37 and s38 of HAASHA*

Commissioners
OR Panel as
per s89/90.

Council

Plan Change/Variation

Decision to do a plan change – staff or applicant (private plan change)

Staff

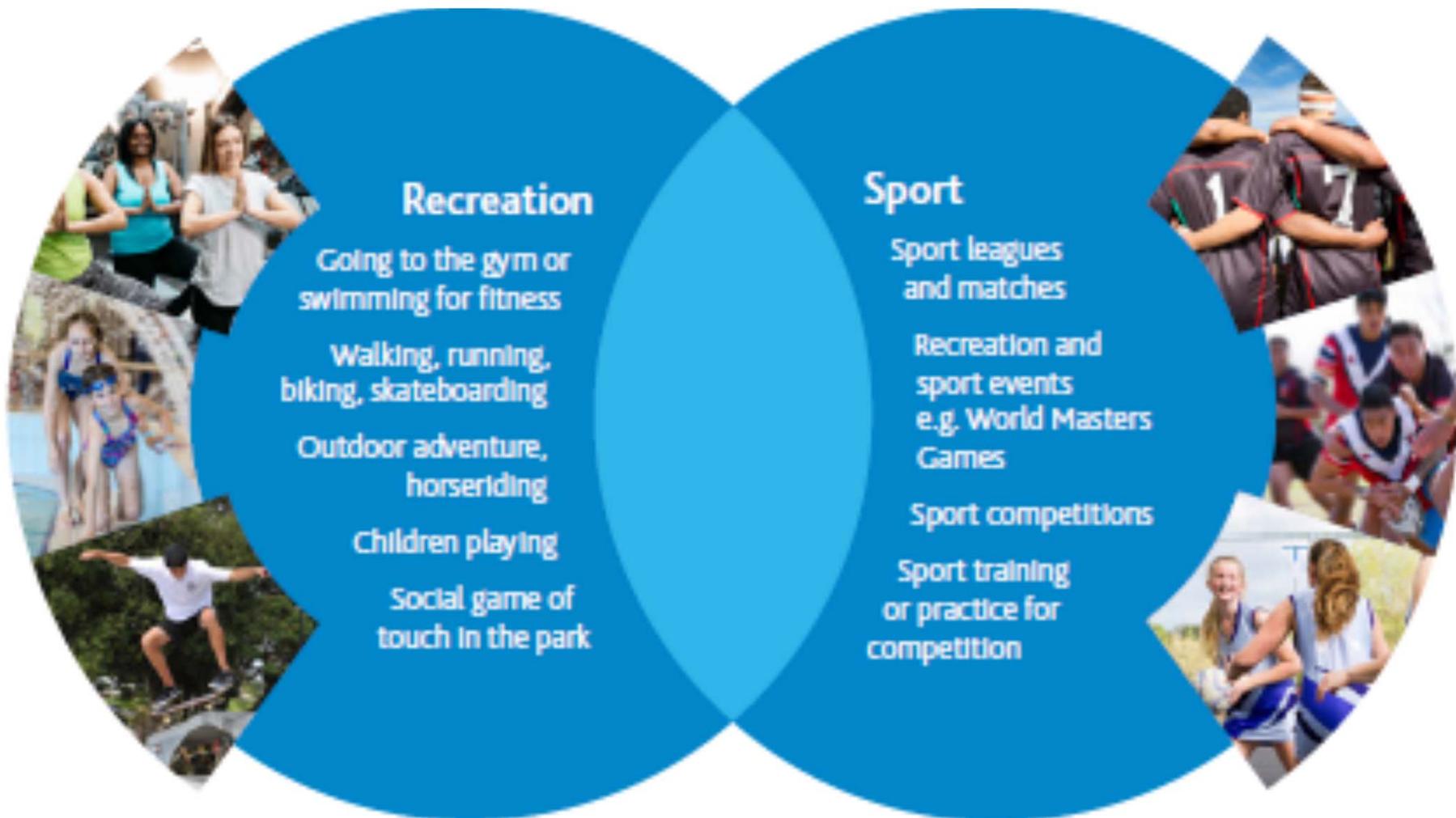
Applicant

Decision to accept plan change for processing and approval to delegate Commissioner or Council to approve the plan change - Council

Council

Development of Council's Sport and Recreation Strategy





Source: Auckland Sport and Recreation Strategic Action Plan

Strategic context – previous work

ACTIVE HAMILTON

Council meeting 28 July 2016 resolution: “that the Active Hamilton Strategy be referred to the incoming Council”.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

3 (good health and wellbeing), 11 (sustainable cities and communities), 15 (life on land)



NATIONAL

LEGISLATIVE MANDATE

- Resource Management Act 1991
- Local Government Act 2002
- Sport and Recreation NZ Act 2002
- New Zealand Public Health and Disability Act 2002
- Reserves Act 1977

KEY STRATEGIC DOCUMENTS

- Strategic Plan 2015-20 (Sport NZ)
- Community Sport Strategy 2015-20 (Sport NZ)
- New Zealand Recreation Association Strategic Plan 2015/20 (NZ Recreation Association)
- Government Policy Statement on Land Transport 2018
- Treasury Living Standards Framework



REGIONAL

LEGISLATIVE MANDATE

- Waikato Regional Policy Statement
- Vision and Strategy for the Waikato River
- Waikato-Tainui Environmental Management Plan

KEY STRATEGIC DOCUMENTS

- Moving Waikato 2025 (Sport Waikato)
- Waikato Regional Sports Facility Plan (Sport Waikato)
- Regional Walking and Cycling Strategy (Waikato Regional Council)



LOCAL

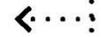
LEGISLATIVE MANDATE

- Hamilton City District Plan
- Reserve Management Plans
- Long Term Plan

KEY STRATEGIC DOCUMENTS

- Open Spaces Plan 2013
- Community Outcomes
- Asset Management Plans

Sport and Recreation Strategy



The rationale for the strategy

Opportunity to:

- Increase use of data and information in decision-making;
- Be more strategic, with a focus on sustainability, agility and flexibility over time;
- Achieve stronger integration between other areas of Council.

Scope of the strategy

- In scope
 - A vision and set of strategic outcomes
 - An outline of current state
 - An assessment of current data and information and strategic alignment
 - Targeted engagement with key stakeholders
- Out of scope
 - An action plan to deliver the strategy
 - A monitoring plan

Let's clarify 'the why'

Planning for the future



Initial areas of focus

- Partnerships and relationships
- Data and information
- Funding opportunities unleashed through broad approach
- Build on what we have

Timeframes

- Timeframes
 - **April-June:** Gathering of information/analysis
 - **July-September:** Engagement with stakeholders
 - **October-December:** Strategy development
 - **January-February 2019:** Draft strategy engagement (including Council feedback)
 - **April 2019:** Adoption by Council

Councillor feedback/guidance

- Quiet brainstorm activity
- General discussion

Focus question

What are the most important *issues* and *opportunities* you want to see reflected in Council's Sport and Recreation Strategy?

- More than a word, less than a sentence
- Quiet time for thinking and writing
- Name on each post-it note (for future clarification)

Household Projections – NIDEA Low

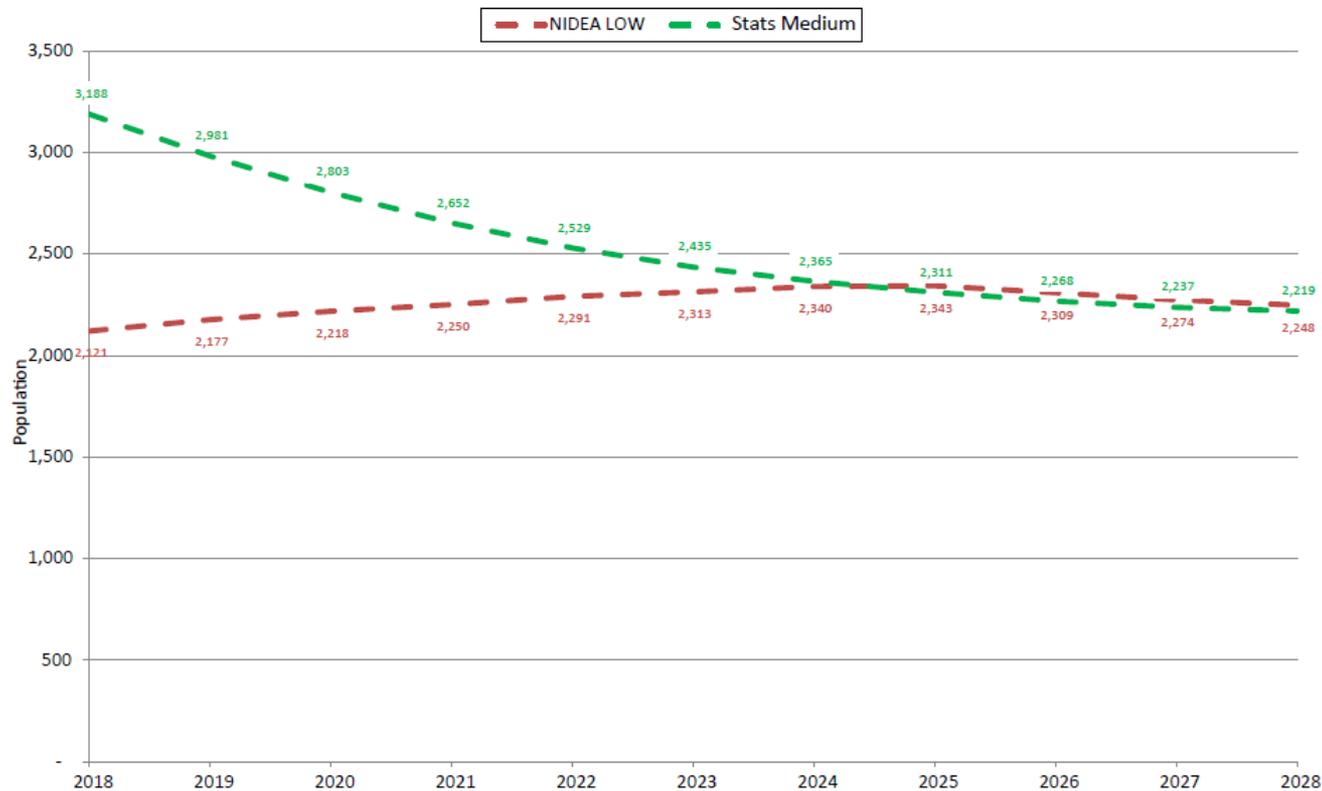


Briefing purpose

- This slide show outlines why staff recommended the NIDEA Low projection series
- Council adopted NIDEA Low projection at its Council meeting on 27 July 2017.

Population

Hamilton City Population Increase Per Year - NIDEA v Statistics NZ

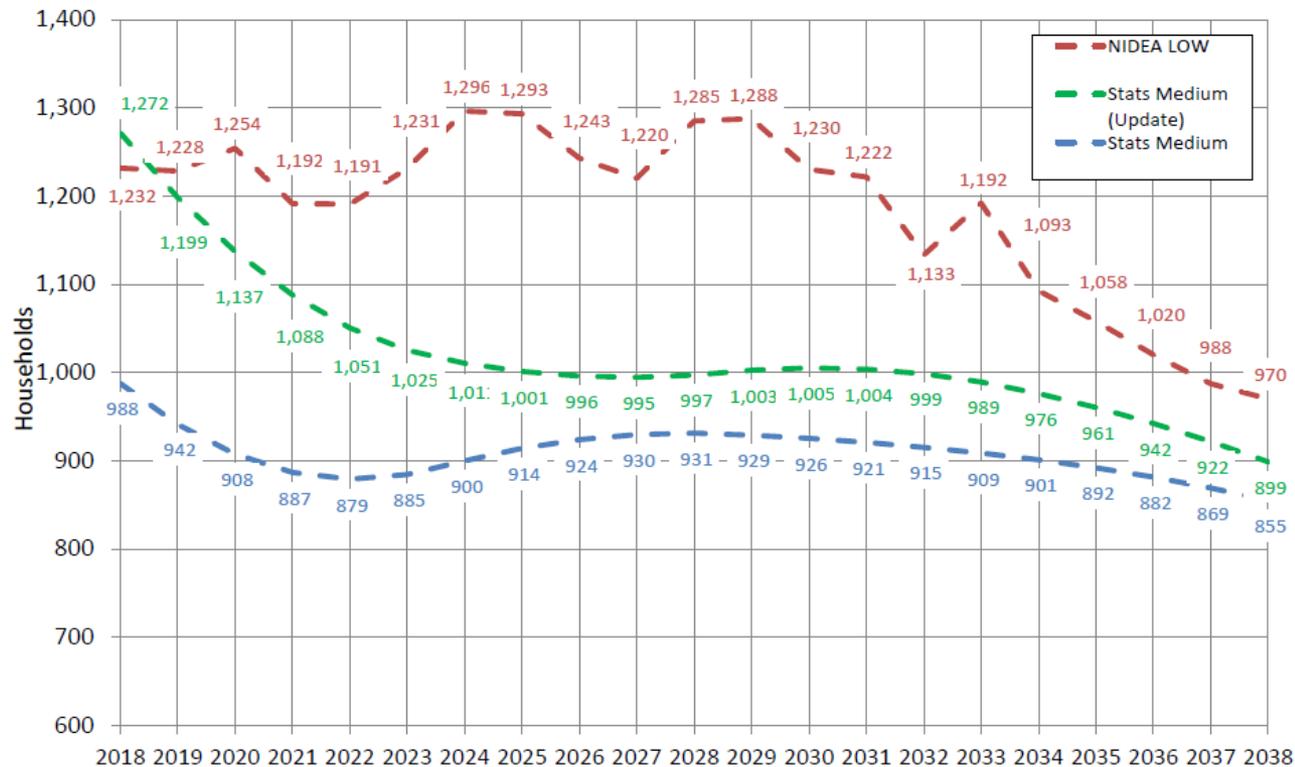


We use household projections instead of population

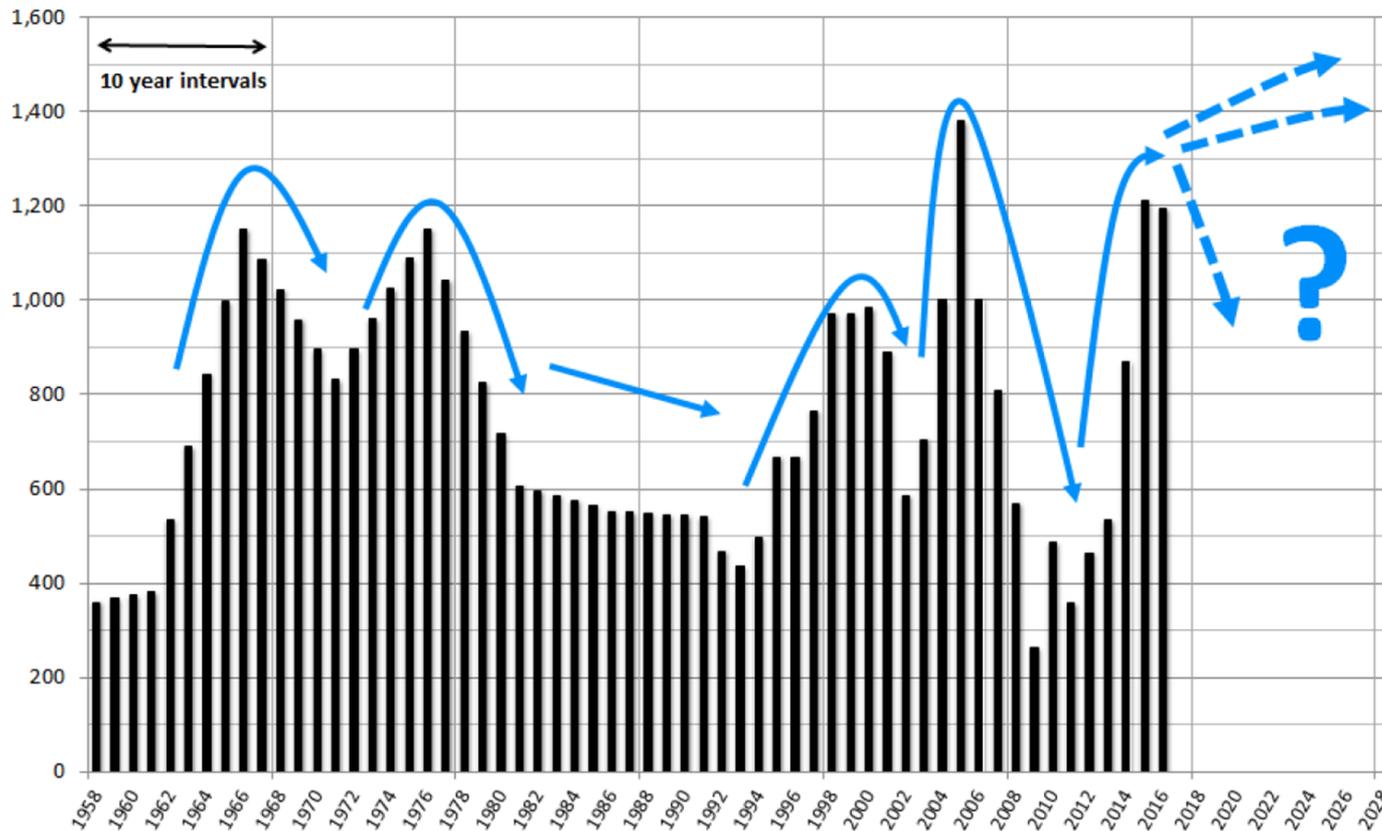
- The Council uses household projections to inform infrastructure planning decisions particularly for transport, water, wastewater, and stormwater assets
- Council's 10-Year Plan capital programme is developed predominantly on the basis of projected household growth rather than population growth

Households: NIDEA & Stats NZ

Hamilton City Household Annual Projections – NIDEA v Statistics NZ



Economic cycles: new dwellings consented



Historic dwellings consented in Hamilton gives context to the projection series.

NIDEA Low projects household growth over the next 10 years at levels never previously sustained

NIDEA Low or Medium

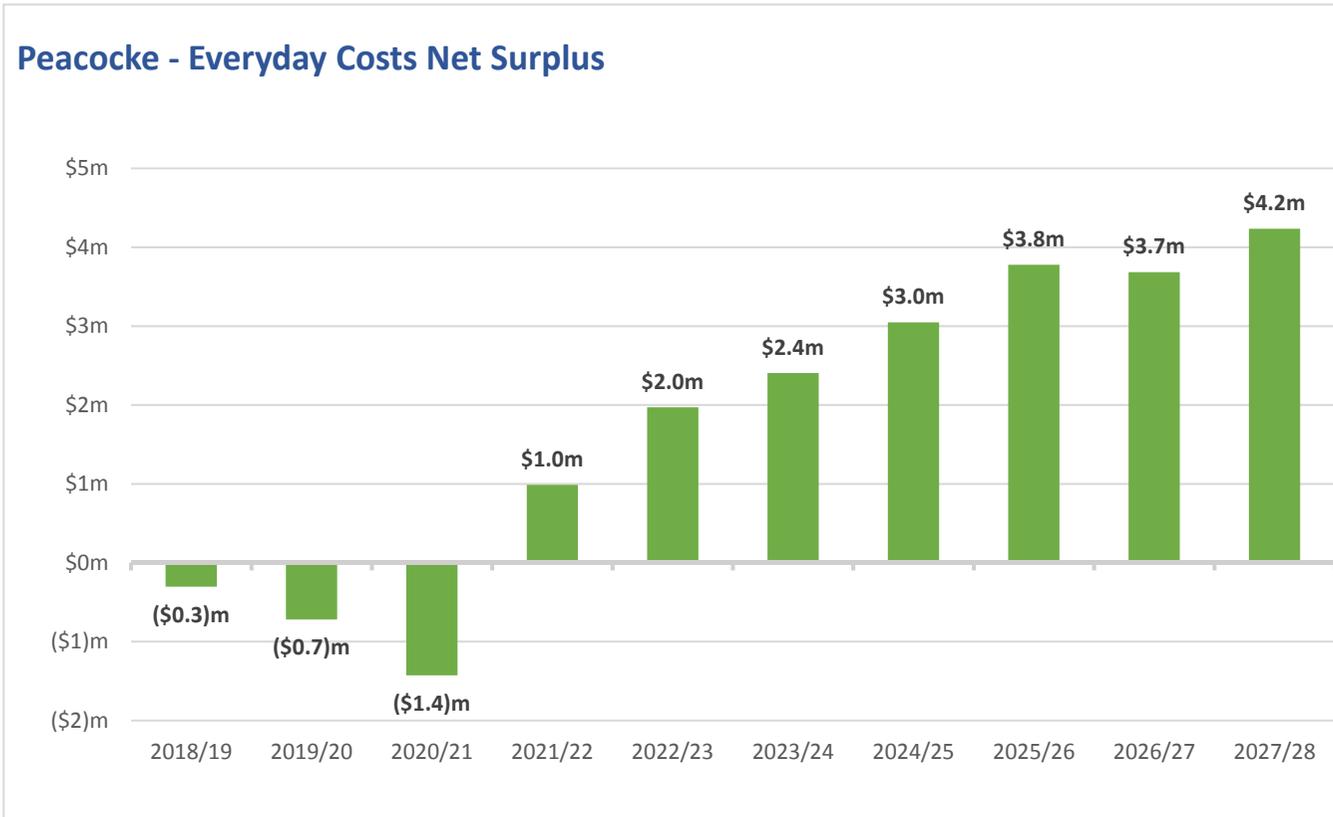
- NIDEA Medium
 - projects household growth of more than 1400 dwellings per year on average;
 - this represents household growth significantly higher than ever seen and sustained for the entire 10-YP period.
- NIDEA Low
 - projects household growth of approx. 1200 dwellings per year on average;
 - Staff think this is more plausible

Additional considerations

- Future Proof resolved to use a banded approach of NIDEA growth projections on 7 December 2016
- By using NIDEA projections Council aligns with
 - Future Proof partners (the four Councils plus NZTA and Iwi)
 - Waikato Regional Transport modelling (WRTM)
- Uncertainty over continued high migration assumptions used by Stats NZ, particularly given current government election signals
- Next step: Census data

Peacocke - Everyday Costs Net surplus

Year	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
New Peacocke Ratepayers (cumulative)	-	201	425	682	1,100	1,573	2,073	2,569	3,058	3,426
Rates paid \$M	-	0.53	1.14	1.82	2.68	3.69	4.83	6.09	7.45	8.85
City Wide DC's (interest component)	-	-	-	0.88	1.27	1.35	1.34	1.32	0.99	0.88
Peacocke DC (interest component)	-	-	-	1.52	2.21	2.33	2.31	2.29	1.72	1.52
Total Revenue	-	0.53	1.14	4.75	6.93	8.17	9.28	10.49	10.75	11.77
Peacocke Consequential Opex	(0.30)	(1.25)	(2.57)	(3.76)	(4.96)	(5.77)	(6.24)	(6.71)	(7.07)	(7.53)
Peacocke - Everyday Costs Net surplus	(0.30)	(0.72)	(1.43)	0.99	1.97	2.40	3.05	3.78	3.68	4.23



See over for assumptions

Peacocke - Everyday Costs Net surplus

Revenue Assumptions

1. Properties constructed in Year 1 are rateable in Year 2.
2. Properties constructed in 2018 are not included.
3. Average rates are about \$2,800 per property per year (inclusive of GST).
4. The interest contribution from DC's is calculated as follows:
 - a. City wide DC's paid as part of Peacocke DC's – interest at 35%.
 - b. Peacocke cell DC - interest is estimated at 26% of DC's (This is lower due to interest period of HIF loan)
5. No activity revenue is accounted for:
 - a. It is assumed resource and building consent revenue is offset by equivalent costs.
 - b. It is assumed community facilities additional revenue (pools, venues, zoo etc) is not material.
 - c. No adjustment has been made for direct costs (largely rubbish collection)
6. No adjustment has been made for the current rural rates being paid.

Expenditure Assumptions

1. Consequential Opex has been fully identified in the budget.
2. No additional activity expenses are accounted for:
 - a. It is assumed the community facilities additional expenses (pools, venues, zoo etc) is not material.

Consequential Opex Breakdown										
Consequential opex	(0.01)	(0.04)	(0.11)	(0.17)	(0.26)	(0.26)	(0.26)	(0.26)	(0.26)	(0.26)
Operating costs	-	-	(0.09)	(0.09)	(0.09)	(0.10)	(0.10)	(0.18)	(0.18)	(0.18)
Staff costs	-	-	-	-	-	-	-	(0.02)	(0.05)	(0.07)
Depreciation	(0.30)	(1.16)	(2.28)	(3.35)	(4.39)	(5.12)	(5.50)	(5.78)	(6.00)	(6.34)
Depreciation - Vested Assets	-	(0.05)	(0.09)	(0.15)	(0.22)	(0.30)	(0.38)	(0.48)	(0.58)	(0.68)
	(0.30)	(1.25)	(2.57)	(3.76)	(4.96)	(5.77)	(6.24)	(6.71)	(7.07)	(7.53)

See over for assumptions

Tourism Infrastructure Fund

Prioritisation



Purpose

- Inform Council of the Tourism Infrastructure Fund (TIF) and projects considered
- Council to provide direction for this funding round

Purpose of the fund

- Support pressure issues or potential growth constraints on tourism-related infrastructure
- Provide up to 50% of total project costs
- Council must fund to the maximum extent
- Projects are approved or proposed
- Only in scope projects apply

Projects in scope

- Selecting a project that is in scope
 - Carparks and toilets
 - Services and freedom camping
 - Capital projects not funded by NZTA
 - Supporting natural attractions
 - Safety upgrades to public spaces
 - Feasibility studies

TIF requirements

- Eligibility Criteria
- Assessment Criteria
- Priorities statement
 - Infrastructure to meet current demand
 - Innovative approaches to support sustainability

Projects successful in previous round

- ***Gisborne District Council***
 - \$1,269,300 carparks and walkways at Inner Harbour and Titirangi Maunga
- ***Tauranga City Council***
 - \$1,000,000 provide safe public access at Omanawa Falls
- ***Westland District Council***
 - \$1,985,800 wastewater treatment plant
 - \$394,320 toilet facilities, dump station, shelter, bus depot, and carpark
 - \$388,545 carparks and toilets upgrade at Hokitika Gorge
 - \$485,325 carpark, toilets and shelter at Sunset Point

Projects considered for application

- **Hamilton Gardens Development**
 - Toilet inside the theme gardens
 - Estimated project cost \$400,000
 - Potential grant of up to \$200,000
- **Waiwhakareke Nature Heritage Park**
 - Toilets, carparks, services and paths
 - Estimated project cost \$1,500,000
 - Potential grant of up to \$750,000

Projects considered for application cont.

- River Plan
 - River revetment upgrade, jetty and paths connection to Museum, upper boardwalk from Museum to VOTR
 - Estimated project cost \$7,400,000
 - Potential grant of up to \$3,700,000
- Te Awa River Ride South Section
 - construction of cycleway
 - Estimated project cost \$ TBC
 - Potential grant of up to \$ half of TBC

Fund requirements

- Projects are eligible
- TIF Panel priorities
- Risks and opportunities

Is it eligible?

	Waiwhakareke	Hamilton Gardens	River Plan	Te Awa River
Significantly used by visitors	UNCERTAIN	PASS	PASS	PASS
For new enhancements	PASS	PASS	PASS	PASS
Do not compete with commercial activities	PASS	PASS	PASS	PASS
Projects over \$100,000	PASS	PASS	PASS	PASS
Development of new attractions, accommodation and commercial activity is not eligible	PASS	UNCERTAIN	PASS	PASS
Capital only and financially sustainable	PASS	PASS	PASS	PASS
Projects not funded by NZTA or MBIE	PASS	PASS	UNCERTAIN	FAIL
Council meets 1 of the 3 tests (now or within 3 years)	PASS	PASS	PASS	PASS

How strongly aligned are they?

	<i>Waiwhakareke</i>	<i>Hamilton Gardens</i>	<i>River Plan</i>
Solves capacity constraint caused by visitor growth	10	40	40
Project supports attraction of visitors	30	50	30
contributes to broader support for tourism	40	40	50
Council's financial constraint	40	40	40
Maximum funding contribution	50	30	50
Projects that would otherwise not happen	50	20	50
Other funding options have been investigated	30	30	30
Local vs visitor usage mix	20	40	30
Overall measure	280/400	290/400	320/400

Options

- Submit application for both River Plan and Hamilton Gardens
- Submit application for the Hamilton Gardens
- Submit application for the River Plan

Options cont.

	Hamilton Gardens & River Plan	Hamilton Gardens	River Plan
Risks	<ul style="list-style-type: none"> • High grant potential vs low grant potential • Quality of application vs quantity of applications 	<ul style="list-style-type: none"> • Is part of a development project • Low priority because of potential funding from other sources 	<ul style="list-style-type: none"> • High value application = 1/3 of the total funding pool • Carparks and toilets in small towns a focus for past successful projects • Funded to a lower level = shortfall needs to be meet elsewhere or staged
Opportunities	<ul style="list-style-type: none"> • Increased chance of potential success • The projects are complimentary 	<ul style="list-style-type: none"> • Project may be more successful based on the cost to complete 	<ul style="list-style-type: none"> • Strongest potential to meet priorities • Ability to stage project and show priority area for funding • Leveraging ability of internal and external funding

Recommendation

- Submit application of River Plan
 - Positive feedback from both HWT and TIF advisor
 - Leveraging ability of approximately \$3,200,000
 - Data to support application
 - Supports current demand & future demand
 - Can complete project sooner=supports the Donny Trust wanting see progress

Next steps

- Complete application due Monday 14 May 2018
- Bring report back on Thursday 10 May 2018 Council for approval

Committee: Council

Date: 25 June 2015

Report Name: 2016 Local Authority Elections
- Online Voting Trial

Author: Jude Pani

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Local Electoral Act</i>
Financial status	<i>There is not budget allocated</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- For the Council to consider registering an interest with Local Government New Zealand (LGNZ), by the 30 June 2015 deadline, to enable Hamilton City Council to participate in online voting for the 2016 Local Authority Elections.
- It is recommended that the Council registers such an interest with LGNZ, conditional upon Council approving the costs associated with any trial and some aspects of the requirements for online voting being resolved to the satisfaction of the Electoral Officer.

4. Background

- On 12 May 2015, Associate Minister of Local Government, Louise Upston announced the Government had set requirements for a possible trial of online voting. The requirements (accessed via the following link) are a guide for councils to decide if they want to trial online voting at the 2016 local authority elections: www.dia.govt.nz/online-voting.
- LGNZ has called for expressions of interest by 30 June 2015 from councils interested in taking part in the trial. Cabinet will then consider whether there is sufficient scale and representation to proceed with the trial.
- Interested territorial authorities then need to confirm compliance with requirements and at the end of 2015 the Government promulgates regulations to authorise an online voting trial.
- The costs of any trials undertaken are to be borne by the local government sector.
- Territorial authorities that choose to participate in a trial must:
 - Accept responsibility for ensuring there is adequate resourcing for an online voting trial in their area;
 - Ensure that they meet security expectations and
 - That they maintain the integrity of local elections practice.
- Such council assurance and processes are then required to be audited by the Chief Government Information Officer.
- There are some aspects of the trial requirements that need clarification and currently the Electoral Officer is working with LGNZ and the Department of Internal Affairs (DIA) to resolve issues regarding the requirements.

12. Elected Members have previously signaled interest in Hamilton City Council being involved in a trial of online voting.
13. The purpose of this report is to ensure that the Council registers an interest within the stipulated timeframe, noting that there are matters to be worked through and final approval by the Council, including costs.
14. The Electoral Officer will report to the Council when all matters have been resolved and costs have been established.

Recommendations from Management

That:

- a) The report be received; and
- b) The Council registers an interest with LGNZ, for Hamilton City Council to participate in online voting for the 2016 Local Authority Elections, conditional upon:
 - (i) Council approving the costs; and
 - (ii) The technical aspects of the election process relating to councils participating in the online voting trial being resolved to the satisfaction of the Electoral Officer.
- c) Council notes that it will receive a report for decision on whether to participate in an online trial when full costs are known and all the requirements for the trial are resolved.

15. Attachments

16. There are no attachments for this report.

Signatory

Authoriser	Jason Dawson, General Manager Customer Relationships Group
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7. Request to increase membership of Hamilton District Licensing Committee

The General Manager City Environments spoke to this Report for the Council to approve commencement of a recruitment process to identify two additional members for the Hamilton District Licensing Committee (DLC). The GM, in response to questions, commented that the number of hearings was relatively high and that the Sale and Supply of Alcohol Act 2012 was being followed closely by the DLC. The cost of hearings was covered by licence fees and was operating within budgets.

Resolved: (Crs Wilson/Mallett)

That:

- a) The report be received;
- b) Staff commence a recruitment process, based on the recruitment process used to identify the initial committee members, to identify two additional members for the Hamilton District Licensing Committee;
- c) An Internal Selection Panel comprising of the General Manager City Environments, the City Safe Unit Manager and the DLC Commissioner be approved; and
- d) The Internal Selection Panel recommendations be presented to Council for approval and appointment.

8. 2016 Local Authority Elections - Online Voting Trial

The General Manager Customer Relationships presented this Report for the Council to consider registering an interest with Local Government New Zealand for participation in the online voting trial in 2016 local authority elections.

Councillor Forsyth retired from the meeting at 2.10pm prior to voting on this Item.

Resolved: (Crs Mallett/Macpherson)

That:

- a) The report be received; and
- b) The Council registers an interest with LGNZ, for Hamilton City Council to participate in online voting trial for the 2016 Local Authority Elections, conditional upon:
 - (i) Council approving the costs; and
 - (ii) The technical aspects of the election process relating to councils participating in the online voting trial being resolved to the satisfaction of the Electoral Officer.
- c) Council notes that it will receive a report for decision on whether to participate in an online trial when full costs are known and all the requirements for the trial are resolved.

Committee: Council

Date: 27 August 2015

Report Name: 2016 Local Authority Elections
- Online Voting Trial

Author: Jude Pani

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Local Electoral Act</i>
Financial status	<i>The total cost is approximately \$110,000+GST. If approved, Council's contribution would be \$67,000+GST. This is not budgeted.</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

2. For the Council to:

- i. receive information on the functional requirements for an online voting trial and associated costs with any trial; and
- ii. to confirm its interest in Hamilton City Council participating in the online voting trial for the 2016 Local Authority Elections.

3. Background

4. On 12 May 2015, Associate Minister of Local Government, the Hon Louise Upston ("Associate Minister") announced a set of requirements for a possible trial of online voting. The requirements (accessed via the following link) are a guide for councils to decide if they want to trial online voting at the 2016 local authority elections: www.dia.govt.nz/online-voting.

5. On 25 June 2015 Council received a report on this matter and resolved:

"That the Council registers an interest with LGNZ for Hamilton City Council to participate in online voting trial for the 2016 Local Authority Elections, conditional upon:

- i. Council approving the costs; and*
- ii. The technical aspects of the election process relating to councils participating in the online voting trial being resolved to the satisfaction of the Electoral Officer."*

6. Local Government New Zealand (LGNZ) has met with the Associate Minister regarding the conditions many councils placed on their applications to participate in an online voting trial. LGNZ has advised that Cabinet has supported the removal of some requirements that needed to be complied with that the Electoral Officer considered unhelpful.

7. There is now some certainty about the nature of the framework that online voting providers will need to comply with.

8. The two critical Cabinet decision-making points are:

- i. September – a decision on which councils will be permitted to be part of the trial, and
 - ii. December – whether or not a trial will ultimately proceed.
9. In order to meet the Cabinet decision-making timeframe, and to give councils sufficient time to put policies and procedures in place, a Cabinet decision is anticipated in September 2015.
10. To this end, LGNZ has asked that councils who indicated their intention to participate in an online voting trial, confirm their intention to participate by 4 September 2015.
11. Along with the costs of any trials undertaken being borne by the local government sector, territorial authorities that choose to participate in a trial must:
 - Accept responsibility for ensuring there is adequate resourcing for an online voting trial in their area;
 - Ensure that they meet security expectations; and
 - That they maintain the integrity of local electoral practice.
12. Following is an overview of the functional requirements and also costs in order for Council to consider this matter.

Functional Requirements

13. Under the Department of Internal Affairs requirements document there are a number of compliance matters that the Council is required to undertake, including:
 - Performing risk and technical assessments, and
 - Appointing an independent assurance provider.
14. Much of the compliance requirements can be undertaken by Council's provider, Election Services (Dale Ofsoske, Deputy Electoral Officer). In undertaking planning on behalf of councils, Election Services is currently preparing, for example, a Project Initiation Document, a Risk Management Plan, a Project Communication Plan, a Stakeholder Management Plan, and mandatory Information Security Management System documents. They have engaged a project manager (ex KPMG) to ensure all requirements are completed and have approached a DIA approved auditor to undertake the full audit and assurance processes.
15. One functional requirement that Cabinet has not supported changing is the requirement that online voting credentials (voter ID and voter password) must be transmitted to electors by two separate transactions.
16. The requirement for a communication of voter ID and access code to electors by two separate transactions raises challenges and the Electoral Officer is considering innovative ways to meet this requirement without the need for two separate mail outs.
17. Currently elector information is accessed via the electoral roll which provides the physical address only. To implement two separate transactions would require two separate mail outs. This adds considerable costs to the online voting trial.

Costs

18. The costs of any trials undertaken are to be borne by the local government sector.
19. It has been estimated that the additional risk and technical assessments and assurance work required as noted in paragraphs 13 and 14 above, as well as the actual delivery of the online voting solution, would cost a maximum of \$50,000+GST.
20. The cost of an additional mail out has been estimated at \$60,000+GST.
21. The total additional costs of Hamilton City Council participating in the online voting trial are approximately \$110,000+GST.

22. This cost should be shared with the Waikato Regional Council (RC) and Waikato District Health Board (DHB). The Electoral Officer has been communicating with both the RC and DHB who are aware of Council's interest in being part of the online voting trial, as any cost sharing would need to be conveyed/agreed with both the RC and DHB.
23. Based on the approximate cost of \$110,000+GST and cost sharing arrangements that were in place for the 2013 local authority elections, the estimated additional cost to the HCC of participating in an online voting trial would be approximately \$67,000+GST. This additional cost has not been included in the 10-Year Plan Budget.

24. Recommendations from Management

Either –

25. That:
 - a) The report be received;
 - b) The Council confirms its interest with LGNZ, for Hamilton City Council to participate in the online voting trial for the 2016 Local Authority Elections;
 - c) Council approves the additional (unbudgeted) costs to a maximum of \$67,000+GST (with the Electoral Officer looking at ways to reduce this additional cost);
 - d) The Electoral Officer liaises with the Waikato Regional Council and Waikato District Health Board regarding cost sharing of the additional costs for online voting; and
 - e) Council is advised of the outcome of the September Cabinet decision on which councils will be permitted to be part of the trial of online voting for the 2016 Local Authority Elections.

Or –

26. That:
 - a) The report be received; and
 - b) The Council confirms with LGNZ, that Hamilton City Council will not be participating in the online voting trial for the 2016 Local Authority Elections.

27. Attachments

28. There are no attachments for this report.

Signatory

Authoriser	Richard Briggs, Chief Executive
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- iii. All other terms and conditions in accordance with the Community Occupancy Policy and Community Occupancy Guidelines; and
- iv. The Hamilton Roller Skating Club Incorporated's existing lease dated 20 August 1999 and subsequent variations being surrendered by Deed.
- e) Hamilton City Council funds the cost of the fencing and landscaping excluding the bund, at an estimated cost of \$9,540 excluding GST.
- f) That the Skating Club be given a further subsidy under s5.6(iii) of the Community Occupancy Policy and then they are charged 5/7th of the total lease cost.

11. 2016 Local Authority Elections - Online Voting Trial

The Democracy Manager introduced this Report presenting information on both the functional requirements and associated unbudgeted costs with an online voting trial.

Motion: (Crs Wilson/Forsyth)

That:

- a) The report be received;
- b) The Council confirms its interest with LGNZ, for Hamilton City Council to participate in the online voting trial for the 2016 Local Authority Elections;
- c) Council approves the additional (unbudgeted) costs to a maximum of \$67,000+GST (with the Electoral Officer looking at ways to reduce this additional cost);
- d) The Electoral Officer liaises with the Waikato Regional Council and Waikato District Health Board regarding cost sharing of the additional costs for online voting; and
- e) Council is advised of the outcome of the September Cabinet decision on which councils will be permitted to be part of the trial of online voting for the 2016 Local Authority Elections.

Amendment: (Crs Pascoe/Yeung)

That:

- a) The report be received; and
- b) The Council confirms with LGNZ, that Hamilton City Council will not be participating in the online voting trial for the 2016 Local Authority Elections.

Councillor Mallett returned to the meeting at 6.15pm during discussion on Item 11. He was present for voting.

The Amendment was Put.

Those for the Amendment:

Councillors Mallett, King, Gallagher,
Macpherson, Pascoe, Tooman and Yeung

Those against the Amendment:

Her Worship the Mayor Hardaker,
Councillors Wilson, Forsyth, Chesterman
and O'Leary

The Amendment was declared carried.

The Amendment became the substantive Motion which was then Put.

Resolved: (Crs Pascoe/Yeung)

That:

- a) The report be received; and
- b) The Council confirms with LGNZ, that Hamilton City Council will not be participating in the online voting trial for the 2016 Local Authority Elections.

The Meeting adjourned (6.40pm to 7.10pm).

12A. Recommendation from Civil Defence and Emergency Management Subcommittee - Appointment of Hamilton City Controller

Councillor Leo Tooman, Chair of the Civil Defence and Emergency Management Subcommittee presented the recommendation of the Civil Defence and Emergency Management Subcommittee Meeting held on 26 August 2015.

Resolved: (Crs Mallett/Pascoe)

That Mr Kelvin Powell is endorsed as a second Hamilton City Controller in order to begin the formal appointment process.

Councillor Wilson returned to the meeting at 7.15pm. He was not present for Item 12A.