

Report 14.02
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Committee Council
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Establishment of Wairarapa Water Use Project Governance Group

1. Purpose

For the Council to establish the Wairarapa Water Use Project (WWUP) Governance Group and approve its Terms of Reference.

2. Background

WWUP is about to start the prefeasibility phase of the project under the leadership of a new project director. The complexity of the project increases substantially with multiple workstreams spanning commercial, economic, environmental, technical and social aspects with extensive stakeholder engagement.

GWRC has funding committed until June 2015, which coincides with the expected completion of the prefeasibility phase. The purpose of the prefeasibility phase is to understand which site or sites, if any, are most viable to progress through to a full feasibility phase.

The Irrigation Acceleration Fund (IAF), a unit within the Ministry for Primary Industries, has assisted fund WWUP to approximately 50% through recent phases of the project. WWUP has been working with IAF in development of the prefeasibility work programme. There is every indication that IAF will remain a strong financial partner in this project.

IAF requires the existence of a WWUP governance entity before it will enter into a funding agreement for the prefeasibility phase.

3. Role and status of the WWUP Governance Group

It is proposed that the WWUP Governance Group will be an advisory body established by Greater Wellington Regional Council. The Governance Group will not be a subordinate decision-making body of the Council and will not be a committee under the Local Government Act 2002.

The purpose of the WWUP Governance Group is to provide governance oversight of the day-to-day activities and work programmes of the WWUP and to provide recommendations to Greater Wellington Regional Council on future aspects of the project.

In particular, the Governance Group will provide oversight for the delivery of the prefeasibility project plan and develop recommendations to Council on future aspects of the project. Importantly, the Governance Group will plan for transition of the project into the full feasibility phase. This includes the sourcing of funds, considering ongoing GWRC involvement and possible transition into a new entity.

The increased complexity of the project coupled with the commercial transition requirements into full feasibility justify a separate, focused and skilled governance function for WWUP.

The proposed Terms of Reference for the WWUP Governance Group are attached as **Attachment 1**.

4. Membership

The proposed Terms of Reference for the WWUP Governance Group provide for five members, including one GWRC Councillor. It is proposed that Councillor Wilde represent the Council on the Governance Group. The appointment of the non-council members of the Group is the subject of a separate report, Report PE 14.07.

5. The decision-making process and significance

Officers recognise that the matters referenced in this report may have a high degree of importance to affected or interested parties.

The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

5.1 Significance of the decision

Part 6 requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

6. Recommendations

That the Council:

- 1. **Receives** the report.*
- 2. **Notes** the content of the report.*
- 3. **Establishes** the WWUP Governance Group.*
- 4. **Approves** the Terms of Reference for the WWUP Governance Group.*
- 5. **Appoints** Councillor Wilde as the Council's representative on the WWUP Governance Group.*

Report prepared by:

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Report approved by:

Nigel Corry
General Manager

Attachment 1: Terms of Reference