



21 November 2018

Janine Dowding
Chief Executive Officer
Tasman District Council
Private Bag 4 Richmond
Nelson 7050

Dear Ms Dowding

CONCERNS ABOUT ASPECTS OF TASMAN DISTRICT COUNCIL'S WAIMEA COMMUNITY DAM DEVELOPMENT

Our Office has received correspondence from a number of people raising concerns about aspects of Tasman District Council's (the Council's) Waimea Community Dam development. That correspondence has suggested that we intervene in decisions about the Waimea Community Dam (the dam) and how it will be funded.

The issues raised with us include concerns about the:

- adequacy of consultation;
- accuracy of publicly available information;
- accuracy of information that has informed decisions;
- adequacy of consideration of alternatives;
- compliance with resource management expectations;
- appropriateness and robustness of the design of the dam;
- appropriateness of scientific advice and methods used;
- enforcement of compliance with current water use requirements;
- appropriateness of adjustments to the dam's zone of benefit for rating purposes;
- alleged mixing of the Council's regulatory and development functions; and
- fairness of the funding model on some ratepayers.

After visiting the Council in late October 2018, examining documents, and talking to staff, we have determined that the concerns raised are mostly about policy decisions made by the Council. Policy decisions are for the Council's elected members to make, and are outside of our mandate to comment on, or intervene in.

Some of the concerns raised, such as the appropriateness of scientific advice and methods, appropriateness and robustness of the design of the dam, and various resource management-related issues, are outside our expertise. We therefore do not intend to carry out an inquiry into the Waimea Community Dam development.

We have also received requests for us to look into alleged conflicts of interests of some councillors in relation to their decision-making about the dam. We have explained in a separate letter to you our reasons for not taking further action on those matters.

There is clearly a high degree of public interest in the dam and how it will be funded. We appreciate the efforts of Council staff to support elected members to make decisions about the dam. We encourage you and your staff to continue to provide suitable advice about the process to elected members, to support appropriate conduct and decision-making about the dam. We understand that agreements between parties on proceeding with the dam will come before the Council for approval in late November 2018.

Public organisations are accountable to Parliament and the public for their performance and use of resources through annual reports. The Auditor-General's core work is designed to give assurance to Parliament, public organisations, and members of the public that these organisations are fairly reflecting the results of their activities in their annual reports.

We also keep an eye on whether public organisations are carrying out their activities effectively and efficiently, and we can look into matters of waste, efficiency and effectiveness, and indications of a lack of probity or financial prudence. However, we cannot make legal rulings on these matters and we cannot criticise a public organisation for following a policy made by elected members.

We have shared the concerns raised with us with our Appointed Auditor to the Council for consideration as they plan their audit work. We will continue to monitor developments and review any new issues or information that arise, in order to decide whether those warrant further work by our Office.

We note that, because of the level of public interest in the Council's management of the proposal and the decisions it has made, and is yet to make, about the dam, you will be putting this letter, and our response to the conflicts of interest allegations, on your website. Thank you for your co-operation as we looked into these matters.

Yours sincerely



Tony Appleyard
Sector Manager
Local Government