

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 18 June 2019, commencing at 10.30am

Present:

Chairman, Bill Shepherd

Councillors:

Justin Blaikie

Paul Dimery

Mike Finlayson (*left meeting from 11.39am to 12.07pm*)

Penny Smart

Rick Stolwerk

Joce Yeoman

In Attendance:

Full Meeting

Independent Financial Advisor

Chief Executive Officer

GM - Environmental Services

GM - Regulatory Services

Governance Support Manager

Part Meeting

GM – Strategy, Governance and Engagement

GM – Corporate Excellence

Finance Manager

Community Engagement Manager

Communications Manager

Organisational Project Manager

Financial Accountant

GIS Officer

Policy Specialist

Policy Specialist – Water

Economist

The Chair declared the meeting open at 10.30am

Apologies (Item 1.0)

Moved (Shepherd/Blaikie)

That the apologies from Councillors Bain and Sinclair for non-attendance be received.

Carried

Declarations of Conflicts of Interest (Item 2.0)

It was advised that councillors should make declarations item-by-item as the meeting progressed.

Table Item for council meeting – 18 June 2019 (Item 2.0A)

ID: A1203117

Report from Simon Crabb, Finance Manager

Moved (Shepherd/Smart)

That as permitted under section 46A(7) of the Local Government Official Information and Meetings Act 1987 the following tabled report be received:

- Externally Managed Funds – Strategy to De-risk Portfolio Prior to Financial Year-end.

Carried

Presentations - GIS Civil Defence ALGIM Award (Item 3.0)

ID: A1194774

Report from Rebecca Norman, GIS Officer

GIS Officer, Rebecca Norman, was in attendance to present the 'Northland Civil Defence Operational Overview' project which had won the GIS Project of the Year award at the recent ALGIM awards.

Council complimented the achievement through a vote of acclamation.

Health and Safety Report (Item 4.0)

ID: A1198631

Report from Beryl Steele, Human Resources Manager

Moved (Yeoman/Dimery)

That the report 'Health and Safety Report' by Beryl Steele, Human Resources Manager and dated 4 June 2019, be received.

Carried

Confirmation of Minutes - 21 May 2019 and 4 June 2019 (Item 5.1)

ID: A1198166

Report from Chris Taylor, Governance Support Manager

Moved (Finlayson/Stolwerk)

That the minutes of the council meeting held on 21 May 2019, and the extraordinary council meeting held on 4 June 2019 be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 5.2)

ID: A1199892

Report from Chris Taylor, Governance Support Manager

Moved (Dimery/Smart)

That the action sheet be received.

Carried

Working Party Updates and Chairpersons' Briefings (Item 5.3)

ID: A1197713

Report from Sally Bowron, Strategy, Governance and Engagement Team Admin/PA

Moved (Yeoman/Blaikie)

That the report 'Working Party Updates and Chairpersons' Briefings' be received.

Carried

Financial Report to 31 May 2019 (Item 6.1)

ID: A1199659

Report from Vincent McColl, Financial Accountant

Moved (Smart/Yeoman)

That the report 'Financial Report to 31 May 2019' by Vincent McColl, Financial Accountant and dated 5 June 2019, be received.

Carried

Secretarial Note: The Independent Financial Advisor advised of the 'pleasing' year-end position and extended appreciation to council / staff for delivering a positive outcome given the under performance of its externally managed funds for a time.

Operating Costs Reserve Policy (Item 6.2)

ID: A1199369

Report from Simon Crabb, Finance Manager

Moved (Yeoman/Smart)

1. That the report 'Operating Costs Reserve Policy' by Simon Crabb, Finance Manager and dated 5 June 2019, be received.

Carried

It was further moved (Finlayson/Yeoman)

2. That the Operating Costs Reserve Policy [*presented in Item 6.2 of the 18 June 2019 council agenda*] is adopted.

Carried

It was further moved (Yeoman/Smart)

3. That an Operating Costs Special Reserve is established.

Carried

Externally Managed Funds – Strategy to De-risk Portfolio Prior to Financial Year-end (Tabled Item 6.3)

ID: A1202809

Report from Simon Crabb, Finance Manager

Moved (Yeoman/Smart)

1. That the report 'Externally Managed Funds - Strategy to De-risk Portfolio Prior to Financial Year-end' by Simon Crabb, Finance Manager and dated 14 June 2019, be received.
2. That \$2,600,000 is redeemed from the fund managers recommended by EriksensGlobal, prior to 30 June 2019, and transferred into 30-day fixed term deposits.
3. That the Investment Subcommittee and Jonathan Eriksen are consulted, and assess the prevailing economic conditions and funding requirements prior to deciding whether to transfer any of the \$2,600,000 back into Managed Funds.

Carried

Secretarial Note: The Independent Financial Advisor endorsed the recommendation as presented in Tabled Item 6.3.

Update to Delegations (Item 7.1)

ID: A1197578

Report from Vincent McColl, Financial Accountant and Kyla Carlier, Corporate Planning Manager

Moved (Yeoman/Stolwerk)

1. That the report 'Update to Delegations' by Vincent McColl, Financial Accountant and Kyla Carlier, Corporate Planning Manager and dated 29 May 2019, be received.
2. That council approve the updated bank and cheque signatory delegations, as outlined in Attachment 1 pertaining to Item 7.1 of the 18 June 2019 council agenda.
3. That council approve the updated delegation for the remission of administrative charges, as outlined in Attachment 2 pertaining to Item 7.1 of the 18 June 2019 council agenda.¹

Carried

Secretarial Note: Post meeting an error was identified in the proposed delegations being the GM Strategy, Governance and Engagement being deleted as an authoriser for Direct Credit to Pay Creditors and Payroll Payments.

¹ As a result of this recommendation, staff will need to review the process of issuing remissions to ensure that a clear statement is made about the three year review period.

Project Plan for Implementing the Water Quality Planning Requirements of the National Policy Statement for Freshwater Management (Item 7.2)

ID: A1198403

Report from Ben Tait, Policy Specialist

Moved (Finlayson/Blaikie)

1. That the report 'Project Plan for Implementing the Water Quality Planning Requirements of the National Policy Statement for Freshwater Management' by Ben Tait, Policy Specialist and dated 31 May 2019, be received.
2. That council approves the following timetable for preparing a plan change to give effect to the freshwater quality planning requirements of the National Policy Statement for Freshwater Management:
 - a. Define freshwater management units (May – June 2019).
 - b. Assess and decide on an appropriate modelling tool(s) for:
 - a) predicting water quality in the freshwater management units; and
 - b) determining what catchment interventions (and costs) are needed to achieve aspirational water quality objectives (June – October 2019).
 - c. Provide the evidence base to underpin the plan change and any accompanying new non-regulatory initiatives (November 2019 – March 2021).
 - d. Engage with iwi and hapū throughout the process.
 - e. Draft the plan change and a RMA section 32 evaluation report (July 2020 – July 2021).
 - f. Notify the Proposed Water Quality Plan Change (by 31 December 2021).
 - g. Engage with key stakeholders and the wider community throughout the process.

Carried

Secretarial Note: With the approval of the mover and seconder (as per Standing Order 22.4) the original recommendation 2d was amended and recommendation 2g added.

Appoint Councillors to Environmental Leaders' Funding Panel (Item 7.3)

ID: A1199331

Report from Kim Wall, Events and Engagement Coordinator

Moved (Smart/Finlayson)

1. That the report 'Appoint Councillors to Environmental Leaders' Funding Panel' by Kim Wall, Events and Engagement Coordinator, and dated 5 June 2019, be received.

Carried

It was further moved (Dimery/Smart)

2. That council appoint Councillors Blaikie and Finlayson to participate on the Environmental Leaders' Funding judging panel.

Carried

Secretarial Note:

- *With the approval of the mover and seconder (as per Standing Order 22.4) the original motion to appoint Councillors Blaikie and Stolwerk was amended.*
- *The Chairman advised (as per Standing Order 11.4) that one member of the public had been permitted to record the following Item 7.4; provided it did not disrupt the meeting.*

Alleged Breach of Code of Conduct: Councillor Finlayson (Item 7.4)

ID: A1201342

Report from Malcolm Nicolson, Chief Executive Officer

Moved (Smart/Yeoman)

1. That the report 'Alleged Breach of Code of Conduct: Councillor Finlayson' by Malcolm Nicolson, Chief Executive Officer and dated 11 June 2019, be received.

Carried

Secretarial Note: As per council's Code of Conduct, before making a decision on the investigator's report the council gave Councillor Finlayson (the respondent) an opportunity to speak in his defence. Councillor Finlayson then left the meeting (at 11.39am).

It was further moved (Smart/Yeoman)

2. That the council undertake a workshop to collate advice to the incoming council and recommend that the Code of Conduct be reviewed.

Carried

It was further moved (Blaikie/Stolwerk)

3. That council dismiss the complaint against Councillor Finlayson as it relates to the alleged breach of health and safety legislation.

Carried

It was further moved (Dimery/Blaikie)

4. That council request the development of a policy on the use of controlled and hazardous substances as a pest management tool for its consideration.

Carried

Secretarial Note: With the approval of the mover and seconder (as per Standing Order 22.4) the original motion was amended; replacing 'sodium fluoroacetate' with 'controlled and hazardous substances'.

It was further moved (Blaikie/Yeoman)

5. That council agree to workshopping the setting of guidelines around the use of council resources and staff at councillor-initiated events (as part of recommendations to the Code of Conduct review).

Carried

Secretarial Note: With the approval of the mover and seconder (as per Standing Order 22.4) the original motion was amended; replacing 'rules' with 'guidelines' and adding 'as part of recommendations to the Code of Conduct Review'.

It was further moved (Dimery/Smart)

6. That council consider the further recommendations of the independent investigator.

Carried

Secretarial Note: In putting the motion the Chair called for an expression of interest by show of hands, the result being Councillors Stolwerk, Blaikie, Yeoman and Smart in support and Councillor Dimery against.

It was further moved (Yeoman/Blaikie)

- 6a. That a letter be sent to Councillor Finlayson reminding him of his obligations to separate out his official duties from his personal opinion. That consideration be given to reminding all elected members of their obligations in this respect under sections 6.2 and 6.3 of the Code of Conduct.

Secretarial Note: With the approval of the mover and seconder it was agreed to address recommendation 6a in two parts as follows:

It was further moved (Yeoman/Blaikie)

- 6a(i). That a letter be sent to Councillor Finlayson reminding him of his obligations to separate out his official duties from his personal opinion (as per sections 6.2 and 6.3 of the Code of Conduct).

Lost

It was further moved (Yeoman/Dimery)

- 6a(ii). That a letter be sent to all members reminding them of their obligations to separate out their official duties from their personal opinion (as per sections 6.2 and 6.3 of the Code of Conduct).

Carried

Secretarial Note:

- *The independent investigator's final recommendation for council consideration; 'A request for an apology. This apology could be private and could be made direct to the complainants if the council thought that most appropriate. Conversely, if the council has any concerns about its position – particularly in relation to the drinking of water – the members may need to consider the benefits of a public apology' lapsed for lack of a mover and seconder.*
- *The meeting adjourned at 12.07pm and reconvened at 12.46pm.*

Enterprise IT System Indicative Business Case (Item 7.5)

ID: A1199960

Report from Linda Harrison, Organisational Project Manager

Moved (Stolwerk/Smart)

1. That the report 'Enterprise IT System Indicative Business Case' by Linda Harrison, Organisational Project Manager and dated 6 June 2019, be received.
2. That the Enterprise IT System Project Indicative Business Case be approved by council and used to formally establish the Enterprise IT System Project.
3. That the preferred option is a syndicated procurement agreement leveraging the syndication of Waikato Regional Council systems and processes.
4. That the Enterprise IT System Project Team continue negotiations with the preferred supplier to develop a detailed business case to be bought back to council in early 2020.

Carried

Chair's Report to Council (Item 8.1)

ID: A1197869

Report from Bill Shepherd, Chairman

Moved (Shepherd/Stolwerk)

That the report 'Chair's Report to Council' by Bill Shepherd, Chairman and dated 3 June 2019, be received.

Carried

Chief Executive's Report to Council (Item 8.2)

ID: A1196506

Report from Malcolm Nicolson, Chief Executive Officer

Moved (Shepherd/Stolwerk)

That the report 'Chief Executive's Report to Council' by Malcolm Nicolson, Chief Executive Officer and dated 31 May 2019, be received.

Carried

Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2018/19 (Item 8.3)

ID: A1199132

Report from Darryl Jones, Economist

Moved (Stolwerk/Dimery)

That the report 'Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2018/19' by Darryl Jones, Economist and dated 4 June 2019, be received.

Carried

Receipt of Committee Minutes (Item 9.0)

ID: A1199889

Report from Chris Taylor, Governance Support Manager

Moved (Stolwerk/Dimery)

That the unconfirmed minutes of the:

- Investment Subcommittee – 28 May 2019

be received.

Carried

Business with Public Excluded (Item 10.0)

Moved (Shepherd/Yeoman)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reasons/Grounds
10.1	Confirmation of Confidential Minutes - 21 May 2019	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting.
10.2	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(a).

3. That the Independent Financial Advisor be permitted to stay during business with the public excluded.

Carried

Conclusion

The meeting concluded at 1.15pm.