

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 26 March 2024, commencing at 10.15am

Tuhinga/Present:

Deputy Chairperson, Tui Shortland
Councillors:

John Blackwell
Joe Carr (*via audio-visual link*)
Jack Crow
Amy Macdonald
Rick Stolwerk
Marty Robinson

I Tae Mai/In Attendance:

Full Meeting

Independent Tangata Whenua Advisor (*Via audio-visual link*)
Tāhūhū Rangapū - Chief Executive Officer
Pou Taumatua - GM Corporate Services
Pou Manawhakahaere - GM Governance and Engagement
Group Manager - Community Resilience
Pou Tiaki Taiao - GM Environmental Services
Pou Tiaki Pūtaiao - GM Biosecurity
Deputy GM Regulatory Services
Māori Engagement and Governance Support Administration
Governance Specialist

Part Meeting

Cameron Partners Limited Director (*Via audio-visual link*)
Regional Harbourmaster
Finance Manager
Financial Accountant
Financial Planning Accountant
Strategic Policy Specialist

Secretarial Note: In accordance with Standing Order 14.1 'Council meetings' in the absence of the Chairperson, the Deputy Chair presided over the meeting. The Deputy Chair declared the meeting open at 10.17am and commenced proceedings with a karakia.

Ngā whakapāha/Apologies (Item 1.0)

Moved (Macdonald/Robinson)

That the apologies from Councillor Crawford (Chairperson), Councillor Jones and the Independent Risk Advisor for non-attendance be received.

Carried

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 2.0)

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

Confirmation of Minutes - 27 February 2024 and 13 March 2024 (Item 5.1)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Shortland/Craw)

That the minutes of the council meeting held on 27 February 2024 and the extraordinary council meeting held on 13 March 2024, be confirmed as a true and correct record and that these be duly authenticated with the Deputy Chair's electronic signature.

Carried

Receipt of Action Sheet (Item 5.2)

Report from Chris Taylor, Governance Specialist

Moved (Robinson/Blackwell)

That the action sheet be received.

Carried

Financial Report to February 2024 (Item 6.1)

Report from Taka Skipwith, Financial Accountant

Moved (Craw/Stolwerk)

That the report 'Financial Report to February 2024' by Taka Skipwith, Financial Accountant and dated 11 March 2024, be received.

Carried

Secretarial Note:

- *The government's recent announcement to fund the \$1m shortfall to build a dedicated Joint Emergency Co-ordination Centre would impact on council's Long Term Plan consultation (which proposed that council rate to fund the shortfall). This change would be clearly articulated at all consultation events.*
- *Confirmation was provided that staff would assess the recent Independent Review into the Hawkes Bay Civil Defence Emergency Management Group's response to Cyclone Gabrielle for any learnings that could be applied in Northland.*
- *A correction was noted to the revenue table that 'Higher than budgeted rates due to an increase in land values' was in fact due to an increase in rateable units.*
- *An update was provided on council's managed funds. The total gains received for the month of February 2024 were \$737,000 which created a favourable variance of \$1,058,000 ahead of budget. This in turn resulted in a net surplus after transfers from/to reserves of \$736,000.*
- *The lower than budgeted dividend from MMH would create an unfavourable variance the following month, which council would need to absorb within the current surplus.*

Approval to Borrow \$9.3 Million to fund the Vessel Replacement Project, Enterprise Project, and Flood Infrastructure Works (Item 6.2)

Report from Simon Crabb, Finance Manager

Moved (Stolwerk/Robinson)

1. That the report 'Approval to Borrow \$9.3 Million to fund the Vessel Replacement Project, Enterprise Project, and Flood Infrastructure Works' by Simon Crabb, Finance Manager and dated 5 March 2024, be received.
2. That council enters into a loan from the Local Government Funding Agency of \$6,100,000 (inclusive of 2.5% Borrower Notes) at a fixed rate borrowing cost in the vicinity of 5.4% per annum for a term of 5 years, to partly fund the Enterprise system project, the Vessel replacement project, and Flood Infrastructure Scheme costs.
3. That \$3,201,214 of loan repayments received from Northland Emergency Services Trust is withdrawn from the Long-Term Investment Fund, in line with a EriksensGlobal recommendation, and allocated as debt funding to the Enterprise system project, the Vessel replacement project, and Flood Infrastructure Scheme costs.
4. That the rates collected and dedicated to repaying the borrowings of \$9,301,214 are invested, and tracked separately, in the Long- Term Investment fund, and that after 5 years the \$6.1m loan will be partially repaid and refinanced, with the balance scheduled to be fully repaid after a further 7 years.

Carried

Secretarial Note: Appreciation was extend to the Finance Team for finding a workable funding solution.

Policy Approvals and Regulatory Services Oversight (Item 7.1)

Report from Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Moved (Macdonald/Robinson)

1. That the report 'Policy Approvals and Regulatory Services Oversight' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 7 March 2024, be received.

Carried

(Councillor Stolwerk voted against the motion)

It was further moved (Shortland/Blackwell)

2. That council approves the following text be added to the delegations manual:

| Delegation | Delegated to |
|---|---|
| Authority to approve policies (including amendments to policies). | <ol style="list-style-type: none">a) The Chief Executive Officer has authority to approve policies that apply solely to council staff.b) The Chief Executive Officer and the Chair have authority to approve policies that apply to both staff and elected members.c) Resolution by council is required to approve policies that: |

| | |
|--|--|
| | <ol style="list-style-type: none">i. Apply to elected members only, and,ii. Those policies that are required by legislation to be approved by council, and,iii. The following key policies:<ul style="list-style-type: none">• SIPO• Risk Management Policy• Compliance, Monitoring & Enforcement Policy• Submissions Policy• Procurement Policy |
|--|--|

Secretarial Note: Debate on this matter highlighted the need to further socialise the implications of the proposed delegations with elected members before making a decision.

The procedural motion was moved (Shortland/Blackwell)

That the item being discussed, 'Policy Approvals and Regulatory Services Oversight', be adjourned until the 23 April 2024 council meeting and not be further discussed at this time.

Carried

(In putting the motion the Chair called for an expression of opinion by a show of hands, the result being Councillors Blackwell, Carr, Craw, Macdonald, Robinson and Shortland in favour of the motion and Councillor Stolwerk against)

Secretarial Note: The remaining recommendations not addressed were as following:

3. *That council set the CEO financial delegations limit at \$20m (noting that any financial delegation can only be exercised within the limits of councils approved Long Term Plan budgets).*
4. *That council approves increased governance oversight of council's regulatory services via the Audit, Risk and Finance Committee, and approves the following additions to the Audit, Risk and Finance Committee terms of reference:*

Regulatory services oversight:

 - *Review and recommend to council for approval Regulatory Services guiding policies.*
 - *Approve a hearing commissioner appointment policy and approve a list of commissioners.*
 - *Quarterly review and monitoring of consent application.*
 - *Quarterly review and monitoring of compliance monitoring activities.*
 - *Quarterly review and monitoring of formal enforcement activities (e.g. infringement notices, enforcement orders, prosecution cases).*
5. *That the Terms of Reference of the Natural Resources Working Party are updated to remove reference to council's regulatory services as per the tracked changes in **Attachment 1**.*

Catchment Planning Initiatives (Item 7.2)

Report from Ruben Wylie, Pou Tiaki Taiao

Moved (Stolwerk/Macdonald)

1. That the report 'Catchment Planning Initiatives' by Ruben Wylie, Pou Tiaki Taiao and dated 11 March 2024, be received.
2. That council approve development of a business case to address water quality issues in the Taumarere Catchment and to improve the quality of the coastal receiving waters.
3. That council allocate \$100,000 from its Future Freshwater Improvement Fund to the development of a Business Case for the Taumarere catchment, with the first step being an initial strategic business case.
4. That council note the previous resolutions relating to the development of an initial strategic business case for the remediation of the Hokianga Harbour (Item 7.6 Council meeting of 27 June 2023) and allocating \$300,000 for the development of a Harbour Remediation Business case for the Hokianga harbour catchment.
5. That council confirm initial strategic business cases for both the Hokianga Harbour and Taumarere Catchment are prepared in general accordance with the scope set out in this report and these are to be presented to Council for endorsement before commencing either of the full business cases.
6. That council note the strategic cases for both the Taumarere catchment and Hokianga harbour will require a small portion of the total project budget and that carry forwards of the budget into future years will be required to deliver the full business cases.

Secretarial Note: In accordance with Standing Order 23.4 'Substituted Motion', with the approval of the original mover and seconder of the motion, additional wording was added to part 2 of the motion. The full substituted motion was as follows:

Moved (Stolwerk/Macdonald)

1. That the report 'Catchment Planning Initiatives' by Ruben Wylie, Pou Tiaki Taiao and dated 11 March 2024, be received.
2. That council approve development of a business case to address water quality issues in the Taumarere Catchment and to improve the quality of the coastal receiving waters, as a first phase of a broader BOI catchment approach.
3. That council allocate \$100,000 from its Future Freshwater Improvement Fund to the development of a Business Case for the Taumarere catchment, with the first step being an initial strategic business case.
4. That council note the previous resolutions relating to the development of an initial strategic business case for the remediation of the Hokianga Harbour (Item 7.6 Council meeting of 27 June 2023) and allocating \$300,000 for the development of a Harbour Remediation Business case for the Hokianga harbour catchment.
5. That council confirm initial strategic business cases for both the Hokianga Harbour and Taumarere Catchment are prepared in general accordance with the scope set out in this report and these are to be presented to Council for endorsement before commencing either of the full business cases.
6. That council note the strategic cases for both the Taumarere catchment and Hokianga harbour will require a small portion of the total project budget and that carry forwards of the budget into future years will be required to deliver the full business cases.

Carried

Secretarial Note: It was reiterated that this work was in relation to improving water quality and not flood prevention.

Waikare II unbudgeted capital expenditure. (Item 7.3)

Report from Jim Lyle, Harbour Master and Maritime Manager

Moved (Craw/Stolwerk)

1. That the report 'Waikare II unbudgeted capital expenditure.' by Jim Lyle, Harbour Master and Maritime Manager and dated 11 March 2024, be received.
2. That the estimated unbudgeted expenditure of \$155,000 + GST is approved.

Carried

Secretarial Note: Appreciation was extended to the Maritime Team for keeping a close eye on budget, minimising cost escalations and delivering the project on time.

Chair's Report to Council (Item 8.1)

Report from Rae Hetaraka, Executive Assistant to the Chair

Moved (Shortland/Macdonald)

That the report 'Chair's Report to Council' by Rae Hetaraka, Executive Assistant to the Chair and dated 11 March 2024, be received.

Carried

Secretarial Note:

- *Councillor Robinson to be kept up to date regarding Predator Free 2050 activity in the Whangaroa.*
- *The Chief Executive Officer to ensure all councillors be advised of all Ministerial visits to Northland.*
- *Councillors to give further consideration to the Principal Advisor role (currently on hold) during an informal session.*

Chief Executive's Report to Council (Item 8.2)

Report from Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer

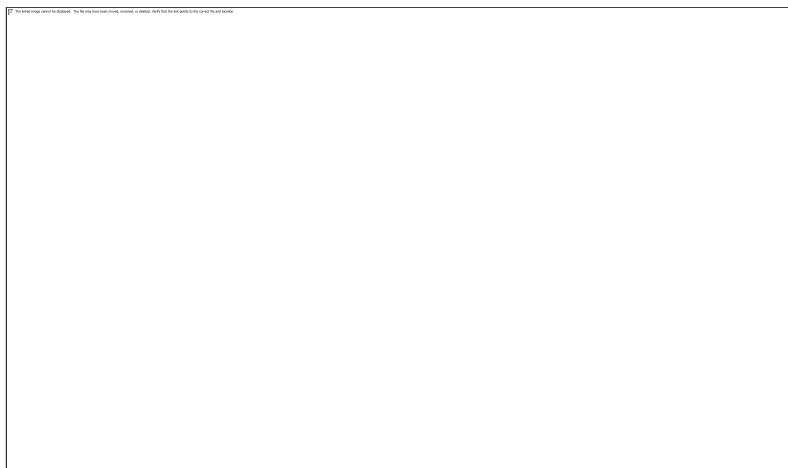
Moved (Blackwell/Macdonald)

That the report 'Chief Executive's Report to Council' by Jonathan Gibbard, Tāhūhū Rangapū - Chief Executive Officer and dated 11 March 2024, be received.

Carried

Secretarial Note:

- *An error was noted in the graph titled 'Maritime Activities February 2024' with the number of incidents depicted twice. The corrected graph was as follows:*



- *The date for the blessing of the new replacement vessel Waikare II was yet to be confirmed.*
- *Clarification was provided that the tendering process was underway for the installation of a Super Critical UV unit to address the non-compliance issues at the Ahipara Waste Water Treatment Plant.*
- *Appreciation was extended to the Communications and Engagement team who had supported a large number of events and campaigns over the Summer period.*

Receipt of Committee Minutes (Item 9.1)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Macdonald/Blackwell)

That the unconfirmed minutes of the:

- Regional Transport Committee - 13 February 2024
- Te Oneroa-a-Tōhe Board - 16 February 2024
- Joint Regional Economic Development Committee - 23 February 2024
- Kaipara Moana Remediation Joint Committee – 26 February 2024
- Audit Risk and Finance Committee - 28 February 2024
- Civil Defence Emergency Management Group – 5 March 2024

be received.

Carried

Secretarial Note:

- *Confirmation was provided that all councillors would now be invited to all committee and working party meetings. However, in accordance with Standing Orders, it was at the Chair's discretion whether speaking rights were granted to non-members.*
- *Attention was drawn to the report authored by the Regional Transport Committee Chair and circulated to elected members regarding the southern side of the Brynderwyns.*

Working Party Updates (Item 9.2)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Robinson/Blackwell)

That the report 'Working Party Updates' be received.

Carried

Kaupapa ā Roto/Business with Public Excluded (Item 10.0)

Moved (Robinson/Stolwerk)

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 - 27 February 2024 | 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 | Receipt of Confidential Committee Minutes | The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -. |
| 10.3 | Investment Asset Considerations | The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i). |
| 10.4 | Sale Price for a Council Held Asset Class | The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii), the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i). |
| 10.5 | Demolition for Property Redevelopment | The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii), the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i). |

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

Carried

Secretarial Note: The meeting adjourned at 11.34am and reconvened at 11.41am to address business with the public excluded.

Open Meeting

Moved (Stolwerk/Robinson)

That the council resumes in open meeting.

Carried

Confirmation of confidential resolutions in open meeting

The confidential resolutions confirmed in open meeting were as follows:

Confirmation of Confidential Minutes - 27 February 2024 (Confidential Item 10.1)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Blackwell/Macdonald)

1. That the confidential minutes of the council meeting held on 27 February 2024, be confirmed as a true and correct record and that these be duly authenticated with the Deputy Chair's electronic signature.

Carried

Receipt of Confidential Committee Minutes (Confidential Item 10.2)

Report from Meloney Tupou, Māori Governance and Engagement Support Admin

Moved (Craw/Blackwell)

1. That the unconfirmed confidential minutes of the:
 - Audit Risk and Finance Committee – 28 February 2024
 - Extraordinary Audit Risk and Finance Committee – 13 March 2024be received.

Carried

Sale Price for a Council Held Asset Class (Confidential Item 10.4)

Report from Phil Heatley, Strategic Projects and Facilities Manager

Moved (Blackwell/Craw)

1. That the report 'Sale Price for a Council Held Asset Class' by Phil Heatley, Strategic Projects and Facilities Manager and dated 11 March 2024, be received.
2. That council's holding of 17,460 Carbon Units are sold by 1 October 2024 with delegation to staff to manage the sale provided the sale price is \$70 per unit or higher.

Carried

(In putting the motion the Deputy Chairperson called for an expression of opinion by a show of hands, the result being Councillors Blackwell, Carr, Craw, Macdonald and Shortland in favour of the motion and Councillor Stolwerk against. Councillor Robinson abstained from voting).

Whakamutunga (Conclusion)

The meeting concluded at 12.44pm with a karakia by the Deputy Chair.

Confirmed as a true and correct record 23 April 2024

A handwritten signature in black ink, appearing to read 'T Shortland', written in a cursive style.

Deputy Chair Tui Shortland