

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 16 May 2023, commencing at 10.30am

Tuhinga/Present:

Chair, Tui Shortland
Councillors:
John Blackwell
Joe Carr (*left meeting at 12.45pm*)
Jack Craw
Geoff Crawford
Peter-Lucas Jones
Amy Macdonald
Rick Stolwerk
Marty Robinson

I Tae Mai/In Attendance:

Full Meeting

Tāhūhū Rangapū - Chief Executive Officer
Pou Taumatua - GM Corporate Services
Pou Tiaki Pūtaiao – GM Biosecurity
Human Resources Manager
Corporate Strategy Manager
Management Accountant
Governance Specialist

Part Meeting

Pou Manawhakahaere - GM Governance and Engagement
Pou Whakaritenga - GM Regulatory Services
Pou Tiaki Taiao - GM Environmental Services
Legal Advisor / Corporate Policy Specialist (*via audio visual link*)

Secretarial Note: The Chair declared the meeting open at 10.37am. The Corporate Strategy Manager commenced proceedings by explaining that council had received a total of 71 written submissions on the proposed Annual Plan and User Fees and Charges. Having analysed the submissions the staff recommendation was Option 1 of the Annual Plan 2023/24 Consultation Document and Supporting information with the additional funding to transition Enviroschools contractors to employees.

Ngā whakapāha/Apologies (Item 1.0)

There were no apologies.

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

Councillor Blackwell advised that while he currently held the role of Vice President for Northland Federated Farmers, he had no involvement in the submission received from Federated Farmers of New Zealand. Councillor Blackwell had received the information in the same manner as all other

councillors and kept an open mind to receiving all submissions; hence would participate in the deliberations process.

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

Council deliberations on the Annual Plan 2023/24 Consultation document and Supporting information (Item 5.1)

Report from Robyn Broadhurst, Corporate Planning Specialist and Kyla Carlier, Corporate Strategy Manager

Moved (Stolwerk/Macdonald)

1. That the report 'Council deliberations on the Annual Plan 2023/24 Consultation document and Supporting information' by Robyn Broadhurst, Corporate Planning Specialist and Kyla Carlier, Corporate Strategy Manager and dated 14 April 2023, be received.
2. That council notes that the amounts set out in the report are based on best estimate forecasts at the time of writing, and that the Tāhūhū Rangapū – Chief Executive Officer be given delegated authority to approve changes required to revise the financial statement and rating information within the final Annual Plan 2023/24 to give effect to the council's deliberations, with final amounts presented for council approval in June 2023.
3. That the Group Manager – Corporate Services be given delegated authority to approve any consequential amendments to the final Annual Plan 2023/24 as a result of council decisions on feedback and any minor accuracy and grammatical amendments.

Carried

Moved (Stolwerk/Craw)

4. That council supports the provision of an additional \$838,000 of operational spend per year to lift the recruitment and remuneration budget, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information.

This recommendation represents a change to the preferred option, 'Option 1: Make the proposed changes' as outlined in the Annual Plan 2023/24 Consultation Document and Supporting information, which stated "about \$830,000" (actual value \$833,000); the adjustment includes the full cost of the recruitment position, along with a \$5000 increase to the role due to a change in the required base salary resulting from the role being re-graded.

An amendment was moved (Carr/Crawford)

- 4a. That council supports the provision of an additional \$838,000 of operational spend per year to lift the recruitment and remuneration budget, sourced through efficiencies in the operations of council.

Lost

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

Secretarial Note:

- *Council was acutely aware that the current economic climate was putting the community under stress and it needed to strike the right balance between progressing its important work and what was affordable.*
- *It was reminded that the Executive Management Team had previously reviewed/removed spend wherever possible (totalling \$375,049).*
- *There was general agreement that council needed to continue to pursue efficiencies through the Long Term Plan process.*
- *It was stressed that council was continuing to lose key staff and this needed to be addressed as a matter of urgency.*
- *Confirmation was provided that across council there was currently a \$1.5M net favourable salaries variance predominantly due to vacant positions. However it was a complex matter and staff did not recommend this source of funding, or reserves, for the ongoing cost related to recruitment and remuneration.*

In accordance with Standing Order 23.7 'Lost Amendments' the meeting resumed debate on the original motion:

Moved (Stolwerk/Craw)

4. That council supports the provision of an additional \$838,000 of operational spend per year to lift the recruitment and remuneration budget, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information.

This recommendation represents a change to the preferred option, 'Option 1: Make the proposed changes' as outlined in the Annual Plan 2023/24 Consultation Document and Supporting information, which stated "about \$830,000" (actual value \$833,000); the adjustment includes the full cost of the recruitment position, along with a \$5000 increase to the role due to a change in the required base salary resulting from the role being re-graded.

Carried

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

Moved (Stolwerk/Craw)

5. That council supports the provision of an additional \$170,040 of operational spend per year, and a one-off capital spend of \$99,400 in 2023/24, to cover cost increases in audit fees and IT support, and improve our remote meeting technology, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information.

An amendment was moved (Carr/Robinson)

- 5a. That council supports the provision of an additional \$170,040 of operational spend per year, and a one-off spend of \$99,400 in 2023/24 funded from the IT depreciation reserve, to cover cost increases in audit fees and IT support, and improve our remote meeting technology.

Secretarial Note:

- *The meeting adjourned at 11.56am and reconvened at 12.30pm. At this time the mover and seconder formally withdrew the proposed amendment (5a) having received clarification from staff.*

- *The meeting then resumed debate on the original motion 5.*

Moved (Stolwerk/Craw)

5. That council supports the provision of an additional \$170,040 of operational spend per year, and a one-off capital spend of \$99,400 in 2023/24, to cover cost increases in audit fees and IT support, and improve our remote meeting technology, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information.

Carried

(In putting the amendment the Chair called for an expression of opinion by a show of hands, the result being all councillors voting in favour of the motion).

Moved (Stolwerk/Jones)

6. That council supports the provision of an additional \$50,513 of operational spend per year to move Enviroschools facilitators from contractors to employees, as proposed in Option 3 of the Annual Plan 2023/24 Consultation document and Supporting information.

This recommendation was represented in the Annual Plan 2023/24 Consultation Document and Supporting information as part of 'Option 3: Do even more'; it is included here as an addition to the 'preferred' option.

Carried

(In putting the amendment the Chair called for an expression of opinion by a show of hands, the result being all councillors voting in favour of the motion).

Moved (Macdonald/Robinson)

7. That council supports the provision of an additional \$500,300 of operational spend per year to support actions in Tāiki ē, as proposed in Option 1 of the Annual Plan 2023/24 Consultation Document and Supporting information.

Carried

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

Secretarial Note:

- *Clarification was provided that Taiki e was an implementation/action plan that had been developed in close alliance with the Te Taitokerau Māori and Council Working Party (TTMAC).*
- *It was stressed that the outcomes and tangible wins from this programme of work must be highlighted.*
- *Councillor Carr left the meeting at 12.45pm.*

Moved (Stolwerk/Blackwell)

8. That council supports the provision of an additional \$113,200 of operational spend per year for two new environmental management positions, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information.

An amendment was moved (Macdonald/Craw)

- 8a. That council supports the provision of an additional \$113,200 of operational spend per year for two new environmental management positions, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information. In addition, that council supports the provision of an additional \$108,000 for a new a river engineer (asset management), and an additional \$40,000 for better high-level data to support compliance work.

Carried

(In putting the amendment the Chair called for an expression of opinion by a show of hands, the result being all councillors voting in favour of the motion).

Secretarial Note: With no further amendments forthcoming the Chair then put the substantive motion (as per Standing Order 23.8 Carried Amendments).

Moved (Jones/Blackwell)

- 8a. That council supports the provision of an additional \$113,200 of operational spend per year for two new environmental management positions, as proposed in Option 1 of the Annual Plan 2023/24 Consultation document and Supporting information. In addition, that council supports the provision of an additional \$108,000 for a new a river engineer (asset management), and an additional \$40,000 for better high-level data to support compliance work.

Carried

Moved (Macdonald/Stolwerk)

9. That, in accordance with council's decision at their meeting on 28 March 2023, council supports the funding of a fixed-term position to assist with implementing the Organisational Development Strategy, by way of a budget transfer of \$97,500 of operational spend each year for two years (2023/24 and 2024/25), and that movements be made between the Land and freshwater management rate and the Council services rate accordingly to fund this.
10. That council does not make any changes to the Annual Plan 2023/24 as a result of the feedback received on 'out-of-scope' topics, i.e., those topics not included in the Annual Plan 2023/24 Consultation document, in accordance with council's Submission policy: consultation in accordance with the Local Government Act 2002.

Carried

(In putting the amendment the Chair called for an expression of opinion by a show of hands, the result being all councillors voting in favour of the motion).

Moved (Craw/Stolwerk)

11. That council supports an increase in total rates revenue from the 9.2% stated in the Long Term Plan 2021-31 to 10.66% (an additional 1.46%) for 2023/24, to support the work outlined in recommendations 4 – 8 above.

This recommendation represents a change to the preferred Option 1: Make the proposed changes outlined in the Annual Plan 2023/24 Consultation Document, which proposed a rates increase of 10.2%.

An amendment was moved (Robinson/Crawford)

- 11a. That council supports an increase in total rates revenue from the 9.2% stated in the Long Term Plan 2021-31 to 9.9% (an additional 0.7%) for 2023/24, to support the work outlined in recommendations 4 – 8 above, with the shortfall of funding found from operational efficiencies or reserves.

Lost

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

Secretarial Note:

- *While there was empathy for the intent of the amendment there was concern regarding transparency with the public when there was no certainty where the savings would come from to fund the shortfall.*
- *It was recommended that the Long Term Plan process was the appropriate avenue for councillors to take a 'deep dive' into the budgets and continue to pursue efficiencies.*

In accordance with Standing Order 23.7 'Lost Amendments' the meeting resumed debate on the original motion:

Moved (Craw/Stolwerk)

11. That council supports an increase in total rates revenue from the 9.2% stated in the Long Term Plan 2021-31 to 10.66% (an additional 1.46%) for 2023/24, to support the work outlined in recommendations 4 – 8 above.

This recommendation represents a change to the preferred Option 1: Make the proposed changes outlined in the Annual Plan 2023/24 Consultation Document, which proposed a rates increase of 10.2%.

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

It was further moved (Macdonald/ Robinson)

That council ask the CEO, as part of the LTP process, to continue to proactively seek organisational efficiencies as a means to reduce potential future rate increases.

Carried

Secretarial Note: Appreciation was extended to staff for their work to get the Annual Plan and User Fees and Charges 2023/24 to fruition.

Council deliberations on the User Fees and Charges 2023/24 (Item 5.2)

Report from Nicola Hartwell, Legal Advisor (Corporate Policy Specialist) and Kyla Carlier, Corporate Strategy Manager

Moved (Stolwerk/Macdonald)

1. That the report 'Council deliberations on the User Fees and Charges 2023/24' by Nicola Hartwell, Legal Advisor (Corporate Policy Specialist) and Kyla Carlier, Corporate Strategy Manager and dated 15 March 2023, be received.
2. That council supports an inflationary increase of 4.2% to fees and charges contained in the User Fees and Charges 2023/24, as set out in the schedule.
3. That council supports the Draft User Fees and Charges 2023/24 as consulted and direct staff to prepare the final user fees and charges for council adoption in June 2023.
4. The Bruce Howse, Group Manager – Corporate Services be given delegated authority to approve any consequential amendments as a result of council decisions and submissions and any minor accuracy and grammatical amendments.

Carried

Whakamutunga (Conclusion)

The meeting concluded at 1.36pm with a karakia by the Pou Manawhakahaere – GM Governance & Engagement.

Confirmed as a true and correct record 27 June 2023



Chair Tui Shortland