

Council Briefing Meeting Minutes

Date: Tuesday, 11 February, 2020
Time: 9:00 a.m.
Location: Council Chamber
Forum North, Rust Avenue
Whangarei

In Attendance

Her Worship the Mayor Sheryl Mai
(Chairperson)
Cr Vince Cocurullo
Cr Nicholas Connop
Cr Ken Couper
Cr Tricia Cutforth
Cr Shelley Deeming
Cr Jayne Golightly
Cr Greg Innes
Cr Greg Martin
Cr Anna Murphy
Cr Carol Peters
Cr Simon Reid

Not in Attendance

Cr Gavin Benney
Cr Phil Halse

Scribe Sue Reid (Democracy Adviser)

1. Apologies

Crs Benney and Halse (absent) and Cr Deeming late arrival (9:08 a.m.).

2. Reports

2.1 Annual Plan 2020 - 2021 Update

Her Worship the Mayor convened the meeting at 9:04 a.m. and Dominic Kula (General Manager – Strategy and Democracy) gave an overview and purpose of the briefing, which would include a recap of the last meeting in December, a Finance and Communication update and some information on the Long Term Plan (LTP).

The presentation covered:

Capex trends – there was an increase in the ability to deliver from \$32 million to \$57 million last year but still a consistent gap between budget and what was delivered.

Capital Programme – the three options for proceeding with the Annual Plan (AP) and capital programme were outlined.

Capex update – which included:

- A review of where the carryforwards have come from. These were covered in the spreadsheet handed out which gave a snapshot of the large schemes.
- The department managers and asset managers have provided a summary on the spreadsheet of how projects can be progressed quicker and will come back to councillors with suggestions.
- How to manage the capital and LTP programme. They were aiming for \$60 million for large projects and reached \$61.9 million in the programme.
- The programme will be brought back to a briefing in March for discussion around if something fundamental is missing, before it is finalised.

Mr Kula handed over to Delyse Henwood (Manager – Finance) to go through the spreadsheet and the high-level shifts around that.

Discussion and Questions from Councillors:

It was clarified the spreadsheet covered capital projects, but an overview would be given of the operational side.

There were comments around managing expectations of the LTP in the third year and how programmes are put up. As an example, to look at the benefit for the ratepayer as often smaller projects such as seal extensions, footpaths and parks have a bigger impact. A suggestion was made as to whether projects could be budgeted as a higher programme level. This would give more flexibility in the AP sessions to allocate budgets.

Ms Henwood continued the presentation:

Draft capital programme – gave a summary of the spreadsheet with the key points highlighted.

Budget update – highlighted the February 2020 forecast is the key date and will provide a starting point for the 2020-21 Annual Plan opening position.

Known Operational Variances (to LTP Y3) – explained a high-level summary of changes, most of which were not new and overall will have just over \$4 million impact on operational surplus.

Balanced budget benchmark – the benchmark is being achieved and shows Council is not over-rating as they are relying on subsidies.

Opex budget – next steps were outlined.

Discussion and Questions from Councillors:

There was discussion around the State Highway and NZTA projects.

Development contributions and variations to rates were discussed and Ms Henwood said there was a bit of a variance to rates last year because it was a valuation year with some changes to properties due to an increase in valuation. She said that growth is factored in and a reset is done for the LTP which will involve looking at growth.

Fees and Charges – there were no significant changes recommended for this year.

2020-21 Fees and Charges – next steps

Rolling Review – there are guidelines to assist with the review ahead of the 2021-31 LTP.

Discussion and Questions from Councillors:

In response to a query regarding the setting of rates, Mr Kula responded we are in Year 3 of the ones previously set by Council and discussions would start in March.

There was also discussion around to what extent depreciation is aligned to asset management planning and Mr Kula responded depreciation will be based on what comes out of the plans. .

Ms Jane Ashley (Manager – Communications) continued with the presentation and covered the objectives of the communication approach and said they would continue last year's AP campaign featuring the 'BMX Kid'.

As some of the councillors had not seen it, the video was played, and Ms Ashley covered the key messages.

Discussion and Questions from Councillors:

There was discussion around the video which covered:

- Including messaging on Council's climate change story, and other things that are happening in the district, for example the Women's Rugby World Cup 2021.
- The concept of the video was liked but it was suggested that next time we could, when taking into account the complexity of council projects, consider using both youth and adults to more authentically/realistically deliver messages about projects.
- Ms Ashley said significant changes were coming to the Council's website. The changes initially are more focused on content improvement, but will

ultimately provide Council with a platform that would allow better functionality.

- There were suggestions of additional projects which could be shown on the video including community projects and rural areas.

Ms Ashley handed over to Ms Merryn Statham (Consultation Adviser – Democracy and Assurance) who presented a draft Consultation and Engagement calendar which would be able to encapsulate the consultation programme for the next two and a half years. It will focus on formal engagement around the LTP and the AP.

Ms Statham said the purpose of having it laid out is to enable councillors to know what projects are happening so that the community can be pointed in the right direction and become involved. Rationalising consultation activities and grouping projects together will be easier, using this tool.

The calendar also identified resource consent consultations which are coming up.

Ms Statham said the calendar will be a dynamic view which will need to be updated monthly as soon as project times are locked in. Each tile has a tag to show project leaders and links will be built into any information available on Council's website.

Her Worship the Mayor thanked Ms Statham for the work put into this document which put everything in one place and gave councillors the ability to communicate and interact with the community.

It was mentioned that certainty is important in terms of being able to convey messages and timelines around projects to the community.

Mr Kula continued the presentation and referred to the 2021 – 2031 LTP and picked up on some of the key points.

He said that the vision, mission statement and priorities were the key things and it is really complex so discussions will start around priorities to get direction to start work on the LTP. Mr Kula said workshops would be locked in for discussions with councillors for a high-level programme and to stamp the direction of the council.

Discussion and Questions from Councillors:

There was discussion around the levels of understanding from councillors and Mr Kula said briefings would be held in March and April to include what the LTP is made up of and to cover any questions the councillors may have around climate change and other issues.

3. Closure of Meeting

The meeting concluded at 10.40am.