

## **Council Briefing Meeting Minutes**

**Date:** Thursday, 5 March, 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 Shelley Deeming  
Cr Jayne Golightly  
Cr Phil Halse  
Cr Greg Innes  
Cr Anna Murphy  
Cr Carol Peters  
Cr Simon Reid

**Not in Attendance**

Cr Gavin Benney  
Cr Tricia Cutforth  
Cr Greg Martin

**Scribe** Sue Reid (Democracy Adviser)

---

### **1. Apologies**

Crs Benney, Cutforth and Martin.

### **2. Reports**

#### **2.1 Annual Plan Capex Programme and Long Term Plan overview**

Her Worship the Mayor convened the meeting at 09:00 a.m. and handed over to Rob Forlong (Chief Executive) who confirmed that the purpose of the briefing was to update Elected Members on the Annual Plan (AP) Programme (capex and opex) which was close to what was outlined at the last briefing, and to provide an overview of the Long Term Plan (LTP).

Her Worship reinforced the message from Mr Forlong that this is Year 3 of the LTP and an important stage of the planning process.

Mr Dominic Kula (General Manager – Strategy and Democracy) said this briefing would be a continuation of discussions since November and will give a recap on the AP and transition points for the LTP. He said the key point is the capex programme and he wanted to give elected members information about the capital programmes and at what stage they are at. The presentation covered:

Annual Plan - Opex – Balanced budget is currently at 101%. \$1.5m headroom but there is risk around Springs Flat if it doesn't proceed (a \$3.7m opex revenue hit).

1. Maintain headroom for unforeseen/budgeted events (i.e. Springs Flat not proceeding, or unscheduled events);
2. Look at opportunities to factor in known changes/community needs from some or all of the headroom (not recommended).

Staff gave cost pressures to be considered for Option 2 and said there had also been a request from Athletics Whangarei for track resurfacing.

Annual Plan – Capex – was still sitting at a \$62m programme, excluding Whau Valley and Civic Centre, but including:

- NECT Light Tower unbudgeted spend (as per Agenda) and \$200k as a result of final tender costs;
- Early Smoke detection (BWOFF) Forum North \$200k.

Mr Kula noted we could keep trying to tweak the programme to hit \$60m but beginning to feel artificial and this is about right.

Mr Kula asked for feedback around potential gaps noting constraints around capex (delivery)/opex (balanced budget) and materiality/significance cannot be triggered.

Discussion and Questions from Councillors:

- There were queries around what the insurance would cover for the Old Municipal Building fire damage. Mr Forlong said we were working through this, but indications are that insurance will cover anything that brings the building up to code and any additional will not be covered. Noted a lift would be capex and we have headroom.
- There was discussion around the two options and whether elected members would prefer the recommended Option 1, or Option 2 which would be looking at the opportunity to factor in known changes. It was noted that Option 2 included some items not budgeted for and these were discussed further.
- In response to a query if weed eaters could be used in preference to spraying around playgrounds and areas where children congregate, Mr

Weston responded this would result in an increase in opex to make that change. This could be looked at through the Infrastructure Committee and he made a note that it would be raised in the LTP around levels of service.

- Supporting funding for Hihiaua Cultural Centre was discussed as they are ready to go to the next stage. Her Worship advised this was not budgeted for in Year 3 of the LTP and could be included in the next LTP through public consultation. She said Council is not able to show an indication of financial support at this stage as it is not in the current LTP. There will be in-depth discussion and a presentation on the Hihiaua Culture Centre at the workshop on 10 March.
- \$200k for Te Karearea funding was raised. The need to change the way we do things and fund that, was highlighted. There was discussion on timing, noting council hadn't made a decision on committee structure. This will happen in March and if approved there is opex headroom to fund the committee.
- The Community Services Fund was discussed and that there are a number of ways for community funding options. When the community request funding from the Provincial Growth Fund, they need the leverage of council funding for support.
- Her Worship said financial modelling was required to look at the impact of Option 2 and the programme would need to be seriously reviewed should Springs Flat roundabout go ahead as this is the biggest risk on the opex for this financial year. Mr Kula responded that Option 2, with the recommendations still allow some opex headroom.
- Councillors indicated a preference for Option 2.

To be added to Annual Plan opex:

<b>Additional opex added</b>	<b>Amount (\$'000)</b>
Citysafe officers	\$120
R&M Forum North Roof	\$100
Civic arcade rent	\$55
Athletics track resurfacing + underwrite (if required)	\$300 (Plus \$246 underwrite if required)
Geotechnical expertise and training	\$250
Pensioner housing R&M savings	(\$336)
<b>Total opex adjustments</b>	<b>\$489</b>

The second part of the presentation covered the Long Term Plan. Her Worship said this is the future planning for 2021-2031, with all of the strategies and asset management programmes built in. It is an opportunity for our community to be visionary and look to the future.

Mr Kula said this was the opportunity for the elected members to start discussion around vision and strategic drivers and today he wanted to build on the priorities envisaged from last month. He said the discussion would start early to flow through into work and engagement with the community (if council want this).

The key points are:

- Programmes and projects to be undertaken in 10 years (with more detail for the first three years)
- The levels of service and performance measures for our community across key council functions.
- The financing and funding we need to achieve what we want to do.

The presentation gave a brief look at some of the past LTPs and the background to them. Mr Kula said it was a complicated process which needs to be looked at in stages and explained the Flow Chart and the LTP building blocks outlined in the presentation. He then explained the timeline and gave a snapshot of the key issues for early direction:

- Rates
- Early engagement
- Finance and Infrastructure strategies

Mr Kula said the briefing scheduled for 10 March would continue discussion around councillors' vision for what the District will look like, and the strategic drivers.

*Discussion and Questions from Councillors:*

- Her Worship said it was helpful to look at how things have changed and what the focus of the LTP is. She said where our community is going is quite different to the community and economy of 2008 and council needs to look at the future focus and set a strategic direction. What is the flavour, the essence of where we want to set this document as this is the elected members document, working with the community.
- There was a question around early engagement with the community and timing. Mr Kula said Page 5 of the agenda contained a timeline to assist elected members in planning for the next 18 months. This gave an indicative timeframe of the key dates in the LTP process.
- The LTP should not be approached as business as usual as the growth Whangarei is experiencing needed to be highlighted. There was also discussion around early engagement and managing expectations at that stage as there are commitments which have already been made and in terms of capex a lot has already been committed.

- The community should understand exactly what council is trying to achieve, with a good simple description of where we are going as a district. Affordability, natural environment and a strong sense of community were important. Also, the importance of development contributions to cover an incentivised approach and how you look at them in terms of the Spatial Planning was raised.
- Levels of service were discussed along with the difference of what is provided in the city to what is provided in the rural areas.
- Council should be proud of what has been achieved. Infrastructure drives development and it was felt Council should be putting together a strategy and what can be done as a council.
- Large amounts had been spent in town and it was necessary to support the rural areas as well, for example roads, farming and forestry.
- There needs to be a strong interface with central government around infrastructure.
- The quality of lifestyle needs to be protected, along with future-proofing for growth, including issues around transport and water.

Her Worship felt a strong sense of who we are and where we are going had been captured and asked Mr Kula if there was anything additional to do today. Mr Kula responded it was about starting the process and getting some perspectives coming out of the discussion. He said there seemed to be a general theme around infrastructure as core business underpinning everything and that levels of service were critical. The challenge is to turn all that detail into what the vision will look like. He said this was the start of the process and at the briefing on 10 March this would be picked up and turned into a vision and strategic drivers.

Her Worship said that core infrastructure is our main business and if we are going to make this at a higher level of service, we need to go to individual communities to see what they want. At the top is the richness of things council can do. There was discussion of whether targeted rating could be considered when higher levels of service are sought.

Her Worship thanked Mr Kula and his team for all the work they had done to reach this point.

### **3. Closure of Meeting**

Concluded at 10:57 a.m.