

Council Briefing Meeting Minutes

Date: Thursday, 7 May 2020
Time: 1:00 p.m.
Location: Virtual Meeting Room

In Attendance	Her Worship the Mayor Sheryl Mai (Chairperson) Cr Gavin Benney Cr Vince Cocurullo Cr Nicholas Connop Cr Ken Couper Cr Tricia Cutforth Cr Shelley Deeming Cr Phil Halse Cr Greg Innes Cr Greg Martin Cr Anna Murphy Cr Carol Peters Cr Simon Reid
Not in Attendance	Cr Jayne Golightly
Scribe	Jennie Thomas (Democracy Adviser)

1. Apologies

Cr Jane Golightly (absent), Crs Phil Halse, Shelley Deeming and Gavin Benney for early departure.

2. Reports

2.1 LTP Reset Post COVID-19

Her Worship the Mayor convened the meeting and advised that this was an important briefing to work through the recalibration of the Long Term Plan (LTP) and to be presented with an update on the Annual Plan (AP) and processes.

Dominic Kula (General Manager – Strategy and Democracy) advised that the presentation would be provided in two parts with a break for discussion on the LTP Reset and again at the conclusion of the presentation on the update of the AP consultation document.

Mr Kula advised that the intent of the overview was to recognise that a lot has changed since Council's last LTP briefing held in March. A lot of work has been carried out in the background in setting a new direction in response to Covid-19. Council has moved swiftly to implement a mix of short and medium term responses, these include:

- Endorsing an initial Economic Recovery Strategy
- Endorsing a \$3m COVID-19 Relief budget through the Annual Plan
- Endorsing a reduction in the planned rates through the 2020-21 Annual Plan
- Releasing a draft COVID-19 Response Strategy

The work undertaken, by Alison Geddes, Tony Collins and Tony Horton, and the release of the draft Response Strategy has provided a lens to kickstart and restart the LTP process.

Tony Horton (Manager – Strategy) continued the presentation on the Response Strategy framework and some of its key components. Mr Horton advised, the three main components were crafted from elected members' feedback.

Stage 1 - the Restart encapsulated the immediate responses to immediate impacts on key economic sectors in our district. These immediate actions will be included in the AP.

Stage 2 - Recovery – a broader view to support ongoing and quick economic recovery across the district.

Stage 3 – Reset - how we can pull levers to reset an inclusive, resilient and sustainable economy.

Across all three stages apply ongoing economic monitoring and reporting to inform decision making to ensure our actions have a tangible effect on our economy.

Respond to immediate impacts on key economic sectors -

- Actions from the Economic Recovery Package
- Emphasis on partnership with hapu, government and business
- Provide and prioritise the services that allow businesses to operate
- Partnership/support from COVID-19 Local Government Response Group

Support ongoing economic recovery across the District -

- Focus on our capital programme for projects with economic benefit. Prioritise central government funding opportunities.
- Focus on city centre revitalisation and inner city living

Reset a more resilient and sustainable economy -

- Advocacy to central government for key projects
- Importance of strategic partnerships to deliver projects.
- Implementation of Climate Change Action Plan and Sustainability Strategy

- Use of technology and green tech to support resilience and sustainability

Mr Horton advised that the support and reset is linked more with the LTP. A real focus would be on our capital programmes and prioritising placing ourselves to benefit from government any funding including the CIP. The May 14 Budget may allude to some of these opportunities.

In terms of the Reset - Advocacy is really important for key projects (Port, Navy, Road and Rail) which we will deliver through strategic partnerships with government, businesses, business partners and also hapu.

This is a high level overview of what we need to consider and prioritise in the LTP process.

Mr Kula continued the presentation with a background on the LTP journey. Then advised that the Vision and Strategies would provide a consistent direction for the LTP. That they were all about providing an overarching LTP framework for discussion with the community and to assist with decision making and prioritising.

Mr Kula listed the Covid-19 Response Strategy Tools for consideration through the LTP Process:

- Finance–Revenue and Financing Policy, Rates, Finance Strategy
- Regulatory– e.g. RMA
- Support and Partnership – e.g. Expert advice, facilitation, partnership with businesses, hapu, government
- Infrastructure– e.g. capital works to support recovery
- Future planning – e.g. Growth strategy, spatial planning
- Advocacy– e.g. political advocacy for government investment
- Organisational culture - e.g. whole of council approach

Mr Kula went on to advise that COVID-19 has\’d set back the LTP programme by 2 months, which puts constraints on the overall programme, particularly the delivery of a Draft LTP for the end of the year.

LTP Early Engagement considerations were outlined by Mr Kula:

- In response to COVID-19 Council is now undertaking consultation on the Annual Plan, this is occurring very late
- This will mean limited time between consultation on the Annual Plan and early engagement on the LTP. This which is likely to cause confusion and consultation fatigue
- Consultation on the Annual Plan will be targeted towards Council’s response to COVID-19, providing valuable information to guide the development of the LTP priorities
- We also need time to see the real (as opposed to forecast) impacts of COVID19 before we develop a plan

Mr Kula advised that as a result of these considerations early engagement was not recommended. In its place staff recommend a more comprehensive communications programme incorporating what we learn from Annual Plan consultation which would feed into the Draft LTP.

Next Steps:

- Confirm the Vision Statement and Strategic Drivers
- Begin the information briefings on the Infrastructure Strategy and Asset Management Plans

Feedback

HWM summarised that there were a few key points for elected members to focus and provide feedback on including:

1. Checking that the priorities elected members have previously set for the triennium were still relevant. These being:
 - Transport – Roading and Public Transport
 - Revitalising the City Core
 - Potential Northport expansion/Navy relocation
 - Sustainability
 - Housing
2. Confirmation of the vision statement in the current LTP – Vibrant, Attractive, Thriving District - HWM advised that Mr Horton had included in the Response Strategy a reset to an Inclusive, Resilient and Sustainable economy which may be more relevant post Covid.
3. Elected members would need to consider whether they wish to foreshadow a rates review.
4. Feedback was sought on the wish for early engagement on the LTP, considering the risk of confusion and consultation fatigue in terms of the Annual Plan and Growth Strategy consultation, and also bearing in mind that post Covid, the same consultation tools were not available.

Elected members provided their feedback on the key points. HWM summarised this feedback generally as:

From the discussion it was noted that most elected members still supported the direction previously set for the priorities, with some reservations expressed relating to the Navy relocation and Port expansion. There was still support expressed from a number of elected members for a proposed dry dock. HWM also noted the view expressed that the words 'public access' be used rather than 'public transport'.

There was support indicated for reviewing the vision and rewording it to include inclusive, sustainable and resilient.

It was clear that, though some views were expressed that SUIPs should be reassessed, any possible Rates Review would need further discussion with the full contingent of elected members present. Mr Kula advised that a Rating briefing would be arranged before any review would be considered.

Most elected members supported the staffs' recommendation that early engagement on the LTP would not be necessary/beneficial as consultations were taking place on the AP and the Growth Strategy . Early engagement was not a necessary step given we are going into full consultation and it would be enriched by other consultations.

There was also a view expressed that Council's CCO's would also need supporting and that should be allowed for in this plan somewhere. There was a need to consider internal support as well as external.

Another point noted was that part of Council's core business was also to look after The Four Well Beingsl.

Annual Plan Update

Mr Kula ran through the second part of the presentation providing the:

- Consultation Document Overview
- Consultation/communications update
- Financial update

Mr Kula advised that the consultation document:

- Is a key mechanism for communicating our response to COVID-19 for the year ahead
- Clearly explains the rates increase option we are recommending for 2020-21, along with the other options considered
- Highlights that the recommended rates increase for 2020-21 enables funding to be set aside for a Relief Package
- Highlights that external funding ('shovel ready projects') has been sought to bring forward/enhance LTP projects and create stimulus
- Highlights the balance needed in setting rates at an affordable level for the community, while providing sufficient funding to deliver on core services, and the programmes our community expects
- Notes that 'out of scope' submissions will be considered in development of the LTP, and through operational processes

The document also tries to weave in our response to CIP funding and the possible risk if we received that funding how we manage that. The difficult balance of setting

rates while also delivering on core services. We will need to catch up on rating in the future and how we can respond to requests for services from community.

Consultation/Communications Update

- Consultation period of 3 weeks from 15 May to 4 June 2020
- Distribution and promotion of the Consultation Document through multiple channels including:
 - Electronically - Council's website, Facebook, radio
 - Physically – print media, Council facilities (when open), other community locations where possible
 - Electronically to community, resident and ratepayer groups, Te Huinga and other stakeholders
- Submissions can be made electronically, via post and/or delivered to Council offices (when open).
- Facebook comments will be collated and themed outside formal submission process.
- Enable people in over 70 or vulnerable categories to provide a verbal telephone submission prior to the closure date of the submission period.
- No community meetings or formal hearings due to COVID-19 and time restrictions
- Communications programme to run alongside consultation:
 - Will outline predicted impact of COVID-19, and Council's short term (2020-21) and longer-term response strategy leading into the next LTP
 - Signals Council's commitment to resilience through relief, advocacy, partnership and support as part of a broader 'reset'.

Consultation was initially proposed for two weeks, an indication from legal advice sought was four weeks was required. Since then the DIA has indicated special consultative procedures appropriate is for three weeks. Our consultation is based on the three week period to 15 May - 4 June.

Mr Kula noted that one key thing was the need to manage the expectations on our ability to respond to material changes.

Financial Update

The capex programme needed to be revisited in light of increased carry forwards from the 19/20 year due to Covid19. Our approach has been to:

- Retain projects that allow us to maximise subsidies and minimise balanced budget impacts
- Revisit projects that have had an increased carry forward to find corresponding amounts
- Factor in any other changes that are likely to impact next year's capex programme

- Acknowledge the timing of projects may need to be adjusted as a result of CIP applications

The lock down since March, will mean an increase in our carry forwards which will have to be managed. To maximise subsidies with a minimal impact on the balanced budget, we will basically look at where we can revisit projects in the programme line.

The other changes in forecasting are for the CIPI as we don't know the quantum. We will look to deliver alongside our existing, but we will need to look at if there are issues and how we manage projects.

The CIP application \$67.1m programme (excluding Whau Valley and the Civic Centre) brings the total programme to \$90.7m. A \$4.8m increase from our previous draft. We are committed we can deliver on them. The majority increase is in transport. Our rationale is we are future proofing locking them in and getting them started. It will give certainty to the community and contractors.

Mr Kula advised that the draft Consultation Document was still being finalised but would be provided when it was completed.

Feedback

HWM advised that staff were looking for specific feedback from elected members and noted the limitations for targeted consultation and consulting on material changes for Year 3 of LTP. The consultation document would be brought to the 14th May Council Meeting agenda for adoption.

There was a query regarding the scope of the projects that funding had been applied for. It was noted for some sectors of the community, roading projects that could be brought forward would be beneficial, but there was a need to consider our young female workers and how we can support them also.

Simon Weston – Infrastructure General Manager advised that meetings have been held with maintenance contractors regarding existing projects but also in relation to CIP funding and how they can bring additional resources, including new employees into the construction industry. The Ministry for Social Development is also working in that space, looking at how we get those people working in a more buoyant part of our economy.

3. Closure of Meeting

The meeting concluded at 2.59pm