

## **Council Briefing Minutes**

**Date:** Tuesday, 4 August, 2020  
**Time:** 1:00 p.m.  
**Location:** Council Chamber  
Forum North, Rust Avenue  
Whangarei

**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**

N. Pestana (Team Leader Democracy)

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The briefing commenced at 14.17pm.

### **1. Apologies**

An apology was received from Cr Jayne Golightly.

### **2. Reports**

#### **2.1 LTP Briefing on CCOs**

Her Worship the Mayor convened the briefing and handed over to Emily Thompson (Senior Assurance Advisor) and Joanne Tasker (CCO Project Coordinator) who covered the content of the briefing as outlined in the agenda report and presentation.

Emily Thompson and Joanne Tasker provided elected members with an overview of Councils council-controlled organisations (CCO's), council-controlled trading organisations (CCTO's) and exempt organisations.

Council currently has 3 CCO's, 1 CCTO, and 3 exempt organisations. These include:

- Whangarei District Airport (CCO);
- Whangarei Art Museum Trust (CCO);
- Northland Regional Landfill Limited Partnership (CCTO);
- Whangarei Waste Limited (exempt organisation);
- Northland Events Centre Trust (exempt organisation);
- Springs Flat Contractors Limited (exempt organisation).

The business owners of each organisation provided a brief presentation to Council on the following:

- The key functions of the organisation; and
- The key issues facing the organisation.

#### *Elected Member feedback and discussion – CCO's*

- There was discussion on capability within CCO's, particularly with regards to governance. Is there a way that Council can assist in developing capability? Elected members indicated that opportunities should be provided to trustees on CCO'S to develop their skills and that these opportunities should be extended to other organisations as well as they look after Councils asset and are funded by Council. Development of skills within these organisations should be ongoing.
- There was discussion on trust deeds. CCO'S are set up by the trust deed which provides for how the trust is to function including the appointment of trustees. Some trust deeds are better than others and have reasonable parameters in them as to how and what sort of people are appointed. When Council appoints trustees, Council considers the skills of the appointee, but the board of trustees make their own appointments as well. Council has little scope to amend a trust deed, we must refer to the trust deed as it is, but we can put reviewable processes in place that we can work to in alignment with the trust deed. Each trust deed is different.

#### *Elected Member feedback and discussion – Whangarei District Airport*

- What are the plans for the next 10 years in respect to capital works at the airport? *Because of uncertainty of the future of the airport at Onerahi, plans for capital investment in the runway have been pushed out. Pre COVID-19, there was a 10% increase in passenger numbers which created development opportunities for businesses at the airport to expand which would have had a positive effect. Business at the airport was significantly impacted by COVID-19 but it is too early to tell what the full impacts are, we need another two or three months to see how things work out. At the moment, activities at the airport are business as usual, compliance and keeping to levels of service.*
- What needs to happen between now and when Council would need to make a decision on the runway and is there a plan for this? *Currently, the plan is for the airport to keep operating as it is. The key point would be Air New Zealand's*

*decision on the Q300 fleet as this would trigger the need for a new runway. It will come down to whether Air New Zealand chooses to fly to Whangarei or not. Council staff are working very closely with Air New Zealand with reference to what's happening with the Q300's, we have been working on new airport locations for four and a half years and have identified potential sites. We are in a position to consult with the public on the preferred locations, what is stopping us is that we don't know how this is going to be funded yet. We need to know whether we have a real project that we can fund before we go to the public. An alternative would be to buy the land and then wait.*

*Elected Member feedback and discussion - Whangarei Art Museum Trust*

- Most CCOS are put in place to generate money, this is one that is always going to cost Council. What procedures are in place over the next 10 years for WAMT to be self-sufficient? *Recently, WAMT has been successful in raising money, it is difficult to fundraise for operational costs whilst building a large scale capital project, going forward, WAMT will keep on seeking funding for various exhibitions but they will always require funding from Council.*
- Have to realise that as Council, we are the likely source of funding for the museum and if we want to have reasonable art museum, we will have to provide funding as this industry is less funded than other industries.
- Is the Wairau Maori Art Gallery governed differently and separately from the Whangarei Art Museum? *The Wairau Maori Art Gallery is not completely independent from the Whangarei Art Museum as it is situated in the same building and is accessed through the same entrance and WAMT maintains the building. However, there is a separate governance body for the Wairau Maori Art Gallery, and it has its own curators which is a good thing because there are sources of central government funding that the Wairau Maori Art Gallery can apply for that WAM can not apply for.*
- Should that not be made clear in the statement of intent? *Will take that feedback to WAMT as part of the development of the process.*

*Elected Member feedback and discussion - Local Government Funding Agency.*

- Is there a projected profit for this coming year? *The profit is pretty consistent, there are more borrowers than shareholders, borrowers should come first because that is why the LGFA was set up.*
- Does the money that Auckland Council is borrowing include Watercare? *Yes, but through Council.*

*Elected Member feedback and discussion - Northland Regional Landfill Limited Partnership*

- What is the justification for government putting up the landfill levy? *The government is looking to raise funds for investing and developing a more circular economy and to discourage waste at landfill.*

- The Resource Recovery Centre is part of where the government is heading to in terms of a circular economy, what is the status of education on this? *The community understands the need to change but the problem is the legislation and the investments and the economics of it that need to change more than the community.*

*Elected Member feedback and discussion - Northland Events Centre Trust*

- Retaining an NRC Appointee, were NRC not quite clear that they did not want a trustee appointee? *The Trust Deed provides that the trustees recommend to the settlor (WDC) the appointments it wishes to make to the trust. The trust wants to appoint a regional appointee as this is a regional facility.*
- Exempt organisation - is that something that needs to be removed. *As part of the setting up of a new trust, the exemption will have to be removed, will come to council for a decision and work through the process.*
- This trust should be able to apply for funds from NRC. *The decision is with NRC, NRC has removed the targeted rates for this funding.*

## **2.2 LTP Strategy and Democracy Briefing**

Due to time constraints, this report and presentation were not discussed.

## **3. Closure of Meeting**

The briefing closed at 15.45pm.