



EXTRAORDINARY MEETING OF COUNCIL

Open Minutes

Meeting Date: Thursday 11 June 2020

Time: 10.00am – 10.44am

Venue Large Exhibition Hall
Napier War Memorial Centre
Marine Parade Napier

Zoom livestreamed to Council's Facebook page

Present Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Mawson, McGrath, Price, Simpson [from 10.04am], Tapine, Taylor, Wright

In Attendance Interim Chief Executive, Director Community Services, Director Infrastructure Services, Director City Services, Director City Strategy, Manager Communications and Marketing
Chief Financial Officer
Investment and Funding Manager
Manager Community Strategies
Manager Business Excellence & Transformation
Team Leader Corporate Planning
Corporate Planner
Corporate Planning Analyst

Administration Governance Team

Apologies

Nil

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

The mayor thanked all residents of Napier, for working together as a community throughout the challenges of the last few months. She noted that everyone will be responding differently as recent and upcoming experiences are processed, and noted that there is no right way to be at this time.

The community were encouraged to continue to look after themselves and others by maintaining excellent hygiene, and staying home when feeling unwell; it was noted that keeping a record of different places visited is still encouraged, should contact tracing be required.

Cr Simpson joined the meeting at 10.04am

Minor matters raised

Nil

Announcements by the management

Nil

AGENDA ITEMS

1. CONSULTATION - RATES POSTPONEMENT POLICY

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 935149

Reporting Officer/s & Unit: Garry Hrustinsky, Investment and Funding Manager

1.1 Purpose of Report

To review and update the policy to include a clearer definition around financial hardship.
To introduce rates postponement resulting from Significant Extraordinary Circumstances.
Some minor clarification of Criteria wording.

At the meeting

The Investment and Funding Manager reviewed the background to the report, noting that updates have been made to the Policy following its first review by Council.

The Policy will be consulted on as part of the Annual Plan process, through which information will be circulated via a variety of channels.

Council resolution

Councillors Mawson / Boag

That Council:

- a. Approve the proposed amendments to the Rates Postponement Policy to include Significant Extraordinary Circumstances.
- b. Approve wording change from "Elderly" to "Older Persons"
- c. Approve other minor changes detailed in this report
- d. Approval to go to consultation on the revised Rates Postponement Policy to run parallel but separately to the Annual Plan 20/21.
- e. Approve the consultation plan for the Rates Postponement Policy

Carried

2. CONSULTATION - RATES REMISSION POLICY

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 935164

Reporting Officer/s & Unit: Garry Hrustinsky, Investment and Funding Manager

2.1 Purpose of Report

To review and update the policy to include a clearer definition around financial hardship.
To introduce rates remission resulting from Significant Extraordinary Circumstances.
Some minor clarification of Criteria wording.

At the meeting

The Investment and Funding Manager spoke to the report, noting that further updates have been made to the Policy following its first review by Council. This Policy will also be consulted on through the Annual Plan process.

Council resolution

Councillors Crown / Boag

That Council:

- a. Approve the proposed amendments to the Rates Remission Policy to include Significant Extraordinary Circumstances.
- b. Approve other minor changes detailed in this report.
- c. Approval for consultation on the revised Rates Remission Policy to run parallel but separately to the Annual Plan 20/21.
- d. Approve the consultation plan for the Rates Remission policy

Carried

3. CONSULTATION DOCUMENT AND DRAFT ANNUAL PLAN 2020/21

<i>Type of Report:</i>	Legal
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	935370
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

3.1 Purpose of Report

To present the consultation document and supporting information for the Annual Plan 2020/21 for Council adoption.

At the meeting

The Chief Financial Officer spoke to the report, noting that this is the second iteration of the budget for the year 2020/21; a revision was required to reflect the impacts of the national response to COVID-19. Council has previously resolved to consult on allocating funding from reserves in order to be able to reduce the proposed rates increase from 16% to 4.8%. The requirements of section 80 of the Local Government Act 2002 have been carefully considered, and it was through this process that funding from reserves was assessed as being the most appropriate way to address the on-off unbalanced budget in this instance. A number of relief packages have also been prepared to help alleviate some of the impacts on COVID-19 on the community.

It was noted that between this point in time and finalising the Annual Plan, there may some further changes to costs which cannot be fully quantified at this time due to the particular circumstances of COVID-19; the current document captures the best information available at this time.

The Manager Community Strategies spoke to the Consultation Document, noting that the consultation period has been extended for a day following recent advice that the submission portal will be down for maintenance for 12 hours during the consultation period. The timing of this 12 hours will be circulated so that the public are aware of when they will not be able to access the system.

Some design work has been updated in the document based on feedback from councillors.

In response to questions from councillors it was clarified that:

- There are a number of aspects to coastal erosion that are included in the existing Long Term Plan, including dry land erosion management, the Whakarire revetment, and addressing the deficit created by erosion below the surf line. These are reflected as separate budget line items in the Annual Plan financials.
 - “Marine Parade historic skating rink” refers to the unique concreting at the Sound Shell, which was originally a rink. Renewal of the surface is desirable, but there are a number of heritage aspects to the work which must be addressed.
 - Information relating to the consultation can be found online or can be asked of officers via the customer service centre.
 - Members of the public can access hard copies of the consultation document through the customer service centre and libraries. They can also call Council’s customer service centre and request a hard copy to be sent to them. It is intended that a
-

number of other community centres will also hold copies; the locations are yet to be finalised.

- The live-chat sessions are a new innovation for the consultation that are looked forward to as a way to engage directly with members of the community.
- The community will have a wide variety of ways to provide feedback to Council and are strongly encouraged to have their say.

**Council
resolution**

Mayor Wise / Dep. Mayor Brosnan

That Council:

- a. Note that the Annual Plan 2020/21 does not meet the section 100 (i) balanced budget provision of the Local Government Act 2002, and Council will work towards a balanced budget for the Long Term Plan 2021-31.
- b. Adopt the following documents as supporting information for the Annual Plan 2020/21:
 - i. Draft Annual Plan financials for 2020/21
 - ii. FAQs – Water
 - iii. FAQs – Waste
 - iv. Capital Programme Changes
 - v. Remaining capital programme projection for Long Term Plan 2018-28
 - vi. Long Term Plan 2018-28 Major Projects Update
 - vii. Where your rates dollar goes
 - viii. Water Supply Network Master Plan, Council report and minutes
 - ix. Civic Precinct Report (Library) Council report and minutes
 - x. Whakarire Revetment – Funding Decision, Council report and minutes and Consultation Summary
 - xi. Project Shapeshifter business case
 - xii. Napier Aquatic Development Update, Council report and minutes
 - xiii. Napier Recovery Plan, Napier Recovery Budget, Council report and minutes
 - xiv. Schedule of Fees and Charges 2020/21
 - xv. Annual Plan proposed rate increase options.
- c. Adopt the Consultation Document to form the basis of Council's consultation with the community on the Annual Plan 2020/21.
- d. Note that separate consultation will occur on the proposed Rates Remissions Policy; Local Government Funding Agency; and Rates Postponement Policy.
- e. Delegate responsibility to the Chief Financial Officer to approve any final edits required to the Consultation Document, financial information and supporting information in order to finalise the documents for uploading online and physical distribution.
- f. Adopt the high level consultation plan and note that it includes options for engagement under different alert levels should Alert Levels for Covid-19 change during the consultation period.

Carried

4. STATEMENT OF PROPOSAL TO JOIN THE LOCAL GOVERNMENT FUNDING AGENCY

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	935511
<i>Reporting Officer/s & Unit:</i>	Garry Hrustinsky, Investment and Funding Manager

4.1 Purpose of Report

Council may need to borrow funds in the near future. The purpose of this report is to progress the process towards joining the Local Government Funding Agency (LGFA) through the introduction of a Statement of Proposal.

At the meeting

The Investment and Funding Manager spoke to the report noting that the LGFA allows for member councils to borrow funds (where required) at lower rates than are available elsewhere.

It is intended that the proposal to join the LGFA be consulted on as part of the Annual Plan process.

In response to questions from councillors it was clarified that:

- The borrowing rate for the LGFA when the report was prepared was 0.91% compared to 1.71% offered by other lenders. In the event of any borrowing being required, this would equate to significant savings for the ratepayer.
- There are no membership fees, but some legal fees that we would engage ourselves have been prepared for. The legal fees are related to the guarantees Council must make, and the normal due diligence processes applicable for any contract.
- The proposal is to join the LGFA so that in event that Council must borrow externally, it is able to access low rates and remain as prudent as possible in its borrowing options.
- The decision to draw down any debt would always be brought through to Council; this proposal is about increasing the repertoire of options available to Council.

Council resolution

Councillors Taylor / Chrystal

That Council:

- a. Adopt the Statement of Proposal to join the Local Government Funding Agency
- b. Adopt the Consultation Plan for joining the Local Government Funding Agency

Carried

PUBLIC EXCLUDED ITEMS

Council resolution

Councillor Price / Dep. Mayor Brosnan

That the public be excluded from the following parts of the proceedings of this meeting.

Carried

Agenda Items

1. Request to Write-off Rates Balance - Abandoned Land Sale

The general subject of each matter to be considered while the public was excluded, the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:

Agenda Items

1. Request to Write-off Rates Balance - Abandoned Land Sale	7(2)(a) Protect the privacy of natural persons, including that of a deceased person 7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
---	--	---

The meeting moved into committee at 10.44am

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval