



MINUTES OF A MEETING OF THE STRATEGIC PLANNING AND FINANCE COMMITTEE

Date: Wednesday 17 November 2010

Time: 9.00am

Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Present: F Wilson - Chairman
T Gilbertson
N Kirton
E McGregor
L Remmerswaal
K Rose
C Scott
E von Dadelszen
A J Dick
M Mohi

In Attendance: A Newman – Chief Executive
L Lambert – Group Manager External Relations
H Codlin – Group Manager Strategic Development
P Drury – Group Manager Corporate Services
C Gilbertson – Governance and Public Transport Manager

1. WELCOME/APOLOGIES/NOTICES

The Chairman welcomed everyone to the meeting and advised that as he was attending a lunch appointment with representatives from Council's sister city, Xuzhou, he would probably leave at 12.30pm. There were no apologies.

2. CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations made.

5. ACTION ITEMS FROM STRATEGIC PLANNING AND FINANCE MEETINGS

Visit to Shanghai

Mr Newman noted that this action related to the Expo held in Shanghai, which was attended by a representative from Venture Hawke's Bay and Hastings Mayor, Lawrence Yule. He said that Expo attendees had recently met to discuss the results of the visit so should be in a position to come and update the Council on this visit. An invitation will be extended to Mayor Yule to address the Council on this.

SPF1/1
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Resolution:

That the Committee receives the report "Action Items from Strategic Planning and Finance Meetings".

**Scott/McGregor
CARRIED**

6. CONSIDERATION OF GENERAL BUSINESS ITEMS

1. Canterbury Earthquake Reconstruction Act
2. Community Foundation
3. Te Matapuna Conference
4. PSA Kiwifruit Outbreak

7. OPTIONS FOR THE FUTURE MANAGEMENT AND GOVERNANCE OF VENTURE HAWKE'S BAY (VHB)

Mr Newman noted that this report covered issues of future governance and management options for Venture Hawke's Bay (VHB) and sought guidance from the Committee as to which specific option would be progressed.

In response to a question about whether the VHB advisory board still existed, the Chief Executive advised that he had written to each of the Board members and advised them that their role and the current structure of the Advisory Board had ceased, which meant there is no Board currently in place.

The Chief Executive went through the various options presented for VHB and said that his preference would be to create an unincorporated joint venture with the tourism industry.

The Committee then discussed the various options and it was noted that the economic development agency (EDA) plus Regional Tourism Organisation (RTO) synergies were there and questioned how these would be dealt with. Mr Newman noted that under an EDA option this would separate the two – the RTO and the EDA in a management and governance sense. He also advised that he would be speaking further to the Chamber of Commerce and industry sectors on this issue. In response to a question around timing for the business case for this, the Chairman asked whether this would be completed by 15 December to be presented to Council. The Chief Executive said that as VHB are very much in limbo at this stage, it is preferable to progress this matter as soon as possible so as not to leave the staff

not knowing what their future is.

It was acknowledged that there is a need to get on with this in fairness to the VHB staff and the industry as VHB is nearly half way through the current financial year. Any future organisation must be committed to being regional and needs to be over-arching and complementary to other organisations in the region. It would also need clear lines in terms of governance and financial management and have industry behind to drive it.

It was commented that work had been done a few years ago by Fran Wilde which produced the "Power of One" document and identified some strengths and this document should be reviewed in case it can provide anything further for the way forward for Venture Hawke's Bay.

It was also noted that territorial authorities are progressing with economic development and tourism issues in their own right. It was suggested that this matter be included on the workshop agenda for early December so Councillors are very clear with what is being proposed.

SPF2/1
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Resolution:

That the Strategic Planning and Finance Committee recommends to Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue after consulting with industry and Territorial Local Authorities.
2. That Council opts, in principle and subject to a final business case, to create an unincorporated joint venture with the tourism industry as represented by the Wine Country Tourism Organisation.
 - 2.1. This business case and joint venture agreement to be presented to Council for final adopted at its 15 December meeting.
 - 2.2. With respect to the joint venture option, it is proposed that this structure be reviewed by Audit New Zealand.

**Dick/Scott
CARRIED**

1 abstention - Cr Remmerswaal abstained from voting

8. FUTURE SCENARIOS UPDATE

Ms Codlin advised that this item was to update the Committee on progress on the development of future scenarios for Hawke's Bay and outlined the draft communication plan that included a set of tools for presenting the scenario stories.

Ms Codlin noted that the document had only been distributed to the Committee at this stage because it was not yet complete, when it was completed it needs to be launched in the right context. She said that a conclusion or summary had not yet been drafted in the report and this needed to be done.

Ms Codlin noted that the output of this process is the input of having strategic conversations in the future. She said it was a very useful reference resource to cover Council for the next three years and is a Regional Council initiative and a community resource.

The meeting adjourned at 10.35am and reconvened at 10.50am

In response to a question about why the participants were not named in the document Ms Codlin advised that this was not relevant information.

In response to a further question about "challenging" statements in the document, Ms Codlin said that these are the perceptions of the people who were interviewed and should not be rewritten. The document needs to be dealt with very carefully so that people in the

community don't think that the Council is trying to predict the future.

In discussing the communication plan for the scenarios document, the Committee noted that it needed to focus on what Council is going to do with this document and that Councillors are an important part of this and would assist staff with this. Therefore, it was resolved that a utilisation plan for the document would be drafted.

SPF3/1
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Resolution:

The Strategic Planning and Finance Committee recommends that Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Receives the Final draft Scenario Report with the working title of Hawke's Bay Scenarios for the future.

**von Dadelszen/Remmerswaal
CARRIED**

3. Staff develop a utilisation plan for the Hawke's Bay Futures Scenarios titled "*HB2050 What's the Story?*" setting out the purpose and value proposition of the report.

**von Dadelszen/Remmerswaal
CARRIED**

9. REGIONAL WATER SYMPOSIUM

Ms Codlin provided an update to the Committee on the upcoming regional water symposium which was being held in December. The purpose of the symposium is to bring external groups together that will look at what the important things are for Council and stakeholders in relation to water.

SPF4/1
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Resolution:

1. That the Committee receives the report on the Regional Water Symposium.

**Rose/Gilbertson
CARRIED**

10. PUBLIC TRANSPORT UPDATE

Mrs Gilbertson provided an update on issues relating to public transport and total mobility. She advised that the overall performance of the bus service continues to be positive with good passenger growth and fare revenue levels increasing over the past year. Mrs Gilbertson said that because of this positive result further service improvements can now be made to Council's bus services under its current gross contract, and these were listed in the paper. She advised that she was currently looking at a trial to run Sunday's services on a similar timetable to the Saturday services that were started a few years ago. This trial would be undertaken during the summer months.

Mrs Gilbertson also advised that it was pleasing to note that Lucknow School had signed up to the travel plan project and staff were liaising with St Mary's school with a view to them also taking up the travel plan option.

The Committee said it was very pleasing to see these results and complimented Mrs Gilbertson and Mrs Welsby on the work they had been doing and also requested if they could have a moving annual total passenger revenue graph and a month by month graph included in the next report.

Resolution:

1. That the Strategic Planning and Finance Committee receives the Public Transport Update and notes the improvements being made to Council's contracted bus services.

**Gilbertson/Rose
CARRIED**

11. GENERAL BUSINESS

1. Canterbury Earthquake Reconstruction Act

Councillor Gilbertson noted that an open letter had been published by media relating to the Canterbury legislation.

2. Community Foundation

Councillor McGregor noted he had attended the breakfast launch for the Community Foundation on Wednesday, 17 November

3. Te Matapuna Conference

Councillor von Dadelszen advised that she had attended the Te Matapuna Conference (on a personal basis) and said there were some very good speakers and requested that transcripts from this Conference be made available.

4. PSA Kiwifruit Outbreak

Councillor Rose provided an update to the Committee on the PSA outbreak in Hawke's Bay and said that Biosecurity staff were keeping a watching brief on this at present and if anything further develops Councillors would be advised.

12. PORT OF NAPIER LIMITED - STATEMENT OF CORPORATE INTENT (DIVIDEND PROVISIONS)

Resolution:

That the Council exclude the public from this section of the meeting being Agenda Item 12 Port of Napier Limited - Statement of Corporate Intent (Dividend Provisions) with the general subject of the item to be considered while the public is excluded; the reasons for passing the resolution and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution being as follows:

GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED

Port of Napier Limited - Statement of Corporate Intent (Dividend Provisions)

REASON FOR PASSING THIS RESOLUTION

7(2)(h) Enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities

GROUND UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION

The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

**McGregor/Scott
CARRIED**

The meeting went into public excluded session at 12.30pm and out of public excluded session at 12.40pm

Closure:

There being no further business the Chairman declared the meeting closed at 12.40pm on Wednesday, 17 November 2010.

Signed as a true and correct record.

DATE:

CHAIRMAN: