



MINUTES OF A MEETING OF THE CORPORATE AND STRATEGIC COMMITTEE

Date: Wednesday 18 July 2012

Time: 9.00am

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

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

In Attendance: A Newman – Chief Executive
EA Lambert – Group Manager External Relations
H Codlin – Group Manager Strategic Development
P Drury – Group Manager Corporate Services
L Hooper – Governance & Corporate Administration Manager

1. Welcome/Apologies/Notices

The Chairman welcomed everyone to the meeting.

The Chairman advised that several councillors were required to liaise with Mr Peacock to complete their Expense Declarations.

The Chairman advised that Item 11 Confirmation of the Public Excluded minutes of the Corporate and Strategic Committee meeting held 16 May 2012 had inadvertently been left off of the Agenda and would in fact be considered today.

The Chairman advised that he had received an invitation from Mr Faulknor at Napier City Council to tour the HB Museum and Art Gallery construction site and would be accepting that invitation.

2. Conflict of Interest Declarations

There were no conflict of interest declarations.

2012

C&S28/12 Resolution

Minutes of the Corporate and Strategic Committee meeting held on Wednesday, 16 May 2012, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and accurate record.

**McGregor/Scott
CARRIED**

4. Matters Arising from Minutes of the Corporate and Strategic Committee Held on Wednesday 16 May 2012

There were no matters arising from the minutes.

5. Action Items from Previous Corporate and Strategic Committee Meetings

Mrs Lambert advised that a paper outlining the mechanics of shared services arrangements with other TLAs in the region and also with other regional councils and DoC will be presented to the September Corporate and Strategic Committee meeting for consideration.

Councillor Gilbertson arrived at 9.07am.

C&S29/12 Resolution

1. That the Committee receives the report "Action Items from Previous Corporate and Strategic Committee Meetings".

**Scott/Rose
CARRIED**

6. Call for General Business Items

Farewell to staff member, Norm Olsen (Cr McGregor)

7. Local Government Act Amendment Bill Submission

Mrs Lambert provided an overview of the draft submission and sought further feedback from councillors.

Councillor Dick arrived at 9.10am.

Councillor Wilson advised that there had been a unanimous decision at LGNZ to reject the proposed removal of the four wellbeings from the purpose of local government.

It was confirmed that this submission was on behalf of Council and if individual councillors wished to do so, they were able to submit on the Bill themselves if they had particular views on specific parts of the Bill.

The 2002 purpose of Local Government statement has been deleted in its entirety and replaced with the new statement proposed.

The main topics covered by the submission are: the purpose of local government, fiscal responsibility and ministerial intervention and assistance.

In terms of Intervention and Assistance, clarity of when Ministerial assistance or intervention would be triggered was sought.

It was queried whether it would be possible to include 'competence' statement from LGA 2002 as part of the purpose of local government.

The LGNZ submission was being developed, however had not been released yet.

Phase 2 of Local Government Reform includes Productivity Commission studies and the draft report was out for comment. Efficiency Taskforce and the Infrastructure Taskforce reports would also be completed before the end of the calendar year.

It was suggested that the submission focus more on the importance of considering the findings from the Productivity Commission, and the Efficiency and Infrastructure taskforce reports prior to proceeding with the Bill. It was also suggested that the tenor of the submission be changed to be more positive and helpful.

It was believed that regional decisions should be made regionally, and local decisions made locally as the underlying principle of local government.

It was suggested that the purpose of the Assistance and Intervention changes was to provide the Minister with additional tools and Council's submission was seeking clarity around thresholds or problem identification processes. It was further suggested that staff include other advisors such as the Ombudsman and Parliamentary Commissioner for the Environment being used as independent advisors to the Minister's decision making processes when considering whether Assistance or Intervention needs to be implemented.

The key points that amendments will cover are:

- Greater emphasis on the suspending progress of the Bill until the fundamentals are sorted.
- Power of general competence to be included and referenced.
- Commentary around the cost effectiveness and impacts of the costs of implementing central government initiatives.
- Providing independent advice to the Minister by others such as the Parliamentary Commissioner for the Environment and the Ombudsmen in addition to the Auditor General.

The Corporate and Strategic 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. Agrees to lodge the attached submission to the Local Government and Environment Select Committee, subject to any further amendments arising at the meeting.

Dick/Scott

For: Dick, Remmerswaal, McGregor, Scott, Rose, von Dadelszen, Mohi, Wilson

Against: Gilbertson, Kirton

CARRIED

The meeting adjourned at 1045am and reconvened at 11am.

8. Delivering the Tukituki Strategy

Ms Codlin provided the background to the paper being considered today, and outlined the approach being proposed.

The costs to undertake the processes for the water storage consents had been assessed and were estimated to be \$1.5M for EPA, \$900k post hearing decision for Council-run process and not including the costs of preparing and holding the hearings, and \$2.2M for direct referral to the Environment Court.

An EPA process starts at the notification stage, with a decision required within nine months of that date.

C&S31/12 Resolutions

The Corporate and Strategic 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. Approves the development of a change to the Hawke's Bay Regional Policy Statement to incorporate relevant elements of the Hawke's Bay Land and Water Strategy to set the regional context for values associated with the region's freshwater resources.
3. Supports the preparation of the 'Tukituki Choices' document which identifies different land and water management scenarios for the Tukituki catchment.
4. Instructs staff to undertake specific consultation with Te Taiwhenua O Tamatea and Te Taiwhenua O Heretaunga regarding the Tukituki Choices document.
5. Approves, in principle, an approach to the Minister for the Environment seeking to have the following matters considered as matters of national significance determined by a Board of Inquiry:
 - 5.1 the proposed Plan Change for the Tukituki River Catchment
 - 5.2 applications for all consents relating to the Ruataniwha Water Storage

project.

**Scott/Gilbertson
CARRIED**

9. New Zealand Local Government Insurance Corporation Limited (Civic Assurance) - Share Offer

Councillor Wilson explained the background to this paper, and deferred to Mr Drury to answer any queries of a technical nature.

Councillors asked to have access to the prospectus prior to the Council meeting, and also information on whether shares were offered to companies in addition to local authorities.

C&S32/12 Resolutions

The Corporate and Strategic Committee recommends that Council:

1. Notes that as the Local Government Act 2002 specifically excludes the New Zealand Local Government Insurance Corporation Limited (Civic Assurance) from being a Council Controlled Organisation, there is no need under the Act for a special consultative process to be undertaken prior to consideration and approval of the purchase of a shareholding by Council in Civic Assurance.
2. Approves the purchase of 20,000 shares in the New Zealand Local Government Insurance Corporation Limited (Civic Assurance) at a price of 0.90c per share, and that the total cost of \$18,000 is funded from the Sale of Land Investment Account, noting that dividends are paid by Civic Assurance on these shares.
3. Notes that the purchase of shares in Civic Assurance is consistent with Council's Investment Policy as adopted in the LTP 2012-22.

**Dick/Rose
CARRIED**

10. General Business

| ITEM | TOPIC | COUNCILLOR / STAFF |
|------|---|--------------------|
| 1. | Farewell to staff member, Norm Olsen Since 1971, Mr Olsen was employed by Council and responsible for flood protection and draining works. Mr Olsen retired last Friday. | Cr McGregor |

11. Confirmation of Public Excluded Minutes of the Corporate and Strategic Committee Meeting Held on 16 May 2012

Resolution

- C&S33/12
1. That Council excludes the public from this section of the meeting, being Agenda Item 11 Confirmation of the Public Excluded minutes of the Corporate and Strategic Committee meeting held 16 May 2012 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 | REASON FOR PASSING THIS RESOLUTION | GROUNDS UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION |
|---|---|--|
| Confirmation of the Public Excluded minutes of the Corporate and Strategic Committee meeting held 16 May 2012 | <p>7(2)(i) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>7(2)(j) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.</p> | The Council is specified, in the First Schedule to this Act, as a body to which the Act applies. |

**Scott/Rose
CARRIED**

11. Confirmation of Public Excluded Minutes of the Corporate and Strategic Committee Meeting Held on 16 May 2012

Resolution

- C&S34/12 1. Public Excluded minutes of the Corporate and Strategic Committee meeting held on Wednesday, 16 May 2012, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and accurate record.

**McGregor/Scott
CARRIED**

12. Matters Arising from the Public Excluded Minutes of the Corporate and Strategic Committee Held on Wednesday 16 May 2012

There were no matters arising from the minutes.

Resolution

- C&S35/12 1. That the meeting moves out of Public Excluded session.

**Rose/von Dadelszen
CARRIED**

The meeting went into public excluded session at 12.10pm and out of public excluded session at 12.12pm

Closure:

There being no further business the Chairman declared the meeting closed at 12.13pm on Wednesday, 18 July 2012.

Signed as a true and correct record.

DATE:

CHAIRMAN: