



MINUTES OF A MEETING OF THE REGIONAL COUNCIL

Date: Wednesday 15 July 2020

Time: 9.00am

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

Present: R Barker (Chair)
W Foley
C Foss
N Kirton
M Paku - Māori Committee Co-chair
H Ormsby
J van Beek
M Williams

In Attendance: J Palmer – Chief Executive
P Munro – Te Pou Whakarae Māori Partnerships
J Ellerm – Group Manager Corporate Services
L Hooper – Governance Lead

1. Karakia /Welcome/Prayer/Apologies/Notices

Councillor Hinewai Ormsby offered a karakia to open the meeting.

RC97/20 Resolution

That the apologies for absence from Councillor Rex Graham be accepted.

**Barker/Ormsby
CARRIED**

2. Conflict of Interest Declarations

There were no conflicts of interest declared.

3. 2020-21 Annual Plan Submissions Hearing Process

James Palmer introduced the item and provided an overview of the consultation undertaken. Questions and discussions covered:

- Costs more than they would normally be due to the need to pay for more radio advertising in the circumstance
- No consultation on Annual Plan last year so no comparatives to draw
- Council uses Facebook as second most preferred method of communication according to the community survey responses

Mike Paku arrived at 9.13am

- With the community dealing with impacts of drought and Covid-19 the number of submissions received was surprising and staff congratulated on the success of the process
- Potential to combine Annual Plan consultation processes with TLAs, however with trade-offs around confusing identity and issues for the public as the substance of what's being consulted on will not be the same

The meeting commenced hearing verbal submissions.

Federated Farmers tendered an apology, advising they will seek a meeting with Council to discuss long term Council activities through the upcoming Long Term Plan process.

Paul Bailey (submitter 72) requests that water security discussions consider the whole region rather than focus solely on the areas where projects are currently being investigated. Reference to Dividends (will not pay interim dividend), reporting transparency and borrowing to fund shortfall of 0 rates rise points raised in submission were noted.

There being no further submitters present, hearing verbal submissions was drawn to a close.

RC98/20 Resolution

That Hawke's Bay Regional Council receives and considers the verbal and written submissions received in response to the Climate. Smart. Recovery. 2020-21 Annual Plan consultation document.

**Williams/van Beek
CARRIED**

4. Deliberation Report on the Rates Approach for 2020-21

Jessica Ellerm introduced the item, which summarises the key themes of submissions and the officers' assessment of the comments made to enable councillors to decide and resolve the Rates to be charged for the 2020-21 financial year. Discussions traversed:

- Query whether submissions could be sorted by constituency to enable consideration of significantly differing views between communities

- View that borrowing to fund shortfall will cost ratepayers more in the long run and need to consider that the full economic impacts of the pandemic are not yet known
- Noted that submitters' comments or reasons did not appear to relate to the actual proposal but rather expressed the views that people do not want to pay rates at all and did not consider the longer term financial impacts of holding off the rates increase
- Examine ways to more equitably share the rates burden through the LTP
- Option to provide targeted relief only to those who need or apply for it in 2020-21 through the rates remission policies
- To maintain levels of service the rates increase next year might be in the neighbourhood of 15% to pay back the 2020-21 funding shortfall and implement new initiatives or increased levels of service proposed in the LTP.

RC99/20 **Recommendations**

That Hawke's Bay Regional Council:

1. Receives and considers the "*Deliberation Report on the Rates Approach for 2020-21*", including the officers' analysis and responses to submission points.
2. Agrees its preferred option for 2020-21 is to proceed with the planned 7.3% rate increase in line with the Council's 2018-28 Long Term Plan.

**Kirton/Ormsby
LOST**

Resolutions

That Hawke's Bay Regional Council:

1. Receives and considers the "*Deliberation Report on the Rates Approach for 2020-21*", including the officers' analysis and responses to submission points.
2. Agrees to keep the rates revenue at the same level as 2019-20 and borrow the required funding.

**Foss/van Beek
CARRIED**

The meeting adjourned at 10.36am and reconvened at 10.41am

5. Deliberation Report on the Recovery Fund for 2020-21

Jessica Ellerm introduced the item, advising that the Policy team has drafted a policy to clarify what the fund will be available and utilised for, which will be provided to Council for adoption alongside the Annual Plan on 29 July.

RC100/20 **Resolutions**

That Hawke's Bay Regional Council:

1. Receives and considers the "*Deliberation Report on the Recovery Fund for 2020-21*" staff report, including the officers' analysis and response to submission points.
2. Agrees to establish a Recovery Fund of \$1 million for 2020-21.

**Kirton/Foss
CARRIED**

Councillor Hinewai Ormsby led the group in offering a karakia to close the meeting.

Closure:

There being no further business the Chairman declared the meeting closed at 10.47am on Wednesday, 15 July 2020

Signed as a true and correct record.

DATE:

CHAIRMAN: