



## MINUTES OF A MEETING OF THE CORPORATE AND STRATEGIC COMMITTEE

**Date:** Wednesday 3 March 2021

**Time:** 1.30pm

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

**Present:** N Kirton - Chairman  
R Barker (*via zoom*)  
W Foley  
R Graham  
H Ormsby  
J van Beek  
M Williams

**In Attendance:** J Palmer – Chief Executive  
J Ellerm – Group Manager Corporate Services  
P Munro – Te Pou Whakarae Māori Partnerships  
A Roets – Governance Advisor  
B Smith – Chief Financial Officer  
K Burkett – Business Analyst Organisational Performance  
J Seed – ICT Business Analyst  
S Bell – Team Leader, Strategy & Performance  
J Nording – Jardin (*via zoom*)  
S Ward – Jardin (*via zoom*)  
T Petrie – Programme Manager Protection & Enhancement Projects

## 1. Welcome/Karakia/Apologies/Notices

The Chair welcomed everyone to the meeting and Pieri Munro opened with a karakia, acknowledging the passing of Dean Roughton, valued HBRC Catchment Advisor colleague and extending strength and apologies to his family.

The Chair noted that Item 9 - Organisational Performance Report will be considered first item.

### C&S1/21 Resolution

That the apologies for absence from Councillors Craig Foss and Charles Lambert, and Peter Eden be accepted.

**Ormsby/van Beek  
CARRIED**

## 2. Conflict of Interest Declarations

There were no conflicts of interest declared.

## 3. Confirmation of Minutes of the Corporate and Strategic Committee meeting held on 2 December 2020

### C&S2/21 Resolution

Minutes of the Corporate and Strategic Committee meeting held on Wednesday, 2 December 2020, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Ormsby/van Beek  
CARRIED**

## 4. Follow-ups from Previous Corporate & Strategic Committee Meetings

The item was taken as read.

In relation to the 2019-20 Compliance Report, staff are investigating a councillors' fieldtrip to Central Hawke's Bay, possibly at the end May 2021, looking at Three Waters and Water Security issues.

### C&S3/21 Resolution

That the Corporate and Strategic Committee receives and notes the "*Follow-up Items from Previous Meetings*".

**Foley/Ormsby  
CARRIED**

## 5. Call for Minor Items Not on the Agenda

### Recommendations

That the Corporate and Strategic Committee accepts the following "Minor Items Not on the Agenda" for discussion as Item 10.

Topic	Raised by
Confirming Coastal Hazards Strategy Funding Review zoom workshop tomorrow, 4 March at 10am with Raynor Asher. Information was circulated to Councillors via email Friday, 26 February is in Stellar. Important for Councillors to attend this session.	Cr Jerf van Beek

## 9. **Organisational Performance Report for Period 1 October to 31 December 2020**

James Palmer introduced Jessica Seed, Sarah Bell and Kelly Burkett who provided an update on the Organisational Performance report with discussions covering:

- This iteration provides councillors with a concise, high level summarised report supported by the online PowerBI dashboard
- A live demonstration of how councillors can drill down in each of the areas of the organisation to find statistics and commentary and highlights for the quarter
- The dashboard is a work in progress so happy to take suggestions from councillors about how it might be improved
- Dashboard includes Strategic Plan outcomes, Groups of Activities, Levels of Service and work programme reporting
- PowerBI currently not available to public and staff are investigating ways to surface the information for public to access
- Need to be clear about whether data is reporting for the quarter or year to date
- Staff to look at potential for councillors to be able to drill down to specific website comments/feedback.

### C&S4/21 **Resolution**

That the Corporate and Strategic Committee receives and notes the “Organisational Performance Report for period 1 October to 31 December 2020” staff report.

**Graham/van Beek  
CARRIED**

## 7. **Report from the 17 March 2021 Finance Audit and Risk Sub-Committee Meeting**

Jessica Ellerm introduced the item, which was taken as read, and noting the Quarterly Treasury Report reported quite significant highlights in terms of Council's investments and the fund has performed well for the quarter ending 31 December 2020.

Jessica Ellerm introduced Sam Ward and John Nording, from Jarden, who provided an update on the performance of Council's investment portfolio for Q2 2020-21 and an overview of the state of markets and predictions for the next 6-12 months.

- Markets expected to be quite volatile over the next few months
- Globally, significant economic stimulus has come from the big Central banks and Governments
- The higher interest rate has put a lot of pressure on valuations, particularly for high-growth companies
- Predicting that equities will perform better than income securities for the next 12-18 months
- Council will be reviewing SIPO and the Treasury Policy, which govern the Managed funds, commencing in April to come into effect on 1 July 2021
- Rebekah Dinwoodie, the FARS independent member, has resigned and will need to be replaced.

### C&S5/21 **Resolutions**

1. That the Corporate and Strategic Committee receives and notes the report from the 17 March 2021 Finance, Audit and Risk Sub-committee, including the following resolutions of the Sub-committee.

#### **Six Monthly Risk Report and Risk Maturity Update**

- 1.1. Reports to the Corporate and Strategic Committee, the Sub-committee's satisfaction that the Six Monthly Risk Report and Risk Maturity Update provides adequate evidence of the robustness of Council's risk management policy and framework and progress to implement the maturing risk management system.

#### **Internal Audit Work Programme Update**

- 1.2. Reports to the Corporate and Strategic Committee, the Sub-committee's satisfaction that the Internal Audit Work Programme Update provides adequate evidence of the adequacy of Council's internal assurance functions and management actions undertaken or planned to respond to internal assurance review findings and recommendations.

#### **Assurance Framework Relevant to S17a Reviews**

- 1.3. Reports to the Corporate and Strategic Committee, the Sub-committee's satisfaction with progress made to draft a Regional Council Internal Assurance Framework.

#### **Quarterly Treasury Report for 1 October - 31 December 2020**

- 1.4. Receives and notes the "*Quarterly Treasury Report for 1 October – 31 December 2020*" and confirms that the performance of Council's investment portfolio has been reported to the Sub-committee's satisfaction.

**Foley/Graham  
CARRIED**

## **6. Recovery Fund Projects**

Iain Maxwell introduced the item which was taken as read. Discussions traversed:

- Unsuccessful with previous (2020) applications to Jobs for Nature (private land) for leveraged funding so this is the result of staff looking for other biodiversity options that will also meet the Climate.Smart.Recovery criteria
- Leverages existing investment in staff time and money partnered with QEII and landowners
- the remaining \$300,000 potentially earmarked to support the Whangawehi and Ruakituri catchment projects, or similar, as presented to EICC
- Application dates are set by the Fund, not staff

C&S6/21

### **Resolutions**

1. That the Corporate and Strategic Committee:
  - 1.1. Receives and considers the "*Recovery Fund Projects*" staff report.
  - 1.2. Notes the opportunity to utilise the Recovery Fund for leveraging funding from the Jobs for Nature Private Land Biodiversity Fund, through an application made by Hawke's Bay Regional Council, and Tukipo constructed wetland, and
2. The Corporate and Strategic Committee recommends that the Hawke's Bay Regional Council:
  - 2.1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
  - 2.2. Agrees to fund the following projects from the Hawke's Bay Regional Recovery Fund:
    - 2.2.1. Tukipo Constructed Wetland, \$100,000 Leveraged with Fonterra funding
    - 2.2.2. Ecosystem Prioritisation program acceleration \$300,000 leveraged with Jobs for Nature Private Land Biodiversity Fund.

**Graham/Barker  
CARRIED**

*Cr Martin Williams left the meeting at 2.58pm.*

## 8. 2020-21 Quarter 2 (1 October - 31 December 2020) Financial Report

Jessica Ellerm introduced the item, highlighting:

- Variances explained in the cover item
- Bring forward of funding for Erosion Control Scheme is included in the updated budgets
- New financial system is tracking ahead of budget

### C&S7/21 Resolution

That the Corporate and Strategic Committee receives and notes the “2020-21 Quarter 2 (1 October - 31 December 2020) Financial Report”.

**Kirton/Foley  
CARRIED**

## 10. Discussion of Minor Matters Not on the Agenda

Recorded as item 5.

The meeting adjourned at 3.04pm and reconvened at 3.15pm.

## 11. HBRIC Ltd Quarterly Update (to 31 December 2020)

### C&S8/21 Resolutions

1. That the Corporate and Strategic Committee excludes the public from this section of the meeting, being Agenda Item **Error! No document variable supplied. Error! No document variable supplied.** 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:

GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION	GROUND UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
HBRIC Ltd Quarterly Update (to 31 December 2020)	s7(2)(b)(ii) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of that information is necessary to protect information which otherwise would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

2. That Blair O’Keeffe remains in attendance as subject matter expert and Commercial Advisor to HBRIC Ltd.

**Ormsby/Foley  
CARRIED**

## 12. HBRIC Ltd Draft 2021-22 Statement of Intent

### C&S9/21 Resolutions

1. That the Corporate and Strategic Committee excludes the public from this section of the meeting, being Agenda Item **Error! No document variable supplied. Error! No document variable supplied.** 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:

GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION	GROUND UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
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HBRIC Ltd Draft 2021-22  
Statement of Intent

s7(2)(h) 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, commercial activities.

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

2. That Blair O’Keeffe remains in attendance as subject matter expert and Commercial Advisor to HBRIC Ltd.

**Ormsby/Foley  
CARRIED**

### 13. Wellington Leasehold Property Offer

#### C&S10/21 Resolution

That the Corporate and Strategic Committee excludes the public from this section of the meeting, being Agenda Item **Error! No document variable supplied. Error! No document variable supplied.** 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:

**GENERAL SUBJECT OF THE  
ITEM TO BE CONSIDERED**

Wellington Leasehold  
Property Offer

**REASON FOR PASSING THIS  
RESOLUTION**

s7(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).

**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.

**Ormsby/Foley  
CARRIED**

***The meeting went into public excluded session at 3.04pm and out of public excluded session at 3.45pm***

Hinewai Ormsby offered a karakia to close the meeting.

**Closure:**

There being no further business the Chairman declared the meeting closed at 3.46pm on Wednesday, 3 March 2021.

Signed as a true and correct record.

**DATE:** .....

**CHAIRMAN:** .....