

TE KAUNIHERA O TE AWA KAIRANGI | HUTT CITY COUNCILKOMITI ITI MAHERE Ā-NGAHURUTANGA / MAHERE Ā-TAU
LONG TERM PLAN/ANNUAL PLAN SUBCOMMITTEE

Minutes of a meeting held via Zoom

on

Monday 4 April 2022 commencing at 2.00pm**PRESENT:**

(via audio-visual link)

Mayor C Barry (Chair)

Cr J Briggs

Cr B Dyer

Cr D Hislop

Cr A Mitchell

Cr N Shaw

Deputy Mayor T Lewis (Deputy Chair)

Cr K Brown

Cr S Edwards

Cr C Milne

Cr S Rasheed

Cr L Sutton

APOLOGIES:

Cr Barratt

IN ATTENDANCE:

(via audio-visual link)

Ms J Miller, Chief Executive

Ms A Blackshaw, Director Neighbourhoods and Communities

Mr J Griffiths, Director Strategy and Engagement

Ms H Oram, Director Environment and Sustainability

Mr K Puketapu-Dentice, Director Economy and Development

Mr B Cato, Chief Legal Officer (part meeting)

Mr D Koenders, Acting Group Chief Financial Officer

Mr H Singh, Advisor Strategic Planning and Business

Mr J Kingsbury, Head of Transport

Ms K Waldegrave, Acting Head of Strategy and Planning

Ms A Dowdle, Senior Communications Advisor

Ms K Stannard, Head of Democratic Services

Ms T Lealofi, Democracy Advisor

Ms H Clegg, Minute Taker

PUBLIC BUSINESS**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Kia hora te marino

Kia whakapapa pounamu te moana

He huarahi mā tātou i te rangi nei

Aroha atu, aroha mai

Tātou i a tātou katoa

Hui e Tāiki e!

*May peace be wide spread**May the sea be like greenstone**A pathway for us all this day**Let us show respect for each other**For one another**Bind us together!*

2. **APOLOGIES**

RESOLVED: (Mayor Barry/Cr Briggs)

Minute No. LTPAP 22201

"That the apology received from Cr G Barratt be accepted and leave of absence be granted."

3. **PUBLIC COMMENT**

Comments are recorded under the item to which they relate.

4. **CONFLICT OF INTEREST DECLARATIONS**

There were no conflict of interest declarations.

5. **RECOMMENDATIONS TO TE KAUNIHERA O TE AWA KAIRANGI |
COUNCIL - 4 April 2022**

Draft Annual Plan 2022-2023 (22/567)

Speaking under public comment, **Mr Matt Young** spoke on the Beltway southern section. He expressed confusion over the status of the section, citing documents which stated the section was either fully funded or had no funding, however was supported. He explained the section would provide an important link for Wainuiomata and Waiwhetu residents to the rest of the valley and also for those employed in the Seaview and Gracefield suburbs. He asked the following questions: when did officers envision phasing/completion of the southern section?; how much was the southern section projected to cost?; are there interim options that could be explored similar to Wellington City?

Mayor Barry urged Mr Young to formerly provide feedback through the Annual Plan engagement process. He asked officers to respond to Mr Young's questions and to include members in the response.

The Acting Group Chief Financial Officer elaborated on the report. He confirmed that the Annual Plan direction was in line with Council's previous resolutions. He advised there were no significant changes proposed and that regular updates had been provided to Council over the past four months.

The Director Strategy and Engagement advised that the adopted 'light touch' digital engagement process had been prepared which aligned with the Long Term Plan approach. He noted the documentation had been designed using an 'information design' approach. He added this digital format would be supplemented with a short, printed document which would be delivered to all letterboxes (independent of the rates' notices) and would be available in libraries and other community facilities. He further added the printed document would contain information explaining how to access the digital survey. He advised officers had also specifically engaged with the business sector which included meetings with Hutt Valley Chamber of Commerce and other business groups.

In response to questions from members, the Acting Group Chief Financial Officer explained that the Long Term Plan was a three year document with years two and three being supplemented with an Annual Plan. He agreed that it was coincidental that inflation this year was the same figure as the proposed rates increase. He reiterated the Annual Plan and engagement documentation had been developed based on Council's resolutions providing direction since November 2021. He confirmed that the revaluation figure for Queensgate was not finalised. He highlighted that once the figure was finalised, it would be included in the Annual Plan calculation with any changes required being reflected in the Central Commercial Business rates only.

In response to questions from a member, the Acting Group Chief Financial Officer advised the savings made in the budgets related to savings made in the 2021/2022 financial year. He stated that savings were on-going throughout the life of the Long Term Plan.

In response to a question from a member, the Chief Executive explained that the organisation was managing the savings in the operations areas and that regular

reporting would occur if situations changed.

In response to a question from a member, the Director Economy and Development advised the southern section of the Beltway Project would be included in the wider cycling programme.

In response to a question from a member, the Acting Group Chief Financial Officer clarified when the terms 'user charges' and 'targeted rates' were to be used.

Members discussed the proposed engagement content and questions for public engagement.

Members agreed that proposed question two in the engagement document be removed and proposed question three be altered to read 'is there anything you would like to share about the priorities or projects or expenditure we are planning to progress in the coming year?'

In response to questions from members, the Director Strategy and Engagement advised that no significant departures from the Long Term Plan were being planned and that the proposed questions being asked reflected the scope of influence. He noted the questions represented a "check-in point" for the relevance of the Long Term Plan.

The Chief Executive advised that if a departure from the Long Term Plan was planned then a completely different set of procedures would then be required. She highlighted the change could result in Council not setting the rates before the legal date.

MOVED: (Mayor Barry/Cr Briggs)

"That the Subcommittee recommends that Council:

- (1) receives the information;
- (2) notes the high level plan as outlined in Table 1 contained with the report and that the light engagement is planned for the period 12 April to 3 May 2022;
- (3) notes that officers found cost savings or re-prioritised within the base budget to balance rising costs and to retain the rates revenue increases as projected in the Long Term Plan 2021-2031;
- (4) approves the Draft Annual Plan 2022-2023, as attached in Appendix 1 to the report;
- (5) approves the engagement content attached in Appendix 2 and engagement questions including amendments made at the meeting attached in Appendix 3 to the report for public engagement between 12 April and 3 May 2022; and
- (6) agrees that the Chief Executive be delegated authority to make minor editorial changes to the Draft Annual Plan 2022-2023 documents ahead of these being published for public engagement.

In response to a question from a member, the Chief Executive confirmed the current engagement document reflected previous Council resolutions.

In response to a question from a member, the Director Strategy and Engagement confirmed additional wording within the document may be added to clarify exactly how projects were being funded. He highlighted for example, the \$23M of government funding received for the Naenae Pool project.

AMENDMENT MOVED: (Cr Rasheed/Cr Milne)

“That in light of the severe Covid-19 related stress on local businesses, that the change in rates differential be frozen for 12 months.”

In response to a question from a member, the Chief Executive advised that the actions required from the proposed amendment would be a significant document revision. She added freezing the rates differential for a year would have consequences on the rates amount, thereby significantly affecting the budget and Annual Plan. She added that this would then require an amendment to the Long Term Plan and a more formal consultation process.

The meeting adjourned at 2.55pm and reconvened at 3.15pm.

In response to a question from a member, the Chief Executive advised that legal advice had been received confirming that the passing of the amendment could result in the undoing of a number of previous Council resolutions. She highlighted that this would represent a significant issue and a departure from the Long Term Plan. She confirmed that once the engagement period was completed, analysis of the feedback received may result in additional actions being required depending on the feedback.

In response to a question from a member, the Chief Legal Officer advised that the amendment would be a highly risky course of action for Council. He advised that the Local Government Act allowed for a light touch engagement process where no significant changes to the Long Term Plan were proposed. He stated that form of engagement could not signal a significant departure from the Long Term Plan.

In response to a question from a member, the Director Strategy and Engagement confirmed a rates differential freeze was put in place in the 2017/2018 financial year through a full consultation process.

Mayor Barry asked the mover of the amendment whether she wished to withdraw her amendment in light of the information provided by the Chief Executive and Chief Legal Officer. Cr Rasheed advised that she did not wish to withdraw her amendment.

Mayor Barry expressed concern that the amendment did not comply with the responsibilities of being good governors or of good governance.

Cr Dyer expressed concern with the amendment as it would involve a complete revision of the engagement document.

Cr Brown expressed concern that the amendment may be against the law. She

noted that while businesses had received some financial assistance from the government during the Covid-19 situation, residents had not. She stated there were residents facing hardship as a result of the Covid-19 situation.

Cr Milne expressed support for the amendment. He stated circumstances had changed since the Long Term Plan was adopted by Council. He believed it needed to be reflected in Council actions to support the local business community.

Cr Rasheed, as mover of the amendment, stated it would result in a fairer ratings system. She added the business sector greatly contributed to the community and that Council needed to show its support for businesses.

Cr Mitchell expressed concern with the amendment. He stated decisions had already been made by Council leading up to the formation of the engagement document. He also stated he would support targeted relief for struggling businesses, as he was aware of some businesses that had thrived during the Covid-19 situation. He requested the latest economic data be provided, as the 31 December 2021 data showed the GDP for the city had grown at its fastest rate for a number of years.

Crs Briggs and Edwards expressed support for the comments made by Crs Dyer, Brown and Mitchell. Cr Edwards added that the rates differential split reflected approximately where Council's costs laid. He was mindful of the upcoming revaluations which may impact on the rates intake in the future.

Cr Hislop expressed concern with the amendment. She added that if the residential rates were increased, this would have an unintended consequence on the disposable income of many residents who would then not be able to spend money with the businesses who were struggling.

In response to a question from a member, the Chief Executive advised that the implications of changing the rates differential as a result of feedback received in the engagement process would be considered by Council at its meeting to be held on 18 May 2022.

The amendment was declared LOST on a show of hands with two in favour and 10 against.

With the agreement of the seconder, Mayor Barry advised of an amendment to his original motion to reflect that Council direct officers to provide further advice on a package of targeted initiatives to provide support to the hospitality business sector and other business sectors significantly impacted by Covid-19 and report back to Council on 18 May 2022.

Mayor Barry stated that in the current times of uncertainty, it was important that Council provided certainty. He believed that central government was best placed to provide overall support for the business community and that local government could provide targeted support measures.

Cr Briggs expressed enthusiasm for the forthcoming digital engagement process.

Cr Milne expressed concern with the amendment to the original motion as there

was no definition as to what a 'hospitality business' was. He believed it would be an impossible task for officers to identify which businesses were in most need of targeted assistance.

Cr Mitchell suggested targeted relief could be provided based on completion of an application form. He expressed support for the proposed additional motion.

In his right of reply, Mayor Barry believed officers could identify businesses most in need of assistance. He noted that no new funds were being allocated, with any assistance being provided from within existing budgets.

Cr Dyer requested the motion be taken in parts. He declared a conflict of interest in relation to part (7) below and took no part in voting.

The motion was taken in parts. Parts (1)-(6) were declared CARRIED by Division. Part (7) was declared CARRIED by Division.

RECOMMENDED: (By Division) (Mayor Barry/Cr Briggs) **Minute No. LTPAP 22202**

"That the Subcommittee recommends that Council:

- (1) *receives the information;*
- (2) *notes the high level plan as outlined in Table 1 contained with the report and that the light engagement is planned for the period 12 April to 3 May 2022;*
- (3) *notes that officers found cost savings or re-prioritised within the base budget to balance rising costs and to retain the rates revenue increases as projected in the Long Term Plan 2021-2031;*
- (4) *approves the Draft Annual Plan 2022-2023, as attached in Appendix 1 to the report;*
- (5) *approves the engagement content attached in Appendix 2 and engagement questions including amendments made at the meeting attached in Appendix 3 to the report for public engagement between 12 April and 3 May 2022;*
- (6) *agrees that the Chief Executive be delegated authority to make minor editorial changes to the Draft Annual Plan 2022-2023 documents ahead of these being published for public engagement."*

For

Mayor Barry
Deputy Mayor Lewis
Cr Briggs
Cr Brown
Cr Dyer
Cr Edwards
Cr Hislop
Cr Mitchell
Cr Shaw
Total: 9

Against

Cr Milne
Cr Rasheed
Cr Sutton
Total: 3

RECOMMENDED: (BY DIVISION)(Mayor Barry/Cr Briggs) Minute No. LTPAP 22203

"That the Subcommittee recommends that Council directs officers to provide further advice on a package of targeted initiatives to support hospitality businesses and other sectors significantly affected by COVID 19 and report back to the Long Term Plan/Annual Plan Subcommittee meeting on 18 May 2022."

For

Mayor Barry
Deputy Mayor Lewis
Cr Briggs
Cr Brown
Cr Edwards
Cr Hislop
Cr Mitchell
Cr Rasheed
Cr Shaw
Cr Sutton

Total: 10

Against

Cr Milne

Total: 1

Cr Dyer abstained from voting on part (7) above.

6. QUESTIONS

There were no questions.

There being no further business the Chair declared the meeting closed at 3.54pm.

C Barry
MAYOR

**CONFIRMED as a true and correct record
dated this 24th day of May 2022**