

Minutes for a meeting of the Strategy & Finance Committee of the Waikato District Council held in the Council Chambers, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY, 22 JUNE 2022** commencing at **9.30am**.

Present:

Cr JM Gibb (Chairperson)
His Worship the Mayor, Mr AM Sanson
Cr JA Church
Cr CA Eyre
Cr SL Henderson
Cr SD Lynch
Cr RC McGuire
Mrs Moana-Tuwhangai
Cr EM Patterson
Cr J Sedgwick
Cr NMD Smith
Cr L Thomson
Cr CT Woolerton

Attending:

Mr T Whittaker (Chief Operating Officer)
Ms A Diaz (Chief Financial Officer)
Mr C Morgan (General Manager Community Growth)
Mr R Ramduny (Strategic Projects Manager)
Mr R MacCulloch (General Manager Services Delivery)
Mr J Ebenhoh (Planning & Policy Manager)
Mr J Fuller (Senior Environmental Planner)
Mr J Brown (Senior Communications & Engagement Advisor)
Mr C Bailey (Finance Manager)
Ms O Bennett (Team Administrator)
Ms L Hood (Corporate Planner)
Ms K Nicolson (Senior Policy Planner)
Mr W Gauntlett (Growth & Analytics Manager)
Mr N Johnston (Strategic Initiatives & Partnerships Advisor)
Ms G Shaw (Democracy Advisor)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Crs Thomson/Sedgwick)

THAT the Strategy and Finance Committee accepts the apologies for non-attendance from Cr Bech and Cr McNally.

CARRIED

S&F2206/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Crs Sedgwick/Thomson)

THAT the agenda for a meeting of the Strategy & Finance Committee held on Wednesday, 22 June 2022 be confirmed:

- a. all items therein being considered in open meeting, with the exception of those items detailed at agenda item 8 which shall be considered with the public excluded; and
- b. all reports be received.

CARRIED

S&F2206/02

DISCLOSURES OF INTEREST

His Worship the Mayor, Cr Church and Cr McGuire declared a conflict of interest relating to Agenda Items 6.3 and 6.9 as Trustees for the Wellbeing Trust.

Mrs Moana-Tuwhangai declared a conflict of interest relating to Agenda Item 6.9 as she had recently been appointed as a Trustee for Momentum Waikato.

CONFIRMATION OF MINUTES

Resolved: (Crs Patterson/Henderson)

THAT the minutes for a meeting of the Strategy & Finance Committee held on Wednesday, 11 May 2022 be confirmed as a true and correct record.

CARRIED

S&F2206/03

REPORTS

Action Register Agenda Item 5

The report was received [*S&F2206/02 refers*] and no discussion was held.

Adoption of the Annual Plan 2022/23 Agenda Item 6.1

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- The report sought recommendation from the Committee to adopt the Annual Plan 2022/23 and the amendments to Fees and Charges 2021-2024.
- Planning for the 2022/23 financial year is challenging not only for the Council but for the New Zealand economy.
- The Annual Plan 2022/23 (Plan) presented for adoption envisaged little change to the plan presented in the 2021-2031 Long Term Plan process. The major changes included were those relating to Waka Kotahi funded projects. Overall, there would be a small impact on general rate requirements in the Annual Plan, with most of the funding impacts occurring in the 2021/22 financial year.
- Concern was raised that the report stated the 'Māori and Cultural Considerations' were not applicable. Council had noted that a number of reports to committees were stating this when most items have some sort of impact on Māori.

ACTION: Staff to investigate how responses to the 'Māori and Cultural Considerations' category could be worded in future reports to better reflect impacts of policies and projects.

- Post-election, the Onewhero-Tuakau Community Board area would comprise of two separate boards. Community Board Targeted rates for 2022/23 that fund community board remuneration and discretionary funding would need to be spread across all community board areas in a fair and equitable manner. The balance of the Onewhero-Tuakau Community Board discretionary funds on 30 June 2022 was proposed to be split proportionately between the two new boards.

ACTION: Staff to provide Councillors with information/data regarding how the two separate boards in the Onewhero-Tuakau areas would be funded.

- Staff confirmed there would be a review of the funding/population methodology in the new financial year.

ACTION: Staff to undertake a review of the Community Board funding methodology and level of targeted rate.

Resolved: (His Worship the Mayor/Cr Henderson)

THAT the Strategy and Finance Committee recommends that Council:

- a. adopts the **Annual Plan 2022/23 (attachment 1)**;
- b. adoption of the amendments to the **Fees and Charges 2021-2023 Document (as set out in Attachment 2)**;
- c. the balance of the discretionary fund for the **Onewhero-Tuakau Community Board** as at **30 June 2022** be split proportionately across the two new - **Community Boards Tuakau Community Board** and the **Rural and Port Waikato Community Board** based on rating units; and
- d. the total **Community Board Targeted Rate for 2022/23** be re-apportioned to **Community Boards** based on the new representation arrangements.
- e. delegates the **CE** to make formatting and/or grammatical amendments to the **Annual Plan**.

CARRIED

S&F2206/04

Civic Financial Services Annual Report 2021
Agenda Item 6.2

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- The purpose of the report was to provide the Committee with Civic Financial Services Limited's Annual Report for 2021 and acknowledge the Annual General Meeting matters to be discussed on the 17 June 2022.

Waikato District Community Wellbeing Trust Annual Performance Report for the year ending 30 June 2021
Agenda Item 6.3

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- Pursuant to section 67 of the Local Government Act 2002, a Council-Controlled Organisation (CCO) was required to present the final Annual Report to its shareholder(s) for adoption by 30 November 2021 per extension time allowed in clause 7.
- This timeframe was unable to be met by Audit New Zealand due to auditor shortage and the consequential effects of Covid-19, including lockdowns. Audit New Zealand had since finalised the audit and the Annual Performance Report for the year ending 30 June 2021 was attached.

Feedback from the Waikato District Council on the Interim Report on the Future of Local Government Review
Agenda Item 6.4

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- The feedback was structured to address several key questions posed in the Interim Report on the Future of Local Government Review (Ārewa ake te Kaupapa - Raising the Platform).
- The shaping of the local government system needed to consider areas of the country that are either growing or declining (in population terms). The Waikato district was a growth area identified in the National Policy Statement for Urban Development.
- A key reason for the growth pressures experienced is that our district is at the heart of the 'golden triangle' of Auckland, Hamilton, and Tauranga. It was important therefore that councils that had a strategic geographical location and growth pressures be given special attention in a future local governance model as it cannot be business-as-usual.
- In addition to growth pressures, consideration also needed to be given to how best our distinct communities could be represented in a future local governance system. Warned against shaping the system just to achieve economy of scale – could lose the local voice of communities.
- Noted that any new system of local governance needed to be based on a strong relationship between the community, local Iwi, Council, and Central Government.
- Voter apathy was a long-standing problem. Suggested online voting needed to be explored. Need to advocate for reform of the electoral term to be longer, i.e. four (4) years.
- Future roles and functions – indicated that any reform needed to have community at its heart. Reinforced that Councils are established gateways to local communities and this role should be recognised in formal governance systems.
- Housing delivery could become a function of local government. Councils would require support to build the capacity to respond to local government reform. Queried whether infrastructure projects could be funded by taxes, rather than rates – e.g., similar to the Auckland fuel tax.
- Need to give serious consideration to all reforms coming our way – e.g., even reforms in the health and education sectors would impact Council and our communities.
- Committee congratulated staff on a great, detailed piece of work.

Resolved: (His Worship the Mayor/Cr Church)

THAT the Strategy and Finance Committee:

- a. recommends to Council that the feedback to the Future for Local Government Review Panel on the Interim Report on the Future of Local Government Review, be approved.
- b. delegates the Mayor to make any subsequent amendments to the feedback (letter) prior to him signing it off.

CARRIED

S&F2206/05

Draft Heritage Strategy
Agenda Item 6.5

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- The Heritage Review Steering Group was acknowledged for its work on this project. Strategic Initiatives & Partnerships Advisor was acknowledged for his pragmatic leadership on the project.
- The Heritage Review Steering Group (the Steering Group) was established in June 2021 to review Council's role in heritage activity. After undertaking a stocktake of heritage activity in the region, the Steering Group resolved to refresh the Heritage Strategy in a collaborative co-design process with the Heritage Forum and the participating organisations and individuals.
- The draft Heritage Strategy had been prepared for public consultation and any final recommendations from the organisations and individuals that had contributed to the draft Heritage Strategy. If the Committee approved the draft strategy, public consultation would be undertaken with final amendments being made prior to the next Committee meeting, where the Heritage Strategy would be presented for final approval.
- While there had been a positive co-design process, it would likely not meet all the expectations that heritage stakeholder may have held. However, the strategy was ambitious, while acknowledging a likely requirement for financial commitments in future LTPs.
- It was noted is a very strong Māori heritage throughout the district, in addition to very strong 'building of the nation' touches across the area. Strengthening this would be good for tourism in the district.

Resolved: (Crs Smith/Woolerton)

THAT the Strategy and Finance Committee approves the draft Heritage Strategy for public consultation.

CARRIED

S&F2206/06

Blueprint Implementation Progress Update

Agenda Item 6.6

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- The purpose of the report was to provide the Committee with the first comprehensive update on implementation progress on each Blueprint initiative and at a summary level across both Council-led and Community led initiatives.
- Implementation of Blueprints were rigorously tracked. Using the same reporting software as was used for quarterly reporting on non-financial key performance indicators, Blueprint implementation progress updates were obtained for the approximately 280 initiatives, which were contained in the district-wide Blueprint and the 15 existing Local Area Blueprints.
- It was suggested that a progress report be provided to each community that had a Blueprint, to ensure they were up to date on the work Council had done in this area. Would provide a good visual progress update for each community.

ACTION: Staff to investigate providing each community/area with a copy of its own progress report to ensure they are up to date on the work Council has undertaken in their area.

- Noted the importance of accuracy in the reports. Staff would seek feedback from Councillors prior to distribution of progress updates.

ACTION: Staff to run projects/updates past Councillors regarding the specific areas they cover and have local knowledge of prior to community distribution.

- Noted the Blueprint initiative had given a new energy to communities and had connected them more closely to Council.
- Noted engagement was great through the entire process, community could see positive aspects of Council. Could lead to greater collaboration with communities who now get a more in-depth glimpse of where their rates go to.
- Suggested it could be beneficial to allocate a staff member to each project to ensure the partnership is properly lined up to Council. Staff confirmed a staff member is allocated to provide updates but would investigate how we can strengthen the relationship.

Managing Afforestation Incentives

Agenda Item 6.7

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- The Discussion Document highlighted questions that would primarily impact our district and highlighted the importance that indigenous vegetation and forestry could have as a result of carbon capture.

Resolved: (Crs Eyre/His Worship the Mayor)

THAT the Strategy and Finance Committee recommends that Council notes the approved submission (as attached to this report) to the Ministry of Primary Industries on Managing exotic afforestation incentives was lodged with the Ministry for Primary Industries on 22 April 2022.

CARRIED

S&F2206/07

WDC Submission to MfE on the Draft National Adaptation Plan
Agenda Item 6.8

The report was received [S&F2206/02 refers] and the following discussion was held:

- The Ministry for the Environment (MfE) released the first draft National Adaptation Plan (NAP) consultation document on 27 April 2022. The draft NAP consultation document included the Government's objectives for adapting to climate change and the strategies, policies and proposals for meeting the objectives.
- The Waikato District Council prepared a submission on the draft NAP. Key staff from across Council provided feedback on specific questions included in the consultation document and that feedback informed the preparation of the draft submission. Councillors were given the opportunity to provide feedback on the draft submission and that feedback was incorporated into the final submission.
- Point raised that the economic burden would be pushed onto the farmers and to be aware that it is going to affect the farming community. Noted that it was an example of an initiative benefitting the whole population, therefore, the whole population would be taxed.

Resolved: (Crs Sedgwick/Eyre)

THAT the Strategy and Finance Committee notes that the approved submission (as attached to this report) on draft National Adaptation Plan was lodged with the Ministry for the Environment 3 June 2022.

CARRIED

S&F2206/08

Funding Review – Waikato District Community Wellbeing Trust
Agenda Item 6.9

The report was received [*S&F2206/02 refers*] and the following discussion was held:

- Report was a culmination of over two years of work that the Funding Review Steering Group had been involved in.
- In April 2022, following the introduction of the Community Aspirations and Blueprint work programme, staff worked with Momentum Waikato to develop a draft MOU for an arrangement that would enable the Wellbeing Trust to transfer from a CCO to a protected and enduring fund for the communities of Waikato District.
- Noted the arrangement with the Distributions Committee and how the decisions would be made. Momentum Waikato would be guardians of the fund but not the decision makers. Clear separation between the governance board.
- MOU would allow for two Distribution Committee representatives appointed by the Waikato District Council, including one staff representative being appointed by the Executive Leadership Team.
- This was encapsulated and would only be distributed within the parameter of the district.
- Noted this was a sensible process. Seeds that we sow now, would have an impact on future generations.

Resolved: (Crs Smith/Lynch)

THAT the Strategy and Finance Committee:

- a. approves the proposed Memorandum of Understanding between Waikato District Council and Momentum Waikato Community Foundation, enabling the transition of the Waikato District Community Wellbeing Trust from a Council-controlled Organisation to a protected and enduring fund under the guardianship of Momentum Waikato Community Foundation;**
- b. approves winding up the Waikato District Community Wellbeing Trust and transferring the Trust's assets to Momentum Waikato Community Foundation in accordance with Council's obligations in the Memorandum of Understanding; and**
- c. delegates authority to the Chief Operating Officer to finalise the legal arrangements.**

CARRIED

S&F2206/09

EXCLUSION OF THE PUBLIC

Agenda Item 7

The report was received [*S&F2205/02 refers*] and no discussion was held.

Resolved: (Crs Woolerton/Thomson)

THAT the public be excluded from the following parts of the proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item PEX 1 Confirmation of Minutes	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item PEX 2.1 Procurement Plan – Building Consent Review Report		
Item PEX 2.2 Major Transaction – Waikato Regional Airport Limited		
Item PEX 2.3 Unpaid 2015/2016 Rates and Water Accounts		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item No.	Section	Interest
Item PEX 1 Confirmation of Minutes		Refer to the previous Public Excluded reason in the agenda for this meeting.
Item PEX 2.1 Procurement Plan – Building Consent Review Report	7(2)(c)(i)	To protect information that is subject to an obligation of confidence and to ensure the information avenue remains open, when it is in the public interest for it to do so.
	7(2)(h)	To enable commercial activities to be carried out without prejudice or disadvantage.

	7(2)(i)	To enable negotiations to carry on without prejudice or disadvantage.
	7(2)(j)	To prevent use of the information for improper gain or advantage.
Item PEX 2.2 Major Transaction – Waikato Regional Airport Limited	7(2)(h)	To enable commercial activities to be carried out without prejudice or disadvantage.
	7(2)(j)	To prevent use of the information for improper gain or advantage.
Item PEX 2.3 Unpaid 2015/2016 Rates and Water accounts	7(2)(a)	To protect a person’s privacy

CARRIED

S&F2206/10

Resolutions S&F2206/11 – S&F2206/14 are contained in the public excluded section of these minutes.

There being no further business the Chairperson declared the meeting closed at 11.32am.

Minutes approved and confirmed this day of 2022.

Cr J Gibb
CHAIRPERSON