

ROTORUA LAKES COUNCIL

MINUTES OF AN EXTRAORDINARY MEETING OF COUNCIL
HELD ON 26 MAY 2015 AT 9:30AM
IN THE COUNCIL CHAMBER, ROTORUA LAKES COUNCIL

PRESENT: Mayor Chadwick (Chairperson)
Cr Bentley, Cr Donaldson, Cr Gould, Cr Hunt, Cr Kent, Cr McVicker, Cr Maxwell,
Cr Raukawa-Tait, Cr Searancke, Cr Sturt, Cr Tapsell and Cr Wepa.

APOLOGIES: None.

OFFICERS PRESENT: G Williams, Chief Executive; J-P Gaston, Group Manager Strategy & Partnerships;
D Foster, Chief Operating Officer; M Kingi, Director Kaupapa Maori; H Weston,
Executive Director – Centre of Environmental Sustainability; C Tiriana, Manager CE
Office; O Hopkins, Governance & Partnerships Manager; I Tiriana, Public Relations
Advisor; R Dunn, Governance Lead; C Peden, Governance Support Advisor.

The Chairperson, Mayor Chadwick, welcomed Councillors, members of the public, media and staff to the Extraordinary Council meeting.

Cr Maxwell then opened the meeting with the Council prayer.

1. **APOLOGIES**

None.

2. **DECLARATIONS OF INTEREST**

None.

3. **CONFIRMATION OF COUNCIL MINUTES**

Resolved

That the minutes of the Extraordinary Council meeting held on 30 April, 1 May, 5 May, 6 May and 11 May 2015 be confirmed as a true and correct record.

Cr Gould/Cr Donaldson
C15/05/033
CARRIED

3. STAFF REPORTS

3.1. RECOMMENDATION 1: TE ARAWA PARTNERSHIP MODEL DECISION-MAKING 01-63-109-2

Mr Gaston spoke to a Powerpoint presentation titled 'Te Arawa Partnership Model Decision-Making' (Attachment 1).

RESOLVED

- 1. That the report "Te Arawa Partnership Model Decision-Making" be received.**

Cr Hunt/Cr Gould
CARRIED

- 2. That Council acknowledges the assistance of the Te Arawa working party (former members of the TASC) and Te Arawa in developing the TAPM and the significant contribution that all submitters have made to the consultation process.**

Mayor Chadwick/Cr Gould
CARRIED

- 3. That Council adopts:**

- a) The Modified Te Arawa Partnership Model ('modified TAPM') as set out in section 5.5 of this report; and**

- b) The new terms of reference, membership and delegations for the:**

- i) Strategy, Policy and Finance Committee**
- ii) Operations and Monitoring Committee**

as set out in Attachment 2.

Cr Sturt/Cr Wepa
CARRIED

A division was called for on Point 3, with the following results:

For: Mayor Chadwick, Cr Donaldson, Cr Hunt, Cr Maxwell, Cr Raukawa-Tait, Cr Sturt,
Cr Tapsell, Cr Wepa

Against: Cr Bentley, Cr Gould, Cr Kent, Cr McVicker, Cr Searancke

FURTHER RESOLVED

- 4. That Council adopts the new terms of reference, membership and delegations for the Audit and Risk Committee (Attachment 3).**

Cr Donaldson/Cr Raukawa-Tait
CARRIED

- 5. That Council consider options for greater Te Arawa (Tangata Whenua) input to RMA hearing processes in a separate report. This report will be presented to Council before August 2015.**

Cr Raukawa-Tait/Cr Kent
CARRIED

6. **That the Chief Executive be instructed to ask the Te Arawa working party (former members of the TASC) to continue working with Council and Te Arawa to develop arrangements, policies and agreements to support the proposed Te Arawa Board and appointment process for Te Arawa representatives with a maximum annual operating budget of \$250,000, except for three-yearly Te Arawa elections when the maximum budget will be \$290,000.**

Cr Gould/Cr Raukawa-Tait
C15/05/034
CARRIED

The meeting closed at 12.09pm

To be confirmed at an Ordinary meeting of Council held on 16 July 2015

.....Mayor

Note: Rotorua Lakes Council is the operating name of Rotorua District Council



Presentation format

- Public involvement
- Council's objectives
- Engagement continuum – 4 SOP options + PDS option shown. Plus 5 other council examples identified
- Legality of options
- Key themes from submissions
- Submissions related to elements of the model
- Evaluation of 4 SOP options + PDS option
- Māori Ward question
- Recommended modified model

Significant public involvement

- Slightly less than 7 week public consultation period on SOP (min. 4 weeks required for special consultative process)
- 10 public information sessions– more than 200 people attending
- 4 petitions with a total of 2,060 signatures (no verification process undertaken)
- Close to 1900 submissions received
- Letters to editor across Rotorua Review and Daily Post – 210 recorded
- 5 days of hearings (approximately 200 speakers)

Council objectives

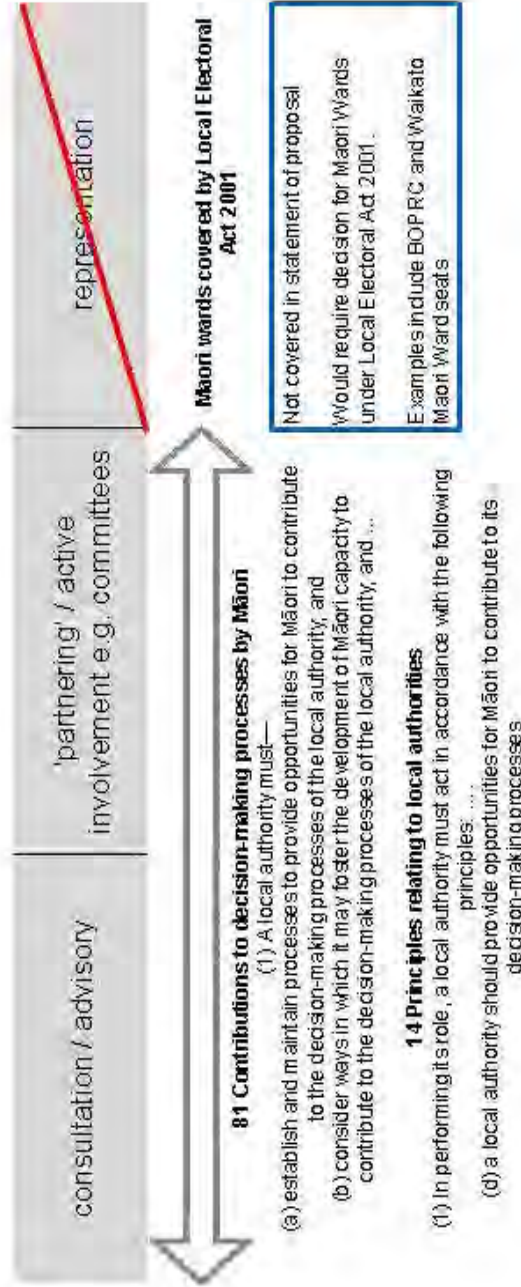
These objectives were stated in the SOP as:

The model was developed by Te Arawa at Council's request as a means to:

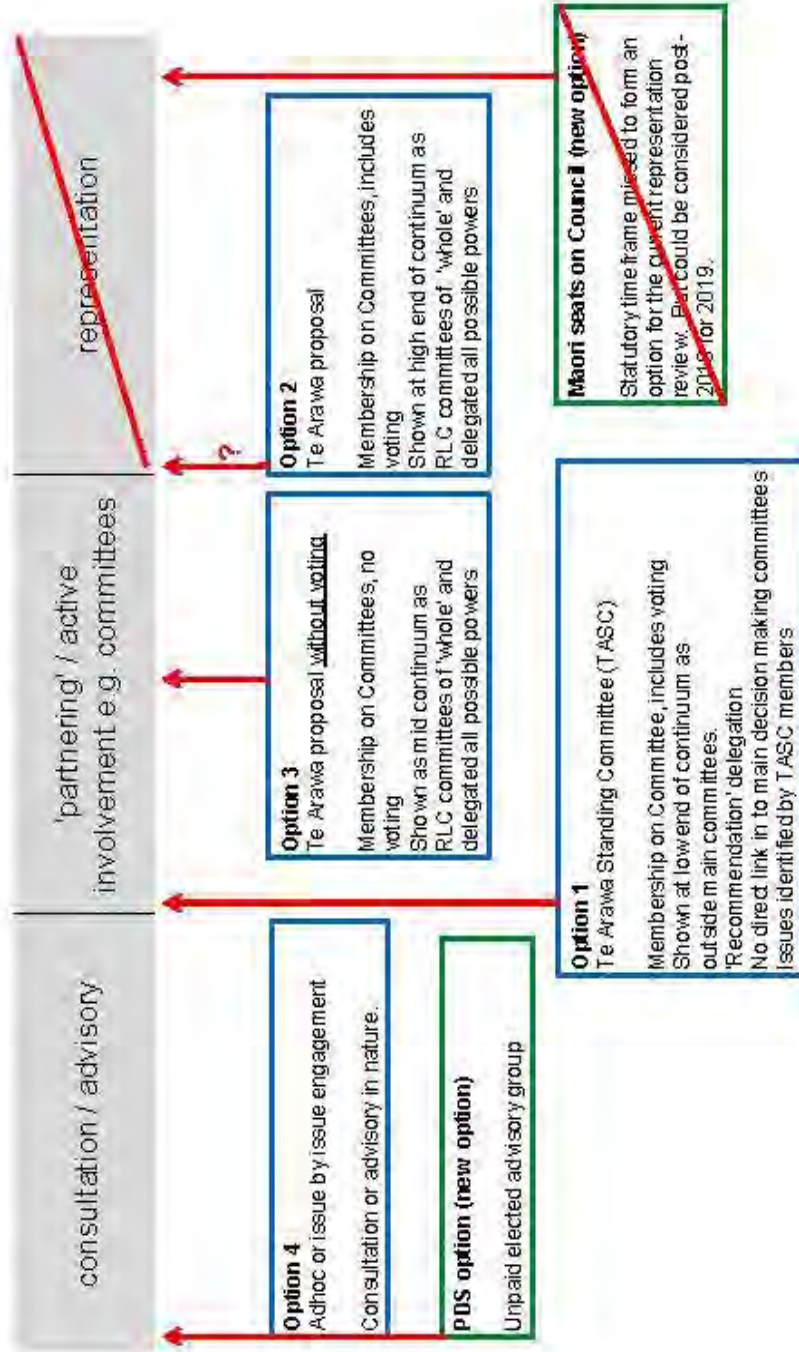
- *help Council meet its Rotorua 2030 vision commitment to effectively partner with Te Arawa;*
- *to improve the delivery of Council's legal and statutory obligations to Māori;*
- *to strengthen Te Arawa's participation in Council decision-making;*
- *to identify strategic opportunities to work closely together for the betterment of Rotorua district; and*
- *to build iwi capacity and capability to partner with local government.*

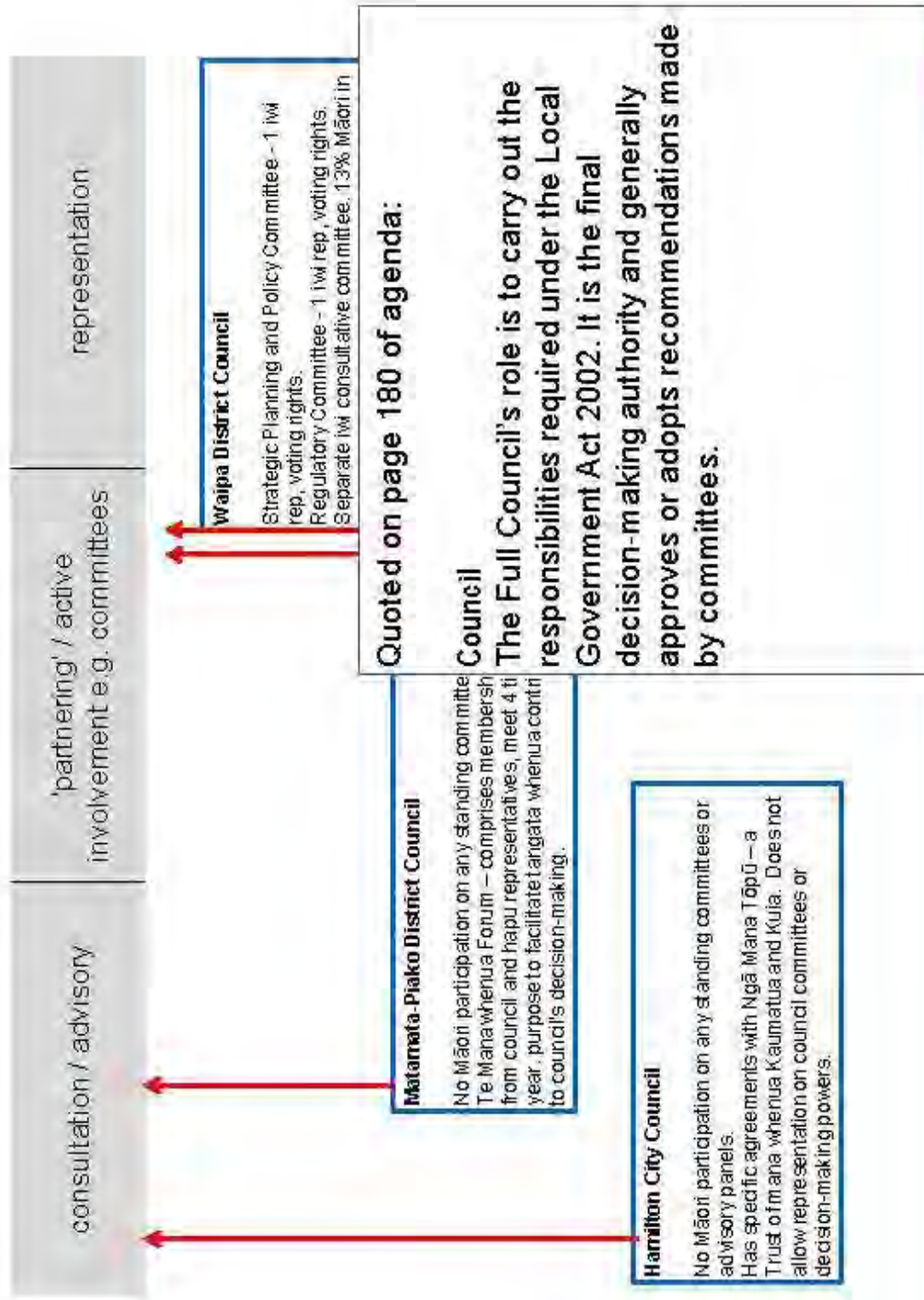
Report has focused on a continued
commitment by Council to these objectives

Continuum – Māori engagement or ‘partnering’



Continuum – Māori engagement or ‘partnering’





Legality of options

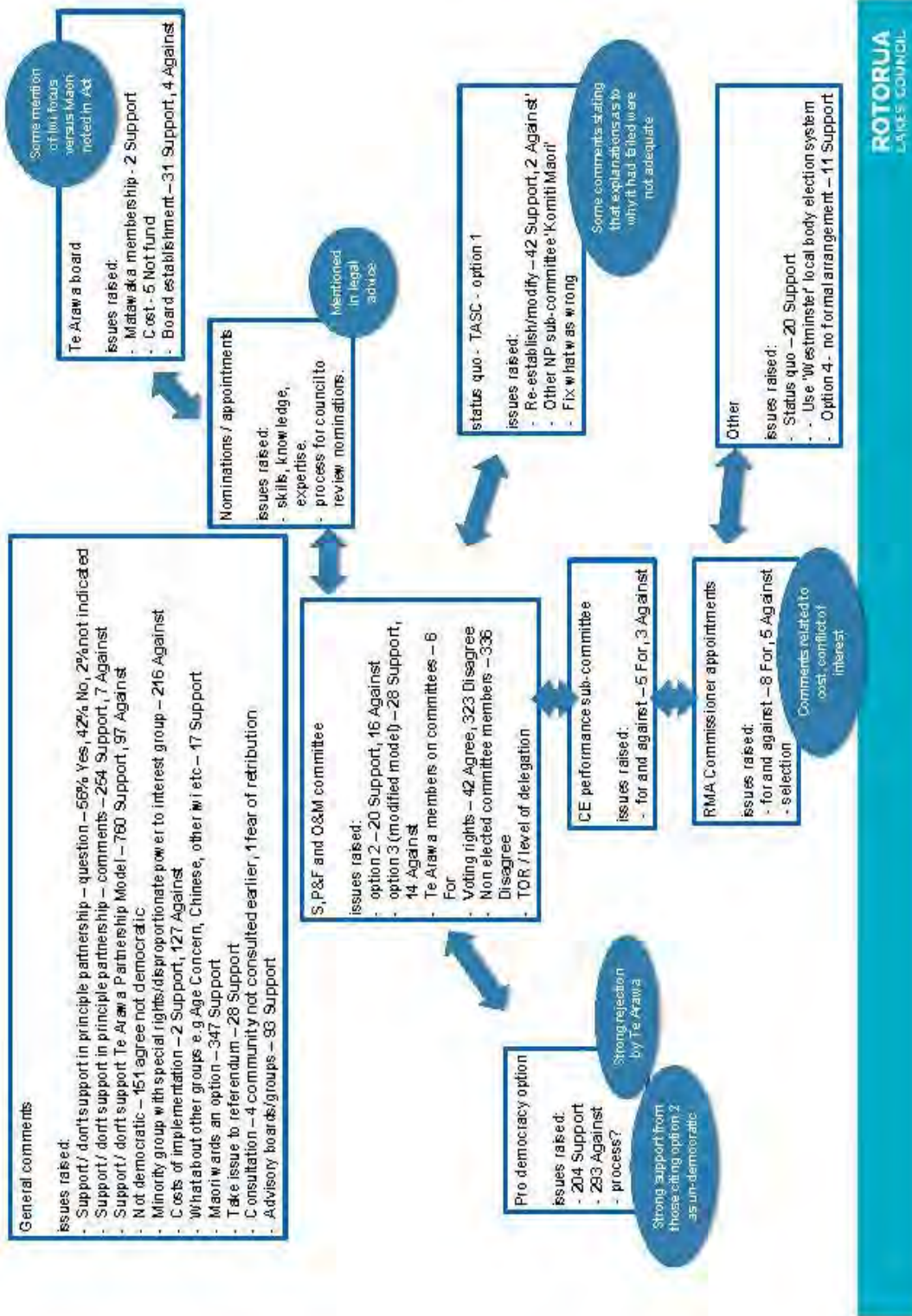
The four SOP options and an alternative model of engagement identified by PDS are:

- lawful and, to varying degrees, meet the Council's obligations in regard to Māori involvement in the decision-making processes of Council

There exists a question over the safety provided by the notice of motion provisions in standing orders to the current Council arrangements.

Key submission themes





26/05/2015

Evaluation of 4 SOP options + PDS option

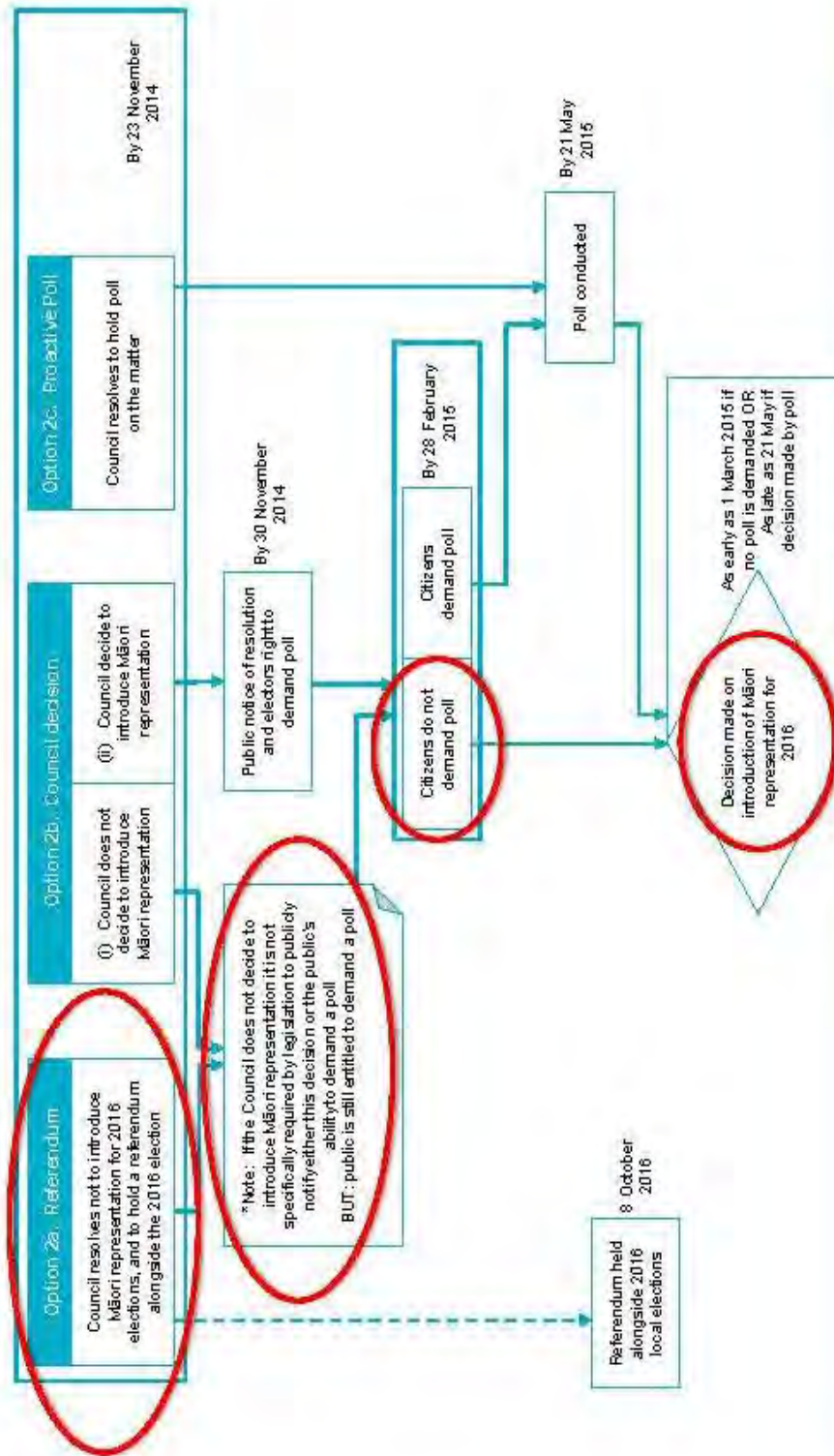
This report concludes that the four options identified in the SOP, and the alternative option identified by the PDS, each in their own way, do not fully address the key issues and themes raised during the submission process.

Submissions on the SOP were polarised at the two ends of the engagement continuum.

Submission themes	Option 1 (TASC)	Option 2 (TAPM proposal)	Option 3 (TAPM proposal, no voting)	Option 4 (no formal arrangement)	RPD alternative
Need to protect power of Council	Yes	No – concern committee appears as Council	No – concern committee appears as Council	N/A	N/A
Distinction or threat to distinction between Council and committees	N/A	No – as above	No – as above	Yes	N/A
Accountability to electors of elected members	Yes	Less – high delegations of Committees	Less – high delegations of Committees	Yes	Yes
Overall responsibility of Councillors/ Council to community and voters	Yes	Yes	Yes	Yes	Yes
An ability to re view/ address committee decisions	As current	No or possible risk – standing orders	No or Possible risk – standing orders	N/A	N/A
No special rights to any sector of society	No – provides committee for TA	No – provides non-elected TA appointees	No – provides non-elected TA appointees	No – tangata whenua involvement on any RMA related projects	Yes – Māori policy advice matched by other community groups
Importance to have 'seat at the table' as opposed to being 'in the next room'	No	Yes	Yes	No	No
Ability to provide effective Māori perspective input to decision making	Possible	Yes	Yes	Unlikely – mandated group / different views	Unlikely – voluntary therefore limited time
Need to deliver more than TASC advisory model	No	Yes	Yes	No	No
Need to follow through with partnership with Te Arawa	No	Yes	Yes	No	No
Acknowledgement that this is Te Arawa developed proposal	No	Yes	Yes	No	No
Meeting Council objectives	No	Yes	Yes	No	No
Addressing statutory obligations	likely	likely	likely	unlikely	unlikely
Legality of arrangements	Yes	Yes	Yes	Yes	Yes
Clarity in functions / role of committees.	Yes	Less	Less	Yes	Yes

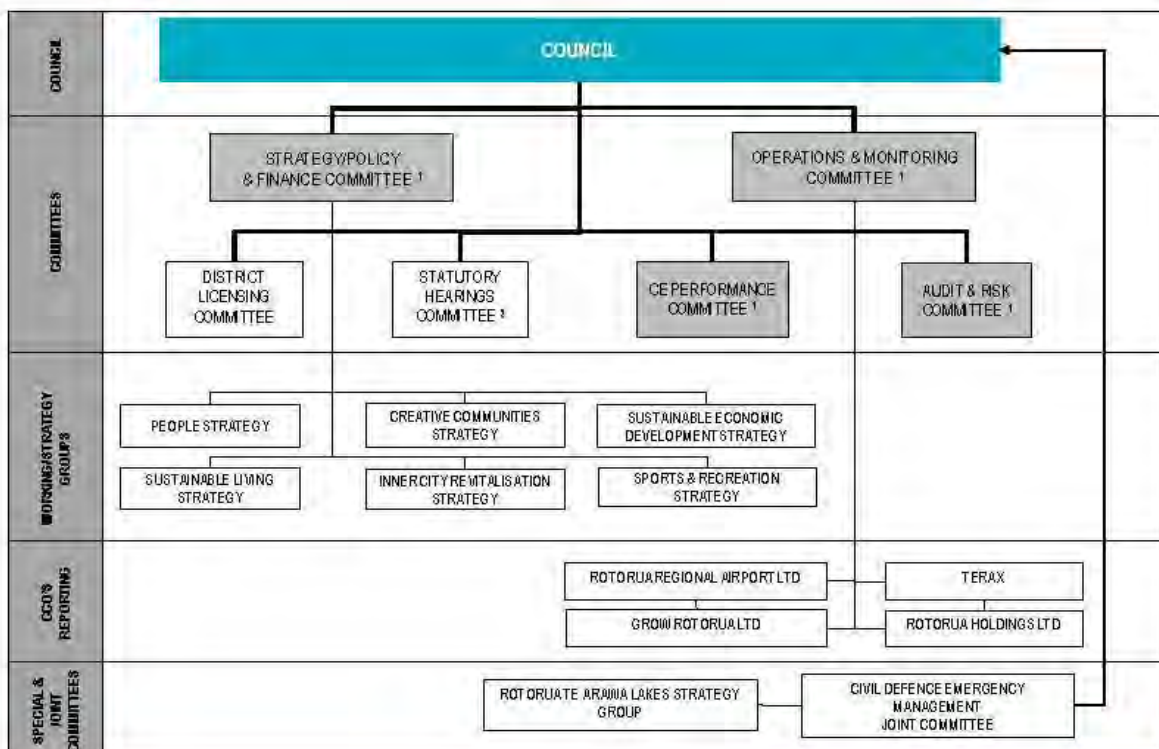


Māori representation for 2016



New options

- SP&F and O&M Committees - power to recommend only. Up to 2 iwi representatives.
- CE performance committee - up to 1 non voting iwi representative.
- Consequential changes to Audit and Risk Committee required.
- Another report on RMA involvement – different issues to consider. This will affect Statutory Hearings Committee.



STRATEGY/POLICY AND FINANCE COMMITTEE

Type of Committee	Committee
Subordinate to	Council
Subordinate Committees	
Legislative Basis	Schedule 7, clause 30 (1) (a), Local Government Act 2002.
Purpose	The purpose of the Strategy, Policy and Finance Committee is to have oversight and make recommendations to the Council on the adoption and development of all Council's strategic, policy, planning and regulatory frameworks.
Reference	
Membership	<p>Councillor Raukawa-Tait (Chair) Councillor Hunt (Deputy Chair)</p> <p>All elected members and the Mayor, and may include up to two Te Arawa representatives as non-elected members (with speaking and voting rights), if appointed by Council following nomination by an independent board, to be established by Te Arawa.</p> <p>Appointment of non-elected members will be made only if the Council is satisfied that the nominee "has the skills, attributes, or knowledge that will assist the work of the committee" (as required by Schedule 7, clause 31(3) of the Local Government Act 2002) and that the nominee otherwise meets the Council's nomination and appointment criteria.</p>
Quorum	7 elected members
Meeting frequency	6-weekly
Delegations	<p>The Committee's function is recommendatory only.¹ It is authorised to take actions precedent to the exercise by the Council of its statutory responsibilities, duties and powers, by:</p> <ul style="list-style-type: none"> • Receiving, considering, hearing submissions and making recommendations on draft plans (except the District Plan), strategies and policies (such as the Long-term Plan, Annual Plan; funding and financial policies; reserves management plans and asset management plans); • Considering and making recommendations on the development of the Council's rating policy; financial strategy and budgets; • Considering and making recommendations on the development of Council bylaws, including hearing submissions in relation to making, amending and revoking bylaws; • Considering and making recommendations on Council's strategic direction to ensure efficient and effective delivery of Council's objectives and District Vision; • Receiving and considering reports from working/strategy groups; • Considering and making recommendations on the development of guidelines for decision making to assist Council in achieving its strategic outcomes; • Considering and making recommendations on the establishment of levels of service across Council services to ensure alignment with strategic goals and

¹ Council is authorised to delegate anything precedent to the exercise of Council's powers, duties and functions - Schedule 7, clause 32, Local Government Act 2002

	<p>priorities;</p> <ul style="list-style-type: none"> • Considering and making recommendations on the development of Treasury and funding functions; • Considering and making recommendations on proposals for the establishment of Council controlled organisations (including the appointment and remuneration of Directors, formation of constitutions and shareholder agreements); • Considering and making recommendations on proposals for the sale and purchase of land; • Considering and making recommendations on issues relating to Council leases; • Considering and making recommendations on draft Council submissions/responses in relation to: <ul style="list-style-type: none"> ○ Central government policies, plans and proposed legislative reform; ○ Proposals by other organisations/authorities (Local and Regional). • Performing such other functions as the Council may direct from time to time.²
<p>Relevant Statutes</p>	<p>All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation.</p>
<p>Limits to Delegations</p>	<p>The Committee does not have the delegated authority to make decisions for and on behalf of the Council. All matters requiring a decision of Council must be referred, by way of recommendation, to the Council for final consideration and determination.</p> <p>In the event that the Council resolves not to approve or adopt a Committee recommendation, the item shall be returned to the Committee via the Chief Executive for review and subsequent referral to the Council for further consideration and determination.</p>

² A committee is subject in all things to the control of the local authority, and must carry out all general and special directions of the Council given in relation to the committee - see Schedule 7, clause 30(3), Local Government Act 2002.

OPERATIONS AND MONITORING COMMITTEE

Type of Committee	Committee
Subordinate to	Council
Subordinate Committees	
Legislative Basis	Schedule 7 clause 30 (1) (a), Local Government Act 2002.
Purpose	The purpose of the Operations and Monitoring Committee is to assist the Council to ensure consolidated and complete reporting and monitoring of all financial and non-financial information and performance measures against the Annual Plan, Long Term Plan and strategic goals/priorities.
Reference	
Membership	<p>Councillor Wepa (Chair) Councillor Sturt (Deputy Chair)</p> <p>All elected members and the Mayor, and may include up to two Te Arawa representatives as non-elected members (with speaking and voting rights), if appointed by Council following nomination by an independent board to be established by Te Arawa board, to be established by Te Arawa.</p> <p>Appointment of non-elected members will be made only if the Council is satisfied that the nominee "has the skills, attributes, or knowledge that will assist the work of the committee" as required by the Local Government Act 2002, Schedule 7, clause 31(3), and that the nominee otherwise meets the Council's nomination and appointment criteria.</p>
Quorum	7 elected members
Meeting frequency	6-weekly
Delegations	<p>The Committee's role is recommendatory only.³ It is authorised to take the actions precedent to the exercise by the Council of its statutory responsibilities, duties and powers, by:</p> <ul style="list-style-type: none"> • Monitoring and reporting on the performance of the Council in terms of the organisational targets set in the Long Term Plan and Annual Plan – both financial and non-financial; • Monitoring and reporting on operational performance and benchmarking; • Undertaking quarterly reviews and reporting on Council's financial performance; • Monitoring, reviewing and reporting on the performance of council controlled organisations; • Monitoring, reviewing and reporting on Council's tender and procurement processes; • Monitoring, reviewing and reporting on the performance and management of Council contracts; • Monitoring, reviewing and reporting on the performance and management of

³ Council is authorised to delegate anything precedent to the exercise of Council's powers, duties and functions - Schedule 7, clause 32 of the Local Government Act 2002

	<p>major capital projects (including considering and making recommendations on issues that may arise);</p> <ul style="list-style-type: none"> • Providing oversight and making recommendations in respect of proposals to exercise the powers and remedies of the General Conditions of Contract (by Council as "Principal") – including taking possession of, determining, or carrying out urgent repairs to works covered by the contract; • Considering and making recommendations on outstanding accounts and the remission of fees and charges, for amounts exceeding \$6,000; • Considering and making recommendations as to the settlement of uninsured claims for compensation or damages where the amount exceeds the amounts delegated to council officers; • Considering and making recommendations on requests for Council to guarantee third party loans; • Considering and making recommendations on proposals and requests for the grant of easements or rights of way over Council property; • Considering and making recommendations in respect of proposals to which will or are likely to significantly vary the levels and/or terms of insurance for Council assets; <p>Such other functions as the Council may direct from time to time.⁴</p>
Relevant Statutes	<p>All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation.</p>
Limits to Delegations	<p>The Committee does not have the delegated authority to make decisions for and on behalf of the Council. All matters requiring a decision of Council must be referred, by way of recommendation, to the Council for final consideration and determination.</p> <p>In the event that the Council resolves not to approve or adopt a Committee recommendation, the item shall be returned to the Committee via the Chief Executive for review and subsequent referral to the Council for further consideration and determination.</p>

⁴ A committee is subject in all things to the control of the local authority, and must carry out all general and special directions of the Council given in relation to the committee - see Schedule 7, clause 30(3) of the Local Government Act 2002.

AUDIT AND RISK COMMITTEE

Type of Committee	Committee								
Subordinate to	Council								
Subordinate Committees	N/A								
Legislative Basis									
Purpose	<p>The purpose of the Audit and Risk Committee is to:</p> <ul style="list-style-type: none"> • monitor and report to the Council on: <ul style="list-style-type: none"> ○ The Council's external and internal audit process; ○ The performance of Council's legal responsibilities (within the ambit of the Committee's delegated authority); ○ The independence and effectiveness of Council's internal audit processes; ○ Existing corporate policies (including recommending new corporate policies to prohibit unethical, questionable or illegal activities); • Provide a communication link between management, internal auditors/external auditors and Council; • Support measures to improve management performance and internal controls; • Support the professional independence, effectiveness and accountability of the Risk Management Framework. 								
Reference									
Membership	<table border="1" style="width: 100%;"> <tr> <td>Mayor (Chair)</td> <td>Deputy Mayor</td> </tr> <tr> <td>Chair Strategy Policy & Finance Committee</td> <td>Deputy Chair Strategy Policy & Finance Committee</td> </tr> <tr> <td>Chair Operations and Monitoring Committee</td> <td>Deputy Chair Operations and Monitoring Committee</td> </tr> <tr> <td>External appointee</td> <td>Chair Statutory Hearings Committee</td> </tr> </table> <p>External members will be appointed for an initial term of no more than three years that aligns with the triennial elections, after which they may be eligible for extension or reappointment. External membership contracts are to be reviewed and assessed no later than two months after each triennial election to allow for transition and continuity.</p>	Mayor (Chair)	Deputy Mayor	Chair Strategy Policy & Finance Committee	Deputy Chair Strategy Policy & Finance Committee	Chair Operations and Monitoring Committee	Deputy Chair Operations and Monitoring Committee	External appointee	Chair Statutory Hearings Committee
Mayor (Chair)	Deputy Mayor								
Chair Strategy Policy & Finance Committee	Deputy Chair Strategy Policy & Finance Committee								
Chair Operations and Monitoring Committee	Deputy Chair Operations and Monitoring Committee								
External appointee	Chair Statutory Hearings Committee								
Quorum	5								
Meeting frequency	Four times a year (or as required)								
Delegations	<p><u>External Audit</u></p> <ul style="list-style-type: none"> • Engage with Council's external auditors regarding the external audit work programme • Review engagement letters and management reports • Recommend to Council the terms and arrangements for the external audit programme • Monitor management response to audit reports and the extent to which external audit recommendations concerning internal accounting controls and other matters are implemented. 								

	<p><u>Internal Audit</u></p> <ul style="list-style-type: none"> • In conjunction with the Chief Executive, agree the scope of the annual internal audit work programme • Approve Council's internal audit charter • Monitor the delivery of the internal audit work programme • Assess whether all significant recommendations of the Internal Audit have been properly implemented by management. Any reservations the Internal Auditor may have about control risk, accounting and disclosure practices should be discussed by the committee • Review the Annual Internal Audit Plans and assess whether resources available to Internal Audit are adequate to implement the Plans. <p><u>Risk Management</u></p> <ul style="list-style-type: none"> • Review the effectiveness of the control environment established by management including computerised information systems controls and security. This also includes a reviewing/monitoring role of the documentation of all policies and procedures. • Review the effectiveness of the risk assessment/management policies and processes. • Engage with internal and external auditors on any specific one-off audit assignments. • Consider matters referred to the committee by the CE, Council or other Council committees. • Review the appropriateness of accounting policies adopted by Council • Civil Defence hazard and preparedness policies and procedures
Relevant Statutes	All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation including:
Limits to Delegations	