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## Council

# OPEN MINUTES

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Minutes of a meeting of Council held in the Council Chamber, 15 Forth Street, Invercargill on Thursday, 27 February 2020 at 9.01am. (9.01am – 10.27, 10.49am – 12.20pm, 1.00pm – 3.00pm (Public Excluded 10.54am – 12.20pm, 1.00pm – 3.00pm))

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### PRESENT

#### Mayor

Mayor Gary Tong (9.01am – 10.06am, 10.08am - 10.27am, 10.49am – 12.20pm, 1.00pm – 3.00pm)

#### Deputy Mayor Councillors

Ebel Kremer

Don Byars (9.01am – 10.23am, 10.25am - 10.27am, 10.49am – 12.20pm, 1.00pm – 3.00pm)

John Douglas (9.01am – 10.23am, 10.25am - 10.27am, 10.49am – 12.20pm, 1.00pm – 3.00pm)

Paul Duffy (9.01am – 10.27am, 10.49am – 12.20pm, 1.00pm – 1.49pm, 1.50pm - 3.00pm)

Bruce Ford (9.01am – 10.27am, 10.49am – 12.20pm, 1.00pm – 3.00pm)

Darren Frazer

George Harpur

Julie Keast

Christine Menzies

Karyn Owen

Margie Ruddenklau

Rob Scott

### APOLOGIES

Councillor Ford (for lateness)

### IN ATTENDANCE

Chief Executive – Steve Ruru

Committee Advisor – Fiona Dunlop

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**1 Apologies**

There were apologies for lateness from Councillor Ford.

Moved Mayor Tong, seconded Cr Harpur and **resolved:**  
**That Council accept the apology.**

**2 Leave of absence**

There were no requests for leave of absence.

**3 Conflict of Interest**

There were no conflicts of interest declared.

**4 Public Forum**

There was no public forum.

**5 Extraordinary/Urgent Items**

There were no Extraordinary/Urgent items.

**6 Confirmation of Council Minutes**

**Resolution**

Moved Cr Scott, seconded Cr Frazer **and resolved:**

**That Council confirms the minutes of the meeting held on 30 January 2020 as a true and correct record of that meeting.**

**Reports - Policy and Strategy**

**7.1 Long Term Plan 2031 - Confirmation of Significant Forecasting Assumptions**

**Record No: R/19/6/11557**

Group Manager Community and Futures – Rex Capil was in attendance for this item.

Mr Capil advised that the purpose of the report was confirm the proposed significant forecasting assumptions used to consider the future delivery of council activities and how they will be managed, and elected members in decision making for the Long Term Plan 2031.

(Councillor Ford joined the meeting at 9.04am.)

Council noted that assumptions use the best available information at the time to ensure that a robust plan is developed for the following 10 years and can help address uncertainties of the future.

### **Resolution**

Moved Mayor Tong, seconded Cr Owen **and resolved:**

#### **That Council:**

- a) **Receives the report titled “Long Term Plan 2031 - Confirmation of Significant Forecasting Assumptions” dated 20 February 2020.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Agree that Council endorse the significant forecasting assumptions to be used in the Long Term Plan 2031.**
- e) **Notes that any new information arising that may impact the significant forecasting assumptions will be updated and presented to Council prior to the adoption of The Long Term Plan 2031.**

## **Reports - Operational Matters**

### **8.1 Stewart Island/Rakiura Service Sustainability Study**

**Record No: R/20/1/2354**

Chief Executive – Steve Ruru was in attendance for this item.

Mr Ruru presented to Council a report on the Stewart Island/Rakiura Service Sustainability Review.

Council noted that it faces a number of service sustainability challenges in providing and funding the delivery of services, particularly local activities, to the Stewart Island/Rakiura community. This has been highlighted through requests for unbudgeted expenditure for urgent maintenance on some of Council’s jetties on Stewart Island/Rakiura and Ulva Island, and the commencement of the review of the Stewart Island Electrical Supply Authority (SIESA) service.

(Mayor Tong left the meeting at 10.06am.)

(Deputy Mayor Kremer assumed the chair.)

(Mayor Tong returned to the meeting at 10.08am and returned to the chair.)

### Resolution

Moved Cr Ford, seconded Cr Scott **recommendations a to g and a new h (as indicated) and resolved:**

#### That Council:

- a) **Receives the report titled “Stewart Island/Rakiura Service Sustainability Study” dated 15 February 2020.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Notes that the Stewart Island/Rakiura Community Board have considered each of the proposed actions outlined in this report and recommends that they be endorsed by Council.**
- e) **Endorses the following definition of financial sustainability for use in progressing the Stewart Island/Rakiura Service Sustainability Review:**  
***A continuation of Council’s present spending and funding policies, combined with likely developments in the council’s revenue-raising capacity and in the demand for and costs of its services and infrastructure and normal financial risks and financial shocks are unlikely to necessitate substantial increases in council rates (providing rates predictability) or, alternatively, disruptive service cuts (service stability).***
- f) **Endorses each of the actions proposed in this report as follows:**

Action	Lead Responsibility
The community board and Council formally endorse the current Stewart Island/Rakiura Opportunities project and support it through to completion of a formal community plan.	Community Partnership Leader
The outputs from the community planning process be used by the community, Council and its committees to	Community Board/Council

assist with resource allocation and prioritisation decisions for the future delivery of services to the Stewart Island/Rakiura community.	
That Council give specific consideration to the issues and options that might exist in relation to the delivery of services to the Stewart Island/Rakiura community as it progresses its review of the Revenue and Financing Policy for the 2021 LTP.	Finance
That the Stewart Island/Rakiura Community Board develop a submission to Council outlining changes that it considers should be considered as part of the upcoming Revenue and Financing Policy review process.	CPL and Community Board
That Council consider, as part of its planned review of options for funding the development of the tourism industry programmed to occur in conjunction with the 2024 LTP, options for targeting the additional costs incurred in providing services to short stay accommodation.	Finance
That Council progress a review of the Stewart Island/Rakiura Visitor Levy Policy and quantum having regard to the findings from the current service and financial sustainability review process, projected future demands for services proposed to be delivered to the Stewart Island community by either Council and/or other agencies which are eligible to make application to the visitor levy fund.	Strategy and Policy
That Council staff be directed to engage with Stewart Island Flights and Stewart Island Experience as the two major operators and collection agents for the levy at an early stage of the review process.	Strategy and Policy
That Council continue with its work to review levels of service and options for the delivery of the operations and maintenance services for SIESA.	Commercial Infrastructure Manager
That Council continue with its assessment of the potential merits of wind generation as per its Funding Agreement with MBIE.	Services and Assets
That Council progress a review of the current SIESA pricing models in accordance with the recommendations from Morrison Low.	Commercial Infrastructure Manager and Finance
That as part of its review of the Revenue and Financing Policy Council give consideration to the options which might exist for funding the SIESA activity including the	Finance

potential use of service, local and/or district rates input.	
That Council progress a review of the extent of provision, levels of service, projected demand and different service delivery options for the delivery of wharf and jetty services to the Stewart Island/Rakiura community and that staff be instructed to draft terms of reference for such a review.	Community Facilities Manager
That Council complete the review of Jetty user fees and charges that is currently underway.	Strategy and Policy
That Council consider options for funding of the jetties activity as part of the review of its Revenue and Financing Policy.	Finance
That a Stewart Island/Rakiura Wharf and Jetties service delivery strategy be developed for consultation with the community once the above work has been completed.	Services and Assets

- g) Instructs staff to develop project plans and also advance the work needed for each of the actions proposed to be completed as part of this project.**

**New h) Requests that officers report back to the Council on a suggested leadership structure for co-ordinating the implementation of the actions outlined in f) above.**

## **8.2 Management Report**

**Record No: R/20/2/3953**

Chief Executive – Steve Ruru was in attendance for this item.

(During discussion on the management report, Councillor Byars left the meeting at 10.23am and returned at 10.25am.)

### **Resolution**

Moved Mayor Tong, seconded Cr Frazer **and resolved:**

**That the Council:**

- a) Receives the report titled “Management Report” dated 18 February 2020.**

(The meeting adjourned for morning tea at 10.27am and reconvened at 10.49am.)

(Mayor Tong and Councillors Byars, Douglas, Ford, Frazer, Harpur, Keast, Kremer, Menzies, Owen, Ruddenklau and Scott were present the meeting reconvened.)

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## Reports - Governance

### 9.1 Unbudgeted Expenditure Report Funding of Elected Member Remuneration

**Record No: R/20/2/3835**

Governance and Democracy Manager – Clare Sullivan was in attendance for this item.

Miss Sullivan advised that the purpose of the report is to consider an application for the payment of the balance of the Elected Member salaries following the Remuneration Authority's determination for the 2019/2020 year.

Council noted that on 12 December 2019 the Remuneration Authority made a determination that set the salaries for the Deputy Mayor, Committee Chairpersons and Councillors. This followed an earlier determination by the Authority following the outcome of the representation review that set the new community board structure for Southland District Council.

(During discussion on the report, Councillor Duffy returned to the meeting at 10.50am.)

#### **Resolution**

Moved Cr Ford, seconded Cr Harpur **and resolved:**

#### **That the Council:**

- a) **Receives the report titled "Unbudgeted Expenditure Report Funding of Elected Member Remuneration" dated 18 February 2020.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Approves funding the shortfall in Mayor and Councillor remuneration of \$37,862 from district operations reserve.**
- e) **Approves funding the shortfall in community board remuneration for the 2019/2020 year of \$62,738 to be funded from the appropriate ward reserves and the Stewart Island/Rakiura community board reserves as appropriate.**

## 9.2 Triennial Agreement 2019 - 2022

Record No: R/20/2/4121

Governance and Democracy Manager – Clare Sullivan was in attendance for this item.

### Resolution

Moved Cr Frazer, seconded Cr Kremer **and resolved:**

#### That the Council:

- a) **Receives the report titled “Triennial Agreement 2019 - 2022” dated 20 February 2020.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Approves the Mayor and Chief Executive executing the attached draft Triennial Agreement under seal, pursuant to Section 15 of the Local Government Act 2002.**

### Public Excluded

#### Exclusion of the Public: Local Government Official Information and Meetings Act 1987

### Resolution

Moved Cr Douglas, seconded Cr Keast **and resolved:**

**That the public be excluded from the following part(s) of the proceedings of this meeting.**

**C10.1 Disposal of land at 25 Mauchline Street, Wallacetown**

**C10.2 Consideration of Future Options for Recycling Processing**

**C10.3 Invercargill Office Arrangements**

**C10.3 – Supplementary Report – Invercargill office arrangements - Unbudgeted expenditure approval for Invercargill building project**

**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
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<p>Disposal of land at 25 Mauchline Street, Wallacetown</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.</p>
<p>Consideration of Future Options for Recycling Processing</p>	<p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.</p>
<p>Invercargill Office Arrangements</p>	<p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.</p>
<p>Supplementary Report – Invercargill office arrangements - Unbudgeted expenditure approval for Invercargill building project</p>	<p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health and safety of members of the public.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.</p>

That the Chief Executive, Group Manager, Environmental Services, Group Manager, Services and Assets, Group Manager, Community and Futures, Chief Financial Officer, People and Capability Manager, Group Manager, Customer Delivery, Communications Manager, Governance and Democracy Manager and Committee Advisor be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C10.1 Disposal of land at 25 Mauchline Street, Wallacetown, C10.2 Consideration of Future Options for Recycling Processing, C10.3 Invercargill Office Arrangements and C10.3 – Supplementary Report – Invercargill office arrangements - Unbudgeted expenditure approval for Invercargill building project. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

That Property Advisor – Theresa Cavanagh be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C10.1 Disposal of land at 25 Mauchline Street, Wallacetown. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed.

That Publications Specialist – Chris Chilton and Project Director Tess Browne from The Building Intelligence Group be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the item C10.3 Invercargill Office Arrangements and C10.3 – Supplementary Report – Invercargill office arrangements - Unbudgeted expenditure approval for Invercargill building project. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed.

The public were excluded at 10.54am.

The meeting adjourned for lunch at 12.20pm and reconvened at 1.00pm.

Councillor Douglas left the meeting at 12.20pm.

Mayor Tong and Councillors Byars, Duffy, Ford, Frazer, Harpur, Keast, Kremer, Menzies, Owen, Ruddenklau and Scott were present when the meeting reconvened.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The meeting concluded at 3.00pm.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A  
MEETING OF THE COUNCIL HELD ON THURSDAY 27  
FEBRUARY 2020.

**DATE:**.....

**CHAIRPERSON:**.....