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## Governing Body

### OPEN MINUTES

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Minutes of a meeting of the Governing Body held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Thursday, 27 November 2014 at 9.30am.

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#### PRESENT

<b>Mayor</b>	Len Brown, JP	
<b>Deputy Mayor</b>	Penny Hulse	
<b>Councillors</b>	Cr Anae Arthur Anae	Until 2.58pm, Item 18
	Cr Cameron Brewer	Until 1.32pm, Item 15
	Cr Dr Cathy Casey	
	Cr Bill Cashmore	
	Cr Ross Clow	From 9.44am, Item 7.1
	Cr Linda Cooper, JP	
	Cr Chris Darby	
	Cr Alf Filipaina	Until 1.32pm, Item 15
	Cr Hon Christine Fletcher, QSO	From 9.35am, Item 5.1
	Cr Denise Krum	
	Cr Mike Lee	From 9.53am, Item 11
	Cr Calum Penrose	
	Cr Dick Quax	
	Cr Sharon Stewart, QSM	
	Cr Sir John Walker, KNZM, CBE	From 9.35am, Item 5.1
		Until 1.32pm, Item 15
	Cr Wayne Walker	
	Cr John Watson	From 9.49am, Item 11
	Cr Penny Webster	
	Cr George Wood, CNZM	

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**1 Affirmation**

His Worship the Mayor read the affirmation.

**2 Apologies**

There were no apologies.

**3 Declaration of Interest**

There were no declarations of interest.

**4 Confirmation of Minutes**

Resolution number GB/2014/128

MOVED by Mayor LCM Brown, seconded by Cr GS Wood:

**That the Governing Body:**

- a) **confirm the ordinary minutes of its meeting, held on Thursday, 6 November 2014, as a true and correct record.**

**CARRIED**

**5 Acknowledgements and Achievements**

**5.1 Acknowledgments**

*Cr JG Walker entered the meeting at 9.35 am.*

*Cr CE Fletcher entered the meeting at 9.35 am.*

His Worship the Mayor acknowledged the passing of Gordon Hodson, Eru Thomson and Bob Sell. A moment of silence was observed for each.

**Achievements**

A document noting Auckland Council Group achievements for November 2014 was tabled.

A copy has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

**Attachments**

- A 27 November 2014, Governing Body, Item 51 - Tabled Achievements November 2014

**6 Petitions**

There were no petitions.

**7 Public Input**

**7.1 Penny Bright - Rates revaluations and water issues**

*Cr RI Clow entered the meeting at 9.44 am.*

Resolution number GB/2014/129

MOVED by Mayor LCM Brown, seconded by Cr C Darby:

**That the Governing Body:**

- a) **receive the presentation by Penny Bright.**

**CARRIED**

**8 Local Board Input**

There was no local board input.

**9 Extraordinary Business**

There was no extraordinary business.

**10 Notices of Motion**

There were no notices of motion.

**11 Adoption of the 18 November 2014 Budget Committee's Long-term Plan 2015-2025 Recommendations**

*Cr J Watson entered the meeting at 9.49 am.*

*Cr ME Lee entered the meeting at 9.53 am.*

The meeting was adjourned at 10.57am.

The meeting reconvened at 11.02am.

Secretarial note: The motion was taken in parts.

Resolution number GB/2014/130

MOVED by Mayor LCM Brown, seconded by Cr AM Filipaina:

**That the Governing Body:**

- a) **for the purpose of supporting the Long-term Plan 2015-2025 consultation:**

- i) **Item 11 - Rates transition management option**

- a) **agree not to adopt a rates transition management policy (Option 1) and agree to include in the Long-term Plan 2015-2025 consultation document other rates transition options that were considered by the Governing Body.**

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr AJ Anae	Cr CE Brewer	
Mayor LCM Brown	Cr CM Casey	
Cr WB Cashmore	Cr C Darby	
Cr RI Clow	Cr CE Fletcher	
Cr LA Cooper	Cr DA Krum	
Cr AM Filipaina	Cr ME Lee	
Deputy Mayor PA Hulse	Cr D Quax	
Cr CM Penrose	Cr SL Stewart	
Cr JG Walker	Cr WD Walker	
Cr J Watson	Cr GS Wood	
Cr MP Webster		

The motion was declared CARRIED by 11 votes to 10.

CARRIED

Resolution number GB/2014/131

MOVED by Mayor LCM Brown, seconded by Cr MP Webster:

**That the Governing Body:**

- ii) **Item 9 - Solid Waste targeted rates and fees 2015/2016 and Waste Management and Minimisation funding through transition**
  - a) **adopt the proposed changes to solid waste services funding, with the indicative targeted rates for waste services, including the pre-booked, on-property inorganic collection in the former council areas for the 2015/2016 year as set out below:**
    - i) **Auckland and Manukau \$242<sup>1</sup> (adjusted as appropriate in Auckland to provide for the rates where a ratepayer has opted out of either or both of refuse and recycling services) [<sup>1</sup> The Auckland & Manukau targeted rate is likely to be in the range of \$240 to \$245, and may fall by around \$10 over time per property dependant on decisions around gulf islands subsidies, and the ability of certain property types to opt out of service provision.]**
    - ii) **North Shore and Waitakere \$80**
    - iii) **Rodney \$90**
    - iv) **Franklin and Papakura \$100 (adjusted as appropriate in rural Franklin where a ratepayer does not receive a recycling service).**
  - b) **agree to phase out the subsidy for solid waste services for Hauraki Gulf Island in equal steps over three years.**
  - c) **adopt a targeted rate for the provision of solid waste services, including the pre-booked, on-property inorganic collection for the Hauraki Gulf Islands of \$418 for 2015/2016.**
  - d) **agree to the introduction of user charges, billed to the property owner, for refuse for the former Auckland and Manukau City areas be gradually introduced from 2016/2017 financial year.**

CARRIED

Resolution number GB/2014/132

MOVED by Mayor LCM Brown, seconded by Cr MP Webster:

**That the Governing Body:**

- iii) **Item 10 - Solid Waste: Inorganic Collection Service methodology and funding: Long-term Plan 2015-2025**
- a) **adopt the proposed changes to the inorganic collection services methodology and funding, with the introduction of an annual standard pre-booked on property inorganic collection service, and**
  - b) **the proposed targeted rates for Solid Waste services include the cost of an annual regional, pre-booked, on-property inorganic collection commencing 1 July 2015.**

A division was called for, voting on which was as follows:

<b><u>For</u></b>	<b><u>Against</u></b>	<b><u>Abstained</u></b>
Cr AJ Anae	Cr CE Brewer	
Mayor LCM Brown	Cr CM Casey	
Cr WB Cashmore	Cr C Darby	
Cr RI Clow	Cr CE Fletcher	
Cr LA Cooper	Cr DA Krum	
Cr AM Filipaina	Cr ME Lee	
Deputy Mayor PA Hulse	Cr D Quax	
Cr CM Penrose	Cr SL Stewart	
Cr JG Walker	Cr WD Walker	
Cr MP Webster	Cr J Watson	
Cr GS Wood		

The motion was declared **CARRIED** by 11 votes to 10.

**CARRIED**

Resolution number GB/2014/133

MOVED by Mayor LCM Brown, seconded by Cr MP Webster:

**That the Governing Body:**

- iv) **Item 13 – Performance measure and targets**
- a) **agree the revised set of levels of service statements, performance measures and targets, including amendments tabled for each group of activity (with the exception of Transport which will be the subject of a separate report to the 27 November Governing Body meeting.**

**CARRIED**

## 12 Contributions Policy Cost Allocation Amendments

Secretarial note: Items 12 and 13 were taken together.

Resolution number GB/2014/134

MOVED by Mayor LCM Brown, seconded by Cr C Darby:

**That, for the purposes of developing the draft Long-term Plan 2015-2025 for consultation, the Governing Body adopt changes to the contributions policy as set out below:**

- a) agree to use development contributions as the primary funding source for growth, retaining the option to use financial contributions in those limited circumstances where development contributions cannot be applied
- b) agree to amend the contributions policy to replace the current funding areas with those set out below:

Reserve - Acquisition	Reserve-Development	Stormwater	Stormwater	Transport	Community Infrastructure
Auckland Wide	Auckland Wide	Auckland Wide	Manukau Harbour (RUB)	Auckland Wide	Auckland Wide
	North	HGI	Manukau Harbour (Rural)	North	North
	Central	Hibiscus Coast (RUB)	North East	Central	Central
	South	Hibiscus Coast (Rural)	Tamaki (RUB)	South	South
	West	Kaipara (RUB)	Tamaki (Rural)	West	West
	HGI	Kaipara (Rural)	Wairoa	HGI	HGI
	Rural	Mahurangi (RUB)	Waitemata (RUB)		Rural
		Mahurangi (Rural)	Waitemata (Rural)		
			West Coast		

- c) agree to amend the contributions policy to adjust the charge for residential development to reflect development size as follows:

Detached and attached low rise dwellings<sup>2</sup>:

- i) 0.8 per household equivalent unit (HUE) for developments at or below 99m<sup>2</sup>
- ii) 1.0 per HUE for developments between 100 m<sup>2</sup> and 249 m<sup>2</sup>
- iii) 1.2 per HUE for developments at or over 250 m<sup>2</sup>.

Attached medium/high rise dwellings:

- iv) 0.6 per household equivalent unit (HUE) for developments at or below

<sup>2</sup> Attached low rise will be charged on its actual impervious surface area (ISA), 292m<sup>2</sup> equating to 1 HUE, rather than 1 HUE per household as for all detached dwellings.

99m<sup>2</sup>

- v) 0.75 per HUE for developments between 100 m<sup>2</sup> and 249 m<sup>2</sup>
  - vi) 0.9 per HUE for developments at or over 250 m<sup>2</sup>.
- d) agree to amend the contributions policy to:
- i) establish a new development category, “accommodation units” which will include hotels and motels.
  - ii) include Kaumatua housing in the retirement unit development type category.
  - iii) rename minor dwelling units as small ancillary dwellings and set the demand factor at 0.6.

**CARRIED**

Secretarial note: Pursuant to Standing Order 3.15.5, Cr CE Brewer requested that his dissenting vote be recorded.

### 13 Adoption of Contributions Policy

Supporting documents were tabled. Copies have been placed on the official minutes and are available on the Auckland Council website as minutes attachments.

Resolution number GB/2014/135

MOVED by Mayor LCM Brown, seconded by Cr C Darby:

**That the Governing Body:**

- a) adopt the draft Contributions Policy 2015 and the summary consultation document.
- b) delegate to the Chair and Chief Finance Officer authority to make any minor editorial amendments to the draft Contributions Policy 2015.

**CARRIED**

Secretarial note: Pursuant to Standing Order 3.15.5, Cr CE Brewer requested that his dissenting vote be recorded.

#### **Attachments**

- A 28 November 2014 - Governing Body - Item 13 - Schedule 8 - Assets for which development contributions will be used
- B 18 November 2014 - Governing Body - Item 13 - Summary of financial policies

### 14 Long-term Plan Performance Measures and Targets for Transport Theme

Resolution number GB/2014/136

MOVED by Cr C Darby, seconded by Mayor LCM Brown:

**That the Governing Body:**

- a) agree the levels of service statements, performance measures and targets for each group of activity contained within the Transport Theme for inclusion in the supporting consultation documents for the draft Long-term Plan 2015-2025.

**CARRIED**



Secretarial note: Item 20 was accorded precedence by the Chair.

## 20 Significance and Engagement Policy

Resolution number GB/2014/137

MOVED by Mayor LCM Brown, seconded by Cr C Darby:

**That the Governing Body:**

- a) **adopt the Significance and Engagement policy.**

**CARRIED**

## 15 Referendum on transport investment and funding options

Secretarial note: Changes to the original motion were incorporated as a Chair's recommendation a) and with agreement of the meeting under recommendations c) and d).

MOVED by Mayor LCM Brown, seconded by Deputy Mayor PA Hulse:

That the Governing Body:

- a) agree that, at this time, the Long-term Plan 2015-2025 consultation be used to obtain feedback on the transport investment and funding as:
- (i) it is more inclusive being open to all of the community not just those registered on the electoral roll
  - (ii) it allows for many different forms of feedback (verbal, written submission, on-line, feedback forms etc)
  - (iii) it allows for commentary on all aspects of the proposal (transport projects and funding options) to assist in decision making
  - (iv) it is a more cost effective way of understanding the community's concerns and aspirations.
  - (v) it enables Local Boards better opportunity to further inform thinking and to play a key role in liaising with the community.
- b) direct the Chief Executive to commission an independent statistically reliable survey to help inform choices about transport funding.
- c) agree that matters pertaining to alternative transport funding options be separated from the rest of the consultation document in a visually distinct way to highlight their significance to the people of Auckland.
- d) agree that feedback from submissions and responses to the Long-term Plan 2015-2025 consultation document on alternative transport funding are independently reviewed and analysed by a suitably qualified and independent party who will report back their findings, and those from the statistically accurate survey, directly to the Governing Body.

An amendment to the original motion was MOVED by Cr CM Casey, seconded by Cr GS Wood:

That the Governing Body:

- a) agree that a referendum is taken to seek feedback from the Auckland electors on alternative transport funding options
- b) agree that a working party is set up to develop the referendum question/s and oversee the process;

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Cr CE Brewer	Cr AJ Anae	Cr CE Fletcher
Cr CM Casey	Mayor LCM Brown	
Cr DA Krum	Cr WB Cashmore	
Cr ME Lee	Cr RI Clow	
Cr D Quax	Cr LA Cooper	
Cr SL Stewart	Cr C Darby	
Cr WD Walker	Cr AM Filipaina	
Cr J Watson	Deputy Mayor PA Hulse	
Cr GS Wood	Cr CM Penrose	
	Cr JG Walker	
	Cr MP Webster	

The amendment was declared LOST by 9 votes to 11.

The substantive motion was put.

Resolution number GB/2014/138

MOVED by Mayor LCM Brown, seconded by Deputy Mayor PA Hulse:

**That the Governing Body:**

- a) **agree that, at this time, the Long-term Plan 2015-2025 consultation be used to obtain feedback on the transport investment and funding as:**
  - (i) **it is more inclusive being open to all of the community not just those registered on the electoral roll**
  - (ii) **it allows for many different forms of feedback (verbal, written submission, on-line, feedback forms etc)**
  - (iii) **it allows for commentary on all aspects of the proposal (transport projects and funding options) to assist in decision making**
  - (iv) **it is a more cost effective way of understanding the community's concerns and aspirations.**
  - (v) **it enables Local Boards better opportunity to further inform thinking and to play a key role in liaising with the community.**
- b) **direct the Chief Executive to commission an independent statistically reliable survey to help inform choices about transport funding.**
- c) **agree that matters pertaining to alternative transport funding options be separated from the rest of the consultation document in a visually distinct way to highlight their significance to the people of Auckland.**
- d) **agree that feedback from submissions and responses to the Long-term Plan 2015-2025 consultation document on alternative transport funding are independently reviewed and analysed by a suitably qualified and independent party who will report back their findings, and those from the statistically**

**accurate survey, directly to the Governing Body.**

A division was called for, voting on which was as follows:

<b><u>For</u></b>	<b><u>Against</u></b>	<b><u>Abstained</u></b>
Cr AJ Anae	Cr CE Brewer	
Mayor LCM Brown	Cr CM Casey	
Cr WB Cashmore	Cr DA Krum	
Cr RI Clow	Cr ME Lee	
Cr LA Cooper	Cr D Quax	
Cr C Darby	Cr SL Stewart	
Cr AM Filipaina	Cr WD Walker	
Cr CE Fletcher	Cr J Watson	
Deputy Mayor PA Hulse	Cr GS Wood	
Cr CM Penrose		
Cr JG Walker		
Cr MP Webster		

The motion was declared **CARRIED** by 12 votes to 9.

**CARRIED**

The meeting was adjourned at 1.32 pm.

The meeting reconvened at 2.20 pm, with all councillors present except for Crs AJ Anae, CE Brewer, AM Filipaina, CE Fletcher, JG Walker and WD Walker.

**16 Council Controlled Organisation Review - Process Overview, CCO Configuration Options and Delivery of Services Review**

Secretarial note: The motion was taken in parts.

Resolution number GB/2014/139

MOVED by Cr CM Penrose, seconded by Mayor LCM Brown:

**That the Governing Body:**

- a) **agree that the following options for structural change to council controlled organisations have been considered and will not be progressed because analysis of the options suggests that any advantages would be outweighed by the disadvantages:**
  - i) **transferring responsibility for water supply and wastewater services from Watercare Services Limited to Auckland Council.**

**CARRIED**

Secretarial note: Pursuant to Standing Order 3.15.5, Cr CM Casey requested that her dissenting vote be recorded.

*Cr CE Fletcher entered the meeting at 2.25 pm.*

Resolution number GB/2014/140

MOVED by Cr CM Penrose, seconded by Mayor LCM Brown:

**That the Governing Body:**

- a) **agree that the following options for structural change to council controlled organisations have been considered and will not be progressed because analysis of the options suggests that any advantages would be outweighed by the disadvantages:**

- ii) transferring responsibility for stormwater services from Auckland Council to Watercare Services Limited
- iii) transferring new major investments or business activities to Auckland Council Investments Limited
- iv) transferring responsibility for major events and tourism from Auckland Tourism, Events and Economic Development Limited to Regional Facilities Auckland.

**CARRIED**

Resolution number GB/2014/141

MOVED by Cr CM Penrose, seconded by Mayor LCM Brown:

**That the Governing Body:**

- b) agree that after consideration of options, the council is satisfied that for services currently being delivered by council controlled organisations, the current model of:

- Auckland Council retaining responsibility for governance
- Auckland Council council controlled organisations being responsible for delivery
- Auckland Council retaining responsibility for funding (where not covered by external sources of funding)

is a cost-effective arrangement for meeting the needs of communities within the Auckland region for good quality local infrastructure, local public services and performance of regulatory functions.

**CARRIED**

Secretarial note: Pursuant to Standing Order 3.15.5, Cr CM Casey and Cr J Watson requested that their dissenting votes against clause b) be recorded.

## 17 Council Controlled Organisation Review - Summary of Feedback

Resolution number GB/2014/142

MOVED by Deputy Mayor PA Hulse, seconded by Cr CM Penrose:

**That the Governing Body:**

- a) note the feedback on the Council Controlled Organisation review provided by Council Controlled Organisations, Local Boards, the Independent Māori Statutory Board, and the Public Services Association.

**CARRIED**

## 18 Council Controlled Organisation Review - Proposal for New Urban Development Entity and Proposal to Transfer Management of Diversified Financial Assets Portfolio from ACIL to Auckland Council

*Cr AJ Anae returned to the meeting at 2.37 pm.*

*Cr J Watson left the meeting at 2.43 pm.*

*Cr J Watson returned to the meeting at 2.52 pm.*

*Cr AJ Anae left the meeting at 2.58 pm.*

*Cr WD Walker returned to the meeting at 3.00 pm.*

*Cr CE Fletcher left the meeting at 3.06 pm.*

*Cr CE Fletcher returned to the meeting at 3.09 pm.*

Secretarial note: Changes to the original motion were incorporated with the agreement of the meeting.

MOVED by Deputy Mayor PA Hulse, seconded by Cr CM Penrose:

That the Governing Body:

- a) agree to progress evaluation of the establishment of an urban development agency in order to further the council's urban development objectives, noting the intention that Waterfront Auckland would be a business unit within any new entity (Option 1a).
- b) agree that the option to establish an urban development agency by combining Waterfront Auckland and Auckland Council Properties Ltd is the preferred option.
- c) note that the proposal for a new council controlled agency will be provided for in the Long-term Plan 2015-2025 and subject to public consultation.
- d) agree to transfer responsibility for managing the council's diversified financial assets portfolio from Auckland Council Investments Limited to Auckland Council treasury team, from 1 July 2015, and to reduce the number of Auckland Council Investments Limited Board members from five to three, from November 2015.

Secretarial note: A resolution was passed granting an extension of time at 3.30pm.

Resolution number GB/2014/143

MOVED by Mayor LCM Brown, seconded by Cr RI Clow:

**That the Governing Body:**

- a) **agree, pursuant to Standing Order 3.3.7, that an extension of time of 30 minutes be granted, in order to allow the business on the agenda to be completed.**

**CARRIED**

The motion on the table was put in parts.

Resolution number GB/2014/144

MOVED by Deputy Mayor PA Hulse, seconded by Cr CM Penrose:

**That the Governing Body:**

- a) **agree to progress evaluation of the establishment of an urban development agency in order to further the council's urban development objectives, noting the intention that the waterfront would be a business unit within any new entity (option 1a).**
- b) **agree that the option to establish an urban development agency by combining Waterfront Auckland and Auckland Council Properties Ltd is the preferred option.**
- c) **note that the proposal for a new council controlled agency will be provided for in the Long-term Plan 2015-2025 and subject to public consultation.**

**CARRIED**

Secretarial note: Pursuant to Standing Order 3.15.5, Crs CM Casey, CE Fletcher, ME Lee, D Quax, SL Stewart, WD Walker and J Watson requested that their dissenting votes be recorded.

Resolution number GB/2014/145

MOVED by Deputy Mayor PA Hulse, seconded by Cr CM Penrose:

**That the Governing Body:**

- d) **agree to transfer responsibility for managing the council's diversified financial assets portfolio from Auckland Council Investments Limited to Auckland Council treasury team, from 1 July 2015, and to reduce the number of Auckland Council Investments Limited Board members from five to three, from November 2015.**

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Mayor LCM Brown	Cr CE Fletcher	
Cr CM Casey	Cr ME Lee	
Cr WB Cashmore	Cr D Quax	
Cr RI Clow	Cr SL Stewart	
Cr LA Cooper	Cr WD Walker	
Cr C Darby	Cr J Watson	
Deputy Mayor PA Hulse		
Cr DA Krum		
Cr CM Penrose		
Cr MP Webster		
Cr GS Wood		

The motion was declared CARRIED by 11 votes to 6.

CARRIED

**19 Off street parking - discussion document and further interim delegation**

Resolution number GB/2014/146

MOVED by Mayor LCM Brown, seconded by Cr C Darby:

**That the Governing Body:**

- a) **agree that Item 19: Off street parking - discussion document and further interim delegation be deferred.**

CARRIED

Secretarial note: Item 20 was taken prior to Item 15.

**21 Governing Body decision-making during the 2014/2015 Christmas recess period**

Resolution number GB/2014/147

MOVED by Mayor LCM Brown, seconded by Cr J Watson:

**That the Governing Body:**

- a) **delegate to any two of either the Mayor or Deputy Mayor, and a Chairperson of a Committee of the Whole, the power to make urgent decisions on behalf of the Governing Body or its committees between the last scheduled Governing Body meeting in December 2014 and the first meeting of the Governing Body or other relevant Committees in 2015.**
- b) **agree that if a matter of major significance arises during the 2014/2015 Christmas recess period, an extraordinary meeting of the Governing Body will be called.**

CARRIED

**22 Meeting Schedule 2015 through to Election 2016**

Resolution number GB/2014/148

MOVED by Mayor LCM Brown, seconded by Cr CM Penrose:

**That the Governing Body:**

- a) **adopt the meeting schedule for 2015 through to the election in October 2016, as contained in Attachment A of the agenda report.**
- b) **authorise the Manager Democracy Services to amend the schedule if required, in consultation with the chair of any affected committee, and subject to the Mayor or Deputy Mayor's approval, if a formal meeting has to be held on a Monday or Friday.**
- c) **note that the meeting schedule could be subject to amendment if the Governing Body agrees to committee scheduling changes early in 2015.**

**CARRIED**

**23 Consideration of Extraordinary Items**

There was no consideration of extraordinary items.

3.42 pm

The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD  
AT A MEETING OF THE GOVERNING BODY HELD  
ON

**DATE:**.....

**CHAIRPERSON:**.....