

**MINUTES OF THE EXTRAORDINARY COUNCIL MEETING, HELD IN THE COUNCIL
CHAMBERS, FIRST FLOOR, TE HĪNAKI CIVIC BUILDING, 101 ESK STREET, INVERCARGILL
ON TUESDAY 14 MAY 2024 AT 9.10 AM**

Present: Mayor W S Clark
Cr A J Arnold
Cr R I D Bond (Zoom)
Cr P M Boyle
Cr S J Broad
Cr T Campbell
Cr G M Dermody
Cr P W Kett
Cr D J Ludlow
Cr I R Pottinger
Cr L F Soper

In Attendance: Rev E Cook – Māngai – Waihōpai
Mrs P Coote – Kaikaunihera Māori – Awarua
Mr M Day – Chief Executive
Ms E Moogan – Group Manager – Infrastructure
Mrs P Christie – Group Manager – Finance and Assurance
Mrs T Hurst – Group Manager – Community Engagement and
Corporate Services
Mr R Capil – Group Manager – Community Spaces and Places
Mr J Shaw – Group Manager - Consenting and Environment
Mr A Cameron – Chief Risk Officer
Mr M Morris – Manager – Governance and Legal
Ms R Suter – Manager – Strategy and Policy
Mr J Botting – Manager – Financial Planning
Ms L Knight – Manager – Strategic Communications
Ms G Frisby – Senior Communications Advisor
Ms G Englert – Social media Advisor
Mrs L Williams – Team Leader - Executive Support
Ms M Sievwright – Senior Executive Support

The meeting was opened at 9.00am and adjourned for ten minutes.

1. Apologies

Cr B R Stewart and Cr A H Crackett

Moved Cr Ludlow, seconded Cr Soper and **RESOLVED** that the apologies be accepted.

2. Declaration of Interest

Nil.

The Mayor noted that the Ngai Tahu report (item 4 on the agenda) would remain on the table and that he had had been in communication with a number of people regarding this issue. He noted he wanted to wait until Council had seen a second Morrison Low Report. He added that the Chief Executive would attend a meeting around this topic.

3. LTP Deliberations Report

A5296468

Ms Rhiannon Suter and Ms Patricia Christie presented the report. Ms Suter talked councillors through the structure of the report and noted the report did not point to any substantive changes and noted changes that had been made since the agenda was prepared. One being the addition of passenger transport in resolution 7, and an error in resolution 8 b with a correction to the figure, and under 8 g noting the incorrect date of the Finance and Projects meeting.

Moved Cr Soper, seconded Cr Dermody and **RESOLVED** that Council:

1. Receive the report "2024 – 2034 Long-term Plan Deliberations"

Ms Suter noted that resolution 2 covered a number of changes, Ms Christie confirmed that these were generally inflation and that Council had held inflation assessments and that had now come to a head and created pressures creating a larger deficit than had been planned. It was confirmed Council would borrow and this would minimise the impact on rates.

It was noted that Council's borrowing ability was good and net debt was lower in comparison to a number of councils, it was added that borrowing was based off revenue streams.

A query was raised around where the pressures were coming from, it was confirmed that across the board in all operating areas of Council, predominantly in regulatory, not parking. It was confirmed that had looked at activity and nature.

A query was raised if would see the deficits per area, it was confirmed this would be in the quarterly report going to Finance and Projects.

Moved Cr Ludlow, seconded Cr Soper and **RESOLVED** that Council:

2. Note that the draft LTP budget will now be prepared on a 2023/24 forecast deficit of \$12.6 million as the opening position, rather than the \$9.2 million deficit originally consulted on, and the \$8.4 million forecast in the Annual Plan.

Moved Cr Campbell, seconded Cr Ludlow and **RESOLVED** that Council:

3. Confirm the following changes to the assumptions:
 - a. Maintain current primary inflation settings of 3% for capital and 2.9% operational for 2024/25. Increase staff costs inflation from 3.0% to 3.5% for 2024/25 and 2025/26 and add a separate insurance inflation assumption of 12%.

- b. Note that the \$1.2 million increase in insurance budget for 2024/25 has a 1.76% rates increase implication and incorporates a \$206,000 saving in premium which increases Council self-managed risk.
- c. Increase interest rates – borrowing from 4% across all ten years to 4.25% in 2024/25, and 4.5% thereafter, noting the change will result in a \$474,000 increased expenditure, equivalent to 0.67% increase in rates and incorporates changes in the capital programme and the 2024/25 funding deficit.
- d. Increase interest rates – investments from 5% to 5.5% in 2024/25, 4.5% to 5% in 2025/26, 4% to 4.5% in 2026/27 and remain at 4% thereafter, noting the increased forecast revenue of \$714,000, equivalent to a 1.02% reduction in the rates increase and incorporates \$403,000 from ICHL advance.
- e. Note the high level of uncertainty associated with a number of the assumptions particularly those that relate to external funding for Council activities, as well as the risks outlined in this report.

Ms Suter noted that there were the two options in this area and that no clear direction came from submitters. There was feedback that elderly housing was an area that Council should invest in and others thought this was not a role of Council and some raised the cost of living concerns.

It was noted that in previous LTP meetings it was discussed that housing should be self-funded and that most councils operate the way this Council does and provides social / elderly housing.

It was confirmed that had not consulted on housing previously and the feedback came from resident's surveys.

A query was raised around the assumptions used to calculate the deficit and what the impact on rates was. It was confirmed that all preferred options were in the budget and it had not been changed.

A query was raised around reducing the speed of housing project and what that meant in terms of numbers. Ms Moogan noted that the full figure was 20 houses and that would have to check what the reduction would mean in terms of numbers, could be around one or two across the ten years.

A query was raised that if in option 1 it would remove housing at the end of life it was confirmed it was. A further query was raised if the capital cost was also across that period. It was noted that it would require a change, to absorb the capital costs over the short term, as rents would not cover those costs, as there was not enough in the fund to replace the units.

A query was raised around rental subsidies available from the government and if the rents were in fact high enough as these increases could be covered by the government. This could mean that Council and the residents were in fact better off.

A query was raised around if Council had investigated other models such as partnership as an example. Ms Suter noted this was discussed in the previous Long-term Plan and had also been discussed earlier and that the decision was that councillors wanted to stay in the elderly housing space and the options had been worked on using that decision.

It was noted that upon viewing the Queenstown model recently, it was noted that they were continually developing land and the funds generated from that activity were used for social housing and Council did not have that ability in Invercargill, it was noted however that should keep looking at options.

Moved Cr Soper, seconded Cr Campbell and **RESOLVED** that Council:

4. Elderly Housing – Agree **one** of the following:

- a. Agree Option 1 (Council's preferred option at consultation) Provide \$7.7 million from rates to replace for Elderly Persons Housing units faster, with 0.08% rates increase in 2024/25 with additional annual increases adding to a total 0.61% by 2030/31.

Ms Suter noted that the community was divided on this issue. Following a workshop with councillors a further option had been added. It was noted that good progress had been made but that would become more difficult, and that reducing the budget would mean that work would continue but perhaps at a slower rate.

A query was raised that if the ad hoc approach, would Council be approached for funding. It was noted that this would not be the case.

A query was raised that Council had a Climate Change Policy and the next paper talked about adding an option that would increase emissions by having more vehicles, and queried how Council link the various options. It was noted that Council did not currently have a policy and were working on a strategy. The strategy would set some direction, and each paper covered the impacts on climate change and that there were a number of factors that need to be considered and this was one of them. It was confirmed that the next paper on recycling could create higher emissions but that could look at electric vehicles in the future to mitigate, and noted that it was complex.

It was proposed that Council adopt option 3 and this was supported as this was an area that would continue to challenge Council and that the proposed rates saving in that option would be beneficial to ratepayers.

It was added that continuing to look at providers through the procurement process would be preferable.

Moved Cr Campbell, seconded Cr Soper and **RESOLVED** that Council:

5. Carbon Emissions Reduction - Agree **one** of the following:

- c. **Option 1 with funding reduction** – Allocation of \$100,000 a year for Council to use to implement carbon emission reduction, resulting in an 0.14% rates saving against Council's budgeted preferred option (noting this item is included in the further adjustments under Recommendation 14).

Ms Suter talked through the options and noted the risk of glass contamination and the risks to contractors. She added that the other councils were at different stages of recycling. The community was again divided on this issue.

Ms Suter noted that option c had not been included in the savings as yet and so would be an additional saving.

It was noted that recycling was an area that was constantly changing and that the government also changed what it was doing. Concern was raised around contamination and also adding glass to the landfill was also a concern and would mean additional costs. It was also noted that there was now not a lot of glass for recycling and that there was now more plastic.

It was further noted that looking around the city there were at times very few yellow bins out and that liked the bottle bank idea.

It was noted that under the LGA councils must look at practicable options for the making of a decision. Should look at other options, i.e. an addition to the MERF, separate glass at the recycling plant, another option was keeping glass in a bag to ensure it was separate. The costs of this over ten years was in excess of \$8 million. There was discussion around the various options for glass collection and concern was raised that the costs for the vehicles collecting bins did not add up. Of the options presented, option 2 would allow Council to look at other options.

A query was raised around what waste was being sent overseas. Ms Moogan noted that the comment related to the glass contaminating the other recycling products, and noted that had worked extensively with WasteCo on the costs and Council was advised that the bottle bank option still required a vehicle and a driver.

A further query was raised why the status quo option had not been provided for this and if there should be.

It was noted that had been requested to fund \$750,000 for an optical addition to the MERF and that the contract was due for renewal in two years and not comfortable with that and had not been approved at this stage.

Ms Moogan spoke to the bag and crate options and the need to work with contractors and that there were still some crate services and that required runners and the health and safety issue associated with this, and the decision was made not to put forward the crate option.

Mr Day noted that the options were discussed and the viable options were put before Council and so comfortable that legislative requirements were covered.

It was noted that the status quo option was option c and that did not have enough data to adopt option 1 and the expense involved in bottle banks were not fully covered.

It was noted that soft plastics were now being recycled through a supermarket and need to look at education.

It was noted that the feedback had been that bottle banks were not successful in other parts of the country.

It was raised that perhaps a fortnightly option may not be required and that should look at how many people put out their yellow bin fortnightly and could look at alternate fortnights for the collection of the two bins and this may create some savings, a query was asked if this decision did not need to be made until 2027, and if could take time to decide.

Ms Moogan noted that dropping the frequency had been discussed earlier and that the cost reduction was minimal. In option 2 it talked of new bottle banks and this meant no longer could bottles be placed in the yellow bin that it would need to be in the red bin. Concern was raised that could not rely on bottle banks only, glass would still end up in the other bins

It was noted that during the submission process that bottle banks would not work and the Council should not undertake that option and felt we were not ready to make a decision.

It was proposed that delay and take the time to look at a number of options and continue investigating what would be the better option for our city.

Concern was raised that if adopt option c that commit to a new bin but delayed, and would incur costs.

Ms Moogan noted that new contracts would be going to the market in 2027 and as part of that could do a full review of what recycling looks like in Southland. It was added that the MERF was reaching its end of life and may need to look at that.

It was noted that needed a clearer understanding from WasteNet around that contract, the collection was a WasteNet contract, recycling was not, Invercargill operated its own.

Note: The meeting was adjourned at 10.25 am to allow options to be rewritten and reconvened at 10.35 am

Moved Cr Soper, seconded Cr Campbell and **RESOLVED** that Council:

d. Glass Recycling - Agree **one** of the following:

- d. Note the continued issues around glass contamination, retain the current recycling system for the remainder of the existing contract term, and request WasteNet review options for separate glass recycling as part of the contract renewal, within three years. No rates impact for the remainder of the contract term – 2024/25, 2025/26, 2026/27. Reduction of rates increase consulted on for later years.

Ms Suter noted that this related to a number of activities of Council, and noted that had been some changes due to change in legislation around levels of service. Ms Suter took Council through each activity area.

Moved Cr Campbell, seconded Cr Soper and **RESOLVED** that Council:

e. **Agree** to the following changes to the Long-term Plan Activities and Levels of Service Key Performance Indicators:

Water:

- a. Note the update to DIA Performance Measure One - Drinking Water Standards, in line with the new Drinking Water Standards and guidance from Taituarā.

Sewerage:

- b. Note updated wording to Sewerage DIA Performance Measure 3 – fault response time, in line with DIA guidance.

Roading:

- c. Note prioritisation of the Salford School roading realignment as part of existing local safety roading budget.
- d. Note the South Alive request for further upgrades to South City Street environs and that no further renewals are currently scheduled.
- e. Note the request for a new Welcoming Sign to Invercargill, at a forecast cost of \$10,000 - \$30,000 and that this could be considered in the future.
- f. Note that the wayfinding sign at Ōreti Beach conveys the correct information and no change is recommended at this time.
- g. Note the issue of cycling is a matter for consideration of future planned strategic work on integrated transport.

Solid Waste:

- h. Confirm the updated targets for the Regional discarded rate per person per annum (kgs) to less than or equal to 650 kgs for 2024-2030, and less than or equal to 585 for 2030-2034, in line with the Southland Waste Management and Minimisation Plan (WMMP) and legislation.

Property:

- i. Note the required correction to the property renewals programme.
- j. Note the required correction to the public toilets renewals programme.

It was noted that there had been significant delays in the provision of toilets and referred staff to an article in the latest LGNZ magazine.

It was noted that the Low Mow received much feedback, and that much had not been positive, and there had been confusion around the centre plots on the roads. It was noted that the public notice when the city was not tidy, and acknowledged the significant growth period.

It was noted that had reduced some costs and increased others and there was a need to keep a tally of these changes, it was proposed to cease the Low Mow pilot and conduct a review with the view to ending that in some areas.

It was also noted that did not believe that had given Low Mow a chance and if there were other options, e.g. planting wild flowers.

The issue of the beauty of the city and opportunity to work on beautification should be reviewed by staff.

Mrs Christie noted that there were two options for Low Mow in or out and if out would reduce rates by 0.09% and confirmed that centre plots were not part of the discussion.

It was noted the original Low Mow option was around mowing Sandy Point in the summer.

Parks and Reserves:

- k. Note there is an existing ranger service supporting Ōreti Beach – No recommended change.
- l. Note that a new interpretation panel at Ōreti Beach is planned for 2024/25 within the Parks existing renewals budget. No recommended change.
- m. Note that urban play will be considered in alignment to the wider Play Strategy, including facilities at Queens Park.
- n. Note that accessibility of trails within Sandy Point will be considered as part of the Masterplan and in response to feedback the connection to the Anderson Park trail to be improved within existing budgets.
- o. Advise the Waverley Park Hub group of the opportunity to seek feasibility study funding from a range of community funding sources including Active Communities and the Community Wellbeing Fund.
- p. Approve that the Low Mow pilot is ended early and operational expenditure will need to increase by \$63,000 (0.09% rates impact in 2024/25).
- q. Note the Elizabeth Park Strategy work is planned for 2024/25. No recommended change to budget allocation for toilets until completion of the strategic work.

It was noted that in terms of s. the annual number of school visits was opposed strongly by the Trust as they believed it was not appropriate for students to access the facility and raised concern around the number of people accessing the facility and that created a high level of risk to taonga, and the Trust would like to explore other options.

Mr Capil noted that this had been done in consultation with the Collections Manager and that happy for staff to work with the Trust on this.

Ms Suter noted that this change would require consultation and should revert to the original wording consulted on.

It was noted the facility was never proposed to be a site people could visit. Further concern was raised around the costs required to “man” the Museum and it appeared would have three facilities, and this would come at significant cost.

Further concern was raised that there was an expectation that would still have a venue for art.

It was confirmed that the storage facility was back of house Museum space, the new Museum would be a seven day a week venue and so not dis-similar to what had had previously.

A query was raised if councillors could be provided with the staffing numbers. It was confirmed would be brought back to Council. It was felt did lose a number of staff when Museum was originally closed.

Discussion around having some items available for viewing. It was noted that there was a paper of the Community Wellbeing agenda around this topic. It was added that staff were looking at the staffing issues which would include costs and numbers.

It was noted that whilst not employing staff, council did fund IPAG staff. It was noted that heritage had not featured highly in those collections looked after by IPAG, looking at holding exhibitions holding one in Te Anau, it was noted this was a regional collection, need to affirm to IPAG to use the breadth of the collection.

Arts and Culture:

- r. Confirm the revised targets for He Waka Tuia Number of onsite and off-site exhibitions which celebrate our collections and the stories of Southland to 12 exhibitions per annum (4 off-site, 8 onsite) and the updated wording.
- t. Note that there may be changes to He Waka Tuia performance measure targets and that the matter of the IPAG requests will be considered following the Community Wellbeing Committee meeting on 14 May.
- u. Note the request from Arts Murihiku for \$50,000 additional operational funding and advise them of the opportunity to apply to the Community Wellbeing Fund.
- v. Note the request from Te Kupeka Tiaki Toaka Southern Regional Collection Trust for \$300,000 operational funding and advise them of the opportunity to apply to the Regional Heritage Committee and the Community Wellbeing Fund.

A query was raised around the 20 working days and that there could be pauses and so could be longer.

Mr Shaw noted that theoretically could change and that it was statutorily 20 working days, the clock could be paused if further information required by either party.

Regulatory:

- w. Note that Council has worked with Public Health on signage and community engagement previously and this can be continued within existing budgets, noting the availability of Ministry of Health signage.
- x. Confirm that a 'Code Compliance Certificates are issued within statutory timeframe' performance measure is added to the Regulatory Services Activity, with a target of 100% delivery.
- y. Note the change from 'Building consents are granted within 20 working days' to 'Building consents are granted within statutory timeframe' and yearly targets to '100% of building consents are granted within statutory timeframe'.
- z. Note the change from 'Non-notified resource consents not requiring a hearing are granted within 20 working days' to 'Non-notified resource consents not requiring a hearing are granted within statutory timeframe' and yearly targets to '100% of non-notified resource consents are granted within statutory timeframe'.

A query was raised around Connected Murihiku and if continued to support in terms of administration costs. The response was yes, and noted that the co-ordinator was funded for the first year, and affirmed that Council had not budgeted to cover that cost.

Democratic Process:

- aa. Note the \$41,700 funding request from Te Runaka ō Awarua and advise the opportunity to apply to the Community Wellbeing Fund.

- bb. Note the request from the Multicultural Council for a Migrant Hub and suggest engagement with the Saving Grace team and other community venues and/or regional funders to explore potential use of those facilities and/ or opportunity for a scoping study for a migrant hub in the future.
- cc. Note that Council supports Connected Murihiku through providing governance support to the Joint Committee and administering the contract. Consideration as to whether Council wishes to provide further support would be appropriate at the next stage in the project towards the end of 2024/25.

It was noted this was simply a moving of funding.

Corporate Services:

- dd. Confirm the capital funding increase of \$80,000 for 2024/25 to allow for timing adjustments to the programme.

Ms Suter noted that the government's fare subsidy had been removed and a number of options had been provided.

A query was raised when was the last time the fares had been increased, it was affirmed it had not been increased yearly and tried to keep in line with the national fares as much as possible. It was proposed Council should be cost neutral and not apply subsidies unless fares were increased.

Concern was raised that for the younger age group of 5 to 12 that usage could decline. It was affirmed that proposed to keep the fares for the younger age group the same and increase adult fares.

There was lengthy discussion around the options provided and combinations of options, councillors preferred a cost neutral option and looked at options as to how that would look, and allow staff to come back with what that looked like.

Moved Cr Campbell and seconded Cr Dermody that Council:

Passenger Transport:

- ee. Confirm one of the following options brought forward from the 7 July 2024 Infrastructure Committee meeting:
- nn. Request a cost neutral option noting a preference to retaining discounted fares for children and youth.

Note: Cr Campbell left the meeting at 11.34 am and returned at 11.37 am.

Ms Suter took Council through the recommendation and noted the work on Rugby Park and noted an anomaly on the budget with the requirement to close Rugby Park for a short time and directed councillors to the report that raised stopping the current work.

It was noted that Rugby Park was not a multisport facility and that many councils moving towards these, and a query was raised around the future of Rugby Park, and cannot justify for Rugby alone. It was added that a number of free tickets were being given for rugby games to attract a crowd.

It was noted that the community had changing sports needs.

Discussion took place around sports clubs that wanted to play on their grounds and use their clubrooms after games and these provided revenue for the clubs.

It was noted that if continue with the work at Rugby Park would still have a single sport use facility not a multi purpose venue. Could not carry on with the expense unless there was a plan for the future use, and felt more discussion needed to take place.

It was noted that rugby was funded highly by other funders as opposed to other sports.

It was noted that when the vote took place to take over Rugby Park it was a 5/4 split with the idea that other councils support, this did not occur.

A query was raised around e. and if there was a scoping project to be done to look at models for rugby and the use of Rugby Park. Mr Capil confirmed yes and that budget was allocated for a scoping project, and possibly looking at a sports precinct approach. It was noted that there had been a move around the country to look at more boutique facilities.

It was noted that with the work of the Waverley Sports Hub could look at community good and benefit and unwise to have a significant investment into Rugby Park.

A query was raised when it was thought that the facility would no longer be able to be used, i.e. office space and the loss of revenue. It was noted that the earthquake proof issues did not need to be immediately addressed, and that the rugby union were not using the offices, the supporters club did use the facilities, there would be a cost to demolish and a query around the value of the land.

The issue of CCTV was raised and it was concerning that there now seemed to be an operational cost, and what the cost covered. Ms Moogan noted that there would be a future paper coming up separately that covers all the costs. It was confirmed that a paper would go to Finance and Projects at which point Council would need to approve or not approve the costs. It was confirmed that the \$101,000 was not included in the current budgets.

Moved, Cr Soper and seconded Cr Ludlow and **RESOLVED** that Council:

- ff. **Agree** to the following in relation to the Long-term Plan Roadmap to Renewal and other Strategic Projects:
 - a. Note the funding request from the Anderson House Charitable Trust for a part time coordinator and advise them of the opportunity to apply to the Community Wellbeing Fund and other regional funders.
 - b. Confirm the budget adjustment made to the Te Unua project since consultation. This is a reduction of \$800,000 from \$74.9 million to \$74.1 million.
 - c. Confirm the budget adjustment made to Rugby Park since the time of consultation bringing the total project cost to \$5.1 million.

Moved Cr Soper, seconded Cr Campbell and **RESOLVED** that Council:

- d. **Agree** to stop maintenance work on Rugby Park, noting the estimated \$3 million capital saving, \$150,000 medium term forecast forfeit revenue (\$150,000 forecast revenue gain for 2025) and up to \$150,000 operational expenditure for 2024/25 ongoing.

- e. Note that \$206,000 remains budgeted for scoping work to identify a medium/longer term solution as a home for an outdoor sports precinct in the future which may include a new or continued proposed use for Rugby Park.
- f. Note the budget adjustment made to the Bluff Boat Ramp since the time of consultation bringing the total project cost to \$2.5 million, funded from the programme contingency budget.

Moved Cr Campbell, seconded Cr Soper and **RESOLVED** that Council:

- g. Note a future paper to Finance and Projects Committee will indicate that a further \$101,000 operational expenditure is likely to be required for CCTV operation and note that Council should consider as part of deliberations leaving headroom for this and agree leaving headroom for this.
- h. Note that \$154,500 operational expenditure remains in the budget for scoping of a potential new arts project for the city centre and that a range of stakeholders will be involved through the planning process.

Note: Cr Pottinger voted against the motion.

Moved Cr Ludlow, seconded Cr Soper and **RESOLVED** that Council:

- gg. Note that the changes to assumptions and projects agreed in this report will be brought through to the Infrastructure Strategy.

Moved Cr Ludlow, seconded Cr Dermody and **RESOLVED** that Council:

- hh. Agree to the following changes to the Long-term Plan Financial Strategy, Revenue and Finance Policy and Rating Policy:
 - a. Adjust assumptions as outlined under 3 above.
 - b. Adjust the depreciation assumptions as agreed under 13.g. below.
 - c. No change to the Uniform Annual General Charge and Farming Rating Differential.

It was noted that Fees and Charges would be brought back to Council for adoption in May.

It was noted that the Invercargill Licensing Trust did not want to see an increase in fees and the question was did Council want to subsidise alcohol licensing fees and the cost was not significant.

It was noted that the building and planning area had done a full review of their fees.

A query was raised around the removal of the cap on building consent fees, it was noted that the objection to this was around large scale projects and the impact would also come at the same time as the cost for earthquake strengthening, and felt Council fees were higher, it was also noted that Council structured their fees very differently.

A query was raised around Coopers Creek and confirmed that Council had not levied any increase at this stage, and queried if taking time to ensure that this was right, the terminology of the lease and the assessment in terms of dollars of the lease.

A query was raised in c. if removing the cap had no impact on budgets, it was confirmed that the fees and charges need to be consulted on.

A query was raised around what had the assumption been around future licenses for Coopers Creek, it was noted simply added the inflation assumption, sitting at around 3%.

It was noted that with respect to building fees that Council wished to be cost neutral, and noted the area was in deficit.

In relation to Dog Fees was the increase related to an increase in costs. It was affirmed it was. It was further noted that Council fees were reasonably low. It was noted that \$400,000 was sitting in reserve. Mr Shaw noted that projects that had been planned and were legislatively required would reduce the surplus to around \$3,000.

In relation to water fees, the query was raised if this was a subsidised activity, it was noted yes and staying with the current increase.

A query was raised around how we structured the building fees, it was asked if we would look at the value of work approach. Mr Shaw noted that that was correct, and noted that the cap allowed larger projects to be done and retain that discretion. A further query was asked how long this work would take, it was noted that expected to take four to six months.

A query was raised if looking at a new system, should the fees remain unchanged if looking at a new system in four to six months. It was noted that would consult on the fees and charges and could risk not recovering costs if changed this cap.

A query was raised if this would impact any future projects through the fast-track process, it was confirmed it would.

It was proposed that leave the building fee cap as it was. Mr Shaw confirmed that would be happy with that.

Moved Cr Pottinger, seconded Cr Dermody and **RESOLVED** that Council:

- ii. Agree to the following changes the fees and charges:
 - a. No change to the proposed Alcohol Licencing Fees.
 - b. No change to the proposed Dog Control fees.

Moved Cr Campbell and seconded Cr Soper and **RESOLVED** that Council:

- c. Maintain the status quo on the cap on the building consent fees and review this again in 2024/25.

Moved Cr Pottinger, seconded Cr Dermody and **RESOLVED** that Council:

- d. Revise the proposed Code Compliance Certificate Review and Sign off administrative Fee to apply only to consents over \$500.
- e. Note the update to the Building Control MBIE Levy.
- f. Revise the update to the Bathroom alteration which includes wet area shower fee description.

- g. Revise the update to the Accessory Buildings Unlined and Lined fees to include caps of \$1230 (unlined) and \$1845 (lined).
- h. Revise the update to Accessory Buildings Extension to \$21/m² with a minimum fee of \$500.
- i. Revise the update to the Site Servicing / Ext Drainage / Sump fee to include a minimum fee of \$500.
- j. Note the update to Land Information Memorandum – Residential Single Property – 10 working days fee description.
- k. Note the update to the Land Information Memorandum – Note for hard copies to reflect the 2024/25 fee of \$12.
- l. Revise the update to Amendment to Compliance Schedule fee to specify a fee of \$410 for up to 2 hours, and a charge out rate thereafter of \$205 per hour, noting this does not result in higher fee levels.
- m. Revise the update to Copying Charges to include colour photocopying fees. These are not new fees and they are included in the Corporate Fees section.
- n. Revise the update to Consent System Fee description.
- o. Revise the Schedule 1 notification from an hourly rate to a flat fee, \$110, noting this will not result in higher fees.
- p. Note the update to the Amusement Device fee to \$11.50 for the first application and \$2.30 for the second application, as set by legislation.
- q. Note that significant increases to Crematorium fees may be required for 2025/26.
- r. Request the Community Wellbeing Committee to advise if they recommend further changes to the Coopers Creek Rental Fees to the 28 May Council meeting.
- s. Revise the current Membership options, specifying that they are 'Flexi membership (child, student, adult, senior) – Fortnightly payments' and 'Flexi Community Service membership (child, student, adult, senior) – Fortnightly payments'.
- t. Revise the addition of 'Memberships 3, 6 and 12 months (child, student, adult, senior)' and 'Community Service Memberships 3, 6 and 12 months (child, student, adult, senior)' to include remaining options available.
- u. Revise the addition of a Full Learners Pool Hire fee. This is not a new fee and it consists of three lanes, with the standard lane hire fee already included in the Fees and Charges Schedule.
- v. Revise the addition of two swim club concession fees, which are a bulk buy of the single swim club entry for one child - Swim club entry – 10 concession (child) and Swim club entry - 25 concession (child).
- w. Revise the replacement of the two separate bin fees with one fee for 'Additional Bin Set (red for waste and yellow for recycling).
- x. No change to the proposed water and sewerage fees.

Note: Cr Arnold left the meeting at 12.28 pm and returned at 12.30 pm.

Ms Suter noted that this related to other areas raised during the consultation period by submitters.

Moved Cr Ludlow, seconded Cr Soper and **RESOLVED** that Council:

- jj. **Note** the following advice related to general issues:
 - a. Note that Council is working with the Combined Disability Network, that some matters of accessibility will be discussed at a workshop in June and that a further report on this matter will be brought back to Council in 2024/25.
 - b. Note that further projects related to improved environmental outcomes could be considered as part of the 2027 – 2037 Long-term Plan.
 - c. Note that determination as to whether to dispose of any particular piece of land is a separate process and no change is recommended to the risk rating on the land sales assumption at this point.

Ms Suter noted this related to further areas that Council wished to consider as part of this process, it was noted that the changes needed to be made to the set of resolutions.

It was queried if the 9.95% would change it was noted currently it was at 10.18% based on the decisions made so far.

Ms Suter took Council through each area individually and explained the impact for later discussion. It was noted that f. and g. were included in the assumptions to get to 10.18%. It was noted could make a one off saving of \$400,000 for the painting of the Doon Street reservoir roof which would mean a reduction in rates. Mrs Christie noted that g. comes with risk given council were in an inflationary period and the value of assets would increase and would need to borrow to fund asset renewals.

It was noted that if did not paint the roof the rates would come back to 9.6%.

A query was raised if c. and d. were in the assumptions, it was noted that they were and this proposed taking them out, and assuming that heritage was \$200,000 as opposed to \$300,000. Had now added in CCTV and Low Mow and staff identified Doon Street roof. Ms Suter noted in the original workshop held that other options were raised and that they could be discussed and were in the paper.

It was noted that areas not addressed were the costs of consultants, operating costs and this could reduce the rates.

A query was raised around the valuation of assets and inflation, it was an unknown area if staff do not have the valuations. It was noted that work on the previous valuations and inflation and it was confirmed would always be a plus or minus situation based on assumptions.

It was proposed that this section be discussed post the Public Excluded section.

Note: The meeting was adjourned for lunch at 12.55 pm and reconvened at 1.30 pm.

Asset sales and land sales

It was noted that it was worth remembering that contractor costs were used as there was not enough.

4. Public Excluded Session

Moved Cr Ludlow, seconded Cr Soper and **RESOLVED** that the public be excluded from the following parts of the proceedings of this meeting, namely:

- a. Great South Report

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
a. Great South Report	Section 7(2)(i) Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

Moved Cr Campbell, seconded Cr Ludlow (the balance of 13. being a; b; g; h; i; j) and **RESOLVED** that Council:

- kk. **Agree** to these further adjustments noting the combined impact of bringing the forecast rate increase down to 9.8%:
 - a. **Note** the new option for climate change operational funding reduction to \$100,000, equivalent to 0.14% reduction in the increase on rates (Recommendation 5b above).

Moved Cr Campbell, seconded Cr Dermody and **RESOLVED** that Council:

- b. Reversal of \$103,000 operational funding for passenger transport to enable additional trips at the start and the end of the day, equivalent to a 0.15% increase.

Moved Cr Soper, seconded Cr Pottinger that Council:

- c. A reverse by 50% of the \$100,000 of the increase in the Heritage Strategy grant fund, resulting in a \$200,000 fund, equivalent to 0.14% reduction in the increases on rates.

This motion was **LOST**.

Moved Cr Campbell, seconded Cr Soper and **RESOLVED** that Council:

- c. Restore the \$65,000 to Community Wellbeing Fund to the original amount of \$500,000, equivalent to a 0.09% increase on the forecast rates increase.

A new motion was suggested regarding new bus runs at the start and end of the day.

Moved Cr Campbell, seconded Cr Dermody and **RESOLVED** that Council:

1. Do not start any new bus service.

Note: Cr Ludlow voted against this motion.

Moved Cr Campbell, seconded Cr Boyle and **RESOLVED** that Council:

- d. A reversal by 50% of the \$145,000 funding increase to Great South, noting their indication that this will affect services provided to all councils due to their planned use of this funding across the region, equivalent to a 0.21% reduction in the increase on rates.

Note: Crs Arnold, Dermody and Pottinger voted against the motion.

- e. Make the following proposed depreciation assumption adjustments, equivalent to a 2.80% reduction on rates:
 - i. Reduce water depreciation funding from 100% to 95%
 - ii. Reduce sewerage depreciation funding from 80% to 75%
 - iii. Reduce stormwater depreciation funding from 80% to 75%
 - iv. Reduce roading depreciation funding from 85% to 80%
 - v. Reduce property depreciation funding from 80% to 75%.
 - f. Remove the painting of the Doon Street Water Tanks saving \$400,000.
- g. Note a future paper to Finance and Projects Committee will indicate that a further \$101,000 operational expenditure is likely to be required for CCTV operation and note that Council should consider as part of deliberations leaving headroom for this and agree leaving headroom for this.
- h. Approve that the Low Mow pilot is ended early and operational expenditure will need to increase by \$63,000 (0.09% rates impact in 2024/2025).

Discussion took place around perhaps water blasting and leaving as concrete. A query was also raised if this was beautification or preserving the integrity of the structure. It was confirmed it was a non-urgent maintenance issue.

Note: The meeting was adjourned for lunch at 12.55 pm and reconvened at 1.30 pm.

In response to a question regarding the rate of inflation, it was noted that BERL had inflation at 3% and CPI was higher than that, therefore inflation was staying higher and not dropping as quickly as economist were predicting.

5. Ngāi Tahu – Offer of Support

This report would stay on the table.

There being no further business, the meeting finished at 2.55 pm.