

# Agenda 2020

## Extraordinary Council Meeting

Thursday, 26 March 2020

Time: 11.00am

Venue: Council Chamber,  
200 Tuam Street, Christchurch





# **Council**

## **Membership**

**Chair** Cr Jenny Hughey

**Deputy Chair** Cr Peter Scott

**Membership**

- Cr Tane Apanui
- Cr Phil Clearwater
- Cr Grant Edge
- Cr Megan Hands
- Cr Ian Mackenzie
- Cr Nicole Marshall
- Cr Claire McKay
- Cr Elizabeth McKenzie
- Cr Craig Pauling
- Cr Lan Pham
- Cr Vicky Southworth
- Cr John Sunckell



# Council Meeting

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- 1. Karakia**
- 2. Apologies**
- 3. Conflicts of Interest**
- 4. Public Forum, Deputations and Petitions**

## 5. Matters for Council Decision

### 5.1. Emergency Committee

#### Council report

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<b>Date of meeting</b>	26 March 2020
<b>Author</b>	Louise McDonald, Senior Committee Advisor

#### Purpose

1. To establish an Emergency Committee to deal with any matters of urgency that may arise due to the COVID-19 (novel coronavirus) situation.

#### Recommendations

That

1. the Council establishes an Emergency Committee comprising the Chair and any two other Councillors to deal with any matters of urgency (including making any decisions) during the COVID-19 (novel coronavirus) situation;
2. the Council delegates to the Emergency Committee all of the Council's powers, duties, and responsibilities that the Council can lawfully delegate to a committee; and
3. the Emergency Committee and the Chief Executive then report any decisions made by the Emergency Committee to the next Council meeting; and
4. the delegations to the Emergency Committee may be revoked by the Council at any time and the Emergency Committee and the delegations to it will otherwise lapse on 30 September 2020;
5. these delegations may be exercised only in circumstances where the Council is unable or unavailable to hold meetings that comply with the requirements of the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987.

#### Background

2. The quorum for a Council meeting is eight members all of whom are attending a meeting in person. Over the upcoming weeks, due to the COVID-19 situation, eight Councillors may not be immediately available to deal with any matter of urgency. It is recommended that an Emergency Committee comprising the Chair and two relevant and available Councillors be appointed.

3. The Committee is essentially the same committee, with the same delegations, as was put in place over the election period or Christmas break period.
4. The delegations to the Emergency Committee do not replace the powers, duties, and responsibilities of the Council and may be exercised only where a full meeting of the Council is not possible.

## Attachments

Nil

Legal review	Catherine Schache, General Counsel
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## 5.2. Fees and Charges - Statement of Proposal

### Council report

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<b>Date of meeting</b>	26 March 2020
<b>Author</b>	Tania Harris, Senior Manager Operational Support, Katherine Harbrow, Chief Financial Officer
<b>Responsible Director</b>	Katherine Trought / Nadeine Dommissie

### Purpose

1. To adopt the Statement of Proposal following the decision at the 12 March 2020 Council meeting to initiate a special consultative procedure under the Local Government Act 2002 section 83 relating to the proposed increase to consents planners' fees.

### Recommendations

**That the Council:**

1. **adopts the Statement of Proposal**
2. **directs staff to make this Statement of Proposal publicly available through a special consultative procedure, as set out in the Local Government Act 2002, section 83.**

### Background

2. The 12 March 2020 Council meeting approved a preferred option to increase the charge-out rate for consent planning officers as soon as possible. A Statement of Proposal, which sets out the reasons for the proposal, reasonably practical options and any other relevant information, has now been prepared for consultation (attachment 1).

### Financial implications

3. We have improved our consenting processes and kept cost increases to a minimum for a number of years. Our hourly charge-out rates have not increased since the 2009/10 financial year, are not in line with other similar consent processing councils and have not kept pace with increasing costs such as inflation.
4. Any shortfall in cost-recovery will have to be covered by general rates. This may impact other Council activities.
5. Environment Canterbury is currently investing in various data projects to increase the quality and visibility of data for the Council, our community and for resource users. This will contribute to additional improvements to our consenting functions over time.

6. Environment Canterbury will also undertake an organisational review of our consent function to improve the overall service delivery beyond, what has been achieved to date through focusing on consent processing alone. These projects will find further improvements to continue to provide a high-quality service and keep costs reasonable.

## Next steps

7. The proposed timeline, if Council adopts this Statement of Proposal, is:
- 26 March 2020 – Council adopts Statement of Proposal to increase charge-out rates for consent planning officers and initiates a special consultative procedure
  - 30 March 2020 – consultation period commences
  - 4 May 2020 – consultation period closes (10 am)
  - 6 May 2020 – hearings held
  - 7 May 2020 – Council deliberates
  - 14 May 2020 – Council meeting to decide what action to take with respect to the proposed increase in charge-out rates.
8. Any changes decided by Council on 14 May 2020 can come into effect immediately.

## Attachments

1. Statement of Proposal for proposed changes to the Fees and Charges Policy

<b>Legal review</b>	Catherine Schache
<b>Peer reviewers</b>	Adrienne Lomax (Senior Strategy Advisor), Mark Smith (Team Leader Business Partnership)

# Statement of Proposal

## Changes to the Fees and Charges Policy

MARCH 2020



# Statement of Proposal

## Changes to the Fees and Charges Policy

We are proposing two changes to the Fees and Charges Policy to enable Environment Canterbury to collect actual and reasonable costs for the processing of consent applications. Feedback from the community is sought on the proposed changes to the policy.

### Background

Environment Canterbury's Fees and Charges Policy describes the fees and charges we have set under legislation such as the Resource Management Act 1991, Local Government Act 2002 and Building Act 2004. These Acts allow us to recover all reasonable costs incurred in respect of the activity to which the charge relates.

Resource consents are permits that allow the holder to use or take water, land or coastal resources, or allow discharge of water or wastes into air, water or onto land. The costs for resource consent applications are borne by those who initiate or benefit from the activity, ie user-pays.

We receive 1500-2000 resource consent applications each year and must meet statutory timeframes for processing these. Over time our consents have become more complex and the level of service we provide has increased in response to this. We have improved our processes and kept cost increases for consent applicants to a minimum for a number of years. Our hourly charge-out rates have not increased since 2009/10 financial year, and so have not kept pace with increasing costs such as inflation.

We have now reached the point where the charges for processing resource consent applications are not covering the full costs. In this financial year there is a projected total deficit of \$600,000 - \$800,000. This is based on the trend of chargeable hours for consent applications to date. We are therefore proposing an increase to charge-out rates to fully recover the cost of a consent application process from the applicant and avoid any ongoing support of this service from general rates.

The Council has also been investing in several projects to continually improve the quality of our data and ongoing systems efficiencies, which in turn will enable us to provide a high level of service to consent applicants. This work is funded through general rates.

### Proposed changes to existing fees and charges

To address the under-recovery of costs from consent applications we have two options:

1. Keep charge-out rates for consent applications the same and make up the shortfall from general rates reserve.
2. Increase charge-out rates for consent applications as soon as practical.

Option 1 is not consistent with Environment Canterbury's Revenue and Financing Policy, which sets out the guiding principle of attribution of costs to the beneficiary. Option 1 would also mean that the shortfall would continue to be met from general rates and this may impact our ability to deliver other work programmes.

We prefer option 2, to increase charge-out rates as soon as practical, as this is consistent with our Revenue and Financing Policy (that is, the user-pays model) and reduces cost to general ratepayers.

The changes we propose to the Fees and Charges Policy will allow for full recovery of actual and reasonable costs for resource consent applications. The changes proposed are an increase in hourly charge-out rates for Consents Planners and Senior Consents Planners, of \$31.75 and \$29.00 respectively (see Table 1).



**Table 1 Proposed changes to charge-out rates**

Hourly charge-out rate	Current charge (inc. GST)	Proposed charge (Inc GST)
Consents Planner	\$135.00	\$166.75
Senior Consents Planner	\$155.00	\$184.00

These charge-out rates cover the systems, overheads, equipment and salaries for the planners for the time taken to assess and process the individual consent application.

Table 2 shows three sample consent applications with current costs and proposed costs.

**Table 2 Examples of proposed increase to applicants**

Type of consent application	Current deposit fees for activity based on average costs/hours	Cost if charge-out rates increased as proposed	Proposed increase to consent applicant (average)
Swing Mooring	\$575 .00 (4.25 hrs)	\$710.23	\$135.23
Transfer of Water Permit from one site to another	\$1,900.00 (14 hrs)	\$2,346.85	\$446.85
Take Groundwater	\$2,950.00 (21.85 hrs)	3,643.80	\$693.80

**Note:** examples have been calculated showing the increase for a Consents Planner only and will vary for Senior Consents Planner hourly rates or a combination of officers.

We recommend that all consent applicants seek pre-application advice to keep application costs to a minimum. The first hour of pre-application advice is free. Find out more

<https://www.ecan.govt.nz/do-it-online/resource-consents/understanding-consents/application-advice>

As required by the Resource Management Act 1991 section 36(3)(b), charges for resource consent planning may be fixed only after undertaking a special consultative procedure as set out in the Local Government Act 2002 section 83.

## Having your say

We're inviting submissions on these changes from 30 March – 10am, 4 May 2020. You can make a submission at [haveyoursay.ecan.govt.nz/feesandcharges2020](https://www.ecan.govt.nz/feesandcharges2020)

When you submit feedback please let us know if you would like to speak to your submission at one of our public hearings. Hearings are scheduled for 6 May, so please put this date in your diary. We will be in touch with more information to those who indicate they wish to attend a hearing once submissions close.

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## **5.3. Chief Executive Employment, Performance and Remuneration Committee - Terms of Reference**

### **Council report**

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<b>Date of meeting</b>	26 March 2020
<b>Author</b>	Amanda Douglas, Wynn Williams

### **Purpose**

1. To seek a decision from the Council to correct the Terms of Reference of the Chief Executive Employment, Performance and Remuneration Committee to refer to the 2019-2022 triennium.
2. The Terms of Reference adopted by the Council at its meeting on 14 December 2019 incorrectly refer to the term of the committee as being for the period of the 2016-2019 triennium.

### **Recommendations**

**That the Council:**

- 9. Note that at its meeting on 14 November 2019, the Council:**
  - 9.1. established the Chief Executive Employment, Performance and Remuneration Committee; and**
  - 9.2. adopted the Terms of Reference for the Chief Executive Employment, Performance and Remuneration Committee;**
- 10. Adopts the proposed amendment to the Terms of Reference of the Chief Executive Employment, Performance and Remuneration Committee attached as Attachment 1 to the report.**

### **Key points**

3. The Terms of Reference for the Chief Executive Employment, Performance and Remuneration Committee incorrectly refer to the term of the Committee as being for the period of the 2016-2019 triennium. This needs to be corrected to refer to the current triennium of 2019-2022.

### **Background**

4. At its meeting on 14 November 2019 the Council approved the committee structure for the triennium and appointed Councillors to roles within that structure.

5. In addition to several other Committees, the Council established the Chief Executive Employment, Performance and Remuneration Committee and appointed the Chair, Deputy Chair, Councillors Clearwater and Mackenzie as members.
6. The Council also adopted the Terms of Reference for the Committee. The Terms of Reference set out, among other things, the term of the committee. The Terms of Reference attached to the report for Council's adoption were not updated to refer to the new triennium or the change in membership from three to four. As a result, the Terms of Reference that have been adopted still refer to the term of the Committee being for the period of the 2016-2020 triennium. This needs to be corrected to refer to the current triennium of 2019-2022.
7. With the resignation of the Chief Executive, the appointment of a new Chief Executive needs to be progressed.

## **Cost, compliance and communication**

### **Financial implications**

8. The Committee's activities are budgeted for in the Council's Annual Plan. There are no financial implications associated with the correction to the Terms of Reference.

### **Risk assessment and legal compliance**

9. The proposal is the correction of an administrative error in the Terms of Reference. There are no legal implications from this proposal.

### **Significance and engagement**

10. There are no parties affected by this proposal.

### **Consistency with council policy**

11. Council committees play a vital role in efficiently carrying out the Council's business and allowing their continued operation is fundamental to the ongoing delivery of Council's roles and responsibilities. This correction of an administrative error is consistent with Council Policy.

### **Communication**

12. There are no communications required as a result of this proposal.

## **Next steps**

13. If Council agrees, the term of the committee will be corrected in the Terms of Reference. The Committee will exercise the functions and powers delegated to it to progress matters relating to the appointment of a Chief Executive.



## Attachments

1. Attachment 1 to Report - CE Employment Terms of Reference [5.3.1 - 2 pages]

<b>File reference</b>	[SharePoint link for this paper]
<b>Legal review</b>	
<b>Peer reviewers</b>	[Names of two peer reviewers who have reviewed this paper]

# Chief Executive Employment, Performance and Remuneration Committee

## Terms of reference

### Delegated function

To act for and advise Council on matters pertaining to the employment of the Council's Chief Executive.

### Membership

Chairman, Deputy Chair and ~~one~~ two Councillors.

### Quorum

In accordance with Council standing order 3.4.4, the quorum at a meeting of the committee is not fewer than two members of the committee.

### Term of the Committee

For the period of the ~~2016-2019~~-2022 triennium unless discharged earlier by the Regional Council.

### Delegated authority

The Chief Executive Employment, Performance and Remuneration Committee has the delegated authority to:

1. Develop following consultation with Council on annual performance targets and key result area weightings for the Chief Executive including associated methods of measurement and processes of judgement;
2. Negotiate and agree annually with the Chief Executive performance targets and key result area weightings including carrying out the measurement judgement of those performance targets;
3. Conduct an annual review of the Chief Executive's performance and remuneration in accordance with the agreed processes in April/May of each year or such other time as agreed with the Chief Executive;
4. Develop following consultation with Council the appropriate amendments or adjustments to the terms and conditions of employment and the remuneration of the Chief Executive arising from the annual review;
5. Negotiate and determine any agreed amendments or adjustments to the terms and conditions of employment and the remuneration with the Chief Executive annually;
6. Develop and agree with the Chief Executive an annual development plan to address any training needs or preferences;

7. Develop and carry out the process for the Chief Executive's term expiry following consultation with Council.
8. Engage a consultant to assist the committee at any time;

For the avoidance of doubt, the Chief Executive Employment, Performance and Remuneration Committee does not have the delegated authority to decide:

1. The membership to the Chief Executive Employment, Performance and Remuneration Committee.
2. The Chief Executive's job description and associated job specifications.
3. The appointment process for the role of Chief Executive.
4. The appointment and remuneration package of the preferred candidate for the position of Chief Executive.

All of these decisions remain with Council.

## 6. Other Business

## 7. Exclusion of the Public from Part of the Council Meeting

### Council paper

<b>Meeting Date</b>	26 March 2020
<b>Author</b>	Louise McDonald, Senior Committee Advisor

### Recommendations

That the public be excluded from the following part of the proceedings of this meeting, namely:

#### 1. Report from the Chief Executive Employment, Performance and Remuneration Committee

1. The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution 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:

Item No.	Report	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1.	Report from the Chief Executive Employment, Performance and Remuneration Committee		Section 48(2)(i)

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

Item No.	
1	Enable the Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations - Section 7(2)(i))

#### 2. That appropriate officers remain to provide advice to the Committee.

**7. Notices of Motion**

**8. Questions**

**9. Next Meeting**

**10. Closing Karakia**