

PALMERSTON NORTH CITY COUNCIL

Minutes of the Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 16 November 2022, commencing at 9.06am

Members Present: The Mayor (Grant Smith) (in the Chair) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Councillor Leonie Hapeta left the meeting at 1.44pm during consideration of clause 158. She entered the meeting again at 2.13pm during consideration of clause 159. She was not present for clauses 158, 158b, 158c and the motion relating to reimbursement for alcoholic beverages that was lost.

151-22 Late Items

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the late item titled 'Appointment of Council Representatives to Local Government New Zealand (Zone 3)' be received.

Reason for Lateness – The closeness of the date of the meeting was overlooked in preparations for the new term structure.

Reason for Urgency – To ensure members have the appropriate authority to act on behalf of Council at next week's Local Government New Zealand (Zone 3) meeting.

Clause 151-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

152-22 Confirmation of Minutes

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the minutes of the ordinary meeting of 9 November 2022 Part I Public be confirmed as a true and correct record, as amended.

COUNCIL - PART I - 16 NOVEMBER 2022

Clause 152-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

REPORTS

153-22 **Adoption of Code of Conduct 2022**

Memorandum, presented by Hannah White, Democracy & Governance Manager and Sarah Claridge, Democracy & Governance Advisor.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council adopt the Code of Conduct 2022 (Attachment 1).

Clause 153-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

154-22 **Appointment of Committees and Committee Membership**

Memorandum, presented by Hannah White, Democracy & Governance Manager and Sarah Claridge, Democracy & Governance Advisor.

With reference to clause 5.8 in the report, Councillor Fitzgerald suggested the word 'although' be more appropriately 'unless.' This would retain his mana as mana whenua Rangitāne elected to Council and nominated by Rangitāne. He agreed that he represents the views of the entire community, particularly the Māori living in our city from other iwi groups, but when he goes back out into the community he is also representing each and every one of the Elected Council Members. As a committee member of the Rangitāne o Manawatū committee, he will be speaking to the wider communities about the roles that he is playing inside Council.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council note the establishment of Committees made by the Mayor (Table 1).
2. That Council note the Chairperson appointments made by the

COUNCIL - PART I - 16 NOVEMBER 2022

Mayor to the Committees (Table 1).

3. That Council approve the Mayor's recommendations for Deputy Chairpersons of the Committees (Appendix 1).
4. That Council approve the Mayor's recommendations for membership of Committees (Appendix 1).
5. That Council appoint any Elected Member with a Making Good Decisions accreditation from the Ministry for the Environment as a Hearings Commissioner.
6. That Council approve the following changes to the Delegations Manual 2017:
 - a. Remove Part 2: Terms of Reference section of the Delegations Manual 2017 (pages 41-47).
 - b. Remove the following from the Delegations to Committee (pages 14-20):
 - i. Clause 171 'Community Development Committee'
 - ii. Clauses 172-177 'Finance & Audit Committee'
 - iii. Clause 181 'Planning & Strategy Committee'
 - iv. Clause 183 'Manawatū District and Palmerston North City Joint Strategic Planning Committee'
 - c. Add Council and Committees: Structure, Terms of Reference and Delegations (Appendix 1) subject to the following:
 - To include libraries and community facilities in Section 2 of the Terms of Reference of the Community Committee
 - Add the words 'subsequent annual budget/s' following the phrase 'Long Term Plan' in the Terms of Reference for Council, Strategy & Finance Committee and Risk & Assurance Committee
 - Replace the words 'investment strategy' with 'infrastructure strategy' in the Council Terms of Reference
 - Add the word 'Arena' following 'Central Energy Trust' in the Culture & Sport Committee Terms of Reference
 - To adjust the quorum for Council to 8, for Culture & Sport to 6, for Strategy & Finance to 6, for Risk & Assurance to 6
 - d. Remove the Delegations to Subordinate Decision Making Bodies, clauses 186-188 (page 21).
 - e. Add Delegations to Quasi-Judicial and Subordinate Decision Making Bodies (Appendix 2).

COUNCIL - PART I - 16 NOVEMBER 2022

- f. Remove clauses 178, 179 'Hearings Committee.'
 - g. Agree changes to clauses 194-200 'Delegations to and Assignment of Commissioners' (Appendix 3).
7. That Council approve two Independent Members to the Risk & Assurance Committee; that Mr Steve Armstrong be appointed Chair; and that a recruitment process be undertaken to fill the vacancy for one other Appointed Member.
8. That Council appoint Mr Wiremu Te Awe Awe (Chair in 2024), Mr Chris Whaiapu and Ms Danielle Harris as three Rangitāne representatives to sit on the Rangitāne o Manawatū Committee.
9. That all Appointed Members (as agreed in recommendations 7 and 8) to Committees are given full participation and voting rights.
10. That Council agree a selection panel of the Mayor, Deputy Mayor and the Chief Executive be set up to recommend an Independent Member appointment for the Risk & Assurance Committee to Council by early 2023.

Clause 154-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Rachel Bowen, seconded Karen Naylor.

Note:

An amendment was made to recommendation 7: "That Council approve an Independent Member to the Risk & Assurance Committee; that Mr Steve Armstrong be appointed Chair" and that recommendation 10 be deleted.

The motion was lost 6 votes to 10, the voting being as follows:

For:

Councillors Mark Arnott, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Lorna Johnson and Karen Naylor.

Against:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Vaughan Dennison, Patrick Handcock, Leonie Hapeta, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

155-22

Appointment of Council Representatives to Local Government New Zealand (Zone 3)

Presented by the Mayor (Grant Smith).

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council approve the Mayor's recommendation for the

COUNCIL - PART I - 16 NOVEMBER 2022

appointments of Council delegates to Local Government New Zealand (Zone 3): The Mayor, Councillors Bowen, Handcock, Mickalad, Naylor and Wood.

Clause 155-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

The meeting adjourned at 10.07am.

The meeting resumed at 10.33am.

156-22

Delegations to Individual Members

Memorandum, presented by Hannah White, Democracy & Governance Manager and Sarah Claridge, Democracy & Governance Advisor.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council approve clauses listed in 'Specific Role Delegations to Individual Member Positions' (Attachment 1) to replace listed clauses from the Delegations Manual 2017 sections 'Delegations to Mayor, Councillors and Other Committee Members' and 'Document Signing and Affixing Common Seal', with the following addition:

- That the Mayor be included in the delegation to agree the Chief Executive's expenses.

Clause 156-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

157-22

Adoption of Elected Members Remuneration 2022-23

Memorandum, presented by Hannah White, Democracy & Governance Manager and Sarah Claridge, Democracy & Governance Advisor.

During discussion Elected Members requested changes to the remuneration structure to reflect an increased base rate to recognise the responsibilities of all Councillors, while noting that Chairs and Deputy Chairs have additional responsibilities.

Moved Grant Smith, seconded Patrick Handcock.

COUNCIL - PART I - 16 NOVEMBER 2022

RESOLVED

1. That Council agree the following amendments to Table 1 to the Remuneration Authority regarding Elected Member remuneration:
 - a. The annual remuneration for a (base) Councillor with no additional responsibility is to be \$54,734.
 - b. The annual additional remuneration for a Chair position is to be \$5,000.
 - c. The annual additional remuneration for a Deputy Chair position is to be \$2,000.
 - d. The annual additional remuneration for the Deputy Mayor is to be \$7,006.

Clause 157-22 above was carried 14 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillors Rachel Bowen and Lorna Johnson.

Moved Grant Smith, seconded Patrick Handcock.

2. That Council note the Determination by the Remuneration Authority which came into effect on 1 July 2022.
3. That Council note that such recommendations will take effect from the date the new Council came into office (15 October 2022) or the date after the positions were established (27 October and 17 November 2022).
4. That Council approve the information relating to the positions of additional responsibility (Table 2) be sent to the Remuneration Authority.
5. That Council agree a \$250 payment per meeting to appointed members of the Rangitāne o Manawatū Committee.
6. That the Chief Executive be delegated authority to negotiate contract terms for appointed members of the Risk & Assurance Committee and enter into contracts for the Council term.
7. That Council approve:
 - a. An unbudgeted expense in the 2022-23 Financial Year of up to \$20,000 excluding tax and disbursements for appointments to the Risk & Assurance Committee.
 - b. The finalised contract terms up to \$20,000 excluding tax and disbursements for appointments to the Risk & Assurance Committee is included in future budgets from

COUNCIL - PART I - 16 NOVEMBER 2022

the 2023-24 Annual Budget.

Clauses 157.2-22 to 157.7-22 above were carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Karen Naylor, seconded Billy Meehan.

Note:

An amendment was made to recommendation 1 above: "That Council agree the following amendments to Table 1 to the Remuneration Authority regarding Elected Member remuneration:

- a. The annual remuneration for a (base) Councillor with no additional responsibility is to be \$54,734.
- b. The annual additional remuneration for a Chair position is to be \$5,000.
- c. The annual additional remuneration for a Deputy Chair position is to be \$2,000.
- d. The annual additional remuneration for the Deputy Mayor is to be \$7,006."

The amendment was carried 10 votes to 6, the voting being as follows:

For:

Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Lew Findlay, Roly Fitzgerald, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

The Mayor (Grant Smith) and Councillors Rachel Bowen, Vaughan Dennison, Patrick Handcock, Lorna Johnson and Kaydee Zabelin.

Moved Lorna Johnson, seconded Rachel Bowen.

Note:

An amendment was made to recommendation 1 above: "That Council agree the following amendments to Table 1 to the Remuneration Authority regarding Elected Member remuneration:

- a. The annual remuneration for a (base) Councillor with no additional responsibility is to be \$54,867.
- b. The annual additional remuneration for a Chair position is to be \$7,001.
- c. The annual additional remuneration for the Deputy Mayor is to be \$7,006."

The amendment was lost 4 votes to 12, the voting being as follows:

For:

COUNCIL - PART I - 16 NOVEMBER 2022

Councillors Rachel Bowen, Lew Findlay, Lorna Johnson and Orphée Mickalad.

Against:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Vaughan Dennison, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

158-22 Adoption of Elected and Appointed Members Expenses and Allowances Policy 2022

Memorandum, presented by Hannah White, Democracy and Governance Manager, and Sarah Claridge, Democracy & Governance Advisor.

During discussion Elected Members requested additional amendments to clause 10 as follows:

- That cost for the use of taxis be included in clause 10, for completeness and consistency; this is an expense not currently included in regular reporting to Council.
- That 'official events' be included in the definition of Council business; claiming for taxi fares already references official business, noting Officer delegation to accept appropriate claims.

Councillor Leonie Hapeta left the meeting at 1.44pm.

Moved Grant Smith, seconded Patrick Handcock.

RESOLVED

1. That Council approve the Elected and Appointed Members Expenses and Allowances Policy 2022 (Attachment 1) to replace the Elected and Appointed Members Expenses and Allowances Policy 2021, subject to agreed amendments.
2. That the Chief Executive be delegated authority to make minor edits to keep up to date the Elected and Appointed Members Expenses and Allowances Policy 2022.

Clause 158-22 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Brent Barrett, seconded Grant Smith.

RESOLVED

Amendment 1:

- a. Include reimbursement of costs of travel by Public Transport

COUNCIL - PART I - 16 NOVEMBER 2022

and Micro-mobility vehicles

Clause 158a-22 above was carried 15 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillor Leonie Hapeta.

The meeting adjourned at 11.59am

The meeting resumed at 1.02pm

Moved Karen Naylor, seconded Mark Arnott.

Amendment 2:

b. That cost of taxis is included in clause 10

Clause 158b-22 above was carried 12 votes to 3, the voting being as follows:

For:

Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

The Mayor (Grant Smith) and Councillors Lew Findlay and Patrick Handcock.

Moved Rachel Bowen, seconded Orphée Mickalad.

Amendment 3:

c. That 'official events' is included in the definition of Council business and deleted from the clause on 'taxi' expenditure

Clause 158c-22 above was carried 13 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillors Lew Findlay and Billy Meehan.

Moved Debi Marshall-Lobb, seconded Patrick Handcock.

Note:

On a motion to include "Childcare Allowance up to and not exceeding \$12k per member per annum", the motion was lost 3 votes to 13, the voting being as

COUNCIL - PART I - 16 NOVEMBER 2022

follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb and Patrick Handcock.

Against:

Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Karen Naylor, seconded William Wood.

Note:

On a motion that "Council will not reimburse for alcoholic beverages", the motion was lost 7 votes to 8, the voting being as follows:

For:

Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Lorna Johnson, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Billy Meehan and Orphée Mickalad.

159-22 **Palmerston North Airport Ltd - Statement of Expectations 2023/24-2025/26**

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

After discussion Elected Members requested that the statement of expectations include that dividend payments be reinstated within the next 2 years, to balance the needs of the community in the current environment against the need to increase equity in the airport.

Councillor Leonie Hapeta entered the meeting at 2.13pm.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the memorandum titled 'Palmerston North Airport Ltd – Statement of Expectations 2023/24–2025/26' presented to Council on 16 November 2022.
2. That the Statement of Expectations for Palmerston North Airport Ltd 2023/24-2025/26 be adopted as amended.

Clause 159-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick

COUNCIL - PART I - 16 NOVEMBER 2022

Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Karen Naylor, seconded William Wood.

Note:

An amendment was made with regard to recommendation 2:

"That the Statement of Expectations 2023/24-2025/26 be amended to reflect the expectation that dividend payments are reinstated within the next 2 years."

The amendment was carried 12 votes to 4, the voting being as follows:

For:

Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Vaughan Dennison and Leonie Hapeta..

160-22

Treasury Report - 3 Months Ending 30 September 2022

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Council note the performance of Council's treasury activity for the 3 months ending 30 September 2022.

Clause 160-22 above was carried 15 votes to 0, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and Kaydee Zabelin.

Abstained:

Councillor William Wood.

161-22

Council Work Schedule

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Council receive its Work Schedule dated 16 November 2022.

COUNCIL - PART I - 16 NOVEMBER 2022

Clause 161-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

EXCLUSION OF PUBLIC

162-22 Recommendation to Exclude Public

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

"That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

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 passing this resolution
14.	City Transport Review - Appointment of Reviewer	Negotiations	s7(2)(i)

This resolution is made in reliance on Section 48(1)(a) 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 the relevant part of the proceedings of the meeting in public as stated in the above table.

Clause 162-22 above was carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

COUNCIL - PART I - 16 NOVEMBER 2022

The public part of the meeting finished at 3.09pm

Confirmed 30 November 2022

Mayor