

Emergency Council Meeting Minutes

Date: Tuesday, 10 June, 2025
Time: 8:30 a.m.
Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

In Attendance

His Worship the Mayor Vince Cocurullo
Cr Gavin Benney
Cr Nicholas Connop
Cr Jayne Golightly
Cr Phil Halse
Cr Deborah Harding
Cr Patrick Holmes
Cr Scott McKenzie
Cr Marie Olsen
Cr Carol Peters
Cr Simon Reid
Cr Phoenix Ruka
Cr Paul Yovich

Not in Attendance

Cr Ken Couper

Scribe

D.Garner (Democracy Adviser)

Administrative matters

- Meeting livestreamed

1. Karakia/Prayer

His Worship the Mayor opened the meeting with prayer.

2. Declarations of Interest / Take Whaipānga

No declarations of interest were made.

3. Apologies / Kore Tae Mai

Cr's Ken Couper (absent), Jayne Golightly and Phoenix Ruka (late arrival)

Moved By Cr Deborah Harding

Seconded By Cr Nicholas Connop

That the apologies be sustained.

Carried

4. **Decision Reports / Whakatauripoata**

4.1 **2025-26 Annual Plan and Fees and Charges Consultations - Deliberations Part 2**

Moved By Cr Gavin Benney

Seconded By His Worship the Mayor

That the Council:

1. Revokes the decisions made at the 5 June 2025 Deliberations Meeting on 2025-26 Annual Plan and Fees and Charges.
2. Notes and considers the 792 formal submissions received on the draft 2025-26 Annual Plan and the draft 2025-26 Fees and Charges consultations.

Rates changes

3. Notes that any delay in setting rates for 2025-26 would prevent Council from being able to issue rates notices by 20 July 2025, adversely impacting customers and thus limiting revenue and requiring drawing down debt.
4. Notes that a significant drop in the planned rates increases could cause a drop in the Council's credit rating and thus increase borrowing costs and trigger an amendment to the 2024-34 Long Term Plan (LTP).
5. Notes that the revenue from the proposed district-wide universal targeted stormwater rate is required to be ringfenced as per direction from Central Government as was signalled in the 2024-34 LTP. The revenue is to cover the stormwater maintenance and upgrade costs that were previously funded from general rates, and then from debt for the 2024-25 financial year.
6. Approves the introduction of a district-wide universal stormwater targeted rate of \$172.00 including Goods and Services Tax (GST) per separately used or inhabited parts of a rating unit (SUIP) as per feedback from public consultation on question one of the Annual Plan Consultation Document.
7. Approves setting the Uniform Annual General Charge at \$901.00 including GST per separately used or inhabited parts (SUIP) of a rating unit as per the Financial Strategy for the 2024-34 LTP and as per feedback from public consultation on question two of the Annual Plan Consultation Document.

8. Declines to proceed with the proposed temporary rates relief for farmed business-zoned land, consulted on in the draft 2025-26 Annual Plan, as per feedback from public consultation on question three of the Annual Plan Consultation Document.
9. Approves an increase in general rates of 9.7% for the 2025-26 Annual Plan in recognition of the tough economic environment and the consequential financial hardships being faced by many ratepayers, noting that the draft 2025-26 Annual Plan included increasing general rates by an average of 10.7% as per the Financial Strategy approved in the 2024-34 LTP.
10. Notes that a 1% reduction in the general rates increase for 2025-26 will require ongoing operational cost reductions of approximately \$1 million so as not to deviate from the benchmarks set in the Financial Strategy for the 2024-34 LTP. Staff propose that these cost reductions can be met by reducing operating budgets funded by general rates on a pro-rata basis.
11. Approves the increase in targeted rates for 2025-26 as per the Financial Strategy for the 2024-34 LTP:
 - a. Water rates of 5.7% (Local Government Cost Index (LGCI) plus 2.5%), which includes allowances for increased Central Government imposed levies, some of which will fund the regulatory functions of the Commerce Commission and the Water Services Authority, and higher than expected costs as set out in the 2025-26 Annual Plan Consultation Document:
 - i. An additional \$15.00 including GST, per SUIP, to the water supply charge, the availability water rate and the unmetered water rate to recover the Government imposed levy.
 - ii. An additional \$8.00 including GST, per SUIP residential wastewater connection and an additional \$5.00 including GST, per pan for non-residential connections to recover the Government imposed levy.
 - iii. Increased backflow preventer rates to recover higher than expected cost increases.
 - b. Wastewater rates of 3.2% (LGCI).
 - c. Flood protection rates for Hikurangi Flood Protection Scheme of 3.2% (LGCI).
12. Notes that growth will be allowed for in expected revenue from rates as per the Financial Strategy for the 2024-34 LTP. This budget assumption is to account for growth in new rateable properties and allows for an additional 1.3% for general rates and stormwater, and 1% for water and wastewater.

Requests for funding

13. Notes the submissions requesting \$3.5 million in Council support in 2025-26 towards the build of an indoor sports facility as part of stage 2 of the Ruakākā Recreation Centre development and the request be considered as part of the 2027-37 LTP.
14. Notes the request from Glenbervie School for an unspecified amount of funding in 2025-26 for a road safety barrier next to the school.
 - a. Requests staff to continue to engage with the school and the Ministry of Education with a joint plan to be agreed and presented to the Whangarei District Council Infrastructure Committee at the August meeting (subject to Ministry of Education approvals).
 - b. Notes that implementation will be considered as part of the High Risk Rural Roads Safety Improvements Budget for this corridor.
15. Approves funding the footpath in King Street Hikurangi, on the western side of the main road from the Four Square to Union Street, through the Elected Member Community Projects budget.
 - a. Notes an engineer's estimate of \$750,000 – \$950,000 has been provided by staff and that this expenditure will be capital expenditure.
 - b. Requests staff to develop a Procurement Plan to be approved at the July 2025 Infrastructure Committee. The Procurement Plan should encourage local contractors and drive cost effective methods for managing the known risks.
 - c. Requests staff to bring the Recommendation for Contract Award to the Infrastructure Committee for endorsement.
 - d. Requests staff to bring the formal allocation of budget to the following full Council meeting for approval.

Fees and Charges

16. Approves the increase the 2025-26 Fees and Charges as detailed within the Statement of Proposal.

Annual Plan preparation

17. Approves the preparation of the final 2025-26 Annual Plan and the 2025-26 Fees and Charges scheduled for presentation for adoption to the 26 June 2025 meeting of Council.
18. Notes that staff will engage with the incoming Council and will recommend a Rates Review as part of the preliminary developments for the 2027-37 Long Term Plan.

Cr Phoenix Ruka joined the meeting at 8:35am during Item 4.1.

Amendment

Moved By Cr Phil Halse

Seconded By Cr Scott McKenzie

That the Council:

1. Revokes the decisions made at the 5 June 2025 Deliberations Meeting on 2025-26 Annual Plan and Fees and Charges.
2. Notes and considers the 792 formal submissions received on the draft 2025-26 Annual Plan and the draft 2025-26 Fees and Charges consultations.

Rates changes

3. Notes that any delay in setting rates for 2025-26 would prevent Council from being able to issue rates notices by 20 July 2025, adversely impacting customers and thus limiting revenue and requiring drawing down debt.
4. Notes that a significant drop in the planned rates increases could cause a drop in the Council's credit rating and thus increase borrowing costs and trigger an amendment to the 2024-34 Long Term Plan (LTP).
5. Notes that the revenue from the proposed district-wide universal targeted stormwater rate is required to be ringfenced as per direction from Central Government as was signalled in the 2024-34 LTP. The revenue is to cover the stormwater maintenance and upgrade costs that were previously funded from general rates, and then from debt for the 2024-25 financial year.
6. Approves the introduction of a district-wide universal stormwater targeted rate of \$172.00 including Goods and Services Tax (GST) per separately used or inhabited parts of a rating unit (SUIP) as per feedback from public consultation on question one of the Annual Plan Consultation Document.
7. Approves setting the Uniform Annual General Charge at \$901.00 including GST per separately used or inhabited parts (SUIP) of a rating unit as per the Financial Strategy for the 2024-34 LTP and as per feedback from public consultation on question two of the Annual Plan Consultation Document.
8. Declines to proceed with the proposed temporary rates relief for farmed business-zoned land, consulted on in the draft 2025-26

Annual Plan, as per feedback from public consultation on question three of the Annual Plan Consultation Document.

9. Approves an increase in general rates of 9.7% for the 2025-26 Annual Plan in recognition of the tough economic environment and the consequential financial hardships being faced by many ratepayers, noting that the draft 2025-26 Annual Plan included increasing general rates by an average of 10.7% as per the Financial Strategy approved in the 2024-34 LTP.
10. Notes that a 1% reduction in the general rates increase for 2025-26 will require ongoing operational cost reductions of approximately \$1 million so as not to deviate from the benchmarks set in the Financial Strategy for the 2024-34 LTP. Staff propose that these cost reductions can be met by reducing operating budgets funded by general rates on a pro-rata basis.
11. Approves the increase in targeted rates for 2025-26 as per the Financial Strategy for the 2024-34 LTP:
 - a. Water rates of 5.7% (Local Government Cost Index (LGCI) plus 2.5%), which includes allowances for increased Central Government imposed levies, some of which will fund the regulatory functions of the Commerce Commission and the Water Services Authority, and higher than expected costs as set out in the 2025-26 Annual Plan Consultation Document:
 - iv. An additional \$15.00 including GST, per SUIP, to the water supply charge, the availability water rate and the unmetered water rate to recover the Government imposed levy.
 - v. An additional \$8.00 including GST, per SUIP residential wastewater connection and an additional \$5.00 including GST, per pan for non-residential connections to recover the Government imposed levy.
 - vi. Increased backflow preventer rates to recover higher than expected cost increases.
 - b. Wastewater rates of 3.2% (LGCI).
 - c. Flood protection rates for Hikurangi Flood Protection Scheme of 3.2% (LGCI).
12. Notes that growth will be allowed for in expected revenue from rates as per the Financial Strategy for the 2024-34 LTP. This budget assumption is to account for growth in new rateable properties and allows for an additional 1.3% for general rates and stormwater, and 1% for water and wastewater.

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15. Approves funding the footpath in King Street Hikurangi, on the western side of the main road from the Four Square to Union Street, through the Elected Member Community Projects budget.
 - a. Notes an engineer's estimate of \$750,000 – \$950,000 has been provided by staff and that this expenditure will be capital expenditure.
 - b. Requests staff to develop a Procurement Plan to be approved at the July 2025 Infrastructure Committee. The Procurement Plan should encourage local contractors and drive cost effective methods for managing the known risks.
 - c. Requests staff to bring the Recommendation for Contract Award to the Infrastructure Committee for endorsement.
 - d. Requests staff to bring the formal allocation of budget to the following full Council meeting for approval.

Fees and Charges

16. That Council approves a payment arrangement for the property ID 165276 at 551 Marsden Point Road, deferring the payment of \$150,000 of land rates for each of the 2025-26 and 2026-27 rating years to 20 August 2027, when all deferred amounts will be payable in full.
17. Approves the increase the 2025-26 Fees and Charges as detailed within the Statement of Proposal.

Annual Plan preparation

18. Approves the preparation of the final 2025-26 Annual Plan and the 2025-26 Fees and Charges scheduled for presentation for adoption to the 26 June 2025 meeting of Council.
19. Notes that staff will engage with the incoming Council and will recommend a Rates Review as part of the preliminary developments for the 2027-37 Long Term Plan.

Cr Jayne Golightly joined the meeting at 9:09am during Item 4.1.

On the amendment being put Cr Phil Halse called for a division:

	For	Against	Abstain
His Worship the Mayor	X		
Cr Gavin Benney	X		
Cr Nicholas Connop	X		
Cr Jayne Golightly	X		
Cr Phil Halse	X		
Cr Deborah Harding	X		
Cr Patrick Holmes	X		
Cr Scott McKenzie	X		
Cr Marie Olsen	X		
Cr Carol Peters	X		
Cr Simon Reid	X		
Cr Phoenix Ruka	X		
Cr Paul Yovich	X		
Results	13	0	0

The amendment was Carried (13 to 0)

A break was taken from 10:10am to 10:47am following Item 4.1.

Procedural Motion

Moved By Cr Phil Halse

Seconded By Cr Jayne Golightly

That the meeting adjourn and reconvene at a time and date to be determined by the Chief Executive tomorrow, Wednesday 11 June 2025.

Carried

The meeting adjourned at 10:48am on Tuesday 10 June 2025 and reconvened at 11:00am on Wednesday 18 June 2025 in the Council Chambers, Te Iwitihi.

Full minutes can be found under the 18 June 2025 Emergency Council meeting site.

Confirmed this 26th day of June 2025

His Worship the Mayor (Chairperson)