Tauranga City

AGENDA

Strategy, Finance and Risk Committee Meeting
Monday, 21 June 2021

I hereby give notice that a Strategy, Finance and Risk Committee Meeting will be held on:

Date: **Monday, 21 June 2021**

Time: **3pm**

Location: **Tauranga City Council**
Council Chambers
91 Willow Street
Tauranga

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

Marty Grenfell

Chief Executive

Terms of reference – Strategy, Finance & Risk Committee

Membership

Chairperson	Commission Chair Anne Tolley
Deputy chairperson	Dr Wayne Beilby – Tangata Whenua representative
Members	Commissioner Shadrach Rolleston Commissioner Stephen Selwood Commissioner Bill Wasley Matire Duncan, Te Rangapū Mana Whenua o Tauranga Moana Chairperson Te Pio Kawe – Tangata Whenua representative Rohario Murray – Tangata Whenua representative Bruce Robertson – External appointee with finance and risk experience
Quorum	Five (5) members must be physically present, and at least three (3) commissioners and two (2) externally appointed members must be present.
Meeting frequency	Six weekly

Role

The role of the Strategy, Finance and Risk Committee (the Committee) is:

(a)   to assist and advise the Council in discharging its responsibility and ownership of health and safety, risk management, internal control, financial management practices, frameworks and processes to ensure these are robust and appropriate to safeguard the Council's staff and its financial and non-financial assets;

(b)   to consider strategic issues facing the city and develop a pathway for the future;

(c)   to monitor progress on achievement of desired strategic outcomes;

(d)   to review and determine the policy and bylaw framework that will assist in achieving the strategic priorities and outcomes for the Tauranga City Council.

Membership

The Committee will consist of:

- four commissioners with the Commission Chair appointed as the Chairperson of the Committee
- the Chairperson of Te Rangapū Mana Whenua o Tauranga Moana
- three tangata whenua representatives (recommended by Te Rangapū Mana Whenua o Tauranga Moana and appointed by Council)
- an independent external person with finance and risk experience appointed by the Council.

Voting Rights

The tangata whenua representatives and the independent external person have voting rights as do the Commissioners.

The Chairperson of Te Rangapu Mana Whenua o Tauranga Moana is an advisory position, without voting rights, designed to ensure mana whenua discussions are connected to the committee.

Committee's Scope and Responsibilities

A. STRATEGIC ISSUES

The Committee will consider strategic issues, options, community impact and explore opportunities for achieving outcomes through a partnership approach.

A1 – Strategic Issues

The Committee's responsibilities with regard to Strategic Issues are:

- Adopt an annual work programme of significant strategic issues and projects to be addressed. The work programme will be reviewed on a six-monthly basis.

- In respect of each issue/project on the work programme, and any additional matters as determined by the Committee:
  - Consider existing and future strategic context
  - Consider opportunities and possible options
  - Determine preferred direction and pathway forward and recommend to Council for inclusion into strategies, statutory documents (including City Plan) and plans.

- Consider and approve changes to service delivery arrangements arising from the service delivery reviews required under Local Government Act 2002 that are referred to the Committee by the Chief Executive.

- To take appropriate account of the principles of the Treaty of Waitangi.

A2 – Policy and Bylaws

The Committee's responsibilities with regard to Policy and Bylaws are:

- Develop, review and approve bylaws to be publicly consulted on, hear and deliberate on any submissions and recommend to Council the adoption of the final bylaw. (The Committee will recommend the adoption of a bylaw to the Council as the Council cannot delegate to a Committee the adoption of a bylaw.)

- Develop, review and approve policies including the ability to publicly consult, hear and deliberate on and adopt policies.

A3 – Monitoring of Strategic Outcomes and Long Term Plan and Annual Plan

The Committee's responsibilities with regard to monitoring of strategic outcomes and Long Term Plan and Annual Plan are:

- Reviewing and reporting on outcomes and action progress against the approved strategic direction. Determine any required review/refresh of strategic direction or action pathway.

- Reviewing and assessing progress in each of the six (6) key investment proposal areas within the 2021-2031 Long Term Plan.

- Reviewing the achievement of financial and non-financial performance measures against the approved Long Term Plan and Annual Plans.

B. FINANCE AND RISK

The Committee will review the effectiveness of the following to ensure these are robust and appropriate to safeguard the Council's financial and non-financial assets:

- Health and safety.

- Risk management.

- Significant projects and programmes of work focussing on the appropriate management of risk.

- Internal and external audit and assurance.

- Fraud, integrity and investigations.

- Monitoring of compliance with laws and regulations.

- Oversight of preparation of the Annual Report and other external financial reports required by statute.

- Oversee the relationship with the Council's Investment Advisors and Fund Managers.

- Oversee the relationship between the Council and its external auditor.

- Review the quarterly financial and non-financial reports to the Council.

B1 - Health and Safety

The Committee's responsibilities through regard to health and safety are:

- Reviewing the effectiveness of the health and safety policies and processes to ensure a healthy and safe workspace for representatives, staff, contractors, visitors and the public.

- Assisting the Commissioners to discharge their statutory roles as "Officers" in terms of the Health and Safety at Work Act 2015.

B2 - Risk Management

The Committee's responsibilities with regard to risk management are:

- Review, approve and monitor the implementation of the Risk Management Policy, Framework and Strategy including the Corporate Risk Register.

- Review and approve the Council's "risk appetite" statement.

- Review the effectiveness of risk management and internal control systems including all material financial, operational, compliance and other material controls. This includes legislative compliance, significant projects and programmes of work, and significant procurement.

- Review risk management reports identifying new and/or emerging risks and any subsequent changes to the "Tier One" register.

B3 - Internal Audit

The Committee's responsibilities with regard to the Internal Audit are:

- Review and approve the Internal Audit Charter to confirm the authority, independence and scope of the Internal Audit function. The Internal Audit Charter may be reviewed at other times and as required.

- Review and approve annually and monitor the implementation of the Internal Audit Plan.

- Review the co-ordination between the risk and internal audit functions, including the integration of the Council's risk profile with the Internal Audit programme. This includes assurance over all material financial, operational, compliance and other material controls.

This includes legislative compliance (including Health and Safety), significant projects and programmes of work and significant procurement.

- Review the reports of the Internal Audit functions dealing with findings, conclusions and recommendations.

- Review and monitor management's responsiveness to the findings and recommendations and enquire into the reasons that any recommendation is not acted upon.

B4 - External Audit

The Committee's responsibilities with regard to the External Audit are:

- Review with the external auditor, before the audit commences, the areas of audit focus and audit plan.

- Review with the external auditors, representations required by commissioners and senior management, including representations as to the fraud and integrity control environment.

- Recommend adoption of external accountability documents (LTP and annual report) to the Council.

- Review the external auditors, management letter and management responses and inquire into reasons for any recommendations not acted upon.

- Where required, the Chair may ask a senior representative of the Office of the Auditor General (OAG) to attend the Committee meetings to discuss the OAG's plans, findings and other matters of mutual interest.

- Recommend to the Office of the Auditor General the decision either to publicly tender the external audit or to continue with the existing provider for a further three-year term.

B5 - Fraud and Integrity

The Committee's responsibilities with regard to Fraud and Integrity are:

- Review and provide advice on the Fraud Prevention and Management Policy.

- Review, adopt and monitor the Protected Disclosures Policy.

- Review and monitor policy and process to manage conflicts of interest amongst commissioners, tangata whenua representatives, external representatives appointed to council committees or advisory boards, management, staff, consultants and contractors.

- Review reports from Internal Audit, external audit and management related to protected disclosures, ethics, bribery and fraud related incidents.

- Review and monitor policy and processes to manage responsibilities under the Local Government Official Information and Meetings Act 1987 and the Privacy Act 2020 and any actions from the Office of the Ombudsman's report.

B6 - Statutory Reporting

The Committee's responsibilities with regard to Statutory Reporting relate to reviewing and monitoring the integrity of the Annual Report and recommending to the Council for adoption the statutory financial statements and any other formal announcements relating to the Council's financial performance, focusing particularly on:

- Compliance with, and the appropriate application of, relevant accounting policies, practices and accounting standards.

- Compliance with applicable legal requirements relevant to statutory reporting.

- The consistency of application of accounting policies, across reporting periods.

- Changes to accounting policies and practices that may affect the way that accounts are presented.

- Any decisions involving significant judgement, estimation or uncertainty.

- The extent to which financial statements are affected by any unusual transactions and the manner in which they are disclosed.

- The disclosure of contingent liabilities and contingent assets.

- The basis for the adoption of the going concern assumption.

- Significant adjustments resulting from the audit.

Power to Act

- To make all decisions necessary to fulfil the role, scope and responsibilities of the Committee subject to the limitations imposed.

- To establish sub-committees, working parties and forums as required.

- This Committee has **not** been delegated any responsibilities, duties or powers that the Local Government Act 2002, or any other Act, expressly provides the Council may not delegate. For the avoidance of doubt, this Committee has **not** been delegated the power to:
  o make a rate;
  o make a bylaw;
  o borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan (LTP);
  o adopt the LTP or Annual Plan;
  o adopt the Annual Report;
  o adopt any policies required to be adopted and consulted on in association with the LTP or developed for the purpose of the local governance statement;
  o adopt a remuneration and employment policy;
  o appoint a chief executive.

Power to Recommend

To Council and/or any standing committee as it deems appropriate.

Order of Business

1   OPENING KARAKIA

2   APOLOGIES

3   PUBLIC FORUM

4   ACCEPTANCE OF LATE ITEMS

5   CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

6   CHANGE TO ORDER OF BUSINESS

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Strategy, Finance and Risk Committee Meeting held on 17 May 2021

File Number: A12605789

Author: Jenny Teeuwen, Committee Advisor

Authoriser: Robyn Garrett, Team Leader: Committee Support

RECOMMENDATIONS

That the Minutes of the Strategy, Finance and Risk Committee Meeting held on 17 May 2021 be confirmed as a true and correct record.

ATTACHMENTS

1. Minutes of the Strategy, Finance and Risk Committee Meeting held on 17 May 2021

MINUTES

Strategy, Finance and Risk Committee Meeting

Monday, 17 May 2021

Order of Business

MINUTES OF TAURANGA CITY COUNCIL
STRATEGY, FINANCE AND RISK COMMITTEE MEETING
HELD AT THE TAURANGA CITY COUNCIL, COUNCIL CHAMBERS, 91 WILLOW STREET,
TAURANGA
ON MONDAY, 17 MAY 2021 AT 10.30AM

PRESENT: Commission Chair Anne Tolley, Commissioner Shadrach Rolleston, Commissioner Stephen Selwood, Commissioner Bill Wasley, Dr Wayne Beilby, Mr Te Pio Kawe, Ms Rohario Murray, Mr Bruce Robertson and Ms Matire Duncan

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (General Manager: Corporate Services), Barbara Dempsey (General Manager: Regulatory & Compliance), Susan Jamieson (General Manager: People and Engagement), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy & Growth), Kathryn Sharplin (Manager: Finance), Mohan De Mel (Treasurer), Kath Norris (Team Leader: Democracy Services), Angelique Fraser (Health & Safety Change Manager), Andy Mead (Manager: City & Infrastructure Planning), Janine Speedy (Team Leader: City Planning), Coral Hair (Manager: Democracy Services) and Jenny Teeuwen (Committee Advisor)

1 OPENING KARAKIA

Mr Te Pio Kawe opened the meeting with a Karakia.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO ORDER OF BUSINESS

Nil

7 DECLARATION OF CONFLICTS OF INTEREST

The following conflicts of interest were noted:

- Mr Te Pio Kawe – In his role as Senior Consultant with Boffa MIskell, Mr Kawe was currently working on two Tauranga City Council (TCC) projects - tangata whenua engagement advisor for the city plan review, and Pou Ārahi advisor for the Tū Pakari team for Smartgrowth.
- Matire Duncan – Ms Duncan's company, He Manukura, was a contractor for TCC's three waters programme.

8   BUSINESS

8.1   Appointment of Deputy Chairperson for the Strategy, Finance and Risk Committee

COMMITTEE RESOLUTION SFR1/21/1

Moved: Commission Chair Anne Tolley
Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee:

(a)   Receives the Appointment of Deputy Chairperson for the Strategy, Finance and Risk Committee report.

(b)   In accordance with Clause 25 of Schedule 7 of the Local Government Act 2002, confirms that the voting system to be used to elect or appoint the Deputy Chairperson for the Strategy, Finance and Risk Committee is System B.

(c)   Appoints Dr Wayne Beilby as the Deputy Chairperson for the Strategy, Finance and Risk Committee.

CARRIED

8.2   Financial Monitoring Report for Nine Months to 31 March 2021

Staff   Paul Davidson, General Manager: Corporate Services
Kathryn Sharplin, Manager: Finance
Mohan De Mel, Treasurer

In response to questions
- The gap in the Interest Rate Performance against Benchmark graph, particularly for July to December 2020, was due to COVID. The gap had begun to close slowly and now sat where expected.
- Rephasing of the capital programme would happen through the deliberations process of the Long Term Plan (LTP); however, any flow on effect to rates would not affect rates until the following financial year. The capital programme was over a 10 year period so timings may change but the overall programme would remain intact.
- TCC was currently running at capacity to deliver the capital programme for most services, in particular transport, water supply and wastewater. TCC was staying ahead for the moment but only just; there was no margin so delivery was happening as swiftly as possible. A number of strategies would be implemented, both within TCC and with the supply sector, to achieve the ramping up of delivery year on year. A copy of the report "Capital Programme Reporting" that was presented to the Council on 12 April 2021 would be circulated to the members of the Committee.
- Assets vested to TCC referred to assets developers vested to the city. Assets were mostly vested at the issue of title.
- The Committee Chair requested a verbal update on the Totara Street Capacity Improvements project. The tender for the project work had closed and was now going through an evaluation process. TCC had been formally notified by Waka Kotahi (New

Zealand Transport Agency - NZTA) that the funding for that activity class was fully committed for this financial year and they would not be able to fund their contribution to the project at this stage. The project would now have to go through Waka Kotahi's national project ranking process in the next financial year to see if funding would be available. Unfortunately, this meant that the project would now be put on hold and was in jeopardy. TCC would continue to strongly promote the project through the Regional Land Transport Plan (RLTP) process.

- The revaluation of the three waters had not been as high as expected.
- The high consultancy and support costs for Building Services was due to a shortage of staff in the Building Services team (approximately 18%), so there was a reliance on consultants. It had been difficult to recruit building control officers as there continued to be a shortage throughout the country. TCC would continue to recruit for staff in that arena.

COMMITTEE RESOLUTION SFR1/21/2

Moved: Commissioner Stephen Selwood
Seconded: Mr Bruce Robertson

That the Strategy, Finance and Risk Committee:

(a)   Receives the Financial Monitoring Report for Nine Months to 31 March 2021 report.

(b)   Notes that the projected capital under-delivery for 2021 along with some deferred operational expenditure will result in rephasing of aspects of the capital programme and rebudgeting of expenditure as part of the LTP process through to July 2021.

CARRIED

Staff Action

A copy of the report "Capital Programme Reporting" that was presented to the Council on 12 April 2021 to be circulated to the members of the Strategy, Finance and Risk Committee.

8.3   Audit NZ Report on the 30 June 2020 Annual Report and Preparation for the 2021 Annual Report and Audit

Staff   Paul Davidson, General Manager: Corporate Services
           Kathryn Sharplin, Manager: Finance

In response to questions

- The process of transferring from the Ozone system to the SAP system had been gradual. The Annual Report for this financial year would use both systems; however, quarterly reporting was now solely through the SAP system.
- The production of two annual plans in 2020 and the delay of the LTP had impacted on the ability to resolve some of the recommendations in Appendix 1 of the Audit NZ report. Staff were currently working through these and it was expected that they would be resolved over the next few months, particularly once the LTP had been signed off.
- Revaluation of council assets occurred three yearly. The three waters revaluation had been brought forward to this year due to concern from other councils around revaluations coming in much higher due to the need for new pipes and road corridor costs.

COMMITTEE RESOLUTION SFR1/21/3

Moved: Commissioner Bill Wasley
Seconded: Dr Wayne Beilby

That the Strategy Finance and Risk Committee:

(a)   Receives the report Audit New Zealand Report on the 30 June 2020 Annual Report and Preparation for the 2021 Annual Report and Audit.

(b)   Receives the Report to Council from Audit New Zealand on the audit of Tauranga City Council for the year ended 30 June 2020.

CARRIED

8.4   Treasury Strategy

Staff   Paul Davidson, General Manager: Corporate Services
Mohan De Mel, Treasurer

In response to questions

- Housing Infrastructure Fund (HIF) funding was drawn down for two projects – Waiāri and Te Maunga. $6 million was required to be repaid for the two projects every year. Full repayment needed to be made within 10 years from draw down.
- This report would be presented to this committee every six months. The next report was due in November 2021.
- Staff had delegated authority via the 2020-2021 Annual Plan to decide whether the approved $30 million debt increase would be drawn down, if required, from wholesale banks or the Local Government Funding Agency (LGFA).
- The target range for fixed interest rate profiles was compliant. Fixed rates were affected by HIF drawdowns so hedging needed to be put in place. The Treasury Policy allowed for hedging for up to two years forward.

COMMITTEE RESOLUTION SFR1/21/4

Moved: Commissioner Stephen Selwood
Seconded: Mr Bruce Robertson

That the Strategy, Finance and Risk Committee:

(a)   Receives the Treasury Strategy report.

(b)   Approves the issuance of long and short-term debt on a wholesale basis to manage cash-flows.

(c)   Approves the management of fixed interest rate hedging in the range of 50% to 60% at 2 years forward, and the range of 30% to 40% at 5 years forward.

(d)   Approves maintenance of a minimum of $15m of cash and short-term investments to manage cash-flows.

(e)   Approves hedging of all significant foreign exchange exposures.

(f)   Recommends to Council to approve an interim Borrowing of $30m for the month of July 2021.

CARRIED

8.5   Quarter 2&3 LGOIMA Requests and Commission Queries

Staff   Susan Jamieson, General Manager: People and Engagement
Kath Norris, Team Leader: Democracy Services

In response to questions

- Progress on actions for the recommendations of the Ombudsman's report were reported back to the Ombudsman's office quarterly. It was expected that all actions would be completed by December 2021.
- The Commissioners were particularly interested in seeing the progress that was being made on the Proactive Release policy. Staff would keep the Commissioners updated.

- Concern was expressed about a possible spike in LGOIMA requests following the formation of this Committee, particularly directed at the mana whenua reps, and the need to keep the committee members safe. Committee members would be kept informed of any spikes in correspondence that was directed at them.
- Discernible trends were reported but there had been none of particular interest for this report. It was suggested that a graph of trends over time be included in future reports. It was also suggested that trends happening nationally, but perhaps not in Tauranga, would also be of interest to the committee. Staff would investigate whether data on subject matter trends happening nationally was available.
- How TCC compared with other councils was reported in the Office of the Ombudsman's report published six monthly. In the latest report, TCC received slightly more than average LGOIMA requests and were middle of road for response times and other statistics. The latest report would be circulated to committee members.
- Other councils were also charging, but this was variable.

COMMITTEE RESOLUTION SFR1/21/5

Moved: Ms Rohario Murray
Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee receives the report: Quarter 2 & 3 Local Government Official Information and Meetings Act 1987, the final Mayor and Councillor requests and the Commission queries.

CARRIED

Staff Action

- The latest Office of the Ombudsman six monthly report to be circulated to committee members.
- Staff to investigate whether data on LGOIMA subject matter trends happening nationally was available.

8.6   Health, Safety and Wellbeing - January to March 2021

Staff   Susan Jamieson, General Manager
Angelique Fraser, Health & Safety Change Manager

In response to questions

- Cultural safety was not included in the report; however, a cultural competency survey across the organisation was being considered. It was expected that this would be reported back to council separately and not as part of the Health, Safety and Wellbeing report. The Committee would be kept up to date on whether or not the cultural competency survey would proceed.
- The 68% overall survey score put TCC in the middle of the road in comparison to other councils. The value of the survey was more in the discussions it created, rather than the data itself. The survey could be cut and dissected in many ways to get more detailed information particularly in relation to teams and leadership. General managers would work with the Health and Safety Change Manager on issues identified in their areas that required particular effort and focus to address. Outcomes could be sensitive to particular teams or individuals, so how this could be reported back at an appropriate level would be considered.
- While the Kerbside and Waste project had featured in this report, it was suggested that it would be useful to have, over time, other areas of concern from a staff point of view reported on e.g. animal control, parking and front line services.
- It was important that corrective actions taken to improve work practices be reported back to staff so that they could see that issues arising from health and safety reported events were being resolved and actioned.
- It was more challenging to understand how contractors employed by TCC were managing

their health and safety events as the Health and Safety team received little feedback on this. A more collaborative approach was being discussed and this would be covered in more detail in future reports.

COMMITTEE RESOLUTION SFR1/21/6

Moved: Commissioner Stephen Selwood
Seconded: Mr Bruce Robertson

That the Strategy, Finance and Risk Committee receives the report: Health, Safety and Wellbeing – January to March 2021.

CARRIED

At 12.04pm, the meeting adjourned.

At 1.00pm, the meeting resumed in the public excluded session.

9   PUBLIC EXCLUDED SESSION

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION SFR1/21/7

Moved: Commissioner Shadrach Rolleston
Seconded: Ms Rohario Murray

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 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 for the passing of this resolution
10.1 - Corporate Risk Register - Quarterly Update	s7(2)(b)(i) - the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	
	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	
	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	

10.2 - Internal Audit Report - Quarterly Update	s6(b) - the making available of the information would be likely to endanger the safety of any person	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
	s7(2)(a) - the witholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	
	s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	
	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	
	s7(2)(j) – the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	
10.3 - Litigation Report	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	
	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	

CARRIED

Mr Bruce Robertson left the meeting during the public excluded session.

At 2.06pm, the meeting resumed in the open session.

10   BUSINESS (CONTINUED)

8.7   Sustainability Update

Staff   Christine Jones, General Manager: Strategy and Growth

In response to questions
- The sustainability stocktake would be undertaken with a four well-beings lens and was not just about the environment; it also included climate change, resilience and long-term planning.
- The strategic framework defined what was wanted to be achieved and the action plan outlined how it would be achieved. The framework included measurement, accountability, timeframes and funding.
- It was important to build on the work that had already been done and not re-invent the wheel. Community engagement would happen to check that TCC had it right and whether there

were any gaps or areas that needed to be added. Staff would report back to council seeking further direction on this post LTP.

COMMITTEE RESOLUTION SFR1/21/12

Moved: Commissioner Bill Wasley
Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee receives the report – Sustainability Update.

CARRIED

8.8   Monitoring and Update Report - City Plan Review

Staff   Christine Jones, General Manager: Strategy and Growth
Andy Mead, Manager: City & Infrastructure Planning
Janine Speedy, Team Leader: City Planning

In response to questions
- Further alignment across both TCC and Western Bay of Plenty District Council (WBOPDC) would be explored. There was an opportunity for combined research with WBOPDC for issues that sat across the sub-region in terms of how to address those issues.
- Engagement with tangata whenua had included all iwi and hapu representatives, as well as Te Rangapu representatives and Māori land trustees. Bay of Plenty Regional Council (BOPRC) and WBOPDC staff were also present. These relationships would continue going forward.
- The Commissioners supported and encouraged an harmonisation of policies and processes across the districts and wider region as much as possible, and requested that this be a key agenda item in conversations going forward, as there would be movement towards a combined sub-regional or regional plan at some point.

COMMITTEE RESOLUTION SFR1/21/13

Moved: Commissioner Bill Wasley
Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

(a)   Receives the Monitoring and Update Report - City Plan Review report.

(b)   Notes progress with the City Plan Review project in accordance with the approved project plan.

(c)   Requests that any formal process in respect of the city plan review project be commenced only following formal sign off by the council.

CARRIED

11   DISCUSSION OF LATE ITEMS

Nil

12   CLOSING KARAKIA

Mr Te Pio Kawe closed the meeting with a Karakia.

The meeting closed at 2.31pm.

The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 21 June 2021.

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CHAIRPERSON

8   DECLARATION OF CONFLICTS OF INTEREST

9   BUSINESS

9.1   Representation Review

File Number: A12635436

Author: Coral Hair, Manager: Democracy Services

Authoriser: Susan Jamieson, General Manager: People & Engagement

PURPOSE OF THE REPORT

1.   This report provides information relating to the representation review process. It asks the Committee to recommend to the Council the adoption of a timeline and options for pre-engagement with the community before the formal consultation process is undertaken.

RECOMMENDATIONS

That the Committee recommends that the Council:

   (a)   Adopts the timeline for the Representation Review process as set out in Attachment 1.

   (b)   Agrees to pre-engagement with the community for the period 16 July to 13 August 2021.

   (c)   Approves options 1, 2 and 3 for pre-engagement with the community.

EXECUTIVE SUMMARY

2.   Councils are required to carry out a representation review at least every six years under the Local Electoral Act 2001 (LEA). Tauranga City Council's (TCC) representation review needs to happen in 2021 prior to the 2022 local election.

3.   A representation review addresses:

   •   the total number of councillors appropriate for the city

   •   whether councillors are elected from wards or 'at large' (across the whole city), or by a mix of both wards and 'at large'

   •   the boundaries of wards and their names

   •   whether there should be community boards and, if so, the number of boards; their names and boundaries; the number of members for each board including any appointed members; and whether the board area should be subdivided for electoral purposes.

4.   In reviewing representation arrangements, councils are required to provide for effective representation of communities of interest and fair representation of electors. There are three key factors to consider:

   •   Defining communities of interest;

   •   Providing effective representation of communities of interest;

   •   Fair representation of electors.

5.   The Committee is asked to consider and recommend the adoption of a timeline for the representation review, to recommend three options for discussion with the community during the pre-engagement phase and to approve the provision of community boards information to be included in pre-engagement material.

BACKGROUND

6. A representation review addresses the total number of councillors there should be for the city and the way they are elected. This involves deciding whether councillors are elected from wards or 'at large' (across the whole city), or by a mix of both wards and 'at large'. A review also covers the boundaries of wards and their names. A review also needs to address whether there should be community boards and, if so, the number of boards; their names and boundaries; the number of members for each board including any appointed members; and whether the board area should be subdivided for electoral purposes.

7. This is a prescriptive and complex process with statutory deadlines. A timeline is set out in Attachment 1.

8. The history of the previous representation reviews and arrangements is set out in Attachment 2. This shows that the current representation arrangements have been in place since 2010.

9. The Review and Observer Team (the Team) highlighted in their report to Council on 17 November 2020[1] that they considered some of the issues and behaviours that the Council was dealing with at that time had their genesis in the particular representation arrangements that the city has.

10. The Team developed a strong impression that the contest for the mayoralty did not end with the election and wondered if the mix of at large and by ward election of councillors was a contributing factor to the current situation. The Team also questioned whether the communities of interest were coherently represented.

11. Peter Winder, Chairperson of the Team, has clarified the remarks in the report and stated the Council should consider designing the representation arrangements where all councillors, except the Māori councillor, are elected from a larger number of smaller wards with boundaries that reflect communities of interest i.e. no "at large" councillors. This would, in Mr Winder's opinion, *"create a clear and certain mandate from the public and provide a better than even chance of delivering a functional council than the one the Team observed"*.

STRATEGIC / STATUTORY CONTEXT

12. The requirements relating to representation reviews are specified in the Local Electoral Act 2001 (LEA).[2]

13. One of the Principles of the LEA is "fair and effective representation for individuals and communities" as set out in section 4(1) (a). Sections 19A to 19Y of the LEA specify how this is to be given effect to.

14. A review of representation arrangements under the LEA is to ensure that:

    • the method adopted for the election of members (i.e. at large, wards, or a combination of both) will provide effective representation of communities of interest within the district (section 19T)

    • in determining the number of members to be elected by each ward, electors of that ward will receive fair representation (section 19V).

15. The fair representation requirement (section 19V(2), also known as the '+/-10% rule', is designed to achieve approximate equality of population represented by each ward member of a council.

16. Ward boundaries must coincide with the boundaries of the current statistical mesh block areas determined by Statistics New Zealand and used for parliamentary electoral purposes.

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[1] Paragraphs 46-47 under the heading *"The battle for the mayoralty never ended"*. The report is available on TCC website
 https://www.tauranga.govt.nz/council/about-your-council/review-and-observer-team

[2] LEA is available at https://www.legislation.govt.nz/act/public/2001/0035/latest/DLM93301.html

MĀORI WARD AND STV

17. The Council resolved to establish a Māori ward for the 2022 election on 25 August 2020 and this was confirmed on 12 April 2021.

18. The number of members to be elected to the Māori ward in Tauranga is calculated using the formula set out in the LEA and the current calculation using this formula is one (1) member based on 10 councillors.[3]

19. The representation review does not provide an opportunity to revisit (reverse) the decision to establish a Māori ward. The Council does need to consider the name of the Māori ward and specific feedback on this from Tangata Whenua can be requested during the pre-engagement phase.

20. With a Māori ward established by the Council, there must be at least one general ward created, and this can be established across the entire city.[4]

21. For further information on Māori wards, please refer to the Frequently Asked Questions on the Council's website.

     https://www.tauranga.govt.nz/Portals/0/data/council/elections/files/Maori-wards-faq.pdf

22. STV was introduced for the 2019 election and will be in place for the 2022 election. STV is considered to provide more opportunity for women, Māori, and people representing minority groups to be elected. Fifteen (15) councils are using STV in the 2022 election.[5]

COMMUNITIES OF INTEREST

23. The LEA does not define 'communities of interest' or 'effective representation' and the steps in the process for achieving effective and fair representation are not statutorily prescribed.

24. The Local Government Commission (LGC) in their guidance material[6] state that the following approach to determining representation arrangements will achieve a robust outcome that is in accordance with the statutory criteria:

     (a) identify the City's communities of interest first

     (b) determine the best means of providing effective representation of the communities of interest

     (c) determine fair representation for electors of the City.

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[3] Schedule 1A of the LEA sets the formula for the number of members to be elected to Māori wards:

$nmm = mepd \div (mepd + gepd) \times nm$ where:

nmm   is the number of Māori ward members (1)

mepd   is the Māori electoral population of the district (15,300)

gepd   is the general electoral population of the district (136,000)

nm   is the proposed number of members of the territorial authority (other than the mayor)*

*Note: Clause 2(2) of Schedule 1A states that if at large members are included the formula changes and the at large members are excluded. The words "other than the mayor and other than members elected from district as a whole.

[4] Clause 1 (2) (b) (i) of Schedule 1A of the LEA
[5] Further information on which councils are using STV and how STV works is available at
 https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Resource-material-STV-Information-Index?OpenDocument#:~:text=STV%20stands%20for%20Single%20Transferable,in%20New%20Zealand%20STV%20elections.

[6] LGC Representation Review Guidelines 2021 available at
http://www.lgc.govt.nz/assets/Uploads/Representation-Review-Guidelines-2021.pdf

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25. The Guidelines identify three dimensions for recognising communities of interest:

- perceptual: a sense of belonging to an area or locality. People have things in common with neighbours, feel an affinity with and shared responsibility to people, shared goals or ideas, a shared history, rohe or takiwā of local hapu/iwi, similar demographic or socio-economic characteristics. Can include distinct physical and topographical features e.g. river, harbour, lakes, beach, mountain that people feel a geographical attachment to.

- functional: the ability to meet the community's requirements for services includes access to and dependence on daily goods and services e.g. schools, recreation and cultural facilities, parks, shops and shopping centres, public transport links

- political: the ability of the elected body to represent the interests and reconcile the conflicts of all its members.

26. Communities of interest can mean different things to different people. They can also change over time which is why a review is carried out every six years.   They must be able to be mapped and have a geographic boundary that aligns with Statistics New Zealand's mesh blocks.

27. Within Tauranga City, geographically defined communities of interest have been recognised in the past. The Council will need to decide whether the current three wards continue to reflect the communities of interest in Tauranga City.

28. The Council will also need to decide whether communities of interest are located in identifiable geographical areas, giving more weight to the establishment of wards, or are spread across the city, giving more weight to an at large or mixed model option.

EFFECTIVE REPRESENTATION OF COMMUNITIES OF INTEREST

29. 'Effective representation' is not defined in the LEA, but the LGC state that this requires consideration of factors including the number of elected members and the appropriate basis of election of members.

30. While not a prescribed statutory requirement, the Guidelines suggest that local authorities consider the total number of members necessary to provide effective representation for the city as a whole. In other words, the total number of members should not be arrived at solely as the product of the number of members per ward.

31. Section 19A of the Act provides that a territorial authority shall consist of between 5 and 29 elected members (excluding the mayor), i.e. councillors. The Council comprised 14 councillors when it was constituted in 1989, reducing to 13 in 1998 and to ten (10) in 2004 when a mixed at large/ward system was introduced and has stayed at ten since then.[7]

32. Since its constitution in 1989, Tauranga City has been divided into wards – five wards in 1989, reducing to four in 1995 and to three in 2004. Seven at large councillors were introduced in 2004 and reduced to four in 2010.

33. The Council will need to determine whether the complex issues raised by governing a rapidly growing city can be reasonably met by the current number of elected members (11 – Mayor and 10 Councillors) or whether the number needs to be decreased or increased.

34. The options proposed below are based on 13 elected members (Mayor and 12 councillors), an increase of two councillors. This enables all options to be based on the same number of councillors and provides for the Māori Councillor and an additional general or at large councillor.

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[7] The history of the previous representation reviews and arrangements is set out in Attachment 2.

35. The Council will need to determine whether it wants an even number or an uneven number of elected members. An uneven number may help to avoid situations where the use of the Mayor's casting vote is required.[8]

36. One of the principles that the Council needs to decide is whether it wants electors to vote for the majority of councillors. Voters on the Māori electoral roll will vote for candidates contesting a Māori ward. Voters on the general electoral roll will vote for candidates contesting general wards. Everyone will vote for the mayor, at-large councillors (if any). For example the "at large" option below would see both Māori and general electors voting for 11 out of the 12 councillors.[9]

37. A table that lists the characteristics and pros and cons of at large, wards or a combination of both representation arrangements is set out in Attachment 3.

38. As far as practicable the LGC Guidelines state that the following further factors need to be considered when determining effective representation

   (a)   avoiding arrangements that may create barriers to participation, for example, not recognising residents' familiarity and identity with an area during elections

   (b)   not splitting recognised communities of interest between electoral subdivisions

   (c)   not grouping together two or more communities of interest that have few common interests

   (d)   accessibility, size, and configuration of an area, including:

      (i) the population's reasonable access to its elected members and vice versa

      (ii) the elected members' ability to:

         •   effectively represent the views of their electoral area

         •   provide reasonably even representation across the area including activities like attending public meetings and opportunities for face to-face meetings.

FAIR REPRESENTATION FOR ELECTORS

39. The fair representation requirement (also known as the '+/-10% rule') is designed to achieve approximate equality of population represented by each member of a council.

40. Section 19V(2) of the LEA requires that the population of each ward divided by the number of members to be elected by that ward produces a figure no more than 10% greater or smaller than the population of the district divided by the total number of elected members (the +/- 10% fair representation requirement). This does not apply to at large councillors.

41. There are limited grounds for non-compliance with this rule. Any proposal that is non-complying will automatically be considered by the LGC.

COMMUNITY BOARDS

42. The Council has not previously established community boards.

43. Section 19J of the LEA requires every territorial authority, as part of its review of representation arrangements, to determine whether there should be community boards and, if so, the nature of those communities and the structure of the community boards. The Council must make this determination in light of the principle in section 4 of the LEA relating to fair and effective representation for individuals and communities.

44. Section 19F of the LEA provides for a minimum of four (4) and maximum of 12 community board members (with at least 4 elected community board members). Councillor(s) are

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[8] Although members may abstain or be absent at any meeting and the casting vote is provided for in Standing Orders.
[9] Councillors once elected make a declaration that they will faithfully and impartially work in the best interests of the city, not just the population of the ward they are elected from. (Clause 14 of schedule 7 of LGA)

appointed to community boards by the Council, and generally the councillor(s) appointed represent the ward area that the community board is located within, if there are wards or an at large councillor(s) is appointed.

45.   The boundaries of community boards do not have to be the same as a ward but it is preferable for this to be consistent. Community boards can also cover more than one ward. Community Boards do not have to cover all of the city. There can be subdivisions within community boards.[10]

46.   Community board members are elected at the same time as councillors and their role is set out in section 52 of the LGA 2002.[11]

47.   Forty of New Zealand's 67 territorial authorities have community boards. The number of community boards has decreased from 144 in 2008 to 108 in 2019, though there is no evidence as to why this trend has occurred.[12]

48.   The majority of councils with community boards do not have them for all communities/suburbs. Only nine territorial authorities having community boards for the whole of their area. Some have community board coverage for only a small proportion of the population.[13]   The Remuneration Authority undertook a review of community board remuneration in 2019 and concluded that:

"Overall, the picture is totally inconsistent across the country. If the boards are representing isolated rural communities, the case for their existence for those particular communities may be strong. However, when the board represents a suburban area, we question whether it is appropriate today that two similar suburbs in the same city have such uneven political representation, regardless of the historic genesis of any particular board."[14]

49.   Delegations to community boards vary across the country. The Remuneration Authority stated that

"There is also a myriad of differences in what the boards actually do, with many of them administering modest grant funds or being responsible for a budget for town centre amenity improvements. Despite these variations, the Authority concluded that the primary function of the overwhelming majority of community boards is representation and advocacy."[15]

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[10] Community Boards do not have to comply with the +/- 10% rule, however subdivisions within community boards do have to comply.

[11] The role of a community board is to—

(a) represent, and act as an advocate for, the interests of its community; and

(b) consider and report on all matters referred to it by the territorial authority, or any matter of interest or concern to the community board; and

(c) maintain an overview of services provided by the territorial authority within the community; and

(d) prepare an annual submission to the territorial authority for expenditure within the community; and

(e) communicate with community organisations and special interest groups within the community; and

(f) undertake any other responsibilities that are delegated to it by the territorial authority.

[12] Callum Hammond and David Hammond 2018: Serving New Zealand? A 2018 Survey of Community Boards P3
[13] Remuneration Review of Community Boards – April 2019 – available on the Remuneration Authority's website – paragraph 10
https://www.remauthority.govt.nz/assets/Uploads/REM/review-community-board-remuneration.pdf

[14] Remuneration Review of Community Boards – April 2019 – paragraph 12
[15] Remuneration Review of Community Boards – April 2019 - https://www.remauthority.govt.nz/clients-remuneration/local-government-elected-members/community-board-members/

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50. The Remuneration Authority concluded that it was timely for a central government agency to review the functions, representation levels and associated characteristics of community boards.[16]

51. There can be tension between community boards and councils due to the more local focus of community boards and the wider city-focus of the council. The Council will need to decide what role and decision-making ability the community board(s) would have beyond the role set out in the LGA 2002.

52. The Community Boards' Executive Committee of Local Government New Zealand has developed a Good Governance Guide for Community Boards to assist boards and their members understand what it takes to make a great community board and how to make a difference in their community.[17] The Guide states:

"The strength of community boards is their connection to neighbourhoods and their ability to bring decision-making down to a level where citizens can have real influence. This is difficult for many local authorities as they may be too large or simply have too few elected members to provide the effective representation to achieve meaningful connection with their citizens."

53. Community boards are seen as an introduction to local government and a good training ground for those who may consider standing as a councillor.

54. Remuneration for community boards is set by the Remuneration Authority based largely on the population that the community board is representing. Refer to Appendix 4 of the Authority's report for a list of community boards and their remuneration. This remuneration sits outside of the councillors' remuneration pool and will require additional budgets to be provided. Chairpersons receive twice the community board members remuneration.[18]

55. Community boards would require resourcing in terms of staff to write reports and attend meetings, deal with community board members' enquiries and generally support the members to achieve their role. These costs have not been calculated for this report.

56. Election costs would also increase as community board members are elected every three years. The actual costs would depend on the number of boards and members appointed to each board

COMPARISONS WITH OTHER METRO COUNCILS

57. The following table provides a comparison of metro councils, excluding Auckland Council.[19] This relates to existing representation arrangements which may be subject to change during the representation review process in 2021. This table shows that there is no "one size fits all" approach to governance. It also shows that at 10 councillors, Tauranga City has the lowest number of councillors of all metros.

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[16] Remuneration Review of Community Boards – April 2019 – paragraph 26
[17] Good Governance Guide for Community Boards available at
https://www.lgnz.co.nz/local-government-in-nz/community-boards/

[18] The Authority notes that there are a small number of community boards who have reasonably substantial delegations from their councils and that councils who want to delegate further functions and want community board remuneration to increase, the value of the increase will need to come out of the council governance remuneration pool, recognising that additional work by community board members relieves councillors of this work.

[19] Auckland Council has its own legislation relating to representation arrangements.

Name of Council	Population	Number of councillors	Basis of election
Hamilton City	176,500	12 Councillors	2 wards – FPP*
Palmerston North City	90,350	15 Councillors	at large – STV**
Hutt City	104,535	12 Councillors	6 councillors from 6 wards – FPP 6 councillors at large 3 community boards
Wellington City	216,200	14 Councillors	5 wards – STV 2 community boards
Christchurch City	394,600	16 Councillors	16 wards - FPP 7 community boards
Dunedin City	134,150	14 Councillors	at large – STV 6 community boards
Tauranga City	151,300	10 Councillors	4 at large 6 councillors from 3 wards STV

*FPP – First past the post   ** STV – Single transferable vote

OPTIONS

58.   Three options are presented below:

- Option 1 – Mixed model (wards and at large) – based on the status quo
- Option 2 – Wards only model
- Option 3 – At large model

59.   All options have 12 councillors plus a Mayor, 13 elected members in total. This is an increase of two councillors from the current 10 councillors. This enables all options to be based on the same number of councillors and provides for the Māori Councillor and an additional general or at large councillor.

60.   All options use population estimates as at 30 June 2020 provided by Statistics New Zealand to calculate Māori and general electoral population. These are used to determine whether options 1 and 2 comply with the +/- 10% rule for fair representation for wards.[20]

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[20] The estimated resident population of an area in New Zealand is an estimate of all people who usually live in that area at a given date. It includes all residents present in New Zealand and counted by the census, residents who are temporarily elsewhere in New Zealand and counted by the census, residents who are temporarily overseas (who are not included in the census), and an adjustment for residents missed or counted more than once by the census (net census undercount). Visitors from elsewhere in New Zealand and from overseas are excluded. The estimated resident Māori descent population of each area at 30 June 2020 is based on the estimated resident population of Māori descent at 30 June 2018 updated for births, deaths and net migration between 1 July 2018 and the date of estimate. For each area, the Māori electoral population at 30 June 2020 is derived by applying a ratio to the estimated resident population of Māori descent at 30 June 2020; this ratio is attained by dividing the number of people of Māori descent who were on the Māori electoral roll by the number of people of Māori descent who were on either the general or Māori electoral roll. The general electoral population is calculated as the difference between the estimated resident population and the Māori electoral population. Where total population is less than 10,000 have been rounded to the nearest 10. Figures in the range 10,000–19,999 have been rounded to the nearest 50. Otherwise figures have been rounded to the nearest 100.

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Option 1 – Mixed model (wards and at large) based on status quo - 12 Councillors (6 elected from 3 general wards, 5 elected at large, 1 elected from Māori ward).

61.   Option 1 is based largely on the current representation arrangements with changes to two of the ward boundaries to meet the +/- 10% rule. Two councillors have been added with six (6) elected from three (3) general wards, five (5) councillors elected at large and one (1) councillor elected from a Māori ward.

62.   The following wards are set out in the table and the map below sets out the general wards:[21]

Ward name[22]	Number of Councillors
Mount Maunganui-Papamoa	2
Otumoetai-Pyes Pa	2
Te Papa-Welcome Bay	2
Māori ward (name to be determined)	1
At large councillors (elected by both general and Māori electors)	5

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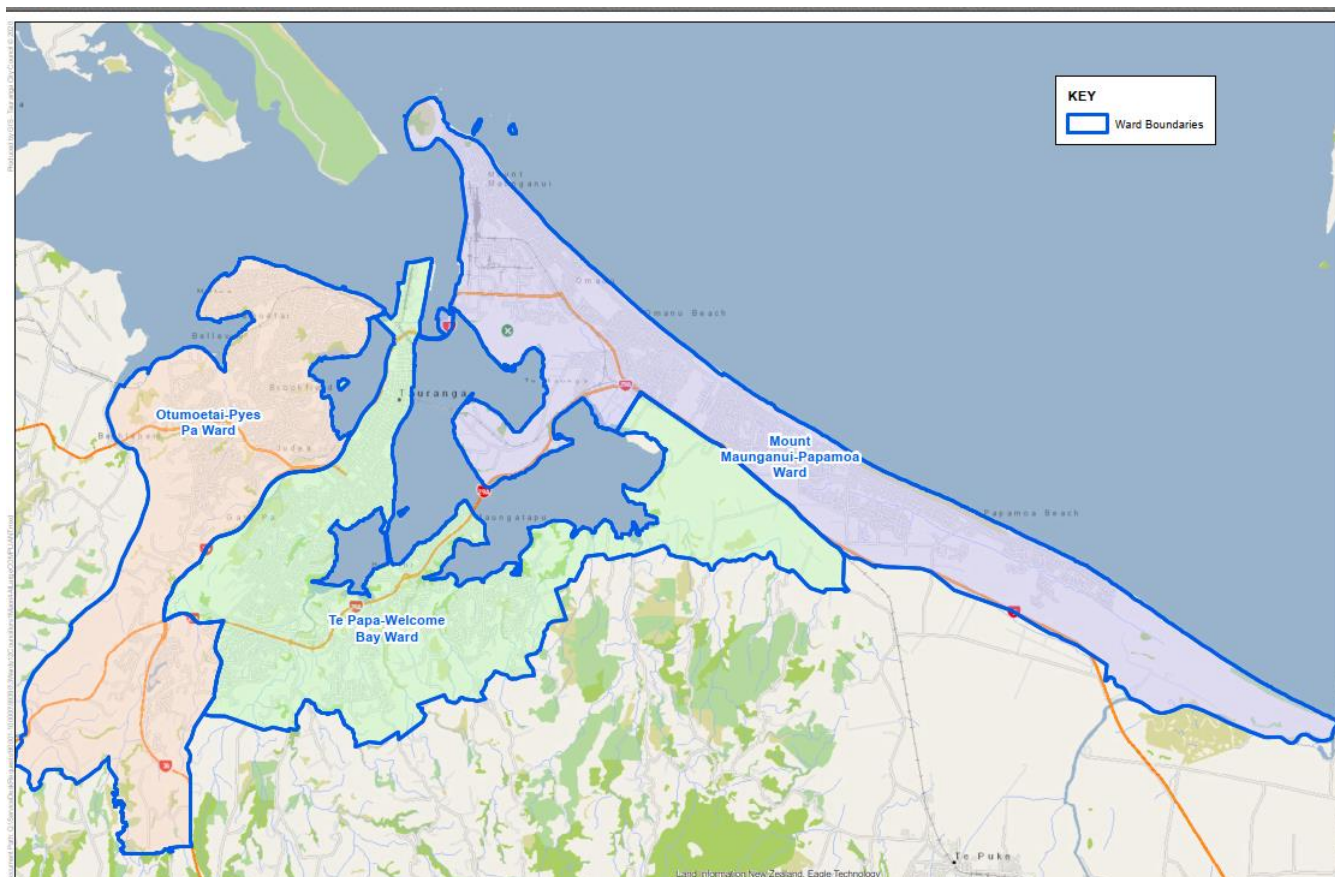
[21] At the time of writing the report, compliance with +/- 10% rule is being checked with Statistics NZ, and some boundary changes may be required.

[22] Ward names are placeholders only and feedback on names of wards can be asked for during the pre-engagement phase.

63. The ward boundary for the current Mount Maunganui/Papamoa Ward has been changed and an area moved into the Te Papa-Welcome Bay ward to make this option comply with the +/-10% rule.

64. This option recognises that there are distinct communities of interest based on geographical areas that can be identified as follows:

Mount Maunganui-Papamoa	This ward includes Mount Maunganui, Matapihi, Papamoa and Kairua, Wairakei and Te Tumu. It covers the coastal strip and recognises the unique feature of Mauao which is an important cultural, historic and geographical feature. This ward has a focus on leisure and tourism, faces increased tsunami risk, sea level rise and coastal hazards due to its location. Transportation links to the City via state highways and the construction of a direct link to the Tauranga Eastern Link via the Papamoa East Interchange are of importance to residents. Accelerating population growth in the east and infill housing in established areas create related infrastructure and community amenity issues of interest to local residents.
Otumoetai-Pyes Pa	This ward includes Otumoetai, Brookfield, Bellevue, Matua, Bethlehem, Pyes Pa, The Lakes, Oropi and Tauriko. With a large population living close to the city centre, the residents of this ward are impacted by the increase of infill housing, are interested in safer transport options and the development of community facilities. The expansion of the city to the west has seen boundary changes with Western Bay to facilitate the development of business, industry and residential growth. It is estimated in the next 10 years that 3-4,000 new homes will be built, improvements will be made to SH29 and connections to it, and an additional 100-150 hectares of business land will be provided creating an additional 2,000 jobs.
Te Papa-Welcome Bay	This ward includes Te Papa Peninsula, Greerton, Gate Pa, Welcome Bay, Ohauti, Harini and Poike. The Te Papa Spatial Plan, with its focus on increased density and city-living type housing, is estimated to increase the number of residents on the Te Papa Peninsula by 15,000 by 2050. The Cameron Road redevelopment project with improved passenger services and transport choices will have a major impact on residents. The development of community facilities, spaces and places and the inner city revitalisation are of importance to residents. The eastern areas of this ward have a reliance on services and facilities located in other suburbs and transportation to the city centre is an important issue for local residents. More rural based residents have specific needs related to rural living.

65. The Māori ward would reflect the community of interest for Māori electors and those in the Māori community.

66. This option is familiar with the public and has been in place since 2010.

67. Option 1 recognises the advantages of a mixed model arrangement with councillors elected at large (providing for communities of interest spread across the city to be represented) and by wards (providing for specific geographically based communities of interest to be represented).

68. This option would enable the general electors to vote for two ward councillors and five at large councillors (total of seven councillors out of 12) with Māori electors able to vote for one Māori ward councillor and five at large councillors (total of six councillors out of 12).

69. This option gives less weight to the comments of the Review and Observer Team and recognises that there is potential for councils with mixed models or ward only arrangements to be susceptible to a mayoralty race continuing after the election.

70.   This option would give less weight for establishing community boards as geographic communities of interest would be represented on the Council.

71.   Summary of advantages and disadvantages of this option are set out below:

Advantages	Disadvantages
Both Māori and general electors vote for between 6-7 councillors out of 12.	Not all councillors represent the same number of electors as at large councillors not subject to +/- 10% rule.
This continues the mixed model arrangement which is familiar with the public as it has been in place since 2010.	Mixture of two systems (wards and at large) could be confusing to voters.
Provides for the geographical coverage of communities of interest with ward-elected members.	May not represent the current communities of interest.
Provides for communities of interest spread across the city to be represented.	Potential for perception by public that the ward member is there to represent their ward only and is captured by the interests of their ward electors.
Potential for more diversity of at large councillors to be elected.	Possibility of division between councillors in terms of perceived elector representation and accountability.
Allows residents to have a choice of who to approach, at large or ward based members.	The Review and Observer Team considered this arrangement contributed to the Council's dysfunction.[23]

Option 2 – 12 councillors – wards based option (11 elected from 6 general wards and 1 elected from Māori ward)
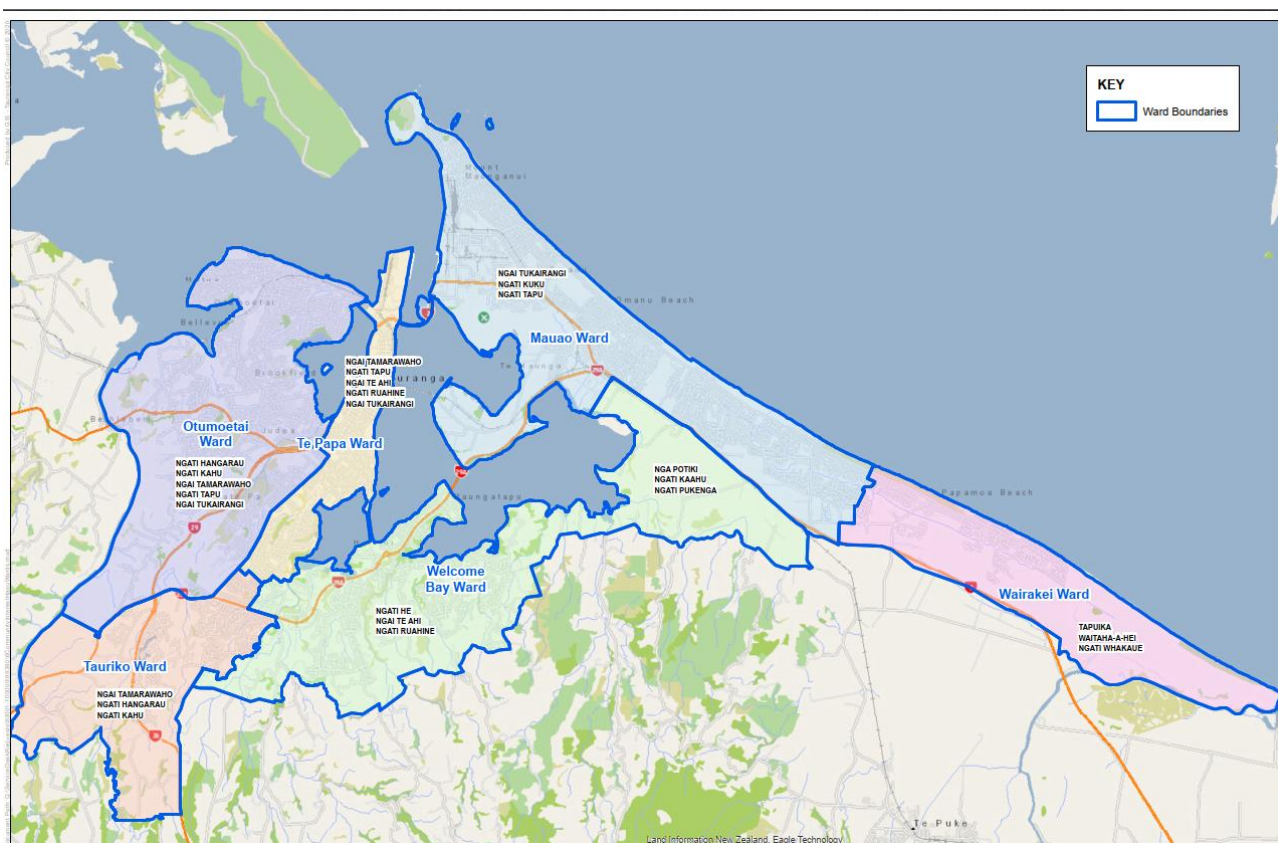
72.   Option 2 is a wards based approach. 11 councillors are elected from six (6) general wards and one (1) councillor elected from a Māori ward that would cover the city. No at large councillors would be elected in this option.

73.   The following wards would be established as set out in the table and the map below shows the general wards[24]:

Ward name[25]	Number of Councillors
Mauao	3
Wairakei	1
Otumoetai	3
Te Papa	1
Welcome Bay	2
Tauriko	1
Māori ward (name to be determined)	1

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[23] Refer to Background section of this report.
[24] At the time of writing the report, compliance with +/- 10% rule is being checked with Statistics NZ, and some boundary changes may be required.
[25] Ward names are placeholders only and feedback on names of wards can be asked for during the pre-engagement phase.

74.   This option recognises that there are distinct communities of interest based on geographical areas that can be identified as follows:

Mauao	This ward includes Mount Maunganui, Matapihi, Papamoa and Kairua. It covers the coastal strip and recognises the unique feature of Mauao which is an important cultural, historic and geographical feature. This ward has a focus on leisure and tourism, faces increased tsunami risk, sea level rise and coastal hazards due to its location. Improved transportation links to the City via state highways are of importance to residents.
Wairakei	This ward includes Wairakei and Te Tumu. This coastal strip area will continue to have accelerating population growth. In the next 10 years an estimated 2-3,000 new homes will be built in the areas already zoned for housing and 7-8,000 homes once Te Tumu is zoned for housing. It also faces increased tsunami risk, sea level rise and coastal hazards due to its location. Improved transportation links to the City as well as the construction of a direct link to the Tauranga Eastern Link via the Papamoa East Interchange are of importance to residents.
Otumoetai	This ward includes Otumoetai, Brookfield, Bellevue, Matua and Bethlehem. With a large population living close to the city centre, the residents of this ward are impacted by the increase of infill housing, are interested in safer transport options and the development of community facilities.
Te Papa	This ward includes Te Papa Peninsula, Greerton and Gate Pa. The Te Papa Spatial Plan, with its focus on increased density and city-living type housing, is estimated to increase the number of residents on the Te Papa Peninsula by 15,000 by 2050. The

|	Cameron Road redevelopment project with improved passenger services and transport choices will have a major impact on residents. The development of community facilities, spaces and places and the inner city revitalisation are of importance to residents.
Welcome Bay	This ward includes Welcome Bay, Ohauti, Harini and Poike. These areas have a reliance on services and facilities located in other suburbs and transportation to the city centre is an important issue for local residents. More rural based residents have specific needs related to rural living.
Tauriko	This ward includes Pyes Pa, The Lakes, Oropi and Tauriko. The expansion of the city to the west has seen boundary changes with Western Bay to facilitate the development of business, industry and residential growth. It is estimated in the next 10 years that 3-4,000 new homes will be built, improvements will be made to SH29 and connections to it, and an additional 100-150 hectares of business land will be provided creating an additional 2,000 jobs.

75. The Māori ward would reflect the community of interest for Māori electors and those in the Māori community.

76. Option 2 can be seen as a more easily understood arrangement and would recognise that there is a closer direct link between local electors and their ward councillor(s).

77. This option may reduce the potential for electing a more diverse set of councillors than Option 3 and does not identify and represent communities of interest that are city-wide.

78. Option 2 would reduce the number of councillors voted for by Māori and general electors i.e. general electors would vote for 1-3 councillors out of 12 councillors and Māori electors would vote for 1 councillor out of 12.

79. This option takes into account iwi/hapū boundaries (included broadly in the map above) while recognising areas of overlap. Feedback from iwi/hapū will specifically be sought on these boundaries to ensure they are culturally appropriate.

80. This option would address the concerns raised by the Review and Observer Team as they believe a ward only arrangement would remove the difference between an at large and ward councillor and provide a "*better than even chance of delivering a functional council than the one the Team observed*".

81. Wards can create a perception in the public that the councillor(s) is there to represent their ward during Council decision-making. However all councillors make a declaration to serve the interests of the whole City once they are elected.

82. This option has the potential for less election costs for general ward candidates, but not for the candidates standing in the Māori ward, who will be campaigning city-wide.

83. This option would give less weight for establishing community boards as geographic communities of interest would be represented on the Council.

84. Summary of advantages and disadvantages of this option are set out below:

Advantages	Disadvantages
Increases geographic representation of communities of interest than current 3 wards.	Does not identify and represent communities of interest that are city-wide.
Considers iwi and hapū boundaries.	Not based on specific hapū boundaries.

More easily understood system and direct relationship with electors and ward councillor(s).	Potential for perception by public that the ward member is there to represent their ward only and be captured by the interests of their ward electors.
All councillors in general wards fairly represent the same number of electors.	Electors only able to vote for a minority of councillors. Māori electors would elect only 1 councillor out of 12 (the Māori member). General electors would elect 1-3 councillors out of 12 depending on the ward they were in.
Potential for less costs for candidates standing in general wards.	Potential for higher costs for candidates standing in Māori ward.
Addresses the concerns raised by the Review and Observer Team.	Less potential for electing a more diverse set of councillors than other options.

Option 3 – 12 councillors – at large option - (10 elected from at large, 1 elected from a general ward and 1 elected from a Māori ward)

85. Option 3 is effectively an at large option. Ten (10) councillors are elected at large (by everyone), one councillor is elected from a general ward (electors on general roll only) and one councillor elected from a Māori ward (electors on Māori roll only). Both the general and Māori ward would cover the entire city.[26] Refer to the map below.


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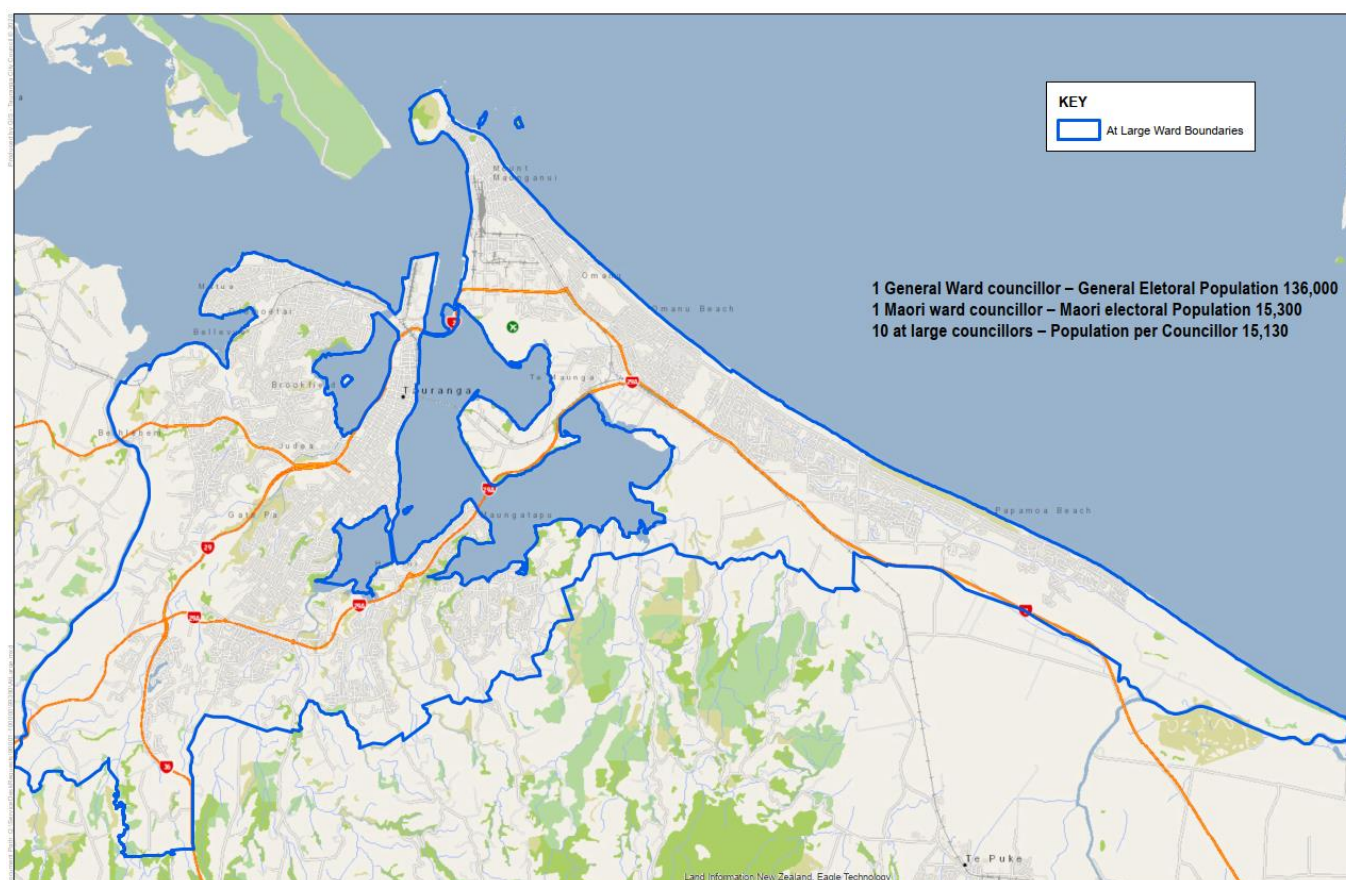
[26] With a Māori ward established, there must be at least one general ward established, and this can be across the entire city (Clause 1 (2) (b) (i) of Schedule 1A of the LEA)

86.   Option 3 identifies that there is a shared common community of interest at the city level and that communities of interest are spread across the city rather than being geographically distinct. It gives greater weight to the view that there is no distinction between different communities of interest from a geographical perspective within Tauranga City as all parts of the city contain a mixture of various communities of interest.

87.   This option recognises that Tauranga is one of the geographically smallest cities in New Zealand based on land area (approximately 17,500 hectares) with a mainly urban population. Given the compactness of the city and the urban population, the decisions relating to the development of such things as the expansion of housing areas, infrastructure upgrades, transport links and community facilities, are seen to impact on people city-wide.

88.   This option recognises that the geographical features of the city that are unique such as Mauao, the harbour and the beaches have meaning and significance to many residents.

89.   Option 3 would provide for Māori and general electors to vote for 11 out of the 12 councillors and supports the principle of electors voting for the majority of councillors. Councillors are seen as representing and accountable to all electors rather than a geographically defined group of electors.

90.   The electoral system Single Transferable Voting (STV) is suited to at large elections and is considered to provide more opportunity for women, Māori, and people representing minority groups to be elected than under a First Past the Post (FPP) system.

91.   Option 3 provides the potential for candidates who represent sector or interest groups to be elected city-wide.

92.   Option 3 would not address the concerns raised by the Review and Observer Team with their view that at large councillors were more likely to contest a mayoralty and had the potential to continue the mayoralty race after the election.

93.   The establishment of a community board or boards may be given more weight under this option to provide a voice at a more local community level.

94.   Summary of advantages and disadvantages of this option are set out below:

Advantages	Disadvantages
Enables representation of communities of interest that are spread across the city rather than being geographically distinct.	Potential for higher costs for candidates as they campaign across the city.
Electors vote for the majority of the councillors. Both Māori and general electors vote for 11 councillors out of 12.	At large councillors can be seen as less accountable as they do not represent a geographic subset of electors.
STV suited to at large elections and has potential to deliver more diverse councillors to reflect population of the city.	Does not address the concerns raised by the Review and Observer Team.
Councillors are accountable to all electors.	General ward councillor representing 10 x the number of electors than other councillors.
	May be difficulty in attracting candidates to stand for the general ward (1) as less chance of being elected than if stand for at large (10)

TIMELINE AND PROCESS

95.   The timeline for the representation review is set out in Attachment 1 and it is recommended that this be adopted by the Council. A summary of the timeline is set out below:
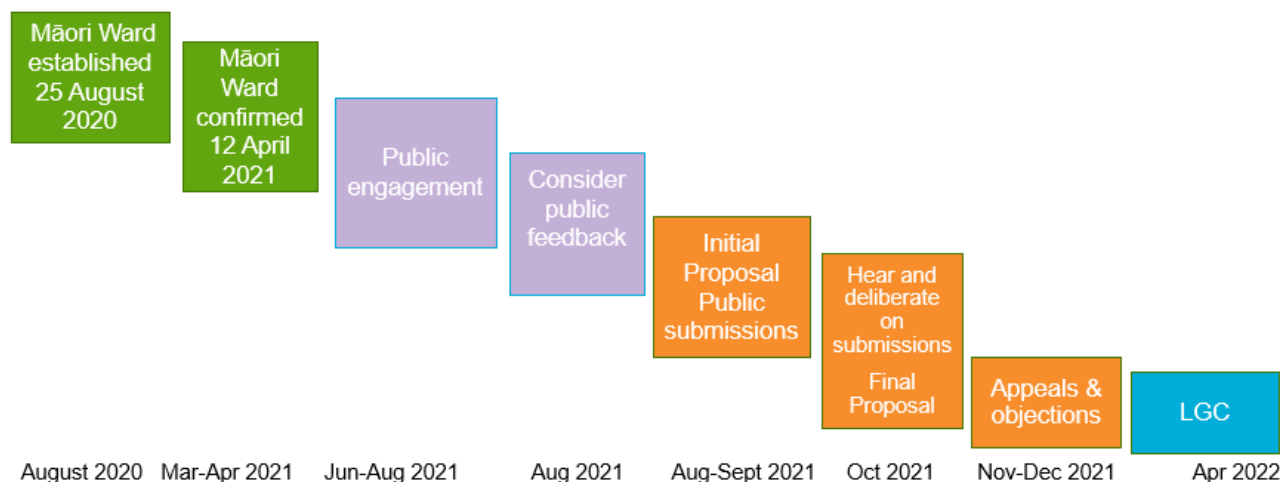
96.   Pre-engagement is recommended before the formal process is started.

97.   'Initial' proposals must be made no later than 31 August 2021. The public are invited to make submissions. If no submissions are received, the proposal becomes final. Where submissions are received, Council considers those and may amend its proposal.

98.   The 'final' proposal is publicly notified and if no appeals or objections are received, it becomes final. Any appeals or objections to the final proposal are forwarded to the LGC to consider before the LGC makes a determination. The LGC may hold a hearing to consider the appeals or objections before making a determination. The determination must be released by 11 April 2022.

99.   A determination of the LGC is able to be appealed to the High Court only on a point of law.

FINANCIAL CONSIDERATIONS

100.   The financial impact of a change in representation arrangements will need to be calculated once the changes are known. There is no impact on the Councillors remuneration as this is a pool set by the Remuneration Authority regardless of the number of councillors based on a number of factors including population and assets of the council. The establishment of one or more community boards would require a separate budget to be established. The resourcing of community boards would also need to be scoped and budgeted for.

LEGAL IMPLICATIONS / RISKS

101.   The Council must meet the statutory deadlines outlined in the LEA. The timeline sets out the process to meet these deadlines. The Council will undertake a robust process to arrive at a final proposal however there is always a risk that the LGC will overturn the Council's final proposal as this has occurred in the past.

SIGNIFICANCE

102.   The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.

103.   In making this assessment, consideration has been given to the likely impact, and likely consequences for:

    (a) the current and future social, economic, environmental, or cultural well-being of the district or region

    (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter

    (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

104. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the proposal is if high significance.

ENGAGEMENT

105. Taking into consideration the above assessment, that the proposal is of high significance, officers are of the opinion that pre-engagement is undertaken prior to the formal consultation processes required under the Local Electoral Act 2001.

Click here to view the [TCC Significance and Engagement Policy](#)

NEXT STEPS

106. Council to consider recommendations on 12 July 2021.

ATTACHMENTS

1.   **Representation Review Timeline 2021-22 - A11564969** ⇩ 🅿
2.   **History of Representation Reviews Tauranga City Council - A12473201** ⇩ 🅿
3.   **Table of comparision of electoral arrangements - at large, ward and mixed - A12473221** ⇩ 🅿

Date	Activity	Comments
18 June 2020 and 24 July 2020	Tangata Whenua/TCC Committee	Report on Māori Representation. Recommend to Council to establish a Māori ward
29 June 2020	Council Briefing	Representation Review – set the scene, timeframes and Māori Representation
25 August 2020	Council	Resolved to establish a Māori ward
31 August 2020	Public Notice	Advising public of right to demand a poll. Must be signed by at least 5 percent of electors, a minimum of 4,742 signatures.
12 February 2021	Public Notice	Valid demand for a poll received on 29 January 2021. Public notice required to be given that poll will be held with voting closing on 8 May 2021 even though Bill about to be passed that would revoke poll provisions.
9 March 2021	Public Notice	Poll cancelled due to legislative change – Local Electoral (Māori Wards and Māori Constituencies) Amendment Act 2021, came into force on 2 March 2021, amended the Local Electoral Act 2001 removed poll provisions and demand for a poll to be disregarded.
29 March 2021	Tangata Whenua/TCC Committee	Commissioners now appointed to this committee.

Report on Māori wards and options available to the Council under the Amendment Act to confirm decision, revoke decision or hold a non-binding referendum before making a decision by 21 May 2021.

Recommendation to Council to confirm decision to establish a Māori ward. |
12 April 2021	Council	Confirmed decision to establish a Māori ward.
21 June 2021	Strategy, Finance and Risk Committee	Report on Representation Review – recommend to Council timeline, engagement plan, options for public to consider and provide feedback.
23 June 2021	Tangata Whenua/TCC Committee	Update on representation review timeline, early engagement and options.
12 July 2021	Council	Consider recommendations of Strategy, Finance and Risk Committee and adopt timeline, engagement plan and options for the public to consider and provide feedback.
16 July – 13 August	Early engagement	Engagement with public.

Date	Activity	Comments
2021		
23 August 2021	Council meeting	Hear feedback from public.
		Adopt an initial proposal for public consultation (this must be completed by 31 August 2021 – sec 19H of LEA)
27 August 2021	Public Notice	Public notice of initial proposal (within 14 days of resolution – and must be given no later than 8 September 2021 – sec 19M of LEA) - one-month consultation period.
		Other local authorities with a direct interest in the proposal get copies of the public notice.
		Public notice of initial proposal must go to the LGC, Surveyor-General, Government Statistician and Remuneration Authority.
27 August to 28 September 2021	Submission period	Public submission period closes on initial proposal.
		(note: under LEA latest date for submission period to close is 8 October 2021)
1 October 2021	Public notice if no submissions received	If no submissions received to the Initial Proposal – the Initial Proposal becomes the basis of election for 2022 and 2025 elections (sec 19Y (1) of LEA).
11 October 2021	Council meeting	Hear public submissions on Initial Proposal. (Section 19N of LEA).
26 October 2021	Council meeting	Deliberate on public submissions on Initial Proposal and make decision on final proposal. (Section 19N of LEA).
1 November 2021	Public Notice	Public notice of final proposal – within 6 weeks of closing date for submissions and this must be given by 19 November 2021 – sec 19N of LEA). One-month appeal/objection period.
		Other local authorities with a direct interest in the proposal get copies of the public notice.
1 November to 1 December 2021	Appeal/objection period closes	Appeal – a person can appeal if they have already submitted to the Initial Proposal.
		Objection – a person can object to the final proposal even if they did not submit to the Initial Proposal.
		(sec 19V – LEA) – closing date for appeals/objections must be no later than 20 December 2021.

Date	Activity	Comments
15 December 2021	Appeals/objections considered by LGC	Appeals and objections are sent to the Local Government Commission (this must be sent to the LGC by 15 January 2022 – sec 19Q of LEA). Note: there is no provision in LEA for accepting late appeals or objections.
		Information required to accompany appeals and objections include public notices, resolutions of the Council, submissions to the initial proposal, detailed maps of existing and proposed wards and community board areas, officer reports, copies of public discussion or consultation documents, information on communities of interest and population.
by 11 April 2022	LGC holds public hearing and makes final Determination	LGC may hold a public hearing. This is usually held in the Council Chambers. The Council outlines its proposal and has a right of reply. Appellants and objectors have an opportunity to speak to matters raised in their appeal or objection. The LGC will consider and make the final Determination.
		LGC must rectify any element of the proposal it considers does not comply with the statutory provisions, whether or not this was the subject of an appeal or objection, in particular compliance with the +/- 10% rule. LGC is required to form its own view on all aspects of the Representation Review.
		The LGC Determination applies to 2022 and 2025 elections (the determination must be made before 11 April 2022 – sec 19R of LEA).
By 11 April 2022	Public Notice of final determination	Determination setting out reasons given by LGC to Council and by public notice.
		Copy of public notice sent to Surveyor-General, Government Statistician, Remuneration Authority and Secretary for Local Government.
Within a month of LGC Determination	Appeals to High Court lodged	Appeals to the LGC Determination on points of law can be lodged with the High Court Determination – must be within one month of the LGC Determination (Schedule 5 of LEA). Subject to Judicial Review Procedure Act 2016.
April to June 2022	Boundary adjustments	If any adjustments are required to ward/community board boundaries the LGC will instruct the Surveyor-General to draw up the amended maps.
8 October 2022	Local Government election day	Either LGC Determination comes into force or Council final proposal comes into effect.

HISTORY OF REPRESENTATION REVIEW – TAURANGA CITY COUNCIL

Elections	Representation	Wards	Comments
1989	Mayor + 14 Councillors elected from 5 wards No community board	• Otumoetai/Bethlehem – 4 • Mount Maunganui - 3 • Te Papa - 4 • Welcome Bay/Pyes Pa - 2 • Papamoa - 1	Tauranga District Council established as part of Reorganisation Scheme to create Regional Council
1992	Mayor + 14 Councillors elected from 5 wards	• Otumoetai/Bethlehem – 4 • Papamoa/Matapihi/Arataki – 2 • Welcome Bay/Oropi – 2 • Mt Maunganui – 2 • Te Papa - 4	
1995	Mayor + 14 Councillors elected from 4 wards	• Mt Maunganui/Papamoa – 4 • Te Papa – 4 • Otumoetai/Bethlehem – 4 • Welcome Bay/Pyes Pa - 2	One ward less than 1992, same number of councillors. Ward boundaries changed.
1998	Mayor + 13 Councillors elected from 4 wards No community board	• Mt Maunganui/Papamoa - 4 • Te Papa – 3 • Bethlehem/Otumoetai – 4 • Welcome Bay/Pyes Pa – 2	Boundaries/names same as for 1995 election; one less member for Te Papa Ward
2001	Mayor + 13 Councillors elected from 4 wards No community board	• Mt Maunganui/Papamoa – 4 • Bethlehem/Otumoetai – 4 • Te Papa – 3 • Welcome Bay - 2	
2004[27] & 2007	Mayor + 10 Councillors 7 councillors elected at large 3 councillors elected 3 wards No community board	• Mt Maunganui-Papamoa –1 • Bethlehem-Otumoetai – 1 • Te Papa-Welcome Bay - 1	Local Government Commission (LGC) Determination over-turned TCC proposal for 12 councillors from 3 wards for 2004 elections: • Mt Maunganui-Papamoa –4 • Bethlehem-Otumoetai – 4

[27] 1 March 2004 Tauranga District became Tauranga City

			• Te Papa-Welcome Bay – 4 TCC proposal to combine Te Papa and Welcome Bay wards and decrease members to 12 would enable TCC to comply with population rule.[28]
2010 & 2013	Mayor + 10 Councillors 4 Councillors elected at large	• Mount Maunganui-Papamoa - 2 • Otumoetai-Pyes Pa - 2	LGC Determination over-turned TCC proposal for 2010 election.[29]

[28] LGC reasons for determination for 2004 election: (A167754)
- Given the evidence that the major issues facing the residents of the District essentially affect the District as a whole, the Commission agreed that the ward members should make up a minority on the Council – appellants suggested one member from each ward and Commission agreed.
- Commission persuaded by appellants that the situation had changed considerably since 1989 and noted the Mayor herself had a personal view that the council should now be elected at large. Given no direct request was received from the appellants for an at large election, the Commission decided that the members of the Council shall be elected partly from wards and partly at large.
- Commission aware that Tauranga is one of the most rapidly growing centres in NZ. The complex issues raised by planning for rapid growth require a reasonable pool of elected members to deal with them. In the Commission's view the minimum sized council would be 10 elected members, excluding the Mayor. Given that three members have been allocate to three wards, the Commission has determined that a total of seven further members shall be elected at large.
- No submissions received seeking any community boards.

[29] LGC reasons for determination for 2010 election: (A29952)

- It protects the geographical coverage of members and ensures a fair population to member ratio across the City.
- It enables electors to vote for a majority of the members of the Council (i.e. each elector will be able to vote for two ward members, four at large members, and the Mayor, which is seven members out of a total of 11 members).
- It provides residents with a choice of ward-elected members to approach.
- It allows for more diversity of ward-elected councillors than under single-member wards.
- the retention of wards, rather than at large elections, will enable a more easily understood, manageable and, ultimately, effective relationship between residents/community groups and councillors.

	6 Councillors elected from 3 wards No community board	• Te Papa-Welcome Bay - 2	Council final proposal was for Mayor + 10 councillors elected at large[30]
2016 & 2019	Mayor + 10 Councillors 4 Councillors elected at large 6 Councillors elected from 3 wards No community board	• Mount Maunganui/Papamoa Ward - 2 • Otumoetai/Pyes Pa Ward - 2 • Te Papa/Welcome Bay Ward - 2	Status quo retained by Council and upheld by LGC[31]

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[30] TCC reasons for choosing an at large system in final proposal for 2010 election - Tauranga City should be recognised, for the purposes of the representation review, as a single community of interest because:

- it is one of the smallest cities in New Zealand based on land area, with a mainly urban population.

- a distinction between different communities of interest from a geographical, social and cultural perspective within Tauranga City was not warranted as all parts of the City contained a similar mix.

- elected members had a responsibility to do what was fair and equitable for the whole of the community and the public had a right to vote for all members they wished to represent them and who set their rates.

- the current mix of two representative systems was confusing for constituents and voters.
- Wards create the perception that the member is there to represent their ward during Council decision-making, which is not a true perception as all councillors declare an oath to serve the interests of the whole City.

[31] TCC reasons for retaining status quo for 2016 election:
- Tauranga is a fast growing City with particularly high growth in the coastal strip and in Pyes Pa.

- There are reasonably distinct communities of interest in the city.

- Ward councillors are the first point of contact on localised issues and councillors have a good relationship with residents' groups in their wards. The system provides reasonable access for the public to elected members.

- If the Council's initial proposal had been significantly different to the status quo there would have been a significantly larger number of responses compared to the 24 submissions received.

- The Council had consciously decided to retain the current ward boundaries because they are what communities are familiar with.

Table of comparisons of electoral arrangements – councillors elected at large, wards only or mixed

At large – elected city wide	Wards only – elected by wards	Mixed – elected by wards and at large

This option may be best when:
• the district has a relatively compact geographic area; and/or
• a shared common community of interest at the district level; and/or
• communities of interest are spread across the district rather than being geographically distinct. Examples include:
 	
    Māori/iwi   Business interests
    Cycling groups   Climate change activists
    Environmental groups   People with disabilities
    Elderly   Youth
    Ethnic minority groups   Sector groups
 	
• Transport links and upgrades such as Cameron Road project impact people city wide
• Community facilities such as Baywave, Baypark, Bay Oval and Baycourt are used by people city wide
• Development of future community facilities impact on people city wide
	This option may be best when:
	• there are specific geographically based communities of interest;
	• there is a large geographical area and there is a need to protect the geographical coverage of councillors on the Council.
	
	Pros
	• all councillors fairly represent the same number of electors from each ward (within +/- 10%).
	• Can take into account iwi/hapū boundaries
	• can be seen as a more easily understood
	• single-member wards provide a close direct link between local electors and their representative
	• multi-member wards
	   ○ provide greater choice for voters
	   ○ following the election, provides greater choice for residents on who to approach on local issues
	   ○ allows sharing and specialising in responsibilities between the ward representative
	• Potential for less election costs for candidates standing in wards.
	
	Cons
	• Does not identify and represent communities of interest that are city wide
	• Potential for perception by public that ward councillors can be captured by the interests of their ward electors and less likely to consider
		This option may be best when:
		• there are clear district-wide communities of interest and
		• specific geographically based communities of interest.
		
		Pros
		• enables electors to vote for a majority of the members of the council (for example in 2019 election general electors were able to vote for two ward councillors, four at large, and the mayor, which was seven out of a total of 11 elected members)
		• these arrangements are familiar to electors (in place since 2010)
		• provides for communities of interest both city wide and in geographical areas
		• potential for more diversity of at large councillors to be elected
		• allows residents to have a choice of who to approach, at large or ward councillors
		Cons
		• according to the Review and Observer Team (the Team), the electoral mandate of a councillor who is elected at large is automatically different from that of a ward councillor, and the Team considered this a significant contributor to the situation that the Council found itself in. The Team found that the mayoralty race continued after the 2019

At large – elected city wide	Wards only – elected by wards	Mixed – elected by wards and at large
Pros • Enables candidates to represent sector or interest groups • Councillors can be seen as representing and accountable to all electors rather than a geographically defined subset. • Enables voters to have a say in the election of the majority of councillors. • STV system suitable for at large elections and provides more opportunity to have diversity in councillors. **Cons** • Potential for councillors to be geographically unrepresentative • A view that at large councillors are less accountable as they do not represent a defined subset of electors • STV system has potential to confuse voters and not provide a clear a mandate as FPP. • Higher costs for candidates to campaign city-wide **Examples other city councils** Palmerston North City Council 15 councillors elected at large – STV Dunedin City – 14 councillors elected at large – STV + 6 community boards Hamilton City Council – 2 wards - FPP	city-wide context. • Electors only able to vote for a minority of councillors. • Less potential for electing a more diverse set of councillors than other options. **Example other city councils** Wellington City – 14 councillors elected from 5 wards – STV + 2 community boards Christchurch City – 16 wards from 16 wards – FPP + 7 community boards	election with 3 of the 4 at large councillors who also stood for the mayoralty. While it cannot be concluded that the representation arrangements led to the Commission appointment; they arguably contributed to the dysfunctional behaviour which led to the appointment. • At large councillors are not subject to +/- 10% rule. • Not all councillors represent the same number of electors. • Possibility of division between councillors in terms of perceived elector representation and accountability. **Example other city councils** Hutt City – 12 councillors = FPP 6 councillors elected from 6 wards 6 councillors elected at large 3 community boards

10   DISCUSSION OF LATE ITEMS

11   PUBLIC EXCLUDED SESSION

RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATIONS

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 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 for the passing of this resolution
11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee Meeting held on 17 May 2021	s6(b) - the making available of the information would be likely to endanger the safety of any person s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(i) - the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

12   CLOSING KARAKIA