



AGENDA

Strategy, Finance and Risk Committee Meeting Monday, 28 June 2021

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

Date: Monday, 28 June 2021

Time: 10.30am

**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:

- 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;
- to consider strategic issues facing the city and develop a pathway for the future;
- to monitor progress on achievement of desired strategic outcomes;
- 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.

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- 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 21 June 2021

File Number: A12653569

Author: Robyn Garrett, Team Leader: Committee Support

Authoriser: Robyn Garrett, Team Leader: Committee Support

RECOMMENDATIONS

That the Minutes of the Strategy, Finance and Risk Committee Meeting held on 21 June 2021 be confirmed as a true and correct record.

ATTACHMENTS

- 1. Minutes of the Strategy, Finance and Risk Committee Meeting held on 21 June 2021**



MINUTES

Strategy, Finance and Risk Committee Meeting

Monday, 21 June 2021

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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, 21 JUNE 2021 AT 3PM

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 (via video link) 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 & Engagement), Carlo Ellis (Manager: Strategic Maori Engagement), Coral Hair (Manager: Democracy Services), Robyn Garrett (Team Leader: Committee Support), Raj Naidu (Committee Advisor) and Jenny Teeuwen (Committee Advisor)

1 OPENING KARAKIA

The opening karakia was performed by Commissioner Shadrach Rolleston at the morning Council meeting and included this meeting.

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 CONFIRMATION OF MINUTES

7.1 Open and Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 17 May 2021

COMMITTEE RESOLUTION SFR2/21/1

Moved: Dr Wayne Beilby

Seconded: Ms Matire Duncan

That the Strategy, Finance and Risk Committee:

- (a) Confirms the open minutes of the Strategy, Finance and Risk Committee meeting held on 17 May 2021 as a true and correct record.
- (b) Confirms the public excluded minutes of the Strategy, Finance and Risk Committee meeting held on 17 May 2021 as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 BUSINESS

9.1 Representation Review

Staff Susan Jamieson, General Manager: People & Engagement
Coral Hair, Manager: Democracy Services
Carlo Ellis, Manager: Strategic Maori Engagement

External Warwick Lampp, Electoral Officer

A copy of the staff presentation for this item can be viewed on Tauranga City Council's website in the Minutes Attachments document for this council meeting.

Key points

- Three options were presented:
 - Option One – mixed model (wards and at large) – based on the status quo
 - Option Two – wards only model
 - Option Three – At large model
- All options had 12 councillors plus a mayor – 13 elected members in total.
- All options used Statistics New Zealand population estimates as at 30 June 2020.
- Compliance referred to the '+/-10% rule' which was designed to achieve approximate equality of population represented by each ward member of a council.
- Pre-engagement was scheduled to begin in July/August. Full public consultation would begin in September.

In response to questions and points of discussion

- Electors on the general roll would vote for the general wards. Electors on the Māori roll would vote for the Māori ward. With a Māori ward, there needed to also be at least one general ward.
- Election of the Mayor was by everybody and sat outside of the election for councillors.

- An even number of elected members could lock a vote and would be something for the committee to consider.
- Electors on the Māori roll would be able to vote for the one Māori councillor and also for all of the at large councillors, plus the mayor.
- Communities of interest was not defined under the Local Electoral Act 2001 (LEA).
- Wards elections used the Single Transferable Vote (STV) model.
- Ward boundary changes had been considered in terms of iwi and hapu boundaries.
- The Māori ward was based on the Māori electoral population, not how many were on the Māori electoral roll.
- Māori ward candidates faced the cost of running and representing the whole city. Under the legislation, there was no consideration of costs or resource support for Māori wards.
- A downside of at large wards was that those running for at large wards often also challenged for the mayoralty.
- If there were all at large wards, those candidates with the most resources were more likely to be successful in being elected.
- With wards only being responsibility for a particular area, there was the risk that only the views of that ward would be represented, and not the view of the whole city.
- Examples of where the mixed model was working well included Hutt City, Masterton, Kapiti and Napier. Issues within councils around the country was not necessarily related to the at large component e.g. Wellington had no at large component while Invercargill was entirely at large.
- Approximately 10-12 councils in the country had a mixed model or were at large entirely. The majority of councils had wards only.
- It was suggested that now was the time to reset to an only wards model.
- It was suggested that the Option Two ward model be modified and consideration be given to splitting wards further as per the example outlined below:
 - Mauao – split into three – Mauao, Omanu Beach and Arataki
 - Wairakei - one
 - Welcome Bay – two - split between Maungatapu and Welcome Bay
 - Tauriko - one
 - Otumoetai - split into 3 – Bethlehem, Judea/Brookfield and Matua/OtumoetaiThis would result in 11 wards plus a Māori ward plus the Mayor – 13 in total. The downside to this model was that the city-wide view could be lost; however, the upside was there would be geographical communities of interest and this could also remove the need for community boards. With all electors either voting for one councillor or one Māori ward councillor, plus the mayor, everyone had the same opportunity.
- Another option offered was to have only six wards – five general and one Māori.
- It was suggested that the at large/mixed model had been more problematic for the city.
- The relevance and usefulness of STV would need to be considered if splitting up wards more, as STV was more effective with larger numbers of voters; however, STV still worked well under a single vacancy scenario. Under the single vacancy scenario, to be elected, a candidate needed to get more than 50% of the vote; therefore, the person elected would have the mandate from more than half of those who had voted.
- Tauranga was required to stay with STV for the next election.
- For the last two electoral cycles there has been numerous candidates across the wards so it was expected that there would still be a number of candidates for each ward if they were split further.
- Mr Lampp, Electoral Officer, suggested that the single member wards model was a good option and worthy of consideration. He gave Christchurch as an example of where this was working well.
- It was suggested that a single wards model be tested as a viable option, and if viable, be included as a fourth option along with the current three options to be presented to the public for consultation.
- There would be no preferred option signalled when the options were presented for public engagement.

- Community boards could be with any option, although larger ward options did give more weight to the need for community boards. Factual information about community boards would be provided as part of the public consultation.
- There was consensus to go out for public consultation with the four options.

Staff were asked to prepare a further report for consideration which included a proposed single ward option (modified Option Two as suggested) to be included with the current three options to go out for public consultation. The report was to be presented to the 28 June meeting of the Strategy, Finance and Risk Committee.

At 4.28pm, Mr Bruce Robertson left the meeting.

COMMITTEE RESOLUTION SFR2/21/2

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

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.

CARRIED

Recommendation (c) below was left to lie on the table pending the report to be presented at the Strategy, Finance and Risk Committee meeting on 28 June.

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

Attachment

- 1 Presentation - Representation Review

10 DISCUSSION OF LATE ITEMS

Nil

11 CLOSING KARAKIA

Mr Te Pio Kawe closed the meeting with a karakia.

The meeting closed at 4.38pm.

The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 28 June 2021.

.....
CHAIRPERSON

8 DECLARATION OF CONFLICTS OF INTEREST

9 BUSINESS

9.1 Outline work programme for the Committee

File Number: A12609946

Author: Jeremy Boase, **Manager:** Strategy and Corporate Planning

Authoriser: Christine Jones, **General Manager:** Strategy & Growth

PURPOSE OF THE REPORT

1. To present, for input and discussion, a draft outline work programme for the Committee for the 2021/22 financial year.
-

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the outline work programme for the Committee per Attachment 1, and requests that staff provide a revised version to the next meeting of the Committee, taking into account any feedback during or subsequent to the meeting.
-

BACKGROUND

Strategy, Finance and Risk Committee's terms of reference

2. The Committee's terms of reference list the following as the Committee's scope and responsibilities:
 - A. Strategic issues
 - A1 – Strategic issues
 - A2 – Policy and Bylaws
 - A3 – Monitoring of Strategic Outcomes and Long-Term Plan and Annual Plan
 - B. Finance and risk
 - B1 – Health and safety
 - B2 – Risk management
 - B3 – Internal audit
 - B4 – External audit
 - B5 – Fraud and integrity
 - B6 – Statutory reporting
3. Within section A1 of the scope, one of the responsibilities is to 'adopt an annual work programme of significant strategic issues and projects to be addressed'. It also notes that this programme should be reviewed on a six-monthly basis. This report is in response to that responsibility.

Work programme

4. An outline work programme has been prepared and is included as **Attachment 1** to this report for the purposes of input and discussion.
5. The outline work programme includes the broader responsibilities of the Committee, not just the 'significant strategic issues and projects' as noted in the terms of reference. This is to ensure that the Committee can contextualise the likely workload through the 2021/22 year.

6. The strategic elements of the work programme should be read alongside a separate paper on this agenda outlining the project to consider the city vision and council's strategic framework. Any changes made as a result of the Committee's consideration of that paper will need to be subsequently reflected in the outline work programme.
7. In reading the outline work programme it should be noted that for many projects the timing of 'next steps' will be determined by feedback on, and decisions about, earlier stages in the project. This makes timing of latter stages difficult to determine. This difficulty is recognised in Attachment 1 by the annotation "(?)" as part of various elements of the work programme.
8. As projects and initiatives are reported to the Committee, each report will have a better indication of the timing of subsequent steps than can be provided by this report.
9. With respect to Strategies it is expected that the early direction setting and progress updates would be considered by the Strategy, Finance and Risk Committee. The hearings and subsequent decisions on the final content of the strategy would be considered by full Council.

Omissions

10. There is currently nothing included in the outline work programme relating to the government's various reform programmes. As details of potential involvement by the Committee emerge from those workstreams, the Committee will be advised as soon as practicable.
11. It is also recognised that during the year there are likely to be a number of one-off issues and reports that fit the terms of reference, but which are currently either unknown or uncertain regarding timing, or whether they will be reported to the Committee or direct to Council. Again, the Committee will be advised of these matters as soon as practicable.

STRATEGIC / STATUTORY CONTEXT

12. A separate report on this agenda outlines the project encompassing the city vision and Council's strategic framework. Much of the work of the Committee over the 2021/22 year will involve key strategies developed or refreshed as part of that workstream.
13. Another report on this agenda outlines the government's significant reform processes that are currently underway, and which will impact on this Committee's workload. As those matters develop, reports will be prepared for the Committee as appropriate.

SIGNIFICANCE

14. 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.
15. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
16. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter of the Committee's strategic work programme is of high significance. However, the decision (to receive this report) is of low significance as no substantive decision is sought.

ENGAGEMENT

17. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.
18. Note that for many of the projects listed on the outline work programme, including all of the strategy development work, specific engagement plans and approaches will be prepared that are suitable to that project.

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

NEXT STEPS

19. A revised work programme will be brought to the next Committee meeting for formal consideration and adoption.
20. In the meantime, and where possible and appropriate, work will continue on each of the listed projects or initiatives according to project plans or established practices.

ATTACHMENTS

1. **Outline of topics to SFR Committee 2021-22 (June 2021) - A12609906**  

Outline work programme for the Strategy, Finance Risk Committee for 2021/22 (as at June 2021)

	July-September 2021 Established meeting dates: 16 August 20 September	October-December 2021 Established meeting dates: 1 November 13 December	January-March 2022 Meeting dates to be determined	April-June 2022 Meeting dates to be determined
Strategic framework				
City vision	Review collated material and approve for engagement			
Council's strategic framework	Review draft position statements for strategies			
Strategy development (new)				
Environment Strategy development	Project background and update	Project update	Review draft strategy and action plan	
Sustainability framework development	Project background and update	Review draft strategy and action plan		
Spaces & Places (Community Infrastructure) Strategy development	Project initiation and scope	Project update	Review draft strategy and action plan	
Social Wellbeing Strategy development	Project initiation and scope	Project update	Review draft strategy and action plan	
Te Ao Māori Strategy development	Project initiation and scope	Project update	Review draft strategy and action plan (?)	
Climate Change Action Plan				Project initiation and scope
Strategy reviews				
Events Strategy		Review draft strategy		
Community centres / halls investment plan	Project initiation and scope		Project update and direction	Review draft plan
Marine Strategy			Project update and direction	
Wairoa River Strategy		Project update		
Parking Strategy	Review draft strategy			
City Centre refresh and implementation plan	Project update		Review draft implementation plan	
Growth management				
Growth and land use projects progress report	Quarterly report	Quarterly report	Quarterly report	Quarterly report
Transport strategy and planning projects progress report	Quarterly report	Quarterly report	Quarterly report	Quarterly report
Tauriko West business cases	Review and approval			
Otumoetai and Mount Maunganui spatial plans		Direction provided on next steps	Project update	
National Land Transport Plan		Report on funding outcomes		

Obj ID: A12609906

Outline work programme for the Strategy, Finance Risk Committee for 2021/22 (as at June 2021)

	July-September 2021 Established meeting dates: 16 August 20 September	October-December 2021 Established meeting dates: 1 November 13 December	January-March 2022 Meeting dates to be determined	April-June 2022 Meeting dates to be determined
Housing Acceleration Fund	Progress update	Progress update		
Housing Infrastructure Fund	Progress update	Progress update		
City Plan review		Issues and options for direction		
Policy development				
Policy on grants for development contributions on papakainga housing - new	Review draft policy			
Policy for grants for development contributions paid by community housing providers - new	Review draft policy			
Local Alcohol Policy - statutory review	Introduction and initial optioneering and direction		Review draft policy (?)	Consultation, hearings, deliberations, adoption (?)
Consultation with Tangata Whenua on Resource Consents Policy - review	Issues and options	Review draft policy (?)		
Use of Council land - multiple policies under review	Introduction and initial optioneering and direction	Review draft policy (?)	Consultation, hearings, deliberations, adoption (?)	
Draft Risk management policy - review	Consider revised draft			
Draft Fraud Prevention and Management Policy - review	Consider revised draft			
Mobile Shops Policy - review	Introduction and initial optioneering and direction		Issues and options (?)	Review draft policy (?)
Gambling Venues Policy - statutory review		Issues and options	Review draft policy (?)	Consultation, hearings, deliberations, adoption (?)
Public Art Policy - review		Issues and options	Review draft policy (?)	
Smokefree Places Policy - review		Issues and options	Review draft policy (?)	
Annual report	Draft 30 June 2021 annual report for review	Audit management letter - 30 June 2021 attest audit		Audit engagement letter - 30 June 2022 attest audit
Other Audit NZ related matters	Audit management letter - Long-term Plan and consultation document			
Risk deep dives	Topic to be confirmed	Topic to be confirmed	Topic to be confirmed	Topic to be determined
Financial and non-financial reporting		Qtr 1, 2021/22 monitoring report	Qtr 2, 2021/22 monitoring report	Qtr 3, 2021/22 monitoring report

Obj ID: A12609906

Outline work programme for the Strategy, Finance Risk Committee for 2021/22 (as at June 2021)

	July-September 2021 Established meeting dates: 16 August 20 September	October-December 2021 Established meeting dates: 1 November 13 December	January-March 2022 Meeting dates to be determined	April-June 2022 Meeting dates to be determined
Other quarterly reporting				
Health & safety	Quarterly report	Quarterly report	Quarterly report	Quarterly report
Risk	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)
Internal audit	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)
Legal & litigation	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)
Cyber maturity update	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)	Quarterly report (confidential)
Other				
Mainstreet review	Update on scope		Report back	
Whareroa marae project	Project update			

Obj ID: A12609906

9.2 Strategic Framework for Tauranga City Council

File Number: A12618498

Author: Anne Payne, Strategic Advisor

Sarah Stewart, Strategic Advisor

Jeremy Boase, Manager: Strategy and Corporate Planning

Authoriser: Christine Jones, General Manager: Strategy & Growth

PURPOSE OF THE REPORT

1. This report proposes that Tauranga City Council refreshes, updates and clearly articulates its strategic framework, including development of a vision for the city. It also proposes that the previously planned 'City Futures Project' is superseded by this strategic framework refresh.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Supports a focussed Council-led approach to the development of a city vision, drawing on information received through prior engagement processes and seeking further community input through a further defined engagement process.
- (b) Approves a strategic framework refresh for Tauranga City Council, building on existing strategies, plans and information received through prior engagement processes, and identifying and filling key gaps in the existing strategic framework.
- (c) Approves the previously planned multi-partner citywide City Futures Project being superseded by the strategic framework refresh for Tauranga City Council, with elements of the City Futures Project being incorporated into the latter project as noted in this report.
- (d) Recognises and sincerely thanks contributors to the City Futures Project to date for their time and input. Members of the governance group and the wide range of workshop participants have provided valuable insights that will be used as input to Tauranga City Council's strategic framework refresh work.

EXECUTIVE SUMMARY

2. Council has been working towards the development of a city-wide, multi-agency vision and strategies approach. At the same time, Council has been working towards improving and refreshing its own strategic framework to aid consistent decision-making and messaging, both internally and externally.
3. In recent months, as a consequence of a number of factors both within and external to council, a revised approach has been considered. That revised approach involves superseding the wider City Futures project, with a project focusing on the twin aims of establishing an accepted and respected city vision and revising and refreshing Council's own strategic framework.
4. This report summarises that revised approach and seeks confirmation of it.

BACKGROUND

5. During late 2019 and early 2020, Tauranga City Council gathered a range of inputs as the first phase of developing and delivering a shared future vision and multi-partner action plan

for Tauranga city. Inputs included a stocktake of Council's existing strategic documents¹, the Vital Update 2020 report² and a range of workshops with key partners and organisations.

6. Council's Policy Committee approved the City Futures Project concept (at that time called the Strategic Framework Project) on 16 June 2020. Key next steps for the project were determined in late 2020, after the completion of a series of wellbeing-focused stakeholder workshops and separate workshops with Tangata Whenua representatives, councillors and the Executive Team. An external project governance group was then formed and first met in January 2021.
7. In parallel to the externally-focussed City Futures Project, we also planned to refresh, update and clearly articulate Tauranga City Council's existing strategic framework. We see this as particularly important for both the community and Council staff – making Council's strategic direction explicit, identifying where everyone's work contributes to that strategic direction, and showing how Council's various strategic initiatives fit together. All of the inputs to the City Futures Project were also envisaged to be valuable inputs to this work.
8. A key principle for both the City Futures Project and Tauranga City Council's strategic framework refresh was, and continues to be, *to build on what we already have, not to reinvent the wheel*. This was also one of the clear messages to us from the stakeholder workshops held in the latter half of 2020 (referenced in paragraph 6 above), confirming the importance of this approach.

Current situation

9. Alongside Council's need to respond to the challenges brought by the COVID-19 pandemic impacts over the last year, there are a range of factors that have contributed to the rethinking of the City Futures Project. These include:
 - (a) the degree of relevant sectoral change including three-waters reform, the broader local government reform review, and the announced reform of district health boards
 - (b) changes in the Tauranga City Council political leadership and the need for the Commission to provide clarity of future strategic direction prior to the conclusion of their term in October 2022
 - (c) insufficient time to authentically engage with Tangata Whenua while meeting current deadlines
 - (d) potential lack of on-the-ground commitment / enthusiasm from key partners (which likely signals similar priority pressures being experienced as ourselves)
 - (e) the significance of the current Long-term Plan 2021-2031, with major commitments to deliver
 - (f) difficulty engaging authentically on 'the future of the city' while having transport, urban form and housing effectively out-of-scope given the work that the Urban Form and Transport Initiative ("UFTI") and the western Bay of Plenty Transport System Plan ("TSP") have completed recently.
10. In short, Council's limited time and resources may be better spent refreshing our own strategic framework rather than proceeding with the envisaged multi-partner City Futures Project.

Proposed way forward

11. The proposed way forward is that the envisaged multi-partner City Futures Project be 'superseded by a refresh and update of Tauranga City Council's strategic framework (including establishing a vision for Tauranga city).

¹ Reported to the Policy Committee, 16 June 2020

² Released publicly 23 July 2020 and available at www.vitalupdate.org.nz

12. This would provide both a city vision and a clear strategic approach for Council, determining its contribution towards that vision. It would also provide other organisations and agencies with an avenue to input to both the vision and Council's strategic approach.
13. This is a balanced approach of focusing on what Council can directly control but doing so in collaboration with the community and relevant key stakeholders. Each major strategy is envisaged to have its own engagement plan to ensure such stakeholders are identified and involved.
14. More detail on the proposed approach follows:

A. Supersede the City Futures Project

15. For the reasons outlined above, we suggest that we do not continue with the multi-partner City Futures Project and instead incorporate the following aspects of that project into a refresh of Tauranga City Council's strategic framework:
 - (a) the City Futures Project Governance Group – propose to repurpose this group as part of an external reference group for the refresh and update of Council's strategic framework.
 - (b) full community engagement that had been envisaged for the City Futures Project – propose a scaled-down engagement around creation of a vision for the city.
 - (c) city partner engagement around strategic actions for the City Futures Project – propose to refocus engagement on Council's strategic framework and key actions.
16. The contribution of time and effort to the project to date from both Governance Group members and partner/stakeholder workshop participants is recognised and appreciated. As previously noted, information gathered to date for the City Futures Project development will also provide valuable input to Council's strategic framework refresh.

And:

B. Refreshing Tauranga City Council's Strategic Framework (including vision for the city)

17. The Strategic Framework refresh is proposed to include:
 - (a) Developing a **vision for the city**, starting with information gathered from past community engagement.
 - Community and partner engagement, potentially led by Commissioners, will occur with a focus on
 - *'have we heard you right?'*, building on a synthesis of the many prior engagement processes, and
 - *'what does achieving this community outcome look like to you?'*, encouraging people to personalise and provide detail around higher-level ideas such as 'protecting the environment' and 'valuing culture and diversity' and similar statements embedded in the community outcomes.
 - Note that a city vision is not just a 'tag line', it is a concise summary and documentation of what is important to the city for the future.
 - Additional creative / marketing resource will be used to tell our stories. This resource will also be useful to ensure we have a consistent look and feel to our updated suite of Council strategies and plans.
 - (b) Using base information (including LTP submissions as well as the City Futures Project inputs referenced above) to create a **robust strategic framework** for Tauranga City Council, involving:
 - A one-page diagram of the strategic framework, with a second overview page providing more detail (*refer Attachment 1, pages 1 and 2*).

- A one-page diagram for each community outcome, with clear linkages to Tauranga City Council's strategies, implementation plans and activities (*refer Attachment 1, page 3 – please note this is a worked example only, for the purpose of demonstrating the type of content that might be included*).
 - Communicating our strategic framework within the organisation and with our partners, particularly Tangata Whenua.
- (c) Refreshing (and, where necessary, creating) Council **strategies and action plans**, with a focus on making them relevant and current (*refer Attachment 1, pages 4 and 5*).
- This would build on much of the good work that already exists – not reinventing the wheel – and would address any gaps. The aim is to put in place a strong current base by the end of this financial year, June 2022.
 - There is significant work to be done in the 'gaps' areas, such as for the sustainability, Te Ao Māori and social wellbeing strategies which need to be developed from scratch. For these, June 2022 is a stretch target, balancing the scale of work required against the critical need to agree and formally adopt Council's strategic direction in these areas.
 - As part of this process a 'position statement' is proposed to be developed for each community outcome and strategic approach. The position statements aim to succinctly articulate Tauranga City Council's strategic direction for each community outcome or strategic approach, and are envisaged as useful input documents to the city vision engagement process (*refer Attachment 1, page 4 for further information*).
- (d) A draft high-level timeline for estimated delivery and resource estimates has been developed for this project, provisionally titled 'Tauranga City Council's Strategic Framework Project' (*refer Attachment 1, page 6*).

STRATEGIC / STATUTORY CONTEXT

18. This paper relates to Council's strategic direction. Current strategic direction provided by the community outcomes and existing strategies will be incorporated into the refreshed strategic framework.

OPTIONS ANALYSIS

19. There are two separate issues that are raised through this paper and the proposed approach outlined in the attachments.

Issue 1 – the City Futures Project

20. The City Futures Project was planned to have its own governance group, and to create a city vision supported by multi-agency strategic response and prioritised action plans.

Option	Description	Commentary	Recommended?
1A 'Park'	Superseded the full multi-partner City Futures Project, with a refresh of Tauranga City Council's strategic framework as outlined in this paper (includes development of a city vision).	Reflects and responds to events that have occurred since the City Futures Project was first conceptualised, including sectoral reform, changes in council political leadership and the now-shortened timeframe before elections, and the heightened priority on Council's own strategic framework. This option amends the direction provided by Council in 2020.	Yes

Option	Description	Commentary	Recommended?
1B Proceed	Continue with the project as proposed	<p>If the broader project continued, finite staff and budget resources would be diverted away from Council's strategic framework project.</p> <p>There is also the risk that, after the LTP, Vital Updates, UFTI, TSP and the Te Papa Spatial Framework there is a degree of 'engagement fatigue' among the community regarding detailed future planning processes.</p>	No

Issue 2 – Vision

21. Council has heard, through a variety of engagement processes, that a clear and unifying city vision is required for Tauranga. A city vision will operate, with the adopted community outcomes, as the centrepiece of Council's strategic framework and will also provide direction for other organisations operating in and for Tauranga.
22. The issue is not so much whether a city vision should be developed, but how that process should unfold.

Option	Description	Commentary	Recommended?
2A Focussed	<p>Build on prior Council engagement processes, with a focus on asking the community key questions: <i>'have we heard you right?'</i> and <i>'what does achieving this community outcome look like to you?'</i></p> <p>Process to be led by Council.</p>	<p>This approach builds on the wide body of knowledge already available and proposes short and sharp, focused engagement on key clarification and personalisation questions.</p> <p>This approach will produce a city vision and accompanying 'city stories' that help expand on that vision.</p> <p>The city vision will be prepared in a timeline that allows it to be reflected in council's own strategic framework refresh project.</p>	Yes
2B Broad	<p>Commence a broad process with multiple partner agencies and the community to create a multiply-owned city vision.</p> <p>Process to be led by a collection of agencies.</p>	<p>While a more inclusive approach which could potentially lead to a city vision with wider ownership, this approach will take significantly more time and effort from a number of agencies.</p> <p>Community tolerance for a 'blank sheet' approach is likely to be less than for a focused approach.</p>	No

FINANCIAL CONSIDERATIONS

23. The draft LTP contains budget, including budget for engagement activities, to enable this project to proceed in the 2021/22 year.

SIGNIFICANCE

24. 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.
25. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
26. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter of a city vision and Council's strategic framework is of high significance.
27. However, the decision on the specifics of the project, sought in this report, is considered of low significance as it is a natural extension of previous decisions made and direction provided by Council.

ENGAGEMENT

28. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.
29. Individual elements of the wider project will have their own engagement plans developed. Considerable stakeholder and community engagement is considered for many of the sub-projects.

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

NEXT STEPS

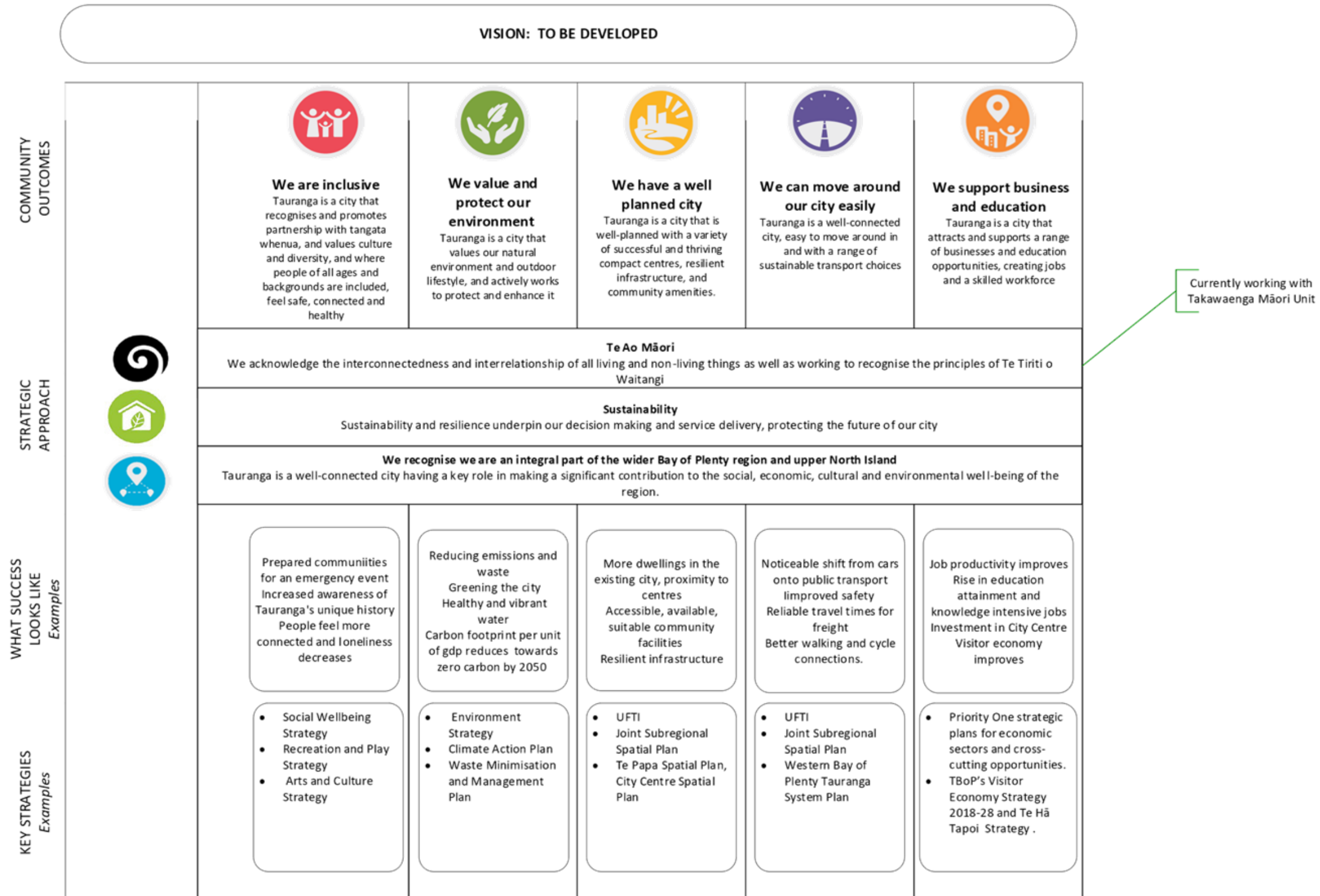
30. Members of the existing City Futures governance group will be informed of Council's decision (the report has already been discussed with, and made available to, each of them).
31. Planning work will continue on individual elements of the strategic framework and on the city vision project according to the attached timeline (*refer Attachment 1, page 6*).

ATTACHMENTS

1. **Proposed Strategic Framework - concept diagrams (A3) - A12634749**  

1. DRAFT: Integration of adopted Community Outcomes and relationship with our proposed new strategic approaches



2. **DRAFT:** Proposed Strategic Framework – How it fits together

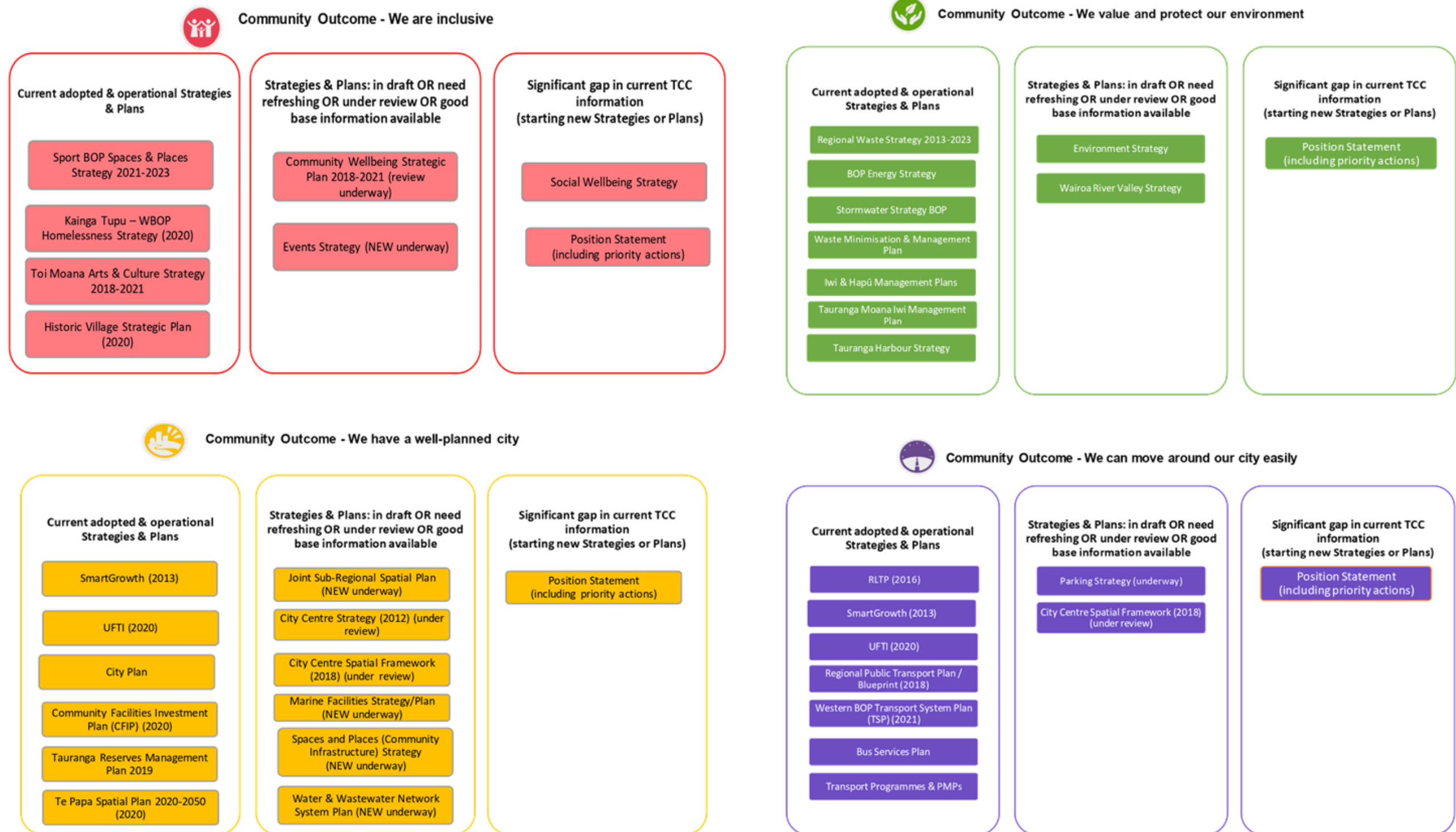
3. **DRAFT: Worked example for one Community Outcome** *(NB: content on this page is for demonstration purposes only)*

We support business and education

Tauranga is a city that attracts and supports a range of business and education opportunities, creating jobs and a skilled workforce.



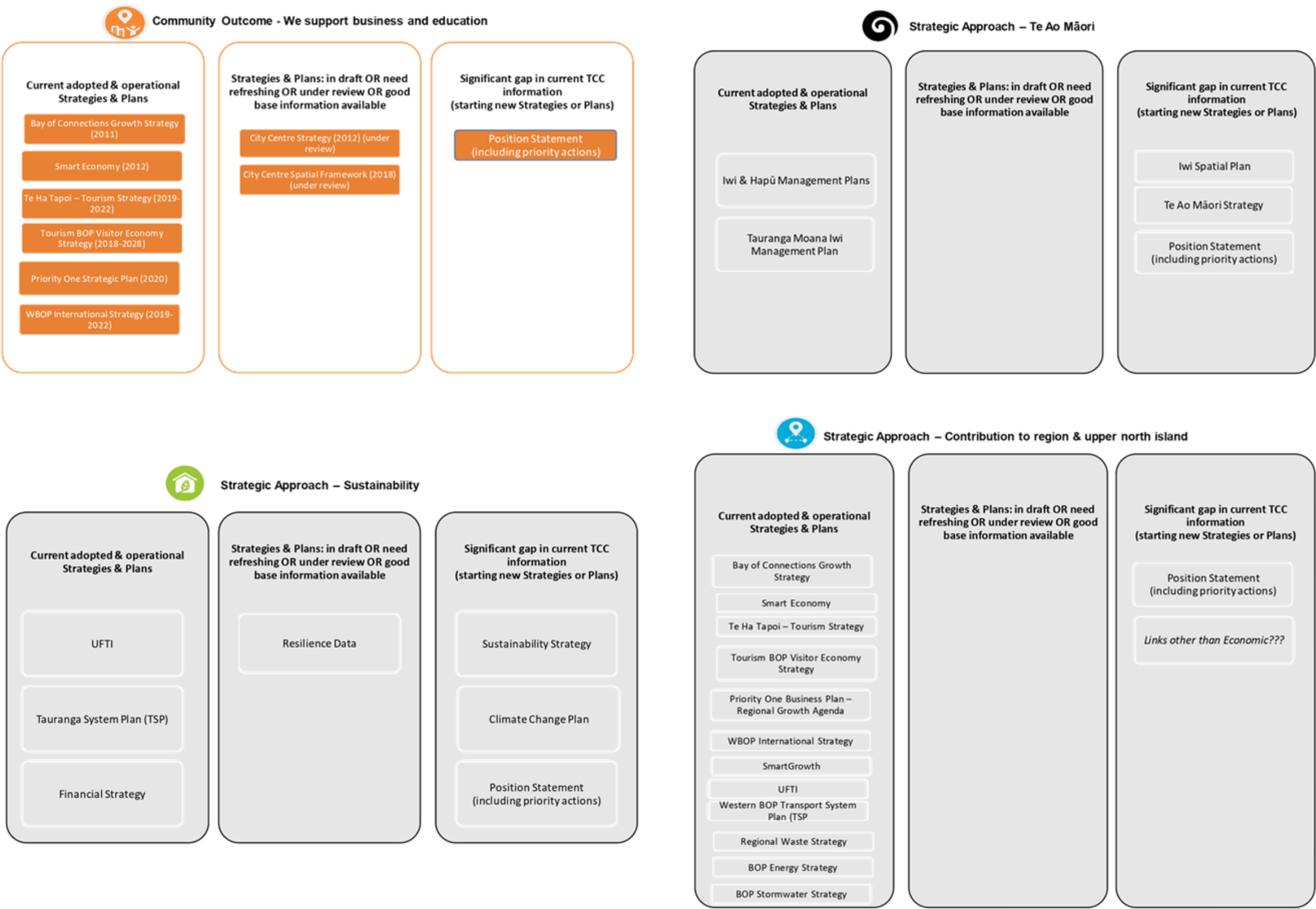
4. DRAFT: Strategic Framework Components – status



** Position Statements

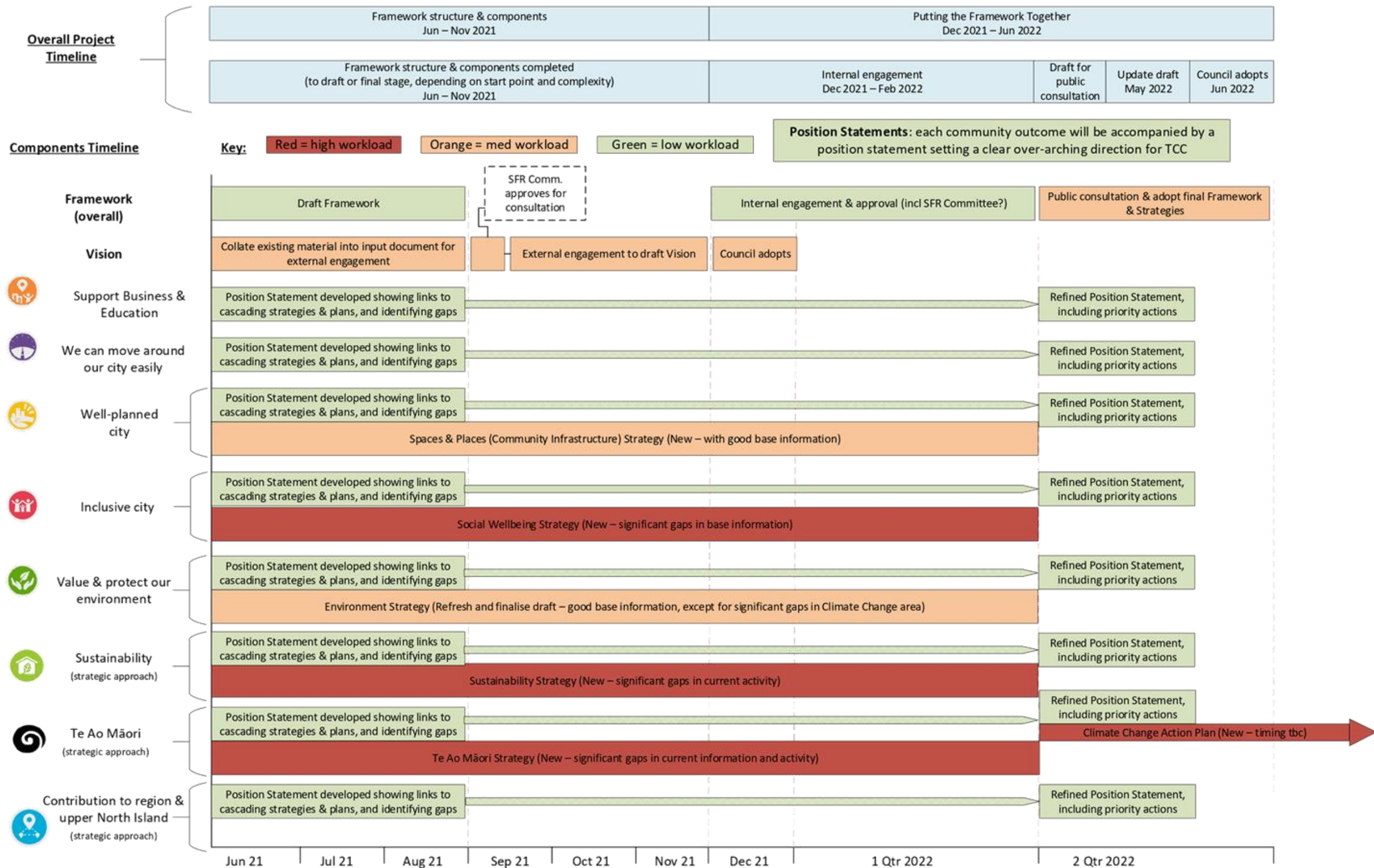
Position statements for each community outcome/strategic approach will be developed to: outline why each community outcome is important for our city; set clear overarching direction for TCC in relation to the community outcome/strategic approach; outline TCC's role in working towards the community outcome (i.e. council invests in strategic partners to progress some outcomes e.g. economy – 'we support business and education'); discuss priority actions and opportunities and any 'step changes' needed to optimise/leverage progress towards achieving the community outcome; identify gaps that need filling e.g. climate change/sustainability strategy and accompanying priority actions; outline constraints and challenges and how TCC plans to manage these; and link the various strategies and priority actions with what success looks like.

Position statements will be developed in two stages (refer timeline): Stage 1 (currently June – Aug 2021): Majority of position statement will be developed (alongside relevant strategies) linking to cascading strategies and plans, and clearly identifying gaps for further work; and Stage 2 (currently 2nd Quarter 2022): Refinement of position statement and identification of key priority actions.



5. Indicative Timelines

Tauranga City Council Strategic Framework Refresh – High Level Timeline



9.3 Sustainability Stocktake and Next Steps

File Number: A12580512

Author: Sarah Searle, Strategic Advisor
Rebecca Maiden, Sustainability Specialist

Authoriser: Christine Jones, General Manager: Strategy & Growth

PURPOSE OF THE REPORT

1. To present the final Sustainability Stocktake report received from Proxima Consulting Limited ("Proxima"), proposed next steps and sustainability work programme for the rest of the year.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receive this report and the attached Sustainability Stocktake.
- (b) Endorse the approach and next steps for development of the council's sustainability framework as outlined in this report.

EXECUTIVE SUMMARY

2. A sustainability update was provided to the Strategy, Finance and Risk Committee on 17 May 2021. The update detailed the current status of the Sustainability Stocktake ("the Stocktake") and the phases proposed for our sustainability work programme.
3. The Stocktake has now been completed. The Executive Summary, including recommendations, is provided at **Attachment 1**. The Stocktake structure drew significantly on a sustainability framework known as Thriving Cities (explained in more detail below) to develop a set of sustainability themes. The Stocktake provides detail including:
 - (a) high level observations and insights
 - (b) recommendations
 - (c) stakeholder feedback
 - (d) individual reports on each of the council's 26 Groups of Activities, aligned with sustainability themes.
4. Whilst recognising success stories, a fundamental finding of the Stocktake is that as a council we are falling short of providing a comprehensive response to holistic sustainability, the impacts of which affect the people, environment and economy of our city.
5. We are, however, one of the first councils in NZ to undertake such a comprehensive stocktake and it places us in a strong position to design our approach and tackle the issues identified.
6. In addition to the Stocktake, staff have been reviewing the overall approach to sustainability taken by other councils, both in New Zealand and Australia. Some initial findings are outlined below.
7. This paper outlines the intended next steps to build on the findings of the Stocktake, by embedding and enhancing sustainability within our strategic framework. In further developing and articulating Council's approach to sustainability (our "sustainability framework"), we intend to –
 - (a) "Weave" sustainability as a principle / lens throughout Council's strategic framework. This means that sustainability actions will be embedded into all strategies and plans in the strategic framework (rather than being a duplicate process or document) and aligned with our community outcomes – with an additional position statement as

needed to summarise our approach and any gaps, additional context or placeholder actions.

- (b) Conduct a “gap analysis” to check for any key sustainability outcomes and objectives that are not captured in existing or anticipated strategies and plans.
 - (c) Assess the materiality of the Stocktake findings and identified actions and gaps, including assessment of council’s level of influence and control.
 - (d) Confirm actions, targets and a process for monitoring and reporting (consistent and integrated with our overall strategic framework).
 - (e) Use an internationally proven approach (i.e. Thriving Cities) as a guide, adapted as relevant to New Zealand / Tauranga / tangata whenua and from a council perspective.
 - (f) Tell the story of how as a city we are addressing sustainability as whole, and council’s role in this.**
8. The final component (telling the story) is seen as particularly critical, given feedback that has been received over a number of years (and most recently through the LTP process) about council’s lack of an integrated approach to sustainability. This is highlighted by the findings of the Stocktake. Telling a cohesive sustainability story around background, challenges, actions, priorities and intended direction would be a huge step forward.
9. We will work closely with our key partners and stakeholders, as well as ensuring alignment of approach at a regional level (for example the response by SmartGrowth to the Climate Change Commission’s report and advice).

BACKGROUND

- 10. As part of the 2020/21 Annual Plan process, Council approved a refreshed approach to sustainability encompassing social, environmental, cultural and economic wellbeing i.e. **not solely environmental sustainability** (although this is a fundamental component, and work is being undertaken on development of an Environment Strategy).
- 11. In December 2020 Proxima were appointed to undertake a stocktake in order to provide a snapshot of current council activities and advice around applicability of potential frameworks for guiding sustainability.
- 12. Work on the Stocktake began in late January 2021 and was completed in May 2021.
- 13. Proxima’s work involved:
 - (a) a TCC workshop around applicability of different sustainability frameworks
 - (b) benchmarking of all council activities against the Thriving Cities methodology, cross-referenced against the council’s activities and other relevant sustainability frameworks such as Sustainable Development Goals
 - (c) development of recommendations and high-level observations and insights (as detailed below).
- 14. The engagement approach was influenced by the timing of the project with regard to both governance changes and the significant engagement required around the Long-Term Plan. This resulted in engagement being less extensive than initially proposed, however we do not believe that this has altered the findings. Gaps in this regard will be addressed in the next phase of the project.

A. Stocktake Findings and Commentary

- 15. The sections below set out summary findings of the Stocktake. The majority are unsurprising but highlight the importance and urgency of acting in this space.
- 16. In particular, carbon management and climate change action are becoming increasingly imperative and a fundamental component of business-as-usual for almost all councils, businesses and government agencies both locally and globally. This brings with it both

opportunities (such as strengthened 'brand', trust, innovation, talent attraction and retention), as well as risks if we fall behind in this space (for example public sentiment, legislation and regulation, impact on the four wellbeings, credibility and trust).

17. Undertaking the Stocktake has been helpful in consolidating information, mapping across our Groups of Activities and developing a methodology against which to consider and benchmark our approach (both internally and externally). The completion of the Stocktake is in itself a success story which should be built upon and shared (we are one of the first councils to have done so).

Success Stories

18. The Stocktake identifies a number of other success stories which should be celebrated. These include:
- (a) work being undertaken by economic development agencies in Tauranga, such as Priority One and Tourism Bay of Plenty
 - (b) progress towards greater co-governance with tangata whenua, and integration of the elements of cultural identity into the city's growth
 - (c) city centre intensification enablers (plan change 26 and the Te Papa spatial plan)
 - (d) integrated thinking around waterways (e.g. Kopurererua Valley cycle way project)
 - (e) natural hazards and climate risk mapping (particularly the interactive GIS hazard mapping system and viewer for residents)
 - (f) future proofing waste (new kerbside services, and RFID tags)
 - (g) the Welcoming Communities initiative
 - (h) pockets of good sustainability work being undertaken across the council (such as sustainability work being undertaken by the Beachside Holiday Park, and integrated water treatment for the Marine Precinct).

Obvious Gaps

19. The Stocktake also identifies some key gaps - Table 1 sets these out, with our comments in the second column.

Table 1: Key Sustainability Gaps and Next Steps

Finding (Proxima) - Gaps	TCC Response / Proposed next steps
Strategic priorities and goals	To be addressed through development of our sustainability framework
Focused strategies and action plans	To be addressed through development of our sustainability framework
Cohesive climate action	<p>We were already aware of this gap, and it is helpful to have a consolidated consideration of this through the Stocktake. This echoes feedback received through the LTP consultation process and increasing momentum at a national level (for example RMA Reform, Climate Change Commission).</p> <p>Consideration of our approach to climate change will be a priority action through our sustainability framework (including Environment Strategy).</p>

Challenges

20. The biggest challenges identified by the Stocktake are:
- mobility, transport and greenhouse gas emissions
 - housing choices and affordability
 - a CBD that is not currently thriving
 - long-term water security
 - aging community infrastructure.
21. Clearly these problems are not new, and there is no quick and easy fix. The Stocktake has been helpful in highlighting some of the sustainability thinking that went into the Urban Form and Transport Initiative ("UFTI") and the Western Bay of Plenty Transport System Plan ("TSP") (for example carbon reduction modelling as one of the investment statements). The work undertaken in highlighting and understanding this within the Stocktake will be useful information for both internal and external stakeholders.
22. A key component of our planning and "telling the story" will be working within the parameters and challenges already set at a local and regional level. This also includes considering our position and setting direction where policy or legislation at a national level may conflict (for example carbon reduction versus growth management and urban development) .
23. It is reassuring that we already have plans in place to address, or begin addressing, many of the challenges identified by Proxima (for example major investment through the draft LTP around community spaces and places, city centre, and transport).

Recommendations

24. Table 2 sets out Proxima's recommendations, with our comments -

Recommendation (Proxima)	TCC Response / Proposed next steps
1. Develop TCC capability for an integrated response to sustainability challenges	This is at the core of our proposed sustainability work programme.
2. Take time to understand the challenges and engage with others who need to be part of the solution	As above, this is intended through our sustainability framework. This will include developing an engagement plan in conjunction with broader engagement around our strategic framework and vision.
3. Make a concrete, comprehensive and enduring plan	Covered through development of sustainability framework.
4. Choose the right tools to help with the journey	Covered through development of sustainability framework.
5. Acknowledge and address community relationship challenges	<p>Proxima's insights from stakeholder discussions included:</p> <ul style="list-style-type: none"> trust needs to be earned back there is an information and communication void the need to engage the community for good. <p>These issues are already being addressed to an extent through the Commissioners' approach to engaging with the community. A separate engagement plan will be developed and this is a reminder of the importance of transparent information being made available to the community (telling the story) as well as the community's ability to contribute to solutions.</p>

Table 2: Recommendations and Next Steps

Outside of the Stocktake – Other Research and Initiatives

25. The Stocktake provides examples of activities being undertaken by other councils, in relation to specific themes. Staff are also mapping the overall approach of other councils to sustainability and this will inform our proposed approach. It appears that the approach of many other councils is somewhat ad hoc/reactive. The Stocktake and the information it contains provides a strong opportunity to design our overall approach proactively, rather than in relation to specific isolated opportunities or challenges.
26. Initial findings from research and conversations with other councils also supports the approach of sustainability being embedded / woven throughout the strategies and plans in the overall strategic framework. The consistent message from other councils has been that it is everyone's job to ensure that sustainability issues are addressed (many have likened it to health and safety action in the late 90's, early 00's). For example, Auckland, Christchurch, Hamilton, Dunedin, Darwin and Cairns all emphasise the importance of implementation sitting under activity managers with links clear links to KPIs and performance reporting.

B. NEXT STEPS**Actions following Stocktake**

27. Key next steps following completion of the Stocktake include:
 - (a) Distribution to key stakeholders and interested parties
 - (b) Detailed assessment of the findings and their prioritisation – including importance, urgency, level of council influence and control. It is anticipated that this will involve workshops with relevant stakeholders
 - (c) Development of our sustainability framework, with reports to this Committee in September, November and December (per work programme as set out below).

Sustainability Work Programme

28. As set out in the Committee update of 17 May, our intended sustainability work programme is divided into three phases, namely:
 - (a) Sustainability Stocktake and Advice (Phase One)
 - (b) Development of Sustainability Framework (Phase Two)
 - (c) Implementation, monitoring and measurement, and reporting of progress (Phase Three).
29. *Phase One* (near complete) is the information gathering stage and includes initial engagement with TCC activity managers, and already-engaged stakeholders to ensure a representative view of the current state of sustainability performance of the council for its own operations, and the city.
30. *Phase Two* (remainder of 2021 calendar year) will involve:
 - collaboration with key stakeholders to develop our sustainability framework
 - agreeing resourcing for the first two years through the 2022/23 Annual Plan process.
31. *Phase Three* (2022 and beyond) will involve:
 - the implementation of the sustainability framework, through the broader strategic framework
 - agreeing resourcing for the subsequent ten years through the 2024-34 Long-Term Plan process
 - monitoring and measurement of the quantitative and qualitative outcomes
 - reporting of achievements, challenges, and opportunities.

Recognised Sustainability Frameworks and Reporting

32. Part of Proxima's mandate was to provide information on the applicability of different sustainability frameworks for council to use in developing its own sustainability framework. Sustainability frameworks are generally used to organise thinking and to inform planning, management and evaluation of sustainability initiatives. Frameworks also enable comparisons to be made between like organisations, give credibility and consistency to the approach taken and are helpful in defining parameters against which to report or measure progress.
33. Appendix 1 of the Sustainability Stocktake (page 240) provides details on different possible sustainability frameworks. As outlined earlier, the Stocktake utilised the Thriving Cities framework. The decision to use this framework was made in consultation with staff. The Thriving Cities methodology provides a city snapshot through the lenses of social, ecological, local and global. The Thriving Cities approach was also cross-checked against other possible frameworks such as the Sustainable Development Goals and mapped against council's groups of activities.
34. A known framework (such as Thriving Cities) can also be used as a set out guiding principles adapted as locally and culturally appropriate. We do not have to rigidly follow a specified framework in its entirety, and can instead use it as a reference point, cross-check or guide. The Stocktake notes that *"TCC could develop its own sustainability framework based on local strategic priorities and the most material sustainability challenges or opportunities as determined by council, the community and relevant stakeholders. This approach follows the majority of New Zealand councils which have not adopted any specified framework"*.
35. For continuity and completeness, staff are recommending that we continue with the Stocktake's approach of being guided by Thriving Cities, however that this is assessed and refined as appropriate through the further development of our sustainability and strategic frameworks.
36. To further complement this, staff are also recommending that we investigate the use of sustainability reporting tools that could be utilised to develop indicators/measures of performance.
37. It is further proposed that we collaborate with Te Rangapū Mana Whenua o Tauranga Moana to design our sustainability framework. Work has been done elsewhere in New Zealand around considering the Thriving Cities model through a te ao Māori lens (see Tūhoe Māori version p 250 of the stocktake) . This could be considered as a starting point, alongside the Tauranga Moana Design Principles already endorsed and applied in the development of the Te Papa Spatial Plan. It is essential that we ensure a robust and relevant cultural layer to our sustainability framework. To work through this with mana whenua will bring cultural balance to the approach taken by the council to sustainability issues.

FINANCIAL CONSIDERATIONS

38. Funding of \$400,000 (to cover staffing and project costs) has been included in the draft 2021-31 LTP for year 1.
39. Funding/resource requirements for years 2 and 3 will be considered through the 2022 Annual Plan process (as detailed in the final adopted strategy and action plan).
40. Long term funding/resource requirements will be considered as a part of the 2024-34 Long Term Plan process (as detailed in the final adopted strategy and action plan).

CONSULTATION / ENGAGEMENT

41. The finalised Stocktake will be distributed to all stakeholders involved.
42. Consultation and engagement will be undertaken to support the development and implementation of the sustainability framework.

SIGNIFICANCE

43. 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.
44. 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.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
45. In accordance with the considerations above, while the matter of sustainability affects all Tauranga residents, current and future, and is therefore of high significance, the current report relates to operationalising previous council decisions and the overall assessment of significance is therefore medium.

NEXT STEPS

46. The actions set out in this report will be progressed with updates brought back per the Committee work programme in September, November and December.

ATTACHMENTS

1. **Part 1 - Executive Summary - TCC Sustainability Stocktake - A12616672**  
2. **Final TCC Sustainability Stocktake Report - May 2021 - PROXIMA - A12616671 (supplementary document)** 

TAURANGA CITY COUNCIL SUSTAINABILITY STOCKTAKE

Part 1

EXECUTIVE SUMMARY

May 2021

ABOUT THIS REPORT

Tauranga City Council (TCC) engaged Proxima in early 2021 to carry out a sustainability stocktake to:

- Provide a snapshot of Tauranga city's current state against a holistic set of sustainability themes and to identify and comment upon how council's activities contributed to those themes.
- Provide advice on the applicability of different frameworks and models for assessing sustainability.
- Identify relevant examples of how other councils and cities have approached sustainability.

For ease of reference, the report has been split into three parts:

- **Part 1: Executive Summary:** sets out recommendations with high-level observations and insights.
- **Part 2: Detailed Assessment and Stocktake Findings:** sets out a detailed assessment of all council activity groups against the full set of sustainability themes.
- **Part 3: Appendices:** sets out an overview of relevant sustainability frameworks, the stocktake methodology and a list of TCC officers, experts and stakeholders who contributed to the assessment.

Following an initial TCC workshop to compare possible approaches, the assessment structure drew significantly upon the *Thriving Cities – Creating City Portraits* framework to develop a set of sustainability themes. The Thriving Cities approach was adapted to suit local circumstances and data availability. All TCC groups of activities were then mapped to the identified sustainability themes for assessment. Further explanation of Thriving Cities approach, which is based on Doughnut Economics, Planetary Boundaries and Biomimicry, is set out in Appendix 1 (page 240).

The stocktake assessment involved document review, discussions with council officers and interviews with external experts and stakeholders. We owe a great deal of thanks to the council officers and other people who contributed to the process. They are listed in Appendix 3 (page 261). The overall stocktake methodology is described in more detail in Appendix 2 (page 253).



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RECOMMENDATIONS

Based on what we've learned through the sustainability stocktake, we make the following high-level recommendations to support TCC's next steps.



1. Develop TCC capability for an integrated response to sustainability challenges

As the stocktake demonstrates, sustainability touches and weaves across every element of the council's activities.

Fundamentally, achieving sustainability goals needs to be everyone's job. This will require building a shared level of awareness about sustainability issues, developing knowledge about best practice in different areas of expertise, and building capability to work in more collaborative ways that integrate solutions to tackle complex issues in a systemic way.

There will be many in TCC who are already equipped with good levels of awareness and knowledge about how to take a holistic approach to sustainability; there will be some who think they know what they need to already, but don't; and others who are simply less interested in learning about sustainability. Some care will need to be taken to ensure the capability development approach is accessible, manageable and effective for as many people as possible. As for most organisations, sustainability is in large part a leadership challenge to embrace new ways of addressing old problems. To show the way, those in senior roles will need to lead authentically, inspiring others through example and enabling a culture that may frequently challenge the status quo.

RECOMMENDATIONS

2. Take time to understand the challenges and engage with others who need to be part of the solution

Sustainability challenges rarely fall within the control or influence of just one organisation. They are generally systemic problems that require a new mindset and degrees of system change. We recommend, first, taking some time to digest and reflect upon the stocktake findings internally. Then, take time to listen to the community and important stakeholders to understand the challenges more deeply, assessing their root causes and potential solutions from a wide range of perspectives. This will help provide better shared clarity and build more unity for the best ways to move forward.

Given restrictions on the degree of engagement with tangata whenua for the stocktake assessment, this further review and reflection should include:

- Engaging with tangata whenua to develop relevant principles that reflect a te ao Māori perspective to complete the set of sustainability success measures developed for the stocktake.
- Test the stocktake findings across all themes with tangata whenua to ensure a holistic perspective that takes account of te ao Māori perspectives.

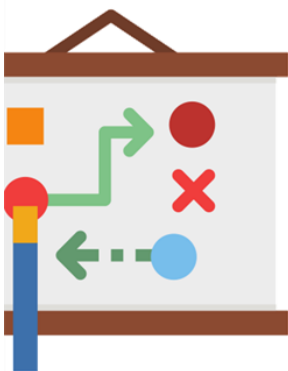
The City Futures Project may provide an ideal opportunity or vehicle for further discussion and engagement about what a holistic approach sustainability really means for Tauranga, with both tangata whenua and the wider community. TCC's co-governance relationship with tangata whenua provides a useful platform to integrate te ao Māori worldviews, which are well-aligned with a holistic approach to sustainability, community resilience and ecological thriving.



3. Make a concrete, comprehensive and enduring plan

Once the most important issues and challenges are agreed and understood, the right enduring strategic priorities and target outcomes can be co-developed with stakeholders. TCC can then formulate more detailed strategy and action plans to guide its own contributions, and to identify which other organisations need to be involved to work alongside local government.

Because of the systemic nature of most sustainability issues, the potential to make progress on a set of strategic priorities should be considered in all relevant council decisions, so that all viable opportunities to improve performance are integrated. This generally requires adapting internal planning, decision-making processes and success metrics to ensure the right questions and issues are considered at the optimal moments.



RECOMMENDATIONS

4. Choose the right tools and frameworks to help with the journey

Each organisation's sustainability journey is unique and there is no shortage of tools to help. The challenge is to make a conscious and informed choice that suits the specific needs and situation of the organisation, and what it is seeking to achieve. Measurement tools, like carbon foot-printing or life-cycle assessments; certifications like Greenstar and CarboNZero; and reporting tools like Global Reporting Initiative Standards and Integrated Reporting all have their place and can add value in the right circumstances when an organisation is clear about the value it wants to realise from the chosen tool.

Much can be learned from experience; so we recommend building relationships and networks to find out what has worked for others, and what hasn't. We'd recommend these discussions engage civic *and* business leaders. For example, Zespri has made great progress to integrate sustainability meaningfully throughout its local and global operations over recent years. Leaders of organisations like Zespri will, no doubt, have valuable lessons to share, and are likely to appreciate greater alignment with local government to complement their own efforts.

A sustainability framework may be a useful tool for TCC, but it is not possible at this stage to make any informed recommendation about which approach would suit best, because the council has not yet determined the purpose it would want such a framework to serve. The different framework options and considerations are evaluated in more detail in the section of this report covering assessment of sustainability frameworks suitable for cities (Appendix 2 on page 240). We recommend TCC takes time to reflect on the stocktake and what strategic benefits it seeks from using a sustainability framework as initial steps towards deciding which framework, if any, is best suited to its needs.



5. Acknowledge and address community relationship challenges

Through talking with a wide range of external stakeholders and council officers, a few clear feedback patterns emerged that will be useful for TCC to acknowledge and address. These issues arose in numerous discussions in slightly different ways and prompt the following questions:

Issue: Low levels of trust and questions about council integrity.

Question: How can TCC adjust its relationship culture with the community to build trust in a way that also helps the city turn sustainability challenges into opportunities for a thriving future?

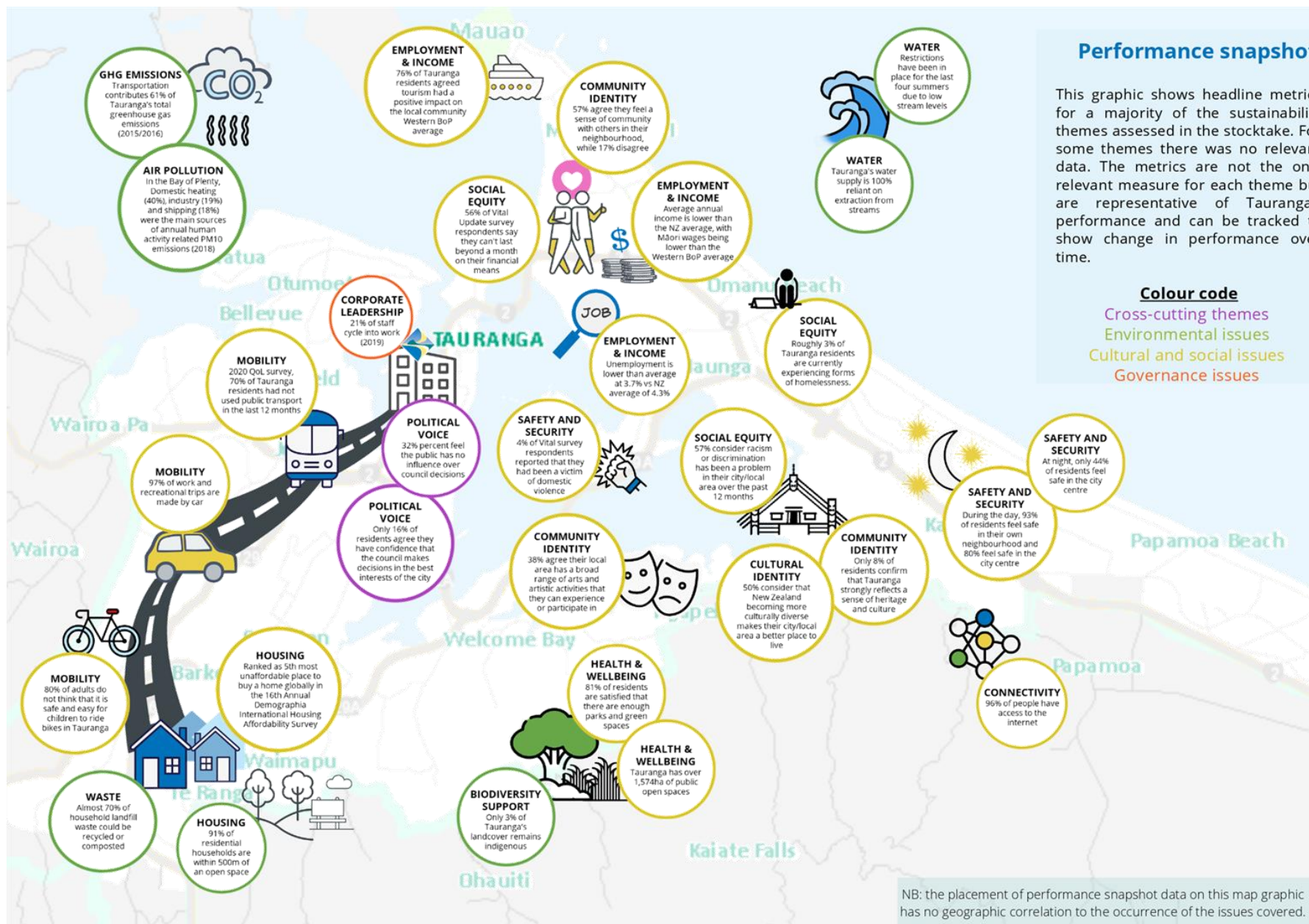
Issue: Sub-optimal flow of complete information and authentic communication.

Question: What is the real character and personality of Tauranga City Council; what relationship does the council want with its community; and what do the answers to those questions mean for the way the council communicates through its people and media channels?

Issue: Potential to engage and leverage the energy and goodwill of the community.

Question: How can TCC harness the potential of community knowledge, wisdom and goodwill; and what will it take to work passionately alongside the community in pursuit of shared goals that improve wellbeing and sustainability?







HIGH LEVEL OBSERVATIONS AND INSIGHTS

SUSTAINABILITY SUCCESS STORIES

Leadership from economic development agencies

Supported with funding from TCC, Tourism Bay of Plenty has set a national benchmark with its Tāpoi Te Moananui ā Toi | The Love of Tourism strategy focused on developing a sustainable and regenerative tourism industry for the coastal Bay of Plenty region. Current initiatives include developing a regenerative measurement framework for tourism business; and working with hapū to promote Tauranga Moana's unique culture and story of place. Priority One's refreshed strategy explicitly integrates an approach toward economic development that delivers positive social, cultural and environmental wellbeing. Priority One will also refresh the city's State of the Environment report, as well as running a range of other initiatives to support businesses to measure and manage sustainability impacts. Both these organisations stand out in terms of their proactive approach to sustainability and their work supporting the local economy to address and integrate sustainability issues.

Co-governance and cultural identity

Tauranga has made good progress toward greater co-governance with tangata whenua and has begun to integrate elements of cultural identity into the city's growth. TCC has embedded three layers of co-governance structure with the Tangata Whenua and Council committee; the Te Rangapū Mana Whenua o Tauranga Moana Partnership; and the Kaumātua forum. In addition, council Commissioners recently confirmed a new Strategy, Finance and Audit Committee which will include the Chairperson of the Te Rangapū Partnership as well as three other tangata whenua representatives who have voting rights. However, whilst the structures and processes are in place, feedback suggests that there is still some way to go to achieve meaningful and genuine co-governance in terms of decision-making and allocating budget to progress projects that are important to tangata whenua. TCC acknowledges this is a work in progress, but good foundations have been laid.

From a cultural identity perspective, Tauranga has adopted the Tauranga Moana Design Principles to guide future development. Those design principles can be used more widely in future to integrate cultural stories throughout the city. The principles have been incorporated into the Te Papa Spatial Plan - Te Mahere ā-Takiwā o Te Papa, which was developed with mana whenua engagement; and identifies important cultural sites and specific cultural projects.

City centre intensification enablers

Plan change 26 and the Te Papa Spatial Plan - Te Mahere ā-Takiwā o Te Papa set the scene for more intense development in Tauranga's city centre in a way that recognises social amenity and cultural values, as well as shaping a more connected community. This will enable a range of benefits including more efficient use of existing infrastructure and enabling a more diverse range of housing that is within easy reach of all that the city centre and CBD have to offer.

SUSTAINABILITY SUCCESS STORIES

Integrated thinking around waterways

The Kopurererua Valley cycleway project is held out by many as an exemplar of how council teams can work together to achieve positive outcomes across all wellbeings and to enable more development that embeds a holistic sustainability approach. Connected to the Kopurererua wetland restoration (the biggest wetland restoration project in the southern hemisphere), this project showcases Tauranga in its indigenous native habitat. Te Ara ō Wairākei is another similar project, and both provide an opportunity for people to understand and experience the value of restoring Tauranga's native biodiversity and to enhance the community's sense of place. This type of regenerative development is increasingly recognised as the pinnacle of sustainability by positively addressing all four wellbeings simultaneously.

Natural hazards and climate risk mapping exemplar

TCC's natural hazard and climate risk mapping is regarded as exemplary and leading the way in New Zealand. TCC's work in researching, modelling and mapping its hazard risks is impressively comprehensive, particularly its interactive GIS hazard mapping system and viewer that empowers residents to understand and explore their exposure to risks from natural hazards. This is important work to ensure future resilience of Tauranga as a community; and will enable residents to understand how they may be affected by climate change impacts.

Future-proofing resource recovery and waste

Tauranga's new kerbside collection service will help significantly reduce waste to landfill with a four-bin service that includes food-waste and green-waste collection services. As a result of implementing this new service, it is likely the 2030 target for 50% landfill waste reduction will be met early. The system has incorporated RFID tags so that it can move to a pay-per-weight model when the technology is more widely available; and then move further towards optimising resource recovery and re-use.

Tauranga is a Welcoming Community

The Welcoming Communities initiative was consistently highlighted by external experts as work that TCC should be proud of, and which is having real impact. TCC, jointly with the Western Bay of Plenty District Council, achieved accreditation status in June 2020 as an 'Established Welcoming Community' from the Ministry of Business, Innovation and Employment. The Welcoming Communities Action Plan focuses on ensuring newcomers can participate in the local community; and ensures local government, tangata whenua and community leaders are working proactively with residents to create an inclusive community.

Pockets of good work set the tone for further progress

Beachside Holiday Park's strong focus on sustainability is evident from its operations and how it interacts with visitors. It demonstrates how TCC can set an example for others through the way it *walks the talk*. The Holiday Park provides an opportunity to test further sustainability initiatives that can then be shared with and used to inspire a wider group of visitor industry operators.

TCC's upgraded water treatment facility for the Marine Precinct is a positive example of forward-thinking design, shifting from a compliance mindset and moving towards a stewardship approach. It is the only facility in New Zealand to offer all three approved methods of water treatment; and it helps protect the harbour from toxic discharges whilst enabling water recycling.

THE BIGGEST CHALLENGES

Mobility, transport and greenhouse gas emissions

Tauranga has the highest reliance on private vehicles and one of the lowest rates of public transport use in New Zealand. There's a general lack of both bus priority and a safe network of connected cycleways on key corridors which would improve options for alternative and active mobility. Congestion and traffic issues have become the number one concern across the community; and the 2015-16 community carbon footprint found that 61% of greenhouse gas emissions come from petrol and diesel vehicles.

It will take time to address these challenges through infrastructure upgrade projects. The approval and acceptance of UFTI by the Waka Kotahi NZTA Board as a Programme Business Case is a critical step forward because it opens the door to funding for improvement projects through the National Land Transport Plan and National Land Transport Fund. The Western Bay of Plenty Transport System Plan (TSP), which has been approved by all SmartGrowth partners, also puts Tauranga in a much-improved position to address transportation and mobility challenges through bus priority, high quality separated cycle lanes and other active / alternative transport modes. TCC has allocated over \$1 billion in its draft 10-year Long Term Plan for mobility projects. In the short term, however, what seems to be missing is a clear action plan to find ways of using existing infrastructure to encourage different modes of travel in combination with a compelling policy campaign to change travel behaviours.

It remains to be seen whether modelled forecasts for changes in transport modes and greenhouse gas emission reductions in UFTI and TSP will be achieved or even exceeded. Much will depend upon the successful implementation of UFTI's intended land use and urban development concepts; surrounding policy initiatives that encourage and incentivise behaviour changes to adopt public transport and alternative modes of travel; and the speed at which the vehicle fleet moves to decarbonised energy sources. For some, trust in TCC's ability to achieve these goals is low, with a number of key stakeholders expressing their concern that, until results are delivered on the ground, UFTI and the TSP are merely 'words on paper'.



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THE BIGGEST CHALLENGES

Housing choices and affordability

Housing affordability is an issue across New Zealand that is further exacerbated in Tauranga because of lower-than-average incomes and higher-than-average population growth. The 16th Annual Demographia International Housing Affordability Survey ranked Tauranga to be the 5th most unaffordable city in the world. Housing choice has been affected by zoning decisions in 2004 and 2011, which saw a majority of 3 and 4-bedroom properties developed rather than a wider range of choices that might suit people with different budgets and at different life stages. UFTI, Plan Changes 26 and 27, and the Te Papa Spatial Plan - Te Mahere ā-Takiwā o Te Papa are all part of the solution to enable greater density and choice whilst providing for growth. These documents lay the groundwork foundations but do not guarantee desired outcomes. There is still work to be done to implement the plans in practice through resource management planning processes, and uncertainties about exactly how long that will take.

Whilst TCC recognises the potential sustainability benefits of intensifying existing urban centres; the council states it is compelled to pursue new greenfield development to meet National Policy Statement requirements and its own modelled growth projections. TCC's intention is to rezone identified greenfield development areas to ensure desired density thresholds are achieved in line with UFTI targets; and, simultaneously, to work more actively with partners, such as Kāinga Ora and Accessible Properties, to achieve intensification of existing urban areas.

Whilst TCC's recent work should enable an increased supply of housing, there is less the council can do directly to address affordability issues. Housing affordability creates pressure for people to cover their living costs with an increasing number of people suffering homelessness, energy poverty and food insecurity. TCC has done some good work to help those most in need; and, through the sale of its elder housing portfolio, the council aims to increase the amount of social housing in Tauranga, which is currently at disproportionately low levels compared to other cities.

A CBD that is not thriving

The impacts of COVID-19 have added to existing pressures on the CBD to retain brand name retailers, with many preferring to locate at, or relocate to Bayfair and Tauranga Crossing. At the time of writing there are approximately 30 vacant retail locations on Devonport Road. CBD upgrades at Wharf and Durham Streets and along the Strand have provided welcome glimpses of what the CBD could look like in the future, but vibrancy and a sense of community identity are still lacking. Recent surveys found that only 53% of residents felt Tauranga was the commercial and cultural heart of the western Bay of Plenty area; and only 44% of people feel safe in the city centre at night. Further upgrades and more inner-city living are identified as ways of addressing the challenges, but those will take time.

City centres and CBDs are traditionally the social heart of cities; providing places to meet, work and be entertained, as well as offering a unique flavour of identity that promotes social cohesion and belonging. An international example of leadership in this area is being shown by Stockholm, which is deliberately seeking to foster a sense of meaning and purpose that draws people and investment into the city; and combining that approach with a focus on environmental sustainability.

THE BIGGEST CHALLENGES

Long-term water security

Tauranga is dependent upon spring-fed streams to provide the city's water supply. Changes in national policy mean that water allocation from existing sources is likely to reduce in the near future to ensure stream health. Tauranga has had water restrictions in place for the last four summers as a result of extended hot, dry periods; and this year those restrictions have unusually extended into May. Continued growth and climate change are likely to put further pressure on water supply and it is predicted that a new source may be required within the next 30-years. As an early adopter of water meters, efficiency of use improved but has remained roughly constant over the last 10-years. Some stakeholders are calling for a stronger campaign on water efficiency along with more capture and re-use of water. These are both areas where the council could have some influence, with access to water likely to become an increasingly hot topic in New Zealand.

Aging community infrastructure

TCC's draft Long Term Plan recognises that much of the city's community and social infrastructure needs to be replaced or updated including parks, pools, libraries, halls, theatres and sports fields. This affects the city's ability to provide social connection, foster cohesion and provide convenient recreational opportunities that promote social wellbeing. It can also result in people travelling further to facilities, which contributes to congestion and additional greenhouse gas emissions.



OBVIOUS GAPS

Strategic priorities and goals

Whilst there are some relevant targets for specific council activities, TCC does not currently have a comprehensive set of strategic priorities or goals that reflect the city's ambitions to consciously steer towards a sustainable future. These might, for example, set a date for achieving net-zero greenhouse gas emissions, zero waste to landfill, recycled water use targets, or provide ambitious targets for housing affordability and supply, and indigenous biodiversity and land restoration goals.

A set of high-level strategic priorities could provide overarching objectives to be considered in *every* investment, policy and plan. The priorities and goals would be tailored to Tauranga's specific situation and should describe the outcomes needed for a genuinely sustainable future in the local context. The process of developing these priorities, and relevant targets, could provide a real focal point to galvanise shared commitment and action by a wide group of stakeholders, as occurred through the development of the *Waikato Wellbeing* project's targets. Once they are set, the priorities can provide a more integrated response that is woven into decision-making processes to ensure all opportunities are seized for making progress. The council should also *walk the talk* by ensuring that, as a corporate organisation, it is showing leadership in all aspects of its behaviour that reflect the city's priorities.

Focused strategies and action plans

Given the current absence of strategic priorities to address sustainability issues, it is not surprising that TCC does not yet have identified strategies and action plans that address sustainability in a comprehensive and holistic way. TCC has developed draft plans covering the environment, energy management, wellbeing and corporate sustainability; but none have so far been finalised and adopted. Interviews with TCC officers suggested this absence of clear goals had made it more difficult for them to follow a coordinated and consistent approach to address sustainability issues in their own areas of work; and it also affects the potential for a strategic response across teams or when working collaboratively with stakeholders.

Looking from the outside, there's an obvious lack of coherent governance for sustainability within TCC, for Tauranga as a city and for the western Bay of Plenty region through SmartGrowth. There is no cohesive *story* for Tauranga as a future-thinking and innovative city that is proactively addressing the big issues of our time through integrated planning (though we understand this may be addressed through the City Futures Project). Similarly, despite some fleeting references to sustainability on the SmartGrowth website, there is no cohesive vision or story for the journey towards a sustainable future for the wider western Bay area.

The absence of a committed vision for a sustainable future creates the risk that Tauranga is not achieving its potential to attract the talent and investment that can shape the future of the city and its economy. Although there is evident leadership from the region's economic agencies, aligned understanding and support from TCC and other councils in the district will be crucial to ensure business efforts are complemented by council strategies and investments.

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OBVIOUS GAPS

Cohesive climate action

New Zealand has been reasonably proactive in its response to the climate crisis and many councils have developed and adopted strategies and plans with targets to navigate towards a low carbon future. In 2019, sixteen councils declared climate emergencies and the Office of the Auditor General (OAG) now includes a [section in its annual review of local government](#) that covers how councils are addressing climate change. The 2019 OAG report notes that in four regions councils are collaborating in their efforts to address climate change, some are appointing dedicated climate change roles, and some are setting specific emission reduction targets which are published in their annual report. We believe this trend will only strengthen because, in terms of practical implementation and progress, New Zealand cities are lagging behind those leading the way globally. Copenhagen, for example, has set the ambitious goal of being a carbon neutral city by 2025 with 75% of all mobility being on foot, by bike or public transport by the same date.

Of nine cities surveyed, Tauranga residents were the least worried about climate change impacts in the recent Quality of Life survey. TCC does not yet have an articulated, comprehensive response for the transition to a low carbon future for the city, or for TCC as a corporate entity itself. The absence of a visible and urgent profile for climate change at city council level may be part of the reason for lower community concern. However, that is not to say that nothing is happening; there is some progress and, in terms of understanding climate risk and adaptation, TCC has done leading work. Significant recent examples of progress include the goal of net-zero emissions being integrated as one of the investment objectives for UFTI; carbon reduction targets for transport are now set in the Western Bay of Plenty Transport System Plan; and a range of energy-saving and carbon reduction initiatives have been implemented by TCC; but, overall, the issue of climate change and the transition to a low carbon future is not addressed at a strategic and overarching level. From an objective outside standpoint, climate change does not yet seem to be a priority for Tauranga or TCC.

The need for a coordinated and strategic response to climate change and the transition to a low carbon future has to be much more than a box-ticking exercise. It is a huge opportunity to prepare and plan for a low-carbon future that will be quite different from the past. Given the amount of new development (and, therefore, investment) that will happen over the coming years, both in existing urban centres and on greenfield sites, Tauranga could model the potential for low-carbon and resource efficient neighbourhoods. The next wave of growth and development is a once in a life-time opportunity that could be used to establish Tauranga as New Zealand's most future-focused and innovative city; or not.

The OAG has noted that councils should be discussing climate change impacts with their communities as part of the 2021 Long Term Plan process. This level of transparent engagement is particularly important because local government decisions can have significant effects for both climate change adaptation and mitigation in terms of land use, transport, waste, water management, natural hazards and emergency management. The credibility of councils is likely to be increasingly judged by the way in which they respond to the challenges of climate change and comply with relevant legislation for carbon reduction targets. The final report of the Climate Change Commission will establish expectations for the future which are then likely to become the benchmark against which all organisations, cities and regions are assessed.



INSIGHTS AND QUESTIONS FROM STAKEHOLDER DISCUSSIONS

STAKEHOLDER DISCUSSIONS

A few clear patterns emerged from discussions with stakeholders that may be useful for TCC to acknowledge. These are issues that arose in numerous discussions in slightly different ways.

Trust needs to be earned back

Both with the community and key stakeholders, there has been a significant loss of trust in the council at the political and officer level. The most recent Quality of Life survey results showed respondents had very low levels of confidence in council decision making. Just 16% agree they have confidence that the council makes decisions in the best interests of the city, while 56% disagree. This finding was reinforced through many of our discussions with stakeholders and external experts. Even some of TCC's key stakeholders and partners question the ability of TCC to deliver on future urban growth and transport plans in a way that reflects current expectations for addressing sustainability issues in a meaningful way.

From the outside, TCC is also regarded by many as having low levels of integrity. Externally, the perception is that the council sees consultation mostly as a box-ticking exercise; and trust has been undermined by the view that TCC has lots of strategies and plans but fails to follow through with action and implementation. There is an external perception that the council can be rather arrogant; that TCC knows better than the community; and engaging with the community is a waste of time. Abandoning the Innovating Streets project in Mount Maunganui was cited by some as a further example of this, with a suspicion that behind-the-scenes lobbying from minority interests may have been a factor.

***Question:** How can TCC adjust its relationship culture with the community to build trust in a way that also helps the city turn sustainability challenges into opportunities for a thriving future?*

Communication breakdown?

Having discussions with a range of TCC officers, informed stakeholders and experts revealed an information and communication void. Many questions raised by those outside the council have reasonable explanations; yet those answers do not seem to be shared or communicated effectively.

From our own experience, we found the TCC website led us to a number of strategies, plans and information that are out of date. The website also noticeably describes the world through rose tinted glasses. Tauranga faces many challenges, all of which are possible to address; and perhaps the website could be more authentic in acknowledging those whilst providing useful and frank information about the work that lies ahead.

***Question:** What is the real character and personality of Tauranga City Council; what relationship does the council want with its community; and what do the answers to those questions mean for the way the council communicates through its people and media channels?*

STAKEHOLDER DISCUSSIONS

Engaging the community for good.

There are many passionate and capable people in Tauranga who are eager to take on more responsibility and to play a more active role in helping the city tackle sustainability challenges. The notion of community-led development and empowered communities has grown significantly over recent years as a means of enabling communities to work alongside councils to achieve shared goals.

Our discussions with stakeholders suggested TCC has a reputation for keeping a tight grip on the reins, rather than looking to empower the community to take more local ownership. This goes against trends in other parts of the country, with many councils seeing the benefits of empowered communities, authentic co-design and working alongside communities to create a greater sense of local stewardship, ownership and accountability. Enabling more community-led development can also help build greater trust and a spirit of collaboration.

Question: *How can TCC harness the potential of community knowledge, wisdom and goodwill; and what will it take to work passionately alongside each other in pursuit of shared goals that improve community wellbeing?*



Understanding the assessment approach

The stocktake assessment analyses 25 sustainability themes largely drawn from the *Thriving Cities – Creating City Portraits* approach. The themes are shown in the map of sustainability themes graphic on the following page. They cover:

- Cross-cutting themes
- Governance themes
- Social and cultural themes
- Local environment themes
- Global environment themes

The nature of the cross-cutting themes resulted in them being addressed slightly differently, because they do not relate to one of the council's defined groups of activities used for planning, budgeting and reporting. For these themes, there is an assessment of the *What good looks like* success indicator followed by general commentary.

For the other sustainability themes, each one has been assessed by considering the groups of council activities which broadly contribute and relate to that theme. Each theme has a summary page which provides a high-level snapshot of performance and overarching observations. Each council activity has then been assessed using a templated approach that covers:

- **What does good look like?** – high-level success indicators that reflect truly sustainable performance.
- **Why is this a relevant benchmark?** – a short explanation for why the success indicators set a relevant standard to assess.
- **City performance at a glance** – a 'thumbs up' or 'thumbs down' to indicate whether, broadly, the city's current performance against the success indicator reflects a genuinely sustainable approach, or not. It's important to note, these relate to the city's performance, rather than the council's performance.
- **Current TCC focus** – the areas of work that TCC has been focused on for that particular council activity.
- **Most relevant documents** – the documents reviewed and identified as most relevant for the sustainability theme as regards the council activity area being assessed.
- **Most relevant targets and performance** – targets set and reported against by TCC. Many of these have come from TCC's annual reports, though some originate from other relevant strategies and plans.
- **Comments on targets** – brief comments on the targets identified.
- **Observations** – assessment, insights and other observations regarding TCC's and the city's performance for the sustainability theme and council activity being considered.
- **What are others doing?** – some examples of what other cities and councils are doing in this sustainability area.
- **Opportunities to improve** – suggestions based on our research for what TCC and the city might do to improve performance in that area.

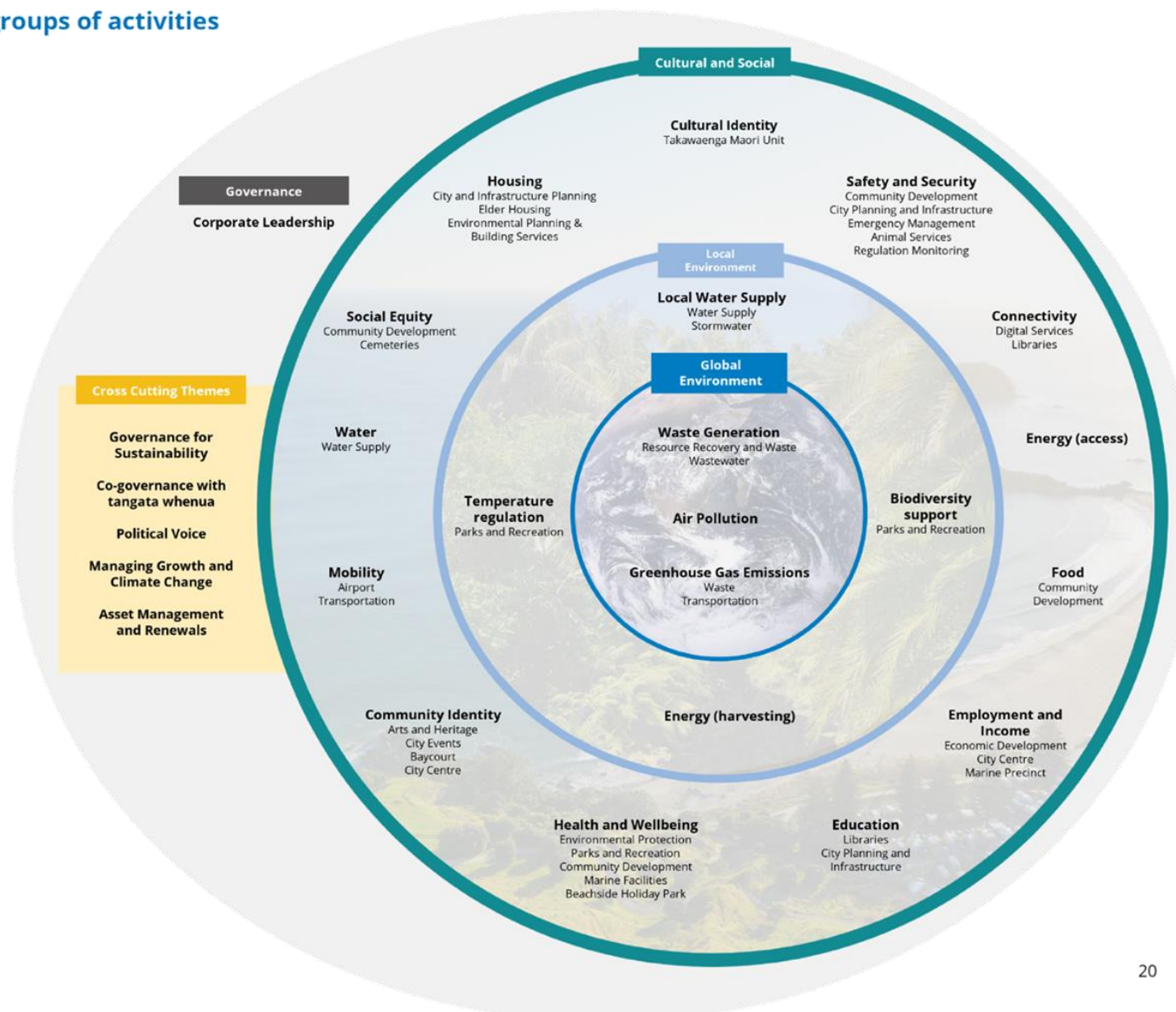
The detailed assessment and stocktake findings are set out in Part 2 of this report (page 23 onwards).

A more detailed description of the methodology used for the stocktake assessment, and how it was developed, is set out in Appendix 2 - which is in Part 3 of this report (page 239 onwards).

Map of sustainability themes assessed and their relationship with council groups of activities

The sustainability stocktake methodology is adapted from the *Thriving Cities - Creating City Portraits* approach. This graphic shows the three broad lenses applied to the stocktake assessment: Global environment; Local environment; and Cultural and social. Within each lens are the sustainability themes that were used for the stocktake assessment; and under each theme are the Tauranga City Council functional activities assessed as the most relevant for that sustainability theme.

It also shows the additional Governance and Cross-cutting themes which are relevant to a broad range of sustainability themes and council activities.



Alignment of sustainability themes assessed with the Sustainable Development Goals

This table shows how the most relevant SDG targets align to the sustainability themes assessed in the stocktake where a local government authority can influence progress.

There are no relevant indicators for SDGs 5 (Gender Equality) and 10 (Reduced Inequalities) and it should be borne in mind that the SDGs were designed primarily for implementation and measurement by nation states rather than local governments authorities.



Theme	SDG Alignment	Theme	SDG Alignment	Theme	SDG Alignment
Governance for sustainability	 8.4: Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation...	Water (access)	 6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all	Education	 4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
	 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle		 7.1: By 2030, ensure universal access to affordable, reliable and modern energy services		 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
Co-governance with tangata whenua	 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels	Energy (access)	 1.2: reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	Employment & Income	 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
	 17.17: Encourage and promote effective public, public private and civil society partnerships, building on the experience and resourcing strategies of partnerships		 8.5: substantially reduce the proportion of youth not in employment, education or training		 12.5: substantially reduce waste generation through prevention, reduction, recycling and reuse
Political Voice	 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels	Social Equity	 11.7: provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities	Waste Generation	 14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution
	 11.b: By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement holistic disaster risk management at all levels		 3.4: reduce premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being		 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
Managing growth and climate change	 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Health and Wellbeing	 11.1: ensure access for all to adequate, safe and affordable housing and basic services	Air Pollution	 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
	 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all		 11.3: enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries		 6.6: By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes
Asset management and renewals	 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Safety and Security	 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	Local Water System	 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix
	 16.6: Develop effective, accountable and transparent institutions at all levels		 11.2: provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons		 13.2: Integrate climate change measures into national policies, strategies and planning.
Corporate leadership	 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels	Mobility	 9.5: Enhance scientific research, upgrade the technological capabilities of industrial sectors... by 2030, encouraging innovation and substantially increasing the [proportion] of R&D workers... and public and private R&D spending	Energy Harvesting	 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries,
	 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance		 10.2: empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status		 15.9: By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts
Housing	 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	Connectivity	 11.4: protect and safeguard the world's cultural and natural heritage	GHG Emissions	 13.2: Integrate climate change measures into national policies, strategies and planning.
Food					
		Cultural		Biodiversity support	
		Community Identity		Temperature regulation	

9.4 Legislative Reform Update

File Number: A12609863

Author: Jeremy Boase, **Manager:** Strategy and Corporate Planning

Authoriser: Christine Jones, **General Manager:** Strategy & Growth

PURPOSE OF THE REPORT

1. To provide the Committee with an overview of key legislative and government policy reforms currently underway.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report titled 'Legislative Reform Update'.

BACKGROUND

2. There are a number of important and wide-reaching Government-led reforms currently underway that have significant implications for local government.
3. This paper, and the timeline included as Attachment 1, is intended to briefly summarise those reforms and to identify what is known about the expected timings. Further information on each of the reform processes has been and will continue to be provided to Council or the Committee through other reports as appropriate.

Water reforms

4. In July 2020, the Government launched the Three Waters Reform Programme – a three-year programme to reform local government three waters service delivery arrangements.
5. This reform programme builds on the progress made through the Three Waters Review³ and establishment in March 2021 of Taumata Arowai, the new water services regulator.
6. In early June 2021 the Department of Internal Affairs and the Joint Three Waters Steering Committee⁴ released four substantive reports of analysis and modelling to advance the evidence base informing the case for change for the Three Waters Reform Programme.

Resource Management Act reforms

7. In February 2021, the Government announced its intention to repeal and replace the Resource Management Act 1991⁵. This reform is based on the findings of the comprehensive review of the resource management system⁶ which were released in 2020.
8. The objectives of the reform are to:
 - protect and restore the environment and its capacity to provide for the wellbeing of present and future generations
 - better enable development within natural environmental limits

³ <https://www.dia.govt.nz/Three-waters-review>

⁴ Comprising independent chair Brian Hanna, local government mayors, chairs and chief executives, representatives of Local Government New Zealand and Taituarā — Local Government Professionals Aotearoa (formerly SOLGM), officials and advisors from the Department of Internal Affairs, Taumata Arowai, the Ministry of Business, Innovation and Employment and the Treasury

⁵ <https://environment.govt.nz/what-government-is-doing/areas-of-work/rma/resource-management-system-reform/>

⁶ <https://environment.govt.nz/publications/new-directions-for-resource-management-in-new-zealand/>

- give proper recognition to the principles of Te Tiriti of Waitangi and provide greater recognition of te ao Māori including mātauranga Māori
- better prepare for adapting to climate change and risks from natural hazards, and better mitigate emissions contributing to climate change
- improve system efficiency and effectiveness, and reduce complexity while retaining appropriate local democratic input.

9. The reform will see the creation of three new pieces of legislation:

- Natural and Built Environments Act
 - This is the core piece of legislation to replace the RMA. The purpose of this Act is to enhance the quality of the environment to support the wellbeing of present and future generations.
- Strategic Planning Act
 - This Act will provide a strategic and long-term approach to how we plan for using land and the coastal marine area.
- Climate Change Adaptation Act
 - This Act will support New Zealand's response to the effects of climate change. It will address the complex legal and technical issues associated with managed retreat and funding and financing adaptation.

Local government reforms

10. In April 2021 the Minister of Local Government established a Review into the Future for Local Government⁷.
11. The overall purpose of the Review is, as a result of the cumulative changes being progressed as part of the Government's reform agenda, to identify how our system of local democracy and governance needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment, and actively embody the Treaty partnership.
12. The Review will have two areas of focus. The Review's initial focus will be on how local government will be a key contributor to the wellbeing and prosperity of New Zealand and an essential connection to communities in the governance of New Zealand in the future.
13. This will enable scoping of the broader work to follow, including identifying the process and priority questions that will be of most benefit to furthering the outcomes outlined in these terms of reference.
14. The Review will then focus on answering the priority questions identified during its initial scoping work.

District Health Board reforms

15. In April 2021, the Health Minister announced significant reforms to the health system⁸. This was in response to the Health and Disability System Review (HDSR), which found the public health system was under stress and that a greater emphasis on primary healthcare had the greatest potential to improve New Zealanders' health.
16. The reforms will see:
 - All 20 district health boards replaced with a new Crown entity, Health New Zealand, which will be responsible for running hospitals and commissioning primary and community health services. It will have four regional divisions.

⁷ <https://www.dia.govt.nz/Future-for-Local-Government-Review>

⁸ <https://www.beehive.govt.nz/release/major-reforms-will-make-healthcare-accessible-all-nz-ers>

- Responsibility for public health issues will rest with a new Public Health Authority, and a new Māori Health Authority will monitor the state of Māori health and have the ability to commission services directly.
17. The system will be overseen by a strengthened Ministry of Health, which will also advise the Government on policy matters.
 18. While not directly affecting local government, the structural reforms in the health system are likely to have relational impacts that affect councils, tangata whenua, and communities. As such, council will maintain a 'watching brief' on the health reforms.

Climate change response

19. In November 2019 the Climate Change Response (Zero Carbon) Amendment Act 2019 created a framework by which New Zealand can develop and implement clear and stable climate change policies that—
 - (i) contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels; and
 - (ii) allow New Zealand to prepare for, and adapt to, the effects of climate change.
20. That Act established the Climate Change Commission and charged it with providing advice to the government in regard to emissions budgets and emission reduction plans. That advice was consulted on as a draft and the final version has subsequently been tabled in Parliament.
21. By 31 December 2021, the Government must have set the first three emissions budgets out to 2035 and released its first emissions reduction plan.

National policy and environmental direction

22. In addition to legislative-led reform, there are a number of emerging government policy directions that will have a direct impact on council, tangata whenua and communities.
23. In late 2019 and early 2020, the Ministry for the Environment consulted on a draft **National Policy Statement for Indigenous Biodiversity**⁹.
24. The proposed NPS sets out the objectives and policies to identify, protect, manage and restore indigenous biodiversity under the Resource Management Act 1991.
25. If approved by Cabinet, it is expected that the final NPS will take effect in the third quarter of 2021.
26. Also in late 2019, the Ministry for Primary Industries consulted on a proposed **National Policy Statement for Highly Productive Land**¹⁰.
27. The purpose of the proposed NPS was described as being to:
 - recognise the full range of values and benefits associated with its use for primary production
 - maintain its availability for primary production for future generations
 - protect it from inappropriate subdivision, use and development.
28. Final decisions on the proposed NPS will be made by ministers and Cabinet in the second half of 2021. If approved by Cabinet, the proposal would likely take effect in the second half of 2021.
29. In late 2018, the Ministry for the Environment published a review of the extant **National Environmental Standard for Sources of Human Drinking Water**¹¹. This review has subsequently been incorporated into the wider water reforms noted above.

⁹ <https://environment.govt.nz/publications/draft-national-policy-statement-for-indigenous-biodiversity/>

¹⁰ <https://www.mpi.govt.nz/consultations/proposed-national-policy-statement-for-highly-productive-land/>

30. The NES requires regional councils to ensure that effects of activities on drinking water sources are considered in decisions on resource consents and regional plans. Specifically, regional councils are required to:
- decline discharge or water permits that are likely to result in community drinking water becoming unsafe for human consumption following existing treatment
 - be satisfied that permitted activities in regional plans will not result in community drinking water supplies being unsafe for human consumption following existing treatment
 - place conditions on relevant resource consents that require notification of drinking water suppliers if significant unintended events occur (e.g. spills) that may adversely affect sources of human drinking water.
31. A revised NES is being prepared and is likely to be consulted on in mid-2021.

Fluoridation

32. Decisions on the fluoridation of municipal water supplies are currently the responsibility of individual local authorities. A then-National Government Bill was introduced in 2016 proposing to move this responsibility to district health boards.
33. In March 2021 the government announced a proposal to amend the Health (Fluoridation of Drinking Water) Amendment Bill to transfer responsibility to the Director-General of Health. A supplementary order paper was released by the Associate Minister of Health on 8 June 2021 to this effect.
34. The amended Bill is expected to pass into law later this year.

Council's representation review

35. While not a government-led review, the high-level timeline for Council's own representation review is also included in Attachment 1 for context and interest.

SIGNIFICANCE

36. 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.
37. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
38. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue of government reforms is of high significance. However, the decision recommended (to receive the report) is of low significance as the report is simply an information update.

¹¹ <https://environment.govt.nz/publications/review-of-national-environmental-standard-for-sources-of-human-drinking-water/>

ENGAGEMENT

39. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

40. Updates on individual reform processes will be provided to the Committee as and when those processes progress.

ATTACHMENTS

1. **Upcoming reform timetable - May 2021 - A12584593** [↓](#) 

Summary of key upcoming legislative and regulatory impacts on local government

(understanding of timeframes as at May 2021)

	Likely to impact on:											
	Scope of local govt	Governance & representation	Tangata whenua	Funding & financing	Integrated land- use planning	July-Sept 2021	Oct-Dec 2021	Jan-Mar 2022	April-June 2022	July-Sept 2022	Oct-Dec 2022	2023
Water reforms	Yes		Yes	Yes	Yes		Councils to decide whether to participate in reforms; Water Services Entities Bill introduced to parliament		Water Services Entities Act enacted			
RMA reforms	Yes	Yes	Yes		Yes							
Natural & Built Environment Act						Select committee to review exposure draft	Bill introduced to parliament	Select Committee process			Enacted	
Strategic Planning Act							Bill introduced to parliament				Possibly enacted, may be early 2023	
Climate Change Adaptation Act							Bill introduced to parliament				Possibly enacted, may be early 2023	
Local government reforms	Yes	Yes	Yes	Yes	Yes	Interim report on direction for the review (30/9)				Draft report and recommendations to government (30/9)		Final report to minister (30/4)
DHB reforms			Yes				Interim health entities established			All DHB staff transferred to new entities (July)		
Health (Fluoridation of Drinking Water) Amendment Bill	Yes						Bill enacted					
Climate change			Yes		Yes	Consultation on emission reduction plans (Sept)	Govt adopts first 3 emissions budgets; Emission reduction plans Gazetted	National Adaptation Plan consultation		National Adaptation Plan adopted (Aug)		
Representation review		Yes	Yes			Council decision on representation (by 31/8) Public notice provided, submissions open	Final decision by Council (by 19/11); appeals period (to 20/12)		Final determination by Local Government Commission (by 11/4)		Election (8/10)	
Other												
NPS for Indigenous Biodiversity			Yes		Yes	Cabinet decisions and Gazetted						
NPS for Highly Productive Land			Yes		Yes		Cabinet decisions and Gazetted					
NES for Sources of Drinking Water						Public consultation	Cabinet decisions	Gazetted				

Obj ID: A12584593

9.5 Growth & Land Use Projects Progress Report - June 2021

File Number: A12104349

Author: Andy Mead, **Manager:** City & Infrastructure Planning

Authoriser: Christine Jones, **General Manager:** Strategy & Growth

PURPOSE OF THE REPORT

1. Tauranga City is continuing to experience rapid growth. Managing this growth is a significant issue for Council. The report enables the Committee to monitor progress on key projects related to managing growth in a sustainable manner.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee receives the Growth & Land Use Projects Progress Report – June 2021.

EXECUTIVE SUMMARY

2. Managing growth is a significant issue for Council, particularly the challenge of ensuring growth is sustainable in a four well-beings context for both current and future communities.
3. The attached report outlines the progress being made in relation to a number of projects necessary to manage this continued growth. This information is also regularly reported to the SmartGrowth partners & the SmartGrowth forums.
4. Key points to note in this update include:
 - (a) We face continued delays and risks with the greenfield urban growth areas of Te Tumu and Tauriko West associated with the recent freshwater reforms, transport planning & investment and complexities associated with access through and development of Maori land. While these issues are largely outside TCC's direct control we are continuing to focus on them and are making positive headway.
 - (b) We are expecting a private plan change application to extend the Tauriko Business Estate later this year or early next year to address on-going industrial land demand and current shortage of supply across the western Bay of Plenty sub-region.
 - (c) We are reassessing land use options for the Parau Farms site, including potential housing outcomes, in conjunction with the government. This may affect how Smiths Farm is developed.
 - (d) The three plan changes underway on housing choice, flooding and earthworks continue to progress as planned with hearings to proceed later in the calendar year.
 - (e) There is significant uncertainty around the City Plan review project because of the government's resource management reforms. It looks increasingly likely that this project will not be completed beyond Stage 2 (being engagement on a discussion document covering key resource management issues and options facing the city).
 - (f) Natural hazard management is a significant challenge to some projects such as the Mount Manganui / Arataki spatial plan and the City Plan review due to the current regional policy framework.

OPTIONS ANALYSIS

5. There is no options analysis; this report is for information only.

SIGNIFICANCE

6. While growth is a significant issue for Tauranga City, this report does not require any decisions and it is not significant in itself.

NEXT STEPS

7. Council will continue to progress the projects and works as identified in the report attachments.

ATTACHMENTS

1. **Appendix A - Quarterly Update - Growth and Land Use - May 2021 - A12325320** [!\[\]\(d328bb1c8b293dce97ce8ae48fe06a23_img.jpg\)](#) 

Quarterly Update – Growth / Land Use Planning Projects – June 2021

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
Te Papa Spatial Plan	<p>The Te Papa Spatial Plan and Indicative Business Case are focused on supporting the intensification of this central part of the city. The project is now in the implementation phase. A range of workstreams and projects are underway as follows:</p> <p>Long Term Plan: The proposed LTP includes a significant proportion of Te Papa investment programme considered necessary to support growth of the Te Papa area and wider city. This includes a range of transport, 3-waters, open space and social infrastructure investments. The Te Papa team continues to work with the wider council teams and project partners to refine LTP inputs as required.</p> <p>Cameron Road Multi Modal Stage 1: This project is underway following CIP funding (Harrington to 17th Ave), with planning for Stage 2 also to commence this year (17th Ave to Barks Corner). Providing for enhanced safety, amenity and accessibility, this project is a core element in supporting growth for Te Papa and the wider city.</p> <p>City Centre: The Te Papa project identifies significant planning and investment in the city centre, to support revitalisation and broader outcomes for the area and wider city. Council are undertaking further comprehensive planning for the city centre, which will see a refresh of existing strategy documents as well as integrating more recent strategies and projects (including a greater focus on residential development). A key output of the process will be an Implementation Plan with focus on short, medium and long term outcomes (including priorities, partners and funding). A stocktake of existing strategic documents and projects relating to the city centre has recently been completed to inform initial stages of the project and more detailed scoping with project partners is underway. It is anticipated that the project will be completed late 2021 / early 2022. Planning and delivery of confirmed LTP projects will continue concurrently.</p>	<p>Continue with implementation actions.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>Plan Change 26 – Housing Choice: Plan Change 26 will enable significant growth within the Te Papa area, in line with the National Policy Statement for Urban Development (NPS-UD); a separate update on this project is provided below.</p> <p>Te Papa Indicative Business Case Memorandum of Understanding (MoU): As part of the Te Papa IBC endorsement, it was agreed that an MoU between TCC, BoPRC and Waka Kotahi be developed by June 2021 that details the governance structure and delivery model for the subsequent phases of the Te Papa IBC. The focus of this MoU and the proposed governance structure will be on the transport programme elements of the IBC.</p> <p>The MoU will also provide the basis for next steps in developing and implementing a benefits realisation and monitoring plan for the Te Papa 30-year programme, and for the Cameron Road Multi Modal project trigger points (for full prioritisation of the bus lanes) as required by the Crown Infrastructure Partners project agreement. At the time of writing, a draft MoU has been prepared by TCC and is in discussion with the project partners.</p> <p>Pukehinahina and Merivale These areas have significant concentrations of public housing ownership through Accessible Properties with redevelopment potential. Consideration of how this might be considered and progressed is starting.</p> <p>In addition, Council are continuing to look at delivery of Te Papa Spatial Plan outcomes such as improvements to local movement networks, investigating stormwater challenges in priority catchments, and other place based improvements.</p>	
Spatial planning for the Mount Maunganui / Arataki and	<p>These projects are similar to the Te Papa Spatial Plan in other parts of the city suitable for residential intensification. These projects have yet to formally commence and are planned to commence later this year and be completed over a 12-18mth period.</p>	<p>Report to Committee prior to project inception; anticipated 3rd quarter of 2021.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
Otumoetai / Brookfield areas	<p>The Otumoetai / Brookfield area is simpler than the Mount Maunganui / Arataki area. The latter area is subject to some challenging issues associated with natural hazards and transport connectivity through the Hewletts and Totara Street corridors. For these reasons the Mount / Arataki project may commence next year, allowing time for further work on these issues to occur.</p> <p>Before the projects commence formal reporting to the Committee will occur.</p>	
Smart-Growth Joint Spatial Plan (JSP)	<p>The JSP builds on the UFTI transport and land use business case and will replace the existing SmartGrowth Strategy. Key aspects of the project include:</p> <ul style="list-style-type: none"> a) Converting the UFTI Final Report, Proposed FDS 2018 and the existing supporting material into a framework similar to the Hamilton-Waikato Metro Spatial Plan and address any immediate short-term gaps. b) Developed as a desktop exercise, relying on targeted engagement (not a formal SCP process under the LGA), with a target completion date and approval in September 2021. c) Identifying gaps for filling in next iteration of the JSP, noting a fuller more comprehensive JSP will be developed between 2021-2024 to meet the requirements of the NPS-UD. d) The JSP will include a work programme of actions. One of these will be the Iwi Spatial Plan which is being scoped up separately and being led by the SmartGrowth Combined Tangata Whenua Forum. 	Final JSP to be taken to SmartGrowth Senior Leadership Group (SLG) 15 September 2021
Kāinga Ora Auckland Developments Tour	<p>In March this year a number of the Strategy and Infrastructure team joined Kāinga Ora's Development Planning team for a tour of recent Kāinga Ora social housing developments in Auckland. With Kāinga Ora playing a greater role in planning and delivery of housing in Tauranga and the sub-region, this was an ideal opportunity for the teams to spend some time together to see what development outcomes are looking like on the ground, what's</p>	Staff will continue to foster a close working relationship with Kāinga Ora

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>working well and what some of the key challenges are – particularly around planning rules and feasibility.</p> <p>The site tour included a range of recently developed medium density housing projects, located in centrally located Auckland suburbs. Development sizes were varied, including two storey duplexes and terraces (as part of wider comprehensive development) through to five-storey apartments (with 24 homes). While of a different scale and character to the surrounding suburban context, the developments generally illustrated good design outcomes of the future housing typologies that we are likely to see more of as our urban areas continue to grow. Kāinga Ora's recent projects can be viewed on their website at: What we're building :: Kāinga Ora – Homes and Communities (kaingaora.govt.nz)</p>	
Plan Change 26 - Housing Choice	<p>The Plan Change is to enable substantial residential intensification opportunities across the city's residential zones in the form of duplex, terraced housing and apartment typologies. This includes giving effect to the Te Papa spatial plan urban form.</p> <p>Council adopted the plan change for public notification on 13 October 2020 and the submission period extended from 10 November until 1 February 2021. This included 10 open days and opportunity to book a one on one session with staff.</p> <p>A total of 190 submissions were received on Plan Change 26 (Housing Choice). The further submission period was from 31 May to 25 June. Staff will now prepare the hearings report.</p> <p>Commissioners have provided direction that a hearings panel of three to five independent hearings commissioners be established to hear all three plan changes.</p> <p>The most substantive submission received was from Kainga Ora. Staff have had a positive initial meeting with Kainga Ora to work through the issues they have raised.</p> <p>A question has arisen around what might happen to any of the current Plan Changes if they were not fully operative at the end of the TCC Commissioners term in 2021, and specifically</p>	<p>Further submission period from 31 May to 25 June.</p> <p>Report to Council to appoint hearings panel.</p> <p>Hearings are expected in October with decisions by the end of the year. These dates are dependent on the completion of all flood review requests given link between Plan Changes 26 and 27.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>whether a Plan Change could be withdrawn by a future Council. Withdrawal of proposed plan changes is governed by clause 8D of the First Schedule. In short, a Council can withdraw a plan change up to clause 17 (final consideration of a plan change by a council) if:</p> <ul style="list-style-type: none"> • No appeals are received (or any appeals received are withdrawn) or • Until Environment Court hearing commences if one or more appeals is received <p>Part of a proposed plan change can be withdrawn, provided that the withdrawal of a part of the plan does not have the effect of varying another part of the plan.</p> <p>The withdrawal of a plan change could be subject to legal challenge, potentially if it was required to give effect to a higher order document like the National Policy Statement on Urban Development.</p>	
<p>Plan Change 27 - Flooding from intense rainfall Plan Change</p>	<p>In December 2018, Council resolved to progress Plan Change 27 in relation to flood risk from intense rainfall.</p> <p>Engagement with tangata whenua, internal teams, Bay of Plenty Regional Council and Western Bay of Plenty District Council has occurred in March, April and May through face to face workshops and online meetings. These groups and key stakeholders were provided draft provisions for feedback and amendments were made to the draft provisions where appropriate to address the feedback received.</p> <p>There is a significant link between the Housing Choice Plan Change (PC26) and the Flooding from intense rainfall plan change (PC27) which ensures that the risk of flooding to life and property from intense rainfall is avoided or mitigated appropriately as development and redevelopment occurs across Tauranga.</p>	<p>Further submission period from 31 May to 25 June.</p> <p>Report to Council to appoint hearings panel.</p> <p>Hearings are expected in October with decisions by the end of the year. These dates are dependent on the completion of all flood review requests.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>Council adopted the plan change for public notification on 13 October 2020 and the submission period extended from 10 November until 1 February 2021. This included 10 open days and opportunity to book a one on one session with staff.</p> <p>A total of 975 submissions were received on Plan Change 27 (Flooding from intense rainfall). Council received the same submission from 608 different submitters.</p> <p>The further submission period was from 31 May to 25 June. Staff will now prepare the hearings report.</p> <p>Commissioners have provided direction that a hearings panel of three to five independent hearings commissioners be established to hear all three plan changes.</p>	
Plan Change 30 - Earthworks	<p>Plan Change 30 is being progressed to address a small number of technical issues associated with the earthworks provisions in the City Plan including erosion and sediment controls on development sites.</p> <p>Notification, submissions and community engagement occurred in line with the other plan changes. A total of 30 submissions were received on Plan Change 30 (Earthworks). The further submission period was from 31 May to 25 June. Staff will now prepare the hearings report.</p> <p>Commissioners have provided direction that a hearings panel of three to five independent hearings commissioners be established to hear all three plan changes.</p>	<p>Further submissions, hearings and decisions are planned in alignment with the other plan changes.</p>
City Plan Review	<p>The review of the City Plan is a statutory requirement every 10 years under the Resource Management Act 1991. The current Tauranga City Plan became operative in September 2013. Government direction through the national planning standards also requires the next</p>	<p>Continue with Phase 1 and 2 of the project. Discussion document of key issues and options for engagement due</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>Tauranga City Plan to be prepared and notified for public submissions by April 2024. At the UFTD Committee meeting on 21 July 2020, the project plan for the City Plan Review was endorsed.</p> <p>In addition, a Communications and Engagement Strategy; and Tangata Whenua and Maori Engagement Plan was prepared to inform the project plan. The Tangata Whenua and Maori Engagement Plan and project plan was presented to the Te Rangapu Mana Whenua o Tauranga Moana on 27 August 2020.</p> <p>Workshops were held with key stakeholders on week starting 8 March to understand issues and opportunities for the key resource management issues facing the city. A hui was held at Hairini Marae on 30 March with iwi authorities, Te Rangapu Mana Whenua o Tauranga Moana and iwi/hapu RMU reps to understand issues and opportunities. Phase 2 is now underway to prepare the discussion document on issues and options to inform the City Plan review or alternative process.</p> <p>Due to the government's resource management reform there is significant uncertainty about whether the City Plan review project will be progressed past Phases 1 and 2. It is appearing more likely that we will not move to formal notification of a proposed Plan and instead be developing a new plan at a regional level with the other councils in the Bay of Plenty under the proposed Natural and Built Environments Act. Due to this uncertainty Commissioners have directed staff to proceed with caution on this project and only undertake work on a 'no regrets' basis. We are hoping to receive clear guidance on these matters from MfE by the end of the calendar year.</p>	in September.
Tauriko West Urban Growth Area	<p>Tauriko West is a proposed residential urban growth area of 3,000 - 4,000 dwellings. Structure planning is well advanced with remaining issues focused around a complex interplay of wetlands, streams, stormwater management and landform. This is tied up with the government's recent freshwater reforms and the need to secure a comprehensive stormwater consent from the Regional Council.</p>	Continue technical and engagement workstreams.

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>Other workstreams underway include:</p> <ul style="list-style-type: none"> servicing, access and staging (including both the enabling and long-term transport business cases); funding (including working with Crown Infrastructure Partners); ongoing engagement with tangata whenua, landowners and the community (including recent landowner meetings and open days); and developing s32 report and plan change for notification. <p>The key projects risks are:</p> <ul style="list-style-type: none"> Current freshwater requirements around streams and wetlands. Ministers and officials are aware of these issues and we are working collaboratively to resolve. Transport investment in respect of: <ul style="list-style-type: none"> Confirmation that the enabling transport works can support 2,000 houses from NZTA remains outstanding Confirmation that NZTA can fund its share of the enabling works remains outstanding and is tied up with the RLTP & NLTP processes Confirmation from NZTA of the long-term transport solution for SH29/29A through Tauriko, including timing of investment to align with the development of Tauriko West and other growth in the Western Corridor (eg extension of Tauriko Business Estate and Keenan Road). There is significant risk that the timing of the long-term solution will constrain development in the Western Corridor. <p>Council has also been working proactively with Mana Whenua for Tauriko West through Te Kauae a Roopu; and a Cultural Values Assessment (CVA) report has been completed - highlighting key matters of importance for the developers, council, Ministry of Education and NZTA to address. This identifies those significant matters of cultural importance in relation to the intended earthworks and residential development by landowners, council's re-zoning plan change and comprehensive stormwater consent, as well as for new educational facilities and state highway upgrades.</p>	

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>Rework and uncertainty caused by the government's freshwater reforms means that it is no longer feasible to notify rezoning of Tauriko West in the 2021 calendar year. Assuming these issues can be resolved it is intended to notify the plan change in 2022 using the streamlined plan change process (subject to Commissioner and Ministerial approval) to enable house building to commence in 2025.</p> <p>Development feasibility assessment for the project has been updated. This work looks at the project from a developer's perspective focusing on costs, revenues, profit and risk. This work demonstrates that at this point in time the project is commercially feasible, and this is especially supported by significant increases in section and house prices over recent years even though land development and infrastructure costs have also increased. The work also demonstrates that the project would still remain feasible with section prices significantly less than current market conditions. It is important to recognise that this work is focused on market prices and there remains a significant gap between the market prices for sections and houses and what would be considered affordable for many parts of our community. Wider workstreams (largely outside this project) are addressing the broader affordability issue.</p>	
Te Tumu Urban Growth Area	<p>Work on the Te Tumu Growth Area project has involved the completion of various technical assessments to inform the creation of a draft structure plan. The inputs for the technical reports have been based on three population scenarios to ensure that appropriate infrastructure can be delivered. These three population scenarios range from a base of 15,500 people up to 25,000 people.</p> <p>Most technical workstreams are now complete with final reporting of these now informing the identification of appropriate land use zoning and supporting spatial overlays and the development of RMA planning provisions to inform the structure plan and necessary plan change documentation. Development of planning provisions includes consideration to enabling greater residential density and improved urban form across the growth area in accordance with relevant national planning direction (i.e. NPS-UD). Updates to some natural hazard work has also been completed to account for updated Ministry for the</p>	<p>Continue technical and engagement workstreams, including Maori land issues.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>Environment guidance on sea level rise – including updates to tsunami and coastal erosion modelling. The recent release of the National Policy Statement on Freshwater Management and associated National Environmental Standard has resulted in the need to update previous wetland mapping across the growth area. The definition of natural inland wetland – in accordance with this NPS – does create significant issues in respect to the number of wetland areas across the growth area and as such the delivery of a number of critical elements, including road corridors and stormwater infrastructure and loss of development yield, that support the delivery of the structure plan in its current form. Ministers and officials are aware of these issues and we are working collaboratively to resolve. However, delays related to these matters means that notification of a plan change to rezone this area has been delayed until 2022.</p> <p>In addition to working with landowners on the development of planning provisions, discussions are also ongoing in relation to the preparation of funding agreements for the delivery of infrastructure and services within this urban growth area, along with the potential staging of the delivery of these assets. Work has also commenced on potential timing for re engagement with iwi authorities, and the wider community in relation to updates on future plan change progression.</p> <p>On 9 April 2020 the Maori Appellate Court released its decision affirming the 24 October 2018 decision of the Maori Land Court to dismiss the application by the Tumu Kaituna 14 Trust for a change of status of land (from Maori land to general land) and a Trust order variation. The TK14 Trust subsequently lodged an appeal of this decision with the NZ Court of Appeal, which was heard in April 2021. If successful, the Trust would most likely still need to prepare a new application to the Maori Land Court in order to achieve their desired outcomes. In parallel legal advice on options to secure an infrastructure corridor has been received and the Trust is planning a number of hui to discuss these options with beneficial owners. Provision of infrastructure corridors through this land to support delivery of development across the remainder of the growth area will likely be subject to the not only the outcomes of the Court of Appeal process but any potential future applications to the Maori Land Court reflecting outcomes of beneficial owner hui and the requirements of that Court process. It is therefore expected that urban development within this growth area will</p>	

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<p>now be further delayed, until such a time as access through the growth area can be confirmed.</p> <p>Development feasibility assessment for the project has been updated. This work looks at the project from a developer's perspective focusing on costs, revenues, profit and risk. This work demonstrates that at this point in time the project is commercially feasible, and this is especially supported by significant increases in section and house prices over recent years even though land development and infrastructure costs have also increased. The work also demonstrates that the project would still remain feasible with section prices significantly less than current market conditions. It is important to recognise that this work is focused on market prices and there remains a significant gap between the market prices for sections and houses and what would be considered affordable for many parts of our community. Wider workstreams (largely outside this project) are addressing the broader affordability issue.</p>	
<p>Future Urban Growth Areas:</p> <p>Keenan Road</p>	<p>The Keenan Road area is located south of The Lakes. It is earmarked for residential development of circa 2,000 homes. The city's jurisdictional boundary was recently shifted to now include all of this area. There are a range of landowners (including developers) in Keenan Road ready to develop.</p> <p>We intend to structure plan the area over the next few years. If the City Plan review does not progress other options will be considered including a standalone plan change. Wider water/wastewater planning is already underway as part of planning for Tauriko West, and the wider Western Corridor.</p> <p>Prior to progressing rezoning of Keenan Road, the Regional Council will need to change the Urban Limits Line within the Regional Policy Statement (i.e approx. 1/3 of the growth area is outside of the urban limits line). This work has commenced.</p> <p>Planning for Keenan Road will also require a business case to be progressed for transport access and investment.</p>	<p>Develop a project plan for the future structure planning and rezoning of the area.</p> <p>Engage with BoPRC to progress the change to the Urban Limits Line in the Regional Policy Statement.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
<p>Future Urban Growth Areas:</p> <p>Lower Belk Road area (Tauriko Business Estate Extension)</p>	<p>The Lower Belk Urban Growth Area jurisdictional boundary was shifted into the TCC jurisdiction by the Local Government Commission on the 1 March 2021.</p> <p>Discussions have been held with the majority landowners of the future extension of the Business Estate, and it is likely that they will seek a private plan change to rezone and structure plan this land area.</p> <p>Wider water/wastewater planning is already underway as part of planning for Tauriko West, and the wider Western Corridor.</p>	<p>Work with majority landowner to consider options for progressing a private plan change.</p>
<p>Rural Land Study</p>	<p>A desktop study has been undertaken to determine the urbanisation potential of the remaining rural land areas within the city boundaries namely Bethlehem South, Oropi Road, Papamoa Hills, Papamoa (alongside the Tauranga Eastern Link) and Matapihi.</p> <p>The findings of this work are that there is no significant urbanisation potential identified in Bethlehem or Oropi, however, there are small areas in Oropi, which could be considered for Rural Residential. For Papamoa and part of Papamoa Hills catchments show that urbanisation potential is challenging as the land blocks are located on peat soils and with other constraints such as flooding. Further investigation is required to understand the extent of ground conditions challenges and mitigation measures before considering future urbanisation of these areas. However, it should be noted that a number of parties have development aspirations in these areas and some are progressing their own investigations and considering resource consent processes especially around the Domain and Tara Road areas.</p> <p>The draft findings identify that there is potential for urbanisation in Matapihi and some parts of the Papamoa Hills area, however both areas are predominantly multiply-owned Maori Land and urbanisation may not be consistent with the aspirations of these</p>	<p>Consider areas of Maori land through iwi spatial plan</p> <p>Engage with development proposals in the Domain and Tara Road areas</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	communities. Future engagement will be required with the landowners to understand aspirations and opportunities in this area, including through the SmartGrowth iwi spatial plan.	
Smith's Farm	As part of the Takitimu North Link (TNL) project NZTA will deliver the Smiths Farm access road which will provide access and reticulated services to enable development of this site. The TNL project is expected to take 5-6 years to be completed and as such the site cannot be developed immediately.	Await delivery of access road and outcomes of discussions on Parau Farm (see below)
Parau Farm	Parau Farms has been earmarked for sports field development for some time. However, given the housing challenges facing the city and the delays in being able to develop Smiths Farm TCC is working with the government on the possibility of developing this site for housing. It has a number of positive attributes including high amenity, relatively large size and scale, close to the Bethlehem town centre, schools and public transport. As these investigations continue there will be engagement with tangata whenua and the local community. Should housing proceed on site the Smiths Farm site may revert to sports fields.	Further technical assessment. Community and tangata whenua engagement
Government Policy & Initiatives	<u>RMA Reform</u> <ul style="list-style-type: none"> The Government is reforming the resource management system. It intends to repeal and replace the Resource Management Act 1991 (RMA) with three new Acts – the Natural and Built Environments Act, Strategic Planning Act, Climate Change Adaption Act. We expect an exposure draft of the Natural and Built Environments Act will be released for comment in the next few months. <u>National Policy Statements & National Environmental Standards</u> <p>The Government is progressing further National Direction on highly productive soils and indigenous biodiversity, and we are expecting changes to its recent freshwater reforms.</p>	Continue to make submissions as appropriate and engage with the Government and its officials on matters as they relate to Tauranga.

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
Natural Hazards & Resilience Planning	<p>The first stage of the resilience project to identify, cost and prioritise solutions to TCC infrastructure at risk from natural hazards was completed for input into the Long-Term Plan. Ownership of this project has now been handed over to the Infrastructure Group to progress project planning, design and delivery.</p> <p>Broader natural hazard work is progressing as follows:</p> <ul style="list-style-type: none"> • Modelling of open coast inundation from Mount to Te Tumu is currently being undertaken by NIWA for BoPRC and the results will be incorporated into TCC hazard maps. Release of this information to the community is anticipated mid-2021. It is likely to impact a number of properties along the coast only in the higher order likelihood events, with 100 years plus sea level rise. • City wide land stability assessment is currently being undertaken by WSP consultants. This is a technical advance on our current static hazard lines and will incorporate probability into the analysis for the first time. Release of this information to the community is anticipated in second quarter 2021. TCC has initiated a relationship with BoPRC, Waikato Regional Council, Auckland Unitary Council and EQC in order to standardise our approach and share resources. This relationship will be to our benefit in both time and cost and provides an additional level of quality assurance and validation of our final mapping. A pilot study completed in December 2019 indicated that this new probabilistic mapping is not likely to negatively impact properties as the existing 2001 mapping is generally conservative by comparison. • Work is underway to test varying options for liquefaction and lateral spread treatment to identify potential options for compliance with the Bay of Plenty Regional Policy Statement. 	<p>Completion of studies on land stability, and open coast inundation.</p>

PROJECT	PROGRESS UPDATE	1. NEXT STEPS
	<ul style="list-style-type: none">Review of the Natural Hazards provisions of the Regional Policy Statement has been underway for some time. There are different viewpoints between TCC and BOPRC on the direction this project should take. As noted above, the current natural hazard provisions within the RPS have a significant bearing on how (or if) the Mount Maunganui / Arataki spatial plan proceeds and would have a significant bearing on the City Plan review if it were to proceed.	

9.6 Transport Strategy and Planning Progress Report - June 2021

File Number: A12104267

Author: Andy Mead, **Manager:** City & Infrastructure Planning

Authoriser: Christine Jones, **General Manager:** Strategy & Growth

PURPOSE OF THE REPORT

1. The purpose of this report is to provide the Committee with an update on the current progress, next steps and identified risks with transport projects that are in the strategy and early planning phases.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee receives the Transport Strategy and Planning Progress Report – June 2021.

EXECUTIVE SUMMARY

2. Tauranga continues to experience rapid urban development pressure and growth which creates increased demand on the transport system. Growth is expected to remain strong in the medium to long-term and is a key driver of transport investment alongside other matters such as poor existing levels of services on some parts of the network, transport emissions and mode shift.
3. The attached report outlines the progress being made in relation to projects necessary to provide for this continued growth and respond to broader issues. This information is regularly reported to the SmartGrowth partners and SmartGrowth Forums.
4. Of specific note are:
 - (a) Progress on the Regional Land Transport Plan, the upcoming National Land Transport Plan and Waka Kotahi's broader funding constraints that are likely to affect funding for TCC projects and State Highway projects.
 - (b) The proposed development of SmartGrowth and Transport System Plan communications around our growth, urban form and movement 'story', including how and why the way we live and move needs to change in the future.
 - (c) Progress on the early stages of a range of TSP policy work and business cases, including key parts of the network like Hewletts Rd and 15th Ave / Turret Rd.
 - (d) The negotiation of a MOU with Waka Kotahi and BOPRC concerning the governance of the wider Te Papa programme (including transport programme) and agreed transition points for bus lanes to move from peak period only to all day running within the next 10 years or sooner.
 - (e) Development of strategic direction on how TCC manages parking which is to be reported separately for decision-making ahead of public engagement.
 - (f) The proposal to resubmit our Housing Infrastructure Fund application focused around development of the Wairakei town centre to enable the Papamoa East Interchange to be brought forward. This will also be subject to a separate report through the LTP process.
 - (g) Confirmation that the Takitimu North Link (TNL) from Takitimu Dr to just north of Te Puna will continue as part of the government's NZ Upgrade Programme subject to final land acquisitions. This project includes delivery of access and services to enable development of the TCC owned Smiths Farm site in Bethlehem.

- (h) The Government has changed direction on Stage 2 of the TNL from Te Puna to Omokoroa. It will no longer proceed under the NZ Upgrade Programme due to broader cost pressures and direction on transport emissions, aside from corridor protection. It is not likely that construction will proceed within the next 10 years. This creates some uncertainty around further planned growth in Omokoroa.
- (i) The TCC led Tauriko Enabling Works business case is tracking toward completion and reporting through TCC and Waka Kotahi governance structure in the later part of quarter three this year with funding for project delivery subject to NLTP processes. Projects in this business case should enable development of up to 2,000 homes in Tauriko West and continued development of the Tauriko Business Estate.
- (j) The Waka Kotahi led Tauriko long-term business case is in the phase of moving from three short-listed options to a preferred option. When a preferred option is confirmed by Waka Kotahi there will be further reporting to the Committee.

STRATEGIC / STATUTORY CONTEXT

- 5. The transportation projects covered in this report are framed under the strategic direction of SmartGrowth and UFTI, the draft Future Development Strategy, the 30-year Infrastructure Strategies and Long-Term Plan.

OPTIONS ANALYSIS

- 6. There are no options, this report is for information only.

SIGNIFICANCE

- 7. While growth and transport system challenges are a significant issue for Tauranga City, this report does not require any decisions and is not significant in itself.

NEXT STEPS

- 8. Council continue to progress the projects and workstreams identified in this update.

ATTACHMENTS

- 1. **Appendix A - Quarterly Update - Transport Projects - June 2021 - A12325414** [!\[\]\(609f3372828e3526d7ce4ba9a1b5248e_img.jpg\)](#) 

Project Description	Current Update (key matters)	Next Steps and Identified Risks
Planning Projects		
<p>Western Bay of Plenty Transport System Plan (TSP)</p> <p>The purpose of the WBTSP is to identify the preferred strategic form of the City's key transport network to deliver appropriate levels of service for all transport modes. As part of this, there will be a specific focus on long-term options and solutions for key pinch points in the network such as the Hewletts Road area.</p>	<ul style="list-style-type: none"> • The WBTSP project was endorsed by Tauranga City Council in September 2019. • The project partners include Waka Kotahi, Bay of Plenty Regional Council, Western Bay of Plenty District Council, Port of Tauranga, KiwiRail, Priority One and Tangata Whenua. • The development of the System Operating Framework (SOF) was completed in October 2020. This involved a collaborative evidence-based process to identify mode priorities and conflicts, level of service gaps and option/activity identification and testing to confirm an agreed prioritised programme of activities (policy; projects) to support Council partner Long Term Plan (LTP), Waka Kotahi Investment Proposal, Regional Land Transport Plan (RLTP) and National Land Transport Plan (NLTP) development. • LTP, RLTP and NLTP development is progressing with decisions on each programmed for mid-June (RLTP), the end of June and July (for Council LTPs), and August (for the NLTP). • The Council partners and Waka Kotahi are currently scoping the priority activities (e.g. policy initiatives; business cases; low cost low risk programme) which includes resource planning, procurement plan development and further analysis of the costs to support the next stage of works to deliver these activities. These workstream include: <ul style="list-style-type: none"> ○ Travel demand management and behaviour change ○ Parking strategy and Bus fares ○ Public Transport & Services business case ○ Cameron Rd Stage 1 and Te Papa MOU for transition to full time bus lanes and wider multi- 	<p>Next steps for the project include:</p> <ul style="list-style-type: none"> • LTP, RLTP, NLTP decision making. • Further development of the WBTSP Implementation Plan including detailed scoping of the prioritised activities (e.g. priority business cases; low cost low risk programme; policy initiatives). • Scoping of a broader community communications and engagement plan for the WBTSP and the wider growth story. This is intended to occur via agreement of key messages and approach under the SmartGrowth Partnership umbrella. Then each SmartGrowth partner will build on that plan through individual initiatives (eg Te Papa and Cameron Road).

Project Description	Current Update (key matters)	Next Steps and Identified Risks
Planning Projects		
	<p>party programme governance</p> <ul style="list-style-type: none"> ○ Cameron Rd stage 2 business case ○ 15th Ave / Turret Rd / Welcome Bay Rd business case ○ Hewletts Rd / Totara St area business case. <ul style="list-style-type: none"> • Transport funding constraints are a key risk to the progress and delivery of the TSP programme. 	
Inter-regional rapid rail investigation	<ul style="list-style-type: none"> • In August 2020 the Government announced that it will undertake an Indicative Business Case (IBC) to investigate the potential for rapid rail between Hamilton and Auckland. The Minister has released the findings of the IBC, and Cabinet has agreed to initiate a process to develop the next stages of the project. • In its decision the Government also included a mandate to initiate an investigation of a separate IBC for extending rapid rail to Tauranga, and how that would fit with the Hamilton to Auckland IBC. • The Ministry of Transport (MoT) is leading this work and has signalled its keenness for relevant local and regional government like Tauranga and Hamilton City Councils and Waikato and Bay of Plenty Regional Councils to have a role in the project. 	<ul style="list-style-type: none"> • The MoT have advised that: <ul style="list-style-type: none"> ○ they are to brief the Minister of Transport about the next stage of the Hamilton to Auckland intercity connectivity project, ○ the case for investigating the extension of the rapid rail to Tauranga will be included in that advice, and ○ they will share further details on the future of the project and next steps once they have that direction.
Parking	<ul style="list-style-type: none"> • Investigations into the key parking issues and opportunities facing Tauranga has been undertaken. These are aligned to the direction provided by the Urban Form and Transport Initiative which advised: <ul style="list-style-type: none"> ○ With the increase in multimodal use and improved access to the urban centres, the need to provide the same quantum of carparking could reduce. ○ Parking costs should be targeted to help 	<p>Next steps include:</p> <ul style="list-style-type: none"> • Finalising a draft Parking Policy for review by project partners (e.g. Waka Kotahi; BoPRC), followed by consideration and endorsement by the Commission to enable further engagement with the community on a draft Policy; • Then subject to adoption of a Parking Policy, the development of 'place-based' Parking Implementation

Project Description	Current Update (key matters)	Next Steps and Identified Risks
Planning Projects		
	<p>encourage people to use the personal mobility or public transport options available to them.</p> <ul style="list-style-type: none"> ○ For the commercial areas throughout the sub-region, an appropriate level of turnover is the focus of parking management policy and activities. • In late 2020 minimum parking requirements were removed from the City Plan in response to the requirements of the National Policy Statement on Urban Development. 	<p>Plans (PMP's) for priority areas (e.g. City centre). It is noted that this work could be developed as part of other wider planning projects (like the City Centre planning project). Budgets for local parking implementation plans have been included in the draft LTP.</p>
Regional Public Transport Plan (RPTP) review	<ul style="list-style-type: none"> • The RPTP is a statutory document prepared by the Bay of Plenty Regional Council (BoPRC). It provides policy direction and guidance to support investment in public transport across the BOP region. • The RPTP was last reviewed in 2018. Since the RPTP's last review there have been significant changes to the operating environment for public transport in Tauranga City and the wider western Bay of Plenty. There is a requirement to review the RPTP every 3-years. The review is currently programmed to be completed in mid-2022. • BoPRC staff are currently scoping the RPTP review. An early draft project scope was presented to the Regional Public Transport Committee (RPTC) meeting in March. A further iteration of the RPTP review project scope was programmed to be reported to the RPTC in May 2021 but did not occur. This was to demonstrate the role and integration of three key pieces of work which are the RPTP review, the TSP 'Combined Public Services and Infrastructure Business Case' and the WBTSP 'Public Transport Services Optimisation' projects. 	<p>Next steps include:</p> <ul style="list-style-type: none"> • TCC staff to continue working with BoPRC staff to further develop the scope of the RPTP review to enable its scope and purpose relative to other key processes like the TSP 'Combined Public Services and Infrastructure Business Case' and the WBTSP 'Public Transport Services Optimisation' to be confirmed.

Project Description	Current Update (key matters)	Next Steps and Identified Risks
Planning Projects		
Eastern Corridor Transport Planning (Te Tumu & Wairakei)	<p>A number of transport focussed workstreams remain underway related to the Te Tumu structure planning process and the Papamoa Eastern Interchange (PEI), these include:</p> <ul style="list-style-type: none"> Continued development of the detailed design for the PEI to provide access onto the Tauranga Eastern Link to provide for development of the Wairakei Town Centre area and for Te Tumu in the future. A separate report is being prepared around the timing of construction of the PEI as part of the LTP process which is also tied up with a revision to our Housing Infrastructure Fund application. Waka Kotahi has approved the development of a business case for potential co-funding of transport infrastructure through the Wairakei town centre and Te Tumu. Transport workstreams associated with Te Tumu structure planning are well advanced. The structure plan includes dedicated public transport lanes on The Boulevard through Te Tumu to the Wairakei Town Centre, high-quality walking and cycling connections, and general traffic lanes. 	<p>Next steps include:</p> <ul style="list-style-type: none"> Progress Te Tumu business case Separate report on proposal to bring forward PEI construction for consideration through LTP deliberations Complete structure planning workstreams and funding negotiations with developers / landowners.

Project	Current Update (key matters)	Next Steps and Identified Risks
State Highways Projects		
State Highway 2 North (Waihi To Tauranga including the Takitimu North Link)	<ul style="list-style-type: none"> In January 2020 the Government announced the New Zealand Upgrade Programme (NZUP) (https://www.nzta.govt.nz/planning-and-investment/nz-upgrade/overview/) 	<ul style="list-style-type: none"> TCC continues to work with Waka Kotahi on a range of issues associated with design, network capacity, the continuity of managed lanes and safety for the section between 15th Ave and the TNL/Takitimu Dr interchange.

Project	Current Update (key matters)	Next Steps and Identified Risks
State Highways Projects		
	<ul style="list-style-type: none"> For the BoP, the \$993m investment package included the TNL (\$478m) and the SH2 Te Puna to Omokoroa (\$455m) projects. Relevant links: https://www.nzta.govt.nz/planning-and-investment/nz-upgrade/waikato-and-bay-of-plenty-package/tauranga-northern-link/ https://www.nzta.govt.nz/planning-and-investment/nz-upgrade/waikato-and-bay-of-plenty-package/te-puna-to-omokoroa/ Waka Kotahi's has procured services to deliver the final detailed design for the TNL and hopes to award the construction contract before the end of the year subject to final land purchase negotiations. The Smiths Farm access road is delivered through the TNL project. In early June the Government made an announcement around its NZUP. Due to cost pressures and climate change/emissions direction it is scaling back, deferring or cancelling some projects. This includes the Te Puna to Omokoroa section where the only activity to progress is corridor protection. Construction is unlikely to commence within 10 years. This may create challenges for planned growth in Omokoroa. 	<ul style="list-style-type: none"> Waka Kotahi are still to confirm their process for considering matters like the potential tolling of TNL and the revocation of the existing State Highway 2 through Bethlehem and Te Puna that is bypassed by the project.
Western Corridor (SH29 Tauriko / Tauriko West) <i>In 2018 the development of a Detailed Business Case (known as the 'Enabling Works' package) to identify the transport activities to open-up the initial stages of the Tauriko West and continued development of the Tauriko Business Estate started. This</i>	Tauriko Enabling Works Detailed Business Case <ul style="list-style-type: none"> The Enabling Works business case seeks to enable the Tauriko West urban growth area (UGA) to be opened for approximately 2,000 new households. Key elements of the Enabling Works improvement package include: <ul style="list-style-type: none"> Improvements to SH29 / Cambridge Rd / Whiore 	Both the Long-Term and Enabling Works business cases are taking longer to complete than anticipated. This is likely to affect the project timeframes for progressing the Tauriko West project. This issue is subject to ongoing discussion between TCC and Waka Kotahi. Tauriko Enabling Works Detailed Business Case

Project	Current Update (key matters)	Next Steps and Identified Risks
State Highways Projects		
<p><i>project was established to progress investigations as a result of the 'Long-term business case' being placed on hold by the Waka Kotahi.</i></p> <p><i>In 2020, Waka Kotahi re-started the Long-Term Detailed Business Case to identify improvements to SH29 and other improvements (local road; public transport; walking & cycling) to enable growth in the wider Western Corridor.</i></p> <p><i>Both business cases continue to be developed in an aligned manner.</i></p>	<p>Avenue intersection.</p> <ul style="list-style-type: none"> ○ A new access to Tauriko West from SH29 near the existing service station on the western side of the highway in Tauriko Village. ○ A southern roundabout connection at SH29 to the Tauriko Business Estate and Tauriko West ○ The western corridor ring road Stage 1 (linking SH29 through the Tauriko Business Estate. ○ Walking / cycle paths and bus infrastructure, including a bus only connection to Whoire Ave which links to Tauranga Crossing. ○ New main road through Tauriko West (also known as 'spine road') ○ A Travel Demand Management (TDM) Package to further improve mode shift. <ul style="list-style-type: none"> • Further preliminary design development is being progressed to respond to the findings of the Road Safety Audit. • In addition, further transport modelling of the impact on the wider network (beyond the Enabling Works project scope) from enabling 2,000 households is underway. The findings of this analysis has potential to impact on the scope, timing and investment package of both the Enabling and Long Term business cases. • Community engagement on the preferred package of works took place over April and May. • To enable an Enabling Works package to progress with support from Waka Kotahi, it will be necessary for developers and councils to commit to a complimentary set of initiatives such as minimum densities (likely to be in excess of 20 dwellings / ha), 	<ul style="list-style-type: none"> • Continue to progress the cost share discussions with Waka Kotahi and Tauriko developers for transport infrastructure to support the Enabling Works package. • Continue to develop the Tauriko West internal collector road cross section with landowners / developers. • Continue to undertake the technical analysis i.e. transport modelling & preliminary design development, to enable the business case to be completed and reported through governance structures at TCC and Waka Kotahi <p>Tauriko Long-Term Detailed Business Case</p> <ul style="list-style-type: none"> • Confirm assessment of the 'short-list' to confirm a preferred option and allow the business case to be completed and reported through governance structures at TCC and Waka Kotahi.

Project	Current Update (key matters)	Next Steps and Identified Risks
State Highways Projects		
	<p>delivery of PT infrastructure/services, a package of Travel Demand Management initiatives and the delivery of bus priority measures and cycleway improvements.</p> <p>Tauriko Long-Term Detailed Business Case</p> <ul style="list-style-type: none"> Assessment of the three short listed options has taken place, including discussions around moving to a preferred option. This currently sits with Waka Kotahi to confirm. TCC staff are working closely with Waka Kotahi on this exercise. Community engagement referred above also covered the long-term State Highway options. 	

Project	Current Update (key matters)	Next Steps and Identified Risks
Multi Modal Projects		
Bus facility – Arataki	<ul style="list-style-type: none"> A paper on both options for the Arataki Bus Facility was presented to the UFTD committee on 21 July 2020. Arataki Community Liaison Group has been established. Funding to progress the business case was agreed by Waka Kotahi in April 2021. A paper (A12550571) providing an Arataki Bus Facility project update was presented to Council on 21 June 2021. 	Next steps to identify a recommended preferred bus facility include completing the procurement to appoint a supplier to develop the business case, the development of the business case, and undertaking community engagement.
Bus Facility – City Centre	An improved City centre bus facility is identified as necessary by the UFTI, the WBTSP and also the Te Papa Spatial Framework. This established planning provides a basis for potential National Land Transport Fund	<ul style="list-style-type: none"> Detailed site level investigations for a bus facility are on hold while wider City Centre and Civic Administration Building (CAB) matters are resolved.

Project	Current Update (key matters)	Next Steps and Identified Risks
Multi Modal Projects		
	investment towards a bus facility (subject to more detailed business case analysis and funding availability).	<ul style="list-style-type: none"> In addition, the RTP is to investigate the bus service operating model (e.g. hub-spoke; thru-routing; hybrid; other) and the WBTSP 'Combined Public Services and Infrastructure Business Case' with both providing information to inform the scale and timing of bus facilities across the network to support bus services. Once these projects are sufficiently progressed an initial step will be to develop a 'Point of Entry' with Waka Kotahi to confirm the scope and funding availability to develop a business case to confirm a preferred site location and concept design.

Project	Current Update (key matters)	Next Steps and Identified Risks
Projects - Funding		
Regional Land Transport Plan (RLTP) The RLTP is a statutory document prepared by the Bay of Plenty Regional Council (BoPRC). RLTP sets out the transport activities that will support the region's sustainable growth and well-being aspirations. It has a 10 years planning horizon putting in place the foundations of the 30-year vision. The RLTP sets out a programme of transport activities for local, regional and national investment.	<ul style="list-style-type: none"> The draft RLTP was released for public consultation on 5 March 2021. The RTC made decisions on submissions received on 9 June. The final RLTP is required to be submitted to Waka Kotahi by 30 June. 	<ul style="list-style-type: none"> Staff have been continuing to work with Regional Council to ensure consistency between the RLTP and LTP as project costs and timings get refined through ongoing LTP development. The need to undertake this task was signalled in Councils submission to the RLTP. The timeframe for finalising the RLTP, which is ahead of finalising the LTP, means that further changes (e.g. to existing proposed projects and their timing and costs or to add or remove a project based on Council decisions) will be very likely once both processes are completed. This can occur through the usual ongoing programme management of the LTP, RLTP and National Land Transport Programme that is undertaken.
Waka Kotahi (NZTA) Funding <i>Risk associated with receiving Waka Kotahi</i>	<ul style="list-style-type: none"> Waka Kotahi have identified to local government nationally that the Activity Funding classes within the 	<ul style="list-style-type: none"> Staff continue to work closely with Waka Kotahi staff to support NLTP development and report information to

Project	Current Update (key matters)	Next Steps and Identified Risks
Projects - Funding		
<p><i>support funding for key transport projects.</i></p>	<p>National Land Transport Fund (NLTF) are currently highly constrained and that this limits the amount of funding available in remainder of the 2018-21 National Land Transport Programme (NLTP) but also into the 2021-24 NLTP period.</p> <ul style="list-style-type: none"> • Waka Kotahi have informed TCC that no new implementation will be funded nationally until the start of the next NLTP (programmed for August 2021). • Despite the above, Waka Kotahi advice is to continue planning and forecasting as per usual. • Waka Kotahi have also signaled that 90% of the next 2021-24 NLTF is already committed (of approx. \$13b). The impact of this on TCC ability to deliver the draft LTP is not fully known and unable to be confirmed until Waka Kotahi release the NLTP (programmed for August 2021). TCC staff are working closely with Waka Kotahi staff to ensure Council projects, their priority and benefits are well understood so they are accurately prioritized by Waka Kotahi staff as they undertake their nationally focused NLTP development process. • Nonetheless there is significant risk that a significant proportion of TCC's transport programme for the next three plus years will not attract Waka Kotahi co-investment putting these projects at risk. This has implications for delivery of the TSP and broader management of the City's transport network and on-going growth. Funding constraints may also affect Waka Kotahi's ability to progress funding and delivery of State Highway projects in and around Tauranga as identified through the TSP. 	<p>Commissioners as it comes to hand.</p> <ul style="list-style-type: none"> • There is a risk that projects within TCCs draft LTP do not receive NLTF funding and that funding for Waka Kotahi and BOPRC transport activities affecting the city are also constrained. • The Waka Kotahi funding risk will be addressed in the LTP Deliberations report and staff will provide a verbal update if any further information has been provided at that time.

9.7 Submission on the Infrastructure Commission's Draft Strategy**File Number:** A12634229**Author:** Ross Hudson, Strategic Advisor**Authoriser:** Christine Jones, General Manager: Strategy & Growth**PURPOSE OF THE REPORT**

1. To consider Council's submission to the Infrastructure Commission's (Te Waihanga) draft strategy 'Infrastructure for a Better Future'.
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RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Endorses the draft submission to the Infrastructure Commission's draft strategy 'Infrastructure for a Better Future', incorporating amendments agreed at this meeting.
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EXECUTIVE SUMMARY

2. The Government's Infrastructure Commission (Te Waihanga) is consulting on the development of its draft infrastructure strategy (He Tūāpapa ki te Ora), which it intends to submit to the Minister for Infrastructure in September.
3. The document (<https://infracom.govt.nz/strategy/have-your-say/>) sets out a draft vision for infrastructure in Aotearoa-New Zealand and recommendations for Government to consider in enabling the country to meet its multiple infrastructure challenges. It poses a set of questions that it is seeking submissions in response to.
4. The key challenges it identifies are all pertinent to Tauranga and to Council's evolving roles in infrastructure provision. These include –
 - (a) Institutional and governance reform
 - (b) Better infrastructure pricing, funding and cost allocation
 - (c) Enabling housing supply
 - (d) Zero carbon transition and climate change resilience
 - (e) Technological change
5. The document covers a broad range of infrastructure issues. Our draft response (attached) focuses on the issues of most relevance to Tauranga and to Council and provides specific comment only on selected questions and recommendations. We also make a general endorsement of the draft Society of Local Government Managers (Taituarā) submission as the basis of some of our responses.
6. We propose being supportive of the document's recommendations and its overall philosophy. Key points that we propose making include the following –
 - (a) We point out that Government's policy on development capacity can effectively be in conflict with its environmental policies, which complicates local application and slows down the planning and delivery of infrastructure. We suggest that Government's legislative and reform agendas should urgently facilitate agreement on priorities, particularly in growing cities, that is then backed by funding commitments through Regional Growth Partnerships.
 - (b) We endorse the need for some structural reform of public sector infrastructure provision to ensure governance, scale, expertise and funding that is appropriate to the scale and complexity of the infrastructure challenge.

- (c) We support the need for integrated spatial planning across a range of scales, in particular the need for greater integration at the Upper North Island scale.
 - (d) We note the need for a) and b) above to balance economies of scale with the need for governance to take reasonable account of participation, subsidiarity and equity.
 - (e) We note the need for spatial planning and any structural change to be backed by the necessary funding mechanisms and investment partnerships to actually deliver the sustainable infrastructure our communities need to thrive.
 - (f) We support the need to innovate in the financing, pricing and cost allocation of infrastructure, in particular in relation to growth funding, road pricing, volumetric wastewater charges, carbon pricing, waste disposal charges and the funding of climate change adaptation.
 - (g) We support the development of mechanisms to enable appropriate tangata whenua participation in the planning of infrastructure, notably through the proposed legislation to supersede the Resource Management Act.
7. It is worth noting that whilst it is labelled 'an infrastructure strategy', the document is really a set of principles and draft recommendations for policy interventions by central government. Te Waihanga also propose the development of a pipeline of national infrastructure investment priorities. We would propose supporting this and that in effect what needs to be developed, in partnership with public and private infrastructure providers, is a national strategic plan for infrastructure investment that covers major national and regional projects over the next 30+ years and considers the mechanisms to deliver them.
8. We also propose that Government needs to give early consideration to the 'future state' that it envisages once its Waters, Local Government and Planning System reform processes are concluded, or it risks creating further unnecessary complexities of geographic boundary, governance and funding.

STRATEGIC / STATUTORY CONTEXT

9. The recommendations made in the draft strategy will be considered by Government and may influence its reform agenda as it pertains to local government. In particular, it may influence the Local Government Reform agenda itself, reform of the Resource Management Act and Three Waters Reform. It may also influence future policy under the Zero Carbon Act and in relation to transport policy.

FINANCIAL CONSIDERATIONS

10. There are no financial considerations.

LEGAL IMPLICATIONS / RISKS

11. There are no legal implications.

CONSULTATION / ENGAGEMENT

12. No consultation is considered necessary.

SIGNIFICANCE

13. In accordance with Council's Significance and Engagement Policy, it is considered that the decision is of low significance.

NEXT STEPS

14. The draft submission will be finalised, in line with amendments made at this meeting and submitted to Te Waihanga for 2nd July.

ATTACHMENTS

1. **Infracom submission - table of proposed actions - A12634066**  
2. **Table of questions - NZ Infrastructure Strategy - A12566536**  
3. **TCC InfraCom submission draft summary (June 21) - A12638082**  

Option	Description	Comment
F1.1 Adapt business case guidelines to ensure full consideration of mitigation and adaptation	Require all infrastructure projects to directly assess climate change impacts (mitigation and adaptation). Ensure all infrastructure projects evidence they are compatible with a net-zero carbon emission future to prevent infrastructure with a long asset life locking-in a high-emissions future. Require all infrastructure projects to apply a consistent cost of carbon that is commensurate with New Zealand's international commitments in cost-benefit analysis and sensitivity analysis.	We are comfortable with this in principle. However, further guidance, education and rapid upskilling will be required to enable infrastructure providers to adapt to this paradigm. A key issue here is also the speed of transition to a zero carbon future. For example, road building does not negate a zero carbon future if all vehicles are electric and the carbon price would have to rise significantly and quickly to undermine the viability of road building.
F1.2 Recognise climate uncertainty in decision-making processes	Ensure that, whenever possible, decisions open up a wide range of future options and, when it is optimal to do so, keep options open for as long as possible.	We support this.
F1.3 Require a bright-line (pass/fail) infrastructure resilience test	Require that, where appropriate, proposals for new major capital works are subject to modelling that indicates, through siting, design, specifications and construction, that the infrastructure will be able to withstand a range of major stresses and shocks, including the future impacts of climate change.	We support this in principle but note that its success will be heavily dependent on appropriate criteria, especially on more complex and climate risk-facing projects.
F1.4 Ensure non-built transport solutions are considered first	To decarbonise existing transport networks, require non-built solutions to be considered first. In the case of existing roading networks, alongside transitioning to electric vehicles, non-built solutions could take the form of: <ul style="list-style-type: none"> • Charging to reduce demand. • Lowering the cost of public transport at non-peak times. • Real-time parking pricing. • Making better use of existing space to speed up public transport. • Density targets and supply requirements through zoning policy. 	We support this principle, but it also needs to be acknowledged that transport networks, including roads, open up land for much needed housing development in growth cities. The innate tension between the NPS-Urban Development and the Zero Carbon Act will need careful planning and central government leadership and investment to fully resolve.
F1.5 Enable active modes of travel	Improve the uptake of low-carbon transport options by increasing the density of housing (up-zone) areas within a cycling catchment of all major employment areas.	We support this in principle, but note that a blanket approach may risk unintended consequences where access to safe cycling options is impractical.
F1.6 Require local government to consider information from insurance markets to inform climate-risk-related	Insurance markets are constantly assessing spatial risks associated with climate change. This pricing information should be an input to planning processes to inform adaptation	We support this.

Option	Description	Comment
planning policy	policies in district plans.	
F1.7 Drive a culture of waste minimisation	Update procurement guidance to require the avoidance of waste creation as a design/procurement objective: <ul style="list-style-type: none"> • Require the design of public sector projects to evaluate the use of recycled products where feasible. • Require that all projects of a certain size develop waste minimisations plan as tender deliverables that are considered as part of the procurement evaluations. 	We support this.
F1.8 Efficient pricing of waste	Review waste-disposal charges to landfill and investigate different pricing mechanisms with a view to better reflecting the true cost of waste disposal to landfill. Include research and community engagement on the roles of different pricing mechanisms, including household and construction waste-disposal fees.	We support this.
F2.1 Enable electricity distribution networks to minimise barriers to the connection and use of large numbers of local generation, storage and demand response facilities (distributed energy resources or DERs)	Require (and possibly fund) electricity distributors to work with DER providers to develop and implement (by 1 July 2023) standard arrangements for procuring support services from DERs and any other associated requirements.	
F2.2 Reduce barriers to building spare transmission capacity where that would reduce inefficient barriers to large-scale renewable generation and the electrification of large process heating units	Subject to appropriate regulatory oversight, enable and encourage Transpower to temporarily defer charging customers for the costs of spare transmission capacity built specifically to cater for future renewable generation connections (the deferral would end when sufficient new connections have occurred). By making it easier for Transpower to build spare capacity ahead of provable need, generators would find it easier and faster to commit to renewable investments if electricity demand increased at a higher rate than they anticipated. Similar issues arise with respect to building spare grid capacity to cater for future connections (or augmentations of existing connections) for industrial consumers.	
F2.3 Investigate the need for a specific regulatory framework for offshore energy generation	Investigate the future need for an offshore renewable-energy regulatory framework to facilitate an environmentally responsible exploration, construction, operation and	

Option	Description	Comment
	decommissioning of offshore wind and other clean-energy technologies and associated infrastructure in our territorial waters	
F3.1 Move towards open data for the infrastructure sector	Identify clear legislative steps required to move toward full open data for public infrastructure across central and local government	We support this in principle, but note that data and asset security risks will need to be resolved.
F3.2 Accelerate common infrastructure metadata standards	Develop and mandate national infrastructure metadata standards.	We support this.
F3.3 Accelerate investigations on the use of digital twins and prepare for a nation-wide digital twin	Develop early use cases of digital twins in public-sector infrastructure	We support this.
F3.4 Design and launch artificial intelligence use-cases	Investigate the opportunities to use artificial intelligence and machine learning across infrastructure sectors. Examples could include: <ul style="list-style-type: none"> • In planning, digitising elements of the consenting process. • In transport, reducing deaths and serious injuries through active collision-avoidance technologies. • In health, identifying patterns that lead to harm incidents. • Across sectors, managing real-time infrastructure pricing strategies (such as congestion charging and parking). 	We support this.
F3.5 Deliver and retain digital information	Facilitate the consistent use of building information modeling (BIM) by public-sector procurers and central government by developing a common set of standards and protocols in close consultation with industry, including private-sector bodies that undertake similar types of procurement. Support the uptake of these standards by developing detailed implementation advice for agencies on the efficient use of BIM.	We support this, but note that there will be cost implications.
F4.1 Improve analysis of upside and downside risks in infrastructure provision	Require territorial authorities to test district plans and long-term plans against a 'high' and 'low' growth scenario, in addition to the 'most likely' growth scenario to address uncertainty in demand projections. Document and communicate identified risks to decision-makers and the public.	We support this.
F6.1 Define critical national infrastructure	Develop a common definition of critical national infrastructure. This needs to be well understood across the sector and enable parties to identify clearly their roles and responsibilities in relation to critical national infrastructure.	We support this.

Option	Description	Comment
F6.2 Identify critical national infrastructure	Identify infrastructure assets that meet the definition of critical national infrastructure. The identification process would cover the resilience of infrastructure networks to shocks, as well as individual assets.	We support this.
C1.1 Continue to review and reform urban planning	Accelerate reforms of urban planning policies and practices that are not delivering, including those that have adverse impacts on housing affordability. Suggested actions include: <ul style="list-style-type: none"> • Accelerating the implementation of the National Policy Statement on Urban Development (NPS-UD) requirements to upzone around rapid-transit and centre zones. • Monitoring and enforcing council compliance with NPS-UD requirements. • Adopting independent hearings panels to review impending district plan changes. • Requiring that current resource management reforms be appropriately enabling of urban development. • Clarifying definitions of 'environment' and 'amenity' to ensure that environmental protections are not applied to subjective amenity issues. 	<p>We strongly support this in principle, in particular the need for RMA reform, but note the tension between the NPS-UD and the suite of recent and upcoming environmental legislation.</p> <p>We also note that NPS-UD already requires accordance by 2022 and that enforcement may be challenging or unrealistic where the barriers to development are outside of a Council's control, for example, multiple owned Maori land, land covenants under property law act, lack of NZTA state highway investment.</p> <p>We also support greater de-politicisation of urban development planning and investment at all levels. Greater consistency of strategic priorities and investment certainty is required.</p>
C1.2 Standardise planning rulebooks to increase capacity and reduce cost and uncertainty	Merge regional and district plans into a combined plan, resulting in 14 combined plans rather than roughly 100 council plans. Prior to developing combined plans, develop the National Planning Standards into a nationally standardised planning rulebook that local authorities are required to adopt with limited variations.	We support the principle of greater integration and standardisation of planning functions and public infrastructure provision. We note the upcoming Local Government Reform process and are of the view that more detailed analysis of 'boundaries' is required across the suite of governance, infrastructure and public service functions, before conclusions are drawn as to the best number of plans and entities.
C1.3 Set targets for housing development capacity and triggers for release of additional development capacity	If the National and Built Environments Act is signed into law, develop a national direction, in the form of the new National Planning Framework, that: <ul style="list-style-type: none"> • Sets targets that local authorities must achieve for housing and business development capacity to accommodate future growth, and that take precedence over subjective amenity barriers. 	<p>The NPS-UD already sets targets and obligates Council's to account for prices.</p> <p>We support the NPS-UD positions on intensification and parking.</p>

Option	Description	Comment
	<ul style="list-style-type: none"> • Directs local authorities to use information on land prices to guide the planning and release of development capacity in high-demand areas. • Carries over existing NPS-UD direction on enabling intensification and disallowing the use of minimum parking requirements in district plans. • Incorporates additional direction on enabling intensification and private plan changes in addition to what is already in the NPS-UD. 	
C1.4 Review and realign Crown landholdings	Review major public landholdings to identify opportunities for land swaps, releases of land for development and relocations of major public facilities to more optimal locations. This includes reviewing the locations of major legacy facilities, particularly when they occupy large sites in growing urban areas with high land prices.	We support this.
C2.1 Ensure the provision of three waters infrastructure to enable growth	<p>Ensure the current three waters reform programme proactively enables urban development by:</p> <ul style="list-style-type: none"> • Establishing an economic regulator for the sector with a mandate to ensure the availability of infrastructure for growth, funded by appropriate infrastructure growth charges or other 'user pays' funding tools. • Enabling regulators to allow new water entities to use their balance sheet capacity to finance infrastructure for growth, as well as funding asset renewals and improvements to water quality. • Clarifying the interface between new water entities and developer financed water infrastructure provided under the Infrastructure Funding and Financing Act 2020. • Ensuring that developers can benefit appropriately from the provision of infrastructure that has spare capacity 	We support this, but note that it will remain important that the Capex programmes of new water entities is well-aligned to the enabling of development capacity across infrastructure providers.
C2.2 Volumetric charging to fund proportion of water infrastructure	Enable publicly-owned water providers to charge water users directly for their services and enable volumetric wastewater charges for large wastewater sources.	We support this.
C2.3 Improve information on infrastructure capacity and costs to service growth	Improve information for land-use planners, infrastructure planners, and the development sector so that they can understand the locations and timing of growth opportunities and the cost of growth in different places. Includes two key	We support this.

Option	Description	Comment
	<p>pieces of information:</p> <ul style="list-style-type: none"> • Water entities to publish geo-spatial information on water asset condition, capacity for growth in existing water networks, and increases in capacity for growth due to planned network upgrades. As part of this, a common approach to measuring the condition and capacity of water infrastructure assets should be developed. • Develop, validate and publish a spatial model of long-run average infrastructure costs to service growth in different locations, to inform issues like regional spatial planning, local-government development contributions policy, and the alignment of development capacity increases with infrastructure capacity and low-cost opportunities for development. 	
C2.4 Conduct post-implementation reviews of transit-oriented development opportunities	Many existing urban strategies highlight the importance of transit-oriented development (TOD). To understand whether strategies are translating into on-the-ground implementation, undertake a post-implementation review of recent TOD opportunities in New Zealand cities. This review would cover the performance of developments against international best practice, the scale and pace of housing and commercial developments, relative to planning projections, transport outcomes for people living or working in the areas, broader wellbeing outcomes and barriers to achieving better outcomes, and provide recommendations for policy and delivery changes to improve outcomes for future TODs.	We support this.
C2.5 Implement regional spatial planning	Develop a new Strategic Planning Act that provides a framework for regional spatial plans and directs local authorities and infrastructure providers to develop them. Require that combined plans and regional and local funding plans should not be inconsistent with regional spatial plans. Consider central government funding and resourcing to support regional spatial plan development.	<p>We support the principle of spatial planning at appropriate scales. However, existing regional boundaries may not be the appropriate scale as these are not reflective of economic and social communities of interest.</p> <p>For Tauranga, we are of the view that a 2-tier approach is appropriate:</p> <p>Tier 1: Upper North Island scale to facilitate improved macro-economic and connected cities outcomes, along with an extension of the</p>

Option	Description	Comment
		strategic corridors approach that has been adopted in the 'Auckland-Hamilton Corridor' to Tauranga. Tier 2: Tauranga-Western Bay (Connected Communities) scale, which reflects the functional socio-economic geography of the 'region'.
C2.6 Increase the use of water-sensitive urban design measures to reduce pressure on water networks	Develop combined district and regional plans to enable and incentivise water-sensitive urban design to reduce the pressure that growth places on stormwater and other networks. Review other barriers to water-sensitive urban design practices, such as poor coordination between water infrastructure providers, land-use planners, and developers	We support this.
C3.1 Implement congestion pricing and/or road tolling to improve urban accessibility	Use congestion pricing and road tolling to improve urban transport outcomes and the performance of the transport network. Specific measures include: <ul style="list-style-type: none"> • Progressing the implementation of The Congestion Question's recommended congestion pricing scheme for Auckland. If the availability of transport alternatives is a concern, stage the implementation to focus initially on areas with the best supply of public transport and walking and cycling options (e.g. Auckland city centre), and confirm a timeframe for full implementation following the delivery of further public transport and cycling improvements. • Immediately remove legislative barriers to implementing congestion pricing and/or highway tolling. • Progress the implementation of a congestion pricing scheme for Wellington following the Let's Get Wellington Moving programme business case. 	We support this in principle.
C3.2 Use congestion pricing to plan for new transport infrastructure	To make it easier for people to respond to signals from congestion pricing: <ul style="list-style-type: none"> • Improve the quality, speed, and reliability of public transport to major employment centres. • Improve active transport infrastructure, starting with low-cost solutions such as improving pedestrian crossings and reallocating existing road space to provide safe cycling facilities. 	We support this in principle.

Option	Description	Comment
	Use signals from congestion pricing to help optimise the timing and delivery of new multi-modal transport infrastructure.	
C3.3 Plan for congestion pricing schemes in other New Zealand cities	Identify and prioritise other urban areas where congestion pricing may be beneficial at some point on a 30-year horizon, and develop a work programme for developing appropriate schemes for those areas.	We support this.
C4.1 Develop a lead infrastructure policy, supporting implementation guidance, and a corridor protection evaluation methodology	Develop a lead infrastructure policy that provides a clear definition of lead infrastructure and uses the definition to identify what is and is not lead infrastructure. Support this policy by implementing guidance for infrastructure providers. To support corridor protection decisions, develop evaluation guidance on the use of real option valuation techniques to make decisions about corridor protection in light of the uncertainty of future demands. ¹⁵³ Use this guidance as a key input to an economic analysis of concept plans for corridor designations and investment through a new Corridor Reservation Fund.	We support this, especially creation of a fund. Corridor protection is extremely important and difficult under current settings which restrict long-term protection through the designation process and typically there is no funding available. This applies to range of infrastructure, but especially transport.
C4.2 Enable lead infrastructure corridor protection through resource management reform	Extend the duration of designations to 10 years and allow designations to be granted based on concept plans. Base statutory tests for infrastructure corridor designation on a corridor protection evaluation methodology	We support this.
C4.3 Establish a corridor reservation fund to protect lead infrastructure corridors	Establish a corridor reservation fund with a secure funding source that can be used for early corridor-protection activities, such as purchasing key sites for future projects	We support this.
C5.1 Develop a long-term national supply chain strategy	Develop an evidence-based, long-term national freight supply chain strategy covering airports, ports, road, rail and coastal shipping to support the creation of a fully integrated, multi-modal freight supply chain system. The strategy could look at competition between modes, ownership structures, regulatory regimes and the infrastructure investment required to improve the efficiency and sustainability of New Zealand's supply chains.	We support this.
C5.2 Update the 2006 digital strategy	The 2006 digital strategy should be updated to prepare New Zealand for realising the full benefits of a connected digital society.	We support this.
S1.1 Clarify funding of spatial plans	Regions will be required to produce regional spatial plans that outline how and where they will grow. It is currently unclear	We wholeheartedly support this and believe it to be an essential component of the successful

Option	Description	Comment
	how the development and implementation of these plans will be funded. Funding arrangements to both design and implement regional spatial plans should be clarified as part of the Resource Management Act reform process	transitions the strategy is seeking.
S1.2 Review roles and functions of local government and other related infrastructure providers	<p>As part of the Review into the Future for Local Government, review local government functions related to infrastructure and the relationship with central government, including funding, planning and delivery. The review of local government infrastructure functions should address:</p> <ul style="list-style-type: none"> • The role and function of local government following the three waters reform and reform of the Resource Management Act. • Institutional settings and structures for other related infrastructure providers, e.g. in land transport. • The appropriateness of existing local government boundaries given expanding labour markets, particularly in growing cities. • The ability of local government to provide, fund, maintain and operate both social and economic infrastructure. 	We support the review.
S2.1 Fund tourism infrastructure	Enable the International Visitor Conservation and Tourism Levy to be used for tourism infrastructure, especially networked infrastructure. The levy was established in 2019. It was forecast to provide \$450 million in the first five years of operation. The levy could be made available to certain local authorities (for instance, those with high international visitor to resident ratios), if they can demonstrate they have explored all other means to finance infrastructure pressures caused by tourism.	We support this.
S2.2 Rating Crown land	Require the Crown to pay rates to local authorities for land that it owns that is currently exempt, where it generates a demand for infrastructure. This includes Defence Force land, schools and hospitals. Currently, Crown land is mostly exempt from general rates. This is a potentially significant source of 'lost' income for local authorities with significant proportions of Crown land in their areas.	We support this. We would also recommend removing the exemption from Development Contributions.
S2.3 Develop a transition plan for transport funding	Develop a pathway and transition plan for shifting all vehicles onto time, distance, and level-of-service-based pricing, improving transport pricing and the required governance arrangements needed to support this. Include a consideration	We support this in principle.

Option	Description	Comment
	of the merit of differential pricing for commercial and non-commercial traffic. This recommendation would need to be considered alongside recommendation C3.1, which relates to congestion pricing for urban areas.	
S2.4 Use value-capture mechanisms to fund infrastructure for growth	Incentivise local authorities to make greater use of targeted rates or value-capture mechanisms to fund growth infrastructure.	We support this. Note our response to Q28.
S2.5 Enable land-value change as a basis for a targeted rate	Implement a legislative change to allow local authorities to be given the option of using land-value change as a basis for a targeted rate.	We support this.
S3.1 Consider non-built options	Require project selection to take explicit and detailed account of available alternatives, including the enhanced use of existing infrastructure, extending the life of existing assets, pricing solutions, project staging and cheaper build options	We support this.
S3.2 Investigate New Zealand Government Asset Management Team	Investigate the establishment of a New Zealand Government Asset Management Team to take asset-management responsibilities from government agencies that have no specific asset-management focus or have a poor track record of asset-management	
S3.3 Improve pricing to optimise use of existing infrastructure	Implement changes to infrastructure pricing to optimise the use of existing infrastructure and potentially defer major upgrades. Specific areas where this is likely to be desirable are: <ul style="list-style-type: none"> • Water infrastructure, (which is addressed further in recommendation C2.2). • Transport infrastructure (which is addressed in recommendations S2.3 and C3.1). • Landfill waste levies (which are addressed in recommendation F1.8) 	We support this. Volumetric pricing of water in Tauranga has been very successful in delaying infrastructure investment.
S4.1 Undertake a post-implementation review of all major infrastructure projects	Conduct and fund independent post-implementation reviews of major infrastructure projects at completion, with the purpose of improving future evaluation methods and processes. Publish ex-post reviews in full and measure performance, benefits and cost estimates against business case estimates.	We support this.
S4.2 Undertake cost benefit analyses of all projects over \$150 million	Ensure a commitment by all local and central government agencies to undertake and publicly release rigorous CBAs on all public infrastructure investment proposals where the whole-	We support this and would encourage greater consistency in application.

Option	Description	Comment
	of-life costs of the proposals exceed \$150 million. ¹⁵⁴ In general, analyses should be done prior to projects being announced. If a project is announced before analysis is done, for example, in the lead-up to an election, this would be conditional on the findings of a subsequent analysis.	
S4.3 Review the discount rate	Undertake an inquiry into the appropriateness and consistent application of New Zealand's social discount rate policy.	We support this. Our experience of the Housing Infrastructure Fund business case process was that the methodology did not sufficiently allow quantification of the benefits of social and strategic outcomes such as high-density, well-connected centres with various housing types and tenures in proximity to amenities and public transport networks.
S4.4 Develop a cost benefit analysis manual for new water infrastructure	The economic regulator for the water sector should develop a CBA manual that makes transparent the evaluation methods and parameters for valuing relevant economic, environmental and amenity benefits. The manual should enable appropriately-scaled appraisals of both simple and complex projects. In line with practices in the electricity transmission sector, it should be used as part of the investment test for new and improved water infrastructure to ensure that it delivers benefits that exceed its cost.	
S5.1 Develop a priority list of projects and initiatives.	Develop a priority list of projects and initiatives that is consistent with the Aotearoa New Zealand Infrastructure Strategy	We wholeheartedly agree and would argue that this is a crucial next step to this process. It should be more than a 'list'; it should be a strategic investment plan that combines priorities from regional spatial plans with national priority projects, providing an investable pipeline.
S5.2 Improve the use of the pipeline for commercial decision-making	Evolve the pipeline of forward work intentions so that it is more useful in supporting the market to make commercial decisions (i.e. assessing capacity, funding and timing) and enabling better use of infrastructure spending for fiscal stimulus in economic downturns	We support this.
S5.3 Measure sector utilisation	Develop measures of current and projected future infrastructure delivery capacity and projected utilisation	
S6.1 Establish a major projects leadership academy	Establish a major project leadership academy in New Zealand to raise the planning, delivery, financial and leadership	

Option	Description	Comment
	capabilities for major projects in both government and industry. Develop this initiative with the Construction Sector Accord and international experts. Attendance should be a mandatory requirement for directors of major infrastructure projects within 10 years.	
S6.2 Revisit New Zealand's approach to market-led proposals	Encourage the submission of unsolicited and market-led proposals by developing a standardised and centralised approach that gives the market confidence that proposals will progress where they provide tangible benefits that no-one else can deliver, and that a government-led competitive process may not produce better results.	
S7.1 Measure and benchmark infrastructure cost performance	Undertake investigations into the cost performance of New Zealand's infrastructure sector that: <ul style="list-style-type: none"> • Covers multiple horizontal infrastructure sectors to enable the identification of common issues and points of difference. • Identify recent cost trends and drivers of cost trends within infrastructure sectors. • Benchmarks New Zealand's cost performance against better performing OECD countries and identify drivers of differences. 	We support this.
S7.2 Standardise design	Develop a standardised approach to infrastructure design that: <ul style="list-style-type: none"> • Prioritises high productivity. • Allows for a division of labour, offsite construction/modularisation and repeatability and therefore quality improvements and reduces the risk of systematic failure. 	
S7.3 Develop a planning system that is more enabling for infrastructure	Require the proposed Natural and Built Environment Act to recognise that the natural and built environments are different. Therefore, different environmental management rules should apply to each. <ul style="list-style-type: none"> • Require resource consent decisions to take into account the length of time in which an activity will affect the environment, rather than assume the effects are in perpetuity. • Ensure consenting pathways for infrastructure through the National Planning Framework, potentially through setting standards for planning policies and regulations for infrastructure. • Limit the scope of effects considered under the proposed Natural and Built Environment Acts to matters related to 	<p>We support this set of recommendations in general, but note that an arbitrary delineation between urban and rural may at times be unhelpful –</p> <p>Environmental impacts can be complex and occur over unclear timeframes.</p> <p>The provision of infrastructure for development can have both rural and urban dimensions. For example, Tauranga City's new Waiari water treatment and transmission pipework will be located in rural Western Bay district but serve the</p>

Option	Description	Comment
	<p>natural and physical resources, not extraneous matters like commercial and amenity matters.</p> <ul style="list-style-type: none">• To support national direction, establish a national GIS database for mapping nationally important resources (built and natural), including corridors and assets of nationally significant infrastructure.• Ensure that regional spatial strategies can respond rapidly to changing national and regional priorities.• Require a pre-notification audit of proposed regional unitary plans to ensure consistency with national direction.• Allows infrastructure consents to be bundled with complementary plan changes in surrounding areas.	city.
S8.1 Develop ready to build infrastructure	Develop a well-serviced and credible infrastructure priority pipeline to reduce infrastructure lead times, so that quickly assembled infrastructure programmes are built before a recession is over.	We support this.
S8.2 Evaluate stimulus impacts	When developing infrastructure programmes for economic stimulus, require that infrastructure projects be assessed and prioritised according to their impacts on employment, as well as standard cost benefit analyses (CBAs). Ideally, the positive economic impacts of increased employment will be captured in CBAs.	

Chapter number & heading	Pg	Chapter subheading	Questions	Comments
2. A 2050 Vision for Infrastructure	24	A pathway to wellbeing for current & future generations	Q1. What are your views on the proposed 2050 infrastructure vision for New Zealand?	We support the vision
	26	Outcomes and principles to guide good infrastructure decision-making	Q2. What are your views on the decision-making outcomes and principles we've chosen? Are there others that should be included?	A more explicit consideration of sustainability, inter-generational equity, the protection of the natural environment and ecosystem services, and the transition to a circular economy would enhance the principles.
4. What you have told us	41	What you have told us	Q3. Are there any other infrastructure issues, challenges or opportunities that we should consider?	<p>We endorse the Taituarā commentary that the focus on networked infrastructure excludes sufficient consideration of community infrastructure, either provided by central government (schools, hospitals etc) or by local government (parks, libraries, indoor courts etc).</p> <p>Whilst the importance of the natural environment is noted, there is a lack of detail as to any consideration of the interactions between infrastructure and ecosystems, or the complementary services that those ecosystems provide, such as stormwater retention.</p> <p>More attention could be given to opportunities to stimulate innovation in the waste generation and resource recovery sector, both in terms of the deployment of new infrastructure and assets and the market signals to reduce, reuse and recycle. The negative interactions between waste in landfills, climate change and natural hazards are not yet well assessed.</p>
5. Areas where action is needed to achieve the 2050 vision	45	Building a better future	Q4. For the 'Building a Better Future' Action Area and Needs: <ul style="list-style-type: none"> • What do you agree with? • What do you disagree with? • Are there any gaps? 	In addition to the comments above, we endorse the Taituarā submission's concern that current and future skills needed to deliver and manage infrastructure are not well understood or sufficiently acknowledged in the document.
	50	F1. Prepare infrastructure for climate change	Q5. How could we encourage low-carbon transport journeys, such as public transport, walking, cycling, and the use of electric vehicles including electric bikes and micro-mobility devices?	<p>More can be done at the national level to encourage low carbon transport choices and to nudge changes in commuter travel patterns. For example, the French Government introduced a scheme whereby people were paid to cycle to work.</p> <p>Funding levels through the National Land Transport Fund for projects could put a greater emphasis on low carbon transport modes. The Funding Assistance Rates could have stronger emission reduction factors and the Government Policy Statement for Transport could shift from the 'balanced approach' to put greater emphasis on decarbonisation and the attendant benefits that shifts away from single-occupancy vehicles have for road infrastructure and cities.</p>

	51		Q6. How else can we use infrastructure to reduce waste to landfill?	<p>Designing infrastructure around circular economy principles to design waste out of the system, and build economic, natural and social capital.</p> <p>TCC supports the recognition given to waste management in the Infrastructure Strategy. However, waste seems more like an afterthought than a key factor to consider. Particularly as the Aotearoa 2050 survey identified that one of the key issues was that we generate too much waste.</p> <p>Greater consideration should be given to the waste generated as we build and reconfigure our cities to address intensification and climate change. Waste management infrastructure, logistics and services should be planned and managed at appropriate scales as part of effective spatial planning for cities and regions. Existing / closed facilities need to consider how they will be protected / relocated as a result of sea level rise.</p> <p>Additional thought needs to be given to the increasing “compostable” nature of products and materials that are used. There will be a significant increase in the volume of organic material. Using that material for regeneration projects (i.e. compost for replanting of degraded waterway margins) should be investigated.</p> <p>Planning for waste generated for natural hazard events needs to be taken at a national level. For example, the Christchurch rebuild has resulted in a significant number of contaminated sites from waste material that was placed throughout the City during the clearing of sites.</p>
	56	F2. Transition energy infrastructure for a zero-carbon 2050	Q7. What infrastructure issues could be included in the scope of a national energy strategy?	Greater attention should be given to the function of districts, cities and industrial centres as energy systems and regulation and incentives should be considered to stimulate localised, low carbon energy markets. Higher energy users in cities such as Tauranga with industrial and logistics sectors, and significant agricultural and municipal uses would become key participants in the supply and demand of low carbon heat and power. Solar, hydrogen, battery and smart technologies would be key features of such decentralised systems to the benefit of local economies, the zero carbon transition and network resilience.
			Q8. Is there a role for renewable energy zones in achieving New Zealand's 2050 net-zero carbon emissions target?	<i>See above</i>
			Q9. Of the recommendations and suggestions identified in the Ministry of Business, Innovation and Employment's “accelerating	We support inclusion of all measures put forward, particularly measures associated with enabling electric vehicle use (cars, buses, micro-mobility) by lower income households. Once the upfront costs are overcome (or not incurred by individual households), EVs have lower running costs. Lower income areas tend also to have worse air quality

			electrification” document, which do you favour for inclusion in the Infrastructure Strategy and why?	therefore encouraging EV uptake will provide significant health benefits.
	61	F3. Adapt to technological and digital change	Q10. What steps could be taken to improve the collection and availability of data on existing infrastructure assets and improve data transparency in the infrastructure sector?	National standards should be put in place for the inclusion of Internet of Things sensors/devices in all appropriate infrastructure. In addition, augmented reality models should become required for all critical infrastructure and tied/integrated to asset management/maintenance systems/records.
			Q11. What are the most important regulatory or legislative barriers to technology adoption for infrastructure providers that need to be addressed?	Within local government this would be the funding model, and availability of funding to support such investments.
			Q12. How can we achieve greater adoption of building information modelling (BIM) by the building industry?	Software should be developed and distributed at a national level, including training/education programmes. This would reduce the barriers to adoption. Local councils could be required to maintain an up to date ‘digital twin’ of their city and city plan. This will require significant investment in technology infrastructure and training both for industry and Building Control Authorities (BCAs). At present, Tauranga City Council does not have the ability to receive and review BIM files and as such, would still require a standard application even if a project was designed utilising BIM. At present the set-up cost would be prohibitive.
	66	F4. Respond to demographic change	Q13. How should communities facing population decline change the way they provide and manage infrastructure services?	
			Q14. Does New Zealand need a Population Strategy that sets out a preferred population growth path, to reduce demand uncertainty and improve infrastructure planning?	We are inclined to agree with this suggestion. The interactions between international and inter-regional migration, skills, infrastructure provision, housing affordability and economic wellbeing are such that greater influence over population levels, skills and distribution would be of benefit to Tauranga-Western Bay, which has both benefited and suffered from rapid population growth. This would need to be closely aligned to effective and co-ordinated spatial planning, particularly across the Upper North Island.
	68	F5. Partner with	Q15. What steps can be taken	We endorse the Taituarā submission’s view that the proposed Natural and Built

		Māori: Mahi Ngātahi	to increase collaboration with Māori through the process of planning, designing and delivering infrastructure?	Environment Act joint committees are an appropriate step and that the governance of strategic/spatial plans under the Strategic Planning Act should, and are likely to, require a tripartite relationship between the Crown, local government and tangata whenua.
			Q16. What steps could be taken to unlock greater infrastructure investment by Māori?	
			Q17. What actions should be taken to increase the participation and leadership of Māori across the infrastructure system?	
	72	Enabling Competitive Cities and Regions	Q18. For the 'Enabling Competitive Cities and Regions' Action Area and the Needs: <ul style="list-style-type: none"> • What do you agree with? • What do you disagree with? • Are there any gaps? 	<p>We largely agree with your conclusions.</p> <p>Housing unaffordability, the availability of skilled labour and relatively low wages are handbrakes on economic development in Tauranga-Western Bay, which would otherwise continue its rapid economic growth and development – i.e. our understanding from the business community is that there remains significant unrealised economic potential.</p> <p>As has been noted in your proposed actions, we would agree that supply chain and labour market planning should be a key feature of spatial planning at the regional and macro-regional (Upper North Island) scales, along with development of regional pathways towards zero carbon and low environmental footprint economies.</p>
	81	C3. Improve access to employment	Q19. What cities or other areas might be appropriate for some form of congestion pricing and/or road tolling?	Tauranga already has two of the country's three toll roads and we would support greater use of road pricing as an effective mechanism to manage and pay for roads and to support the redesign of the transport network and services away from car-dependency. Modelling has indicated that pricing mechanisms are an important tool for managing congestion in Tauranga. Further work would be required to determine which pricing mechanisms would be the most appropriate.
			Q20. What is the best way to address potential equity impacts arising from congestion pricing?	There are various ways to ensure the introduction of pricing mechanisms is done in an equitable way. Examples include discounted charges for lower income households, subsidised PT fares, subsidised bike purchase or increased bus frequency in lower income areas.
	85	C4. Plan for lead infrastructure	Q21. Is a 10-year lapse period for infrastructure corridor	We are of the view that 30-year designations would be appropriate to the timescales over which infrastructure is planned and delivered.

			designations long enough? Is there a case for extending it to 30 years consistent with spatial planning?	
			Q22. Should a multi-modal corridor protection fund be established? If so, what should the fund cover?	
	90	C5. Improve regional and international connections	Q23. What infrastructure actions are required to achieve universal access to digital services?	<p>We do not have a position on actions to take.</p> <p>We know that availability of underlaying digital infrastructure is high in Tauranga. However, the cost of taking advantage of these services (connection and devices) is also high and therefore not practical for poorer households. Effective use of digital tools by small businesses is also reportedly poor.</p>
	93	Creating a better system	<p>Q24. For the 'Creating a Better System' Action Area and the Needs:</p> <ul style="list-style-type: none"> • What do you agree with? • What do you disagree with? • Are there any gaps? 	<p>We agree with your general assessment that the current system is overly complex.</p> <p>We have a general concern that the pace of change across parts of the system is inconsistent and may lead to further complications in due course. The Water Reform agenda is moving ahead and is expected to lead to the creation of a small number of new entities. Meanwhile the Local Government Reform programme and reforms to the RMA move forward on slower timescales. We would urge the Commission to recommend to the Government that it gives early consideration to the future state of the local and regional governance, planning and infrastructure system as a whole and the ways it envisages its various parts interacting.</p>
	97	S1. Integrate infrastructure institutions	Q25. Does New Zealand have the right institutional settings for the provision of infrastructure?	We welcome the consideration that the Commission and Government are giving to the institutional settings. Per our submission summary, we are of the view that the principles outlined in the draft strategy are largely appropriate, but that more early attention should be given by Government to the 'whole system' and the appropriate balance between 'integration and efficiency', 'equity and subsidiarity' and 'outcomes and trade-offs'.
			Q26. How can local and central government better coordinate themselves to manage, plan and implement infrastructure?	See Q25 above.
			Q27. What principles could be used to guide how	

			infrastructure providers are structured, governed and regulated?	
	105	S2. Ensure equitable funding and financing	Q28. What steps could local and central government take to make better use of existing funding and financing tools to enable the delivery of infrastructure?	<p>The current local government funding and financing model continues to come under pressure and the gap between available funding and financing and what is required is growing. The Infrastructure Funding and Financing (IFF) legislation is a step in the right direction to achieve a more equitable funding and financing model but significant other opportunities exist, grouped into the following categories:</p> <p>A more aligned and incentivised funding and financing system Currently, the financial benefits of growth and the costs of growth accrue to different government bodies. Costs of the delivery of infrastructure to support housing supply and commercial development supply rest with local government however the tax benefits, particularly GST and PAYE, are received by central government. By aligning incentives and the benefits of growth, opportunities exist for better outcomes to be achieved.</p> <p>Ability to capture value to create funding streams to unlock further financing opportunities Local government delivers infrastructure which adds significant value to the areas it supports. However, this value created is not reflected in the revenue available to local government, which is restricted to covering its annual costs. Changes to the Local Government Act enabling this revenue stream to be captured would allow financing to be unlocked and would provide a more equitable way of funding the costs of local government.</p> <p>A longer-term funding model rather than a focus on an annual balanced budget Further to the point above, the need to annually balance a budget restricts local government in its ability to fund and finance infrastructure. Whilst debt allows the inter-generational benefits of expenditure to be spread, an annual approach to the delivery of long-term infrastructure limits the ability to create long-term procurement strategies which could provide certainty to the construction market. IFF legislation allows longer levies to be established, which is of assistance, but any other tools within the rating framework that provide longer-term funding and financing certainty will allow greater value to be achieved.</p> <p>A focus on beneficiaries and not boundaries in the development of funding and financing models Currently, local authority boundaries dictate where revenue is generated, particularly from rates (user fees clearly are an exemption). However, infrastructure delivered by local authorities often results in benefits wider than the local authority boundary – sub</p>

				<p>regionally or wider. By having a boundary approach to funding costs, decisions will not be made for the benefit of the wider beneficiaries as these may be wider than the boundary. Having a model based more on beneficiary and not restricted to boundaries will open-up wider funding and financing options and create greater alignment between beneficiary and who pays for this.</p> <p>Increased focus on user pays and in particular how this can be used for demand management The ability to have such tools as road pricing/congestion charging provides a mechanism to manage demand, in particular peak demand. It also provides a funding mechanism to unlock other financing streams.</p>
			Q29. Are existing infrastructure funding and financing arrangements suitable for responding to infrastructure provision challenges? If not, what options could be considered?	No. See above.
			Q30. Should local authorities be required to fund depreciation as part of maintaining balanced budgets on a forecast basis?	Funding of depreciation should continue. This provides a mechanism to reduce debt and allow for the future replacement of assets. There are exceptions, e.g. where replaced assets are funded from an external source. However, it should be noted that any no- funding of depreciation results in higher debt levels placing further pressure on all ready challenged balance sheets.
	111	S3. Make better use of existing infrastructure	Q31. What options are there to better manage and utilise existing infrastructure assets?	<p>Demand management through pricing is a key underdeveloped opportunity.</p> <p>An asset's health (condition and criticality) is the key consideration for determining investment for existing assets to ensure their life is effectively optimised. However, this approach is applied inconsistently across industry and can lead to very different levels of investment decision making. This could point towards a more centralised approach, to a set of national standards or guidelines on asset risk & health assessment that all industry could follow (or at least all councils). It would allow for easier benchmarking and provide the ability to form a national view on the asset risk across the country, 'comparing apples with apples'.</p>
			Q32. Are there benefits in centralising central government asset management functions? If so, which areas and	

			organisations should this apply to?	
	120	S6. Improve project procurement and delivery	Q33. What could be done to improve the procurement and delivery of infrastructure projects?	<p>The maturity of project delivery is significantly varied across industry, particularly within councils. Outsourcing is extensively used along the project lifecycle, predominately due to a lack of internal resource and capability but also because organisations do not have effective internal project management frameworks and each project is delivered with a different approach (typically following the consultants processes).</p> <p>Using the NZ Govt Procurement as an example (https://www.procurement.govt.nz/), perhaps we could leverage off this and include a project management delivery framework that aligns with good industry practise (e.g. PMBOK) that can be accessed by organisations. This does not need to be made mandatory but could provide a project delivery lifecycle, process steps and a suite of project templates (charter, business case, change request, close out review) that industry could use. This would help lift the bar on the quality of projects being delivered to achieve the best outcomes.</p> <p>Project management competency definitions and recommended training and development provisions could also be provided. Maybe a centralised list of competent project managers that clients could access may be beneficial. Getting access to competent project managers is getting harder and harder.</p>
			Q34. Do you see merit in having a central government agency procure and deliver infrastructure projects? If so, which types of projects should it cover?	<p>No, the individual organisation requirements are too varied to have all projects managed and delivered centrally and they need to have the ability to manage their own projects and procurement activities to suit their own business strategies. However, further to the comments on S6, a centralised approach to project delivery framework (similar to NZ Procurement https://www.procurement.govt.nz/procurement/) would add considerable value, and also demonstrate that Procurement is not Project Management (but an important part of it).</p> <p>More could be made of the Commission's own Infrastructure Pipeline data to provide a view on future national resourcing needs, particularly on specialist skill sets, which may assist in targeted training provisions and where we may need to import labour.</p>
	122	S7. Reduce costs and improve consenting	Q35. What could be done to improve the productivity of the construction sector and reduce the cost of delivering infrastructure?	<p>The Construction Sector Accord is doing some great work here in regard to establishing a set of principles between Client and Contractor, that if applied, will assist in improving productivity and reducing cost in the construction sector.</p> <p>Essentially this means establishing more collaborative and risk sharing engagement models, which should help re-risk the delivery of projects by providing certainty of project pipeline to contractors. This will allow them to invest in their people and plant. Engaging with contractors early in the project lifecycle will greatly assist in the project scoping, cost estimating and resource planning, which helps de-risk the project as it moves from planning towards implementation.</p>

				Other benefits with applying Supplier Relationship Management models include innovation capture along the project lifecycle, carbon reduction strategies, dedicated training pathways and other social procurement opportunities. All of these help in the improvement of productivity and cost reduction.
	124	S8. Activate infrastructure for economic stimulus	Q36. What components of the infrastructure system could have been improved to deliver effective stimulus spending during the Covid-19 pandemic?	Whilst the process generated a useful list of potential projects for central government, more effective institutional and funding parameters prior to the pandemic may have allowed a more rapid response. All of the challenges and potential solutions identified in the document would have been pertinent.

Tauranga City Council**Submission to Te Waihangā Infrastructure Strategy Consultation *He Tūāpapa ki te Ora*****30/06/21**

Thank you for the opportunity to respond to your consultation on He Tūāpapa ki te Ora. The challenges you identify are all pertinent to Tauranga now and are becoming ever more so. Tauranga City Council is seeking to address the challenge of being a rapid growth city, whilst adjusting to the paradigm of climate change and environmental sustainability. We are working in a system that often compromises our ability to meet those twin challenges effectively and we support the direction that your strategy and Government's broader reform agenda is seeking to take Aotearoa-New Zealand.

Our Long Term Plan proposes \$4.5bn of investment in network and community infrastructure over the next ten years – a significant escalation in investment that is essential to maintain and improve the wellbeing of our current and future generations, but which will be insufficient, without commensurate public and private co-investments, based on collaborative spatial plans and stable priorities, and a step-change in the capacity of the infrastructure sector to deliver swiftly and sustainably.

We are supportive of the document's recommendations and its overall philosophy. We have provided responses to your questions and to your proposed actions, where relevant. We also endorse the submission of Taituarā (the Society of Local Government Managers).

Key points that we wish to make include the following –

- a) National policies that, appropriately in their own right, seek to address housing capacity, climate change, water quality and productive soils, can be very difficult to interpret and apply consistently in a constrained growth city such as Tauranga. This can significantly slow down the planning and delivery of infrastructure. The reform agendas must facilitate a national-regional-local discussion and agreement on priorities, particularly in growing cities, that is then backed by funding commitments through Regional Growth Partnerships.
- b) We endorse the need for some structural reform of public sector infrastructure provision to ensure governance, scale, expertise and funding that is appropriate to the scale and complexity of the infrastructure challenge.
- c) We support the need for integrated spatial planning across a range of scales, in particular the need for greater integration at the Upper North Island scale.
- d) We note the need for a) and b) above to balance economies of scale with the need for governance to take reasonable account of participation, subsidiarity and equity.
- e) We note the need for spatial planning and any structural change to be backed by the necessary funding mechanisms and investment partnerships to actually deliver the sustainable infrastructure our communities need to thrive.
- f) We support the need to innovate in the financing, pricing and cost allocation of infrastructure, in particular in relation to growth funding, road pricing, volumetric wastewater charges, carbon pricing, waste disposal charges and the funding of climate change adaptation.
- g) We support the development of mechanisms to enable appropriate tangata whenua participation in the planning of infrastructure, notably through the proposed legislation to supersede the Resource Management Act.

- h) We support your proposal to develop a pipeline of national infrastructure projects and we propose that in effect what needs to be developed, in partnership with public and private infrastructure providers, is a national strategic plan for infrastructure investment that covers major national and regional projects over the next 30+ years and considers the mechanisms to deliver them.
- i) We also propose that Government needs to give early consideration to the 'future state' that it envisages once its Waters, Local Government and Planning System reform processes are concluded, or it risks creating further unnecessary complexities of geographic boundary, governance and funding.

Attached with this summary are two documents which provide specific responses to the Actions you propose and to Questions you pose. Should you have any questions, please contact ross.hudson@tauranga.govt.nz

9.8 Three Waters Reform Programme Update

File Number: A12638054

Author: Carlo Ellis, Manager: Strategic Maori Engagement
Steve Burton, Director of City Waters

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To inform the Strategy, Finance and Risk Committee of the direction, issues and opportunities relating to the national Three Waters Reform Programme, which is being led by the Department of Internal Affairs (DIA); and
2. To share information about regional and local collaborative initiatives involving TCC, which are linked to readiness for water reforms.

RECOMMENDATIONS

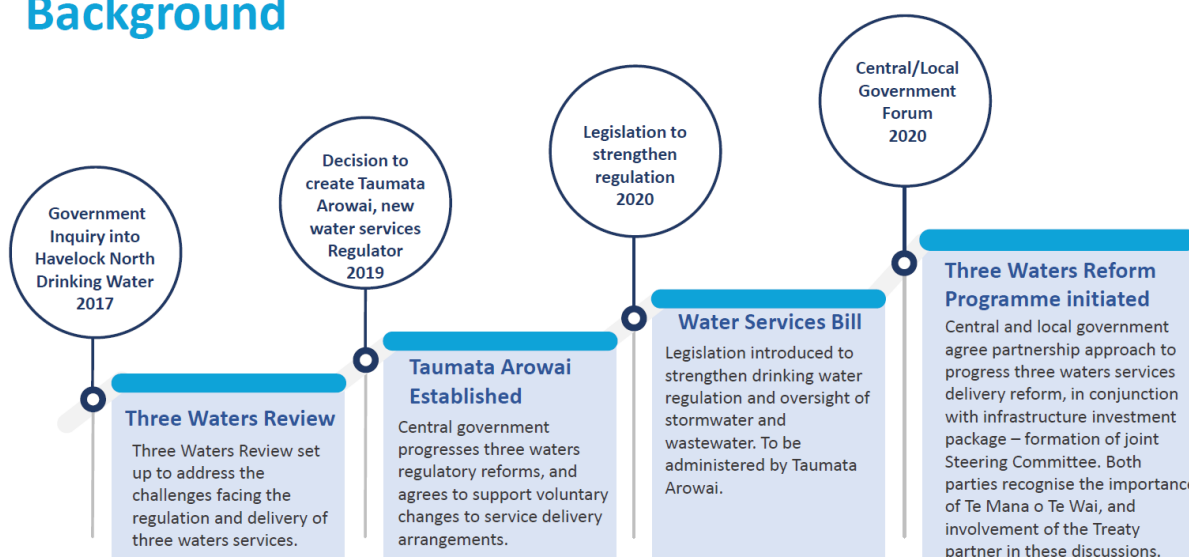
That the Strategy, Finance and Risk Committee:

- a) Receives the report; and
- b) Endorses TCC's continued involvement in the collaborative workstreams being undertaken by the Waikato/Bay of Plenty Three Waters Reform Consortium (WaiBoP), the intent of which is to be an "early adopter" of a multi-regional water entity approach.

BACKGROUND

3. Since the late 1990s, successive governments have commissioned major studies into the challenges facing the water sector, focusing on failing water services assets, inadequate workforce capability, burgeoning debt and under-investment in infrastructure, as well as poor health and environmental outcomes for communities.
4. Following the Havelock North water supply contamination incident in 2016, the Government initiated a national *Three Waters Review*. The purpose of this cross-agency initiative, led by DIA, was to recommend improvements to the regulation and supply arrangements of drinking water, wastewater and stormwater (three waters) services, to better support New Zealand's prosperity, enhance the health and safety of communities and protect the environment.

Background



5. Since 2017, major water sector changes have been introduced. The *Taumata Arowai – Water Services Regulator Act*, passed in July 2020, established Taumata Arowai as a Crown Agent and provides for its objectives, functions, operating principles and governance arrangements, including the appointment of an independent Board and a Māori Advisory Group.
6. A complementary Bill, the *Water Services Bill*, now before Parliament, will repeal parts of the Health Act 1956 and amend parts of the Local Government Act 2002, as well as the Resource Management Act 1991. Once enacted, Taumata Arowai will become Aotearoa's dedicated regulator of three waters services.
7. Several other regulatory changes are in the process of being introduced, which aim to improve the quality of freshwater in the environment, as well as reducing contaminant risks to drinking water sources. These include the National Environmental Standards for Sources of Human Drinking Water and the National Policy Statement for Freshwater Management.
8. To achieve the major shift signalled through these initiatives, Government launched the *Three Waters Reform Programme* - a three-year programme to reform local government three waters service delivery arrangements - in July 2020. Attachment 1 contains the weblink to the relevant DIA reports.
9. The programme is built on an agreed partnership approach between central and local government, with consideration of how iwi/Māori perspectives, including Te Mana o te Wai, can be better accommodated in our water services arrangements. The intention is to reform local government's three waters services into a small number of multi-regional entities, with a bottom-line of public ownership.
10. Allied to this, the Government announced a post COVID-19 stimulus funding package of \$761 million to maintain and improve water networks infrastructure, conditional upon councils agreeing to participate in the initial stage (Tranche 1) of reform through a Memorandum of Understanding (MoU). Half the stimulus funding allocated to participating councils was conditional on them working collaboratively with one another, across regions, to share information and understand reform opportunities.
11. TCC signed up to the MoU on 26 August 2020 and had its Delivery Plan approved by DIA for stimulus funding of \$14.7 million. All Mayors in the Bay of Plenty Region also signed a combined undertaking to work collaboratively, in accordance with the MoU conditions.
12. As part of this agreed collaboration, a wider *Waikato/Bay of Plenty Three Waters Reform Consortium* (WaiBoP) was established in September 2020, which saw TCC and 10 other Waikato and the Bay of Plenty councils commence a joint information sharing initiative. To undertake this "*Readiness for Water Reform*" work, the WaiBoP collective engaged Taituarā (previously known as SOLGM) and sector specialists to jointly improve the understanding of the opportunities and challenges that exist across the collective. This (Stage 1) collaborative work provided dashboard information to each participant council across key business areas. The dashboard for TCC can be accessed via the weblink provided in Attachment 1.
13. Given the probable scale of change under a future collective service delivery arrangement, the initial WaiBoP work also highlighted the need for sensible preparation for reform: to get councils to make timely and well-informed decisions; accelerate efficiencies and investment; retain and attract the best talent; help smooth the transition process; and to advocate effectively for the pan-region.
14. On 23 October 2020, DIA issued the *Three Waters Reform Programme Request for Information* (RFI) to all local authorities. TCC set up internal workstreams and over a two-month period, compiled very detailed information relevant to the management of three waters. This RFI was managed by the Water Industry Commission for Scotland (WICS) on behalf of DIA. The two organisations have jointly-conducted detailed analysis of this information, which forms the basis of proposals to Cabinet regarding publicly-owned, multi-regional water entities.

15. During the period December 2020 – March 2021, the first phase of the WICS information and information on the direction of travel of the reforms was shared through reports and workshops across the country. Attachment 1 contains a weblink to this collateral.

CURRENT INITIATIVES

16. On 2 June 2021, DIA released four reports which built on the initial analysis from the Water Industry Commission for Scotland (WICS) report released last December (the full set of documents can be sourced through the weblink provided in Attachment 1). These reports are part of the evidence base building the case for change in the sector. They include:

- **WICS Phase 2 report** - A report that updates the WICS economic analysis of water services aggregation, based on the data supplied through the RFI process;
- **Deloitte report** - This report examines the economic impact of reform;
- The **Farrierswier** report reviews the methodology and assumptions underpinning the economic analysis in WICS Phase 2; and
- The **Beca** report reviews the assumptions around the comparison between New Zealand and Scotland.

The latter two reports independently review the WICS Phase 2 report, to ensure the modelling is calibrated for New Zealand.

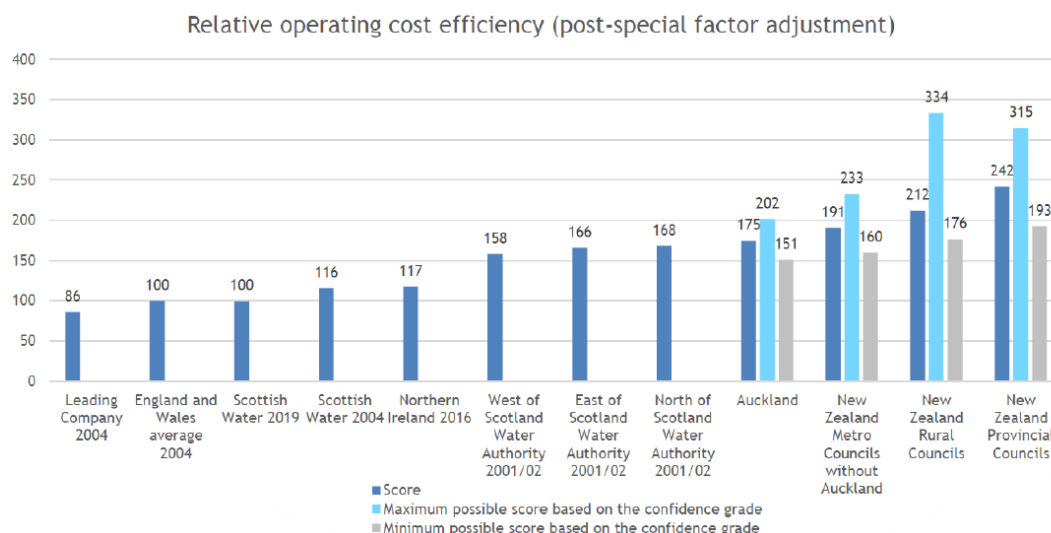
17. The findings of the reports show there is a compelling case for sector change across New Zealand. Key points to note include:

- The likely need for national investment of between \$120 billion and \$185 billion between 2022 and 2051, to meet required water standards (a 50% increase on current anticipated investment) The figure below is a summary from the WICS report;

Summary of WICS modelling: National investment to meet standards

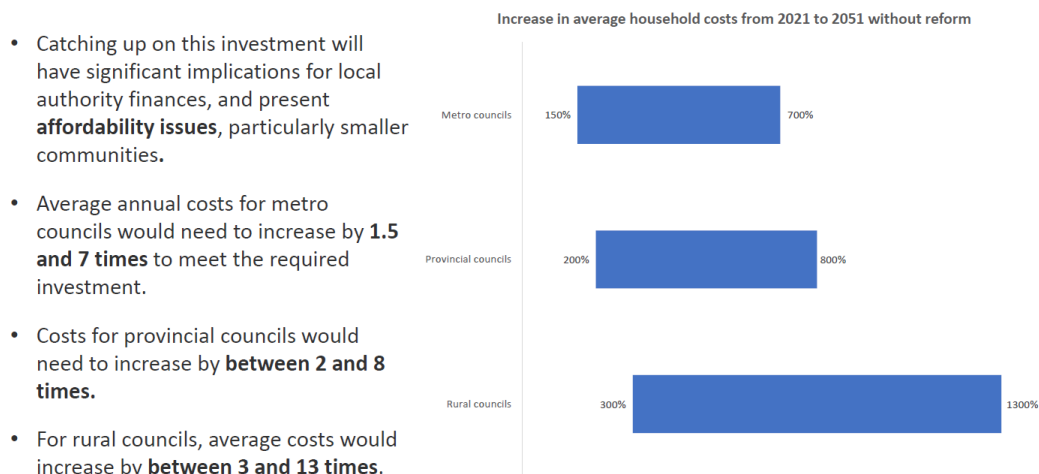
	Approach*	Enhancement and Growth		Asset replacement and refurbishment**		Total investment***	
		Low	High	Low	High	Low	High
1	Revised approach used in Phase One	NZ\$57bn	NZ\$77bn	NZ\$63bn	NZ\$77bn	NZ\$120bn	NZ\$154bn
2	Modelling based on regional investment levels observed in Scotland	NZ\$77bn	NZ\$100bn	NZ\$70bn	NZ\$86bn	NZ\$148bn	NZ\$185bn
3	Asset value approach	NZ\$77bn	NZ\$81bn	NZ\$70bn	NZ\$79bn	NZ\$148bn	NZ\$160bn
4	Council G tables	NZ\$53bn	NZ\$53bn	NZ\$61bn	NZ\$69 bn	NZ\$115bn	NZ\$122bn

- Reform is likely to generate efficiencies similar to those achieved elsewhere (Water Industry Commission Scotland has seen a 45% reduction in unit costs);



- The ultimate cost of water services to consumers would be less than if the status quo were retained.
- Without a change in service delivery model, the burden of cost will continue to fall disproportionately on smaller council suppliers (as depicted in the figure below). The report shows substantial scope for efficiency gains through larger scale entities with between 600,000 and 800,000 connected customers.

Cost implications for local authorities



- The work by Deloitte also indicates that three waters reform would add at least \$14 billion to the country's GDP over the next 30 years, generate 5800-plus jobs across the economy and increase the number of jobs in the Three Waters sector by around 80%.
18. Since the end of March 2021, the WaiBoP collective has expanded to 16 participating agencies, consisting of 14 territorial authorities, as well as the two regional councils, and has commenced the Stage 2 programme of work. This stage, named "*Preparation for Reform*", has several workstreams operating at a more detailed level, to better understand the opportunities and challenges identified in the initial body of work. The programme covers (amongst other matters) financial transitioning, procurement of infrastructure and services, iwi/community engagement, asset management and workforce capability.
 19. The work undertaken by the WaiBoP partners is considered complementary to the work undertaken at a national level by DIA, but will have more granularity in that it will significantly improve the understanding of specific community needs and help to better structure meaningful future engagement.

20. The water reform process will require massive change and without a good understanding of local and regional issues, has the potential to be very disruptive to service and infrastructure delivery functions over the transitioning period. This is a scenario all WaiBoP participants are trying to avoid, and we are therefore endeavouring to be on the front foot in terms of retaining a strong workforce and supply chain, as well as advocating strongly on behalf of our communities.

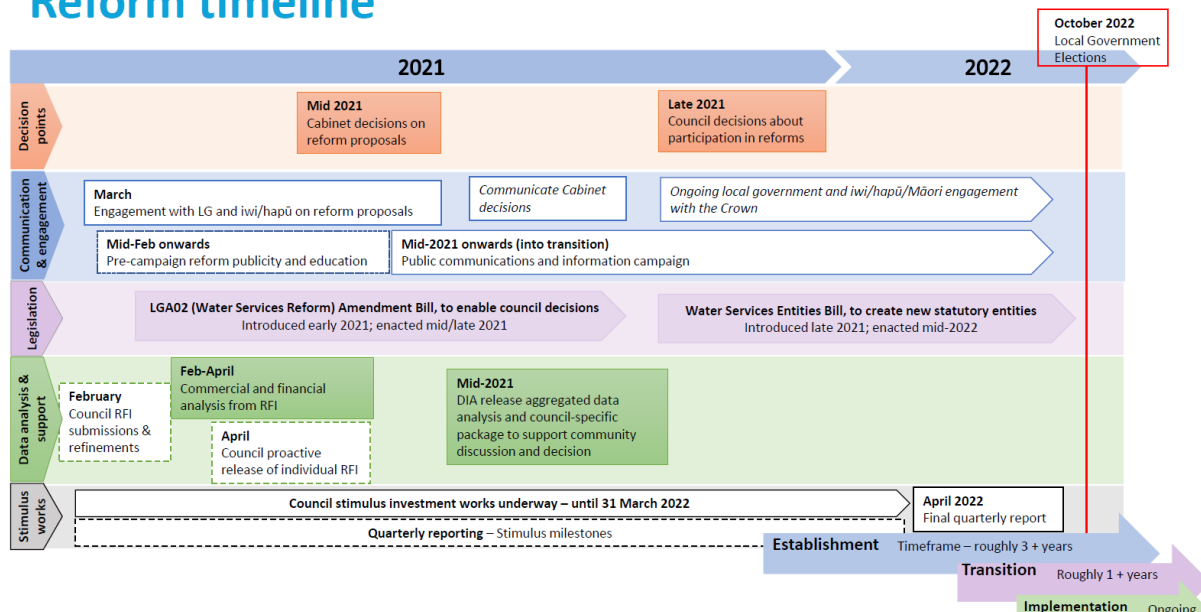
PARTNERING WITH TANGATA WHENUA

21. On 27 May 2021, a joint workshop was held with Te Rangapū Mana Whenua o Tauranga Moana to share information obtained to date and discuss what a joint approach might look like. At that meeting, a series of principles were agreed upon, including a desire to meet regularly, especially when new information becomes available, as well as understanding each other's challenges and aspirations as the reform process progresses. Priority themes from tangata whenua, which have been passed-on to the Department of Internal Affairs are:
- (a) Ensure regionalisation takes proper account of natural Māori alliances;
 - (b) Discharge to whenua is more appropriate than discharge to wai – how will reforms bring priority to these tikanga?;
 - (c) Protect kaitiakitanga – iwi and hapū must be supported to maintain guardianship over their taonga (including flora and fauna in and around water bodies);
 - (d) Prioritise supporting the utilisation of Māori land in the delivery of infrastructure; and
 - (e) Plan for better alignment with the natural form and function of the taiao.

FUTURE STEPS

22. Central government has identified the following programme milestones over the upcoming months:
- (a) June 2021 – Cabinet meeting to announce geographic regions (the most likely option is Waikato/Bay of Plenty staying together, with the possible addition of Taranaki, but other options are also being considered);
 - (b) June 2021 – the Crown will use an external agency to begin a public engagement campaign on water reform;
 - (c) June/July 2021 – the Crown will provide dashboards to each Council. This will be council-specific and have detailed WICS information derived from the earlier analysis undertaken, including the proposed geographic entity that a Council's water services will move to;
 - (d) June/July 2021 – a Cabinet meeting is likely to be held to address implementation issues ("how" the reform will be done). Until this step is completed, there will be several unanswered questions for staff. A key question will be whether the reform will be compulsory or voluntary for Councils, and this may have significant implications on how the change is communicated and implemented;
 - (e) The reform programme is still on-track to have future water services entities operational by July 2024, as depicted in the diagram below.

Reform timeline



23. As the national process moves forward, between now and September 2021, the WaiBoP consortium will concurrently continue with its Stage 2 programme of work and steadily draw on further staff from member councils to provide input into workstreams. This will deliver a much clearer picture of the opportunities and challenges for the pan-region and greatly assist in taking sector colleagues on the reform journey that is emerging, as well as ensuring we have a plan for retaining a strong resource base for the future.
24. Assuming that the water reforms proceed, the WaiBoP consortium will be recommending that a transition authority be established as soon as possible, to stand-up a WaiBoP shadow team, leaving existing council water staff focused on 'keeping the lights on' and delivering the large capex portfolio, while also creating new opportunities for key staff to work with/alongside the transition authority. Allied to this, the consortium will advocate for financial support from central government to backfill the roles required to support this process.
25. The WaiBoP consortium will also be developing clear messaging on all the moving parts of the water reforms pertaining to the pan-region, so that individual councils can meaningfully communicate and engage at a local level with their respective communities and iwi.
26. Ongoing Community/Iwi engagement - It is vitally important to have ongoing engagement with our community and mana whenua throughout this process, so that we understand transitioning risks and challenges from their perspective, and we can advocate on their behalf at a regional and national level. As central Government decisions get announced, or where new information comes to hand, this will be shared with our communities.
27. As further Cabinet decisions on water reforms are announced, these will be workshopped with Commissioners and Te Rangapū, as will any key findings emerging from the WaiBoP consortium's workstreams.

OPTIONS ANALYSIS

28. The options relating to the reform process, and their implications for Tauranga city, will not become clear until the Government has advanced its decision-making over the coming months.

FINANCIAL CONSIDERATIONS

29. Financial considerations are also unclear at this time.

LEGAL IMPLICATIONS / RISKS

30. As above.

SIGNIFICANCE

31. 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.
32. 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 .
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
33. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that this matter is likely to be of high significance.

ENGAGEMENT

34. Taking into consideration the above assessment, that this matter is likely to be of high significance, officers are of the opinion that extensive community and tangata whenua engagement will be required under the Act.

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

USEFUL LINKS

Three Waters Reform – Useful Weblinks

Department of Internal Affairs

[Three Waters Reform - Home Page](#) DIA's home page to all information they have published on the Three Waters Reform, updated regularly.

The following DIA links can be found on the above site and are very relevant to the information presented in this Council report.

[December 2020 Cabinet Paper and Minute – Progressing the Three Waters Service Delivery Reforms](#). PDF. The Cabinet Paper and associated minute reconfirms Government's commitment to progressing the reforms in this term of Government. The Cabinet paper also included a timeline for the Reform programme

[November 2020 Briefing to the Minister - Analysis of the Economic Impacts](#). PDF. Summarising the results of the 'Stage one' report analysing the likely scale of investment required to meet drinking water quality and environmental standards, and the potential implications for household bills under various aggregation scenarios. This was prepared by the Water Industry Commission for Scotland.

[June 2021 Update from DIA](#) – release of analysis and modelling information to advance the evidence base informing the case for change for the Three Waters Reform Programme

Taituarā

[TCC Dashboard](#). A dashboard for summarising Council's Three Waters position ahead of any reform programme

ATTACHMENTS

Nil

9.9 2021 Q2 Mental Health and Wellbeing**File Number: A12650242****Author: Angelique Fraser, Health & Safety Change Manager****Tracy Dragovich, Health Safety & Wellness Design Lead****Authoriser: Susan Jamieson, General Manager: People & Engagement****PURPOSE OF THE REPORT**

1. To provide a summary of commitments, obligations and actions surrounding Mental Health and Wellbeing, including a snapshot of psychological health at Tauranga City Council.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee receives the report: 2021 Q2 Mental Health and Wellbeing.

EXECUTIVE SUMMARY

2. This is a new report presented to this committee.
3. The report will be provided quarterly and will be designed to monitor psychological wellbeing within Tauranga City Council. This quarter is focussed on the introduction and current benchmarks.
4. Any feedback regarding content or topics that the Committee would like is welcomed.

ATTACHMENTS

1. **2021 Q2 Mental Health and Wellbeing - A12650212** [!\[\]\(569ff5d1aa9137b5defb690d1175fea6_img.jpg\)](#) [!\[\]\(59bff645cb030955f45f21c74e7ddbd4_img.jpg\)](#)



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Mental Health & Wellbeing

June 2021



Background:

Supporting mental health and wellbeing within the organisation has never been more important as we emerge from and evolve to life in the aftermath of a global pandemic and navigate delivery of great service and ambitious plans for the future of Tauranga. As well as helping to build a positive working environment, a framework for managing psychological health and safety can help to improve organisational resilience, enhancing performance and productivity.

Work is ongoing across TCC to meet our legal obligations around Mental Health and Wellbeing (MHW) in line with recognised best practice nationally. This paper sets out these obligations, the framework and systems both planned and in place to manage risk to our people and makes several recommendations for ongoing management and continual improvement.

Contents:

Section Title:	Slide #
Our Obligations	2
Standards / Framework	2
TCC Leadership Commitment	3
Local Government Alignment	3
Psychological Wellbeing – Current State Overview	4
Risk Factors and Planned Actions	5
Human Resources	6
Report Summary	8

Introduction and Recommendations:

During the FY 20/21, TCC established our Purpose and Values aligning with and guiding our people embarking on our most challenging Long-Term Plan (LTP). Specific organisational goals and activities for the first year of this LTP have been described in the Executive Business Plan providing clarity around timeframes, targets and purpose for work. Throughout this process mental health and wellbeing (MHW), recognised as a priority risk, has been acknowledged and integrated within the actions set forth. Over the course of this report, we will review our commitments and obligations in conjunction with international standards and national frameworks. This will set the foundations as we review common risks, assess how we are currently placed and take a deeper look into the effectiveness of actions. Working together, we can all contribute to the management of our people's Mental Health and Wellbeing.

Reviewing best practice in the management of MHW, and our current state several recommendations are presented:

1. Maintain the successful current practices (eg. flexible ways of working) introduced as part of COVID19 that we know are having a positive impact on our people – and continually improve their effectiveness across the business.
2. Dr Hilary Bennett to provide briefing to Executive and Commissioners on MHW Climate in New Zealand Workplaces.
3. Continue to formalise the approach to MHW through increased visibility of ongoing and planned activities within the Executive Business Plan and the inclusion of MHW in the Health and Safety Strategic Plan.
4. Continue communication of Commissioner and Executive activities in relation to health and safety, in particular governance, to provide assurance to our people.
5. Provide questions to encourage our People Leaders to talk about MHW in one-to-one conversations.
6. Provide quarterly reports, including the quantitative monitoring of key risk factors and comparative employee benchmarks.



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Our Obligations:

The Health and Safety at Work Act (HSWA) 2015 provides obligations on TCC with activities planned, implemented, monitored and assured across the business in relation to MHW by:

- Leadership and governance
- Health, Safety and Wellbeing systems, processes and initiatives
- Other teams e.g. Human Resources, Risk and Assurance
- People leaders and individual worker accountability
- National or industry lead programs
- Specialist expertise e.g. training providers, counselling services

The primary duty of care provision (section 36) requires, so far as is reasonably practicable, the health and safety of workers **is not put at risk** from work carried out. Obligations (under subsection 3 of section 36) that can be related to MHW require TCC to consider:

- (a) the work environment; and
- (c) systems of work; and
- (f) information, training, instruction, or supervision; and
- (g) monitoring health of workers and the conditions at the workplace.

The obligation to consider both mental and physical health is provided for in Section 16 Interpretation of HSWA in which - **health** means physical and mental health.

"Mental wellbeing is not a matter of luck but a matter of design. It requires a deliberate effort to control psychosocial risks and build in the protective factors associated with 'good work'." Dr Hillary Bennett, Director, Leading Safety and author of 'CEO Guide to Mental Health and Wellbeing'.

International Standards:

Released on 8 June 2021, ISO 45003 - *Psychological health and safety at work. Guidelines for managing psychosocial risks*, is the first global standard giving practical guidance on managing psychological health in the workplace. This includes information on how to recognise the psychosocial hazards that can affect workers as well as examples of effective actions that can be taken to manage and improve employee wellbeing.

ISO 45003 demonstrates an organization's commitment to ensuring decent work conditions, health and wellbeing.

National Framework:

Meeting our obligations *so far as is reasonably practicable* includes understanding what good looks like in the management of MHW. TCC is aligning with national practice across Local Government as well as taking guidance provided by Business Leaders Health and Safety Forum. How we are doing this is set out below.

Business Leaders Health and Safety Forum

- a coalition of business and government leaders committed to improving the performance of workplace health and safety in New Zealand. In 2021 they released a CEO's Guide to Mental Health & Wellbeing at Work that seeks to 'Protect, Foster, Support and Reclaim'.

This works preventively (Protect and Foster) to identify risk and provide tools to manage risk as well as reactively (Support and Reclaim) for recovery after an event.



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TCC Leadership Commitment:

Meeting our commitments to [make Tauranga better](#) through the Long-Term Plan requires acknowledging the potential risk to MHW of our people in an increasingly challenging global, national and local contexts. Our TCC leadership team have committed to addressing this risk through provision for targeted activities, resourcing and workplaces that ensure our people can thrive at work. Specifically, through the [Executive Business Plan](#) people and performance (P&P) goals that will support the management of MHW through:

- Growing leadership capability
- Engaged, accountable and achievement-oriented people
- A unified culture of common purpose and shared responsibility
- Tools and systems that drive organisational effectiveness
- A roadmap to healthy and safe people.

Executive commitment continues to be visible and ongoing through Executive Standups, Marty's Message to all staff and Due Diligence activities of our leaders (P&P Action 16).

Auckland Council Review:

Auckland Council undertook an [internal review](#) with aim to strengthen how it provides wellbeing support for employees and to be an exemplar among New Zealand employers. They identified the following areas that profoundly affect employee wellbeing to be:

- Workload
- Having to deal with unacceptable behaviour
- Ongoing structural change
- Capacity and capability of people leaders to manage wellbeing within their team

TCC have identified similar risks and have established actions for improvement within our Executive Business Plan. The risks identified and actions for improvement are further elaborated on page 5.

Local Government Alignment:

TCC monitors MHW risk through our internal systems and processes as well as participating in Local Government New Zealand surveys. Where applicable these measures are provided within this paper to highlight how risk across MHW is being managed and felt by our people. The outcome of our most recent survey in March 2021 highlights, through our [Top 10 responses](#), that we have a solid foundation as well as several areas to work on.

84%	Our council's working from home options have improved as a result of COVID-19
83%	My reporting lines are clear
83%	I have the skills and knowledge necessary to perform my job competently
82%	My manager is prepared to adapt and be flexible to support our organisation successfully transitioning into the next phase of post COVID recovery
82%	My manager proactively supported the team's wellbeing during COVID-19
81%	My team works well together
81%	I know how to keep myself and other safety and healthy at work
80%	I understand my role's responsibility's and know what is expected of me
80%	I feel included in my team
79%	My team respects each others work priorities



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LGNZ HSW Survey - Overview:

TCC was invited by Local Government New Zealand (LGNZ) to participate in an industry wide health, safety and wellbeing (HSW) survey conducted in April 2021.

68% TCC Overall score
31 Council's surveyed

The survey questions were grouped as follows and average scores for TCC and nationally are provided:

	TCC %	Nat %
• COVID 19	76%	73%
• Workplace stressors	73%	71%
• Psychological safety	70%	67%
• Processes and policies	67%	68%
• Leadership	64%	67%
• Culture	63%	65%
• Psychological wellbeing	60%	62%

Across all elements of HSW the survey identified:

- TCC scored 68% - presenting in the middle of the range 60% - 76% of participating councils
- Deviation from average (of all councils) was 2-3% across all categories

Colour	% Score	Recommendation
	0-20	Area that needs focus
	40-60	Potential concerns – an area to act
	60-80	Good – may be area to be improved
	80-100	Worth celebrating.

Psychological Wellbeing - Overview:

Psychological Wellbeing scored 60% with questions relating to the importance our management and leadership place on wellbeing, the overall approach and encouragement for considering MHW or psychological wellbeing, as well as the openness for discussions. Below are the Psychological Wellbeing* questions and scores from the survey.

Score	Psychological Wellbeing Survey Questions
73%	My manager acts decisively when a concern of an employee's psychological wellbeing is raised
72%	My manager considers psychological wellbeing to be as important as productivity
64%	Our council encourages us to think about our physical and mental health
63%	The senior leadership team consider psychological wellbeing to be as important as productivity
58%	There is good communication in the council about psychological wellbeing
58%	We are encouraged to discuss psychological wellbeing
57%	Our council encourages us to think about our social, community, financial, career, personal growth and wellbeing
39%	Elected officials consider psychological wellbeing to be as important as productivity.

* Questions and scores within Psychological Wellbeing.



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Risk Factors and Planned Actions

Clear operational goals and actions through the Executive Business Plan (EPB)* and Capital Project Assurance Division will improve the impact of common national risks on our people's Mental Health and Wellbeing. Through participation in the Local Government New Zealand Survey, we can benchmark and quantitatively track progress of these risks.

Common National Risks

- Inflexible work schedules
- Lack of involvement in decisions
- Poor work-life balance
- Lack of autonomy or control of task or pace of work
- Poor physical working conditions
- Unacceptable workload, timeframes or targets
- Inadequate or insufficient equipment
- Discriminatory contract arrangements or pay
- Unclear or conflicting roles
- Work lacks meaning or purpose
- Lack of internal progression opportunities
- Imbalance of effort and reward
- Lack of appreciation or recognition

Score	Survey Questions
84%	Our Council's working from home options have improved as a result of COVID-19
77%	I can decide how and in what order to do my work
74%	I feel able to balance my work and private life
73%	I am confident that I can manage my workload in an effective and timely manner.
69%	Measures used to assess my performance are fair and reasonable
62%	I feel my talent is being fully utilised
62%	My physical working environment is good
57%	Our council encourages us to think about our social, career, personal growth and wellbeing
57%	My team has the resources (e.g. people, budget, facilities, equipment) we need to perform our roles well

Quantitative assessment of risk to prioritise actions and future comparative benchmark.

**EBP Goals to manage & improve MHW.*

Action 5 – Performance Framework	Action 6 – Develop and Implement Remuneration Work	Action 9 – Embed TCCs Purpose and Values	Action 10 – Embed FWOW Principals	Action 14 – Systems for organisational effectiveness
People are engaged, accountable and achievement-orientated through performance framework.	Transparency across remuneration bands to ensure equality and enable internal progression opportunities.	Unified culture with common purpose to enhance meaning in work.	Embedding FWOW principals to align with work schedules, times and working conditions.	Embed tools and systems for organisational effectiveness, which instills trust and confidence.



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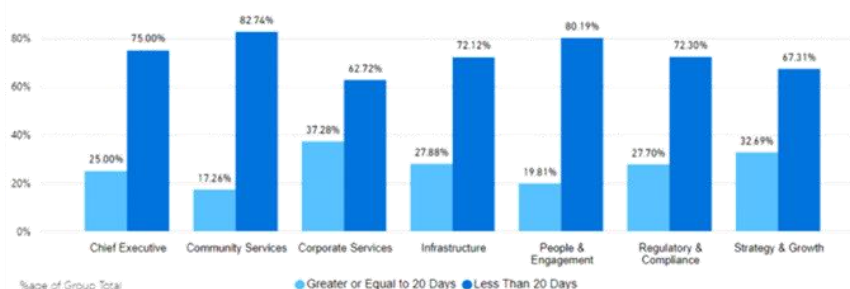


Human Resources

Employers have a responsibility to act in good faith and ensure the employment relationship continues in trust and confidence around pay, holiday leave and sick leave. Through monitoring metrics we can continue to prioritise our actions and track effectiveness of in-flight initiatives.

- Leave
- Retention rates
- OCP
- Exit survey

Annual Leave



The above graph shows ~70% of employees have an Annual Leave balance of less than 20 days.

The Human Resources team have been working with people leaders over the last 12 months to ensure their team members are taking regular holidays, promoting rest and recuperation as we navigate an ever-changing work environment through the COVID-19 pandemic. We encourage staff to take annual leave within a year of earning it therefore we help people leaders facilitate conversations with their teams by providing data which shows staff who have an annual leave balance of over 20 days.

Sick Leave, Special & Wellness Leave

Sick Leave taken over last 12 months (days)



In January 2021 TCC introduced a new leave policy defining the types of leave available for when a staff member or their dependant is sick, some of which is over and above what is provided for in legislation.

Special leave: in certain circumstances we will provide an additional period of special sick leave to recover from sickness or injury, if they have used up all of their sick leave.

Wellness leave: With GM approval wellness leave is available to support significant unforeseen circumstances where, for genuine reasons, an employee is unable to work and has no further sick leave entitlement.

Human Resources, through our people leaders encourage employees to use their sick leave when they are sick or need a mental health day. There has been a culture shift for a number of organisations (including ours) where employees pre-COVID-19 would often push through sickness, come into work, not recover as quickly and/or risk spreading sickness to other team members.



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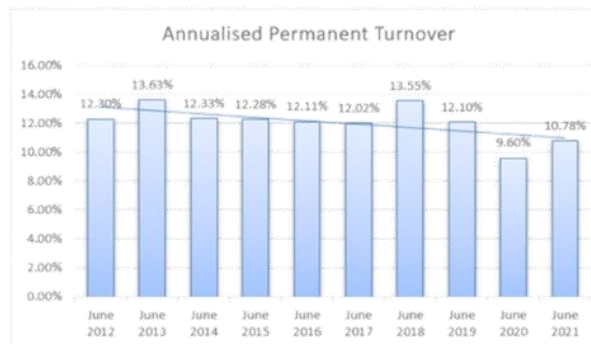


Staff Retention



Retention rate = # of employees who remain employed with TCC for the entire measurement period / # of employees at the start of the period x 100

Turnover



Turnover calculation = Number of voluntary leavers over the period / total headcount at the beginning of the period.

Predictably turnover dipped in 2020 in our COVID-19 environment. Job security was at an all-time high during Alert Level 4 and is slowly on the rise again.

TCC Counselling Service (OCP)

Anonymised data gathered from TCC's counselling and advisory services. Sept 2020 – Feb 2021
(Data gathered is anonymised).

Service Uptake
7%

National Average
8-10%

Monitoring issues provides insight into progress against MHW risks.

Work Issues	Accessing Service %	National Average %
Workload	24	14
Career	19	17
Conditions	14	13
Performance	14	9

Personal Issues	Accessing Service %	National Average %
Anxiety	24	28
Relationships	19	17
Family	8	8

Exiting TCC

Our Exit Survey process is under internal Human Resources review. At present our leavers are sent an email survey ad-hoc via an external research company who collate the information for us. We have not requested a summary report from the researcher this year, as we intend to request a final report once we have decided on the next steps / improvements for the process. The questionnaire has the option for the leaving employees to indicate a number of reasons why they have left including work life balance. 'Health' is grouped with the option of family / personal / health / maternity etc. making it too broad to determine whether the exiting employee is leaving due to health reasons. An update to this question presents an opportunity for us.



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Conclusion

Supporting mental health within the organisation has never been more important. As well as helping to build a positive working environment, a framework for managing psychological health and safety can help to improve organisational resilience, enhancing performance and productivity.

TCC is taking a systemic approach to managing mental health and wellbeing in accordance with our duty of care obligations as a PCBU and has aligned workplace risk factors with actions in the Executive Business Plan to ensure Mental Health and Wellbeing is given:

- priority alongside productivity
- executive oversight and governance
- visibility throughout the organisation.

Mental Health and Wellbeing is part of a wider framework for the management of Health, Safety and Wellbeing risk and has been identified as an area of focus within the *2-Year HSW Strategic Plan* - providing a roadmap for continual improvement.

Ongoing monitoring

Progress against the Executive Business Plan actions and HSW Roadmap can be qualitatively reported throughout the FY 21/22 as well as through stories shared of work across the city. The opportunity to include a number of questions within a wider organisational culture survey in September may be utilised to provide a quantitative pulse check of progress in targeted areas.

Leadership action

Leadership, setting the tone for the organisation in Mental Health and Wellbeing is critical. Sharing stories to highlight how health and safety is being given priority, oversight and visibility will increase the trust and confidence in Council's commitment to health, safety and wellbeing.

Resources



Local Government New Zealand
Workplace Health, Safety and
Wellbeing Survey



Business Leaders' Health & Safety
Forum – CEO guide Mental Health &
Wellbeing



Government Health & Safety Lead –
Creating mentally healthy work and
workplace. A guide for public sector
health and safety leaders and
practitioners



TCC Executive Business Plan

9.10 Representation Review - Options for pre-engagement**File Number: A12650508****Author: Coral Hair, Manager: Democracy Services****Authoriser: Susan Jamieson, General Manager: People & Engagement****PURPOSE OF THE REPORT**

1. This report provides information on four options for representation arrangements for the 2022 election and asks the Committee to recommend to the Council three options for pre-engagement with the community.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee recommends that the Council:

- (a) Approves options 1, 2A and 2B for pre-engagement with the community on the representation arrangements for the 2022 election.

EXECUTIVE SUMMARY

2. The Strategy, Finance and Risk Committee (the Committee) considered a report on the representation review at its meeting on 21 June 2021 and requested that a further option on single member wards be presented to the Committee. This option and the other three options are presented together with information on engagement with the community.
3. The Local Government Commission has since advised that Option 3 as presented in the report on 21 June 2021 would result in a representation arrangement with no Māori representation once the formula was applied and it is recommended this option does not go out for pre-engagement with the community.

BACKGROUND

4. The Strategy, Finance and Risk Committee considered a report on the representation review at its meeting on 21 June 2021 and resolved the following:

“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.”

Recommendation (c) below was left to lie on the table pending a report to be presented at the Strategy, Finance and Risk Committee meeting on 28 June 2021 along with a further option 2B, single member wards.

- (c) Approves options 1, 2 and 3 for pre-engagement with the community.
5. This report provides an analysis of Options 1, 2 (which has now split into 2A and 2B) and 3.
 6. The Local Government Commission advised on Wednesday, 23 June 2021, that Option 3 as presented in the report on 21 June 2021 would result in a representation arrangement with no Māori representation once the formula was applied. In effect this makes an at large option not viable. This is discussed in more detail below.
 7. This report does not repeat other information that was included in the previous report and therefore needs to be read in conjunction with the report to the Committee on 21 June 2021.
 8. Information on the engagement proposed for the representation review be provided in the report.

MAORI REPRESENTATION

9. The Council resolved to establish a Māori ward for the 2022 election on 25 August 2020 and this was confirmed on 12 April 2021. The representation review does not provide an opportunity to revisit (reverse) the decision to establish a Māori ward.
10. The number of Māori ward members is calculated using the formula set out in the Local Electoral Act 2001 (LEA) and the current calculation using this formula is one (1) member based on 10 councillors.¹² However those councillors elected “at large” do not count towards the number of councillors when calculating the formula.¹³
11. The Local Government Commission advised on Wednesday, 23 June 2021 that Option 3 as presented in the report on 21 June 2021 would result in a representation arrangement with no Māori representation once the formula was applied.
12. Applying the formula in the LEA means that there must be at least six (6) councillors elected from either general or wards to provide for one Māori member to be elected. This will be an issue for all councils who are undertaking a representation review after resolving to establish a Māori ward.
13. The calculations for each of the options are set out below based on the following data:
 - Total Māori Electoral population (MEPD): **15,300**
 - Total General Electoral Population (GEDP): **136,000**
 - Total Electoral Population **151,300**

Option	Calculation	Number of Māori members
1	$15,300 \div (15,300 + 136,000) = 9.88 \times 8$ (number of ward councillors) = 0.79	1
2A & 2B	$15,300 \div (15,300 + 136,000) = 9.88 \times 12$ (number of ward councillors) = 1.18	1
3	$15,300 \div (15,300 + 136,000) = 9.88 \times 2$ (number of ward councillors) = 0.19	0

¹² Clause 1 (2) (b) (i) of Schedule 1A of the LEA

¹³ 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 – rounded up from 0.1 – 0.49 goes to 0 and 0.5-0.99 rounded up to 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.”

OPTIONS

14. Four options are presented below:

- Option 1 – Mixed model (wards and at large) – based on the status quo
- Option 2A – Wards only model – 6 wards
- Option 2B – Wards only model – 11 wards -single member wards
- Option 3 – At large model

15. 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.

16. 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, 2A and 2B comply with the +/- 10% rule for fair representation for wards.¹⁴

17. Community boards can be established with any of the options.

Option 1 – Mixed model (wards and at large) based on status quo - 12 Councillors (7 elected from 3 general wards, 4 elected at large, 1 elected from Māori ward).

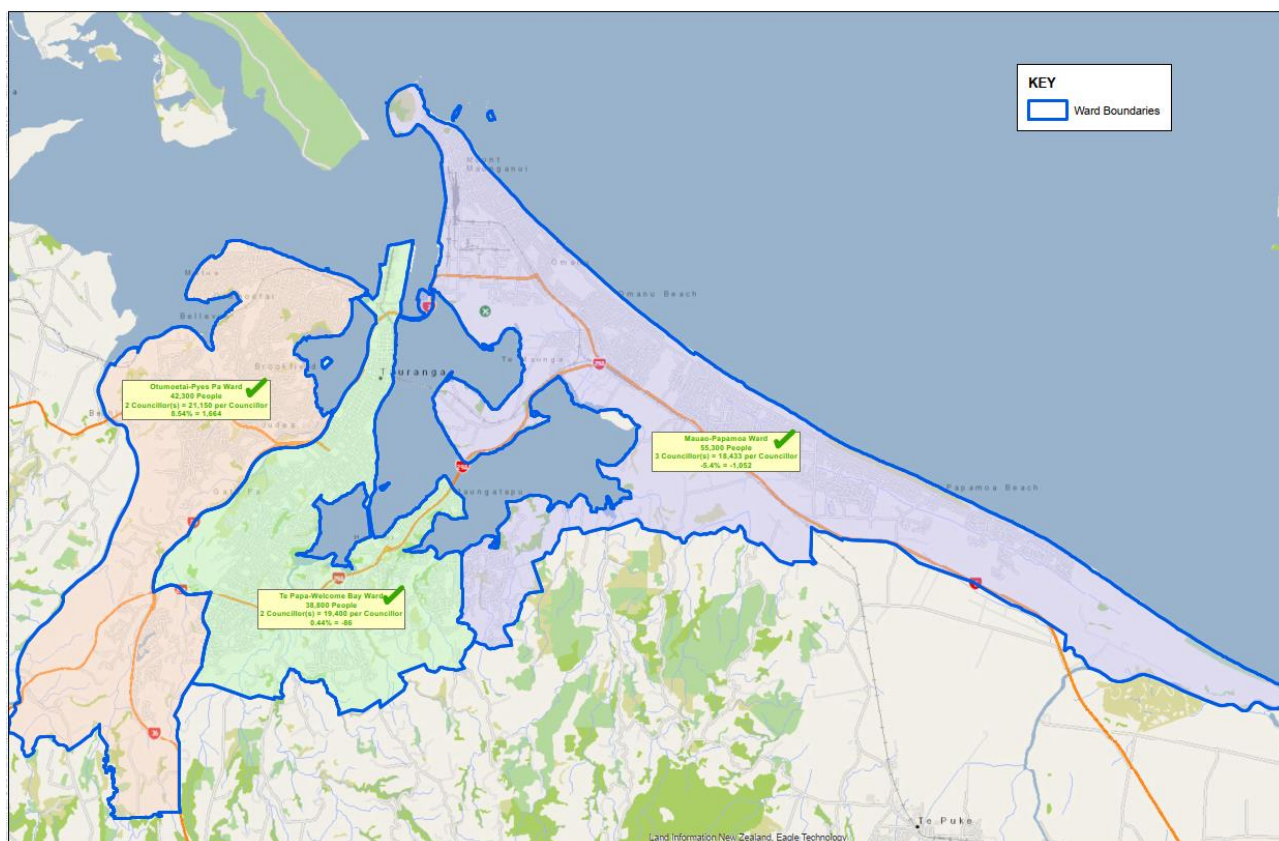
18. Option 1 is based largely on the current representation arrangements with changes to two of the ward boundaries to meet the +/- 10% rule. Two councillors have been added with seven (7) elected from three (3) general wards, four (4) councillors elected at large and one (1) councillor elected from a Māori ward.

19. The following wards are set out in the table and the map below sets out the general wards:

Ward Name ¹⁵	Number of Councillors	General electoral population estimates	Population per councillor	Deviation from city average per councillor	% deviation from city average per councillor
Mount Maunganui-Papamoa	3	55,300	18,433	-1,052	-5.40
Otumoetai-Pyes Pa	2	42,300	21,150	1,664	8.54
Te Papa-Welcome Bay	2	38,800	19,400	-86	-0.44
Total	7		19,486		

¹⁴ 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.

¹⁵ Ward names are placeholders only and feedback on names of wards can be asked for during the pre-engagement phase.



20. The ward boundary for the current Mount Maunganui/Papamoa Ward has been changed and an area moved into the Te Papa-Welcomes Bay ward to make this option comply with the +/- 10% rule.
21. 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, Papamoa, Matapihi, 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, Judea, Matua, Bethlehem, Gate Pa, 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, 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.
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22. The Māori ward would reflect the community of interest for Māori electors and those in the Māori community.
23. This option is familiar with the public and has been in place since 2010.
24. 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).
25. This option would enable the general electors to vote for two ward councillors and four at large councillors (total of six councillors out of 12) with Māori electors able to vote for one Māori ward councillor and four at large councillors (total of five councillors out of 12).
26. 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.
27. This option would give less weight for establishing community boards as geographic communities of interest would be represented on the Council.
28. Summary of advantages and disadvantages of this option are set out below:

Advantages	Disadvantages
Both Māori and general electors vote for between 5-6 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.

Advantages	Disadvantages
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. ¹⁶

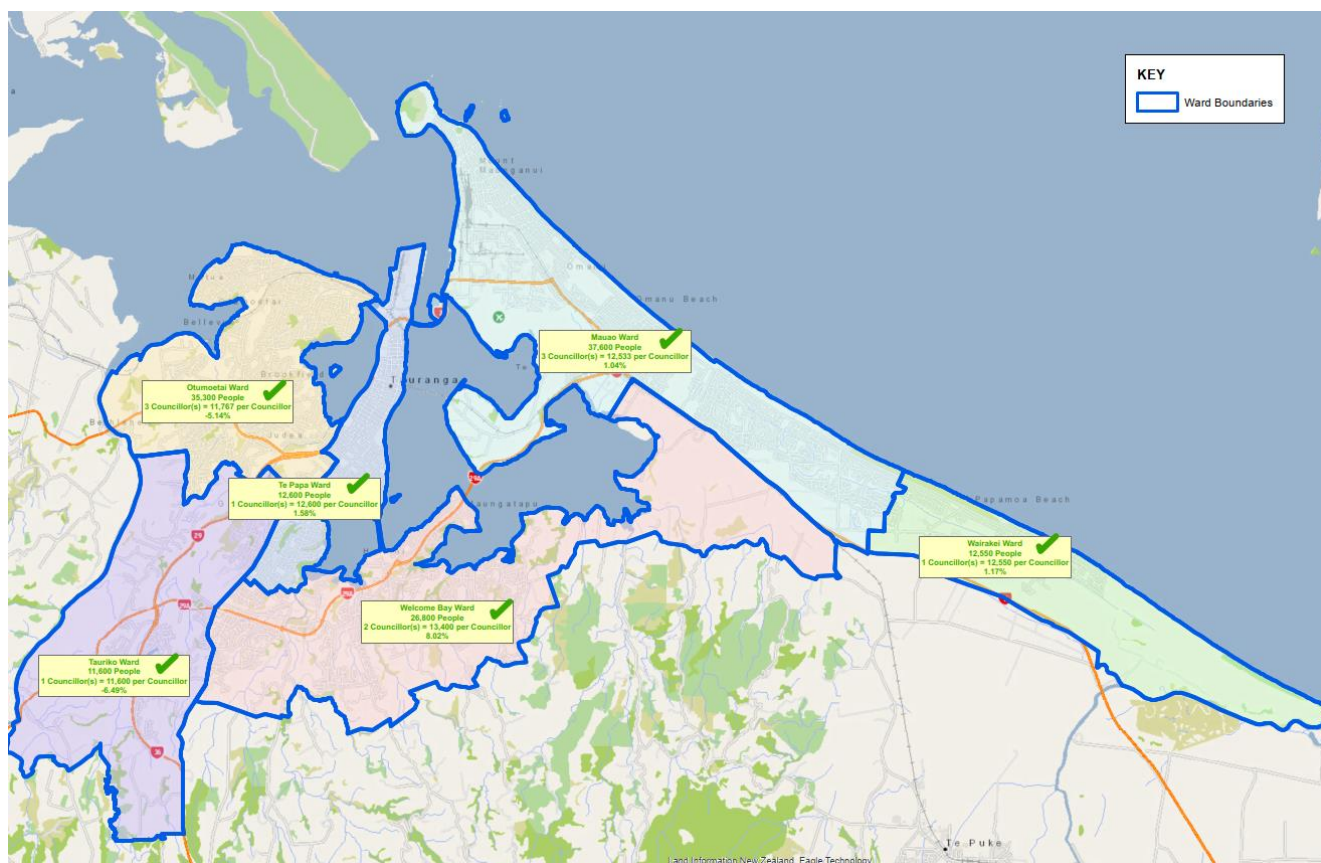
Option 2A– 12 councillors – wards based option (11 elected from 6 general wards and 1 elected from Māori ward)

29. Option 2A 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.
30. The following wards would be established as set out in the table and the map below shows the general wards:

Ward Name¹⁷	Number of Councillors	General electoral population estimates	Population per councillor	Deviation from city average per councillor	% deviation from city average per councillor
Mauao	3	37,600	12,533	129	1.04
Wairakei	1	12,550	12,550	145	1.17
Otumoetai	3	35,300	11,767	-638	-5.14
Te Papa	1	12,600	12,600	195	1.58
Welcome Bay	2	26,800	13,400	995	8.02
Tauriko	1	11,600	11,600	-805	-6.49
Total	11		12,405		

¹⁶ Refer to Background section of this report.

¹⁷ Ward names are placeholders only and feedback on names of wards can be asked for during the pre-engagement phase.



31. 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, Omanu, Arataki, Papamoa Beach North, Doncaster and Palm Beach. 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 includes Papamoa Beach South, Motiti, 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 includes Bethlehem North and Central, Brookfield, Judea, Te Reti, Bellevue, Otumoetai and Matua. 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, Sulphur Point, Tauranga South, Merrivale and Yatton Park. 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 Bay Park, Kairua, Welcome Bay, Maungatapu, Hairini, Ohauiti, Poike, Kaitemako, Greerton North and Pyes Pa North & South & East, Oropi. 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 West, Gate Pa, Bethlehem South, Greerton South, The Lakes, Oropi, Omanawa 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.

32. The Māori ward would reflect the community of interest for Māori electors and those in the Māori community.
33. 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).
34. 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.
35. 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.
36. 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.
37. 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"*.
38. 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.
39. 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.
40. This option would give less weight for establishing community boards as geographic communities of interest would be represented on the Council.
41. Summary of advantages and disadvantages of this option are set out below:

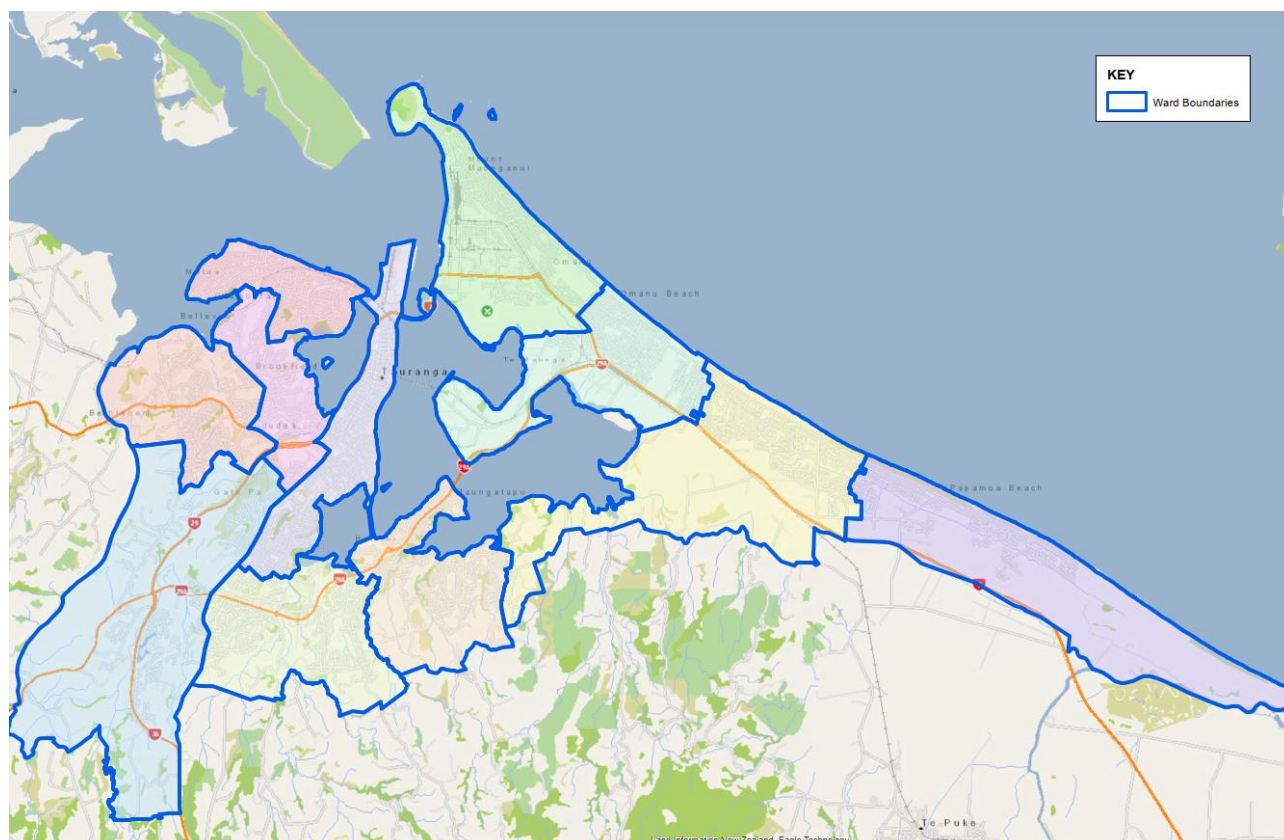
Advantages	Disadvantages
Increases geographic representation of communities of interest than current 3 wards.	Does not identify and represent communities of interest that are city-wide.
Considers iwi and hapū boundaries.	Not based on specific hapū boundaries.
More easily understood system and direct 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 2B– 12 councillors – wards based option (11 elected from 11 general wards and 1 elected from Māori ward)

42. Option 2B is a wards based approach. 11 councillors are elected from eleven (11) 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.
43. The following wards would be established as set out in the table and the map below shows the general wards.

Ward Name¹⁸	Number of Councillors
Mauao	1
Omanu/Arataki	1
Papamoa	1
Wairakei	1
Otumoetai/Matua	1
Bethlehem	1
Brookfield/Judea	1
Te Papa	1
Welcome Bay	1
Pyes Pa	1
Tauriko	1
Total	11

¹⁸ Ward names are placeholders only and feedback on names of wards can be asked for during the pre-engagement phase.

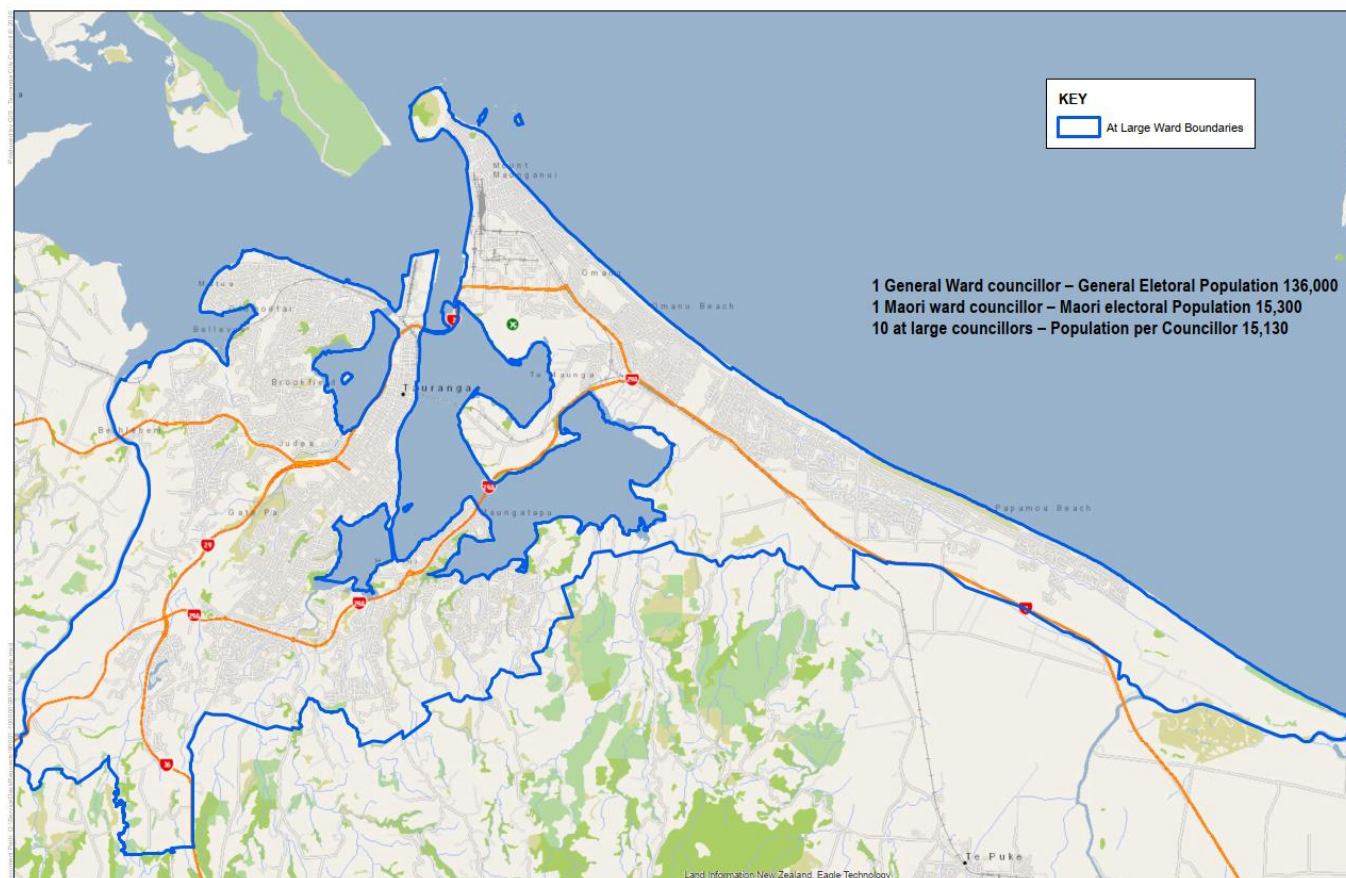


44. At the time of writing the report Statistics New Zealand had not advised if this option was complying with the +/-10% rule. This information will be available at the meeting.
45. This option has the same advantages and disadvantages as Option 2A however it differs in that it has single member representatives for each ward and a larger number of general wards. Both general and Māori electors would vote for one councillor.

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)

46. 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.¹⁹ Refer to the map below.
47. The Local Government Commission advised on Wednesday, 23 June 2021 that Option 3 would result in a representation arrangement with no Māori representation once the formula was applied.
48. Applying the formula in the LEA means that there must be at least six (6) councillors elected from either general or wards to provide for one Māori member to be elected. This will be an issue for all councils who are undertaking a representation review after resolving to establish a Māori ward.
49. Given the impact of the advice from the Local Government Commission it is considered that this option as presented is not a viable option and it is recommended that it is not included as an option during the pre-engagement phase.
50. Option 3 would effectively result in a mixed representation model with six councillors to be elected by wards and a version of that model is already shown in Option 1.

¹⁹ 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)



ENGAGEMENT

51. The pre-engagement phase comprises a four-week digital, social media and print campaign to educate the community on the purpose and scope of the representation review and seek feedback on the current options being considered, along with the potential for community boards. This will run from 16 July to 13 August 2021.
52. Collateral will encourage the community to complete a short survey (online and hard copy), where individuals can select their preferred representation option and express their view on whether community boards should be established. There will be space for additional comments as required.
53. Background information will be supplied alongside the survey, including potential advantages/disadvantages of each model and community boards. This will be supported by a list of Frequently Asked Questions.
54. In-person engagement will focus on iwi and hapū, business and youth. We will also hold general community drop-in sessions to educate and seek feedback.
55. Media releases alongside print and digital advertising will support the education focus of the campaign.
56. The results of this pre-engagement phase will be collated and reported back to the Council, to inform its consideration of the initial proposal that goes out for formal consultation. The public submission period will run from 27 August to 28 September 2021.

NEXT STEPS

57. Council to consider Committee recommendations on 12 July 2021.

ATTACHMENTS

Nil

9.11 Audit New Zealand - report to the Commissioners on the audit of the LTP Consultation document 2021-31**File Number: A12643489****Author: Kathryn Sharplin, Manager: Finance****Josh Logan, Team Leader: Corporate Planning****Authoriser: Paul Davidson, General Manager: Corporate Services****PURPOSE OF THE REPORT**

1. This report presents as an attachment the Audit New Zealand (Audit) report to the Commissioners on the audit of Tauranga City Council's 2021-31 Long-term plan (LTP) consultation document.
-

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receive the report from Audit New Zealand on the audit of the 2021-31 LTP consultation Document.
 - (b) Note the audit findings to be taken into account in preparation of the final LTP.
-

EXECUTIVE SUMMARY

2. The attached report to commissioners from Audit New Zealand (Audit) on the LTP consultation document (CD) sets out audit findings and makes recommendations for improvement and for incorporation in the final LTP document.
3. Overall audit concluded that the CD fulfils its primary purpose of providing an effective basis for public participation in decisions on the content of the LTP. The attached report outlines the audit opinion which was included with the consultation document.
4. There are a number of recommendations that had no significant impact on the CD but will impact the audit of the LTP prior to its adoption on 26 July 2021. The response to these recommendations is briefly discussed below.

BACKGROUND

5. The LTP is prepared under the Local Government Act 2002. Under section 94 of the Act Audit New Zealand is required to audit whether the plan gives effect to the purpose of the LTP and on the quality of the information and assumptions underlying the forecast information provided.
6. Audit New Zealand raised a number of matters as the main audit risks and issues. These were:
 - (a) Growth assumption
 - (b) Financial Prudence and debt
 - (c) Financial Strategy
 - (d) Infrastructure Strategy
 - (e) Assumptions,
 - (f) Quality of asset-related information
7. Overall audit was satisfied that these matters were appropriately dealt with and that the asset management plans, infrastructure strategy and financial strategy were compliant, concise

and largely consistent. Audit recommended that council implements an independent review of the LTP and underlying information prior to adoption. Staff agreed that an overall review of this data will be undertaken prior to adoption. Given time constraints this review will be undertaken inhouse with the focus to ensure the documents are concise and consistent.

8. It is not proposed to undertake a full independent review prior to adoption of the asset management plans or other strategies. Review and improvement of the asset management plans is an ongoing process, with an independent maturity analysis being undertaken over the next year to form the basis of improvement to asset management practices, information and reporting. Similarly, infrastructure strategies and the financial strategy are developed over a period of time using independent specialist advice and review as required during its development.
9. Audit included two emphasis of matter on two areas of risk:
 - (a) The first on uncertainty over the delivery of the capital programme referring readers to the disclosure in the CD on this matter
 - (b) The second on the impact of three-waters reform referring readers to this disclosure.
10. Two other matters were raised regarding matters to be taken into account in the final LTP document. These were:
 - (a) Disclosure of the risk of non-compliance with the National Policy Statement – Urban Development (NPS-UD). This matter was disclosed in the consultation document and this disclosure will be included in the final LTP.
 - (b) The impact of PBE IPSAS 41 Financial Instruments on the financial forecasts. The financial disclosures in the final LTP will make appropriate reference to this accounting standard.

STRATEGIC / STATUTORY CONTEXT

11. Audit review of the LTP is part of the LTP process required under section 94 of the Local Government Act 2002.

OPTIONS ANALYSIS

12. There are no options presented with this report as the Audit NZ findings will be followed up as part of the process of audit of the LTP during early July 2021 and in the final LTP document.

FINANCIAL CONSIDERATIONS

13. There are no direct financial impacts of the audit report.

LEGAL IMPLICATIONS / RISKS

14. The risk is that matters will not be addressed to the satisfaction of Audit New Zealand delaying adoption of the LTP, and therefore the setting of rates for 2021/22.

CONSULTATION / ENGAGEMENT

15. The LTP consultation process is comprehensive and the findings of the audit review form part of the final LTP document.

SIGNIFICANCE

16. 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.

17. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
18. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

19. Taking into consideration the above assessment, that the matter is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

20. Council will include disclosures from the consultation document on the above matters as appropriate and discuss with Audit New Zealand during the audit process prior to adoption of the LTP.

ATTACHMENTS

1. **2021-31 LTP CD audit - Report to the Commission - A12643575** [↓](#) 

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Report to the Commissioners on the audit of

Tauranga City Council's

Long-term plan consultation document

For the period 1 July 2021 to 30 June 2031

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Key messages

This report sets out our findings from the long-term plan consultation document (CD) audit and draws attention to our detailed findings, and, where appropriate, makes recommendations for improvement. In addition, this report also provides information on the next step in the audit process, being the audit of the long-term plan (LTP).

In our view, the Commissioners have produced a CD that fulfils its primary purpose of providing an effective basis for public participation in decisions on the content of the LTP. The CD includes all the major matters that we expected, provides preferred and alternative options to address these issues, and encourages the community to provide feedback.

The Government has announced initial plans for the three waters reform. The reform has the potential to significantly change the services the local authority delivers. Currently, there is not sufficient information available to be able to conclude on the full effects of the three waters reform. We reviewed the assumptions disclosed in the CD against sector guidance and concluded the assumptions were reasonable.

The capital delivery assumption was an area of audit focus for the current LTP. The local authority's budgeted capital works programme has not been fully delivered in the past and this continues to be a significant consideration for the future years. We agree that there may be financial impacts as well as impacts on the levels of service provided if the capital works programme is not delivered as forecasted.

Audit opinion

We issued a non-standard audit report on 4 May 2021. Without modifying our audit opinion, we included two emphasis of matter paragraphs in our audit report drawing attention to the uncertainties associated with the delivery of the capital programme (capital delivery) and the three waters reforms.

Matters identified during the audit

The majority of our recommendations were implemented prior to the Commissioners adopting the CD. There are a number of recommendations that had no significant impact on the CD but will impact on the LTP. Management agreed to implement the following recommendations prior to the LTP being adopted:

- The asset management plan, activity management plans, infrastructure strategy, financial strategy, and consultation document could be enhanced through robust peer review to boost the quality of these document (refer to section 1.3).
- Non-compliance with the National Policy Statement – Urban Development (NPS-UD) (refer to section 3.4).
- The local authority needs to apply the impact of PBE IPSAS 41 Financial Instruments on the financial forecasts (refer to section 3.5).

Future focus

As well as the audit report issued on the CD, we will issue an audit report on the LTP that will be adopted on 26 July 2021.

Thank you

We would like to thank the Commissioners, management, and staff for their assistance during the audit.



Clarence Susan
Appointed Auditor
10 June 2021

1 Our audit report



1.1 We issued a non-standard audit report

We issued a non-standard audit report on the CD on 4 May 2021.

Without modifying our audit opinion, we included the following emphasis of matter paragraphs in our audit report drawing attention to the uncertainties associated with the:

- delivery of the capital programme; and
- three waters reforms.

This means we were satisfied the CD meets the statutory purpose and provides an effective basis for public participation in the decisions about the proposed content of the 2021-31 LTP.

We found the underlying information and assumptions used to prepare the CD provided a reasonable and supportable basis for the preparation of the LTP.

1.2 Uncorrected misstatements

The CD is free from material misstatements, including omissions. During the audit, we have discussed with management any misstatements that we found, other than those which were clearly trivial. There were no significant misstatements identified during the audit which were not corrected. A list of corrected misstatements can be provided upon request.

1.3 Quality and timeliness of information provided for audit



The development of the CD and LTP is a significant and complex project and a comprehensive project plan is required for a successful LTP process.

The local authority had a project plan which included key milestones, deadlines, and the work stream responsible. This contributed to producing the underlying information documents and enabling all key deadlines to be met.

The Commissioners are receptive to audit recommendations and are focused on continuous improvement. In addition, Council staff were available throughout the audit and provided requested information promptly. Although, with combined effort, we met our deliverables, it required a huge effort in getting the documents to a quality ready for adoption.

Due to time constraints we noted that local authority did not complete robust peer reviews of its asset management plan, activity management plans, infrastructure strategy, financial strategy, or consultation document.

While we found the asset management plan, activity management plans, infrastructure strategy, financial strategy, and consultation document to be concise and largely consistent, a peer review would provide an insight to the approach and methodology applied and identify areas for internal improvement.

We recommend that the local authority implements an independent review of the LTP and underlying information.

Management comment

Agree with recommendation and will action in final LTP.

2 Matters raised in the Audit Plan



In our audit engagement letter, we identified the following matters as the main audit risks and issues:

2.1 Growth (key risk area)

Growth in Tauranga is the main assumption underlying this LTP. Tauranga's population continues to grow, and this brings with it demand for infrastructure to support the supply of housing and the development of businesses. This, together with historical under-investment by the Council, provides the rationale for the large-scale infrastructure investment proposed over the 10-year period including, for example Futureproofing Cameron Road, Te Papa Intensification, Tauranga System Plan (TSP).

The local authority's growth assumption is based on the National Institute of Demographic and Economic Analysis (NIDEA) population and household forecasts, rebased for up-to-date Statistics NZ data. This is consistent with the approach applied to previous LTPs.

We are satisfied that this growth assumption applied by the local authority is reasonable, consistently applied throughout the underlying information and that the assumption is based on externally developed data.

2.2 Financial prudence and debt (Key risk area)

A key challenge for the local authority will be balancing the desire to grow the City against the ability to fund that growth.

The funding of investment is the main focus of this CD and we found this to be adequately documented within the local authority's financial strategy. The local authority has ensured there is adequate headroom in case anticipated growth (and associated direct and indirect revenues and other benefits) does not occur.

The local authority also proposes rating for debt retirement to ensure that it can operate within its own and the Local Government Funding Agency's debt to revenue limits.

2.3 Financial Strategy

The strategy aims to respond to challenges that the local authority is facing. The key challenges are aging infrastructure requiring a large renewals programme, increasing operating costs for Council activities, significant step change in growth and levels of service capital projects, and increasing regulatory requirements.

We concluded that overall, the financial strategy is reasonable, financially prudent, based on reasonable financial forecasts, and complies with the relevant legislation.

In arriving at our conclusion, we have:

- obtained an understanding of the local authority's financial strategy and noted this has been changed significantly since the previous LTP, these changes being:
 - high rates increases proposed for the duration of this LTP;
 - three new targeted rates and adaptation of a fourth;
 - increased debt limits; and
 - increased commercial differential from 1:1.2 to 1: 1.6;
- confirmed and are satisfied with the balanced budget presented by Council for each year of the LTP;
- confirmed and are satisfied that the 10-year forecasts informing the financial strategy are financially prudent;
- ensured disclosures are reasonable and are aligned with the CD and underlying information; and
- ensured the financial strategy complies with relevant legislation.

2.4 Infrastructure Strategy

We gained an understanding of the local authority's infrastructure strategy and evaluated its compliance with the requirements of the Local Government Act 2002 (LGA).

We also gained an understanding as to how the local authority proposes to fund renewals which is the progressive replacement of individual assets that have reached the end of their useful lives.

We are satisfied that the local authority's overall approach to managing its assets is reasonable, adequately documented in the infrastructure strategy, and consistent with underlying information.

We confirmed that the local authority has adequately disclosed its approach to manage the key issues in the CD and confirm its infrastructure strategy is compliant with the requirements of the LGA.

2.5 Assumptions

We reviewed and assessed the appropriateness of the assumptions the local authority has established as a basis for the development of the CD. When reviewing the assumptions, we focused on those that were considered material. This included Climate Change, Covid-19, capital do-ability, condition of assets, three waters reform, funding from Waka Kotahi (NZTA), revaluations, growth, inflation, and interest rates on borrowings.

We were satisfied that those assumptions considered as material were reasonable and supportable, being derived from appropriate sources, and have been applied appropriately and consistently throughout the CD and underlying information.

We were satisfied as to the completeness of the local authority's significant assumptions disclosures.

2.5.1 Climate change

Like other Councils in New Zealand, the local authority is vulnerable to the impacts of climate change. These impacts include erosion, rising sea levels, and more frequent extreme weather events such as floods, tsunamis, etc.

The climate change assumptions have been based on the Ministry for the Environment's climate change projections for the Bay of Plenty region in conjunction with modelling prepared by the National Institute of Water and Atmospheric (NIWA) research and internally generated database.

The local authority intends to consult on its next steps for climate change research and planning. Therefore, we consider that it is taking appropriate steps to identify and mitigate the impacts of climate change for the community. The impact of climate change has been factored into the infrastructure strategy and asset management plan, as well as being a significant forecasting assumption in the LTP.

We are satisfied that the local authority's assumptions for climate change are reasonable, supportable, and appropriately applied in the development of the LTP forecasts.

2.5.2 Covid-19

The assumption applied by the local authority is that the most significant impacts of Covid-19 on the economy and infrastructure have already been seen and there will be no future lockdowns caused by Covid-19 because the borders are beginning to open in a staged manner to certain other countries by 2023.

Should there be any further lockdowns, then the implications may include reduced revenue from the local authority's venues, parking meters, delay of capital projects, etc.

We concluded that the local authority's assumptions on the impacts of Covid-19 are reasonable and appropriately included in the CD and underlying information.

2.5.3 Capital expenditure "delivery"

The local authority has included an assumption that its capital expenditure programme will be achieved.

Typically, the local authority has delivered on average 82% of its budgeted capital expenditure over the past three years. Excluding 2020 (adversely impacted by the Covid-19 pandemic), we noted the average is only slightly higher.

We discussed with management how the capital programme would be achieved. The following contributors to the capital programme's success were noted:

- The local authority has restructured its delivery function and invested in additional project directors, managers, and support in preparing for project delivery.
- Stages of key projects are staggered, with investigation and design generally planned for a year ahead of construction.
- The scope of projects is agreed early to improve efficiency of execution.
- There is a review process in place where internal discussions occur prior to presentation of the capital programme to the Council and public. This occurs at an activity and project level.
- Prioritisation of the project portfolio against strategic objectives to ensure the right projects are delivered at the right time.

The local authority has assigned the capital expenditure delivery assumption an uncertainty level of "High". The reference to the assumption and the high level of uncertainty attached to it has also been appropriately included in the CD.

Due to the value of the planned capital expenditure programme across the 10 years of the LTP, coupled with the historical delivery of the capital expenditure programmes, we included an emphasis of matter paragraph in our audit report drawing attention to the disclosure on page 127 of the CD and the uncertainty over the delivery of the capital programme.

2.5.4 Three-waters reform

In line with sector guidance, the local authority has assumed that there is currently insufficient detail regarding the possible changes to services which will result from the three-waters reform programme, and therefore it is prudent to plan on a business-as-usual approach to service delivery.

The local authority's assumption for the reform is that it "will continue to own and directly operate the three waters networks (water supply, sewer and storm water) for the duration of this LTP".

We accept that the local authority's assumptions are reasonable and have been consistently applied to its underlying information.

The local authority has appropriately included disclosure of the three-waters reform, on page 98, of its CD. We have included an emphasis of matter paragraph in our audit report referring readers to this disclosure.

2.6 Quality of asset-related forecasting information (including condition and performance information of critical assets)

The local authority's key infrastructure assets are made up of the following asset classes:

- wastewater (25%);
- water Supply (15%);
- storm water (25%); and
- transportation (32%).

The local authority has appropriately included condition data and related assessment results in its Asset Management Plans.

There were some areas where condition data was assessed as uncertain. Considering the local authority's assets are generally at the young end of their useful lives, this uncertainty is not expected to have a significant impact on the renewals and maintenance expenditure forecasts included in its LTP.

We have assessed the local authority as having sufficient appropriate asset information to inform its renewals forecasts

Overall, we have assessed the local authority as having sufficient appropriate asset information to inform its decisions about the operation, maintenance, and renewal of its assets renewals forecasts.

3 Other matters



In this section, we have detailed our key findings from the audit. We have also detailed our findings in relation to other areas of focus:

3.1 The content of the Consultation Document (CD)

We found the CD provides an effective basis for public participation in the local authority's decision-making about the proposed content of its LTP, facilitates the right debate with the community, and meets the legislative requirements of the Local Government Act 2002.

The CD was easy to read with a good amount of contextual information. It was clear which issues were being consulted on (including a range of options, the consequences of these choices, and the local authority's preferred options) and highlights the critical parts of the proposed financial and infrastructure strategies.

3.2 Financial model and forecasts

In assessing the financial forecasts we focused on the integrity of the financial model, the reliability of the source data and whether the outputs of the model have appropriately flowed through to the underlying information (including the financial strategy, infrastructure strategy, and financial forecasts).

We adopted a substantive approach, undertaking a variety of data logic, metric, integrity, analytical review, spreadsheet, and data flow testing and noted no areas of concern.

We concluded that overall, the financial model is reasonable, reduces the risk of misstatement, and accurately informed the CD, infrastructure strategy, and financial strategy.

3.3 Performance Management Framework

The forecast performance framework is appropriate, complies with relevant legislation, and complies with generally accepted accounting practice.

The performance framework remained relatively unchanged from prior years with no significant changes to levels of service or activity structure. There were some performance measures that were revised, removed, and added. However, this was simply to better align the framework to the local authority's strategy.

3.4 National Policy Statement – Urban Development (NPS-UD)

The local authority is a Tier 1 urban local authority under the NPS-UD with an anticipated population growth of nearly 18% over the 10 years of the LTP.

The NPS-UD requires local authorities to plan well for growth and ensure a well-functioning urban environment for all people, communities, and future generations.

Additional investment has been set aside in the LTP to unlock additional land to ensure adherence with the NPS-UD in the long-term, however the local authority does not meet the competitive margins, over and above its expected demand, to support choice in the housing and business land markets, both in the short- and medium-term as required by the NPS-UD.

The local authority has not sought legal advice in relation to the implication of non-compliance with the NPS-UD. Although the local authority has adequately disclosed its non-compliance with the NPS-UD in its CD and underlying information, we recommend the local authority revisits the implications of non-compliance with the NPS-UD at the LTP stage, specifically on the significant assumptions.

Management comment

We recognise the potential non-compliance with the NPS-UD and will, per the NPS, be advising the Minister of this if the circumstances remain unchanged in the adopted LTP.

3.5 PBE IPSAS 41 Financial Instruments

PBE IPSAS 41, *Financial Instruments* becomes effective for the year ending 30 June 2023 or the second year of the LTP. The LTP is required to be prepared in accordance with the accounting policies expected to be used in the future which means that the LTP will need to reflect this new accounting standard.

Before the LTP is adopted, the local authority will need to:

- perform an assessment on the impact of PBE IPSAS 41 on the financial forecasts;
- ensure any material measurement adjustments that arise on transition to PBE IPSAS 41 that may affect the forecasts are made;
- ensure the financial instrument accounting policies disclosed are updated to be consistent with the requirements of PBE IPSAS 41;
- ensure disclosures are made about the change in accounting policy; and
- consider whether a decision to early-adopt PBE IPSAS 41 for the LTP will impact the preparation of the financial statements for the year ending 30 June 2022.

Management comment

Compliance with IPSAS will be accommodated within the final document.

4 Audit of the Long-term plan

The next step in the LTP audit process will be the audit of the final LTP document.

To ensure our audit of the LTP is efficient we expect the local authority to prepare and provide us with a schedule of changes to the financial forecasts and other underlying information that were the basis of the CD. This will enable us to assess the extent of changes and tailor our audit work accordingly.

In respect of these changes, we will gain assurance that appropriate, consequential changes and disclosures have been made. We also check the consistency of the updated documents in the LTP.

Under section 94(1) of the Act, our audit report on the final LTP forms part of the LTP, which the local authority is required to adopt by 30 June 2021 (section 93(3)). Our agreed timeframes will enable us to issue our audit report in time for the Commissioners meeting scheduled for 30 July 2021 (as per the audit engagement letter), at which time the 2021-31 LTP will be formally adopted.

We are responsible for reporting on whether the LTP meets the statutory purpose and provides a reasonable basis for integrated decision making by the local authority and accountability to the community. We also provide an opinion on whether the information and assumptions underlying the financial forecasts are reasonable. Finally, we will provide our opinion on whether the disclosures in the LTP meet the requirements of Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the plan.

At the conclusion of the LTP audit, we will ask the Commissioners to provide us with a signed letter of representation on the LTP. We will provide the letter template during the LTP audit.

Appendix 1: Disclosures

Area	Key messages
Our responsibilities in conducting the audit	<p>We carried out this audit on behalf of the Controller and Auditor-General. We are responsible for expressing an independent opinion on the CD and reporting that opinion to you. This responsibility arises from section 93C(4) of the Local Government Act 2002.</p> <p>The audit of the CD does not relieve management or the Council of their responsibilities.</p> <p>Our audit engagement letter dated 6 October 2020 contains a detailed explanation of the respective responsibilities of the auditor and the Council.</p>
Auditing standards	<p>We carried out our audit in accordance with the Auditor-General's Auditing Standards. The audit cannot and should not be relied upon to detect all instances of misstatement, fraud, irregularity or inefficiency that are immaterial to your CD. The Council and management are responsible for implementing and maintaining your systems of controls for detecting these matters.</p>
Auditor independence	<p>We are independent of the Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): <i>Code of Ethics for Assurance Practitioners</i>, issued by New Zealand Auditing and Assurance Standards Board.</p> <p>In addition to this audit and our audit of the Council's annual report, we have carried out engagements in the areas of debenture trust deed assurance engagement, which are compatible with those independence requirements. Other than the audit and these engagements, we have no relationship with or interests in the Council.</p>
Fees	<p>The audit fee, covering both the CD and the LTP for the period is \$116,400 (excluding GST and disbursements), as detailed in our audit engagement letter dated 6 October 2020.</p> <p>Other fees will be charged in the period for the annual report audit and debenture trust deed assurance engagement.</p>
Other relationships	<p>We are not aware of any situations where a spouse or close relative of a staff member involved in the audit occupies a position with the Council that is significant to the audit.</p> <p>We are not aware of any situations where a staff member of Audit New Zealand has accepted a position of employment with the Council during or since the end of the financial year.</p>



AUDIT NEW ZEALAND
Mana Arotake Aotearoa

PO Box 621, Tauranga 3144
Phone: 04 496 3099

www.auditnz.parliament.nz



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 - Cyber Security Update	<p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(e) - the withholding of the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public</p> <p>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</p>	<p>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</p>

12 CLOSING KARAKIA