



# **MINUTES**

**Strategy, Finance and Risk Committee  
Meeting**

**Monday, 14 February 2022**

## Order of Business

<b>1</b>	<b>Opening karakia</b> .....	<b>3</b>
<b>2</b>	<b>Apologies</b> .....	<b>3</b>
<b>3</b>	<b>Public forum</b> .....	<b>3</b>
	3.1 Ms Holly Shaw - Mobile Shop Policy .....	3
<b>4</b>	<b>Acceptance of late items</b> .....	<b>4</b>
<b>5</b>	<b>Confidential business to be transferred into the open</b> .....	<b>4</b>
<b>6</b>	<b>Change to order of business</b> .....	<b>4</b>
<b>7</b>	<b>Confirmation of minutes</b> .....	<b>4</b>
	7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 13 December 2021 .....	4
<b>8</b>	<b>Declaration of conflicts of interest</b> .....	<b>4</b>
<b>9</b>	<b>Business</b> .....	<b>5</b>
	9.1 Review of the Remission and Postponement of Rates on Māori Freehold Land Policy - Issues and Options.....	5
	9.2 Review of Rates Remission and Rates Postponement Policies - Issues and Options .....	6
	9.3 Rating Policy Review.....	7
	9.4 Mobile Shop Policy Review: Issues and Options Paper.....	8
	9.5 2021 Q2 Oct-Dec Health and Safety Report .....	9
	9.6 Financial and Non-Financial Monitoring Report: Period ended 31 December 2021 .....	10
<b>10</b>	<b>Discussion of late items</b> .....	<b>10</b>
<b>11</b>	<b>Public excluded session</b> .....	<b>11</b>
	11.1 Tauriko Business Estate (TBE) Potential Liability on Council .....	11
	11.2 Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 13 December 2021 .....	11
<b>12</b>	<b>Closing karakia</b> .....	<b>12</b>

**MINUTES OF TAURANGA CITY COUNCIL  
STRATEGY, FINANCE AND RISK COMMITTEE MEETING  
HELD AT THE BAY OF PLENTY REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE, 1  
ELIZABETH STREET, TAURANGA  
ON MONDAY, 14 FEBRUARY 2022 AT 10.30AM**

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

**IN ATTENDANCE:** Marty Grenfell (Chief Executive), Paul Davidson (General Manager: Corporate Services), Susan Jamieson (General Manager: People & Engagement), Christine Jones (General Manager: Strategy & Growth), Gareth Wallis (General Manager: Community Services), Jeremy Boase (Manager: Strategy & Corporate Planning), Brendan Bisley (Director of Transport), Jim Taylor (Transactional Services Manager), Emma Joyce (Policy Analyst), Malcolm Gibb (Project Manager – Rating Review), Ruth Woodward (Team Leader: Policy), Vicky Grant-Ussher (Policy Analyst), Angelique Fraser (Health & Safety Change Manager), Allan Lightbourne (Chief Digital Officer), Coral Hair (Manager: Democracy Services), Robyn Garrett (Team Leader: Committee Support), Sarah Drummond (Committee Advisor), Anahera Dinsdale (Committee Advisor)

At the commencement of the meeting the Chairperson Anne Tolley and the committee acknowledged the passing of Mr Bruce Fraser and his long contribution to Tauranga Moana in many areas including many years working for the Bay of Plenty Regional Council, as a member of the Smart Growth Programme and leading recovery efforts following the grounding of the Rena.

## **1 OPENING KARAKIA**

Commissioner Rolleston opened the meeting with a karakia.

## **2 APOLOGIES**

### **Apology**

#### **COMMITTEE RESOLUTION SFR1/22/1**

Moved: Commissioner Shadrach Rolleston

Seconded: Ms Rohario Murray

That the apology for lateness received from Mr Bruce Robertson accepted.

**CARRIED**

## **3 PUBLIC FORUM**

### **3.1 Ms Holly Shaw - Mobile Shop Policy**

#### **Key Points and Questions**

- Ms Shaw provided the Committee with a PowerPoint Presentation on her business and the effect of the current policy.
- The business had been operating in the Omanu Beach carpark full-time for about a year.
- Ms Shaw considered her business provided a community service, contributed to the local

economy, and was involved in local fundraising and sponsorship.

- Ms Shaw had been very proactive in ensuring that the business was environmentally friendly and sustainable; and operated in a safe contactless manner.

#### **Discussion points raised**

- The Committee advised staff that they did not want changes to the current policy that would stifle growth especially in areas that were greatly benefitting from the presence of mobile shops.
- The Committee commended Ms Shaw on the thoroughness of her presentation and the way in which she was conducting her business. The presentation from Ms Shaw had provided valuable on the ground feedback from a business owner of a mobile shop that could contribute to amendments to the current policy.

#### **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 Minutes of the Strategy, Finance and Risk Committee meeting held on 13 December 2021**

#### **COMMITTEE RESOLUTION SFR1/22/2**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the minutes of the Strategy, Finance and Risk Committee meeting held on 13 December 2021 be confirmed as a true and correct record, subject to the following corrections:

- Minor administrative corrections required to show Committee Member Ms Matire Duncan present at the meeting.
- A correction to show that on Issue 7 of item 10.1 the Committee was amenable to the promotion of and larger number of community gardens.

**CARRIED**

#### **8 DECLARATION OF CONFLICTS OF INTEREST**

Member Mr Te Pio Kawe declared a conflict with Agenda Item 9.1.

## 9 BUSINESS

### 9.1 Review of the Remission and Postponement of Rates on Māori Freehold Land Policy - Issues and Options

**Staff** Jim Taylor, Transactional Services Manager  
Emma Joyce, Policy Analyst

#### Key points

- Staff provided the Committee a short summary of the paper and its effect and implications.
- The policy looked to support and enable development of Māori owned land, by revising the current criteria, considered too onerous and cumbersome. Under the proposed plan there would only be a need to show the five benefits.
- Rates were currently set via capital value; this was not considered a method that reflected the actual values of the land in its current use. The proposed policy would allow the inherent value to be realised.
- Legislative change must be made by 1 July 2022.
- The Committee requested that staff included Te Tiriti principles in the preamble to the policy.
- The policy would be opened for consultation.

#### In response to questions

- Legislative change was required to review the policy and must be in place or the process started by 1 July 2022.
- The policy was not proposed as part of the current Annual Plan given the need to have its own consultation process.
- The Committee received the report and requested further discussion with staff to inform the proposed policy for consultation. It was agreed that staff would facilitate this discussion and bring a further report to the Committee with the final policy for consultation.
- Work and discussion had been started with the Western Bay of Plenty District Council. Although each region would have its own policy, staff were working together.
- An adoption date of 1 July 2022 could still be achieved even with an amended proposed policy returning to the Committee. Consultation would be open for one month.
- This proposed policy relates to capital value being balanced to achieve fair and equitable rateable values. Currently remaining undeveloped land was underutilised but paid the same rates as developed land. There would only be minor financial consequences for Council.
- Staff were writing the policy to be as flexible as possible and still meet the legislative requirements.

#### COMMITTEE RESOLUTION SFR1/22/3

Moved: Dr Wayne Beilby

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report: Review of the Remission and Postponement of Rates on Māori Freehold Land Policy - Issues and Options.

**CARRIED**

## 9.2 Review of Rates Remission and Rates Postponement Policies - Issues and Options

**Staff** Jim Taylor, Transactional Services Manager  
Emma Joyce, Policy Analyst

### Key points

- The report was taken as read and staff highlighted key points noting that due to a recent high court decision they would be proposing a minor wording change to the recommendation to amend how remissions are used for kiwifruit orchards in relation to gold kiwifruit licences.
- Government aid for rates relief was currently hard to access and the Committee acknowledged the work staff had put into this area.
- The proposed policy would clarify issues, be easier to understand and use, and set clear principles in terms of fairness.

### In response to questions

- Ratepayers seeking remission must prove that they could not access assistance. The Committee sought clarification about what this proof would look like. Staff advised that the hardship provisions were a safety net if ratepayers could not access further support from other sources e.g. through commercial banks. All that would need to be provided was a formal letter.
- The committee advised staff to make clear in the policy issues that there was currently no provision to obtain government or market funding, and that criteria needed to be clearly set out.
- The committee would like to see the establishment of a national scheme that all councils adopted, rather than councils becoming lenders of last resort or default debt holders.

### Discussion points raised

- Remission would be for up to three years.

### COMMITTEE RESOLUTION SFR1/22/4

Moved: Commissioner Bill Wasley

Seconded: Mr Te Pio Kawe

That the Strategy, Finance and Risk Committee:

- (a) Notes that reference to the Preamble to Te Ture Whenua Māori Act 1993 will be added to Council's Revenue and Financing Policy.
- (b) Agrees that the following matters be addressed in a draft Rates Postponement Policy for consultation (for adoption by Council);
  - (i) deletion of all criteria for rates postponement for financial hardship except the requirement for there to be at least 25% equity in the property and that the ratepayer must not be able to access support from private sector financial institutions.
  - (ii) addition a new criterion that applications for rates postponement for financial hardship may only be for the property the ratepayer is currently residing in.
  - (iii) addition of a new criterion providing for postponement of rates on rating units where the valuation may have increased due to boundary adjustments and re-zoning from rural to urban uses, noting that a maximum of six years postponed rates will be due when the property is sold or developed.
- (c) Agrees that the following matters be addressed in a draft Rates Remission Policy for consultation (for adoption by Council);
  - (i) Addition of a provision for partial remission of general rates and targeted rates set at the capital value on rating units with both a license to grow gold kiwifruit and planted vines where the rates have increased by more than the citywide average,

noting that the remission will be for the portion of rates relating to the capital value component of the G3 licence and for a maximum of three years with 100% remission in the 2022/2023 financial year and two thirds remission in year two (2023/2024).

- (ii) Deletion of provisions pertaining to remission of wastewater rates for schools and reference to remission of rates on land designated a Māori reservation.

**CARRIED**

### 9.3 Rating Policy Review

**Staff** Malcolm Gibb, Project Manager: Rating Review  
Paul Davidson, General Manager: Corporate Services  
Jim Taylor, Transactional Services Manager

#### Key points

- 50% split of transport rates between residential transport and commercial and industrial sector transport.
- This split would be achieved through a differential rather than a targeted rate.
- These recommendations would come back to Council on 21<sup>st</sup> February 2022.

#### In response to questions

- Insight Economics had completed the analysis of the difference between the two existing transport ratepayer groups, residential and commercial; and considered options for creating new or different ratepayer groups. Further information would be provided on how this analysis was developed.
- Staff were conscious of retaining alignment with the infrastructure levy.
- Insight Economics had been previously engaged by the city for similar types of work. This source of information was provided by TCC for robustness, as asset management planning had become more comprehensive and this advice and analysis supported that work.

#### Discussion points raised

- The report outlined preliminary findings; final proposals would come to the 21 February 2022 meeting.

#### **COMMITTEE RESOLUTION SFR1/22/5**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report: Rating Policy Review and
  - (i) Notes that the report provides evidence from internal and external sources that the commercial and industrial sector should contribute a higher share of the rate funding for the transportation activity
  - (ii) Notes that comparable Councils use general rate differentials rather than targeted rates to fund their transportation activities
  - (iii) Agrees that the extent and quantum of any amendments to the rating policy could be a mix of differential general and targeted rates

- (iv) Confirms that further consideration will be given to a suitable proposal for the rating policy being included in the draft 2022/23 draft Annual Plan on 21st February 2022.

**CARRIED**

#### **9.4 Mobile Shop Policy Review: Issues and Options Paper**

**Staff** Ruth Woodward, Team Leader: Policy  
Vicky Grant-Ussher, Policy Analyst

##### **Key points**

- Staff provided an overview of the proposed policy and current issues that had led to the need to review and amend the policy.
- The proposed policy was brought to Council in February 2021 to bring Tauranga City Council policy in line with the rest of New Zealand.
- There was currently no allowance for previous or existing holders.
- A licence would be required to allow mobile shops to trade in identified areas.
- Current policy objective was primarily around public health and safety with little focus on public amenity.
- The committee did not want to be overly restrictive while still complying with health and safety requirements, environmental considerations, and parking requirements.

##### **In response to questions**

- Development of criteria for consideration could be devolved to the Chief Executive.

##### **Discussion points raised**

- Noted the importance of flexibility with changing use, and the balance between not being overly restrictive but allowing for enhanced trading as required.
- Staff would bring back new proposals for previous Issue 2.

#### **COMMITTEE RESOLUTION SFR1/22/6**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

##### **Issue 1: Policy structure for mobile shop trading**

- (a) Agrees to incorporate the Mobile Shops Policy into the Community, Private and Commercial Use of Council-Administered Land policy review and consult on the issues outlined below through the review.

##### **Issue 2: Non-compliant behaviour by a small cohort of mobile shops that is causing traffic safety concerns**

- (c) Requires mobile shops to have a plan to manage health and safety risks.
- (d) Adds a category in the Traffic and Parking Bylaw to cover mobile shops' operation on the road.

##### **Issue 3: Waste minimisation opportunities**

- (e) Requires mobile shops to complete a waste minimisation survey as part of the mobile shop licence process.

##### **Issue 4: Changes in road traffic volumes and changes in speed zones**

- (f) Prohibits mobile shops trading on roads with a speed limit higher than 50km/hr.



**Issue 5: Noise levels of generators**

- (g) Requires mobile shops to connect to power where this is available, and their set up allows.

**CARRIED****9.5 2021 Q2 Oct-Dec Health and Safety Report**

**Staff** Angelique Fraser, Health & Safety Change Manager  
Tony Aitken, General Manager: People and Engagement

**Key points**

- Report had been summarised and split into core elements; the second half specifically looked at mental health and wellbeing.
- Statistics had been provided for specific incidents.
- The report themes were on learning from incidents and ensuring Council focused on the areas and roles for which it was responsible.
- A varied approach was being taken. For example, with stress management, risk management, digital learning, work exposure and alternate training were all used.
- Current reporting was showing no great jump in issues of wellbeing concerns among staff.
- The Covid pandemic and alert levels had provided a number of challenges in maintaining contracting staff and hiring of new staff; and created a challenging environment for staff to navigate with issues like the introduction of vaccine pass requirements.
- The current exit interviews and statistics were pleasing.

**In response to questions**

- There had been good discussion and openness from people to talk about day to day operations.
- The Committee commended the format and content of the report for providing clear and concise information.
- Where health and safety incidents occurred, there was a process of learning for the individual, including an ability to comment on how the system was doing and why it failed on that occasion.
- Noted the importance of minimising the chance that accidents were being normalised.

**Discussion points raised**

- The Committee would like to see more information from staff on how any potential or actual cultural clashes between individuals and/or teams were worked through and what processes were in place.

**COMMITTEE RESOLUTION SFR1/22/7**

Moved: Mr Bruce Robertson

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (i) Receives the 2021 Q2 Health and Safety Report
- (ii) Receives the 2021 Q2 Mental Health and Wellbeing Report

**CARRIED**

At 1pm the meeting adjourned.

At 1.45pm the meeting reconvened.

## 9.6 Financial and Non-Financial Monitoring Report: Period ended 31 December 2021

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

### Key points

- The report covered the first six months of the year.
- Overall operating and capital was currently below budget.
- Operational delivery was moving slowly through a combination of Covid, workload and staff availability with recruitment.
- The updated forecasts were optimistic; staff noted that the next few months might see more delays.
- Baycourt and the airport were currently under budget.

### In response to questions

- Staff would provide an updated 'top 25 projects' forecast.
- Staff were assessing at a macro level the implications of delay and consequent carry forwards for the Annual Plan budget. The main revisions related to the Tauriko West and Cameron Road projects.
- A more realistic time frame for roading projects had been set. NZTA Waka Kotahi delays had impacted the Tauriko project which could have implications for rates levels and timing.
- As projects were revisited, estimates previously provided had seen cost increases.
- Cameron Road was anticipated to be back on schedule by May. There had been timeframe adjustments due to ongoing delays in arrival of materials; however, the targeted completion date was still on track.
- TCC was in a similar position to other councils, with inflation at 5%, shortages of qualified staff and supply of materials impacting on an ambitious capital programme.

### COMMITTEE RESOLUTION SFR1/22/8

Moved: Dr Wayne Beilby

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives Report Financial and Non-Financial Monitoring Report: Period ended 31 December 2021.

**CARRIED**

## 10 DISCUSSION OF LATE ITEMS

Nil

**11 PUBLIC EXCLUDED SESSION****RESOLUTION TO EXCLUDE THE PUBLIC****COMMITTEE RESOLUTION SFR1/22/9**

Moved: Commissioner Bill Wasley

Seconded: Ms Rohario Murray

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

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>11.1 - Tauriko Business Estate (TBE) Potential Liability on Council</b>	s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
<b>11.2 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 13 December 2021</b>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</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>	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

**CARRIED**

## 12 CLOSING KARAKIA

The meeting was closed with a karakia.

**The meeting closed at 3.20pm.**

**The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 20 June 2022.**

.....  
**CHAIRPERSON**