



AGENDA

Strategy, Finance and Risk Committee Meeting Monday, 20 June 2022

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

Date: Monday, 20 June 2022

Time: 9.30am

**Location: Bay of Plenty Regional Council Chambers
Regional House
1 Elizabeth 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 14 February 2022

File Number: A13578144

Author: Sarah Drummond, Committee Advisor

Authoriser: Robyn Garrett, Team Leader: Committee Support

RECOMMENDATIONS

That the Minutes of the Strategy, Finance and Risk Committee meeting held on 14 February 2022 be confirmed as a true and correct record.

ATTACHMENTS

- 1. Minutes of the Strategy, Finance and Risk Committee meeting held on 14 February 2022**



MINUTES

Strategy, Finance and Risk Committee Meeting

Monday, 14 February 2022

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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 21st 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
11.1 - Tauriko Business Estate (TBE) Potential Liability on Council	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
11.2 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 13 December 2021	<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

7.2 Minutes of the Strategy, Finance and Risk Committee meeting held on 28 March 2022

File Number: A13578147

Author: Sarah Drummond, Committee Advisor

Authoriser: Robyn Garrett, Team Leader: Committee Support

RECOMMENDATIONS

That the Minutes of the Strategy, Finance and Risk Committee meeting held on 28 March 2022 be confirmed as a true and correct record.

ATTACHMENTS

- 1. Minutes of the Strategy, Finance and Risk Committee meeting held on 28 March 2022**



MINUTES

Strategy, Finance and Risk Committee Meeting

Monday, 28 March 2022

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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, 28 MARCH 2022 AT 10.02AM**

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

IN ATTENDANCE: Marty Grenfell (Chief Executive), Tony Aitken (Acting General Manager: People & Engagement), Paul Davidson (General Manager: Corporate Services), Barbara Dempsey (Acting General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy & Growth), Gareth Wallis (General Manager: Central City Development), Steve Pearce (Acting General Manager: Regulatory and Compliance), Anne Blakeway (Manager: Community Partnerships), Kendyl Sullivan (City Partnerships Specialist), Jim Taylor (Transactional Services Manager), Ceilidh Dunphy (Community Relations Manager), Carl Lucca (Team Leader: Urban Communities), Emma Joyce (Policy Analyst), Corinne Frischknecht (Senior Policy Planner), Janine Speedy (Team Leader: City Planning), Sam Fellows (Manager: Sustainability and Waste), Kath Norris (Team Leader: Democracy Services), Cathy Davidson (Manager: Directorate Services), Coral Hair (Manager: Democracy Services), Robyn Garrett (Team Leader: Committee Support), Sarah Drummond (Committee Advisor), Anahera Dinsdale (Committee Advisor)

1 OPENING KARAKIA

Commissioner Rolleston opened the meeting with a karakia.

2 APOLOGIES**2.1 Apologies****COMMITTEE RESOLUTION SFR3/22/1**

Moved: Commissioner Bill Wasley

Seconded: Ms Rohario Murray

That apologies from Mr Te Pio Kawe and Mr Bruce Robertson be received and accepted.

CARRIED

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO ORDER OF BUSINESS

Nil

7 DECLARATION OF CONFLICTS OF INTEREST

Committee Member Matire Duncan declared a conflict in relation to item 8.10 Three Waters Reform.

8 BUSINESS

8.1 Mainstreets Monitoring Report for the period to 31 December 2021

Staff Anne Blakeway, Manager: Community Partnerships
Kendyl Sullivan, City Partnerships Specialist

External Sally Cooke, Mainstreet Tauranga
Claudia West, Mount Business Association
Sally Benning, Greerton Village Mainstreet

Key points

- All reports were taken as read and external speakers provided the committee with updates on their particular areas.
- All parties were glad of the relaxation of Covid 19 alert levels, this would allow for street pedestrian counts to be repeated in October.

Mount Mainstreet

- There were a number of well received activities in the Mount over the period including an inflatable ice rink, fairy lights and a music trail.
- Working was ongoing to revamp the monthly awards; gift vouchers had been reinstated. Outdoor movies were on hold until restrictions were further lifted to allow greater numbers of people to attend.
- Issues of street cleanliness and rubbish were being addressed.
- A new website was to be launched.

All financial reports have now been audited and a slight loss noted

Downtown Tauranga

- There was now a feeling of optimism in the CBD; however challenges still remained and there were still many empty street fronts to fill. The Association had worked to provide more good stories and sites of interest across all Main Streets.
- Commercial sector had been less active; landlords and property owners were looking at ways to draw people into the conversation. Mainstreet and council staff would look at further work in this area, the light display at Christmas was a great example of joint activation.

Greerton Village Mainstreet

- Greerton had been particularly hard hit by Covid. The businesses that had closed were not due to Covid but those that had struggled through had been very quiet for the last month. This

related to the easing of restrictions and nervousness of an older population.

- Yarn bombing was a highlight, it was a major event and last year was declared the best year ever. Mainstreet hoped to have the Cherry Blossom Festival this year.
- Mainstreet was very proud of their Christmas light display and had invested money in new lights. Great support had been received for a Christmas hamper from a cross section of businesses.
- A new website was planned.

In response to questions

- Expanding lighting opportunities would be budget dependant.
- The Committee expressed its thanks that the Mainstreets, particularly Mount Mainstreet, had gone from zero to hero in a very short time.
- Several metrics were key to all the Mainstreets, such as pedestrian traffic counts. If Mainstreet members were willing to provide anonymised data on turnover, that would allow overall trends to be assessed.
- On street parking was always an issue for members, and the Mainstreets were working with the Wednesday Challenge to initiate change.

Discussion points raised

- The committee noted a common theme of problems with street cleaning and levels of service, especially around deep cleans, This had been noted; there was a need to make sure there were clear goals.

COMMITTEE RESOLUTION SFR3/22/2

Moved: Commissioner Bill Wasley
Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee:

- (a) Receives the Mainstreets' Monitoring Report for the period to 31 December 2021.
- (b) Receives the Mount Business Association Report to 31 December 2021.
- (c) Receives the Mainstreet Tauranga Report to 31 December 2021.
- (d) Receives the Greerton Village Mainstreet Report to 31 December 2021.
- (e) Receives the Papamoa Unlimited Report to 31 December 2021.

CARRIED

8.2 Audit New Zealand Report on the Audit of Tauranga City Council for the year ended 30 June 2021 and Audit Plan for the year ended 30 June 2022

Staff Paul Davidson, General Manager: Corporate Services

External Clarence Susan, Audit New Zealand

Key points

- Noted that the first report of the year was under the old SAP system; the second report dealt with the upcoming 2022 audit.
- These reports closed the financial reporting of 2021 and the issuing of an audit plan for 2022 year. There would be a balancing required to account for the 3 Waters reform.
- Supply chains were still causing issues with increase of rates.

- Of the remaining matters in the report (15 items), these had now been resolved or would be integrated into other programmes. The most important would be dealt with as a matter of urgency.
- Audit NZ had been working with Tauranga City Council to resolve these matters. Some recommendations would be resolved with the implementation of new systems; some would require a change to reporting.
The Committee requested that the 15 outstanding matters be highlighted to show those repaired by the new SAP system, those completed and those that would require further changes.
- Mr Susan from Audit New Zealand noted that there was currently a shortage of auditors in New Zealand and they would work with staff as best they could.
- The Committee commended all involved in the process of a clear audit.

COMMITTEE RESOLUTION SFR3/22/3

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report - Audit New Zealand Report on the Audit of Tauranga City Council for the year ended 30 June 2021 and Audit Plan for the year ended 30 June 2022.

CARRIED

8.3 Adoption of draft Rates Remission Policy and draft Rates Postponement Policy for consultation

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

Key points

- The report incorporated changes from February.

In response to questions

- Clarification was provided regarding valuation and possible remission of gold kiwifruit licences. Staff were waiting for the legal proceedings to be resolved, and would then follow any direction from the courts for valuation and remission.

COMMITTEE RESOLUTION SFR3/22/4

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Adopts the draft Rates Remission Policy for consultation
- (b) Adopts the draft Rates Postponement Policy for consultation.

CARRIED

8.4 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

- The Committee commended staff on a good report that included and highlighted the consultation and conversations that had already taken place. Staff noted that there had been another hui since the report was signed off.
- Staff had been in discussion with the Western Bay of Plenty District Council, which was currently consulting on their policy, and had aimed to achieve consistency with the Western Bay. Staff however noted that, while following a similar policy approach and staff having confirmed broadly similar consensus, there were some areas and approaches that the two councils would have to agree to disagree on.
- Staff suggested that this should be highlighted in the consultation documents to allow targeted responses

COMMITTEE RESOLUTION SFR3/22/5

Moved: Commissioner Bill Wasley

Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee:

- (a) Adopts the draft Remission and Postponement of Rates on Māori Freehold Land Policy for consultation, noting the following amendments:
 - (i) A new purpose statement paraphrasing the Preamble from Te Ture Whenua Māori Act 1993.
 - (ii) Revised criteria for remission of rates, except service charges, on land subject to development to only require assessment against the benefits outlined at section 114A of the Local Government (Rating) Act 2002.
 - (iii) Provisions extending the ability to remit rates, except service charges, on land intended for development to land returned through a right of first refusal scheme or Treaty settlement or where the land is temporarily transferred to general title and held in collective ownership.
 - (iv) Provision for 100% remission of rates, except service charges, on land subject to development, or defined and agreed development or stage of development, until such time as the development or stage of development is generating income or persons are residing in the houses.
 - (v) Provision for Māori freehold land rates remission which reflects a rate based on Māori freehold land value excluding any subdivision potential unlikely to be realised in Māori ownership.
 - (vi) Provision for partial or full remission of rates, except service charges, on land that may be partially used for limited or seasonal productive use.
 - (vii) Provision clarifying that land providing non-commercial community benefit to Māori or papakāinga is eligible for 100% remission of rates, except service charges.

CARRIED

8.5 TCC Urban Design Framework

Staff Corinne Frischknecht, Senior Policy Planner
Carl Lucca, Team Leader: Urban Communities

Key points

- The report was taken as read and minor amendments were made to the resolution following discussion and questions.

In response to questions

- Staff undertook to provide more information and reports from the Auckland Unitary Authority on their Design Panel Process.
- The Committee noted a lack of specific emphasis on greening of the urban landscape and a restriction of panel members that might inhibit innovation from other areas. These matters would be addressed by incorporation into the Design Panel Guidelines.
- Public design space would be captured through the Environment Strategy refresh process. This report covered private spaces.
- The Committee noted that these matters would need to operate in both spaces.
- It was intended that the Panel would provide a strong local voice and be able to provide good advice and learning from the city as a whole.
- Under this process, there would be an urban design planner assigned from the time of application to the end of the application process.
- There would be strong advice and advocacy for applicants of the benefit of the Urban Design Panel process.
- Mana whenua values should be considered at the front of the application process and reflected as a voice both on the Panel and in the application documentation.
- The cCommittee considered this process would provide great benefit, would like to see it include public transport and also come together as part of overall urban design.
- The Committee noted that the scope of panel advice required some rationalisation and prioritisation.

COMMITTEE RESOLUTION SFR3/22/6

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Adopts an Urban Design Framework to promote and facilitate high quality urban design outcomes in Tauranga City, including:
 - (i) Setting up an **Urban Design Panel**, in line with the proposed Terms of Reference
 - (ii) Incorporating urban design policy into the City Plan, supported by appropriate urban design guidelines
 - (iii) Providing for ongoing awareness and promotion of urban design requirements and outcomes sought through educational and promotional material.
 - (iv) Establishing internal staff resources to implement the Urban Design Framework.
 - (v) Ensuring alignment with other relevant planning documents (including but not limited to the Street Design Guide and Strategy Refresh).

- (b) Delegates authority to the Chief Executive and General Manager, Strategy & Growth to refine the draft Terms of Reference;
- (c) Notes that the Executive Report on the 2022/23 Annual Report will include provision for funding for the senior urban design and support administration roles, totalling an estimated \$173,000 per annum.
- (d) Requests that staff report back to the Committee on progress and implementation in no later than 18 months' time.

CARRIED

8.6 Plan Change Work Programme for 2022

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

Key points

- Staff provided a brief overview of the report noting that at present Plan Change 26 (PC 26) remained on hold as further direction was expected from the Minister that may provide a better pathway.

In response to questions

- The proposed Plan Change would incorporate key corridors in Greerton, Gate Pa and potentially The Mount and Cherrywood. The Plan Change would be notified in August then appeals would only be on points of law.
- This process would allow the same intensification as PC 26 but was a more streamlined process; either pathway would require the same process of including all spatial work into the plan which would come back to the Committee by end of June for further discussion.
- The proposed legislation was restrictive on what Council could do, the raw frameworks completed for PC26 would be used to inform the work.
- The new framework would not allow the previous approach of rules that did not allow encroachment on the building envelope. For example, PC 26 had a blank façade rule which could not now be implemented under the proposed legislative process. There are other potential legal impacts on issues such as fencing and waste management that staff are working through one by one.
- The Council would define a walkable catchment; staff would bring proposals back to the Committee and seek guidance from the Committee on this matter once affected corridors and areas have been defined. Currently staff were working to align with other councils as practicably as possible on these rules.
- Council's submission voiced concern over the 'three dwellings as of right' rules, as these might cause unforeseen consequences for infrastructure development and planning. Staff advised that where a resource consent was required there was an infrastructure capacity rule available that looked at non RMA rules. Staff were working to determine if some controls could be added at this point around infrastructure.
- There were currently some timeframes that may require further engagement with central government on these areas of concern e.g. transportation risk.

Discussion points raised

- Feedback was provided that at present what was not in the proposal was what was not available – an ability to achieve rapid processes for rapid changes for the city, there were no provisions for greenfield development.
- The Committee acknowledged the previous great work from staff on PC26 and noted that it must be hugely disappointing to not take that forward.
- The Committee might not be able to work to paragraph 8 and have no other plan changes. They would like to revisit this at the end of 2022 and for staff to report back.

- The Commissioners had been tasked to look after the city and grow it in a proud way. They and the Committee acknowledged that the proposed legislation presented a challenge to those coming forward for future councils.

COMMITTEE RESOLUTION SFR3/22/7

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Approves proceeding with a plan change to implement the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act by:
 - (i) Applying the Medium Density Residential Standards to residential zones (currently identified as Suburban Residential, Wairakei Residential, City Living and High-Density Residential zones) with an appropriate rule framework; and
 - (ii) Giving effect to Policy 3 in the National Policy Statement on Urban Development to maximise heights in the City Centre Zone, enable at least 6 storeys within a walkable catchment of the city centre and enable residential building height and density appropriate to local, neighbourhood and town centres.
- (b) Notes that greenfield urban growth areas (Te Tumu and Tauriko West) and private plan changes will be progressed through planning processes separate from (a) above.
- (c) Notes that Plan Change 26 (Housing Choice) remains on hold to retain the opportunity to notify a variation if subsequently identified as the most appropriate pathway.

CARRIED

At 12.27pm the meeting adjourned.

At 1.15pm the meeting reconvened.

8.7 Adoption of draft Waste Management and Minimisation Bylaw 2022 for consultation

Staff Nic Johansson, General Manager: Infrastructure
Sam Fellows, Manager: Sustainability and Waste

Key points

- In current practice multi-unit dwellings as an area of rubbish collection had been set by an ad hoc bylaw. The new bylaw would allow developers to place waste minimisation practices into development plans; a second phase would be to add in demolition waste. At present, as staff are working on a region-wide approach with the Western Bay of Plenty, conditions had not been made too onerous.
- The proposed bylaw included recognition of the Treaty of Waitangi.
- Staff noted that there will be new legislation released from central government that would be taken into account.

In response to questions

- The Morrison Low report had been reviewed and advised the formation of the proposals. It compared Tauranga city operations with other cities and provided a basis for the proposed plan and bylaw.
- There is a small but wide definition of Māori values in the proposal especially as related to Māori land blocks, to ensure the right consultation is undertaken to have all views and perspectives on board.

- The proposed bylaw was mirrored throughout the Bay of Plenty and acknowledged the need to bring the commercial sector on a journey to change.

COMMITTEE RESOLUTION SFR3/22/8

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- (a) Approves the draft Waste Management and Minimisation Bylaw 2022 (**Attachment A**) for community consultation.
- (b) Adopts the Statement of Proposal for the draft Waste Management and Minimisation Bylaw 2022 (**Attachment B**) for community consultation.
- (c) Resolves that in accordance with section 155 of the Local Government Act 2002, the proposed draft Waste Management and Minimisation Bylaw 2022, is the most appropriate and proportionate way of addressing the perceived problem and does not give rise to any implications under the New Zealand Bill of Rights Act 1990.
- (d) Delegates to staff the ability to make any minor edits or amendments to the draft Waste Management and Minimisation Bylaw 2022 or Statement of Proposal to correct any identified errors or typographical edits.

CARRIED

8.8 Adoption of draft Waste Management and Minimisation Plan 2022-2028 for consultation

Staff Nic Johansson, General Manager: Infrastructure
Sam Fellows, Manager: Sustainability and Waste

Key points

- Staff provided a summary of the Plan.

In response to questions

- The Committee noted that the report told the story of current problems and set the case for change but no summary for actions.
- There would be a large amount of monitoring that would be required.
- There were currently not many hard facts or details for the Committee to look at. At higher levels this would enable the region to apply for central government levy money that would see half of waste charges returned to be directed to further initiatives.
- It was anticipated that the Plan would form a living document and may change in yearly effect, with concrete actions added, legislative change incorporated and a proactive focus on not creating double handling or workload.
- It was expected that a yearly delivery report containing plans for the following year would be provided to Council.
- Given recent Covid disruptions to recycling and green waste disposal, under the proposed plan these could be elevated in priority.

COMMITTEE RESOLUTION SFR3/22/9

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Approves the draft Waste Management and Minimisation Plan 2022-2028 (**Attachment A**) for community consultation.
- (b) Delegates to staff the ability to make any minor edits or amendments to the draft Waste Management and Minimisation Plan 2022-2028 or Statement of Proposal to correct any identified errors or typographical edits.

CARRIED

8.9 Q2 2021/22 LGOIMA and Privacy Requests

Staff Tony Aitken, Acting General Manager: People and Engagement
Kath Norris, Team Leader: Democracy Services

Key points

- Staff provided a summary of recent trends and the number of requests received.

In response to questions

- It was expected that the current trend of increasing requests would continue.

COMMITTEE RESOLUTION SFR3/22/10

Moved: Commissioner Stephen Selwood

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- (a) Receives the report Q2 2021/22 LGOIMA and Privacy Requests.

CARRIED

8.10 Three Waters Reform Update Report

Staff Nic Johansson, General Manager: Infrastructure
Cathy Davidson, Manager: Directorate Services

Key points

- The staff summary of the report noted that there had been little recent movement and the report was mainly an information report detailing facts as known.
- Following expected further announcements, this issue would come back to a future Council meeting after consultation with the community and including staff comment on those concerns raised.

Discussion points raised

- Noted the importance of consultation with Te Rangapū.

COMMITTEE RESOLUTION SFR3/22/11

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report Three Waters Reforms Programme update to the end of February 2022.
- (b) Notes the establishment of the following structures to undertake ongoing work related to the three waters reforms.
 - (i) Project Team
 - (ii) Project Steering Group
- (c) Supports the continuation of Tauranga City Council working with National Transition Unit, including the responses to information requests, nominations for National Reference Groups and Entity B Local Transition Team and working alongside other local authorities in the Entity B region.
- (d) Notes the recommendations of the Working Group on Representation, Governance and Accountability.
- (e) That the Project Steering Group appraises the recommendations from the Working Group on Representation, Governance and Accountability report, and reports to Council how those recommendations respectively respond, or otherwise, to concerns captured from community, Te Rangapū and commission, in relation to the original governance proposal.

CARRIED

9 DISCUSSION OF LATE ITEMS

Nil

10 PUBLIC EXCLUDED SESSION**RESOLUTION TO EXCLUDE THE PUBLIC****COMMITTEE RESOLUTION SFR3/22/12**

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the public be excluded from the following parts of the proceedings of this meeting. Mr Nathan Speir of Rice Speir (Counsel) will be present for item 10.4

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Quarterly Security Report - Q4 2021	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	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
10.2 - Corporate Risk Register - Quarterly Update	<p>s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</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)(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>	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
10.3 - Internal Audit - Quarterly Update	<p>s6(b) - The making available of the information would be likely to endanger the safety of any person</p> <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)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</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
10.4 - Litigation Report	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for

	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	which good reason for withholding would exist under section 6 or section 7
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CARRIED

Mr Robertson entered the meeting at 2.30 pm

Commissioner Wasley left the meeting at 2.33 pm

11 CLOSING KARAKIA

Commissioner Rolleston closed the meeting with a karakia.

The meeting closed at 2.39 pm.

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

8 DECLARATION OF CONFLICTS OF INTEREST

9 BUSINESS

9.1 Local Alcohol Policy Review: Deliberations

File Number: A13239261

Author: Jane Barnett, Policy Analyst

Ruth Woodward, Team Leader: Policy

Jeremy Boase, Manager: Strategy and Corporate Planning

Authoriser: Steve Pearce, Acting General Manager: Regulatory and Compliance

PURPOSE OF THE REPORT

1. To consider the submissions received on the draft Local Alcohol Policy (the draft policy).

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Decides on the options in the submission summary document (**Attachment One**) as follows.

No.	Issue	Option
One	Closing time for on-licensed premises in Tauranga Central City	Option A: Change the closing time to 2am. Recommended
Two	One-way door provision	To be determined at meeting
Three	Presentation of club licence provisions	Option A: Create a separate section for club licences. Recommended
Four	Club trading hours	To be determined at meeting
Five	Opening sales time for off-licensed premises	To be determined at meeting
Six	Final sales time for off-licensed premises	To be determined at meeting
Seven	Number and density of off-licensed premises	To be determined at meeting
Eight	Location proximity provisions for off-licensed premises	To be determined at meeting
Nine	Location provisions for on-licensed premises	To be determined at meeting
Ten	Discretionary conditions for off-licensed premises	To be determined at meeting
Eleven	Format of hours in policy	Option A: No format change - retain the presentation of opening and closing hours in the same line. Recommended

And either

- (b) Recommend to Council to adopt the resulting proposed provisional Local Alcohol Policy for public notification
- (c) Authorises the Chief Executive to make any necessary minor drafting or presentation amendments to the proposed provisional Local Alcohol Policy, prior to the commencement of public notification.

or

- (d) Directs staff to develop selected options further and report back to the Committee for direction on these so they can be incorporated into a revised draft Local Alcohol Policy for community consultation.

EXECUTIVE SUMMARY

2. Developing a Local Alcohol Policy (LAP) is inherently complex. The differing views within the community, the resource intense appeal process and lack of and sometimes conflicting evidence make LAPs difficult to determine and put in place (see **Attachment Two**).
3. The current Tauranga and Western Bay of Plenty District's Joint LAP is due for review. As part of this review the Committee, after consultation with the Police, Medical Office of Health, licensing inspectors, and initial feedback from other stakeholders, approved a draft policy for community consultation on the 1 November 2021.
4. The draft policy only includes matters relating to Tauranga, in a move away from a joint policy as Western Bay of Plenty District Council was preparing their own policy
5. This community consultation was undertaken from 17 November 2021 to 20 December 2021. 158 submissions were received, and 15 submitters presented at the Committee meeting on 14 March 2022.
6. A summary of submissions has been attached to this report (see **Attachment One**). It outlines the issues raised by submitters, and options for the Committee to consider. The full copy of submissions is available with the agenda for the 14 March 2022 Committee meeting.
7. The four main issues raised were the:
 - closing time for on-licensed premises in the city centre
 - opening hours for off-licensed premises
 - location and number of any potential off-licensed premises
 - discretionary conditions for off-licensed premises.
8. Submitters have different views how the proposed earlier closing time for on-licensed premises in the city centre (2am instead of the current 3am) will impact on alcohol related harm. The majority (67%) of submitters oppose the reduction and believe it would not reduce alcohol harm.
9. Other submitters, including the Police, licensing inspectors and the Medical Officer of Health¹ support the reduction in hours and put forward evidence that the earlier closing time would reduce alcohol harm in the community.
10. Several submitters were also concerned that the draft policy did not make any changes to off-licence provisions. These submitters wanted alcohol harm addressed by reducing trading

¹ Under the Act, Police, Medical Officers of Health, and inspectors must be consulted before producing a draft Local Alcohol Policy.

hours and restrictions on the number and location of off-licensed premises (particularly in high deprivation areas) and adding discretionary conditions.

11. Issues with the current District Licensing Committee representation, notification of licence applications and monitoring were also identified both during community consultation and pre-engagement.
12. The Committee is now asked to make decisions on the issues raised by submitters. Depending on the decisions made, a provisional LAP could be recommended to Council for adoption or direction could be given to work on further developing options to develop a revised draft policy for community consultation.
13. When making decisions on the options Council must consider several matters (see **table One below** and **Attachment Two**). Primarily, the objective of the Sale and Supply of Alcohol Act 2012 (the Act) along with the evidence and benefits and costs associated with each option. The Alcohol Regulatory and Licensing Authority (ARLA) ruling in the Wellington appeal case signals that the Committee should not give weight to wider economic or strategic concerns, such as vitality of the City Centre, or promoting the night-time economy (see **Attachment Three**).

BACKGROUND

The draft Local Alcohol Policy

14. On 1 November 2021, the Committee approved the draft LAP and Statement of Proposal for community consultation, in accordance with the Special Consultative Procedure. A summary of the legal requirements for preparing and reviewing the LAP is set out in **Attachment Two**.
15. The draft LAP largely retained the current joint Tauranga and Western Bay of Plenty District's Joint Alcohol Policy. Two key changes were proposed:
 - reducing the closing time for on licensed premises in the Tauranga city centre – to 2am instead of the current 3am
 - changing the one-way door provisions because of the proposed change in closing time. The one-way door would now start at 1am in the Tauranga City Centre.
16. The draft policy also includes only matters relating to Tauranga, in a move away from a joint policy as Western Bay of Plenty District Council was preparing their own policy. They adopted their policy on 12 May 2022, and it is due to come into force on 21 August 2022.
17. The other change proposed was a formatting change to present the conditions for club licences separately. Currently the conditions for club licences are incorporated in the on-licensed premises section of the policy.

Community submissions

18. The community was asked for their views on the proposed changes to the policy. 158 submissions were received, and 15 submitters presented at the Committee meeting on the 14 March 2022.
19. 63 percent of submitters strongly disagreed with the proposed reduction in hours and a further 4 percent somewhat disagreed. While 27 percent of submitters strongly agreed and just under 2 per cent somewhat agreed.
20. This split was also reflected when submitters were asked if they agreed with the change to the one-way door provisions. With just under 60 percent strongly disagreeing with the proposed change and 25 per cent strongly agreeing.
21. These submitters believe that the changes would not reduce alcohol harm and would impact on the hospitality sector and on the potential vibrancy of the city.

22. Other submitters, including the Police, the Medical Officer of Health and Te Rūnanga o Ngāi Te Rangi Iwi Trust (TRONIT) supported the proposed changes and cited evidence that the changes would reduce alcohol related harm.
23. Several submitters believed the changes did not go far enough to address alcohol harm in the community. These submitters advocated for a reduction in trading hours and restrictions on the number and location of off-licensed premises, (particularly in high deprivation areas) and for discretionary conditions.
24. Issues with the current District Licensing Committee representation, notification of licence applications and monitoring were also identified both during community consultation and pre-engagement.

Hearings

25. At the hearings meeting, the Committee heard a diverse range of views on whether the proposed changes to the current LAP would reduce alcohol harm and what further changes could be considered.
26. The available evidence was discussed. The Committee requested further information including the key reports looking at the impact of reduced hours on alcohol harm, information on LAPs in other metropolitan areas, and Police data prior to the current LAP being put in place. This information is included in **Attachment Four** to this report.

Deliberations

27. The Committee are now asked to make decisions on the issues raised by submitters. Depending on the decisions made, a provisional LAP could be recommended to Council for adoption, or direction could be given to work on developing options further to develop a revised draft policy for community consultation.
28. All the issues raised by submitters and the options for responding to these are set out in **Attachment One**. For most issues staff recommendations are not provided due to the nature and different viewpoints on the issues and related evidence.
29. When making decisions on the options Council must consider several matters (see Table One below). The objective of the Act is the key consideration.
30. This is:
 - the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and
 - the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

Table One: Matters to be considered when making decisions on the LAP

Consideration	Overview
<i>Objective of the Act</i>	Whether the proposal would help to minimise harm from excessive and inappropriate consumption and whether it would allow for the safe and responsible sale, supply, and consumption of alcohol.
<i>Statutory considerations</i>	<p>Considerations specified at section 78(2) of the Act:</p> <ul style="list-style-type: none"> the objectives and policies of its district plan the number of licences of each kind held for premises in its district, and the location and opening hours of each of the premises any areas in which bylaws prohibiting alcohol in public places are in force the demography of the district's residents the demography of people who visit the district as tourists or holidaymakers the overall health indicators of the district's residents the nature and severity of the alcohol-related problems arising in the district.
<i>Evidence</i>	Strength of evidence to support the option.
<i>Feedback</i>	Assessment of submissions in terms of anticipated reductions in alcohol harm
<i>Benefits and Costs</i>	<p>The benefits and costs associated with each option including:</p> <ul style="list-style-type: none"> the potential to reduce alcohol related harm any very significant adverse impact on businesses only if the anticipated reduction in alcohol-related harm is relatively insignificant.

31. In considering whether the options meet the objective of the Act, the strength of the available evidence and community feedback, along with the benefits and costs associated with each option, need to be assessed by the Committee.
32. Staff sought legal advice on what matters could be considered when making decisions on the issues raised. In particular, whether the Committee could consider the financial impact of the proposed changes on businesses and any impacts on vitality of the city centre.
33. The legal advice reported that submissions should be assessed primarily in terms of anticipated reduction in alcohol-related harm. The Committee can consider adverse economic impacts, but these concerns should only apply where the economic impacts are very significant and the anticipated reduced in alcohol-related harm are relatively insignificant (see **Attachment Three**).
34. The legal advice also reported on the Alcohol Regulatory and Licensing Authority ruling in the Wellington case. This case law informs that the Committee should not give weight to wider economic or strategic concerns, such as vitality of the city centre, or promoting the night time economy (see **Attachment Three**).

STRATEGIC / STATUTORY CONTEXT

35. Currently Council is refreshing its strategic framework and developing a City Vision. This work will ensure Council has a current and cohesive strategic framework that provides a

clear line of sight from Council activities and policies to strategy documents and from there to the City's Vision and adopted Community Outcomes.

36. The LAP is one tool in working towards Council's community outcome of 'An inclusive city'. This includes people feeling safe in their homes, neighbourhoods and public places.
37. A LAP is required to be reviewed every six years. LAPs are restricted in what they can contain (see **Attachment Two**).
38. In accordance with the Act, Council has, in preparing the draft LAP consulted with the Police, licensing inspectors and Medical Officers of Health (section 78(4) of the Act) and had regard to the matters set out in section 78(2) of the Act.

OPTIONS ANALYSIS

39. The options for responding to the issues raised are set out in **Attachment One**.

LEGAL IMPLICATIONS / RISKS

40. The legal implications and risks are dependent on the changes, if any, made to the draft policy.
41. There are legal risks if the Committee takes into consideration matters outside the scope of the objective Act as noted in the legal advice received (see **Attachment Three**).

CONSULTATION / ENGAGEMENT

42. As set out in the Act, before producing the draft LAP the Police, inspectors and Medical Officers of Health were consulted (section 78(4)).
43. In accordance with the Act the special consultative procedure was used to consult on the draft policy. Targeted consultation was carried out with the hospitality sector, mana whenua, Hauora organisations, main street organisations, ratepayer associations and other community support organisations.
44. Staff met with Police and some CBD bar owners as part of the consultation process. Staff invited further submissions, acknowledging that the consultation period occurred at a busy time for the hospitality industry.
45. Staff also met with Ngāi Te Rangi during the consultation period to listen to their concerns and feedback.

SIGNIFICANCE

46. 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.
47. 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 decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
48. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.








ENGAGEMENT

49. Taking into consideration the above assessment, that the issue is of medium significance, officers are of the opinion that no further engagement is required prior to Council considering the issues raised by submitters.
50. However, in deliberating on the issues the Committee may decide on options that will ultimately require further community consultation. This is set out in the submission summary (see **Attachment One**).

NEXT STEPS

51. Depending on the decisions made by the Committee, a provisional Local Alcohol Policy could be recommended to Council for adoption, or direction could be given to work on developing the selected options so they can be incorporated into a revised draft policy for community consultation.

ATTACHMENTS

1. **Attachment One - Submission Summary - A13495850**  
2. **Attachment Two - LAP context and process - A13544829**  
3. **Attachment Three - Legal advice on LAP deliberation considerations - A13545031**  
4. **Attachment Four - Information requested by the Committee at the LAP hearings - A13512772 (Separate Attachments 1)** 

ATTACHMENT ONE: SUBMISSION SUMMARY

The issues raised by submitters are considered for the Committee to make decisions on.

Submitters' positions are summarised, and options are presented with the advantages and disadvantages of each option set out. Available evidence is also identified. Full submissions are available with the agenda for the [14 March 2022 Committee meeting](#). The Background report that considers the matters required to be considered under section 78 (2) of the is available with the agenda for the [1 November 2021 Committee meeting](#).

This submission summary is presented in two parts:

- Part One sets out the issues that directly relate to the draft LAP.
- Part Two sets out the issues relating more generally to Council's alcohol licensing activity or bylaw.

In Part One:

- direction is sought from the Committee on what option they wish to take
- blue highlighted options show what was consulted on in the draft policy
- some options require further community consultation (as they have not previously been consulted on). If the Committee decide to go forward with any of these options, they will be investigated further and brought back to the Committee for specific direction.

Issues in Part One

Number	Issue
One	Closing time for on-licensed premises in Tauranga Central City
Two	One-way door provision
Three	Presentation of club licence provisions
Four	Club trading hours
Five	Opening sales time for off-licensed premises
Six	Final sales time for off-licensed premises
Seven	Number and density of off-licensed premises
Eight	Location proximity provisions for off-licensed premises
Nine	Location provisions for on-licensed premises
Ten	Discretionary conditions for off-licensed premises
Eleven	Format of hours in policy

Issues in Part Two

Number	Issue
One	Communication and collaboration
Two	Alcohol Control Bylaw and litter

PART One: Issues relating to the provision in the draft Local Alcohol Policy

Issue One: Closing time for on-licensed premises in Tauranga Central City The draft LAP proposed reducing the closing time from 3am to 2am for on-licensed premises in Tauranga Central City			
Submission Summary	Options	Advantages	Disadvantages
<p>Submission Survey Results</p> <p>63% strongly disagree</p> <p>4% somewhat disagree</p> <p>3% neutral</p> <p>2% somewhat agree</p> <p>28% strongly agree</p> <p><i>Points raised by submitters opposing the change:</i></p> <ul style="list-style-type: none"> negative impact on hospitality sector in the CBD likely to shift harm instead of reducing it potential loss of inner-city vibrancy. <p>NOTE: Any impact on the vibrancy of the city cannot be considered (see Attachment C)</p> <p><i>Points raised by submitters supporting the change:</i></p> <ul style="list-style-type: none"> will significantly reduce harm Police data concurs with research that there is an increased risk of harm when venues close after midnight especially when premises are clustered together. 	<p>Option A: Change the closing time to 2am.</p> <p>RECOMMENDED OPTION</p>	<ul style="list-style-type: none"> Evidence from the Police indicates that this would assist in reducing alcohol offences in the community. Potential to reduce alcohol related hospital admissions and assaults*. Reducing alcohol harm aligns with the objective of the Act and Council's community outcomes. Sends message to the community on alcohol harm. Reflects proposal by the Police and supported by Medical Officer of Health. <p>*Refer to consideration of available evidence below</p>	<ul style="list-style-type: none"> May shift alcohol harm to different location (potential for alcohol consumption to occur in an unregulated environment) and/or time. Potential impact on the profitability of some licensed premises in the city centre.
	<p>Option B: Retain the current closing time of 3am</p>	<ul style="list-style-type: none"> Prevent and/or minimise any shift of alcohol harm to unregulated environments. No impact on current on-licensed premises in the city centre. 	<ul style="list-style-type: none"> Does not address significant alcohol harm occurring in the area. Does not reflect evidence from the Police and Medical Officer of Health. Does not send a message to the community on alcohol related harm.

Issue One: Closing time for on-licensed premises in Tauranga Central City**The draft LAP proposed reducing the closing time from 3am to 2am for on-licensed premises in Tauranga Central City****Consideration of available evidence****Evidence of alcohol related harm**

Evidence from the Police and from the DHB show there is significant harm caused by alcohol in the CBD. (See [BACKGROUND REPORT from the 1 November 2021 Committee Meeting Agenda](#))

- Analysis of public order offences in Tauranga Central show a heightened distribution on the weekends and peaks at midnight to 3:00am.
- Tauranga Central is ranked 7th (out of a total of 1853 geographic areas across NZ) for hospital admissions with a primary or secondary diagnosis wholly attributable to alcohol over the 2014-2019 period.
- Recent road policing operations showed apprehension rates were higher on Saturday nights with a noticeable increase in the apprehension rate from Midnight through to 4am
- Police testimonials: *'There is clear and obvious difference in the amount of alcohol related harm between the Mount and Tauranga's CBD. Tauranga CBD would see a significantly higher number of assaults, fights, disorder, drink driving and other alcohol related issues. My observation over the years is that the 0100 closing time in Mount Maunganui is the main factor in the lower number of alcohol related issues'*.

Evidence on impact of reducing the closing time from 3am to 2am

- Police state that the change in closing time would assist in reducing alcohol harm in the CBD.
- A NZ study found that drinkers who bought alcohol after 2am from on-licences were 2.9 times more likely to drink high amounts of alcohol compared to those who purchased before 2am. They were also twice as likely to drink frequently¹.
- Although there is no research specifically relating to the impact on alcohol related harm from moving from a 3am to 2am closing, there is research showing:
 - hospitalizations and assaults reduced significantly following restrictions on late night alcohol sales in New Zealand. Most significant amongst 15-29 years-olds who made up half of all hospitalisations².

¹ Casswell, S., Huckle, T., Wall, M., & Yeh, L.C (2014) International Alcohol Control study: pricing data and hours of purchase predict heavier drinking. *Alcoholism Clinical and Experimental Research*. 2014; 38(5):1425-31. <https://www.hamilton.govt.nz/our-council/policies-by-laws-legislation/policies/Documents/LAP%20Handout%20-%20International%20Alcohol%20Control%20Study%2007-04-14.pdf>

² . Connor, J., Maclennan, B., Huckle, T., Romeo, J., Davie, G., & Kypri, K. (2020). Changes in the incidence of assault after restrictions on late-night alcohol sales in New Zealand: evaluation of a natural experience using hospitalization and police data. *Society for the Study of Addiction*, 116, 788-798. <https://doi.org/10.1111/add.15206>

Issue One: Closing time for on-licensed premises in Tauranga Central City**The draft LAP proposed reducing the closing time from 3am to 2am for on-licensed premises in Tauranga Central City****Evidence continued**

- Although only a small proportion of premises (1% of alcohol shops, 9% of supermarkets and 6% of bars and night clubs) were affected by the national trading hour restrictions set in the Act a significant gradual permanent decrease of 12.4% was found for late-night assaults between 4am and 6am.³
- A 37% decrease in assaults in Newcastle, Australia when premises reduced their trading hours (from 5am to 3.30am). No displacement to other neighbours or premises took place as a result of reducing hours in one particular area.⁴
- An agent-based stimulation model suggests that restricting trading hours of licenced venues reduces rates of alcohol harm.⁵
- A review of ten qualifying studies in high income countries concluded that increasing hours of sale by 2 or more hours increases alcohol related harm. Policies decreasing hours of sale by 2 or more at on-premises outlets may be an effective strategy for preventing alcohol related harm.⁶
- Reducing on-licence trading hours in Timaru from 5am to 3am resulted in a 64% decrease in recorded violent assaults.⁷

³ Huckle, T., Parker, K., Mavoa, S and Casswell, S., (2020) Reduction in Late-Night Violence following the Introduction of National New Zealand Trading Hour Restrictions <https://onlinelibrary.wiley.com/doi/10.1111/acer.14285>

⁴ Kypri, K., Jones, C., McElduff, P., & Barker, D. (2011) Effects of restricting pub closing times on night-time assaults in an Australian city. *Addiction* 106(2), 303-310. <https://doi.org/10.1111/j.1360-0443.2010.03125.x>

⁵ Atkinson, J., Prodan, A., Livingston, M., Knowles, D., O'Donnell, E., Room, R., Indig, D., Page, A., McDonnell, G and Wiggers, J (2018) Impacts of licensed premises trading hour policies on alcohol related harms, Addiction Research Report https://iogt.org/wp-content/uploads/2018/07/Atkinson_et_al-2018-Addiction.pdf

⁶ Hahn, R., Kuzara, J., Elder, R., Brewer, R., Chattopadhyay, S., Fielding, J., Naim, T., Tommey, T., Middleton, J., Lawrence, B and the Task Force on Community Preventive Services (2010) Effectiveness of Policies Restricting Hours of Alcohol Sales in Preventing Excessive Alcohol Consumption and Related Harms, *Am J Preventive Medicine* 2010 Dec; 39(6) 590-604 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3712516/>

⁷ NZ Police (2009) Policing Fact Sheet: Licensed premises trading hours. Prepared by Organisational Performance Group, Police National Headquarters.

Issue Two: One-way door provision The draft LAP proposed to start one-way door provisions at 1am (instead of 2am) to align with the proposed changes in opening hours in the Tauranga Central City area (issue one above)			
Submission Summary	Options	Advantages	Disadvantages
Submission Survey Results 60% strongly disagree, 7% somewhat disagree 1% neutral 25% strongly agree 5% somewhat agree Points raised by submitters opposing the change: <ul style="list-style-type: none"> negative impact on businesses – due to customers not coming over from the Mount or people leaving Mount bars earlier to get to CBD earlier will not reduce harm – potential to move to uncontrolled environment and people to become separated should be up to individual businesses potential loss of inner-city vibrancy NOTE: Any impact of the vibrancy of the city cannot be considered (see Attachment Three). 	Option A: Start the one-way door provision at 1am. Note: To retain a one-hour one way door approach, this option is only valid if option A is the preferred option in Issue One above	<ul style="list-style-type: none"> Evidence from the Police indicates that this would assist in reducing alcohol offences – by reducing the number of people leaving at the same time and coming over from the Mount. Potential to reduce alcohol related hospital admissions if assaults are reduced. Reducing alcohol harm aligns with the objective of the Act and Council's community outcomes. Sends a message to the community on alcohol related harm. Reflects proposal by the Police and supported by Medical Officer of Health. 	<ul style="list-style-type: none"> Potential impact on the profitability of some CBD on-licences. May shift alcohol harm to a different location (potential for alcohol consumption to occur in an unregulated environment) and/or time. May cause people to be separated from each other and be in vulnerable situations.
	Option B: Start the one-way door provision at 2am. Note: To retain a one-hour one way door approach, this option is only valid if option B is the preferred option in Issue One above.	<ul style="list-style-type: none"> Would help prevent and/or minimise any shift of alcohol related harm to unregulated environments. No impact on current licensed premises in the city centre. 	<ul style="list-style-type: none"> Does not attempt to address significant alcohol harm that is occurring in the area. Does not reflect evidence from the Police and Medical Officer of Health. Does not send a message to the community on alcohol related harm.

Issue Two: One-way door provision The draft LAP proposed to start one-way door provisions at 1am (instead of 2am) to align with the proposed changes in opening hours in the Tauranga Central City area (issue one above)			
<ul style="list-style-type: none"> Points raised by submitters supporting the change: will significantly reduce harm will decrease the number of people coming over to the CBD from the Mount which will reduce harm. 	Option C: Remove the one-way door provision – with a view to working with the sector to implement a last drinks policy.	<ul style="list-style-type: none"> May help prevent and/or minimise any shift of alcohol harm to unregulated environments. May prevent people being separated from each other. Sends a message to the community on alcohol related harm. 	<ul style="list-style-type: none"> Does not attempt to address significant alcohol related harm that is occurring in the area. Does not reflect evidence from the Police and Medical Officer of Health.
Consideration of available evidence			
<p>Evidence of alcohol harm in the area See information in issue one above</p> <p>Evidence of one-way door conditions</p> <ul style="list-style-type: none"> Police state that <i>“The one-way door restriction set out in the LAP... has assisted in the reduction of alcohol related harm. The one-way door restrictions offer a simple effective method of lowering the risk of late night (pending premise closure) binge drinking. It also has the benefit of reducing the risk of people loitering outside licensed premises as they know they will not be admitted”</i>. Other submitters say that the one-way door is not effective because it often splits groups and results in people wandering around trying to find each other and this significantly increases the safety risks. Evaluation on the one-way door policy implemented in Whangarei CBD⁸: <i>“Cannot definitively conclude from the quantitative analysis that the Whangarei one-way door policy has decreased Police calls-for-service or observed antisocial behaviour in the Whangarei CBD. However, the qualitative evidence based on the observations of those who are likely to be best able to evaluate the on-the ground reality of the implementation and effects of the policy, suggests that the overall impacts have been positive”</i> Evaluation of the Christchurch one-way door intervention in 2008 found that while there was no overall reduction in alcohol related crime in the inner city, there were reductions in some subsets of crime – offences on Saturday-Sunday night decreased by 4% and serious violence offences were decreased by 22%. It also showed that the one-way door intervention relied on effective working relationships by all parties.⁹ Studies evaluating one-way door policies in Australia have shown: 			

⁸ Cameron, M., Brown, J., Cochrane, W and Robertson., N (2018) An evaluation of the Whangarei one-way door policy, University of Waikato commissioned research report.

⁹ Kirkwood, L and Parsonage, P (2008) Evaluation of the Christchurch city one-way door intervention

Issue Two: One-way door provision

The draft LAP proposed to start one-way door provisions at 1am (instead of 2am) to align with the proposed changes in opening hours in the Tauranga Central City area (issue one above)

- That the introduction of a one-way door restriction in Newcastle reduced the incidence of assault by 37%.¹⁰
- A five year follow up study showed that these results were maintained. However, this study also found no evidence that the one-way door and other management strategies were effective in nearby Hamilton.¹¹

Issue Three: Presentation of club licence provisions

The draft LAP proposes a separate club licence section in the policy – no actual change to the provisions just a formatting to change to make the policy clearer

Submission Summary	Options	Advantages	Disadvantages
Submission Survey Results 20% strongly disagree 6% disagree 39% neutral 17% somewhat agree 18% strongly agree Many submitters did not support this proposal because they do not support the current trading hours for club licences (this issue is considered in issue 4 below). One submitter noted that it would “make things clearer for those applying”.	Option A: Create a separate section for club licences. RECOMMENDED OPTION	<ul style="list-style-type: none"> Provides greater clarity. Helps to recognise the difference in intent around club licences and on-licences and the association with club activities. 	<ul style="list-style-type: none"> No disadvantages.
	Option B: Retain the current format of incorporating club licences into the on-licence section.	<ul style="list-style-type: none"> No advantages. 	<ul style="list-style-type: none"> Does not increase the clarity of the policy or improve the ease of identifying the provisions for club licences.

¹⁰ Kypri, K., Jones, C., McElduff, P., & Barker, D. (2011) Effects of restricting pub closing times on night-time assaults in an Australian city. *Addiction* 106(2), 303-310. <https://doi.org/10.1111/j.1360-0443.2010.03125.x>

¹¹ 5. Kypri, K., McElduff, P., & Miller, P. (2014). Restrictions in pub closing times and lockouts in Newcastle, Australia five years on. *Drug and Alcohol Review*. Doi: 10.1111/dar.12123.

Issue Four: Club trading hours			
Submission Summary	Options	Advantages	Disadvantage
<p>Eight submitters are concerned around the hours of club licences, and many sought a reduction in the maximum final sales time to 12am.</p> <p>Some submitters suggested that clubs should close earlier than other on-licences to recognise that they generally have less legislative requirements. For example, they do not have to have a duty manager on site unless it is added in as a special requirement on their licence.</p> <p><i>“should not be allowed to continue serving alcohol beyond 3 hours after the conclusion of their sporting activity”.</i></p> <p><i>“Clubs are not immune to high levels of harm, indeed many are often high-risk drinking environments. They often attract young people, provide cheap alcohol, do not always have a manager on duty, and are sometimes located in areas where there are limited transport options”.</i></p>	<p>Option A: Retain the current maximum hours for club licences:</p> <ul style="list-style-type: none"> • 9am – 1am for club licences outside of Tauranga City Centre • 9am-2am for club licences inside Tauranga City Centre 	<ul style="list-style-type: none"> • Retains flexibility – the majority of clubs already have earlier final sales times (Around three-quarter of current club licences have a final sales time before 1am). • No change required for clubs. 	<ul style="list-style-type: none"> • May not reduce alcohol harm in the community.
	<p>Option B: Reduce maximum operating hours for club licences. Options will be brought back to the Committee for further direction.</p> <p>NOTE: This option requires community consultation.</p>	<ul style="list-style-type: none"> • Potential to reduce alcohol harm by reducing the availability of alcohol in the early morning where evidence indicates higher levels of harm. • Recognises club licences have less legislative requirements and thereby less safety measures may be in place 	<ul style="list-style-type: none"> • May not reduce alcohol harm as many clubs already have an earlier closing time. • Could decrease flexibility of hours for some clubs.

Issue Five: Opening sales time for off-licensed premises			
Submission Summary	Options	Advantages	Disadvantage
<p>Two submitters (current licence holders) support the current time and thought it was working well.</p> <p>Eight recommend later times ranging from 9am - 10.30am to reduce availability, harm minimisation, reduce visibility to school children, and vulnerable people and reduce early morning drinking. Of these:</p> <ul style="list-style-type: none"> three submitters recommend 9am with two proposing considerations for an earlier time - either for business sales or if the location was not near an education facility. three submitters recommend or cited 10am. two submitters recommend 10:30am. 	<p>Option A: Retain current opening sales time of 7am for off- licensed premises.</p>	<ul style="list-style-type: none"> May provide the flexibility for the DLC to consider on a case-by-case basis. No change for current licence holders. Reduces risk of appeal. 	<ul style="list-style-type: none"> Does not attempt to address significant alcohol harm that is occurring in the community. Does not reflect feedback from Medical Officer of Health. Does not send a message to the community on alcohol related harm.
	<p>Option B: Change opening sales time for off-licensed premises.</p> <p>Direction on opening time will be sought when options are brought back to the Committee.</p> <p>NOTE: This option requires community consultation and consideration of the types of off-licensed premises that this would apply to.</p>	<ul style="list-style-type: none"> Decreased hours would limit alcohol availability and may assist in reducing alcohol related harm. Reducing alcohol related harm aligns with the objective of the Act and Council's community outcomes. Assists in sending a strong message to the community on the harms associated with alcohol use. Reflects evidence from the Medical Officer of Health. Aligns with the actual opening times of many off-licensed premises. 	<ul style="list-style-type: none"> May not result in a significant reduction in alcohol related harm. May reduce flexibility to consider opening times on a case-by-case basis. Potential for some economic impacts for some off - licences. Risk of appeal (a decision on Auckland's provisional policy has been appealed to the Supreme Court).

Issue Six: Final sales time for off-licensed premises			
Submission Summary	Options	Advantages	Disadvantage
<p>Two submitters (current licence holders) support the current 10 pm final sales time.</p> <p>Ten submitters recommend a closing time of 9pm and one submitter did not recommend a specific closing time just a reduction in hours.</p> <p>One of the submitters seeking a 9pm closing time also proposed a 7pm closing time on Sundays.</p>	<p>Option A: Retain current time of 10pm for off – licensed premises.</p>	<ul style="list-style-type: none"> • May provide the flexibility for the DLC to consider on a case-by-case basis. • No change for current off-licence holders. • Reduces risk of appeal (Auckland's provisional policy is being appealed at the Supreme Court). 	<ul style="list-style-type: none"> • Does not attempt to address significant alcohol harm that is occurring in the community. • Does not reflect evidence from Medical Officer of Health. • Does not send a message to the community on alcohol related harm.
	<p>Option B: Change final sales time for off-licensed premises.</p> <p>Direction on opening times will be sought when options are brought back to the Committee.</p> <p>NOTE: This option requires community consultation and consideration of types of off-licensed premises this would apply to.</p>	<ul style="list-style-type: none"> • Decreased hours would limit alcohol availability and may assist in reducing alcohol related harm. • Reducing alcohol related harm aligns with the objective of the Act and Council's community outcomes. • Sends a strong message to the community on alcohol related harm. • Reflects feedback from Medical Officer of Health. • Aligns with the actual opening times of some off-licences. 	<ul style="list-style-type: none"> • Lack of clear evidence that reducing off-licence hours would result in reduced harm. • May reduce flexibility to consider opening times on a case-by-case basis. • Potential for some economic impacts for some licences. • Risk of appeal (a decision on Auckland's provisional policy has been appealed to the Supreme Court).

Issue Seven: Number and density of off-licensed premises More than one option can be selected for this issue			
Submission Summary	Options	Advantages	Disadvantage
<p>Twelve submitters oppose the lack of provisions around the number and density of off-licences in the city as this does not address alcohol related harm.</p> <ul style="list-style-type: none"> One submitter does not want multiple liquor stores in a block of shops or within a 2km radius of each other. Two submitters want limits in Mount Maunganui and the city centre. One submitter recommends a rebuttable presumption approach – that would set the default position of declining new licences unless the case for one is made by the applicant. Ten submitters do not want new licences in areas of 	<p>Option A: No restriction set on the number of off-licensed premises.</p>	<ul style="list-style-type: none"> Reduces risk of appeal (off-licence caps were appealed during the development of the current policy and this provision in Auckland's provisional policy is being appealed to the Supreme Court). May allow greater flexibility to meet growth needs of the city. No change for current licence holders. 	<ul style="list-style-type: none"> Does not attempt to address significant alcohol harm that is occurring in the community. Does not reflect feedback from Medical Officer of Health. Does not send a message to the community on alcohol related harm.
	<p>Option B: Limit the total number of off-licensed premises across the city.</p> <p>Direction will be sought when options are bought back to the Committee (these may include current number or a population ratio).</p> <p>NOTE: This option requires community consultation.</p>	<ul style="list-style-type: none"> May assist in reducing alcohol harm. Reducing harm aligns with the objective of the Act and Council's community outcomes. Sends a message to the community on the harms associated with alcohol use. Reflects feedback from Medical Officer of Health. 	<ul style="list-style-type: none"> Lack of clear evidence that reducing off-licence hours would result in reduced harm. Potential for some economic impacts for some licences. Risk of appeal (off-licence caps were appealed during the development of the current policy and Auckland's provisional policy is being appealed to the Supreme Court)
	<p>Option C: Limit the number of off-licensed premises in high deprivation areas.</p> <p>Direction will be required when options are bought back to the Committee (these may include current number or a population ratio).</p> <p>NOTE: This option requires community consultation.</p>		
	<p>Option D: Limit the distance between any new licensed premises and existing licensed premises.</p> <p>Direction will be required when options are bought back to the Committee.</p> <p>NOTE: This option requires community consultation.</p>		

Issue Seven: Number and density of off-licensed premises More than one option can be selected for this issue			
Submission Summary	Options	Advantages	Disadvantage
<p>high deprivation or high levels of community stress or harm.</p> <p>These submitters are strongly concerned that the draft LAP does not sufficiently address community concern around alcohol availability citing the <i>Health and Wellbeing Population Survey 2020</i> – around two thirds of respondents' support reducing the number of places that sell alcohol.</p>	<p>Option E: Create a 'rebuttable presumption.'</p> <p>NOTE: This option requires community consultation.</p>	<ul style="list-style-type: none"> • Likely to decrease the availability of alcohol and assist in reducing alcohol related harm. • Reducing harm aligns with the objective of the Act and Council's community outcomes. • Sends a message to the community on the harms of alcohol use. • Aligns with community feedback from the Health and Wellbeing Population Survey 2020. 	<ul style="list-style-type: none"> • High level of uncertainty as it has not been tested and is under appeal at the Supreme court. • May conflict if Council's position is to set limits (options B, C and D).

Issue Eight: Location proximity provisions for off-licensed premises			
Submission Summary	Options	Advantages	Disadvantage
<p>Ten submitters request specific proximity provisions for off-licences. These include proximity to education facilities, school bus routes, public housing (emergency, transitional and social housing), community centres, marae, playgrounds, parks health facilities, alcohol treatment centres and places of worship.</p> <p>Reason for this proposal:</p> <p>Reducing alcohol harm given the inequitable outcomes associated with alcohol consumption for youth, Māori and people experiencing homelessness.</p>	<p>Option A: No proximity provisions for off-licensed premises.</p>	<ul style="list-style-type: none"> • May allow greater flexibility to meet growth needs of the city. • No change for current licence holders 	<ul style="list-style-type: none"> • Does not attempt to address significant alcohol harm that is occurring in the community. • Does not reflect feedback from the Medical Officer of Health. • Does not send a message to the community on alcohol related harm.
	<p>Option B: Set proximity provisions for off-licensed premises.</p> <p>Direction on the nature of the proximity provisions will be sought when options are brought back to the Committee.</p> <p>NOTE: This option requires community consultation.</p>	<ul style="list-style-type: none"> • Likely to decrease the availability of alcohol and assist in reducing alcohol related harm. • Reducing harm aligns with the objective of the Act and Council's community outcomes. • Sends a message to the community on the harms of alcohol use. • Reflects feedback from Medical Officer of Health. • Aligns with community feedback from the <i>Health and Wellbeing Population Survey 2020</i>. 	<ul style="list-style-type: none"> • Lack of clear evidence that reducing off-licence hours would result in reduced harm. • Potential for some economic impacts for some licensed premises.

Issue Nine: Location provisions for on-licensed premises			
Submission Summary	Options	Advantages	Disadvantage
<p>Two submitters (including the Police) recommend that no new licences be located in areas zoned as industrial and that there should be a limit to the number of 'entertainment precincts'.</p> <p>Reasons for these proposals:</p> <ul style="list-style-type: none"> Industrial areas historically have lack of community oversight and are often away from public transport and have attracted a heavy drinking culture. More entertainment areas would severely reduce the ability to monitor these premises and deal with the alcohol related issues that arise from entertainment precincts. 	<p>Option A: No proximity provisions for on-licensed premises.</p>	<ul style="list-style-type: none"> May allow greater flexibility to meet growth needs of the city. No change for current licence holders. 	<ul style="list-style-type: none"> Does not attempt to address significant alcohol related harm that is occurring in the community. Does not reflect evidence from the Police. Does not send a message to the community on alcohol related harm.
	<p>Option B: Set proximity provisions for on-licensed premises.</p> <p>Direction will be required when options are brought back to the Committee.</p> <p>NOTE: This option requires community consultation.</p>	<ul style="list-style-type: none"> Likely to decrease the availability of alcohol and assist in reducing alcohol harm. Reducing harm aligns with the objective of the Act and Council's community outcomes. Sends a message to the community on the harms of alcohol use. Reflects evidence from the Police. Aligns with community feedback from the <i>Health and Wellbeing Population Survey 2020</i>. 	<ul style="list-style-type: none"> May not result in a significant reduction in alcohol related harm. Potential for some economic impacts for some licences.

Issue Ten: Discretionary conditions for off-licensed premises			
Submission Summary	Options	Advantages	Disadvantage
<p>Nine submitters recommend discretionary conditions for off-licensed premises to help reduce alcohol harm. These include:</p> <ul style="list-style-type: none"> • No intoxicated person allowed to enter or remain on the premises. • Signs are prominently displayed detailing the statutory restrictions on the sale of alcohol to minors and intoxicated persons adjacent to every point of sale. • For premises whose principal business is not the manufacture or sale of alcohol, conditions relating to the kind or kinds of alcohol that may be sold or delivered on or from the premises. • Maintain a register of material alcohol-related incidents. • Conditions relating to CCTV, exterior lighting, single sales and morning and afternoon closing times of premises near education facilities and other sensitive sites • Remote sales conditions • Restrictions on single serves • Prohibiting the sale of certain types of products (e.g light spirits, shots) and/or products sold below a certain cost • Not displaying RTD at principal entrance to the store or within 3 meters of the front window 	<p>Option A: No discretionary conditions for off-licensed premises.</p>	<ul style="list-style-type: none"> • Reduces risk of appeal (Discretionary conditions were removed by appeals during the development of the current policy and Auckland's provisional policy is being appealed to the Supreme Court. This includes certain types of discretionary conditions that may be imposed when issuing or renewing off-licences) 	<ul style="list-style-type: none"> • Does not inform the District Licensing Committee on what the community would like considered when making licencing decisions.
	<p>Option B: Introduce discretionary conditions for off-licensed premises.</p> <p>Direction will be required on what conditions to include.</p> <p>NOTE: This option requires community consultation.</p>	<ul style="list-style-type: none"> • Informs the District Licensing Committee on what the community would like considered when making licencing decisions. 	<ul style="list-style-type: none"> • Risk of appeal.

Issue Ten: Discretionary conditions for off-licensed premises			
Submission Summary	Options	Advantages	Disadvantage
<ul style="list-style-type: none"> • Signage limitations on the existing roof display • No bright colours to be used in the decoration of the premises • No specific product or price specials to be displayed externally • Control advertising that is visible within 500m from schools and early childhood facilities 			

Issue Eleven: Format of hours in policy		
Submission Summary	Options	Comment
<p>Seven submitters recommend a minor format change in the presentation of opening and closing hours as separate elements in the policy.</p> <p>Submitters recommending this to avoid the full section being appealed.</p>	<p>Option A: No format change - retain the presentation of opening and closing hours in the same line.</p> <p>RECOMMENDED OPTION</p>	<p>The presentation of maximum trading hours in the policy is not likely to have a significant impact on the risk of appeal. The current format is preferred because it is clearer and simpler.</p>
	<p>Option B: Present opening and closing hours as separate lines.</p>	

PART B: Other issues raised relating to Council's alcohol licensing activity or bylaw.

Issue One: Communication and collaboration		
Submission Summary	Comment	Recommendation
<p>Four submitters wanted more communication and collaboration with Council and Police and licensees.</p> <p>Consider the re-establishment of the Off-licence Accord partnership formed in 2008 to promote the responsible sale of alcohol from off-licence premises.</p> <p>Develop solutions proactively including CBD amenity solutions and night-time ambassadors.</p>	<p>Council acknowledges the communication issues and are taking action to address this. On the 28th and 29th March 2022 a two-day Food and Alcohol forum was held. Around 30 people attended across the two days. Specific sessions were held depending on the location of the premises. This initial meeting was a meet and greet with the new Alcohol Licensing and Environmental Health teams with a Q&A session and a list of topics were suggested for future sessions.</p> <p>Council staff will proactively continue to work with licensees and Police to improve communication and collaboration.</p> <p>A club licence forum has been scheduled for 22 June 2022.</p>	No decision required.
<p>One submitter suggested permanent Iwi/Māori seats on the District Licensing Committee (DLC) to enable Māori to have direct input into decision making.</p>	<p>Creating permanent seats is not possible under the legislation however Council is seeking to increase awareness of the District Licensing Committee appointment process. Current DLC contracts expire in December 2022 and the process for the recruitment and appointment of a new DLC began in early June 2022, with appointments to be finalised by November 2022. Information regarding this selection process will be widely communicated so that submitters, Te Rangapū and other interested parties have the opportunity to apply.</p> <p>Council will seek a wide diversity of candidates for the District Licensing Committee and consider who is included in the appointment panel.</p>	No decision required.
<p>Recommend that the District Licensing Committee make the hearing process more amenable to community and cultural sensitivities – cultural</p>	<p>Council will continue to improve the hearing process so that is more inclusive and open. Remote options are available and different locations could be used as long as the</p>	No decision required.

Issue One: Communication and collaboration		
Submission Summary	Comment	Recommendation
protocols, meeting processes, locations and hearing times.	technology for recording is available. In consultation with the DLC members and the community, consideration will be given to holding the hearings at different times to make it easier for people to attend. Council's Takawaenga Māori Unit will support the District Licensing Committee and licencing team to implement cultural protocols.	
Two submitters requested that Council improve the licence application notification process especially in notifying Iwi.	Take action to do more than the legislative minimum to ensure the community are aware of licensing applications and can participate. Council staff will investigate ways to improve the approach to licence application notification. This includes making our website more accessible and including the ability to sign up to email notifications.	No decision required.
One submitter recommended Council work closely with the DHB to encourage collection of alcohol related Emergency Department data.	Council supports the collection of this data	No decision required.

Issue Two: Bylaw and litter		
Submission Summary	Comment	Recommendation
Two submitters requested a review of the Alcohol Control Bylaw and specifically mentioned: <ul style="list-style-type: none"> • introduce a total ban on walking the streets • extend ban times to include Easter • Tauranga City, Mount Maunganui and neighborhoods of high deprivation 	The issues raised will be considered when the Alcohol Control Bylaw is reviewed. This review is currently scheduled for 2028.	No decision required.

<i>Issue Two: Bylaw and litter</i>		
Submission Summary	Comment	Recommendation
<ul style="list-style-type: none">special areas such as parks and or reserves frequently used by rough sleepers and car sleepers. <p>Three submitters were concerned about the lack of enforcement of the current alcohol-free areas and wanted greater enforcement by the Police</p>		
<p>One submitter raised concern about the litter left by people drinking at the Mount. Seeking more advertising of extra glass recycling bins and for guests at hotels, hostels and short-term accommodation to be informed on how we recycle.</p>	<p>Advertising additional crates for kerbside recycling is unlikely to address the issue of people leaving glass bottles on the streets. However, the Waste team will highlight this on Council's website and consider advertising just before summer.</p>	<p>No decision required.</p>

ATTACHMENT TWO:**The policy context**

1. The Sale and Supply of Alcohol Act 2012 (the Act) empowers councils to develop a Local Alcohol Policy (LAP) relating to the sale, supply and consumption of alcohol within their district.
2. The objectives of the Act are:
 - the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and
 - the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.
3. An LAP can only include policy positions relating to the following licensing matters:
 - location of licensed premises by reference to broad areas
 - location of licensed premises by reference to proximity to premises or facilities of a particular kind or kinds
 - whether further licences (or licences of a particular kind or kinds) should be issued for premises in the district concerned or any stated part of the district
 - maximum trading hours
 - the issue of licences, subject to discretionary conditions
 - one-way door restrictions.
4. Tauranga and Western Bay of Plenty District's Joint Local Alcohol Policy was adopted on the 22 July 2015.
5. The Act requires that the LAP be reviewed six years after it came into effect.

LAP development process

6. The Act specifies the minimum consultation requirements when preparing and reviewing a draft LAP:
 - consult the Police, alcohol licensing inspectors and Medical Officers of Health
 - develop a draft LAP and follow the special consultative procedure to consult the public on the draft
7. A provisional LAP can then be prepared based on consultation feedback on the draft LAP.
8. Council is required to give public notice on the provisional LAP. The provisional LAP may, within 30 days of public notification be appealed by any person or agency that submitted on the draft LAP. The Police or Medical Officer of Health may also appeal to the licensing authority.
9. The only ground on which the provisional LAP can be appealed against is that it is unreasonable considering the object of the Act.
10. If no appeal against any element of a provisional LAP is made, the LAP is adopted 30 days of its public notification or if they appeals have all been dismissed 30 days after this.
11. If the appeal is lost, Council can:
 - resubmit an amended provisional LAP,
 - appeal the decision to the High Court,
 - abandon the LAP
12. Public notice of the adoption of the LAP is required, and the LAP takes effect on a day stated by resolution of Council.



Barristers & Solicitors

Attachment Three: Legal Advice on considerations in LAP decisions

Our advice

Prepared for Jane Barnett, Tauranga City Council
Prepared by Graeme Palmer and Tim Fischer
Date 2 June 2022

PRIVILEGED AND CONFIDENTIAL

Relevant matters when reviewing local alcohol policies

Background	<ol style="list-style-type: none"> 1. The Tauranga City Council (Council) is proposing to make amendments to its local alcohol policy (LAP) under the Sale and Supply of Alcohol Act 2012 (SSAA or Act). Submissions on the draft amended LAP were heard by the Council's Strategy, Finance and Risk Committee (Committee) on 14 March 2022. 2. Key changes proposed in the draft LAP include reducing on-licence closing hours in the City Centre from 3am to 2am, and a consequential change to make the one-way door restriction for the City Centre commence at 1am. 3. A number of licence holders expressed concern about the proposed reduction in on-licence hours in the City Centre, due to the financial impact it would have on their business. They consider that alcohol-related harm would not be reduced because drinking would move from their premises into private premises where there would be less controls in place. 4. A number of other submitters have contended that financial impacts cannot be taken into account.
Question	<ol style="list-style-type: none"> 5. What matters can be taken into account by the Committee when making decisions on the draft LAP?
Answer	<ol style="list-style-type: none"> 6. The case law relating to development of LAPs suggests that: <ol style="list-style-type: none"> (a) The relevant considerations when developing draft and provisional LAPs are the matters in s 78(2) and in the object of the Act, and the requirement of "reasonableness" as cross-checked against the object of the Act; and (b) Economic impacts on licence holders are to be expected, and may only be relevant to the extent that they are evidence of unreasonableness i.e. that these effects are greatly disproportionate to the benefits in terms of reduction in alcohol-related harm anticipated from the proposed controls.

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7. We therefore recommend that submissions on the draft LAP should be assessed by the Committee primarily in terms of anticipated reductions in alcohol-related harm. The Committee can (and arguably should) give consideration to adverse economic effects on licence holders, but these concerns should only prevail in circumstances where economic effects are very significant and anticipated reductions in alcohol-related harm are relatively insignificant. The Committee should be very cautious about making any decision which is primarily influenced by concerns about the economic position of licence holders.
 8. Further, when making decisions on the draft LAP, the Committee should not give weight to wider economic or strategic concerns, such as vitality of the City Centre, or promoting the “night time economy”.

Reasoning explained

The only considerations that are required to be taken into account when developing draft and provisional LAPs are those in s 78(2) and in the object of SSAA in s 4

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9. Under s 95 of SSAA, a territorial authority may amend its LAP. SSAA, with any necessary modifications, applies to the amendment of a local alcohol policy as if it were the adoption of a local alcohol policy.
 10. Section 77 includes an exhaustive list of policies that may be included in a LAP. A LAP must not include policies on any matter not relating to licensing.
 11. Section 78 provides as follows:
 - (1) A territorial authority that wishes to have a local alcohol policy must produce a draft policy.
 - (2) When producing a draft policy, a territorial authority must have regard to—
 - (a) the objectives and policies of its district plan; and
 - (b) the number of licences of each kind held for premises in its district, and the location and opening hours of each of the premises; and
 - (c) any areas in which bylaws prohibiting alcohol in public places are in force; and
 - (d) the demography of the district's residents; and
 - (e) the demography of people who visit the district as tourists or holidaymakers; and
 - (f) the overall health indicators of the district's residents; and
 - (g) the nature and severity of the alcohol-related problems arising in the district.
 - (3) For the purposes of subsection (2), a district's residents include people who have holiday homes there.
 - (4) The authority must not produce a draft policy without having consulted the Police, inspectors, and Medical Officers of Health, each of whom must, if asked by the authority to do so, make reasonable efforts to give the authority any information they hold relating to any of the matters stated in subsection (2)(c) to (g).
 12. Although not specifically mentioned in s 78, it is implicit that a LAP prepared under SSAA must also be in accordance with the object of the Act in s 4, which is as follows:
 - (1) The object of this Act is that—
 - (a) the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and
 - (b) the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.
 - (2) For the purposes of subsection (1), the harm caused by the excessive or inappropriate consumption of alcohol includes—
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- (a) any crime, damage, death, disease, disorderly behaviour, illness, or injury, directly or indirectly caused, or directly or indirectly contributed to, by the excessive or inappropriate consumption of alcohol; and
 - (b) any harm to society generally or the community, directly or indirectly caused, or directly or indirectly contributed to, by any crime, damage, death, disease, disorderly behaviour, illness, or injury of a kind described in paragraph (a).
 - 13. The relevance of s 4 is more explicit in SSAA's appeal provisions. Following public notification of a provisional LAP under s 80, submitters, the Police and the Medical Officer of Health have a right of appeal under s 81. Section 81(4) provides that:

The only ground on which an element of the provisional policy can be appealed against is that it is unreasonable in the light of the object of this Act.
 - 14. Similarly, under s 83, the Alcohol Regulatory and Licencing Authority (**ARLA**) must:
 - (a) Dismiss an appeal against an element of a provisional LAP if it is not satisfied that the element is unreasonable in the light of the object of the Act; and
 - (b) Ask the territorial authority concerned to reconsider an element of a provisional LAP appealed against if it is satisfied that the element is unreasonable in the light of the object of the Act.
 - 15. Therefore, an element of a LAP must not be unreasonable in light of the object of the Act (or else it will be vulnerable on appeal to ARLA).
 - 16. The only considerations that are required to be taken into account when developing draft and provisional LAPs are those in s 78(2) and in the object of SSAA in s 4. None of these considerations encapsulate economic impacts on licence holders or wider economic impacts. In contrast, paragraphs (f) and (g) of s 78(2) (health indicators of the district's residents and nature and severity of alcohol related problems arising in the district) are relevant to addressing alcohol-related harm.
 - 17. However, there is a body of case law which interprets a range of matters that may be taken into account as part of the "reasonableness" test under s 83 of SSAA. Whether or not an element is "unreasonable" may involve consideration of matters which go beyond those in s 78(2) or s 4, as discussed in the next section of this advice.
 - 18. For completeness, the decision-making provisions in ss 76-82 of the Local Government Act 2002 (**LGA02**) apply to every decision made by a local authority. Under s 76(5), the provisions apply "unless inconsistent with specific requirements of the Act, enactment, or bylaws under which the decision is to be made". In our view, it would
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The Committee should be very cautious about making any decision which is primarily influenced by concerns about the economic position of licence holders

be inconsistent with SSAA to take into account matters derived from the LGA02, such as the principles relating to local authorities under s 14, when making decisions on a draft LAP. The requirements for LAP decision-making are prescribed in SSAA, albeit briefly, and the scope of the Committee's consideration should be confined to those matters i.e. SSAA should be treated as a self-contained code, like decisions under the Resource Management Act 1991.¹

19. The appeal test, namely whether an element is unreasonable in light of the object of the Act, has been considered by ARLA, the High Court and the Court of Appeal. Consideration by the higher Courts has been in the context of the Auckland PLAP, and there are currently undetermined applications seeking leave to appeal to the Supreme Court.
20. In determining PLAP appeals, ARLA has consistently adopted the proportionality principle applied in bylaw cases, holding that it is likely the policies in a PLAP will be unreasonable in light of the object of the Act if:
 - (a) The proposed measures constitute a disproportionate or excessive response to the perceived problems;
 - (b) The proposed measures are partial or unequal in their operation between licence holders;
 - (c) An element of the provisional local alcohol policy is manifestly unjust or discloses bad faith; or
 - (d) An element is an oppressive or gratuitous interference with the rights of those affected.
21. In *Hospitality New Zealand Incorporated v Tasman District Council*² ARLA stated that:

[66] *Meads Brothers Limited* (supra) was decided under the Sale of Liquor Act 1989. It is equally relevant to the application of the Sale and Supply of Alcohol Act 2012 as the principles discussed by the Court of Appeal have not been the subject of statutory change. The case involved the renewal of an on-licence and the restriction of its permitted hours for the sale and supply of alcohol. There was evidence of noise and drunk and disorderly behaviour. Whilst the on-licence was renewed, the permitted hours of sale and supply of liquor were restricted. The Court of Appeal recognised the statutory object of the Act which was to establish a reasonable system of control with the aim of reducing liquor abuse. It recognised that whilst evidence of any impact on the viability of a business by the imposition of more restricted hours could be relevant, the economic disadvantage to be sustained by the appellant was not so extreme as to outweigh conformity with the object of the Act.

¹ LGA02, s 79(2) and (3).
² [2014] NZARLA PH 846.

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22. In *B & M Entertainment Limited v Wellington City Council*³ ARLA held that “adverse economic consequences sustained by licensees are only one factor to be considered and in themselves do not make a policy reasonable or unreasonable especially when the object of the Act is taken into account”.
23. In a licencing context, the Courts have found that:
- (a) The proposition that the economic impact of particular restrictions on a liquor outlet will never be relevant is too great a generalisation. Most restrictive licensing controls will have an economic impact on licensees which sometimes will be substantial. That is a normal incident of a system of reasonable control of liquor abuse.⁴
 - (b) It is wrong to say that there was no obligation to have regard for the economic position of an applicant for renewal, but the decision-maker is required to stand back and check whether the application is capable of meeting the object of the Act. This cannot be subordinated to concerns about the economic position of licence holders.⁵
24. In *Auckland Council v Woolworths New Zealand Limited*⁶, relating to the Auckland PLAP, the Court of Appeal referred to *Tasman District Council* and stated that ARLA erred in its approach to the extent it held that “the proportionality principles used in bylaw cases” apply under SSAA. The Court of Appeal went on to expand on this by finding that:
- [41] What is not appropriately transferred from the bylaws context to alcohol regulation under the 2012 Act are the propositions that (a) the reasonableness of a bylaw depends in part on “whether or not public or private rights are unnecessarily or unjustly invaded” and (b) any bylaw must be unreasonable if it unnecessarily abridges or interferes with a public right without producing for local inhabitants a benefit that is “real and not merely fanciful”. As explained above, under the 2012 Act there is no antecedent right to sell alcohol that must be balanced against a given control on supply. **It is inherent in a licensing regime, and to be expected given the object of the 2012 Act, that controls may have an adverse economic impact on licensees.** Nor is it necessary to prove that tangible harm reduction is more likely than not to result from a given policy element, as we explain below. And finally, the concept of a “reasonable” system of control under the 2012 Act is not the same as it was under the 1989 Act, as explained at [19] above. We add that for that reason, care should be taken when applying authorities decided under the 1989 Act.
25. While it is possible to read this as saying that adverse economic impacts are never relevant, the safer interpretation is that the Court of Appeal did not reject proportionality principles entirely, but only to the extent that they assumed a right to sell alcohol that may be infringed by PLAP controls. The principle that proposed measures
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³ [2015] NZARLA PH 21-28 at [65].

⁴ *Meads Brothers Limited v Rotorua District Licensing Agency* [2002] NZAR 308 at [52]-[56].

⁵ *Capital Liquor Limited v Police* [2019] NZHC 451 at [34]-[35].

⁶ [2021] NZCA 484.

should not constitute a disproportionate or excessive response to the perceived problems appears to remain applicable under the current law.

26. This suggests that:

- (a) The relevant considerations when developing draft and provisional LAPs are the matters in s 78(2) and in the object of the Act, and the requirement of “reasonableness” as cross-checked against the object of the Act; and
- (b) Economic impacts on licence holders are to be expected, and may only be relevant to the extent that they are evidence of unreasonableness i.e. that these effects are greatly disproportionate to the benefits in terms of reduction in alcohol-related harm anticipated from the proposed controls.

27. We therefore recommend that submissions on the draft LAP should be assessed by the Committee primarily in terms of anticipated reductions in alcohol-related harm. The Committee can (and arguably should) give consideration to adverse economic effects on licence holders, but these concerns should only prevail in circumstances where economic effects are very significant and anticipated reductions in alcohol-related harm are relatively insignificant. The Committee should be very cautious about making any decision which is primarily influenced by concerns about the economic position of licence holders.

The Committee should not give weight to wider economic or strategic concerns

28. Finally, while the analysis above is focussed on the economic position of licence holders, ARLA has also previously considered in *Wellington City Council* the relevance of wider economic concerns, such as vitality of the city centre, and the promotion of a dynamic night time economy.

29. In *Wellington City Council* ARLA found that:

- (a) In considering matters such as those above, the Council wrongly took into account matters well beyond the object of the Act as contained in s 4;⁷
 - (b) It was left with the inescapable impression that the Council put the cart before the horse: it concentrated on the dynamic central city and people centred city scenario and failed to provide an element that would pass the statutory test;⁸ and
 - (c) A PLAP should not be based upon considerations such as promoting a “dynamic central city” and a “people centred city”, but only upon an attempt to further the object of the Act as set out in s.4.⁹
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⁷ At [13](e).

⁸ At [68].

⁹ At [67](d).

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30. We therefore consider that, when making decisions on the draft LAP, the Committee should not give weight to wider economic or strategic concerns, such as vitality of the City Centre, or promoting the “night time economy”.
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**Please call or
email to discuss
any aspect of this
advice**

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9.2 Six Monthly Treasury Strategy Update

File Number: A13451111

Author: Sheree Covell, Treasury and Financial Compliance Manager
Kathryn Sharplin, Manager: Finance

Authoriser: Paul Davidson, General Manager: Corporate Services

PURPOSE OF THE REPORT

1. The Treasury policy requires strategies to be approved on a six-monthly basis. The Treasury policy was last reviewed in November 2021. This report seeks approval for strategies for treasury risk management activities, debt issuances, investments, foreign exchange exposures management and interest rate hedging activities.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the Treasury Strategy Report.
- (b) Approves the issuance of long and short term debt on a wholesale basis to manage cash flows.
- (c) Approves the management of fixed interest rate hedging in the target range of 50% to 60% at two years forward, and 30% to 40% at five years forward.
- (d) Approves maintenance of a minimum of \$10m of cash and short-term investments to manage cash flows.
- (a) Approves hedging of all significant foreign exchange exposure

EXECUTIVE SUMMARY

2. This report outlines all significant treasury operational activities and seeks confirmation of existing strategies and approvals for planned strategies.
3. Treasury Strategy is an important element of sound financial management and allows Council to efficiently manage its funding and associated risks.

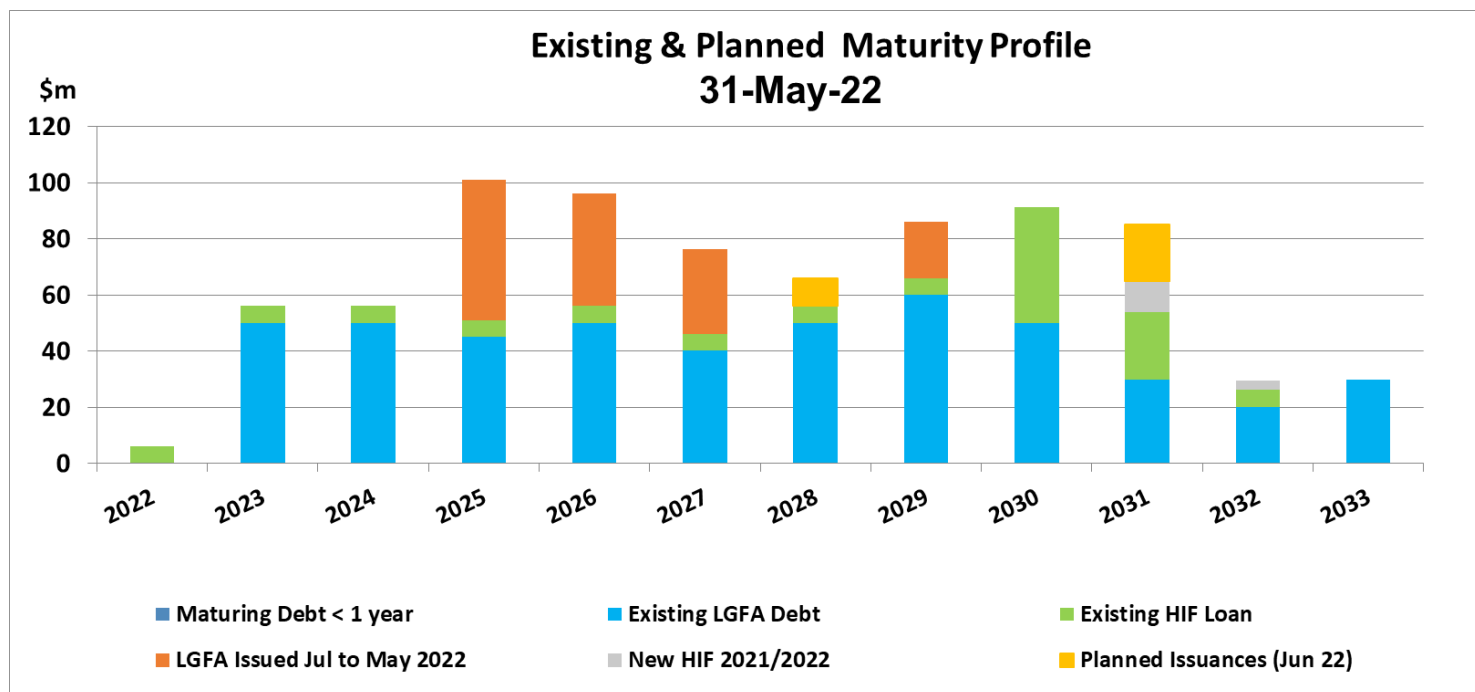
BACKGROUND

Debt Management

4. Council has a large investment in infrastructure assets which have long economic lives and long-term benefits. Debt is utilised to fund infrastructure and it is recognised as an efficient mechanism to allocate the cost of infrastructure to the community.
5. Core external debt and working capital requirements are managed by issuing a combination of long term and short-term debt. The maturity dates for new debt issuance are assessed under the following criteria:
 - Borrowing margins for short vs long term
 - Investor demand including bank funding
 - Local Government Funding Agency (LGFA) or other wholesale margins / maturities offered
 - Compliance with LGFA covenants
 - Housing Infrastructure Fund (HIF) drawdowns

- Existing maturity profile
- Available undrawn bank facilities

- The graph below shows the debt maturity profile as at 30 May 2022 together with planned debt issuances.



- As at 30 May 2022 outstanding debt was \$780m of which \$20m was issued during May 2022.
- It is planned to issue a further \$30m in June 2022 to manage ongoing cash flow requirements. This is included in the chart above.
- The above chart is based on closing net debt of \$720m as at 30 June 2022, the annual plan net debt closing balance was \$760m. This is based on actual cashflow forecasts provided by the business and will be closely monitored for the remainder of the financial year.
- During 2021-22 \$66m of long-term debt has matured or is due to mature (\$6m in June 2022). During 2022-23 \$56m is due to mature.

Debt Management

- Access to liquidity funding by way of committed bank facilities and or liquid investments is required to manage liquidity risk.
- Both Council's Treasury Policy and the LGFA financial covenants require a level of undrawn committed bank facilities or liquid investments or a combination of these. The key objective is to maintain adequate liquidity in the context of managing debt maturities and debt servicing on a 12 month rolling basis.
- Bank facilities are \$100m. This facility matures on 31 October 2024. Generally the maturity date is extended by one year each year. It is planned to maintain the facility within the 2 to 4 year maturity band.
- In general bank facilities are available to be drawn down at short notice, the event they are drawn on, and they are able to be repaid on a quarterly basis.
- It is important to note that any draw down from bank facilities would need to be managed within the existing debt to revenue ratio.

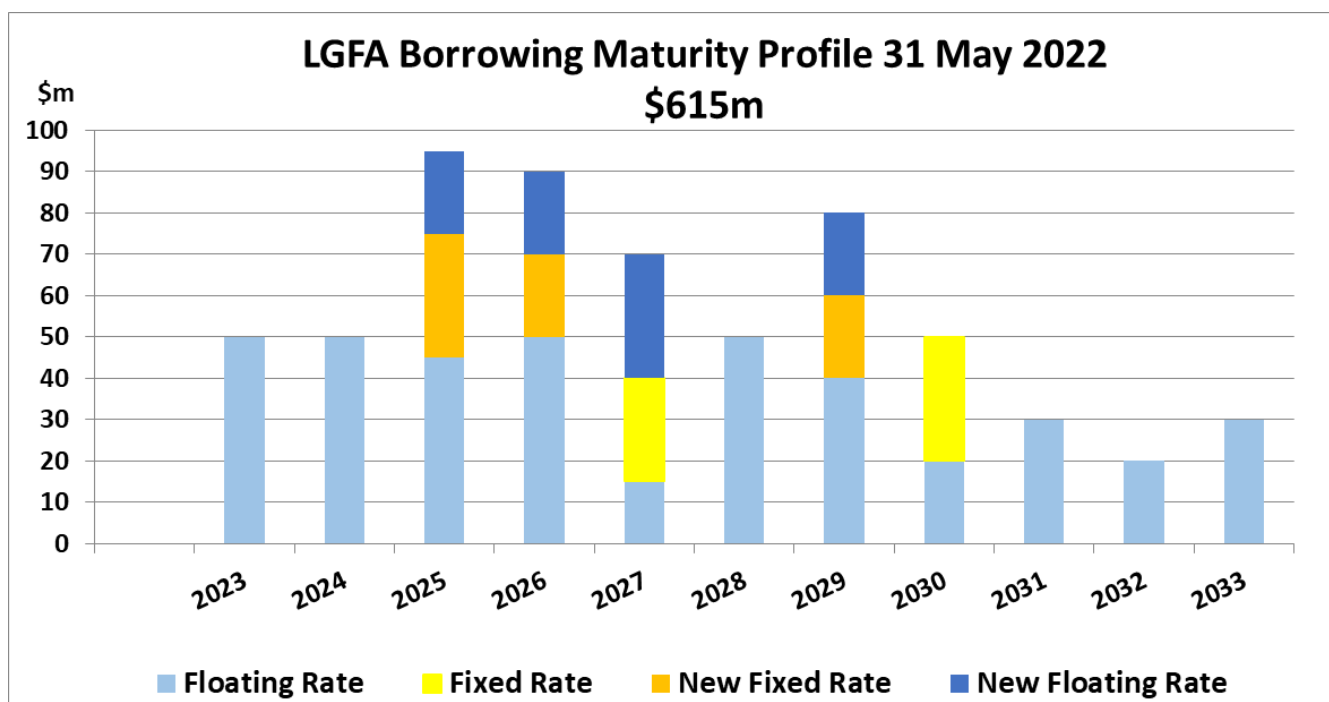
12. Current annual facility costs are 2% (\$200k from \$100m). Generally pricing on facilities are reviewed on an annual basis.

Liquidity Risk

13. The Treasury Policy outlines the management framework for funding, liquidity, and credit risks. Liquidity risk primarily focuses on ensuring that there are sufficient funds available to meet obligations in an orderly manner.
14. The key liquidity risk management indicators are:
- (a) The primary debt maturity limit requires 'external debt, committed bank facilities and cash/cash equivalents' to be maintained above 100% on a 12 month peak forecast net external debt; and
 - (b) No more than 33% of debt to be refinanced in any rolling 12 month period.

Local Government Funding Agency (LGFA)

15. The LGFA is an agency specialising in financing of the local government sector. LGFA was established to raise debt on behalf of councils on terms that are more favourable to them if they raised the debt directly.
16. LGFA was incorporated as a limited liability company under the Companies Act 1993 on 1 December 2011. Following the enactment of the Local Government Borrowing Act 2011. As LGFA is majority owned by councils, it constitutes a 'Council Controlled Organisation' (CCO) under the Local Government Act 2002.
17. LGFA's debt obligations are guaranteed by council shareholders and any other councils that borrow in excess of \$20m (total guarantors 60). The New Zealand Government does not guarantee LGFA. Any call under the guarantee will be allocated across all guarantors on a pro rata basis in relation to their rates revenue.
18. As at 30 May 2022, total LGFA bonds (long term) on issue were \$15,915m of which \$615m have been on-lent to Tauranga City Council.
19. The graph below shows the borrowings from LGFA on a fixed interest vs floating interest rate basis.



20. Current new fixed rate borrowing rates from LGFA are:

1 Year	3.66%	6 Year	4.51%
2 Year	4.19%	7 Year	4.55%
3 Year	4.31%	8 Year	4.65%
4 Year	4.40%	9 Year	4.76%
5 Year	4.41%	10 Year	4.87%

Security

21. Generally, debt will be issued under the existing Council's Debenture Trust Deed (DTD) which offers rates revenue as security to attract lower borrowing margins. Councils Trustee appointed under the DTD is Covenant Trustee Services Limited. All debt obligations are registered with Link Market Services Limited.

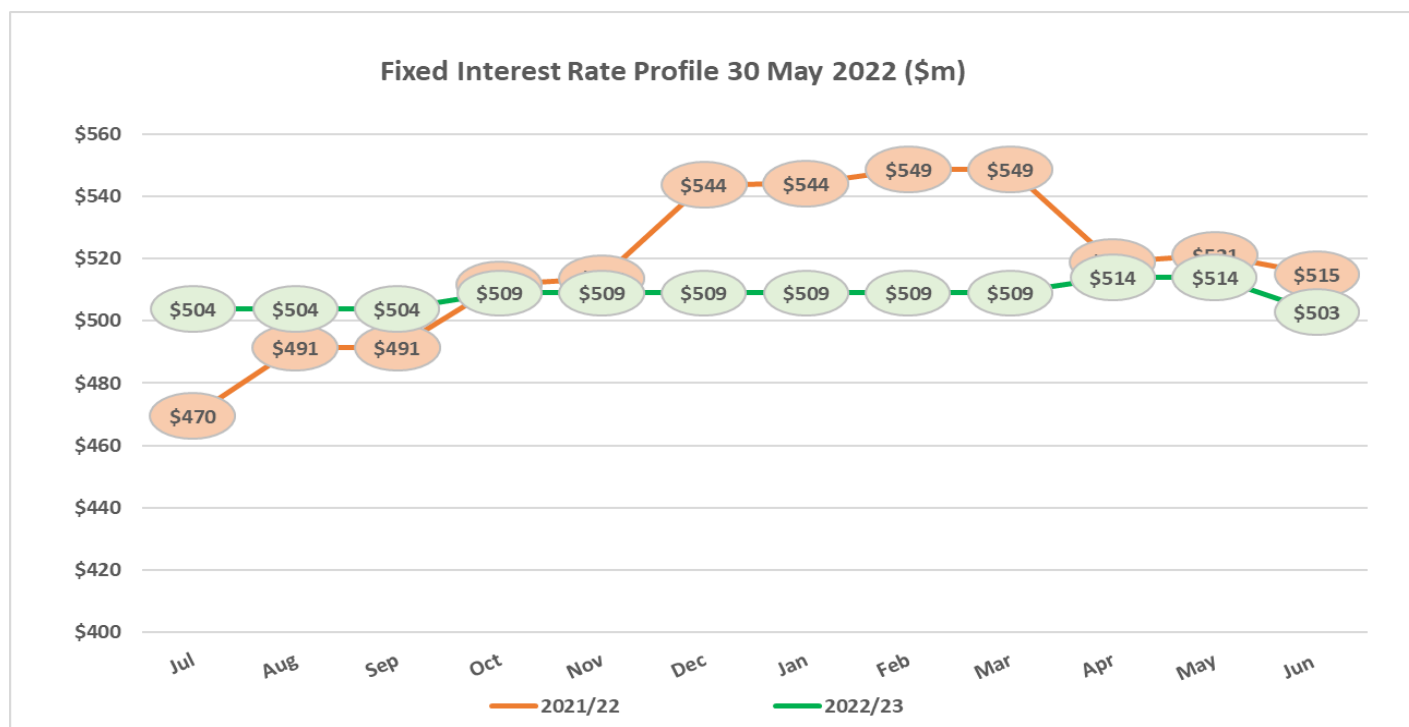
Interest Rate Risk Management

22. The overall objective of the interest rate risk management strategy is to:

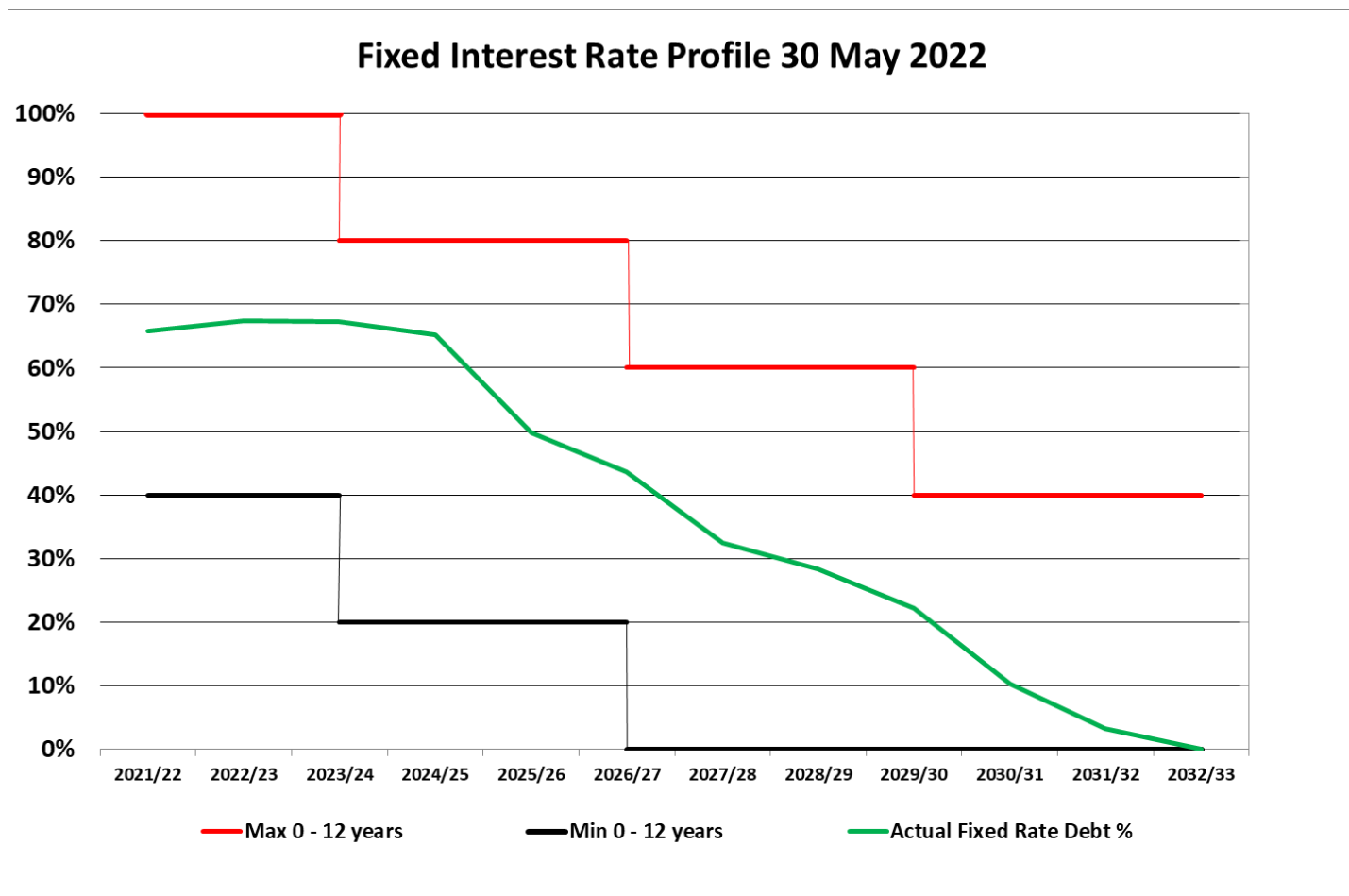
- Minimise the average net interest cost on borrowings over the long term
- Minimise large concentrations of interest rate risk
- Increase duration of the interest rate re-pricing profile
- Maintain an appropriate mix of floating and fixed interest rate exposures

23. Council is exposed to the interest rate fluctuations on existing and future borrowings. Interest rate risk is minimised by managing floating and fixed interest rate exposures within the Treasury Policy limits framework. The overall outcome of interest rate risk management is reflected in the average interest rate on borrowings. The average interest rate on borrowings as at 30 May is 3.19%

24. As at 30 May 2022 the fixed interest rate position was \$521m which was 67% of debt. The graph below shows the existing fixed interest rate positions (fixed debt and interest rate hedging) over the next two years on a monthly basis.



25. The Treasury Policy outlines the framework for interest rate management activities. Interest rate risk is managed with minimum and maximum fixed rate debt percentages by time bands. These minimum and maximum levels by time bands are designed to minimise interest rate re-price risks.
26. The chart below shows the fixed interest rate positions relative to forecast debt over time. The fixed interest rate positions include fixed rate debt issued, planned drawdowns from HIF and existing interest rate hedging. Forecast debt levels have been adjusted to recognise future cashflow capital delivery/carry forwards at the end of each year throughout the LTP period, these adjustments range from \$30m to \$300m. This adjustment is required to ensure interest rate hedging is maintained at the appropriate level and is not over hedged.



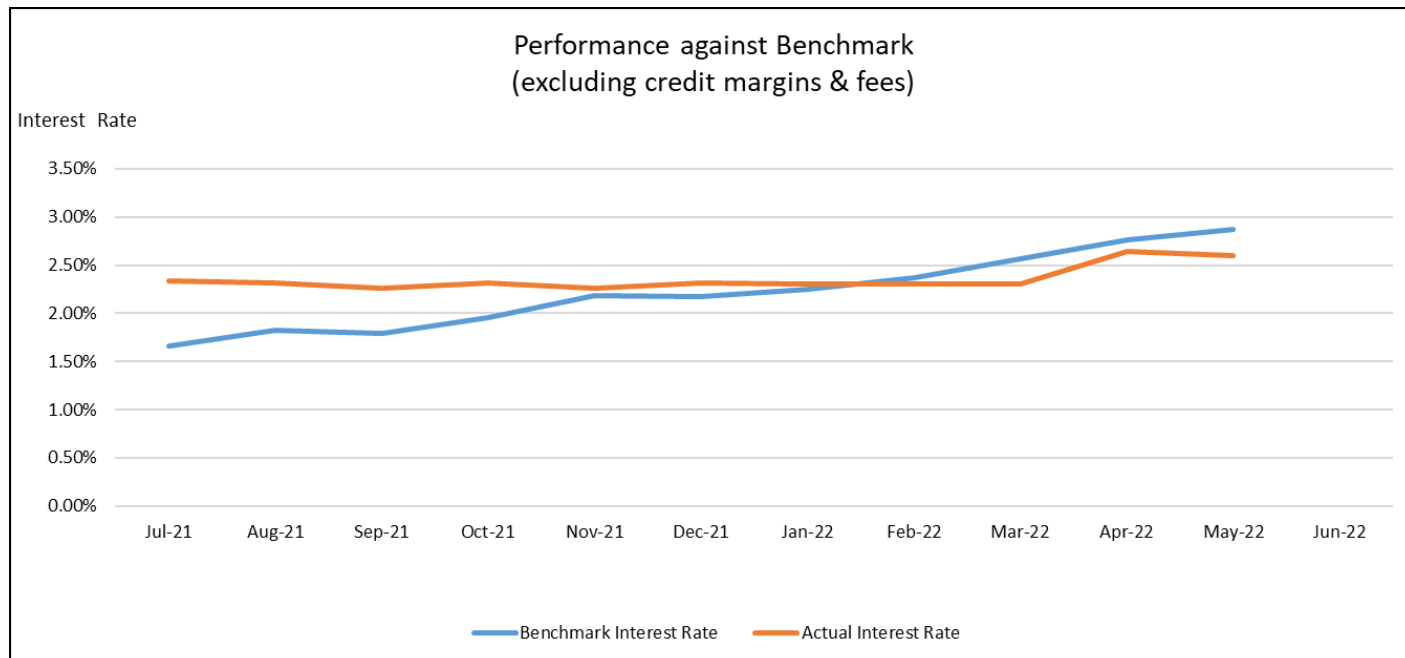
27. Over the last nine months (since September 2021 Treasury Strategy Report), new fixed rate exposures of \$42m have been entered, \$12m of this is HIF debt with a 0% interest rate. There have been no hedges since June 2021.
28. Analysis of debt levels and associated interest rate hedging positions are reviewed on a monthly rolling basis.

Net Interest Budget

29. Net interest is forecast based on closing net debt of \$720m as at 30 June 2022. The average interest rate as at 30 June 2022 is forecast to be 3.20% (2.99% 30 June 2021).
30. The table below shows the net external interest position for the current year. A small favourable variance is forecast for the current year due to lower than expected capital spend driving down interest expenses and interest rates rises positively impacting on our money market investments.

Net External Interest	Budget (June 2022)	Forecast (June 2022)	Variance Fav / (Unfav)
2021/22 (\$m)	20.7	20.3	0.4

31. The graph below shows the actual average interest rates against market benchmarks. The average interest rate remains below benchmark due to hedging placed during a low-rate environment and high interest debt maturing during the 2021/22 year.



Investments

32. From a short term working capital management perspective, it is proposed to maintain a minimum liquid investments balance of \$10m, on which investment rates aligning to OCR have been negotiated with the bank. This level of working capital is sufficient to manage the net cash flows during an average month. Overall, the investment portfolio is managed in line with the detailed monthly cash flow forecast.

Foreign Exchange

33. Under the policy, upon approval of expenditure, all significant commitments for foreign exchange are hedged. Generally foreign exchange exposure above \$100,000 are regarded as significant.
34. Currently there are no outstanding foreign exchange contracts.

STRATEGIC / STATUTORY CONTEXT

6. The Treasury Strategy is an important element of sound financial management and allows Council to efficiently manage its funding and associated risks. These strategies ensure compliance with Treasury Policy limits.

OPTIONS ANALYSIS

7. Option 1: Approve Recommendations

The committee is recommended to approve the above Treasury strategies. The recommendations ensure compliance with the Council's Treasury Policy: the effect management of both interest rate and funding risks and allows the achievement of existing net interest rate budgets.

Option 2: Do Not Approve Recommendations

Council may decide not to approve the recommendations. This may risk Council not complying with its Treasury Policy and may lead to increased interest rate and funding risks and sub-optimal net interest costs.

CONSULTATION / ENGAGEMENT

8. Taking into consideration the above assessment, that the matter is of low significance, officers are of the opinion that no engagement is required.

SIGNIFICANCE

9. 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.
10. 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.
11. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

12. 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

13. Implementation of Treasury Strategy within the Treasury Policy Framework.

ATTACHMENTS

Nil

9.3 Update on Audit New Zealand Recommendations and Annual Report 2022 Asset Valuation Risks

File Number: A13439835

Author: Sheree Covell, Treasury and Financial Compliance Manager

Marin Gabric, Senior Financial Accountant

Kathryn Sharplin, Manager: Finance

Authoriser: Paul Davidson, General Manager: Corporate Services

PURPOSE OF THE REPORT

1. The purpose of this report is to provide the committee with an update on the recommendations made by Audit New Zealand as part of the audit of the 2021 Annual Report.
2. The recommendations were presented to the Committee on 28 March 2022 and the committee requested that a progress update was provided in June 2022.
3. The secondary purpose of this report is to outline the risk associated with asset values impacting on the audit of the 2022 Annual Report

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report Update on Audit New Zealand Recommendations and Annual Report 2022 Asset Valuation Risks

EXECUTIVE SUMMARY

4. The Audit New Zealand report on the Tauranga City Council's 2021 Annual Report includes 13 unresolved recommendations classed as necessary to address. Attachment A details which recommendations have been addressed and provides a plan for those still outstanding.
5. The initial work for the 2021-22 Annual report has identified potential issues regarding the fair value of assets categorised as 3 waters assets and land and buildings. The values in the accounts are as they were at 30 June 2020 and may be materially below fair values at 30 June 2022, triggering the requirement for full revaluation. Available resourcing, the migration of three waters data to a new system and timeframes to complete a full revaluation mean there is a risk that revaluations, if required, would not be achieved in time for adoption of the annual report in December. Staff will report back to this committee once the fair value assessments are completed and further discussions have been held with Audit New Zealand.

DISCUSSION

2021 Annual Report – Audit Recommendations

6. The Audit New Zealand report on the Tauranga City Council's 2021 Annual Report includes 13 unresolved recommendations classed as necessary to address. Audit New Zealand prioritises its recommendations as Urgent, Necessary and Beneficial. This report covers recommendations that have been categorised as necessary which means they are required to be addressed at the earliest reasonable opportunity, generally within six months. No urgent recommendations were identified.

7. Attachment A details which recommendations have been addressed and provides a plan for those still outstanding. Of the 13 recommendations all have been addressed within the business and will be reviewed by Audit during their 2022 audit process, it is expected that most will be closed during this process, with others continuing to be addressed.

2022 Annual Report – Asset Valuations

8. Land, buildings and infrastructural assets (except land under roads) are revalued on a three yearly valuation cycle to ensure that their carrying amount does not differ materially from fair value. The order of revaluations during an ordinary reporting cycle is as follows:
- Year 1: Land & Buildings
 - Year 2: 3 Waters, Roading & Marine
 - Year 3: Airport, Parks Infrastructure
9. This year the revaluation of Roading Network and Marine assets are occurring in cycle.
10. The 3 Waters assets were revalued out of cycle as part of last year's annual report based on advice from our asset management team that unit rates appeared low. The assets were revalued to 30 June 2020.
11. For assets not due for revaluation, council annually undertakes a fair value assessment to confirm that the values shown in the accounts fairly reflect current values. Given increasing property values and costs, there is a risk that the fair value assessment of these assets will result in a material increase in the fair value of TCC's total assets. This would trigger the need for a new revaluation of the 3 Waters assets and Land & Buildings. Such a revaluation as part of this annual report would be problematic. The shortage of valuation resource both for 3 Waters assets & land and Buildings could affect ability to meet annual report timeframes. Furthermore, for 3 waters, the incomplete migration of data to the new asset management system means it would be problematic to complete a full revaluation of waters assets.
12. The risk of revaluation problems is being raised at this time for information, noting that the options should a full revaluation be required would include:
- (a) A delay in finalisation of the annual report beyond the 31 December 2022 Statutory deadline with TCC in breach of statutory reporting obligations or
 - (b) Not undertaking the revaluation in which case Audit NZ may present a modified opinion of the 2022 Annual Report to the extent that the reader could not rely on the Fair Value of TCC's assets.
13. TCC have engaged GHD to undertake the fair value assessment of the 3 Waters assets and Quotable Value (QV) for Land & Building assets which will be completed in line with the 2022 Annual Report process. The results of the fair value assessments and the formal revaluation of Roading Network assets and Marine assets will be evaluated by Audit New Zealand to determine whether the results breach any materiality thresholds. The materiality threshold will include evaluation against individual assets classes and the entire asset base.
14. Audit New Zealand has indicated that an increase of more than 10% of the asset base would be deemed material. If it is deemed that the increase in the value of the assets that have undergone fair value assessments does breach the materiality threshold TCC will be required to undertake a subsequent revaluation of it 3 Waters, Land and Building classes.
15. A full formal revaluation of 3 Waters assets is not likely to be completed within the legal timeframe for signing off an Annual Report due migration to the new Waters Asset System which is currently still underway. Furthermore, available resources
16. In the situation that a revaluation is not undertaken Audit NZ have advised that TCC will risk having a qualified audit opinion regarding this matter.

STRATEGIC / STATUTORY CONTEXT

17. The audit of the Annual Report is a requirement under the Local Government Act 2002.

OPTIONS ANALYSIS

18. There are no options presented in this report.

FINANCIAL CONSIDERATIONS

19. There are no financial considerations presented in this report.

LEGAL IMPLICATIONS / RISKS

20. There are no legal implications or risks associated with the recommendations raised by Audit New Zealand.
21. The risk regarding requirement for significant asset revaluations has been advised and further update will be provided of the fair value assessment and implications once this information is known.

CONSULTATION / ENGAGEMENT

22. There is no public consultation required.

SIGNIFICANCE

23. 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.
24. 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.
25. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

26. 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

27. Audit New Zealand will commence the audit of the 2022 Annual Report including the typical control and system tests in June 2022.
28. The draft 2022 Annual Report will be presented to the Committee on 12 September 2022.

ATTACHMENTS

1. **Responses to Audit Recommendations - A13459293**  

1	Finance	Suspense Account reconciliations
	Recommendation	We recommended time is spent ensuring items are cleared more frequently to avoid balances sitting within the suspense accounts for a number of months before they are cleared.
	First raised	2019/20
	Audit Comment	We noted several suspense accounts are not reconciled and not reviewed in a timely manner. We continue to recommend all suspense accounts are monitored and cleared on a regular basis.
	TCC Response	Suspense accounts are regularly reviewed and will be cleared on a more regular basis going into the next financial year
2	Strategy & Corporate Planning	Outdated Policies - Koha, Project Management and Fraud
	Recommendation	We recommended the Council considers, reviews and, where necessary, updates its policies.
	First raised	2016/17
	Audit Comment	We noted the Council has updated its Koha Policy; we consider this part of the issue closed. All other issues remain open.
	TCC Response	The Strategy Finance and Risk Committee agreed to rescind the Project Management Structure Policy 2005 on 16 August 2021 (Committee Resolution SFR4/21/11) . The Fraud Prevention and Management Policy is now being reviewed and a revised draft will be developed and presented to the Committee on or before September 2022.
3	Human Resources	Payroll - Lack of independent review of payroll masterfile changes
	Recommendation	We recommended the AUE report (which is used to reflect changes within the pay run) is printed and reviewed along with all other pay run payroll reports on a monthly basis.
	First raised	2017/18
	Audit Comment	We continue to recommend that the AUE report, PAU reports, Summary banking report are printed, independently reviewed, dated, and appropriately stored, along with all other payroll supporting reports attached.
	TCC Response	An additional step of independently reviewing and approving the AUE report will commence and be signed off by the Team Leader: HR Business Services each pay cycle. To assist this process the organisational payroll cut off time will be brought forward to earlier on a Monday. This step will commence in the pay cycle being 13 May 2022.
4	Transportation	Traffic Congestion performance measure
	Recommendation	We recommended that the Council includes in the Annual Report: •Additional disclosure around this measure, explaining how the result has been calculated and its limitations in presenting an accurate indicator of congestion; and •Narration regarding the prior year results and whether these were determined in the same way as the current year to ensure the information presented is comparable.
	First raised	2018/19
	Audit Comment	During our testing we found that no progress has been made by the Council on these recommendations.
	TCC Response	Results calculated prior to the 2021/22 Q2 result were calculated using input data from the Bliptrack system. There has been a change in system used for gather results and this will be explained in the annual report. Specifically, TCC stopped using the Bliptrack system in mid 2021 and established a new system of monitoring travel time around the network using TCC owned Bluetooth data probes and a different third party software application ADDinsight. The ADDinsight reporting criteria and post data extraction calculations have been established and are being reported via spreadsheet. This will enable the KPI values to be simply and transparently repeated with identical methodology in the future, whilst the ADDinsight software is being used. The reported KPI results remain by definition a single speed value and a number of minutes per day. Due to the change in calculation methodology in late 2021 for the 2021/22 Q2 results, there is limited utility in comparing these results with previous ones that are not based on the ADDinsight routes. Results from the 2021/2022 -Q2 result can be compared to assess global trends in network congestion. Notwithstanding this it is recommended that TCC will create some additional parameters to measure and track over time to provide additional insight into the networks performance globally and in specific areas.
5	Finance	Fixed Asset Register - untimely processing of current year movements

	Recommendation	We recommended that Council continues to work with the FMIS vendors to ensure Council can still process its other asset movements in a revaluation cycle. This could either be done on a quarterly or, preferably, on a monthly basis to align with your monthly reconciliation of the Fixed Asset system to the General Ledger.
	First raised	2018/19
	Audit Comment	During our testing we found that no progress has been made by the Council on this recommendation.
	TCC Response	Additional resource has been recruited to provide capability to update the assets in the SAP system on a more regular basis. This will see improvement in the 2022/23 financial year but recruitment will be too late to improve the 2021-22 year..
6	Human Resources	P-Card Policy - cancellation or destroying Cards
	Recommendation	We recommended the Council determines the process for cancelling and destroying cards as recommended by the OAG's guidelines for sensitive expenditure issued in 2007 "Controlling Sensitive Expenditure – Guidelines for Public Entities" We also recommended the Council documents its process around the related P-Card holder profile and delegated authority on card cancellation.
	First raised	2017/18
	Audit Comment	During our testing we found that no progress has been made by the Council on these recommendations.
	TCC Response	Finance currently receive a notification when an employee leaves however the timing is not reliable as often it is after the employee's last day. A review of the offboarding process has been completed and a solution is being tested - instead of people leaders contacting multiple departments advising an exiting employee they will complete one online form at time of resignation which will trigger notifications to Finance and HR. Finance will then verify whether the exiting employee has a P-Card and will follow the recommended process of cancelling or destroying the card.
7	Legal & Commercial	Incomplete Interest Declarations
	Recommendation	We recommended all interest declarations are kept up-to-date with all interests disclosed. Council could consider undertaking its own search of public records to ensure all related parties are identified and appropriately managed.
	First raised	2019/20
	Audit Comment	From our testing we note that there are some interests that have not been declared by Key Management Personnel.
	TCC Response	For the next 6-monthly update, our internal auditor is undertaking an audit of a sample of declarations against public records. The internal auditor will consider whether to continue this for each round of updates going forward.
8	Waters	Performance measures - Waters
	Recommendation	We recommended: <ul style="list-style-type: none"> • Sufficient details and clearer descriptions are provided in the report for each event to help the data processor and reviewer make informed judgments on whether the event has met the criteria of the performance measure per DIA guidance; • Record and use the number of connections as per 30 June for three waters related performance result calculation. • Regularly review the event report and adjust types of events accordingly. This is to ensure three-waters issues have been correctly differentiated and classified; and • Regularly review the event report and ensure all private nature related events are removed from year-end population.
	First raised	2019/20
	Audit Comment	We noted good progress has been made on this issue, in particular on the measure for wastewater dry weather overflows. From the three-water measures we tested, we noted one error from the wastewater customer complaints measure with an error rate above our threshold. We continue to recommend the Council regularly reviews the event report, adjusts types of event where needed, and ensures all events of a private nature are removed from the figures reported at year end.

TCC Response	<p>TCC regularly reviews the “private” events and has had to implement a manual process for removing and recalculating results.</p> <p>The wastewater dry weather overflow monitoring against a rainfall gauge up in the lower hills of Oropi is still an unresolved issue that provides misleading data. This is required by the DIA. There are many issue with this, (a) the location of the gauge, (b) the distance of that gauge to the locating of an overflow (c) the timeliness of the availability of the rain data from that gauge, often there is a one to two month wait until the gauge data is made available on-line, this does not coincide with the reporting timeframes so reports cannot be finalised (d) the fact that other TLA’s are not required to report and compare to rain gauges in the way we have been required to do (e) the manual and extremely time consuming nature of this reporting (f) the fact that the methodology only ever has a minor impact on the report results.</p> <p>TCC use live data from our asset management system which gives us accurate data as at the day the report is generated.</p>
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9	Finance	Timing of asset capitalisation
	Recommendation	We recommended the capitalisation policy be reviewed to ensure it provides guidance on when assets should be capitalised, incorporating the point at which the asset is available for or commissioned for use. This would include considering the treatment of assets which are ready for use part way through a larger project.
	First raised	2019/20
	Audit Comment	<p>During our review we found that no progress has been made by the Council on this recommendation. We continue to recommend the capitalisation policy be reviewed.</p> <p>The capitalisation policy should be in line with PBE IPSAS 17.14 Recognition criteria and PBE IPSAS 17.71 Depreciation start date criteria.</p> <p>We further recommend that it be communicated with project managers to ensure their understanding of when to capitalise an asset is aligned with the Finance Team’s understanding. The project manager should be the first person to contact the Finance Team to capitalise an asset.</p>
	TCC Response	Additional resource has been recruited to provide capability to update the assets in the SAP system on a more regular basis. This will see improvement in the 2022/23 financial year. Capitalisation policy will be reviewed next financial year to ensure it is up to date with the relevant accounting standards.
10	Finance	Journal approvals and Super-Users access
	Recommendation	<p>We recommended management ensures all journal entries are subject to review and evidenced as approved.</p> <p>We also recommended that a listing of journals prepared and posted by super-users be generated and independently peer reviewed.</p>
	First raised	2019/20
	Audit Comment	<p>During our testing we noted no instances where standard Journals were not reviewed and evidenced as approved.</p> <p>However, we have noted instances where users have approved their own journals. This is often in the form of reversing Journals.</p> <p>The approval portion of this issue has been closed.</p> <p>We continue to recommend that all journals are independently reviewed and evidenced as approved.</p>
	TCC Response	<p>The process for reversing accrual journals has been updated so the approval of accrual journals is also the approval of the reversal of the accrual in the following month.</p> <p>For System generated journals (Chris Payroll and Chris payroll accruals) there is no batch and no SAP approval for these. However, these are approved outside the system so a record of the “outside approval” will be saved into Objective referencing the payroll number and date as a way of showing that these have been looked at and approved.</p> <p>For other journals that are reversed using the SAP “button” that reverses a journal without the need for approval will no longer be used. Going forward the method of reversing journals will be to process these as a manual journal with the standard approval process.</p>
11	Digital Services	Information systems (IS) - Contractor agreement does not include compliance with Council policies
	Recommendation	We recommended that contractors be required to attend security briefings and training to ensure they are aware of acceptable ICT practices.
	First raised	2017/18
	Audit Comment	<p>During our testing we noted that Digital Services is providing regular security training to staff. However, we noted that almost 50% of the new starters are contractors and that these people are not all attending the security training.</p> <p>We continue to recommend that contractors be required to attend security briefings and training to ensure they are aware of acceptable ICT practices.</p>

TCC Response	<p>Cyber Security training for contractors</p> <p>We are currently working on several fronts to address the outstanding audit item, that not all contractors are taking part in security</p> <p>These actions include:</p> <ul style="list-style-type: none"> • Reviewing contractor agreements to ensure they contain the appropriate sections on cyber security training and policies – underway • We will work with legal to ensure any new contracts also contain the sections for cyber security training and policies • We are working on making Cyber Security training compulsory for a core set of training for staff, contractors, and third-party contractors • Reviewing induction processes and material to ensure the appropriate cyber security training is undertaken at the commencement of access to TCC systems • Looking at whether we should be restricting access until the compulsory Cyber Security training is completed • Initiating a high-risk users programme where individuals in high-risk roles receive additional Cyber Security training - underway
12 Joint Reponse: Human Resources, Digital Services & Legal & Commercial	<p>Information systems (IS) - process for removing contractors' network and application access</p>
Recommendation	<p>We recommended Digital Services are advised about all staff and contractors leaving so that access to the Council's network and applications is removed promptly.</p> <p>Fortnightly reports of starters and leavers that used to be provided by People and Capability should be reinstated.</p> <p>End dates in the payroll system should be updated to reflect any changes in contractors' end dates.</p>
First raised	2017/18
Audit Comment	<p>Our audit work noted the following:</p> <ul style="list-style-type: none"> • Reports of starters and leavers provided by HR show that almost 50% of starters and leavers are contractors. • Digital Services are not always being advised of staff and contractors leaving, and also not being formally advised to amend or terminate a person's access when they move from being a contractor to being a staff member or changing from one contract role to another. <p>We also noted that end dates in the CHRIS payroll system do not always reflect the new end date when contracts are extended.</p> <p>Digital Services staff have developed work arounds to try to ensure access is terminated in the network and within applications.</p>
TCC Response	<p>A new role is being introduced to support better management of contractors in TCC.</p> <p>Phase 2 of the contract management project is now underway, which includes independent contractors in scope.</p> <p>A review and reconciliation of our existing contractor records is underway.</p>
13 Digital Services	<p>Information Systems (IS) - process for ensuring application access is appropriate</p>
Recommendation	<p>We understand that the Council is looking at systems for improving role based access to data in the future.</p> <p>We suggested the new system has, as a minimum, the following features:</p> <ul style="list-style-type: none"> • Improvements to the processes for adding and amended user access to applications. • Data ownership being assigned and data custodians approving all requests for access to update their data within applications. • Data owners regularly reviewing who has access to update their information to ensure that security and segregation of duties is maintained.
First raised	2018/19
Audit Comment	<p>During our testing we noted the following:</p> <ul style="list-style-type: none"> • No full reviews of Ozone access have been completed but some improvements have been made to the way access has been assigned to Ozone users. • The new SAP financial system which has gone live this year, has improved processes for assigning user access. <p>We noted this year that CHRIS payroll user access processes need improvement, a high number of people have master access, and there are no formal processes for approving this elevated access or removing access when no longer required.</p>

TCC Response	<p>SAP Programme and timeline:</p> <p>TCC's ERP Programme is working towards modernising our core systems with a move to an SAP Ecosystem of solutions. The programme started with moving Finance processes from Ozone to SAP. More recently we have moved environmental health and licensing processes to SAP. The next major phases are focused on our master data, namely customer and property data and laying the foundations for moving our remaining processes from Ozone and some other legacy systems to our SAP eco-system. The programme will be rolled out iteratively with the foundational building blocks planned to be in place by December 2023. Migration onto the new system would continue for a further 18 months.</p> <p>A core part of the programme is looking at master data, assigning owners and defining master data responsibilities. As with Finance, user access will be role based and limited to the information required to perform a role. The programme is also undertaking a privacy impact assessment which will also play a role in developing role-based access.</p> <p>HR CHRIS 21 Access</p> <p>Digital and HR are working together to review current access and ensure the process that provides access is appropriate.</p>
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9.4 Adoption of Remission and Postponement of Rates on Māori Freehold Land Policy**File Number:** A13335855**Author:** Jim Taylor, Transactional Services Manager

Emma Joyce, Policy Analyst

Authoriser: Paul Davidson, General Manager: Corporate Services**PURPOSE OF THE REPORT**

1. To deliberate on, and adopt, the draft Remission and Postponement of Rates on Māori Freehold Land Policy (draft policy) (attachment one).

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Adopt the draft Remission and Postponement of Rates on Māori Freehold Land Policy.

EXECUTIVE SUMMARY

2. The Strategy, Finance and Risk Committee (the Committee) adopted the draft policy for consultation at its March 2022 meeting. A total of six submissions were received during the consultation period with one submitter being heard at a hearing on 8 June 2022.
3. This report responds to issues raised through both the written and verbal submissions and invites decision on options arising prior to adoption of a final policy.

BACKGROUND

4. Council is required to review its policy on the remission and postponement of rates on Māori freehold land by 1 July 2022 in response to the Local Government (Rating of Whenua Māori) Amendment Act 2021. This Act introduced provisions to the Local Government (Rating) Act (LG(R)A 02) and Local Government Act 2002 (LGA 02) to better enable development of Māori freehold land, particularly for housing and papakāinga, and to modernise rating legislation affecting Māori freehold land. Policies on the remission and postponement of rates on Māori Freehold Land must now also support the principles in the Preamble to Te Ture Whenua Māori Act 1993 (TTWMA 93).
5. The new provisions at section 114A of the LG(R)A 02 require Council to consider the outcomes to be achieved from developing Māori land, including providing additional housing and employment opportunities and future increase in council's rating base. Developing Māori freehold land for the economic, social and cultural benefit of the owners and beneficiaries will benefit the whole community. New housing and associated papakāinga will further Māori cultural identity and iwi / hapū connection to Tauranga Moana. It will also reduce the overall shortfall of healthy housing for everyone in our community through increased supply and reduced demand for rentals or privately-owned homes. Creating commercial business ventures on Māori freehold land will create new jobs within our rohe and benefit our city and the wider region's economy.
6. At its March 2022 meeting, the Committee provided feedback that it would be ideal if policies on the remission and postponement of rates on Māori freehold land are the same between Tauranga City and Western Bay of Plenty District Councils. Staff advice at the time was that the only difference was in the level of remission. Since then, it has been confirmed that Western Bay do not have a level of remission or timeframe in which remissions would be granted specified in their policy. This is consistent with our policy.

SUBMISSION ANALYSIS

7. A total of six submissions were received on the policy. Submissions opposed to the policy either stated that council was setting its policy based on race or overstating the differences between Māori freehold land and general land. These matters are addressed in the background section to the draft policy. No further changes are recommended.
8. Both the submissions from Ngā Pōtiki ā Tamapahore Trust and Ngāi Tukairangi acknowledged the work done to bring a tiriti lens to the policy, while noting that there is always room for improvement. The incorrect legislative reference in the draft policy pointed out in the Ngā Pōtiki submission has been corrected in the attached draft version. Staff have also accepted the recommendation to refer to iwi and hapū in the principle at 5.3. These changes have been made in the attached draft policy and highlighted for reference.
9. Ngā Pōtiki also queried the meaning of “defined and agreed” at clause 6.2.1. This refers to the agreements we will have with owners of land under development to ensure both parties understand the area(s) eligible for remission under the draft policy. No change to the policy is recommended.
10. One matter requiring further consideration by the Committee is treatment of land returned as commercial redress where part of the land is retained for a housing purpose. This is discussed at issue one below.

OPTIONS ANALYSIS

Issue 1 – Land returned as commercial redress

11. The draft policy as consulted states in the scope (clause 2.3) that “Land returned for commercial redress will not generally be eligible for remission under this policy”. This recognises that remitting rates on land that may already be developed or providing a commercial benefit was inconsistent with the purpose of the policy to provide support for undeveloped land. However, the submission from Ngā Pōtiki noted a significant amount of land returned to Ngā Pōtiki as commercial redress will be used for housing Ngā Pōtiki whānau. Excluding this land from the policy might be inconsistent with the policy purpose (and relevant legislation).
12. There are three options the Committee could consider in addressing this issue.
 - Option 1.1 – clause 2.3 remains as in the draft meaning commercial redress properties are not explicitly eligible for remission or postponement under the policy. (However, the use of generally suggests there may be circumstances where such land would be eligible).
 - Option 1.2 – clause 2.3 is deleted and commercial redress land becomes eligible for rates remission.
 - Option 1.3 – clause 2.3 remains but notes that such land may be eligible for a rates postponement. Postponed rates would only become due if the land use changed from community housing to a different purpose. Postponed rates will be waived once the development is complete, noting that rates would become liable when the development is complete or persons are residing in the home.

Option		Advantages	Disadvantages
1.1	Retain clause as in draft policy as consulted – no explicit provision allowing rates remission for commercial redress land	<ul style="list-style-type: none"> • Mitigates any risk of remitting rates on land reserved for housing later being used for a commercial purpose • The use of “generally” suggests there may be incidences where commercial redress land is eligible for remission under the 	<ul style="list-style-type: none"> • Does not recognise that commercial redress treaty settlement land may be used for housing whānau (similar to Māori freehold land). • Potentially inconsistent with principles in Preamble to TTMWA 93 to support the development of Māori land and the intent and

Option		Advantages	Disadvantages
		policy	<p>purpose of the draft policy</p> <ul style="list-style-type: none"> Does not recognise broader outcomes to be achieved through developing Māori land Use of “generally” makes it unclear in what circumstances commercial redress land would be eligible
1.2	Provide for rates remission on commercial redress land and delete clause 2.3	<ul style="list-style-type: none"> Consistent approach to Māori land in the policy 	<ul style="list-style-type: none"> Potentially inconsistent with intent and purpose of draft policy to provide for development of land that would otherwise be unused or have no income earning potential Potential risk to council of remitting rates on land later used for a commercial purpose
1.3	Provide for rates postponement on commercial redress land retained for housing with the postponed rates wiped upon development. If land used for non-housing will be required to pay postponed rates (recommended)	<ul style="list-style-type: none"> Recognises that some commercial redress land may be used for housing whānau Consistent with the principles in the Preamble and criteria at schedule 11 to LGA 02 to support the development of Māori land Consistent with the intent of the outcomes at s114A to <i>inter alia</i> provide housing and employment opportunities Mitigates any risk of council remitting rates on land later used for a commercial purpose 	<ul style="list-style-type: none"> Nil

13. The recommended option is highlighted at clause 6.7.1 of the draft policy.

Issues outside of scope

14. Ngā Pōtiki noted in its submission that the current policy to provide grants for development of papakāinga or community housing does not apply to undeveloped treaty settlement land. While outside the scope of this policy, this feedback has been noted for consideration as part of the next review of the Grants for Development Contributions on Papakāinga Housing Policy.

STRATEGIC / STATUTORY CONTEXT

15. A policy on the remission and postponement of rates on Māori freehold land is a requirement of all councils under section 102(1) of the LGA 02 (noting that councils do not have to offer remission or postponement of rates). Policies must include the objectives sought by remission, and the criteria in order for rates to be remitted. The objectives and criteria must have regard to the “desirability and importance” of a range of objectives such as protection of indigenous biodiversity, protection of wāhi tapu, and avoiding further alienation of land. These criteria are listed at schedule 11 to LGA 02 – Matters relating to the relief of rates on Māori freehold land. This is in addition to the recent requirement noted above that those policies must also support the principles contained within the Preamble to TTWMA 93.

16. Council has previously shown support for the development of Māori land through the development of a policy to provide grants to cover payment of development contributions for papakāinga.

FINANCIAL CONSIDERATIONS

17. There are 442 Māori freehold land rating units (and 152 separate occupied portions) in Tauranga with a total land area of 1,982 hectares. Total rates assessed in 2021/2022 were \$420,000 with \$150,000 rates remission on land with part use. Should the committee accept the draft policy, an initial assessment of the impact concluded that it is less than 0.02% of the annual rates budget (approximately \$50,000).
18. It should be noted that one of the benefits to be considered in providing for remission on land subject to development is the likelihood of an increase in council's rating base in the future.

LEGAL IMPLICATIONS / RISKS

19. The draft policy meets council's legislative requirement to review the draft policy by 1 July 2022 and to show support for the principles in the Preamble to Te Ture Whenua Māori Act 1993.

CONSULTATION / ENGAGEMENT

20. Staff met with Te Rangapū on three occasions prior to the adoption of the draft policy.
21. Staff contacted the owners of Māori freehold land inviting submissions on the draft policy.
22. Submissions on the draft policy were invited from 26 April to 16 May. A total of six submissions were received with one being heard by the Committee at the 8 June hearing.

SIGNIFICANCE

23. 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.
24. 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 decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
25. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance.

ENGAGEMENT

26. Taking into consideration the above assessment, engagement already undertaken and that the decision is of medium significance, staff are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

27. The policy will be made available on the website and circulated to owners of Māori freehold land. Staff can set aside time to work with owners to apply for any applicable remission. Remissions will be available from 1 July 2022.

28. Ngāi Tukairangi suggested an early review of the policy to understand how iwi and hapū found the application process and indeed if they were aware of the policy. The policy is required to be reviewed every six years, however, an earlier review is an option should either council or applicants identify a need to do so.

ATTACHMENTS

1. **Draft Remission and Postponement of Rates on Māori Freehold Land Policy for adoption - A13545721** [↓](#) 

DRAFT REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND POLICY



Policy type	Council		
Authorised by	Council		
First adopted	24 June 2003	Minute reference	M03//70.4
Revisions/amendments	28 June 2007 23 June 2009 28 June 2018 Xx xx xx 2022	Minute references	M07/57.2 M09/50.6 M18/56 CO/XX/XX
Review date	The policy must be reviewed every six years.		

1. PURPOSE

- 1.1 To ensure that Council's approach to the rating of Māori freehold land recognises that land is a taonga tuku iho of special significance to Māori, avoids further alienation of land, and enables the land to be developed for the benefit of the owners their whanau and hapū.

2. SCOPE

- 2.1 The policy applies to the rating of Māori freehold land, or any land returned to collective iwi or hapū ownership through treaty settlement or a right of first refusal scheme, or land that has been temporarily transferred to general title, in Tauranga.
- 2.2 Land that is leased commercially is excluded from the scope of this policy.
- 2.3 Land returned for commercial redress will not generally be eligible for remission under this policy. Such land may be eligible for rates postponement as per 6.7.1 below.

3. BACKGROUND

- 3.1 Māori freehold land is determined by the Māori Land Court and is held by individuals who have shares together as tenants in common. In a modern context it has two main characteristics which make it a unique land tenure: economic value and cultural value. Development of the land relies heavily on support from a sufficient number of owners. Māori freehold land is sometimes referred to as "multiply-owned Māori land".

- 3.2 Māori freehold land and general title land are very different in tenure and purpose. While you can develop both types of land, there are significantly more barriers to achieving development on Māori freehold land as well as legislation that specifically controls and directs how Māori freehold land can be used and sold. As the rules for valuing Māori freehold and general land are the same, rates valuations may not account for the challenges in developing Māori freehold land nor non-western understandings of land value.
- 3.3 Councils can recognise the challenges to developing Māori freehold land through policies that provide for partial or full remission of rates. Developing Māori freehold land for the economic and cultural benefit of the owners will benefit the whole community. New housing and associated papakāinga will further Māori cultural identity and connection to Tauranga Moana. It will also reduce the overall shortfall of healthy housing for everyone in our community. Creating commercial business ventures on Māori freehold land will create new jobs within our rohe and benefit our city and the wider region's economy.

4. DEFINITIONS

Term	Definition
Capital value	Is the sum that the owner's estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to require (Rating Valuations Act 1998)
Development	For the purposes of this policy, refers the establishment of activity on otherwise unused land and could include housing, papakāinga, or commercial activity or where urban development infrastructure has been constructed to enable future development
Māori freehold land	is land which has beneficial ownership that has been determined by a Freehold Order issued by the Māori Land Court
Medicinal plants	For the purposes of this policy, refers to rongoā Māori (traditional Māori medicines)
Occupied land	is land used as a place of residence or occupied for a period of time exceeding six months in a calendar year.
Papakāinga	Housing and related amenities located on Māori land for the benefit of its shareholders and/or beneficial owners. Related amenities include shared facilities that might otherwise be located within individual dwellings, such as shared ablution areas or shared kitchen facilities. Related amenities do not include other papakāinga activities such as kohanga reo, kura kaupapa, health clinic, horticulture or agriculture, sports and/or recreational areas, urupa and heritage sites.
Ratepayer	means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.

Rating unit	is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates. The main criteria is the existence of a separate certificate of title.
Remission	is when the requirement to pay the rate for a particular financial year is (either partially or fully) forgiven.
Residential	means the use of land and buildings for domestic or related purposes.
Services charges	are a targeted rate specifically relating to the provision of kerbside waste collection, water, and waste water services to a rating unit.
Unused land	Refers to a rating unit where there is no person actually using any part of the rating unit; or the entire rating unit is used in a similar manner to a reserve or conservation area and no part of the rating unit is leased by any person or used as residential accommodation; or used for any activity (whether commercial or agricultural) other than for personal visits to the land or personal collections of kai or cultural or medicinal material from the land.
Wāhi tapu	means the place is sacred to Māori in the traditional, spiritual, religious, historical, or mythological sense. Those places defined as 'wāhi tapu' vary from hapū to hapū.

5. PRINCIPLES

- 5.1 The collection of rates from all sectors of the community should be fair and equitable whilst acknowledging that Māori freehold land has particular conditions, features, ownership structures or other circumstances that make it appropriate to provide relief from rates. Providing for the fair and equitable collection of rates on Māori freehold land also supports the principles of Te Tiriti o Waitangi.
- 5.2 The rating of Māori freehold land will reflect its actual use.
- 5.3 The remission or postponement of rates on Māori freehold land, land returned to iwi or hapū ownership through treaty settlement or a right of first refusal scheme, or land that has been temporarily transferred to general title enables the development and use of the land for economic or other purposes that benefit the owners, their whanau, **iwi and hapū**.
- 5.4 Providing for the remission of rates on Māori freehold land, land returned to iwi or hapū ownership through treaty settlement or a right of first refusal scheme, or land that has been temporarily transferred to general title may benefit Tauranga through the provision of housing or employment opportunities.
- 5.5 Providing for the remission or postponement of rates recognises and takes account of the presence of wāhi tapu or natural character that may affect the use of land for other purposes.
- 5.6 The overarching principles identified in the Revenue and Financing Policy apply to all land included in the scope of this policy.

6. POLICY STATEMENT

6.1 Rates remission on land subject to development

- 6.1.1 Council may enter into a remission of rates arrangement with the trustees, owners, or occupiers of land included in the scope of this policy where the trustees or owners have expressed intention to develop the land and where council is satisfied such an arrangement provides for one or more of the benefits listed in section 114A of the Local Government (Rating Act) 2002. (Applications may demonstrate more than one benefit).
- 6.1.2 Remissions will be considered on receipt of a remission application, to ensure an opportunity for specific properties to be considered on a case-by-case basis exists.
- 6.1.3 Applications for remission must be in respect of land included in the scope of this policy, and where the ratepayer is the owner of the land.
- 6.1.4 In general, services charges will not be remitted.

6.2 Level of remission on land subject to development

- 6.2.1 Council will remit 100% of all rates, except service charges, of the defined and agreed development, or defined and agreed stage of development, where the development is located on land within the scope of this policy.
- 6.2.2 Rates will be remitted until such time as the development is complete, or the development is generating income, or persons are residing in houses built upon the land. Flexibility is retained to negotiate a lengthier period of time where desirable.
- 6.2.3 Council may request additional documentation where necessary to determine the start and finish dates of a proposed development or the staging of a development.
- 6.2.4 Developments that are staged can apply for remission for each separate stage of the development.

6.3 Rates remission on unused land

- 6.3.1 Wholly unused Māori freehold land is non-rateable under the Local Government (Rating) Act 2002. Council may also remit services charges on wholly unused land.
- 6.3.2 Land returned through treaty settlement or right of first refusal, or land that has been temporarily transferred to general title, may receive 100% remission of rates where that land is similarly unused and has no immediate possibility of development.

6.4 Rates remission for limited productive use

- 6.4.1 Council staff may negotiate remission of up to 100% of rates, except services charges, on Māori freehold land that:
 - is not being used for any productive purpose, or may be too small to be commercially productive; or
 - does not generate any significant economic or financial benefit but may provide kai or medicinal plants for personal or community use.

6.5 Remission to adjust Māori freehold land values

- 6.5.1 In general, land is valued for rating purposes on its capital value. Recognising that the capital value or highest and best use may not reflect the value or significance

of land to Māori or be able to be achieved within Māori ownership, council may remit the portion of rates attributed to the subdivision potential.

6.6 Remission for land used for non-commercial purposes for the benefit of Māori

- 6.6.1 Upon application, 100% remission of all rates except service charges may be made available where land provides for a non-commercial activity that benefits Māori (including community facilities, marae, and associated infrastructure) or supports the functioning of a papakāinga.

6.7 Postponement of rates

- 6.7.1 Rates may be postponed on land returned as commercial redress where a portion of the land will be retained and developed by an iwi or hapū-owned entity for housing whānau. Rates will be postponed until such time as the development is complete or there are persons residing in the houses at which time all postponed rates will be waived. The postponed rates will only become payable when any portion of the land retained for housing is used for a non-housing, including commercial, purpose or sold on the open market.
- 6.7.2 Provision is retained for postponement of rates on Māori freehold land. Postponement of rates will be considered on receipt of an application and where rates on the land is not already remitted and where it is agreed that postponement of rates is necessary to support ongoing economic development of the land.
- 6.7.3 Where an application is received, consideration must be given to the purpose of this policy.
- 6.7.4 When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and Council and will:
- state the amount of postponement; and
 - state the timeframe or conditions upon which the postponed rates will become due and payable; and
 - acknowledge that the postponed rates will be registered as a charge against the land; and
 - be signed by both parties.
- 6.7.5 The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

7. RELEVANT DELEGATIONS

- 7.1 The following officer, and all of the officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed or remitted), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Manager: Transaction Services

Revenue Collections and Māori Land Specialist

Any officer who performs or exercises the same or substantially similar role or function as to the officers above, whatever the name or their position.

8. REFERENCES AND RELEVANT LEGISLATION

- 8.1 Local Government (Rating) Act 2002
Local Government Act 2002
Rating Valuations Act 1998
Te Ture Whenua Māori Act 1993

9. ASSOCIATED POLICIES/PROCEDURES

Property Acquisition and Disposals Policy
Revenue and Financing Policy

DRAFT

9.5 Adoption of the draft Rates Remission Policy and the draft Rates Postponement Policy

File Number: A13335909

Author: Emma Joyce, Policy Analyst
Jim Taylor, Transactional Services Manager

Authoriser: Paul Davidson, General Manager: Corporate Services

PURPOSE OF THE REPORT

1. To deliberate on and adopt the draft Rates Remission Policy (attachment one) and the draft Rates Postponement Policy (attachment two) (the draft policies).

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Adopt the draft Rates Remission Policy.
- (b) Adopt the draft Rates Postponement Policy.

EXECUTIVE SUMMARY

2. The Strategy, Finance and Risk Committee (the Committee) adopted the draft policies for consultation at its March 2022 meeting. Submissions were invited from 27 April to 18 May 2022. A total of nine submissions were received on the draft Rates Postponement Policy and five submissions the draft Rates Remission Policy
3. This report provides an opportunity for the Committee to deliberate on issues arising from the submissions prior to adopting final policies.

BACKGROUND

4. In general, all ratepayers are expected to pay rates. However, rates postponement and remission policies allow Council to recognise financial or other special circumstances where ratepayers may require support to manage their rates payments. In adopting the Long-term Plan 2021-2031 (LTP) and in response to public feedback, Commissioners requested a review of council policies on the remission and postponement of rates, particularly for those on fixed incomes.
5. Recent legislative changes also require councils to review their policies on rates remission and postponement to confirm they support the principles in the Preamble to Te Ture Whenua Māori Act 1993 (TTWMA 93).

Rates Remission Policy

6. The rating valuation of gold kiwifruit orchards now includes the value of the gold kiwifruit (G3) licence. As this may result in significant rates increase for owners of such orchards, council proposed a new temporary rates remission for gold orchards. The remission would apply to the portion of rates increase attributed to the capital value of the gold kiwifruit with 100% remission in year one and two thirds remission in year two.
7. This approach also recognises that inclusion of the G3 licence in rating valuations is subject to further review in the High Court following a decision of the Land Valuation Tribunal that it should not be included in the rating valuation.
8. Correspondence was received (including one submission) commenting on the inclusion of the G3 licence in the rating valuation and possible legal action. Staff have noted these comments, however, they cannot be addressed through this policy. The proposed remission

would mean that the G3 licence would not impact the 2022/2023 rates on gold kiwifruit orchards.

9. The following matters were raised in submissions with respect to the Rates Remission Policy:
 - Not having the remission for gold kiwifruit orchards
 - Extending rates remission for green kiwifruit orchards
10. As noted above, the rates remission recognises the likely increase in rates for gold kiwifruit orchards should the G3 licence be included in the rating valuation. This increase would not be seen by green kiwifruit orchards. Green kiwifruit orchards subject to a boundary adjustment would be eligible for a rates postponement (should the draft postponement policy be adopted).
11. Staff do not recommend any amendments to the draft policy on the issues noted above. The submissions do not raise matters that were not already discussed as part of the development of, and consultation on, the draft policy. No further decision-making is required regarding the Rates Remission Policy.

Rates Postponement Policy

12. Council is committed to fair and equitable rates. Providing for postponement of rates where the ratepayer is experiencing financial hardship recognises that there may be circumstances where a ratepayer requires additional support to manage their rates payments. As such, the draft Rates Postponement Policy reduced the criteria for accessing postponement to ensuring the ratepayer had at least 25% equity in the property and was unable to access support from private sector financial institutions. An additional criterion was added noting that applications for postponement must only be for the property the ratepayer was currently residing in. The draft Rates Postponement Policy also committed staff to work with ratepayers to access the Government rates rebate scheme prior to seeking postponement on the ground of financial hardship.
13. The draft Rates Postponement Policy also extended the current provision for postponement of rates on farmland to properties recently moved into the Tauranga City Council area and subject to a potential future rezoning from rural to urban uses. This postponement acknowledges that a rezoning may increase the capital value of a property but that owners may not be able to realise the benefits of that rezoning for some time. Staff contacted submitters five and six to clarify that the financial hardship criteria do not apply to the boundary adjustment properties.
14. Of the nine submissions on the Rates Postponement Policy, four were in support and five opposed. Most submissions were in respect of the postponement for boundary adjustment properties.

Rates postponement on ground of financial hardship

15. With regards to postponement for financial hardship, one submitter suggested setting rates based on the income of ratepayers. Rates are assessed on the capital value of a property. This means that some ratepayers on limited or fixed incomes may pay high rates due to the value of their property. However, the Rating Act only allows councils to set rates based on property value and not on the income of the ratepayer.
16. A submitter suggested Council 'top up' the Government rates rebate scheme. This is discussed at issue one below.

Rates postponement for boundary adjustment properties

17. One submitter suggested in respect of boundary adjustment properties that the rates should not be assessed on highest and best use. Staff met with this submitter to confirm that rates would not be assessed on the basis his land was fully developed (post future rezoning).
18. Other matters raised by submitters who are ratepayers of boundary adjustment properties are as follows;

- Requiring only two years of postponed rates to be paid for the boundary adjustment properties (issue two)
- Providing for rates remission for boundary adjustment properties (rather than postponement) (issue three).

OPTIONS ANALYSIS

Issue 1: Top up of Government rates rebate

19. At present, eligible ratepayers can get a rebate of up to \$665 through the Government Rates Rebate Scheme. The draft policy as consulted noted that staff would support ratepayers to access that scheme before applying for rates postponement. The Committee could consider “topping up” the rebate scheme to provide a further refund of rates for ratepayers on low or fixed incomes.

Issue		Advantages	Disadvantages
1.1	Council tops up the Government rates rebate scheme	<ul style="list-style-type: none"> • Recognises the impact of rates on those with fixed incomes (such as New Zealand superannuation) 	<ul style="list-style-type: none"> • Potential impact on rates income and burden on other ratepayers to fund the “top up” • Inconsistent with principle that those who benefit from rates should contribute to them • In general, income redistribution such as rates rebates and top ups are the responsibility of central government not local government
1.2	Council supports ratepayers to access Government rates rebate scheme (as in draft policy) (recommended)	<ul style="list-style-type: none"> • Recognises the impact of rates on those with fixed incomes • Consistent with principle that those who benefit from rates should contribute to them • No impact on Council books or requirement for other ratepayers to fund the “top up” 	<ul style="list-style-type: none"> • Government rates rebate is only a partial refund of rates

Issue 2 – Length of rates postponement for boundary adjustment properties

Issue		Advantages	Disadvantages
2.1	Requiring six years of postponed rates be paid when property sold or developed (as in draft policy) (recommended)	<ul style="list-style-type: none"> • Consistent with treatment of farmland • Consistent with legislation regarding recovery of postponed rates • Council forgoes less rates income 	<ul style="list-style-type: none"> • Nil
2.2	Require only two years of postponed rates be paid when property sold or developed	<ul style="list-style-type: none"> • Acknowledges that payment of six years of postponed rates could be a significant cost when property sold or development 	<ul style="list-style-type: none"> • Inconsistent with treatment of other farmland under the policy and legislation regarding recovery of postponed rates • Council forgoes more rates income

Issue 3 – Providing for rates remission (rather than postponement) for boundary adjustment properties

Issue		Advantages	Disadvantages
3.1	Providing for rates <u>remission</u> for boundary adjustment properties	<ul style="list-style-type: none"> No impact on rates for boundary adjustment properties following rezoning and potential valuation increase 	<ul style="list-style-type: none"> Council forgoes all rates income from eligible properties for an indefinite period May not acknowledge impact on other ratepayers who experience value increase from re-zoning Inconsistent with treatment of farmland similarly impacted by rezoning and development
3.2	Provide for rates <u>postponement</u> on boundary adjustment properties (as in draft policy) (recommended)	<ul style="list-style-type: none"> Council recovers some rates when property is sold or developed Consistent with treatment of farmland 	<ul style="list-style-type: none"> Nil

20. The attached draft policies reflect the recommended options (i.e. no changes from the drafts consulted on). Should the Committee decide not to approve the recommended options, amendments to the draft policies can be recorded as part of the resolution. Amendments would be added to the draft policy prior to uploading to the website as a final adopted version.

STRATEGIC / STATUTORY CONTEXT

21. Section 102 of the Local Government Act 2002 allows councils to adopt policies on the remission and postponement of rates. Where councils have adopted such policies, they must be reviewed prior to 1 July 2024 to confirm that they support the principles in TTWMA 93.

FINANCIAL CONSIDERATIONS

22. There are no financial considerations with the recommended options. As noted in the substantive commentary above, any remission of rates for boundary adjustment properties would have an impact on council rates income.

LEGAL IMPLICATIONS / RISKS

23. While we await the decision of the High Court on including the value of the G3 licence in the rating valuation, the proposed remission will have the same effect as if the value was not included. If the Gisborne Land Valuation Tribunal decision is upheld, the rating valuations will be corrected and the provisions in the draft Rates Remissions Policy will not need to take effect.
24. Correspondence from New Zealand Kiwifruit Growers Incorporated (NZKGI) noted the above legal implications. This correspondence has been circulated to the Committee for their information.

CONSULTATION / ENGAGEMENT

25. Staff contacted all ratepayers of gold kiwifruit orchards, Zespri and NZKGI for feedback on the draft Rates Remission Policy.
26. Staff provided information on the proposed rates postponement policy to properties moved into Tauranga and subject to a potential future rezoning. This included attending a meeting of Redwood Lane, Tauriko ratepayers in mid-May 2022.

27. Copies of the consultation material were placed in the council libraries and service centre. An advertisement was also placed in the 6 May 2022 Weekend Sun.
28. Staff noted any submissions on rates postponement received through the recent long-term plan amendment / annual plan consultation process. As such, staff had a phone conversation with Age Concern Tauranga to answer questions on the proposed changes to the postponement scheme. Age Concern noted their comments on the rates postponement scheme as part of their verbal submission to the annual plan.
29. A total of 14 submissions were received on the draft policies during the consultation period from 27 April to 18 May 2022. A total of three persons spoke to their submissions at the hearing on 8 June 2022.

SIGNIFICANCE

30. 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.
31. 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 decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
32. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.

ENGAGEMENT

33. Taking into consideration the above assessment, the engagement already undertaken and that the decision is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

34. Subject to any amendments made at this meeting, the final adopted policies will be made available on the Council website. Eligible ratepayers will be able to apply for applicable remissions or postponements from 1 July 2022.

ATTACHMENTS

1. **Draft Rates Remission Policy 2022 (for adoption) - A13556969**  
2. **Draft Rates Postponement Policy 2022 (for adoption) - A13556957**  

DRAFT RATES REMISSION POLICY



Policy type	Council		
Authorised by	Council		
First adopted	24 June 2003	Minute reference	M03/70.4
Revisions/amendments	23 June 2009 28 May 2012 29 June 2015 27 June 2016 28 June 2018 Xx xx 2022	Minute references	M0950.6 M12/31.77 M15/44.7 M16/40.4 M18/56
Review date	This policy must be reviewed every six years or as required.		

1. PURPOSE

- 1.1 To enable Council to acknowledge the special circumstances of particular ratepayers.
- 1.2 To provide targeted financial relief to community organisations.
- 1.3 To provide relief to ratepayers who have excessive water rates due to a leak.

2. SCOPE

- 2.1 This policy applies to the remission of rates in Tauranga.

3. DEFINITIONS

Term	Definition
Commercial	means a rating unit whose primary use is commercial, industrial, port, transportation or utilities network, and includes any land not in the residential category.
Ratepayer	is the person or persons identified in council's rating information database as the person liable for rates – generally that person is the owner of the rating unit.
Rates penalty	is an additional rates charge made when payment is not received by the due date specified.
Rating unit	is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates. The main criterion is the existence of a separate certificate of title.

Remission	means the requirement to pay the rate for a particular financial year is forgiven in whole or in part.
Residential	means a rating unit whose primary use is residential, rural, education, recreation, leisure or conservation
Services charges	are a targeted rate specifically relating to the provision of kerbside waste collection, water, and waste water services to a rating unit.
Uniform annual general charge	is a fixed dollar rate set on each separately used or inhabited part of a rating unit for the general purposes of the local authority.
Wastewater rate	is a fixed dollar targeted rate set on the number of water closets and urinals within the rating unit.

4. PRINCIPLES

- 4.1 The overarching principles identified in the Revenue and Financing Policy apply.
- 4.2 Providing for rates remission acknowledges that while the collection of rates from all sectors of the community should be fair and equitable, there may be circumstances where it is appropriate to forgo some rates income to recognise financial or other circumstances where charging the full amount of rates would place an additional or unexpected burden on the ratepayer.

5. POLICY STATEMENT

5.1 General Consideration

- 5.1.1 When considering any remission, Council will take into account the circumstances at the time the rates are set.

5.2. Remission of Uniform Annual General Charge (UAGC)

- 5.2.1 Council may remit on application the additional uniform annual general charge for a separately used or inhabited part of a rating unit where a person is unable to fully utilise the unit's facilities.

5.3 Remission of rates for council's utilities

- 5.3.1 Utilities owned by Tauranga City Council will receive 100% remission of rates, except services charges (as such rates would otherwise be indirectly recovered from ratepayers).

5.4 Rates Penalty

- 5.4.1 In order to provide relief of penalties incurred on unpaid rates where specific events or circumstances have occurred, Council will remit penalties on rates where any of the following apply and a remission application has been received:
- an agreement has been reached for the ratepayer to make payment within two weeks of the penalty being issued or make regular automatic payments to settle all arrears and current rates within the current rating year, and the ratepayer has a good payment history (being three clear years' history without penalty);
 - a bereavement, serious illness or relationship breakdown in the ratepayer's family occurred around the time the instalment was due.
 - the penalty is less than \$50.00 for any rates excluding water rates or \$5.00 for water rates; or

- an administrative error.

5.4.2 The Team Leader: Revenue Services may remit rates penalties for reasons other than those specified up to \$1,000 on any one rating unit. Applications to remit penalties on any one rating unit over \$1,000 for reasons other than those specified above are to be decided upon by the Manager: Transactional Services.

5.5 Community and Not-for-Profit Organisations

5.5.1 In order to provide relief to applicable community and not-for-profit organisations, who deliver social benefits to the community, where neither government nor business is best or appropriately placed to do so, Council will allow the following:

- land used for a place of religious worship, marae, or not-for-profit early childhood centers with a non-rateable status under the Local Government (Rating) Act 2002 may be remitted 66.66% of the wastewater rate.
- land used for a place of religious worship or marae with a non-rateable status under the Local Government (Rating) Act 2002 may receive full remission of the water base rate over the minimum base rate where there is a water meter connection greater than 20 millimetres.
- land used primarily for the promotion of sport, art, health, recreation or education and not used for private pecuniary profit may receive a 100% remission on general rates. These organisations must provide evidence of a significant portion of local community voluntary contribution to operations and funding (other than from government agencies).
- this remission will not apply to land used for organisations who are affiliated, or who could be affiliated to Clubs New Zealand Incorporated, or used for horse racing.

5.6 Water Rates Attributable to Water Leaks

5.6.1 In order to provide relief to people in situations where water usage is high due to a water leak, Council may remit water consumption rates where all of the following apply:

- a remission application has been received; and
- council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and
- the leak has been repaired within 14 days of being identified (an extension of 14 days may be granted if written evidence is provided that the services of an appropriate repairer could not be obtained within this period); and
- proof of the leak being repaired has been provided to Council within 14 days after repair of the leak.

5.6.2 The amount of the remission will be the difference between the average consumption of the property prior to the leak, as deemed reasonable by council, and the consumption over and above that average.

5.6.3 Remission is limited to the period where the leak was identified and fixed and the last invoice. Remission for any particular property will generally be granted only once every year. Where a remission for a water leak has been granted to a property under this policy within the last year, the remission decision is to be made by the Manager: Transactional Services.

5.7 Remission for Wastewater Rates Commercial Properties

5.7.1 In order to provide relief to commercial ratepayers that choose to install more

toilets than required by the Building Code, council may partially remit the wastewater rate for commercial ratepayers where the number of toilet pans installed exceeds the number of pans required under the Building Code.

5.8 Remission for Natural Disasters and Emergencies

5.8.1 In order to provide relief to ratepayers where a natural disaster or other type of emergency affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, council may remit all or part of any rate or charge where it considers it fair to do so.

5.8.2 Individual events causing a disaster or emergency are to be identified by Council resolution. Council will determine the criteria for the remission at that time and those criteria may change depending on the nature and severity of the event and available funding at the time.

5.8.3 Remissions approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

5.9 Remission for Buildings Undergoing Earthquake Strengthening

5.9.1 In order to provide relief to ratepayers of commercial properties that are undergoing earthquake strengthening, including rebuilding, that affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, council may remit all or part of the general rate where it considers it fair to do so.

5.9.2 Applications must be received before 1 July prior to the year when the remission is to apply. If the earthquake strengthening work is over multiple rating year's applicants must reapply before 1 July to be eligible for remission for the next year.

5.10 Remission for unliveable Residential Buildings undergoing remedial rebuilding

5.10.1 In order to provide relief to ratepayers of residential properties that are undergoing rebuilding, that affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, council may remit rates to the extent that rates would be assessed on that land, as if it was a vacant rating unit.

5.10.2 Applications must be received before 1 July prior to the year when the remission is to apply. If the rebuilding work is over multiple rating year's applicants must reapply before 1 July to be eligible for remission for the next year.

5.11 Temporary remission for gold kiwifruit (G3) orchards

5.11.1 Council may, upon application, partially remit rates on rating units where there is a license to grow gold kiwifruit and planted vines and where the rating unit has experienced an increase in its rating valuation due to the inclusion of the capital value component of the gold kiwifruit (G3) licence. The remission will only be on the portion of rates relating to the capital value component of the G3 licence value.

5.11.2 The level of remission will be set at 100% in year one (2022/2023) and two thirds in year two (2023/2024).

5.12 Exceptions

5.12.1 Rates may be fully or partially remitted where the Manager: Transactional Services considers that the characteristics of land use, location or special circumstances warrant a remission.

6. RELEVANT DELEGATIONS

- 6.1 With the exceptions of decisions required to be specifically made by Council (section 5.8)) or that which is specifically delegated to the Manager: Transactional Services (sections 5.6.3 and 5.12.1), the Team Leader: Revenue, and all officers in a direct line of authority above them, including the general manager of their division, are delegated the authority to make decisions as to whether and how this policy applies, including the exercise of any Council discretion provided for in the policy, and to sign on behalf of the general manager.

Team Leader: Revenue

Any officer who performs or exercise the same or substantially similar role or function as to the officer above, whatever the name of his or her position.

7. REFERENCES AND RELEVANT LEGISLATION

Building Code

Local Government (Rating) Act 2002 (in particular sections 85 and 86)

Local Government Act 2002

Rating Valuations Act 1998

Te Ture Whenua Maori Act 1993,

8. ASSOCIATED POLICIES/PROCEDURES

Revenue and Financing Policy

Rates Postponement Policy

DRAFT RATES POSTPONEMENT POLICY



Policy type	Council		
Authorised by	Council		
First adopted	24 June 2003	Minute reference	M03/70.4
Revisions/amendments	22 June 2006 28 June 2018 xx xx 2022	Minute references	M06/55.6 M18/56
Review date	This policy must be reviewed every six years.		

1. PURPOSE

- 1.1 To provide rating relief to ratepayers experiencing financial hardship.
- 1.2 To provide rating relief to ratepayers whose land has increased in value due to the potential residential, commercial, or other non-rural use.

2. SCOPE

- 2.1 This policy applies to the postponement of rates on general land in Tauranga.

3. DEFINITIONS

Term	Definition
Capital value	means the sum that the owner's estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to require (Rating Valuations Act 1998).
Farmland	means land which is used principally or exclusively for agricultural, horticultural, or pastoral purposes, or for the keeping of bees or poultry or other livestock.
Ratepayer	means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.
Rates postponement	means the payment of rates is not remitted but delayed until a certain time, or until certain events occur.

Term	Definition
Rating unit	is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates. The main criterion is the existence of a separate record of title.

4. PRINCIPLES

- 4.1 The overarching principles identified in the Revenue and Financing Policy apply.
- 4.2 Providing for rates postponement acknowledges that while the collection of rates from all sectors of the community should be fair and equitable, there may be situations where it is appropriate to provide rates relief.
- 4.2 Council recognises that there may be situations where ratepayers may be experiencing financial hardship
- 4.3 Council recognises that rezoning properties from a rural to an urban use may increase the capital value of those properties although the ratepayer may wish to use the property its current purpose.

5. POLICY STATEMENT

5.1 General

- 5.1.1 Postponements will be considered under this policy on receipt of a postponement application.
- 5.1.2 When considering any postponement, council staff will take into account the circumstances at the time payment was due.
- 5.1.3 Postponed rates will be registered as a statutory land charge on the rating unit title.
- 5.1.4 A postponement fee will be added to the postponed rates reflecting the administrative and financial costs of postponement.
- 5.1.5 When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and council and will:
 - state the amount of postponement; and
 - state that a postponement fee will be charged; and
 - state the timeframe or conditions upon which the postponed rates will become due and payable; and
 - acknowledge that the postponed rates will be registered as a charge against the land.
 - be signed by both parties.

5.2 Financial Hardship

- 5.2.1 Ratepayers with at least 25% equity in their property who are unable to access financial assistance from private sector financial institutions and have sought assistance from council to apply for the Government rates rebate may be able to postpone part of their rates.
- 5.2.2 Ratepayers applying for a rates postponement on the grounds of extreme financial hardship must provide evidence of their financial circumstance.
- 5.2.3 Applications for postponement of rates due to financial hardship may only be for the

property the ratepayer is currently residing in.

5.2.3 Any postponed rates will be postponed until the:

- death of the ratepayer(s); or
- the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- the ratepayer(s) ceases to use the property as their primary residence; or
- the date specified by council in the postponement agreement.

5.2.4 The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

5.3 Postponement on farmland and other rezoned land

5.3.1 Council will postpone rates on farmland where the value of the rating unit is influenced by the potential residential, commercial or other non-rural use.

5.3.2 Council may, upon application, postpone rates on rating units that have come into the district through a boundary adjustment and are subsequently subject to a zoning change where the value of the rating unit is influenced by the potential residential, commercial, or other non-rural use.

5.3.3 If the rating unit is subdivided, changes use, or is sold, all rates postponed and unpaid for six years or less will become payable upon the sale, or on the issue of a resource or building consent that is not principally for agriculture, horticulture or pastoral purposes, or the issue of a separate Certificate of Title for the sub-divided land, whichever comes first.

5.3.4 The level of postponement granted will be based on the difference between the rateable value of the rateable unit and the valuation of a comparable rating unit elsewhere in the district or surrounding district, as determined by council's valuation service provider. Council's valuation service provider's decision is final.

6. RELEVANT DELEGATIONS

6.1 The following officers, and all officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Team Leader: Revenue Services

Any officer who performs or exercises the same or substantially similar role or function as to the officer above, whatever the name or their position.

7. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002
Local Government Act 2002
Rating Valuations Act 1998
Te Ture Whenua Māori Act 1993

8. ASSOCIATED POLICIES/PROCEDURES

Rates Remission Policy

Remission and Postponement of Rates on Māori Freehold Land

Revenue and Financing Policy

DRAFT

9.6 Tauranga Events Action and Investment Plan

File Number: A13251136

Author: Nelita Byrne, **Manager: Venues & Events**

Authoriser: Barbara Dempsey, **Acting General Manager: Community Services**

PURPOSE OF THE REPORT

1. This report presents the Tauranga Events Action and Investment Plan for adoption.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report titled 'Tauranga Events Action and Investment Plan'.
- (b) Adopts the Tauranga Events Action and Investment Plan (Attachment A) to guide event priorities, work programmes and ongoing investment in events in Tauranga.
- (c) Recognises a priority action is resourcing the involvement of iwi and hapū of Tauranga Moana in Wānanga to determine how Manaakitanga can be embedded within the aspiration to be the best host city in Aotearoa.
- (d) Authorises minor amendments to ensure accuracy and correct drafting errors if required prior to publication.

EXECUTIVE SUMMARY

2. The Tauranga Events Action and Investment Plan reflects Council's commitment to supporting and developing events. It was developed in partnership with Tourism Bay of Plenty, Bay Venues and Priority One, who are integral to the successful delivery of this plan. Developing the plan together was intentional to set the scene for ongoing collaboration in the events space.
3. The process to develop the plan reinforces that Tauranga is heading in the right direction in the events space. It has helped to understand where we have come from, where we are now and where we need to head in the future.
4. Many things are being done well and need to continue to be supported. There are also significant gaps and opportunities, such as the need for fit for purpose venues and a proactive and coordinated approach to attracting major events and business events. Given the significant benefits that events bring to Tauranga and the region, it is important to continue supporting and investing in events for the city.
5. This plan sets out what we want to achieve for events in Tauranga, goals and an action plan to be implemented over the next ten years. It provides a starting point in signalling the aspiration to be the **best host city in Aotearoa** where we will establish a hosting standard reflective of our people and our places that is not seen anywhere else in the country. Tangata Whenua are integral to this aspiration and Wānanga with iwi and hapū of Tauranga Moana will provide an authentic process to determine how best to embed Manaakitanga within this aspiration.

BACKGROUND

Where we have come from

6. Tauranga has gone from strength to strength in the events space over the last 10-15 years. From the 2000's where there was minimal investment in Council staff, funding and event infrastructure through to today, where increased investment in people and funding for the

delivery of events has paid off with a thriving events scene and good reputation as an event friendly and enabling city.

7. Now there is a need for clear direction, actions and priorities to guide the next 10 years.

Why this plan was developed

8. This is the first plan developed for events in Tauranga and has therefore helped to achieve:
- One consolidated document that helps us all to be on the same page about what we want to achieve for events in Tauranga and the actions we need to focus on.
 - Identification of key partners and relationships to ensure successful delivery.
 - Clarification of responsibilities between the key partners in delivery of the plan.
 - An understanding of community expectations of events in Tauranga (eg. more events, range of genres, free local community events through to large scale entertainment).
 - An understanding of the event industry needs in this space (eg. fit for purpose venues, support, collaboration, funding).
 - An understanding of the value and benefits of events to the city (economic, social, cultural, environmental).
 - The ability to align events with the city's strategic direction (city vision, community outcomes, Tourism BOP DNA, Priority One objectives).
 - Identification of goals and actions required to maximise the benefits of events for our city.
 - Provided the ability to get a little bit aspirational!

How the plan was developed

9. Development of the plan built on feedback received through engagement with tangata whenua, key stakeholders including BOPRC, WBOPDC, Waka Kotahi, emergency service providers and the events industry, and general community feedback received through a survey in July 2021 and from other processes such as Vital Update.
10. The process commenced in early 2021 and has taken longer than planned due to COVID delays. It is not considered necessary to consult on a draft plan as it very much reflects and responds to the outcomes of this engagement. Also staff are keen to progress the actions particularly regarding development of the major events and business events frameworks and facilitating Wānanga to inform the best host city aspiration.
11. A draft plan was shared with the boards of Bay Venues and Tourism BOP in May 2022 and feedback incorporated into the final plan attached.

Goals for events

12. The plan identifies six goals and the actions required to achieve each goal. The majority of actions are prioritised to be delivered over the next 3 years subject to resourcing.

	Goals	Why it's important
1.	Develop a strategic and collaborative approach to priorities and investment in major events and business events.	Significant role of major events in delivering social and economic benefits. Business events are an untapped market with significant economic benefits for the city. No clear and coordinated approach in place to maximise outcomes.
2.	Support the development and sustainability of the events	Tauranga has built a reputation as an event friendly and enabling city and it is important this reputation continues to be

	industry in Tauranga.	maintained. However, the quantity, scale and complexity of events are growing, resulting in increased resourcing challenges to continue to provide this level of service. COVID-19 has created significant uncertainty for events and there is a need to continue to support the sector through these times.
3.	Support events that reflect and celebrate our people and our places.	Tauranga's strategic direction is helping to shape who we are as a city and what is important to us. Aligning events to this direction will help to attract, support and invest in events that deliver the best possible outcomes for the city.
4.	Improve the promotion and marketing of events to both local and national audiences.	The community gave us a clear message we need to do better in the way in which events are promoted and marketed. The main barrier preventing someone in Tauranga from attending an event is that they didn't know it was on and it was not easy to find out about events in our city. There is no clear and coordinated marketing strategy promoting what's happening in Tauranga. Nor do we regularly highlight our achievements in the events space.
5.	Become the best host city in Aotearoa.	We know we are already doing some great things in this space as we recognise it is the combination of an event and the experience of the destination that delivers the best rewards. We want to take this further and put in place a deliberate approach to do what we can to deliver exceptional experiences and enjoy the best of what Tauranga has to offer. Tangata Whenua are integral to us becoming the best host city in Aotearoa. It is also important that our community are on this journey so that together we provide experiences that are authentic and that build our pride and reputation.
6.	Plan for and develop fit for purpose event venues and infrastructure.	Tauranga lacks fit for purpose event venues that support the ability to grow across all sectors, including entertainment, sports, performing arts, cultural events and business events. Many venues require compromise, adeptness and innovative thinking to deliver quality events. Historical underinvestment in facilities is starting to be corrected. This presents an opportunity to develop fit for purpose, inclusive event venues and is critical to the success of events in Tauranga in the future.

OPTIONS ANALYSIS

Option One (recommended) - Adopt Tauranga Events Action and Investment Plan included in Attachment A

Advantages	Disadvantages
<ul style="list-style-type: none"> Provides clear direction on event outcomes and priorities for the next ten years. Recognises need for collaborative 	<ul style="list-style-type: none"> Will require additional resourcing primarily in terms of staff time, external consultants in some cases (eg delivery of the major events framework), and involvement of iwi and hapū in implementation of some of

approach. <ul style="list-style-type: none"> Identifies the benefit of events to the city and the role they have in delivering on the city's strategic direction. 	the actions.
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Option Two - Do not adopt Tauranga Events Action and Investment Plan included in Attachment A

Advantages	Disadvantages
<ul style="list-style-type: none"> No additional resourcing requirements (although likely that some actions will need to happen anyway). 	<ul style="list-style-type: none"> No clear direction on event outcomes and priorities for the next ten years. No document that recognises need for collaborative approach and outlines roles and responsibilities in achieving this or identifies the benefit of events to the city and the role they have in delivering on the city's strategic direction.

CONSULTATION / ENGAGEMENT

- Community engagement took place throughout 2021 and early 2022 to inform development of the plan, as referenced in the background section of this report.

SIGNIFICANCE

- 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.
- In making this assessment, consideration has been given to the likely impact, and likely consequences for any persons who are likely to be particularly affected by, or interested in, the decision. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance.

NEXT STEPS

- Design and publish the plan and include on Council's and key partners websites, and within the strategic framework.
- Implementation of the actions identified in the plan.

ATTACHMENTS

- FINAL - Tauranga Events Action and Investment Plan (June 2022) - A13399675**  

Tauranga Events Action and Investment Plan 2022 – 2032

Developed by Tauranga City Council in partnership with Tourism Bay of Plenty,
Bay Venues and Priority One

[note final plan will be designed and include corporate branding]

Introduction

Events are important for community wellbeing; they build feelings of belonging, identity and a sense of pride and help to grow awareness of our culture and our diverse community. They help increase the visitor market and support talent attraction making Tauranga a desirable destination for new residents. Events provide a valuable opportunity to showcase Tauranga's amazing landscape, lifestyle and experiences. Our economy benefits with the event delivery activity building the event industry, generating business for locals as well as increased expenditure by visiting event attendees.

This plan sets out what we want to achieve for events in Tauranga, goals and an action plan to be implemented over the next ten years. It provides a starting point in signalling our aspiration to be the **best host city in Aotearoa** where we will establish a hosting standard reflective of our people and our places that is not seen anywhere else in the country.

This plan reflects Tauranga City Council's commitment to supporting and developing events and has a significant focus on collaboration. It is developed in partnership with Tourism Bay of Plenty, Bay Venues and Priority One, who are integral to the successful delivery of this plan. It builds on feedback from Tangata Whenua, the events industry (both local and domestic), key stakeholders, and the community in 2021 who indicated that they wanted to see continued investment in events through funding, facilitation, and fit for purpose facilities along with mechanisms for collaboration.

The engagement process to develop this plan reinforces that Tauranga is heading in the right direction in the events space. It has helped us understand where we have come from, where we are now and where we need to head in the future. Many things are being done well and need to continue to be supported. There are also some significant gaps and opportunities, such as the need for fit for purpose venues and a proactive and coordinated approach to attracting major events and business events. Given the significant social, cultural and economic benefits that events bring to Tauranga and the region, it is important to continue supporting and investing in events for the city.

What we want to achieve

This plan will help us work towards achieving the following outcomes by 2032:

- Community pride in being the **best host city in Aotearoa**, staying true to who we are and sharing these experiences through our events.
- A vibrant and diverse year-round programme of events that our community love and keeps people coming back for more.
- Events that recognise and promote partnerships with tangata whenua, value culture and diversity, and where people of all ages, beliefs, abilities and backgrounds are included, feel safe, connected and healthy.
- A proactive and collaborative approach to major events and business events that reflect our strengths, significantly contribute to social and economic outcomes and focus resources and investment.
- Development of fit for purpose event venues, supported by sustainable transport initiatives and a range of accommodation options.
- An events industry that feels supported and encouraged to deliver quality events.

What events do for our city

Events contribute to Tauranga's social, cultural and economic outcomes, helping to make our city a great place to live, work, learn, visit and play.

Events celebrate who we are - Events celebrate and highlight the things that make us unique and contribute to our identity. They foster and grow our communities and celebrate our differences, telling the stories of our people and places and raising our profile. Events contribute to a sense of community pride, vibrancy, connection, identity and belonging. They showcase our amazing environment and increase the utilisation of venues and outdoor spaces.

Events strengthen community wellbeing – Events provide a social benefit through community participation and engagement, helping different communities to connect, bringing people together to enjoy a shared experience. They contribute to inclusivity by reflecting the diversity of our people, culture, backgrounds, age, abilities and interests. Events drive participation in sports, arts, culture, and learning, helping to enhance the mental and physical wellbeing of our community. They add vibrancy to the city providing entertainment, fun and excitement!

Events support our economy - Events are critical to growing our destination's visitor economy, attracting people here and showcasing our city and region. They contribute to the local economy through employment and support for local business with a circular economy through their support services. They are part of promoting an exciting and vibrant lifestyle that benefits residents and makes Tauranga an appealing place to live. Business events in particular bring significant economic value with visitors staying longer and spending more and are integral to addressing seasonality by bringing visitors to the city during shoulder seasons.

Case study – AIMS Games

AIMS Games started in Tauranga in 2004 and is now the largest international sporting event for 11-13-year-olds in the southern hemisphere. The week-long annual event held in September has over 24,000 participants and spectators attending, providing the opportunity to compete at an elite level, be active, celebrate fair play, embrace cultural diversity and enjoy success. The event has an extensive entertainment and cultural activities programme, adding vibrancy to the city and creating a festival-like atmosphere. It has grown from 760 competitors from 17 schools and four sporting codes to up to 11,000 competitors, over 300 schools and 24 sporting codes.

AIMS Games contribute to healthy and active communities by encouraging participation, particularly for rangatahi. It is unique to Tauranga, growing from humble beginnings, created and nurtured by locals, to what it has become today. AIMS Games allow all rangatahi from all demographics and abilities to compete in elite competitions, meet others, build social skills and experience the best of Tauranga's people, culture, spaces and places.

AIMS Games provides many benefits to the city, including:

- Strong community value and pride in being the host.
- Drives significant shoulder and off-season visitation.
- Utilises and showcases sports and recreation facilities and the natural environment.
- Supports local with most businesses involved being Tauranga based suppliers.
- An ongoing commitment to sustainability initiatives for transport and waste.

Setting the scene

Tauranga is on the east coast on the North Island, just over two hours' drive from New Zealand's largest city, Auckland. It sits along a stunning coastline with a thriving port and has a forest backdrop along the Kaimai Ranges. Mount Maunganui is a suburb of Tauranga and a nationally renowned holiday destination. The city is in the golden triangle with growth areas of Hamilton and Auckland and less than an hour's drive to Rotorua and surrounding regions including the Coromandel Peninsula. It has a busy regional airport with numerous daily direct flights from Auckland, Wellington and Christchurch, connecting to other regional towns and cities.

Where we have come from

In the early 2000's Tauranga experienced rapid population growth and with that came increasing expectations of what was needed for people to live, work and play here. At the time there was minimal investment in events and venues. It wasn't until the mid-2000's that the importance of a vibrant events scene in a growing city was realised and increased funding for event facilitation and delivery was put in place.

Today, Tauranga has grown to have a rich and diverse programme of events inspiring social connectivity, builds community pride and tells the unique stories of our city. Over summer, Mount Maunganui regularly hosts sporting events from surf lifesaving competitions to triathlons and multi-sport events occurring within and alongside the harbour and coastal area. The long-running National Jazz Festival, the National Waka Hourua Festival held for the first time in 2021, and regular community events add to the diversity of events on offer.

Events are an increasingly important economic contributor attracting visitors to the city and encouraging local spending of the entertainment dollar. Music festivals like One Love and Bay Dreams attracting over 54,000 people each summer, and international cricket at Bay Oval showcasing Tauranga to many viewers worldwide.

Tauranga is fortunate to have a well-established community of event organisers and services delivering quality events. A focus on building a reputation as an event friendly and enabling city has significantly improved the event experience for all involved. Further development within the events industry supports the delivery of good event practices like environmental sustainability and initiatives focused on making events more accessible to more people.

This provides a good starting point to build on and while significant groundwork has been done, there are also challenges ahead.

Challenges and opportunities

Tauranga lacks fit for purpose event venues that support the ability to grow across all sectors, including sports, performing arts, cultural events and business events. Baycourt Community Arts Centre has a 580 seat theatre, which is small by comparison to other regional cities. Bay Venues has Trustpower Baypark which incorporates Trustpower Arena and Trustpower Stadium. Trustpower Arena has two auditoriums and is under increasing pressure to balance demand for community sport with demand for commercial events use. Trustpower Stadium is used predominantly for speedway with capacity for up to 18,350 people and lounge/corporate spaces for hire.

With the city not having a fit for purpose stadium and our regional rugby team playing in the national league, a temporary grandstand is erected at the Tauranga Domain each season. The grandstand has a significant impact on the availability for other key users of the domain resulting in

compromises for all parties. Under the Council portfolio, The Historic Village offers boutique spaces to hire for a limited capacity of 200 people. The city has many premium outdoor spaces including the Mount Main Beach, Wharepai Domain adjacent to Tauranga Domain, Blake Park, and Memorial Park, some of which experience issues with conflicting needs of community sports and events.

Many venues require compromise, adeptness, and innovative thinking to deliver quality events. Bay Oval is a good example of what is possible. The facility transitioned from a bare piece of ground 20 years ago to an international cricket facility hosting the opening and matches in the ICC Women's Cricket World Cup 2022 and many other international competitions. Historical under investment in facilities is starting to be corrected and this is critical to the future success of events in Tauranga.

Growth continues to present its challenges and opportunities to increase vibrancy and diversity. Tauranga's population is projected to grow from 154,000 in 2021 to 211,000 in 2051. That's another 57,000 people living in this city and on average, nearly 2,000 people every year. Retirees continue to be a large and growing sector alongside an increasingly diverse community of young families and people escaping bigger cities for the lifestyle choices on offer here.

The quantity, scale and complexity of events are growing, presenting challenges for event facilitation, funding and infrastructure. The community has signalled a growing appreciation of events, wanting more events across various genres. Events play a vital role in an inclusive city, providing opportunities to recognise culture and diversity and activities where people of all ages and backgrounds can be included, feel safe, connected and healthy. They also play a key role in attracting people to our centres, helping to create vibrant and diverse experiences which is a particular focus for our city centre.

More can be done to provide improved transportation options to major events within the region, and a collaborative approach is needed to be truly effective. Limited accommodation options continue to be an issue for larger events with no major hotel chain offering accommodation and only three hotels in the city centre.

There is no clear and coordinated 'city brand' or event marketing and promotion approach. There is a significant opportunity for key partners to adopt a collaborative approach to event funding and promotion and to respond to gaps in the events market. Aligning event priorities with the city's strategic direction will help prioritise resources given the extent of growth in events to date and financial/resource constraints. There is a need for a clear and coordinated approach to determining event priorities, particularly for major events, business events and event promotion.

COVID-19 has created significant uncertainty for events and will have an ongoing and long term impact on the industry, with the extent of this currently unknown. Council and key partners continue to provide support and navigation through these uncertain times.

Working together

Tauranga City Council's current role in events is as follows:

- Event facilitation – providing a one-stop-shop of events support to make it as easy as possible to deliver events on public open space in the city.
- Event approval - responsible for issuing approval for events on parks, reserves, beaches and other council land. The approval process assesses event impact, risk, safety, public health, traffic and waste management to ensure appropriate controls are in place.
- Event venues - providing indoor and outdoor spaces for events to occur in/on.
- Event funding - providing financial support for a variety of events.

Council is not a direct deliverer of events (apart from the New Year's Eve celebrations and ANZAC Day commemorations) as there is already a well-established network of event organisers providing quality events to the community. Council has overall responsibility for implementation of this plan however successful delivery requires a collaborative approach.

Key partners that Council will work with to deliver this plan are:

- **Bay Venues**, a Council Controlled Organisation (CCO), provides major event venues (Baypark with Trustpower Stadium and Trustpower Arena) and a network of recreation and community facilities also utilised for events. Key role in events is provision of venues and attraction of events to utilise these venues.
- **Tourism Bay of Plenty**, Coastal Bay of Plenty's regional tourism and destination management organisation, focused on attracting visitors to the region and creating memorable experiences. Also, a Council Controlled Organisation. Key role in events is facilitating the growth of business events and providing destination management and promotion services for major events to increase visitor spend and nights in the region.
- **Priority One**, Western Bay of Plenty region's economic development organisation focuses on growing a sustainable economy that improves productivity and delivers prosperity to local people and communities. Key role in events is connecting the business community to support events and using events to help attract new businesses and residents to the city.

Key partners and relationships that are important to ensure the successful delivery of this Plan are:

- **Tangata Whenua**, working in partnership with iwi and hapū to bring their aspirations to the fore, value their connections and history and help to tell their stories.
- **Events industry**, the network of event organisers and event support services based in Tauranga and New Zealand, who deliver everything from major events to small community events, and work in professional and voluntary capacities.
- **Organisations** including Western Bay of Plenty District Council, Bay of Plenty Regional Council, community funders such as TECT, Tauranga Chamber of Commerce, Creative Bay of Plenty, Sport Bay of Plenty, health, police and emergency services, Mainstreet organisations, Waka Kotahi, Bay Oval, and Tauranga Art Gallery (also a Council Controlled Organisation).
- **Our community**, understanding and responding to community needs, ensuring we value culture and diversity, and provide events where people of all ages, abilities and backgrounds are included, feel safe, connected and healthy.

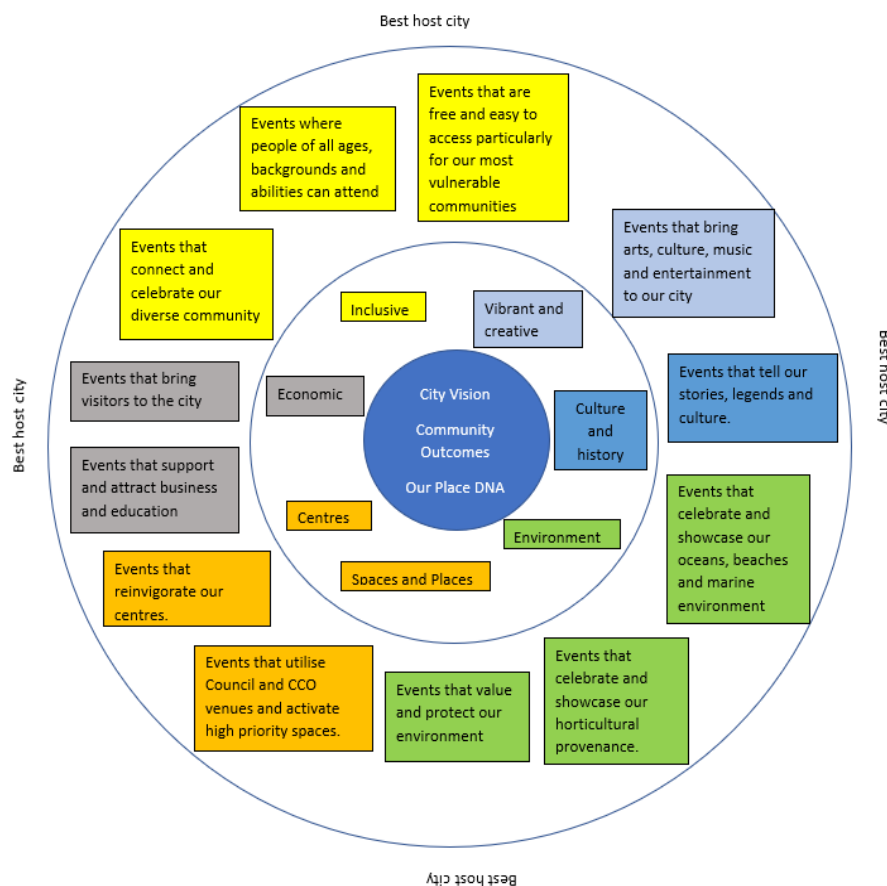
Delivering on strategic direction for Tauranga

To create a strong and competitive event landscape, distinct and innovative events that build on Tauranga's strategic direction and unique selling points will be essential in the future.

This section summarises the strategic direction for Tauranga. It outlines what makes Tauranga unique and what we value (our people and our places). Strategic direction is provided through:

- Tauranga City Council's City Vision and Community Outcomes
- Tourism Bay of Plenty's Te Hā Tāpoi The Love of Tourism Strategy (includes Our Place DNA)
- Priority One's Bay of Plenty Regional Economic Development Priorities

Aligning events to this strategic direction will help attract, support and invest in events and associated infrastructure that deliver the best possible outcomes for the city. This strategic direction will be used to inform delivery of actions included in this plan.



The event response to Tauranga City Council's strategic approaches are incorporated in this plan as follows:

Te Ao Māori	<p>Events are a key way in which Tauranga's culture and history can be well understood, embraced and celebrated.</p> <p>Relevant actions include:</p> <ul style="list-style-type: none"> - Work with Tangata Whenua to identify opportunities to grow and develop events that reflect our culture and history. - An aspiration to be the best host city in Aotearoa and the integral role of Tangata Whenua in contributing to this aspiration. Recognising Te Ao Māori's principle of Manaakitanga – care and safety of people. - Acknowledgment of the partnership approach and importance of this relationship with Iwi and hāpu.
Sustainability	<p>Sustainability goals are embedded into event venues, event values (eg environmental kaitiakitanga) and Council's funding framework criteria.</p>
Working beyond Tauranga	<p>Recognise the role of Tauranga as a premier event destination for large scale national and international events.</p> <p>Relevant actions include:</p> <ul style="list-style-type: none"> - Development of Major Events and Business Events Frameworks to clearly identify the role of Tauranga in the region and nationally, including competitor analysis to understand event markets and inform future opportunities. - Continue to play a proactive leadership role in the local and national events landscape, maintaining and developing industry relationships and supporting a sustainable sector. - Continue to advocate central government and industry associations to ensure Tauranga is well represented in national direction and funding for events.

Actions

Tauranga City Council and key partners have prioritised the following goals over the next ten years:

1. Develop a strategic and collaborative approach to priorities and investment in major events and business events.
2. Support the development and sustainability of the events industry in Tauranga.
3. Support events that reflect and celebrate our people and our places (see strategic direction).
4. Improve the promotion and marketing of events to both local and national audiences.
5. Become the ***best host city in Aotearoa***.
6. Plan for and develop fit for purpose event venues and infrastructure.

The next section identifies the actions required to achieve each goal, the key agency responsible for delivering the action and the timeframe for implementation. Involving tangata whenua and key sectors and organisations will be an important part of this implementation. An action summary provides an overview of all actions, priorities and responsibilities for the key partners.

Goal 1: Develop a strategic and collaborative approach to priorities and investment in major events and business events

Major events drive economic growth and attract significant visitation and tourism. They showcase Tauranga as a premier event destination and an exciting place to live, work, play and visit.

Events with a high economic benefit contribute to community wellbeing through employment and support for local businesses. Supporting events that drive domestic visitation and generate national/international media exposure is important for tourism and economic outcomes.

Business events play a significant role in delivering economic benefits, yet in Tauranga, this is essentially an untapped market. A lack of suitable accommodation options and fit for purpose venues (e.g. hotel and convention centre) are barriers to this growth. Business events also support tourism, accommodation, hospitality and retail during the mid-week, off-peak season. This has huge potential, and Tauranga has many selling points to attract business events to the city.

Major events also deliver significant social benefits. They help develop our cultural and social identity and add to vibrancy and diversity of experiences. They can create and cultivate a strong sense of community pride and actively engage residents and visitors to showcase Tauranga as an exciting place to live, work, play and visit. It is important that social connectedness, quality of life and city vibrancy are equally recognised and valued along with economic benefits.

A proactive and coordinated framework is required for both major events and business events to ensure resources and investment are focused on attracting, supporting and retaining events that deliver the best possible outcomes for Tauranga and align with our city vision and strategic direction. Major events and business events rely on more than one organisation, with cooperation between Councils, venues, event organisers, tourism and economic agencies, transport agencies, and other partners.

Priority areas of focus

Action	Key responsibility	Timeframe
1a Develop a Major Events Framework to provide a clear and coordinated framework for event prioritisation and investment for the city. This will need to consider: <ul style="list-style-type: none"> - Development of major events portfolio that aligns with the city's strategic direction. - Competitor analysis to understand event markets and inform future opportunities. - Considerations to include seasonality, the opportunity for innovation, creativity and unique event propositions, and prioritisation of use of Council and CCO venues. - Building the evidence base to support increased investment in fit for purpose venues. - Understanding the capacity and diversity of accommodation options available and gaps against event market requirements. 	TCC	Short 1-3 years
1b Develop a Business Events Framework to provide a clear and coordinated framework for investment for the city. This will need to consider: <ul style="list-style-type: none"> - Supporting and growing the value of business events (meetings, incentives, conferences and exhibitions (MICE)) and associated venues and infrastructure e.g. conference venue). 	TBOP	Short 1-3 years

Action		Key responsibility	Timeframe
	<ul style="list-style-type: none">- Competitor analysis to understand event markets and inform future opportunities.- Considerations to include seasonality, opportunity for innovation and creativity, future economic and employment opportunities and support use of local venues, accommodation, hospitality and tourism industries.- Building the evidence base to support increased investment in fit for purpose venues.- Understanding the capacity and diversity of accommodation and conference facilities available and gaps against market requirements.- Understand the tourism and recreational activities on offer and how these can support the attraction of business events.		

Goal 2: Support the development and sustainability of the events industry in Tauranga

Council and CCO venues aim to achieve high customer service standards and coordinated response to hosting events. Collaboration is important from a reputational perspective and integral to the quality of the event experience for everyone involved.

Based on feedback from the events industry and key partners, Tauranga has benefited significantly from developing a streamlined process for approving events on Council land. The city has a robust and effective event approval and facilitation process that makes it as easy as possible to deliver events on Council land, ensuring they are safely delivered and adhere to legislative requirements. Tauranga has built a reputation as an event friendly and enabling city and it is important this reputation continues to be maintained. However, the quantity, scale and complexity of events are continually growing, resulting in increased resourcing challenges to continue to provide this current level of service.

COVID-19 has created significant uncertainty for events and will have an ongoing impact on events, with the extent of this currently unknown. Council and key partners continue to provide support and navigation through these uncertain times.

We want to continue to build on the good work to date and ensure we keep pace with demand for these services and support growth and sustainability within the industry.

Priority areas of focus

Action		Key Responsibility	Timeframe
2a	Build the capacity and capability of the events industry through providing access to a range of programmes and learning opportunities. Share resources and knowledge within the events sector to strengthen support for those involved in delivering events. Continue to support the sector to restart, regenerate, and reinvent as an outcome of COVID-19 implications.	TCC	Ongoing
2b	Ensure adequate resource is provided for Council's event facilitation and support services to continue to provide event friendly and enabling experiences to event organisers. Develop a process to determine the required levels of event facilitation provided for different types of events so that resources are targeted to areas where support is needed the most.	TCC	Ongoing Short 1-3 years
2c	Continue to play a proactive leadership role in the local and national events landscape, maintaining and developing industry relationships, advocating central government and industry associations to ensure Tauranga is well represented in national direction and funding for events.	TCC	Ongoing
2d	Develop a robust system for the full portfolio of events to measure the benefit of events to the community and report regularly on this, including continued use of Event Economics for major events. Use this as a catalyst to celebrate hosting successful events and tell the story of how events benefit the city. Track the economic and social value of	TCC	Short 1-3 years

Action		Key Responsibility	Timeframe
	events, trends over time and the extent to which the strategic outcomes are achieved.		

Goal 3: Supporting events that reflect and celebrate our people and our places.

Tauranga has many distinct advantages in attracting events including proximity to large population centres of Auckland and Waikato, home of world-class talent across many sectors such as high-performance sport, marine and innovation industries, and the arts, and a popular holiday destination due to our climate and coastal location.

While some of this is not necessarily unique to Tauranga, it is the combination of these attributes that reflect who we are as a city. In time, fantastic event venues will complete the package and what we can offer the Tauranga community, New Zealanders, and the rest of the world.

Progress has been made on incorporating Māori community priorities, tikanga and te reo Māori into major events and there is much more potential in this space. There is also a strong and thriving community performing arts sector in Tauranga with dance schools and musical theatre companies in particular well represented.

The community have given us a broad remit of the types of events they would like to see in the future. This includes concerts, local community events, large events, bands, culture, creativity, youth, arts, music, festivals (music, food and beverage, lifestyle), something every weekend, new and exciting events, sports events, and outdoor cinema. Our community has also said that Council should have a more proactive role in activating centres, spaces, and places across the city, with the city centre identified as a high priority through the community events survey. While Council's current role is on enabling events on Council land and funding support, there may be a need to increase the scope to include event delivery to align with broader strategic direction.

Tauranga's strategic direction is helping to shape who we are as a city and what is important to us. Aligning events to this direction will help to attract, support and invest in events that deliver the best possible outcomes for the city. Tourism Bay of Plenty's DNA defines the combination of things that make us unique; Māori culture, horticultural provenance, natural environment and oceans and beaches. While this applies to the wider coastal region, the themes have relevance to where we have come from, our location and what we value.

Priority areas of focus

Action		Key Responsibility	Timeframe
3a	Revise the Event Funding framework to prioritise events that align with our city's strategic direction (see <i>Delivering on strategic direction</i>).	TCC	Short 1-3 years
3b	Work in partnership with community funders to identify collaborative funding opportunities where mutually beneficial outcomes can be achieved.	TCC	Underway
3c	Work with Iwi and hāpu to identify opportunities to grow and develop events that reflect our culture and history, including Te Wiki o Te Reo, Matariki and other key cultural events that increase knowledge and understanding of Te Ao Māori and our unique local stories.	TCC	Short 1-3 years
3d	Identify programmes to activate centres and spaces and places. Initial focus is on the city centre in line with strategic direction.	TCC	Short 1-3 years and ongoing

Goal 4: Improving the promotion and marketing of events to both local and national audiences

The community gave us a clear message we need to do better in the way in which events are promoted and marketed. The main barrier preventing someone in Tauranga from attending an event is that they didn't know it was on and it was not easy to find out about events in our city. The feedback showed ethnic communities and newcomers are more likely to miss events as they are not aware of the different communication channels promoting events.

As a city, we don't have a well-recognised place brand. We need to establish a firm identity so current and future residents and visitors know what the city stands for and connect to it. Cementing a fresh identity for Tauranga is timely with the upcoming renewal of the city centre.

There is no clear and coordinated marketing strategy promoting what's happening in Tauranga. Nor do we regularly highlight our achievements in the events space.

There is a need to focus on improving how events are communicated and promoted. Consolidated event information on a digital platform will assist in event programming by helping avoid duplication as well as providing accurate, user-friendly resources for finding out what's on in Tauranga.

We know event organisers will be more attracted to our city if it is easy for them to market their event here and reach audiences, ultimately driving strong sales or attendance.

Putting these marketing and promotion foundations in place will help to build our reputation, showcase our city and make it easy for audiences to attend events.

Priority areas of focus

Action		Key Responsibility	Timeframe
4a	Develop a Tauranga place brand that builds on the city's strategic direction. Co-brand with key partner organisations where appropriate and use as a host city brand for events in Tauranga.	TCC	Short 1-3 years
4b	Develop an events marketing plan to promote events to Tauranga residents. Include an audience development plan to build a connection with harder to reach communities to develop and grow new audiences. Provide event organisers access to marketing platforms to promote their events. Develop a coordinated website of events in Tauranga. Website linked to partner sites including TCC and TBOP.	TCC	Short 1-3 years
4c	Promote Tauranga as a premier event destination for visitors nationally and internationally. Adopt a collaborative approach to the promotion of events.	TBOP	Short 1-3 years

Goal 5: Become the best host city in Aotearoa

This is about creating the “when I was in Tauranga” positive story and spreading this far and wide. We want to set expectations of the quality of experience people have when attending events in Tauranga, while staying true to who we are.

We know we are already doing some great things in this space as we recognise it is the combination of an event and the experience of the destination that delivers the best rewards. We want to take this further and do what we can to deliver exceptional experiences and enjoy the best of what Tauranga has to offer. Tangata Whenua are integral to us becoming the best host city in Aotearoa. It is also important that our community are on this journey so that together we provide experiences that are authentic and that build our pride and reputation.

We have set out some initial actions to proactively progress this concept further and these will evolve over time as we work through identifying the potential in this space. It is an aspirational goal and will be difficult to measure but there are some fundamental aspects that can be used as a guide including:

- All stakeholders taking pride in demonstrating manaakitanga and valuing the role it plays in building the profile of Tauranga.
- Businesses actively engaged in events through promotion and sponsorship opportunities.
- Community actively engaged in events as participants, ambassadors, volunteers and hosts.
- A wider appreciation and acknowledgement of our culture and history.
- Being the first city of choice for event organisers.
- Easy to attract and bid for major events.
- Community perception surveys

Priority areas of focus

Action		Key Responsibility	Timeframe
5a	Tell our stories – highlight the benefits of events to the city. Help to instil pride in the community and bring them along on the journey. Links to Goal 2 and 4.	TCC	Short 1-3 years
5b	Hold wānanga with iwi and hāpu to identify opportunities to incorporate Manaakitanga as an authentic and deliberate part of an event experience.	TCC (working in partnership with iwi and hāpu)	Short 1-3 years
5c	Support a whole-of-city approach where we all celebrate and embrace events. This includes Mainstreet organisations and local businesses, stakeholders acting as event champions, and the community playing a number of roles.	TCC	Short 1-3 years
5d	Provide flexibility in the allocation of event funding to recognise opportunities for contributing to the best host city aspiration.	TCC	Short 1-3 years

Goal 6: Plan for and develop fit for purpose event venues and infrastructure

Tauranga lacks fit for purpose event venues that support the ability to grow across all sectors, including entertainment, sports, performing arts, cultural events and business events. Many venues require compromise, adeptness and innovative thinking to deliver quality events. Tauranga has missed out on events such as concerts and conferences due to inadequate venues. Event venues also need to be supported by a range of accommodation options and good transport networks.

Demonstrated economic benefits are often the catalyst for investment in major infrastructure. A lack of suitable venues for events restricts the growth and attraction of different event markets. A 'no. 8 wire' mentality has made the most of existing venues; however, this is not sustainable. Growth and events success to date supports the need for fit for purpose venues in the future. Facility and event gaps identified through development of this plan include a stadium, exhibition and events centre, all-weather market space, cultural events centre, and larger music, concert and performance venues. Most of these facilities are already subject to business case/feasibility studies/masterplans.

Business events play a significant role in delivering economic benefits, yet in Tauranga, this is essentially an untapped market. A lack of suitable accommodation options and fit for purpose venues (e.g. hotel and convention centre) are barriers to this growth. If no additional accommodation options are developed, then that is a major restriction on the type and size of events that may be held within the city.

Historical underinvestment in facilities is starting to be corrected in the 2021-2031 Long Term Plan. This presents an opportunity to develop fit for purpose, inclusive event venues and is critical to the success of events in Tauranga in the future. The role of the Civic Precinct masterplan - Te Manawataki o Te Papa – the heartbeat of Te Papa and other city centre projects including the community stadium, is significant as events are a key contributor to providing:

- A place where people can share our stories, learn, discover, appreciate our culture and history, shape our future, be entertained and have fun.
- A place the community can be proud of, that attracts investment and provides economic, tourism, employment, cultural, social and wellbeing benefits for the city and wider region.
- A central place to thrive and grow, together.

Community feedback through development of this plan identified the opportunity for events to play a key role in increasing vibrancy and bringing people into the city centre. Projects identified in the masterplan are integral to achieving this along with support for private sector plans for facility development in the city centre.

Priority areas of focus

Action		Key Responsibility	Timeframe
6a	Implementation of the Civic Precinct masterplan - Te Manawataki o Te Papa – the heartbeat of Te Papa. In particular the following capital projects: <ul style="list-style-type: none"> • Exhibition and events centre • Civic plaza • Waterfront reserve • Baycourt upgrade 	TCC	Planning underway and projects completed by 2030

Action		Key Responsibility	Timeframe
6b	Continue to advance feasibility plans for development of a multi-use community stadium for Tauranga. This will provide a venue for events including concerts, cultural events, festivals and sporting events, and if located in the city centre would have a significant impact on increasing visitation and vibrancy. Also links to major events and business events framework which will provide detailed analysis of event demand for the stadium.	Priority One	Feasibility underway and project complete by 2026
6c	Continue to support development of a performing arts and convention centre, and hotel accommodation within the city centre. Also links to major events and business events framework which will provide detailed analysis of event demand for these facilities, and Action 6g.	TCC	Underway
6d	Utilise the masterplan process for strategic sports and events sites (Blake Park, Baypark and Tauranga Domain) to determine the positioning of events across these sites. This will ensure the right type of events are located in the right place across this network, to maximise event/destination outcomes and provide clarity on fit for purpose venue requirements.	TCC	Underway and complete by October 2022
6e	Work with BOPRC to develop integrated transport solutions for major events. Identify opportunities to reduce congestion around major event hubs and provide a more reliable and safer journey to encourage people to walk, cycle or use public transport to attend an event.	TCC (working in partnership with BOPRC)	Short 1-3 years
6f	Ensure new facility and outdoor space development considers opportunities for creating fit for purpose and/or flexible venues for events. Ensure facilities are welcoming and engaging for all of our community and recognise the contribution they can make to telling stories of our history and culture.	TCC	Ongoing as part of planning and design of new places and spaces.
6g	Identify key gaps in accommodation provision for major events and business events and determine options for addressing these gaps.	Priority One	Short 1-3 years

Action Plan Summary

Key partners: Green – lead, Yellow – support as required

Action	Timeframe	TCC	BAY VENUES	TBOP	PONE
1a Major Events Framework	1-3yrs				
1b Business Events Framework	1-3yrs				
2a Capability and capacity	Ongoing				
2b Event facilitation support	Ongoing				
2c Event industry relationships	Ongoing				
2d Measuring event benefits	1-3yrs				
3a Event funding framework	1-3yrs				
3b Community funder collaboration	Underway				
3c Cultural events	1-3yrs				
3d Activate centres	1-3yrs				
4a Develop Tauranga place brand	1-3yrs				
4b Event marketing plan	1-3yrs				
4c Event destination promotion	1-3yrs				
5a Tell stories	1-3yrs				
5b Work with Iwi and Hapu	1-3yrs				
5c Whole of city approach	1-3yrs				
5d Flexible funding	1-3yrs				
6a Civic Precinct masterplan	Underway - 2030				
6b Community stadium	Underway - 2026				
6c Convention Centre/Hotel	Underway				
6d Strategic site masterplans	Underway – Oct 2022				
6e Integrated transport	1-3yrs				
6f Spaces and Places	Ongoing				
6g Accommodation	1-3yrs				

Measures of success

Council and key partners will assess progress regularly, recognising the evolving nature of events and the pace at which our city is growing. Direct and indirect measures of success include:

- Increase in satisfaction with the variety and diversity of events.
- Event programme clearly demonstrates alignment to strategic direction through the type of events, inclusiveness of events, location of events and so on.
- Reduction in barriers that prevent people from attending events.
- A wider appreciation and acknowledgement of our culture and history.
- Evidence of the contribution of events to social, cultural, environmental and economic outcomes.
- Development of new fit for purpose venues for events.
- An increasing number of business events.

10 DISCUSSION OF LATE ITEMS

11 PUBLIC EXCLUDED SESSION**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATIONS**

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 14 February 2022	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	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
11.2 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 28 March 2022	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(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 s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of	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>the public</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>	
11.3 - Exemption to Open Competition: Mauao Placemaking Project – Professional Services & Physical Works for Cultural Interpretation	<p>s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</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>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