



MINUTES

**Strategy, Finance and Risk Committee
Meeting**

Monday, 20 June 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, 20 JUNE 2022 AT 9.30AM**

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), Paul Davidson (General Manager: Corporate Services), Barbara Dempsey (General Manager: Community Services), Christine Jones (General Manager: Strategy & Growth), Steve Pearce (Acting General Manager: Regulatory and Compliance), Jane Barnett (Policy Analyst), Sheree Covell (Treasury and Financial Compliance Manager), Kathryn Sharplin (Manager: Finance), Marin Gabric (Senior Financial Accountant), Jim Taylor (Transactional Services Manager), Emma Joyce (Policy Analyst), Nelita Byrne (Manager: Venues & Events), Carlo Ellis (Manager: Strategic Māori Engagement), Coral Hair (Manager: Democracy Services), Robyn Garrett (Team Leader: Committee Support), Sarah Drummond (Committee Advisor), Anahera Dinsdale (Committee Advisor)

External Suresh Ranchhod, Head of Treasury Advisory, Bancorp.
Chad Hooker, Tourism Bay of Plenty

1 OPENING KARAKIA

Commissioner Shadrach Rolleston opened the meeting with a karakia.

2 APOLOGIES

Apology

COMMITTEE RESOLUTION SFR6/22/1

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the apology for absence received from Mr Te Pio Kawe be accepted.

CARRIED

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

4.1 Acceptance of late items - confirmation of minutes - Strategy, Finance and Risk Committee - 14 March 2022

COMMITTEE RESOLUTION SFR6/22/2

Moved: Commissioner Bill Wasley

Seconded: Ms Rohario Murray

That the Council

Accepts the following late item for consideration at the meeting:

- Confirmation of minutes – Strategy, Finance and Risk Committee – 14 March 2022.

CARRIED

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 14 February 2022

COMMITTEE RESOLUTION SFR6/22/3

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

That the minutes of the Strategy, Finance and Risk Committee meeting held on 14 February 2022 be confirmed as a true and correct record, with a minor spelling correction to item 8.5.

CARRIED

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

COMMITTEE RESOLUTION SFR6/22/4

Moved: Dr Wayne Beilby

Seconded: Commissioner Shadrach Rolleston

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

CARRIED

7.3 Minutes of the Strategy, Finance and Risk Committee meeting held on 14 March 2022

COMMITTEE RESOLUTION SFR6/22/5

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

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

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 BUSINESS

9.1 Local Alcohol Policy Review: Deliberations

Staff Jane Barnett, Policy Analyst

Key points

- Staff provided updated records which the Committee considered, they contained options for decisions requested through the submission and hearing process.
- If changes to the proposed policies were not made at the meeting further public consultation would be held on amended proposals.
- There were two options to either resolve and accept and adopt the revised policy; or hold further consultation to adopt a revised policy.

Discussion points raised

- Currently there was no compelling evidence for councils having individual Local Alcohol Policies; some suggestion that the responsibility should sit with central government.
- Further management and intervention on street issues by the New Zealand Police was required to help management of harm incidences.
- A question remained whether the current proposed changes would minimise harm and create change in drinking culture.
- The current one-way door policy and closing hours of on-licence premises did not stop current issues occurring.
- It was proposed that the opening hours of off licences be amended to 10am from 7am. Not all Committee members were certain that this change would promote and encourage behaviour change and harm reduction.
- The Committee requested more information to enable consideration of any further changes to these hours, and noted that there was little evidence showing benefit.
- Ngāi Te Rangi had expressed concern in their submission about the proximity of licenced premises to sensitive and vulnerable communities.
- Concern about proximity to vulnerable communities and areas had also been expressed from other local Tangata Whenua and community groups, and more formal non-government organisations.
- Staff were requested to bring an options paper back with proposals, and any evidence available, for the area encompassing vulnerable communities, school areas and marae around proximity to sensitive areas.
- The need for a more visible and mandated role for the involvement of mana whenua on these issues of development and sensitive areas was raised.

Amended by Strategy,
Finance & Risk
Committee resolution
SFR7/22/3 dated
1 August 2022

- There was sympathy for agencies when dealing with applications in industrial areas, not entertainment areas, and it was agreed to add a provision that would not allow the granting of licences in industrial areas.
- While understanding the separation of this Committee and the District Licensing Committee (DLC), concern and disappointment were expressed that there was not a mechanism in place during the process that allowed for the views or input of the DLC.
- When licensing decisions were made, the DLC could choose to add discretionary conditions that would enable recording information on what a community considered important.
- Restrictions on single sales would be helpful as a potential discretionary condition.

In response to questions

- Further advice would be provided to the Committee on the District Licensing Committee and the legislative parameters they worked under and what discretionary powers they held.
- Staff would provide further evidence regarding on-licences; staff noted this was a challenge to find and would provide a copy of the recent Auckland decision on licencing.

COMMITTEE RESOLUTION SFR6/22/6

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

(a) Decides on the options from the submission summary document as follows:

COMMITTEE RESOLUTION SFR6/22/7

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

(a)(i) Closing time for on-licensed premises in Tauranga Central City

- Retain the current closing time of 3:00am;

(a)(ii) One-way door provision

- Remove the one-way door provision.

CARRIED

COMMITTEE RESOLUTION SFR6/22/8

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

(a)(iii) Presentation of club licence provisions

- Create a separate section in the Local Alcohol Policy for club licences.

CARRIED

COMMITTEE RESOLUTION SFR6/22/9

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

(a)(iv) Club trading hours

- Retain the current maximum hours for club licences:
 - 9am - 1am for club licences outside of Tauranga City Centre
 - 9am - 2am for club licences inside Tauranga City Centre.

CARRIED

COMMITTEE RESOLUTION SFR6/22/10

Moved: Commission Chair Anne Tolley

Seconded: Dr Wayne Beilby

(a)(v) Opening sales time for off-licensed premises

- Proposed 10:00am opening sales time for all off-licensed premises.

In Favour: Members Anne Tolley, Wayne Beilby, Rohario Murray and Bruce RobertsonAgainst: Members Shadrach Rolleston, Stephen Selwood and Bill Wasley**CARRIED 4/3****COMMITTEE RESOLUTION SFR6/22/11**

Moved: Commission Chair Anne Tolley

Seconded: Dr Wayne Beilby

(a)(vi) Final sales time for off-licensed premises

- Retain current final sales time of 10:00pm.

CARRIED**COMMITTEE RESOLUTION SFR6/22/12**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

(a)(vii) Number and density of off-licensed premises

- Retain no restriction set on the number of off-licensed premises.

CARRIED**COMMITTEE RESOLUTION SFR6/22/13**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

(a)(viii) Location proximity provisions for off-licensed premises

- Direct staff to report back with further information and options for proximity provisions for off-licensed premises.

CARRIED**COMMITTEE RESOLUTION SFR6/22/14**

Moved: Commission Chair Anne Tolley

Seconded: Dr Wayne Beilby

(a)(ix) Location provisions for on-licensed premises

- Do not allow any new on-licensed premises in industrial-zoned areas.

In Favour: Members Anne Tolley, Wayne Beilby, Rohario Murray and Bruce RobertsonAgainst: Members Shadrach Rolleston, Stephen Selwood and Bill Wasley**CARRIED 4/3**

COMMITTEE RESOLUTION SFR6/22/15

Moved: Commissioner Bill Wasley

Seconded: Mr Bruce Robertson

(a)(x) Discretionary conditions for off-licensed premises

- Direct staff to report back with further information and options on discretionary conditions for off-licensed premises.

CARRIED**COMMITTEE RESOLUTION SFR6/22/16**

Moved: Commissioner Stephen Selwood

Seconded: Dr Wayne Beilby

(a)(xi) Format of hours in policy

- Retain the existing presentation of opening and closing hours in the same line.

CARRIED**COMMITTEE RESOLUTION SFR6/22/17**

Moved: Commissioner Stephen Selwood

Seconded: Dr Wayne Beilby

And

- (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.

CARRIED**9.2 Six Monthly Treasury Strategy Update**

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

External Suresh Ranchhod, Head of Treasury Advisory, Bancorp

- Mr Ranchhod provided a presentation and updated the Committee. The presentation showed spikes in interest rate risk.

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

Key points

- It was noted that the graphs presented were indicative of a hard landing for the economy with emphasis on interest rates. Staff noted that despite this most markets showed uplift.
- The current policy looked to balance that risk.
- Quantitative easing had not stopped, and no country had yet found its way out. New Zealand was in the same position.
- The current Reserve Bank employment and inflation figures added to that uncertainty. There was a forecast rise in monetary policy to help mitigate inflation issues.
- Unemployment of 3.2% was considered too tight.

COMMITTEE RESOLUTION SFR6/22/18

Moved: Mr Bruce Robertson

Seconded: Dr Wayne Beilby

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.

CARRIED

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

Staff Sheree Covell, Treasury and Financial Compliance Manager
Marin Gabric, Senior Financial Accountant
Kathryn Sharplin, Manager: Finance

Key points

- An overview of both issues in the report was provided.
- The Committee agreed to treat the two issues together. Work had commenced on outstanding issues but was waiting to hear a response from Audit NZ and be signed off.
- Process had not yet started for the financial year.

In response to questions

- If revaluations were completed this year, they would not be received in time to be considered for Three Waters legislation.
- It was unclear if revaluations of land and buildings would be increased even without three waters considerations and uncertainty.

Discussion points raised

- None of the matters were urgent and it was pleasing to see them resolved and cleared.
- The effect of any revaluations on the Annual Plan was not affecting programmes to this point in time and were still on an upward trend.

COMMITTEE RESOLUTION SFR6/22/19

Moved: Mr Bruce Robertson

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

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

CARRIED

9.4 Adoption of Remission and Postponement of Rates on Māori Freehold Land Policy

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

Key points

- The report was taken as read; staff noted that minor administrative wording corrections as requested re papakāinga housing had been made.

COMMITTEE RESOLUTION SFR6/22/20

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

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

CARRIED

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

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

Key points

- The report was taken as read.

COMMITTEE RESOLUTION SFR6/22/21

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

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

CARRIED

9.6 Tauranga Events Action and Investment Plan

Staff Nelita Byrne, Manager: Venues & Events

External Chad Hooker, Tourism Bay of Plenty

Key points

- Highlighted how far the stadium had progressed, significant progress had been made which was pleasing.
- Growing events provided the best possible outcome from investment, aligned with council strategies and connected with places and spaces.
- The strategy reflected and celebrated city events, promotion and marketing.
- The aim was for the Plan to deliver community enrichment and fit for purpose venues that were future proofed for growth and delivered.

- Provided concrete examples of actions and requirements to achieve that goal; and informed appropriate collaboration.
- Noted that the collaborative process had worked very well and had been seen in the field as an example of great interaction with feedback being taken onboard.
- Provided a clear focus on manaakitanga.

Questions and discussion points raised

- KPIs would be developed to show investment was fit for purpose and success could be measured.
- The plan gave mana whenua the ability to be included in the delivered outcomes and would enable easy engagement processes.
- A report was expected back to the Committee in six months which would identify key interrelationships, contain timeframes and a risk schedule.

COMMITTEE RESOLUTION SFR6/22/22

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

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.
- (e) Requests that staff develop a Priority Action Plan which identifies key priority actions that require tangible progress within the next 6 – 12 months; and include:
 - Identification of interdependencies with other workstreams and initiatives
 - Risk assessment and mitigation plan
 - Refined timelines.

CARRIED

10 DISCUSSION OF LATE ITEMS

To be held in the public excluded session.

11 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

COMMITTEE RESOLUTION SFR6/22/23

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

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
<p>11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 14 February 2022</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)(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>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>
<p>11.2 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 28 March 2022</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)(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)(c)(ii) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(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)(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>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>

<p>11.3 - Exemption to Open Competition: Mauao Placemaking Project – Professional Services & Physical Works for Cultural Interpretation</p>	<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>
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CARRIED

At 11:07am the meeting adjourned.

12 CLOSING KARAKIA

Mr Carlo Ellis, Manager: Strategic Māori Engagement, closed the meeting with a karakia.

The meeting closed at 12.21pm.

The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 1 August 2022.

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CHAIRPERSON