



# **AGENDA**

## **Strategy, Finance and Risk Committee meeting Monday, 5 December 2022**

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

**Date: Monday, 5 December 2022**

**Time: 9.30am**

**Location: BoP 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](http://www.tauranga.govt.nz).*

**Marty Grenfell  
Chief Executive**



# Terms of reference – Strategy, Finance & Risk Committee

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## Membership

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<b>Chairperson</b>	Commission Chair Anne Tolley
<b>Deputy chairperson</b>	Dr Wayne Beilby – Tangata Whenua representative
<b>Members</b>	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
<b>Quorum</b>	Five (5) members must be physically present, and at least three (3) commissioners and two (2) externally appointed members must be present.
<b>Meeting frequency</b>	Six weekly

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## 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.



## Order of Business

<b>1</b>	<b>Opening karakia</b> .....	<b>11</b>
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<b>5</b>	<b>Confidential business to be transferred into the open</b> .....	<b>11</b>
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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**

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## **7 CONFIRMATION OF MINUTES**

### **7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 14 November 2022**

**File Number:** A14258582

**Author:** Robyn Garrett, Team Leader: Governance Services

**Authoriser:** Robyn Garrett, Team Leader: Governance Services

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### **RECOMMENDATIONS**

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

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### **ATTACHMENTS**

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





# **MINUTES**

## **Strategy, Finance and Risk Committee Meeting**

**Monday, 14 November 2022**

**Order of Business**

<b>1</b>	<b>Opening karakia</b>	<b>4</b>
<b>2</b>	<b>Apologies</b>	<b>4</b>
<b>3</b>	<b>Public forum</b>	<b>4</b>
<b>4</b>	<b>Acceptance of late items</b>	<b>4</b>
<b>5</b>	<b>Confidential business to be transferred into the open</b>	<b>5</b>
<b>6</b>	<b>Change to order of business</b>	<b>5</b>
<b>7</b>	<b>Confirmation of minutes</b>	<b>5</b>
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9.5	Open Space Level of Service Policy Hearings	9
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11.2	Litigation Report	20
11.3	Internal Audit & Assurance - Quarterly Update	21
11.4	Corporate Risk Register - Quarterly Update	21
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11.3	Internal Audit & Assurance - Quarterly Update	22
11.4	Corporate Risk Register - Quarterly Update	22

UNCONFIRMED

**MINUTES OF TAURANGA CITY COUNCIL  
STRATEGY, FINANCE AND RISK COMMITTEE MEETING  
HELD AT THE BOP REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE, 1 ELIZABETH  
STREET, TAURANGA  
ON MONDAY, 14 NOVEMBER 2022 AT 9.30AM**

**PRESENT:** Commission Chair Anne Tolley, Dr Wayne Beilby, Commissioner Shadrach Rolleston, Commissioner Stephen Selwood, Commissioner Bill Wasley, Mr Te Pio Kawe, Mr Bruce Robertson (via Zoom)

**IN ATTENDANCE:** Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy, Growth & Governance), Alastair McNeill (General Manager: Corporate Services), Ceilidh Dunphy (Community Relations Manager), Kelvin Hill (Manager: Water Infrastructure Outcomes), Kathryn Sharplin (Manager: Finance), Tracey Hughes (Financial Insights & Reporting Manager), Sheree Covell (Treasury and Financial Compliance Manager), Clare Abbiss (Open Space & Community Facilities Planner), Sharon Herbst (Policy Analyst), Ruth Woodward (Team Leader: Policy), James Woodward (Finance Lead Projects Assurance), Jeremy Boase (Manager: Strategy & Corporate Planning), Tony Aitken (Manager: Human Resources), Darren West (Team Leader: Health, Safety and Wellbeing), Coral Hair (Manager: Democracy & Governance Services), Robyn Garrett (Team Leader: Governance Services), Anahera Dinsdale (Governance Advisor), Janie Storey (Governance Advisor)

## **1 OPENING KARAKIA**

Commissioner Shadrach Rolleston gave the opening karakia.

## **2 APOLOGIES**

### **APOLOGIES**

#### **COMMITTEE RESOLUTION SFR11/22/1**

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the apologies for absence received from Ms Rohario Murray and Ms Matire Duncan be 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 CONFIRMATION OF MINUTES

### 7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 3 October 2022

#### COMMITTEE RESOLUTION SFR11/22/2

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

That the minutes of the Strategy, Finance and Risk Committee meeting held on 3 October 2022 be confirmed as a true and correct record.

**CARRIED**

## 8 DECLARATION OF CONFLICTS OF INTEREST

Te Pio Kawe declared an interest in Item 9.9 - Review of the Grants for development contributions on Papakāinga Housing and Community Housing Policies and did not vote on the item.

## 9 BUSINESS

### 9.1 Priority One - Annual Report 2021/22

**External** Nigel Tutt - Chief Executive, Priority One

Greg Simmonds - General Manager - Workforce and Policy, Priority One

Copies of the Priority One Tauranga Moana Talent Action Plan and Annual Report were provided to members.

#### Key points

- Would like to present to Council a full economic update at some stage in the future.
- Noted the role the commissioners were playing in city development, a lot had been achieved and were heading in a positive direction for the city.
- Tauranga mean annual earning was \$59,461 which was below the national average of \$66,000. As New Zealand's fifth largest city it was not good to be below the national average and a focus was needed to deliver prosperity to the community, to get people good jobs and to be paid well. Vital to encourage, create and grow good industries to be able to get people into jobs.
- The Tauranga Moana Talent Action Plan was presented to the recent AGM. Noted the low unemployment in the area and the desire to see business competing to attract and retain good quality people.
- A business membership had been formed and was part of the sectors' business plans. Each sector had their own plan for talent and Priority One would assist to push these out to get incomes up within the sectors.
- The biggest constraint was housing and this was seen as a barrier to recruiting talent, for people to move into the area or to retain their staff. Some had to move out of the city as they

could not get onto the housing ladder or secure rental accommodation.

- Congratulations and appreciation to the Commissioners for their support and huge change of focus onto delivery.

### In response to questions

- Noted that immediate priorities needed to be to open up freight routes and housing. Looking at an extension of the berths at the Port and the provision of more options for future industrial land. The business sector supported rates increases for transport infrastructure, but a better story needed to be told.
- There were few managerial or government jobs in Tauranga with high incomes and very few government departments. Part of the reason for this was the industry structure and “Sunshine Tauranga” mindset. To get off the bottom quartile needed to be careful not to add more unskilled jobs.
- There had been a lot of work done in the Māori business and employment sector within the region and, while it was high, it was still not at the rate of the rest of the population. There was a lot of work going into education and pathways to gain better skilled jobs.
- In order to achieve planned growth in the education sector, international students needed to be attracted back to the area. Basics needed to expand educational opportunities included student accommodation, better transport routes and positioning as a forward thinking place where a student could get a good job afterwards.
- TCC’s student scholarships were a positive step, and more companies needed to link with the university to offer the same opportunities to students.
- Priority 1 was working in close collaboration with Māori Land Trusts, many of whom were keen to invest into the city and diversify from more traditional land-based developments.
- There were social procurement opportunities in local government and government agencies and they would continue to develop, evolve, grow capability and capacity and grow locally.
- TCC adopting a social procurement policy was an excellent way to help Māori outcomes. Important to work with all entities as closely and as early as possible to provide them with opportunities for uptake.
- Roads were congested, people wanted to pay for investment in better roading. Even with high inflation, there was still an appetite for improvement; however, the capacity to pay may be less this year than in previous years.

### Discussion points raised

- Appreciation expressed to Priority One for their work and for their focus on lifting the income and skills of the workforce.

### COMMITTEE RESOLUTION SFR11/22/3

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Priority One - Annual Report 2021/22".

**CARRIED**

## 9.2 Delivering Better Outcomes - City Waters Enhanced Procurement

**Staff** Kelvin Hill, Manager: Water Infrastructure Outcomes  
Nic Johansson, General Manager: Infrastructure

### Key points

- An integrated approach was being developed for the lowest cost and best value.
- Nine success factors and outcomes were outlined in the report, to contribute to stronger partnerships.

- Meetings with the sector outlined that the pipeline to building capacity was priority.
- Six months had been spent understanding the pipe sizes and diameters to see what packages could be put together. This was now in hand for water, and could be scaled into spaces and places and transport activities.

### In response to questions

- This was not a new implementation, staff were looking at baselining data from around NZ to ensure that prices and costs represented value for money.
- It was within the objectives of the corporate sustainability strategy e.g. carbon levels, the four well beings, te Ao Māori.
- Work was being done on social procurement adoption with other plans such as the Auckland City Council and Bay of Plenty Regional Council's sustainability strategies.
- Moving forward, the focus was on water and waste water reticulation construction over the next five years, using the nine core values, and to get construction on the same page. It would also provide security of work over a five-year period and would take the workforce from one job to another.
- In terms of how to benchmark the process to create the panels and confirm the nine factors with the panels, the history of panels, their core structure and capacity to deal with complex processes were being analysed. Delivery of water was shifting direction, adding and scaling up significantly - this was the main reason for selecting the panel over other possible models.
- In relation to the methodology still being finalised, staff needed to engage with the sector as soon as possible. There were a number of projects ready to go out for pricing, with 70% committed spend being on track and 25% committed as part of the work programme. The aim was to transition as moving forward, not to stop the current spend.
- Mana whenua and tangata whenua involvement was part of the consideration with success sitting on the shoulders of all panel members to ensure that the nine outcome were delivered.
- If this system could create a better balance and the right delivery between suppliers it would also minimise poaching within the sector and provide strong continuous delivery of a good quality with good pricing.

### COMMITTEE RESOLUTION SFR11/22/4

Moved: Commissioner Stephen Selwood

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Delivering Better Outcomes - City Waters Enhanced Procurement".
- (b) Endorses two procurement activities leading to new panels for:
  - (i) Detailed design services for water supply and wastewater network
  - (ii) Construction services for defined scope areas for City Waters.

**CARRIED**

### 9.3 Draft Annual Plan 2023/24 - Approach and Key Financials

**Staff** Kathryn Sharplin, Manager: Finance  
Tracey Hughes, Financial Insights & Reporting Manager

#### Key points

- The first round of re-budgeting for 2023-24 had been completed following the direction within the LTP. There was nothing significant or new apart from cost adjustments.

- Significant costs increases included interest rates and borrowing with an upward movement of 0.5% equating to \$11m.
- Cost price adjustments across all services and cost fluctuations were higher at 9%. The LTP rate was 4% and would be impacted by asset revaluations, decreases in depreciation, changes to Tauriko West funding, grants out and financial contributions in.
- Ways to mitigate upward cost measures included financial adjustments to phase-in cost increases and balancing rate funding depreciation with loan funded. Also looking at small surpluses so rate increase would not be impacted as much.
- Noted that the Transportation and Spaces and Places budgets had not been sufficient for the level of service required, resulting in big increases. Benchmarking with other cities was being undertaken to consider what was realistic and what was over ambitious.
- A realistic look at what was likely to be delivered within the capital programme was needed, looking at what items needed to be brought forward or moved out.
- Benchmarking slides were provided, noting transportation, three waters and spaces and places were consistent with other councils. Transport showed TCC was less favourable to Hamilton while spending similar with debt servicing, amount of investment, new roads and cost per person investment. It noted that TCC maintenance budget was insufficient.
- Three waters was influenced by infrastructure planning work and further work was needed on this impact in relation to other comparatives. With the national waters benchmark TCC sat competitively on cost, but unclear whether growth planning was included in the other authorities' numbers. TCC had higher debt servicing which was growing with city growth.
- Open spaces did not have standardised benchmarking so it was harder to compare. Further information would be provided early next year to show better comparatives.
- Summary identified LTP Year Three indicators at a rate level rather than an expenditure level. The LTP had 6% increase which included water by meter. It was now at 7.5% accounting for growth; however, with the water saving measures, there had been a loss in water consumption volumes which had been factored in.
- Excluding water, the general and targeted rate was 8.4% for residential and 19% for commercial. A difference of \$5m which would need to be found or it would impact on the levels of service requirements.

### **In response to questions**

- It was not expected that consultation would be required for the changes.
- At present there was a 7% increase in water user fees. Water had been promoted as a valuable resource so it was not expected that the price would reduce over time. TCC was not subsidising water at present, but this would be watched annually. There was a small debt retirement in the account. Waste water was tighter at present with the revenue being held to expenditure.
- In response to a query regarding capital investment and whether the water revenue was covering costs, it was noted that extensive evaluation had been undertaken. TCC water charges were lower than other areas, but unsure if the true cost was provided for comparison. The new quality demands and testing would result in increased costs in the future.

### **Discussion points raised**

- Well done to the team, it was a difficult budget to set with many challenges.
- If cut backs were made on infrastructure it would result in less land supply, more expensive houses, lower skilled workers and decreased productivity.

### **COMMITTEE RESOLUTION SFR11/22/5**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Draft Annual Plan 2023/24 - Approach and Key Financials"



- (b) Notes high-level initial benchmarking data for transportation, three waters and spaces and places against other councils
- (c) Agrees the proposed approach to budgeting for the 2023-24 Annual Plan targeting key financials of year 3 of the LTP, but noting inflationary and interest rate pressures

**CARRIED**

At 10.54am the meeting adjourned.

At 11.14am the meeting reconvened.

## **9.5 Open Space Level of Service Policy Hearings**

Two submitters spoke to the policy.

### **Mary Dillon**

#### **Key points**

- The 50% balance in relation to greenspace and recreation needed to be open to being more flexible than it was. There was a need to look at greenspaces differently within the open space framework and to build in flexibility to allow for factors such as change in population.
- Access to greenfield sites was important for communities - nature had to have an opportunity to develop and to be present and visible where people were every day.
- Noted concern at the workload associated with the Council's strategy and implementation, and how to coherently manage to connect all the implementation plans that were happening. In high level authorities where reporting was to a management team, there was a risk that people would work in silos .
- There was likely to be a review at some stage – questioned how tight this should be, keeping in mind greenspace was incredibly important, as was connecting to nature as part of the well-being of a city.

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

- More negotiation would occur between parties. The submitter had been involved with the development of The Lakes and noted that a lot of the negotiation was done beforehand, with all parties sitting and talking. Some small reserves were traded off for green space and the ability to walk and be connected to nature; the best way was to sit down at the beginning to develop key principles including putting nature first.

### **Jeff Fletcher - Fordland Holdings and Kaituna 14**

- The holdings included two of the three main land owners in the area that were looking to be rezoned, so the policy was important.
- The owners supported the approach and the provision of neighbourhood reserves. A survey was carried out two years ago, with a pragmatic alignment of reserves.
- Kaituna 14 had a uniqueness as a growth area, with a coastal strip on one side and the river on the other. 50% of the land was protected and would remain so when the plan changed. The 50% landscape was biodiversity, archaeological and stormwater reserves and the owners wanted flexibility to be able to arrive at a pragmatic approach to a range of neighbourhood reserves. There were opportunities to provide community experiences and to work with the Council and the community to ensure flexibility and diversity of reserve and green areas, rather than having set areas for set activities.
- The aspiration was for a network of reserves and parks in between the coast and the river, providing a natural recreation experience with the landowners still privately owning the land.

- There had been a series of hui with the owners and a clear message they wanted to retain all of their land and partner with the Council to improve the land. Trustees were open to creating reserves and working with the Council but retention of ownership needed to be recognised within the policy, with leases being put in place by the owners for the reserves.

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

- Noted that the infrastructure utilities on reserves were too restrictive, with a challenge how to service areas efficiently and appropriately. The restrictions of underground services were important but it was a shame to see good outcomes being compromised to avoid some inground pipe infrastructure. The submitter suggested that the Council be more pragmatic and flexible in that regard. When an area was developed and planned, placing a waste water pump station in the corner of a reserve so that it could be accessed easily was not a big compromise to visual aspects. Important to look at need in the context of each individual reserve.
- Conversations had been held with Ngai Pōtiki who had incorporated Māori land ownership into their development, and took great pride in the reserves and the successful example of how it worked. Credit to the Council for enabling that development and now owners wished to see it recognised it to get great outcomes for their blocks of land.

#### **COMMITTEE RESOLUTION SFR11/22/6**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report Open Space Level of Service Policy Hearings
- (b) Receives the written submissions on the draft Open Space Level of Service Policy
- (c) Receives the verbal submissions from those submitters who wish to speak to their submission.

**CARRIED**

### **9.6 Use of Council Land Policy Hearings Report**

Six submitters spoke to the policy.

#### **Porina McLeod**

- Operated Moana Adventures from Pilot Bay with stand up paddle boarding, waka ama and land-based activities servicing schools, visitors and locals.
- They were there to connect people with the moana and whenua as tangata whenua. The area could be managed better for the business operators and the community and it was good to see some of the considerations in the policy.
- Supported consideration of a three-yearly lease period rather than annually, which was the case at present. It was quite a process for operators and was the same thing every year.
- Supported the request for proof of credibility from operators, those that were there worked hard to keep their space and to make sure what they were providing was safe and of a high quality; and any other operators that come in should have the same level, quality and credibility.
- Noted the connection to te awa Māori in the area and that operators were considering goals and strategies around maintaining the area and the environment.
- Currently did not have a space to park their trailer as the operation had to remain mobile. They had to hope there was a park when they got to the beach each morning.
- The majority of their work was pre-booked activities with schools etc - an approved space for parking was needed as at present they were unofficially leaving the trailers in a space for the

time they were there. It would make the job easier and provide for the safe transportation of the equipment in and out of area if a parking space was provided. Backing the trailer into the traffic was not safe. A system such as taking the operators' registration numbers and allowing them to park would work.

- Closing off of the road for cruise ships was also of some concern as it had an impact on access to the area around the summer. The size of the area closed off was not always necessary, as there was not as much congestion. The operators worked closely with BOP Tourism.

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

- The operators wanted to be legal when parking. To use the boat ramp carpark a vehicle must be attached; other spaces did not allow overnight parking.
- It was noted that a parking plan was being developed for the Mount, and feedback from operators would be helpful as part of that process.

#### **Peter Monteith and Hayley Dunbar - Inspired Kindergartens**

Tabled submission.

- Inspired Kindergartens was a not for profit community based charity, comprising of 25 kindergartens, with over 200 staff and a turnover of \$15m per annum.
- Had 12 kindergartens within TCC, with all but two operating under the early childhood education subsidy from the government and supplemented by parent donations.
- High enrolment numbers with 1,100 children, they were one of the top ranked providers in the country.
- Were committed to sustainability and were involved in the EnviroSchools project which would see them off the grid by 2025. They also act as kaitiaki for the parks around where they had their lease sites.
- Regular interaction with iwi through marae experiences and professional learning interactions.
- Play centres were excluded from the policy with no explanation for the exclusion; assumed this was either because of their not for profit status or that two were relocated from sites that the Council wished to use for other purposes. The kindergartens asked to be treated the same as the playcentres as they were also not for profit.
- The proposed lease termination clause would mean their lease terminated in 2027. Considered the notification of termination timeframe was an unreasonable requirement, especially as it would take well over a year to find an alternative site. The cost of construction and land was hard to fund as they did not have access to bank funding. TCC should maintain the existing terms of the lease.
- Avenues Kindergarten was located in a higher density development area of the city; it would be counterproductive to expect to have more children in an area and then reduce the preschool services.
- Offers of finding another suitable site had not identified any. The buildings were brick so were not moveable. The established replacement cost of a building would be \$1.7m plus the cost of the land.
- The Avenues Kindergarten was located in a crown reserve administered by TCC; requested that a delayed decision similar to the Tauranga racecourse also applied.
- The area was not a historical position, so it was hard to understand TCC's position to address plans for recreation.
- The group would like to meet with the Council and find ways forward that would be beneficial to all parties.

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

- In response to what was an appropriate termination period, the submitter noted that the preference was for the lease to stand. The current cost of building was prohibitive; a \$800,000 building plus environmental costs was now expected to be double that cost and the kindergartens did not have access to that sort of money. Fundraising the amount needed would take decades.

- The Scout hall on the reserve was empty for a decade before it was demolished at a cost to the Council. The time for a building to be dispensed with was when it had no longer had a genuine use.

### **Discussion points raised**

- Commissioner Tolley noted that the racecourse decision was on hold while the provision of health services was being considered and while NZ Thoroughbred Racing considered the position of racing in the BOP

### **Roydon Lowe**

- Wanted to reinforce the point made in his submission that the noise from the generators used by mobile vendors was unnecessary.
- The submitter and his family used Memorial Park regularly and to have a noisy generator next to the playground and beach was not needed. It should be a peaceful place and a walk should be uninterrupted by noise.
- Kulim Park had power points installed, this should also happen in Memorial Park.
- Concerned with allowing the positioning of an ice cream truck next to a playground. He had three young children and when they were out in reserves for rest, relaxation and exercise, he did not need them always asking for an ice cream. Council should be aware of avoiding long term unhealthy habits that could perpetuate into health issues later on.

### **Discussion points raised**

- Commissioner Tolley noted that Memorial Park was changing and would include shade, water and power.

### **Matthew King - Ōtūmoetai Tennis Club**

- The tennis club was one of largest in the country with 300 children and 200 senior members. There were no other tennis courts in the area.
- There was no basis or any specific purpose in the draft policy to include a termination period of one year. Considered one year unfair, Council did not need that much flexibility.
- They had built 12 tennis courts to an international grade at a valuation of \$3.5 m for the courts and the lights, all put there by their own fundraising or community funders.
- Council should not be able to terminate the lease within one year when it would not fund development maintenance and upkeep of the courts spaces. The community services and infrastructure were poorly invested in by Council - the club was doing that work and doing it without assistance from the Council.
- The club were successfully achieving one of the aims of the council which was for the community to get outside and get active.
- The club requested that the termination clause be removed from the policy as it would destroy any possibility of funding proposed capital upgrades. Funders would not want to provide funding for a lease with that type of clause.
- The termination clause was not a requirement of the Reserves Act and the club could see no rational basis for it.

### **In response to questions**

- Balance and flexibility of use over time could be achieved without the termination clause as renewal periods were entered into throughout the lease. These could be decided on a site by site basis. Section 24 of the Reserves Act noted it was the Minister's decision so could be achieved at each site.
- The Club loved where they were located and were unsure if they could move the buildings or find alternative land.

**Discussion points raised**

- Acknowledged that consideration must be given to the termination times in the policy as 33 years was a long period of time and did not provide flexibility. Concerns regarding the termination clause had also been raised by a number of other submitters.
- From a public point of view, the Council had to have the ability to say what land was suitable for at different times, to give flexibility for the city to grow and develop.
- Council may not have struck the balance correctly and would thoroughly consider the termination clause; the policy should support activity and allow communities to develop.

**Nevan Lancaster**

- Submitter had run a business in Pilot Bay for 15 years. The business had been in the same location for 40 years, which pre-dated TCC.
- Had been involved in a number of changes since 2007 and supported the lease being reviewed every three years rather than annually.
- Cruise ship management needed to be heavier between Christmas and the second week of January, considered the Council was spending a lot of money at other times with five people opening and closing road cones.
- Accident figures had not changed over time. The submitter asked that Council let people be smart - they did not have to show people how to cross a road.
- The submitter noted that he needed to get to his area by 5.30 am to find suitable parking, and if he removed his trailer he could not get it until around 9 pm. Would be useful to have his own parking spot as he had a large trailer with kayaks etc and needed to be close to the business as they were not allowed to leave anything on the beach. He did not produce any generator noise as he was powered from solar panels; he also had a rescue boat if needed.
- Council was doing a great job with recycling rubbish and local volunteers and operators picked up rubbish at Pilot Bay.
- Application for the location was generally done in August/September every year, it would be helpful to the businesses if this could be done at the end of the previous season rather than the start of the new season. For his business he needed to know at the beginning of winter whether or not to spend money on new equipment.
- The submitter suggested that the amount of money spent by Council each year on road management in the area was unnecessary. There had been changes made with buses now being able to get into the port.
- Blocking off the area up to Prince Ave was not needed and was excessive Monday to Friday. Be flexible when it was needed or if something special was happening. Considered there were a lot of traffic management plans competing with each other and a lot of money spent for little result.

**COMMITTEE RESOLUTION SFR11/22/7**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the written submissions on the draft use of council land policy (Attachment 1) and the Inspired Kindergarten's submission tabled at the meeting.
- (b) Receives the results of the two pop-up consultation sessions (Attachment 2).
- (c) Receives the summary of feedback from the three sessions with commercial operators (Attachment 3).
- (d) Receives the verbal submissions from those submitters who wish to speak to their submission.

**CARRIED**

## Attachments

- 1 Tabled item - Inspired Kindergartens submission

At 12.26pm the meeting adjourned.

At 1.16pm the meeting reconvened.

At 1.16 pm, Mr Bruce Robertson left the meeting.

## 9.4 Annual Report - Update with Consolidation and Final Asset Revaluations

**Staff** Sheree Covell, Treasury and Financial Compliance Manager  
Jeremy Boase, Manager: Strategy and Corporate Planning  
Paul Davidson, Chief Financial Officer

### Key points

- Consolidated report that included rates surplus from last year.
- Land and building revaluation notes to accounts were now complete with one outstanding issue of tax being with PWC for advice. The impact of the increase was \$427m, taking the total to \$6.4b, with all other key metrics remaining the same.
- The Annual Report would be provided to the 12 December 2022 Council meeting for adoption, but there was a risk that date might not be met as there was a big demand on the contractors' time.
- It was recommended that the surplus of \$1.5m be brought into the contingency reserve to manage the risk of interest rates increases over the next few years; and that recommendation (ii) be removed from the suggested resolutions.

### Discussion points raised

- Discussion on the best placement of the Tauranga Moana map in the Annual Report.
- Suggested a top 25 list of opportunities and challenges be created for the LTP.
- Suggested reordering 'Highlights, opportunities and challenges' in the Report to bring a delivery focus forward to the beginning.
- Suggested that civic precinct, reliability and sustainability were brought further to front of the document and other sections rearranged to give a clearer message up front.
- The delivery focus should be increased, there was more happening than noted in the report – e.g. Cameron Road.
- Requested that the explanation of statutory responsibilities was made easier to understand.
- The chart for building consents needed to also provide the actual number of houses delivered in the year.
- An explanation was needed for the operational expenditure, rate revenue and debt going up - people could wrongly think that the rising debt was to funding operational expenditure. Suggested an explanation be included that the development levies were calculated with forward planning and debt funding had a longer life span than one year.

## COMMITTEE RESOLUTION SFR11/22/8

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report - Tauranga City Council Draft Consolidated Annual Report 2021/22.

- (b) Agrees the transfer of \$1.5m from rates surplus to the interest rate contingency reserve.

**CARRIED**

## **9.7 First Quarter Financial and Non-Financial Monitoring report to 30 September 2022**

**Staff** Tracey Hughes, Financial Insights & Reporting Manager  
James Woodward, Finance Lead Projects Assurance  
Jeremy Boase, Manager: Strategy and Corporate Planning

### **Key points**

- The first quarter was tracking favourably to budget.
- Forecasting would be carried out in Quarter 2, looking at expenditure and funding last year and any opportunities to carry forward expenditure and funding to next year.
- Debt was tracking to budget of \$853m to the end of the year.
- Capital expenditure was slower to start this year with expenditure expected to catch up by the end of the year. Biggest risks included internal and external resource capacity and the rising inflation rate.

### **In response to questions**

- Significant forward thinking was put into the accessing of materials and supplies with orders being placed early in many cases.
- The transport team currently had 31 vacancies, so there were more projects on the books than there were people to deliver them. Noted the size of the current programme of works with three big businesses cases happening and a major suite of network improvements. Waka Kotahi also had the same problems and the significance of land transport on the end of year numbers was increasing. This would be on par early next year with Three Waters in terms of the scale of delivery.
- Bottleneck of delivery due to lack of staff resources was being mitigated by use of contractors and consultants. This did cost more, but was working well and put the focus on delivery rather than placing a value lens on it.
- Some work could not be undertaken because of the wet winter and staff were working hard to catch up.

### **COMMITTEE RESOLUTION SFR11/22/9**

Moved: Commissioner Stephen Selwood

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "First Quarter Financial and Non-Financial Monitoring report to 30 September 2022".

**CARRIED**



## 9.8 Credit rating from Standard and Poors Global Ratings

### COMMITTEE RESOLUTION SFR11/22/10

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Credit rating from Standard and Poors Global Ratings".

**CARRIED**

## 9.9 Review of the Grants for development contributions on Papakāinga Housing and Community Housing Policies

**Staff** Sharon Herbst, Policy Analyst  
Christine Jones, General Manager: Strategy, Growth & Governance  
Ruth Woodward, Team Leader: Policy

### Discussion points raised

- It was agreed that the fund be reported on to Council six months before the term finished and to consider at that time whether annual reviews and reporting were required. The Commission wanted to know if the policy was working and the number of houses being delivered was critical.
- It was suggested that the review could align with the LTP - if it was changed it would be logical to do as part as 2024-34 LTP.
- Noted that It would take some time to get the programme up and running. Some funds had been accessed and some housing delivered, but there was a need to monitor how funds were applied, where the blockages were and whether the funds were assessable, useable and applied.
- Council's Takawaenga unit was aware of the policy and was working on a strategy with local land trusts and other key stakeholders.
- The Chairperson allowed Mr Kawe to speak due to his knowledge of the process. Mr Kawe noted:
  - 15 whare were built in 2022, 12 last year and 10 the year before. It was not known how many had actually applied or were successful since the programme started in 2017.
  - Land use consent was not part of an opportunity to seek reinvestment and consideration, which disadvantaged some trusts. Engagement could not happen overnight as the groups involved may need to go out to their people several times.
  - Iwi were moving forward with the development process, but some did not yet have a trust established, whereas others like Ngāti Toa were well advanced.
  - There was a wider concept around provision of resources to get land trusts up to a state that they could build homes on their whenua. Te Puna Kokiri had five steps in their toolkit, and were only supporting iwi when they got to the fifth step, whereas it took a whole process to get to that point.
  - There was a long lead-in time – three to five years – to get land trusts to development stage. Costs were continually going up - it was not a fault of the policy but a wider approach was needed.
- The policy flagged an intent and when the trusts reached a certain stage they knew there was a system. There was a lot more work to go and Council and iwi were working with SmartGrowth on delivery and measurement. There had been a shift in the intent to build with Te Puna Kokiri and some of the trusts would take advantage of that.



**COMMITTEE RESOLUTION SFR11/22/11**

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report Review of the Grants for development contributions on Papakāinga Housing and Community Housing Policies.
- (b) Makes the following amendments to the Grants for Development Contributions on Papakāinga Housing Policy:
  - (i) Outline explicitly at 5.1.4 that any unused funds will roll over after the three-year timeframe has passed.
- (c) Makes the following amendment to the Grants for Development Contributions on Community Housing Policy:
  - (i) Outline explicitly at 5.1.4 that any unused funds will roll over after the three-year timeframe has passed.
  - (ii) Remove 'emergency housing' from the definition of community housing at 3.1
  - (iii) Amend the scope at 2.2 to include 'transitional housing providers with Level 3 Ministry of Social Development Social Sector Accreditation and a Transitional Housing Services Agreement'. This will include amendments for consistency at 2.5, 3.1, 4.1, 4.2, 5.1.3, 5.2.1, 5.2.3, 5.3.1 and 5.5.2.
  - (iv) Amend the scope at 2.2 and funding eligibility at 5.2.1 to replace 'that are operating under a not-for-profit structure' with 'that are developing housing with a not-for-profit intent'. Add in the funding allocation process at 5.3.1 item 2 to notify TCC of.... 'and evidence to show the housing development has a not-for-profit intent'.

**CARRIED**

**9.10 Tauranga's Community Carbon Footprint**

**Staff** Christine Jones, General Manager: Strategy, Growth & Governance

**Key points**

- The predictions were the same as previously, with transport providing the bulk of emissions. Marine freight was now incorporated.
- The ten key elements listed in the diagram in the report flowed into the development of the action plan which would be provided to Council in the new year for review and prioritisation.

**In response to questions**

- The major challenge was how to shift transport around the city. Council was seeking specific advice about tangible ways to reduce emissions, but unsure how successful it would be.
- In 2017 the formula did not include marine transport - but if the same methodology was used transport still had the same proportion of emissions. Much of a ship's journey was within international waters, but was included in the destination target. The Port was also questioning how the emissions were shared.
- The totals also included cruise ships which were needed tourism - it was a matter of how to balance it.
- Practical solutions were being sought from the Carbon Emissions Reduction Group on the targets. It was the Council's role to measure the emissions, develop public transport and cycle and walkways.

**COMMITTEE RESOLUTION SFR11/22/12**

Moved: Commissioner Stephen Selwood  
Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Tauranga's Community Carbon Footprint".

**CARRIED**

**9.11 Q1 Report 2022/23 LGOIMA and Privacy Requests****COMMITTEE RESOLUTION SFR11/22/13**

Moved: Commissioner Bill Wasley  
Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Q1 Report 2022/23 LGOIMA and Privacy Requests".

**CARRIED**

**9.12 2023 Q1 Jul-Sep Health and Safety Report**

**Staff** Darren West, Team Leader: Health, Safety and Wellbeing

**Key points**

- Mental health and wellbeing statistics were trending slightly lower than the national average of 8-10%.
- Mental Health week - ideas were received from the wider team on how to build mental wellbeing strategies. A framework would be provided on how to look after TCC's people and would be reported in the new year.
- There were three health and safety audit items outstanding. The finalisation of the Drug and Alcohol policy would be provided to the executive team before the end of the year
- PCBU relationships was a newly formed team which now had a full contingent of staff and were working with business partners, co-ordinators and health and safety.
- ISO provided a reliable standard to help reduce work-related risks and was measurable; providing good guidelines on how to look after the work force.
- There had been a positive uptake from Executive around due diligence with the Chief Executive taking the lead.

**In response to questions**

- Leading into the end of year, business partners were out and encouraging conversations with staff to ensure they were looking after themselves and their families.

**Discussion points raised**

- Commissioner Tolley noted that governance should also take responsibility and were visiting sites.
- The lack of resources throughout the organisation was noted and it was pleasing to see the focus on the mental health and wellbeing of staff who were working hard to make a difference in the city. No one had really come to terms with the long term effect of Covid and mental wellbeing.
- Staff were commended on providing an excellent report.

**COMMITTEE RESOLUTION SFR11/22/14**

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the 2022 Q1 Health and Safety Report
- (b) Receives the 2022 Q1 Mental Health and Wellbeing Report

**CARRIED**

**9.13 Use of Council Land policy hearings - continued**

**Nathan York and Craig Batchelar**

**Key Points**

- The policy required a review as it had not been reviewed since 2016.
- The new urban growth areas overlay was around quality rather than quantity, and did not apply the same metrics to consenting developed areas where there was still a quantity metric in place. It was hard to meet the requirements of the policy if intensification of residential areas was subject to the number of people in the area. Requested the same approach to 5.3.1 in all areas, especially if TCC wanted developers to intensify.
- More clarification was needed on how to measure quality as this was important for developers going forward.

**Discussion points raised**

- It was noted that Council was aware of the Te Papa peninsula where intensification was encouraged and also where existing reserves were occupying green space. Many user groups had 33 year leases and it was expensive to move them off these areas. Council was considering wider spaces and equitable distribution across the city of green and reserve space which would make a difficult LTP.
- The Lakes had 14 small playgrounds dotted around as a requirement of the development, but there was no place to kick a ball around or play a sport or for older children. Council was required to cater for a mixture of recreational, active and passive accessible activities across all age ranges. Planners were advising that flexibility was needed when structure planning was being put in place.
- Mr York noted that this was the long term picture, but they were also interested in the here and now. There was a well-designed development area in Wairakei that worked on minimum residential standards. The rule was 15 but TCC wanted intensification - if this was to be city-wide maybe the Wairakei area would be able to deliver a network of reserve space, rather than smaller discrete areas, which would allow more flexible development and design. He suggested getting the rule hard wired in so that people knew what was expected and allowed.
- It was noted that the key message from the environmental and development sectors was to understand the overall context and make sure it fitted the context rather than fitting a set of rules.

At 2.40 pm, Mr Robertson rejoined the meeting.

**10 PUBLIC EXCLUDED SESSION****Resolution to exclude the public**

**COMMITTEE RESOLUTION SFR11/22/15**

Moved: Commissioner Shadrach Rolleston

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:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48 for the passing of this resolution</b>
<b>11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 3 October 2022</b>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(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)(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
<b>11.2 - Litigation Report</b>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage,</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

	negotiations (including commercial and industrial negotiations)	
<b>11.3 - Internal Audit &amp; Assurance - Quarterly Update</b>	<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>	<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>
<b>11.4 - Corporate Risk Register - Quarterly Update</b>	<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>	<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>

CARRIED

## 11 CLOSING KARAKIA

The closing karakia was provided at the end of the following Council meeting.

**Public excluded resolutions transferred into the open section of the meeting****11.3 Internal Audit & Assurance - Quarterly Update****COMMITTEE RESOLUTION SFR11/22/16**

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- a) Receives the Audit & Assurance quarterly update report.
- b) Transfers this report to open at the conclusion of this meeting.

**CARRIED**

**11.4 Corporate Risk Register - Quarterly Update****COMMITTEE RESOLUTION SFR11/22/17**

Moved: Commissioner Stephen Selwood

Seconded: Mr Bruce Robertson

That the Strategy, Finance and Risk Committee:

- (a) Receives the Corporate Risk Register - Quarterly Update report.
- (b) Transfers this report and attachments to open at the conclusion of this meeting.

**CARRIED**

**The meeting closed at 3.16 pm.**

**The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 5 December 2022.**

.....  
**CHAIRPERSON**

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

## 9 BUSINESS

### 9.1 Six Monthly Treasury Update

**File Number:** A13896512

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

**Authoriser:** Paul Davidson, Chief Financial Officer

#### 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.

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#### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Six Monthly Treasury Update".
- (b) Approves the issuance of long and short term debt on a wholesale basis to manage cashflows
- (c) Approves the management of fixed rate interest 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.
- (e) Approves hedging of all significant foreign exchange exposure.

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#### 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

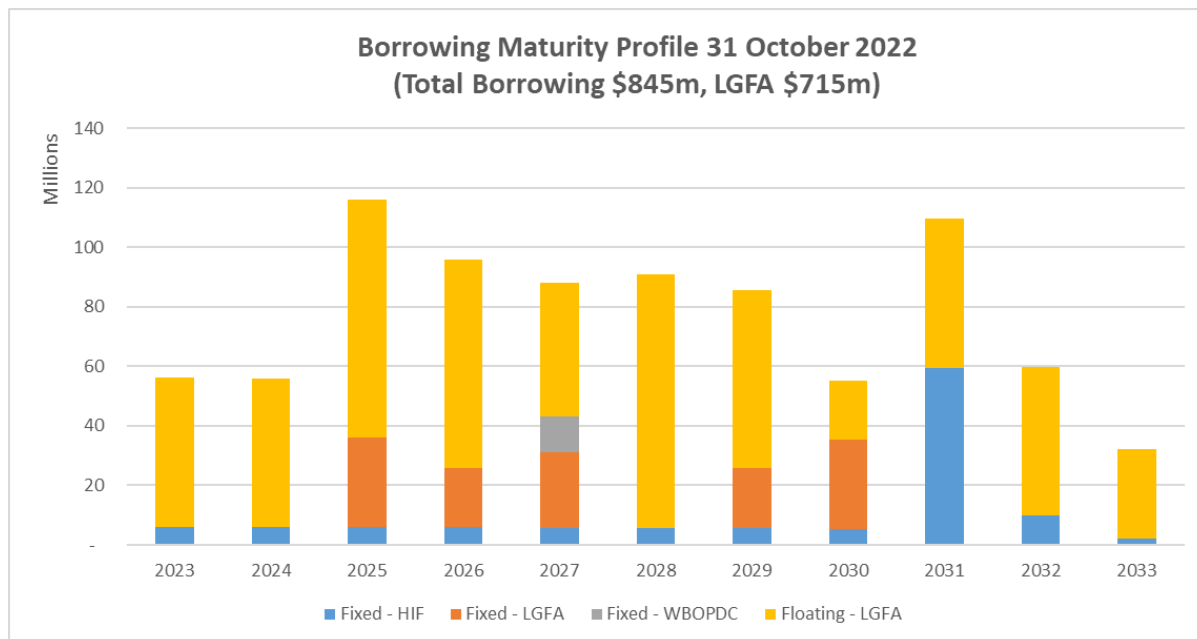
##### Debt Management

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 debt
  - 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

6. The graph below shows the current debt maturity profile as at 31 October 2022.



- As at 31 October 2022 outstanding debt was \$845m of which \$73m was issued since the beginning of this financial year.
- There is a further \$110m of planned issuances for the remainder of the year, of which \$30m will be issued in December to manage ongoing cash flow requirements.
- During the 2022/23 financial year \$56m of long-term debt will mature (\$50, in April 2023 and \$6, in June 2023). A further \$56m will mature during the 2023/24 financial year.
- Most existing debt matures after June 2024 which is the expected date for three waters reform to take effect. The repayment profile for TCC debt by the new water entity has yet to be finalised, but is expected to be repaid incrementally rather than on 1 July 2024. A later section of the report discusses the impact of debt repayment on the Treasury policy fixed interest rate limits. Shorter duration borrowing enables a better matching of cashflows post reform.

### Bank Facilities

- 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 LGFA financial covenants require a level of undrawn committed bank facilities or liquid investments or a combination of both. 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 2025. 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.

14. In general, bank facilities are available to be drawn down at short notice, provided that if they are drawn they are able to be repaid on a quarterly basis.
15. Current facility costs are 2% (\$200k from \$100m). Generally pricing on facilities are renewed on an annual basis.
16. It is important to note that any funds drawn down from bank facilities would need to be managed within the existing debt to revenue ratio. The current limit for the debt to revenue ratio for the 2022/23 financial year is 295% reducing to 290% in 2023/24 and 280% from 2025/26. The current year Annual Plan budgeted ratio is 180%.

### **Liquidity Risk**

17. 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.
18. 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 rolling 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)**

19. 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 than if they raised the debt directly.
20. 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.
21. 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.

As at 14 November 2022, total LGFA bonds (long term) on issue were \$17.6bn of which \$715m have been on lent to Tauranga City Council.

22. Fixed rate borrowing rates from LGFA for a A+ council are:

<b>Maturity Year</b>	<b>LGFA rate (A+)*</b>
2024	5.74%
2025	5.61%
2026	5.47%
2027	5.33%
2028	5.27%
2029	5.26%
2031	5.24%
2033	5.26%
2035	5.42%

2037	5.57%
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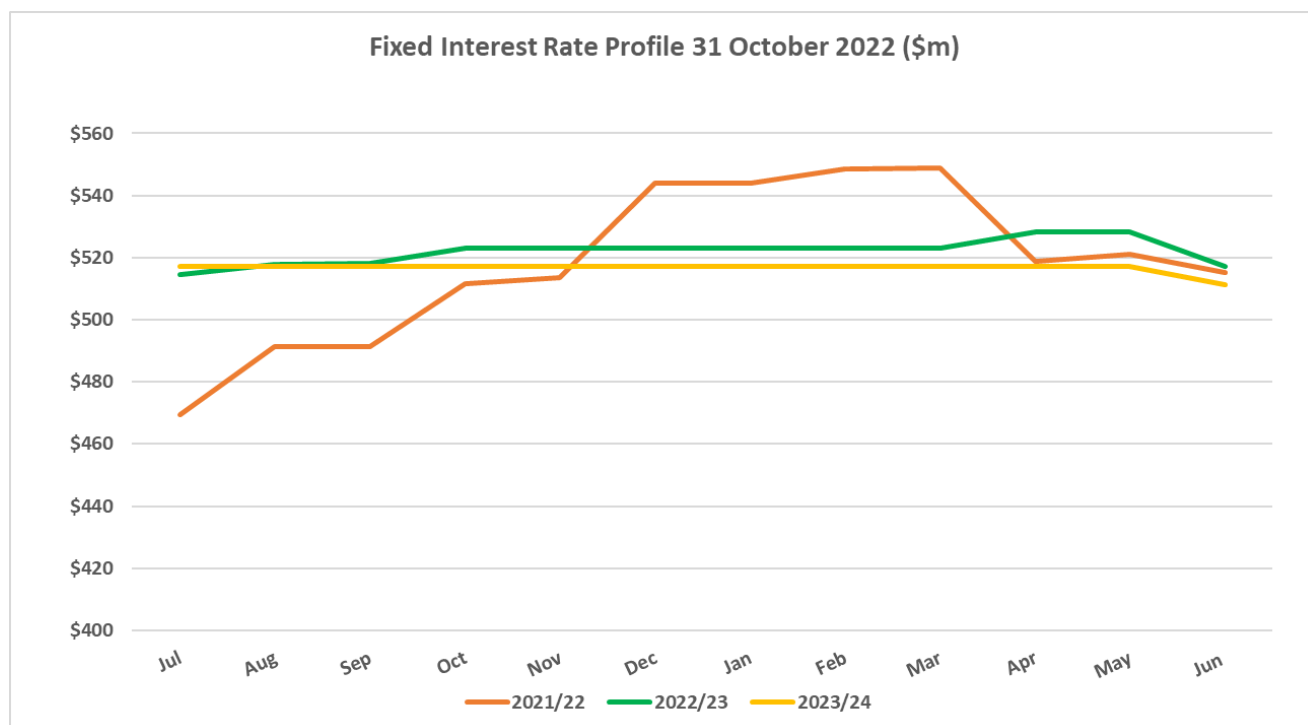
\*Rates are current at 24 November 2022

### Security

23. 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 Management

24. 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 rate exposures.
25. Council is exposed to the interest rate fluctuations on existing and future borrowings. Interest rate risk is minimised by managing floating and fixed 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 which is 3.92% (including a 60bp margin) at 31 October 2022.
26. As at 31 October 2022 the fixed interest rate position was \$523m which is 62% of debt. The graph below shows the existing fixed interest rate positions (fixed debt and interest rate hedging) for the previous, current and next financial years. This reflects the strategy to float new debt for the past 18 months as rates were low and waters reform was unknown.

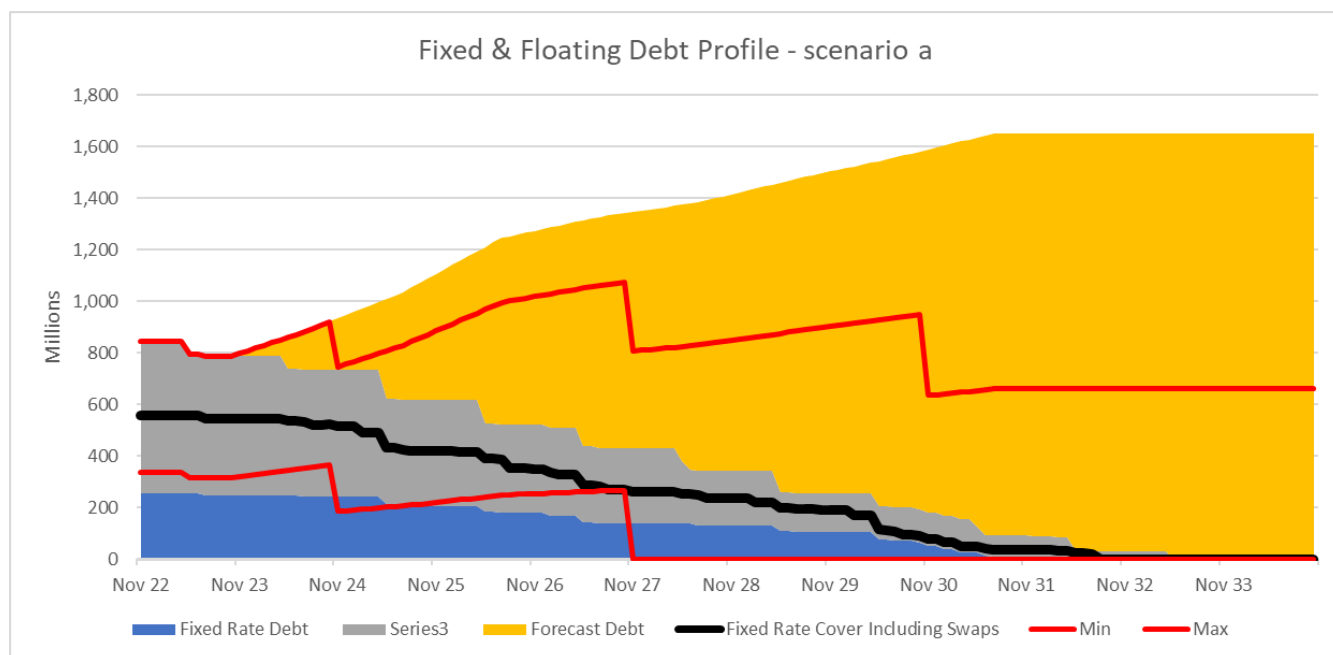


27. The treasury policy outlines the framework for interest rate management activities. Interest rate risk is managed with minimum and maximum fixed rate debt percentages by time bands. These minimum and maximum levels by time bands are designed to minimise interest rate re-price risks.

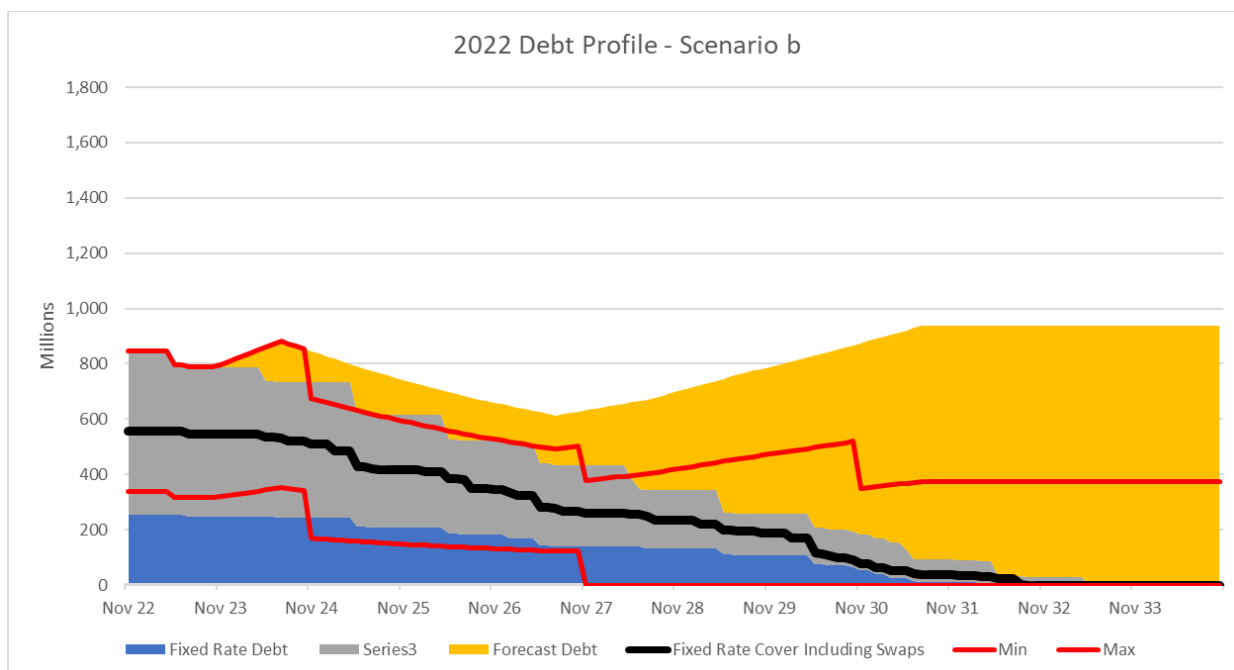
28. Since the beginning of the financial year (1 July 2022) \$73m of new debt has been issued. \$70m of this is floating and the remaining \$3m is HIF debt with a fixed interest rate of 0%.
29. There has been \$15m of interest rate swaps placed since 1 July 2022. The total amount of interest rate swaps is now \$308m with maturities ranging from October 2022 to July 2032.
30. Analysis of debt levels and associated interest rate hedging positions are reviewed on a monthly rolling basis

### Fixed Debt Profile

31. The chart below (scenario a) shows the fixed interest rate positions relative to forecast debt over time. The fixed interest rate positions include fixed rate debt issued and existing interest rate hedging. Forecast debt levels are based on LTP budgets that have been adjusted by 15% to recognise expected future cashflow capital delivery at the end of each year throughout the LTP period.



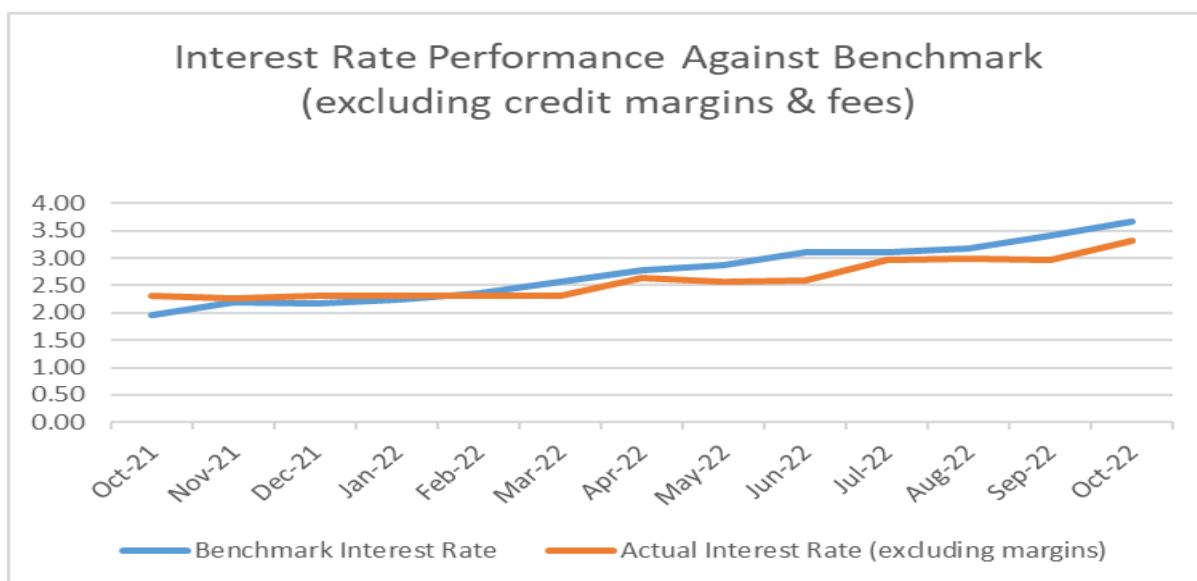
32. The above scenario shows fixed rate debt remaining above the minimum policy band with minimal headroom in 2027 which is being monitored and managed with interest rate swaps. Fixed rate debt is being held near the bottom of the policy band awaiting further information regarding waters reform.
33. The chart below (scenario b) reflects a potential scenario post waters reform where c\$700m is received during FY2025 and put on short term deposit to match existing maturities and fund future capital spend. The 15% delivery adjustment remains in this scenario.



34. The above scenario shows that the fixed debt profile moves closer to the middle of the policy bands as the LTPA forecast debt is minimised by paying for new capex and debt maturities with the waters cash received. The \$700m would be fully utilised in three years in the scenario.

### Net Interest Budget

35. Net interest is forecast based on closing net debt of \$854m as at 30 June 2023. The annual plan assumption for the average interest rate as at 30 June 2023 is 3.55% and the actual average interest rate as at 31 October is 3.92% (including a 60bp margin).
36. The graph below shows the actual average interest rate (excluding margins and fees) against market rate benchmarks as set in the Treasury Policy. 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. Benchmark rates are a proportional calculation of the 90 day, 2, 5, 7 and 10 year swap rates.



**Investments**

37. From a short-term working capital management perspective it is proposed to maintain a minimum liquid investment balance of \$10m on which investment rates aligning to OCR have been negotiated with our transactional banker (ANZ). This level of working capital is sufficient to manage the net cashflows during an average month. Overall, the investment portfolio is managed in line with the detailed forecast.
38. As at 31 October 2022 there was \$36m in cash and \$80m on deposit. \$50m of the amount on deposit has been set aside to mature in April 2023 as pre funding of LGFA maturities. The remaining amount on deposit is on shorter terms to align with cash flow forecasts over the coming months.

**Foreign Exchange**

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

**STRATEGIC / STATUTORY CONTEXT**

41. 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**

42. 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 effective 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.

**SIGNIFICANCE**

43. The Local Government Act 2002 requires an assessment of the significance of decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
44. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
45. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

**ENGAGEMENT**

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

#### **NEXT STEPS**

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

#### **ATTACHMENTS**

**Nil**

## 9.2 Mount Maunganui Planning and Delivery Programme

**File Number:** A14010459

**Author:** Carl Lucca, Team Leader: Urban Communities

**Authoriser:** Sarah Omundsen, General Manager: Regulatory and Compliance

### PURPOSE OF THE REPORT

1. The purpose of this report is to provide an overview of the Mount Planning and Delivery Programme.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the Mount Planning and Delivery Programme report.
- (b) Notes the coordination across significant projects in the Mount Maunganui area, proposed governance structure to assist delivery, and planned community and stakeholder engagement over the next 12 months.

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### EXECUTIVE SUMMARY

2. This report provides an overview of the **Mount Planning and Delivery Programme** (the 'Mount Programme'), including:
  - (a) Background and Strategic Context
  - (b) Overview of the Mount Planning and Delivery Programme
  - (c) Overview of key projects, including the Mount Spatial Plan and Mount Industrial Planning Study
  - (d) Consultation and engagement
  - (e) Financial implications
  - (f) Next steps.
3. There are currently over thirty Council-led projects of varying scale planned or underway for the Mount Maunganui area (including Bayfair, Omanu, Whareroa and the Mount industrial area) over the next 12 months and beyond. Significant projects include:
  - Mount Maunganui Spatial Plan – 30-year blueprint providing strategic direction for existing and future growth needs of the area
  - Mount Industrial Planning Study – planning for the future of the Mount Maunganui industrial area
  - Connecting Mount Maunganui – Hewlett's/Totara/Hull transport programme
  - Plan Change 33 – Enabling housing supply
  - Mount North Stormwater management project
  - Emergency / Civil Defence planning project
  - Accessible streets – delivery of walking and cycling improvements
  - Natural hazards / resilience planning
4. Council is also involved in the Mount Air Quality Working Party, a group convened by the Bay of Plenty Regional Council to address air quality issues in the area.



5. Through an integrated working group, the purpose of the Mount Programme is to manage these and other related projects, including communications and engagement, in a coordinated manner, reporting progress through a governance group to this Committee and Council.
6. The '**programme area**' includes the Mount Maunganui coastal strip from Mauao to Arataki, including Bayfair, Omanu, Whareroa and the Mount industrial area, as identified in **Figure 1**.



**Figure 1:** Mount Programme area, showing indicative boundaries of the Mount Spatial Plan and Mount Industrial Planning projects. Excludes Matapihi and Sulphur Point.

7. A key aspect of the Mount Programme will be the delivery of the proposed **Mount Spatial Plan**, which will document the overall programme, including a 10-year action plan and a 30-year blueprint to support existing and future growth in the area. The Mount Spatial Plan is proposed to be completed by August 2023 to inform future implementation and funding decisions, including preparation of the 2024-34 Long Term Plan
8. Partnership with mana whenua will be ongoing in relation to specific projects and issues, including Whareroa, with the Mount Programme assisting to integrate engagement where appropriate.
9. Community and stakeholder engagement is planned for March, April and May 2023 across a number of the key projects, with initial engagement with mana whenua, partners and key stakeholders commencing from December 2022 onwards. The Mount Programme will assist to integrate communications and engagement across key projects.

## BACKGROUND / STRATEGIC CONTEXT

10. This section outlines the relevant background and national and local strategic context to the programme area.

### Background

11. Significant growth within Tauranga continues to place pressure on existing infrastructure and resources, including within existing urban areas and in particular those areas where greater growth will be enabled through proposed plan changes. Integrated planning for growth within existing urban areas provides an opportunity to plan for and prioritise investment over the short, medium and long term, while also responding to key challenges and opportunities.
12. Tauranga City Council's programme for planning for existing urban communities builds upon sub-regional planning (i.e. UFTI and SmartGrowth) by delivering corridor based spatial planning (e.g. Te Papa, Ōtūmoetai and Mount Maunganui spatial plans). Using a collaborative approach, spatial plans provide for integrated land use, transport and social infrastructure planning, while also seeking to enhance local culture and identity. Based around a 10-year action plan and a 30-year blueprint, the spatial plans effectively set out the future programme of actions and investment to support existing and future growth in the area.
13. Notwithstanding the above, there are currently already over thirty Council-led projects planned or underway in the Mount Maunganui area over the next 12 months and beyond. To ensure a coordinated approach to delivery of these projects, and to provide for implementation following the completion of the Mount Spatial Plan, a Mount Programme is being set up.
14. The proposed Mount Programme and Mount Spatial Plan respond to central and local government strategic direction, which sets out expectations for integrated land use and transport, to achieve wellbeing and sustainability outcomes. This includes following policies and programmes.

### National and Local Strategic Context

15. **The National Policy Statement on Urban Development (NPS-UD)** seeks to ensure development of well-functioning, inclusive and better-connected cities that reflect the diversity of their current and future communities. It requires that Tauranga City Council enables higher-density residential development in proximity to employment opportunities (including the city centre and neighbourhood centres) along with existing and planned rapid transit bus stops and where commercial activities and services are easily accessible by active or public transport networks. Other relevant central government policy includes the Emissions Reduction Plan (ERP) and Government Policy Statement on Housing and Urban Development (GPS-HUD).
16. At a sub-regional level in the western Bay of Plenty, **SmartGrowth** and the **Urban Form and Transport Initiative (UFTI)** programme business case sets the overarching direction for development and transport. Led by SmartGrowth, the endorsed UFTI programme is the

Connected Centres programme for the sub-region which the partners agreed as the best programme to cater for the expected growth in the western Bay of Plenty sub-region over the next 30 to 70 years, and address challenges related to housing, transport, and access. UFTI identifies the Mount Maunganui, Omanu and Arataki areas as a critical area to provide for residential growth and intensification within Tauranga central.

17. The **Western Bay of Plenty Transport System Plan (TSP)** focuses on the first 30 years of transport planning required to implement UFTI's 'Connected Centres' vision. Within the Mount Maunganui, Omanu and Arataki areas the TSP defines primary and secondary routes for buses and cycling where investment will be prioritised to improve multimodal transport outcomes.
18. **The Tauranga City Council Strategic Framework** has recently been completed. This includes five community outcomes:
  - (a) Valued, protected and enhanced environment
  - (b) Inclusive city
  - (c) Well-planned city
  - (d) Move around easily
  - (e) Support business and education.
19. Woven through each of these primary outcomes are Te Ao Māori, sustainability and how we contribute to the region. This proposed Mount Programme and Mount Spatial Plan will be important delivery tools to achieve the above outcomes.
20. Outcomes will be implemented through a range of new or refreshed action plans, such as the city-wide Climate Action Plan and Mount specific spatial plan.
21. **Proposed Plan Change 33 – Enabling Housing Supply** to the operative Tauranga City Plan was notified in August 2022. The plan change gives effect to Policy 3 in the National Policy Statement on Urban Development which requires Council to provide height and density around commercial centres to enable residential intensification and to implement the Resource Management (Enabling Housing Supply and other Matters) Amendment Act to apply the Medium Density Residential Standards to residential zones.

## **MOUNT PLANNING AND DELIVERY PROGRAMME STRUCTURE**

22. Through an integrated working group, the purpose of the Mount Programme is to manage related projects, including communications and engagement, in a coordinated manner, reporting progress through a governance group to this Committee and Council.
23. Key components of the structure will include governance and working groups. The purpose of the governance group is to provide decision making and direction in relation to coordination of projects within the Mount Programme, including quarterly reporting to the Commission. The governance group will be supported by the working group with a focus on coordination across workstreams.
24. The Mount Programme is proposed as an ongoing governance structure as long as significant projects are being delivered and coordination is required.
25. The proposed timeframes for delivery of key projects, including communications and engagement, are currently being aligned, with a focus on the next twelve months, based on the following:
  - (a) Integration with existing workstreams and proceeding workstreams, e.g., Proposed Plan Change 33 and Mount Spatial Plan.
  - (b) Alignment of engagement activity across key projects.
  - (c) General availability of staff and consultant resources. Delivery is based on current operational resourcing and budgets included in the Long-Term Plan 2021-2031.



- (d) Allowing time to establish early engagement and partnership with mana whenua, as well as early engagement with other partners and key stakeholders.

### **SIGNIFICANT PROJECTS IN THE MOUNT PROGRAMME AREA**

26. Significant projects within programme area are described briefly below. The governance and working groups will have particular focus on coordination of these projects, including communications and engagement.
27. Partnership with mana whenua will be ongoing in relation to specific projects and issues, including future planning for Whareroa, with the Mount Programme assisting to integrate engagement where appropriate.

#### **Mount Spatial Plan (MSP)**

28. The MSP seeks to deliver a 30-year blueprint that provides strategic direction for existing and future growth needs of the area, forming the basis for the coordination of decision making within and across multiple agencies in a growth context.
29. Working with mana whenua, our community and key stakeholders, the spatial plan will include a 10-year implementation plan for growth in the Mount Maunganui/Arataki area, providing direction in relation land use, movement, open space and public realm, 3-waters infrastructure and culture and identity, having regard to key opportunities and challenges such as hazards and climate change impacts.
30. The Mount Spatial Plan has a primary focus on commercial and residential land uses (and including the interface with industrial uses), from Mauao to Arataki, including Mount Manganui, Bayfair and Omanu.
31. A final spatial plan and implementation strategy is proposed to be completed by August 2023.

#### **Mount Industrial Planning Study**

32. The Mount Industrial Planning Project is being prepared at the same time as the Mount Spatial Plan. The purpose of the industrial study is looking to plan for the future of the industrial area and identify a programme of actions, which considers current issues and the needs of all stakeholders. Those issues include future land use, cultural and social impacts, natural hazards, air quality, transportation and economic growth. An integrated approach is being taken to the two projects, particularly in relation to engagement with mana whenua and key stakeholders.
33. Engagement with stakeholders will occur early next year, integrated with the Mount Spatial Plan, followed by identification of options and recommended actions by mid-2023.
34. The SmartGrowth Industrial Land Study project is also investigating potential locations within the western Bay of Plenty subregion to meet the future demand for new industrial land over the next 30+ years. A technical investigation is due to be completed in March next year and will input to the SmartGrowth Joint Spatial Plan for the subregion.

#### **Connecting Mount Maunganui (Hewlett's/Totara/Hull sub-area Programme Business Case)**

35. Connecting Mount Maunganui is about developing a long-term plan for the Mount Maunganui area transport system, including State Highway 2 / Hewletts Road, Totara Street, and Maunganui Road. The project seeks to identify solutions to increase travel reliability for people and goods, improve transport choices (public transport and active modes), improve safety, and deliver better environmental outcomes.
36. A business case is being prepared by Waka Kotahi in conjunction with mana whenua, Tauranga City Council and Bay of Plenty Regional Council which will identify the recommended option for the Mount Maunganui transport system.
37. Initial engagement with mana whenua and stakeholders has been held, including an engagement workshop on 16 November 2022. Community engagement on short listed options is to occur in early 2023. The project is endeavouring to undertake community

engagement alongside Mount Spatial Plan and Industrial Plan community engagement. The indicative business case is due to be completed in June 2023. The project will then move to the detailed business case during 2023/24 to identify the costs, risks, and benefits of the preferred option. Further stakeholder and community input will occur at this stage.

#### Plan Change 33 – Enabling Housing Supply

38. Plan Change 33 gives effect to Policy 3 in the National Policy Statement on Urban Development which requires Council to provide height and density around identified commercial centres to enable residential intensification and to implement the Resource Management (Enabling Housing Supply and other Matters) Amendment Act to apply the Medium Density Residential Standards to residential zones.
39. As part of the first round of engagement on the Mount Spatial Plan, relevant feedback on the proposed residential land use and intensification areas will be provided to the Plan Change 33 team to further inform their recommendations on submissions to Plan Change 33.

#### Mount North Stormwater

40. To address stormwater management issues within Mount Maunganui (extending from Adams Avenue to Salisbury Avenue and including the Mount Maunganui mainstreet area) a robust, adaptable long-term strategy is to be developed that is aligned with other planning and natural hazard work. An analysis will be undertaken adopting a long term approach to identify a series of options aligned with other planning strategy and policy projects (e.g. Plan Change 27, other resilience related work) and the outcomes of the RMA and Three Waters reforms when these become clear. Further reporting on next steps is anticipated during 2023.

#### Emergency / Civil Defence planning

41. A responsiveness planning project is underway for the Mount industrial area to ensure Civil Defence Emergency Management has the required knowledge to develop appropriate cross-organisation planning for an emergency situation whether natural or man-made. Emergency planning is integral for a coordinated response and to prepare local community, in and around hazardous facilities in case of an emergency event occurring.
42. In the Mount Maunganui industrial area there are ten major hazard facilities, with 19 other facilities which process and/or store hazardous material. An initial information gathering report was completed as Stage 1 and a response review report prepared as Stage 2 in October 2022 with recommendations for coordinated emergency management planning within the Mount industrial area. Engagement with key stakeholders and the community will be undertaken in early 2023 to implement the recommendations.
43. Work is also underway on tsunami evacuation planning in conjunction with the Blake Park masterplan project.

#### Accessible streets

44. The aim of the program of work is to make it safer and easier for people to get around as the city is growing. The Accessible streets program will help people in the Mount Maunganui area be ready for continued growth by providing sustainable and people-focused options to get around.
45. The options are still being developed and will consider walking, cycling and multimodal options, preferred routes for moving around the area and connecting into key destinations. This could include cycleways, footpath improvements, safer intersections, safer crossings and speed tables.
46. The funding is being sought from central government through a business case process, which will commence in 2023.

#### Natural hazards / resilience planning

47. The Mount Maunganui area has some significant natural hazard risks, including tsunamis, coastal erosion, flooding, elevated groundwater, liquefaction and storm surge inundation. We hold a lot of information on these hazards and they are updated as new modelling and technical information becomes available. We are currently updating our city's groundwater model to take into account a range of sea level rise scenarios, and working with the Bay of Plenty Regional Council to update sea level rise scenarios in Tauranga based on new data from the IPCC and NZSeaRise Programme. The results are expected by June 2023. Additionally, the regional council is expected to release new coastal inundation modelling by June 2023.
48. Understanding natural hazard risks and their consequences is a critical element in how the Mount Spatial Plan and other projects respond to those risks. Planning for future growth needs to take into account natural hazards and the influence climate change will have. Council's resilience programme aims to provide for robust infrastructure and informed land use planning, so we can improve the city's resilience to natural hazards.
49. Funding in the LTP prioritises those projects most important to mitigate natural hazard risks to infrastructure. Projects for the Mount Maunganui area are identified and integrated with renewals and upgrades as part of council's asset management programme.

#### Mount Air Quality Working Party

50. The Bay of Plenty Regional Council established the Mount Air Quality Working Party in December 2020 to address air quality issues in the Mount industrial area which has been designated a polluted airshed. The Working Party has representatives from Whareroa Marae, hapu, industrial businesses, Clear the Air community group, Ministry for the Environment, Bay of Plenty District Health Board, Bay of Plenty Regional Council and Tauranga City Council.
51. The group meets four times per year. The most recent meeting was held on 22 November 2022 with the following key items discussed:
  - (a) Connecting Mount Maunganui and transport options - Waka Kotahi
  - (b) The National Planning Framework and progressing legislative changes that impact air quality – Ministry for the Environment
  - (c) Getting commuters out of their cars and exploring other ways of travelling around Tauranga – the Wednesday Challenge
  - (d) Air quality monitoring trends and developments – Bay of Plenty Regional Council
52. Project information, reports, agendas and minutes can be accessed at: <https://www.boprc.govt.nz/environment/air/air-quality/mount-air-quality-working-party>

#### **OTHER PROJECTS IN THE MOUNT PROGRAMME PROJECT AREA**

53. There are a number of other place specific projects within Mount Programme area that will be considered as part of the overall programme:
  - (a) Blake Park masterplanning (for future recreation activities and facilities)
  - (b) Marine Parade Boardwalk
  - (c) Accessible hotspots (universal access improvements on open space)
  - (d) Coronation Park open space improvements
  - (e) Grenada Street walking and cycling improvements
  - (f) Totara Street safety improvements
  - (g) Destination skate park
  - (h) Pacific Park recreational facility improvements
  - (i) Mauao Management Plan implementation

- (j) Farm street bus facilities
  - (k) Proposed port expansion plans
  - (l) Ongoing implementation of airport masterplan
  - (m) Manganui Road safety programme
  - (n) Residential developments, e.g. Pitau Road and Hinau Street villages.
54. The scale of these projects varies, with some being part of business as usual.
55. Other notable projects that may have an influence, due to proximity or city-wide significance, include:
- (a) Matapihi aspirations for area (community led)
  - (b) B2B – Bayfair to Baypark transport improvements
  - (c) Citywide 3-waters considerations, including stormwater management
  - (d) 'Public Transport' business case
  - (e) Tauranga Transport Systems Plan refresh
  - (f) Parking Management Plan (Mount Maunganui).

### CONSULTATION / ENGAGEMENT

56. Through the Mount Programme an integrated approach to communications and engagement will be applied where appropriate. The programme governance and working groups will provide an opportunity for overarching communications to be prepared, to help the community, partners and key stakeholders to understand how projects relate to one another and fit into the wider picture.
57. As part of the Mount Programme, key messages and supporting collateral will be prepared to help understand outcomes being sought, how projects relate to one another and fit into the wider picture. It is also envisaged that this will be supported by local, 'on the ground presence' to support feedback on specific projects.
58. At a more detailed level, a comprehensive communications and engagement plan has been prepared for the Mount Spatial Plan and Mount Industrial Planning study. Coordination is also occurring with the Connecting Mount Maunganui and Plan Change 33 teams.
59. The spatial plan will include two stages of engagement with the community and multiple rounds of stakeholder engagement, through wananga/workshops, design sprints and open days. As well as providing 'on the ground presence', community engagement will include attendance to community events, representative workshops and opportunities for online input into the process. A key focus during initial spatial plan engagement will be providing the community opportunity to provide feedback on what matters to them.
60. The partners and key stakeholders that sit across multiple Mount Programme projects include, but are not limited to:
- Mana whenua
  - Bay of Plenty Regional Council – Toi Moana
  - Waka Kotahi.
  - Clear the Air Community Group
  - Health NZ
  - Kāinga Ora
  - Ministry of Education
  - Ministry of Housing and Urban Development

- Port of Tauranga.

61. A wider suite of key stakeholders has also been identified across projects and will be included in communications and engagement on and across specific projects, as appropriate.

### FINANCIAL CONSIDERATIONS

62. The Mount Programme includes projects that are funded through the current Long-term Plan, as well as projects where funding is to be confirmed. A key aspect the proposed Mount Spatial Plan is to document the overall programme, including a 10-year action plan and a 30-year blueprint to support existing and future growth in the area. This will assist to inform the planning for the 2024-34 Long Term Plan.

### SIGNIFICANCE

63. Having regard to Council's Significance and Engagement Policy, significance of this the Mount Programme is considered 'high'. It affects a wide range of people; has moderate to high public interest; and will have a large consequence for the city in terms of growth over time. As outlined within this report, community, stakeholder and mana whenua engagement will be a key component, including opportunity to provide feedback in relation to aspects of the urban form and transport recommendations developed as part of the Mount Spatial Plan. Further opportunities for engagement will also be provided through the Long-Term Plan process and project delivery stages.

### LEGAL IMPLICATIONS / RISKS

64. The implementation of the Programme relies on stakeholders, partnerships with mana whenua and the community, through execution of the projects, delivered by Council, Central Government and/or the private investment sector.
65. Legal implications and risks of individual projects will be identified through the detailed project planning phases, and as the programme of work is implemented.

### NEXT STEPS

66. Next steps in the Mount Programme set up include:
- (a) Establishing the working group and stocktake reporting to the governance group
  - (b) Continued alignment of project timing, key messaging and comms and engagement, where appropriate
  - (c) Establishment of an 'on the ground' presence
  - (d) Quarterly reporting to the SFR Committee in March 2023.
67. As outlined above, the Mount Programme will be supported by the preparation of the Mount Spatial Plan, including a 10-year action plan and a 30-year blueprint to support existing and future growth in the area. The Mount Spatial Plan is proposed to be completed by August 2023 to inform future implementation and funding decisions.

### ATTACHMENTS

Nil



### 9.3 Integrity Framework Policies

**File Number:** A13885495

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**Authoriser:** Alastair McNeil, General Manager: Corporate Services

#### PURPOSE OF THE REPORT

1. To consider and adopt amendments to policies as recommended by the council executive that have been reviewed as part of Tauranga City Council's Integrity Framework.

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#### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Integrity Framework Policies".
- (b) Adopts the revised Protected Disclosures (Protection of Whistleblowers) Policy and Procedure
- (c) Adopts the revised Fraud Prevention and Management Policy
- (d) Adopts the revised Risk Management Policy
- (e) Recommends to Council that it amends the Strategy Finance and Risk Committee Terms of Reference (*B2 Risk Management*) to reflect the decisions made in the revised Risk Management Policy and remove 'Framework and Strategy' so they read '*Review, approve and monitor the implementation of the Risk Management Policy, including the Corporate Risk Register*'

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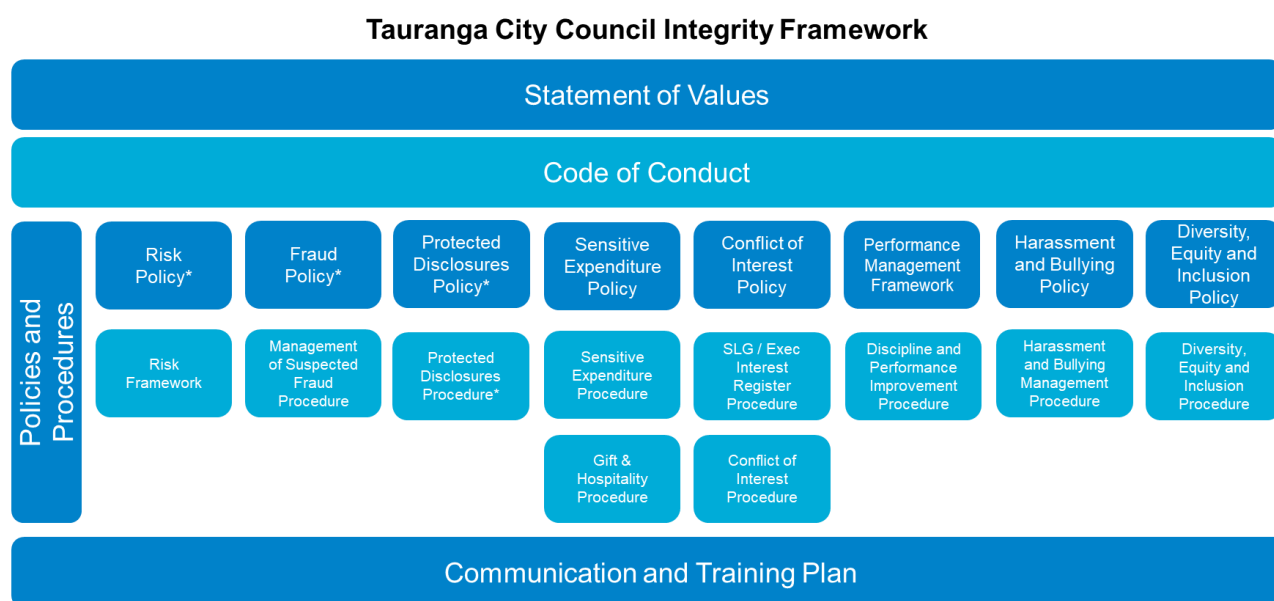
#### EXECUTIVE SUMMARY

2. A high-trust public sector is one of Aotearoa's greatest assets. Experience tells us that where an organisation has an integrity failure, trust is eroded. Trust, once lost, can take a long time to rebuild.
3. In June 2022 the Office of the Auditor General (OAG) released their Integrity Framework titled '[Putting integrity at the core of how public organisations operate](#)' (OAG Integrity Framework). An internal review has been conducted to align our organisational practice with the OAG Framework, resulting in the formulation of a Tauranga City Council (TCC) Integrity Framework. Policies and procedures are already in place to support the framework, however some have recently been updated, and some will be reviewed in the near future.
4. Three identified policies are council-led policies which are presented for the Strategy, Finance and Risk Committee (Committee) to adopt amendments:
  - (a) Protected Disclosures (Protection of Whistleblowers) Policy and Procedure
  - (b) Fraud Prevention and Management Policy
  - (c) Risk Management Policy
5. The review of the Protected Disclosures (Protection of Whistleblowers) Policy (the Protected Disclosures Policy) has been led by legislative changes. The Protected Disclosures (Protection of Whistleblowers) Act 2022 (Protected Disclosures Act) came into force in July 2022.
6. The Fraud Prevention and Management Policy and Risk Management Policy were identified as outstanding items in the 2020/21 Audit NZ management letter.

7. On 17 November 2022, the council executive considered changes to these three council policies and made recommendations for the Committee to adopt the amendments.

## BACKGROUND

8. To support the public sector in maintaining the public's trust, in June 2022 the OAG released the OAG Integrity Framework.
9. The purpose of the OAG Integrity Framework is to support public sector leaders to take a whole-of-organisation approach to building a culture of integrity within their organisations. An interactive summary of the framework can be found [here](#) and a one page summary found [here](#).
10. Staff have considered the OAG Integrity Framework and reviewed the council's current policies and procedures against it. This has resulted in an internal council integrity framework that aligns our organisational practice with the OAG Integrity Framework.
11. The diagram below illustrates the Tauranga City Council Integrity Framework.



*\* Policies and procedures that require governance approval via the Committee*

12. In addition to the OAG Integrity Framework, the Protected Disclosures Act 2022 came into force in July 2022. The legislative changes were substantial and included the introduction of positive obligations for public sector organisations. These changes meant the council's protected disclosures policy and procedure no longer complied and required a full review.
13. The Fraud Prevention and Management Policy and Risk Management Policy were identified as outstanding items in the 2020/21 Audit NZ management letter.
14. On 13 October 2022, the council executive approved the TCC Integrity Framework, noting that some policies and procedures were up to date, and some required review. As the policy reviews are completed, they will be taken to the executive for approval. The executive also acknowledged that a communications and training plan is essential to ensure staff are aware of the policies and how it applies to them. Work is currently underway to develop this plan, noting that the Protected Disclosures Policy would also include some external communication.
15. Three council-led policies required review:
- Protected Disclosures (Protection of Whistleblowers) Policy and Procedure
  - Fraud Prevention and Management Policy
  - Risk Management Policy

16. Some internal policies and procedures required review:
  - (a) Code of Conduct
  - (b) Conflict of Interest Policy
  - (c) Senior Employee Interest Register Procedure
  - (d) Conflict of Interest Procedure
  - (e) Harassment and Bullying Policy and Procedure
  - (f) Discipline and Performance Management Procedure
  - (g) Diversity, Equity and Inclusion Policy and Procedure (formerly the Equal Employment Opportunities Policy)
  - (h) Sensitive Expenditure Procedure
  - (i) Management of Suspected Fraud Procedure
17. It was noted that the Sensitive Expenditure Policy and Gifts and Hospitality Procedure had recently been reviewed and did not require amendments.
18. On 17 November 2022, the council executive considered changes to the following council-led policies and made recommendations for the Committee to adopt the amendments:
  - (a) Protected Disclosures (Protection of Whistleblowers) Policy and Procedure
  - (b) Fraud Prevention and Management Policy
  - (c) Risk Management Policy
19. The committee is asked to adopt amendments to these three policies as recommended by the council executive.

### **Protected Disclosures Policy and Procedure**

20. The Protected Disclosures Policy and Procedure (adopted in 2015) aim to meet council's responsibility to facilitate the disclosure and timely investigation of matters of serious wrongdoing in, or by, the council and to protect disclosers.
21. The Protected Disclosures (Protection of Whistleblowers) Act 2022 came into force in July 2022. The current policy and procedure are inconsistent with the revised legislation.
22. The following changes have been made to update the policy and procedure to meet changes in the Act:
  - (a) 'discloser' now includes past and present disclosers (employees, homeworkers, secondees, contractors, volunteers and elected members)
  - (b) 'serious wrongdoing' now includes behaviour that is a serious risk to the health or safety of any individual
  - (c) a disclosure can be made to the chief executive, mayor or an appropriate authority at any time (not only in certain circumstances)
  - (d) reasons for further disclosure to a government minister
  - (e) entitlements to protection
  - (f) obligation not to retaliate or treat less favourably
  - (g) specific requirements when no action is required
  - (h) specific requirements for internal procedures:
    - (i) within 20 working days (except where impractical) the receiver should acknowledge, consider, check, deal with and inform the discloser about what is being done to deal with the matter
    - (ii) the circumstances when a disclosure may be referred

- (iii) how the council will provide practical assistance and advice to disclosers
- (iv) how the council will meet the updated duty of confidentiality
- (v) how the council will publish widely (and republish at regular intervals) the existence of the procedure and how to use it.

23. The executive were asked to consider two issues and agreed to both:

- (a) the council may contribute towards reasonable costs incurred by a discloser in making a protected disclosure (on a case-by-case basis)
- (b) the council will provide a mechanism for anonymous reporting (acknowledging these may be difficult to fully investigate, and disclosers may be encouraged to make a confidential disclosure in order to investigate the matter more thoroughly). The risk team are currently investigating options about who can provide the anonymous mechanism.

24. The revised draft Protected Disclosures Policy and Procedure for adoption are included as **Attachments 1 and 2** to this report.

### **Fraud Prevention and Management Policy**

25. The Fraud Prevention and Management Policy sets out the council's position on fraud and its commitment to integrity. The current policy was adopted by Council in 2007 with a minor editing amendment occurring in 2015. Audit NZ has also identified the need for a review.

26. The following changes have been made as a result of the review:

- (a) updated purpose to include the council's position on fraud – there is zero-tolerance for any fraud or corrupt behaviour and now references how the policy aims to help promote a culture which deters fraudulent activity and facilitates the prevention and detection of fraud
- (b) includes a scope to set out that the policy applies to all council activities and all employees of the council
- (c) includes a definition of corruption and sets out specific examples of fraud in line with the Ministry of Justice guidance
- (d) addition of a background section to identify why fraud prevention is important and how it is part of the integrity framework
- (e) sets out a stronger position on fraud and the council's commitment to fostering a transparent culture
- (f) consolidates the investigations and preventive measures of the current policy into the policy statement section
- (g) updates the references and relevant legislation sections to include new policies and the integrity framework.

27. The revised draft Fraud Prevention and Management policy for adoption is included as **Attachment 3** to this report. The management of suspected fraud procedure is an internal document that will be adopted and reviewed by the executive.

### **Risk Management Policy**

28. The Risk Management Policy aims to ensure the council undertakes effective risk management. The current policy was adopted by Council on 28 October 2014 with the intention that once it had been implemented for a period it would be subject to a full review to ensure that it was appropriately capturing and appropriately assessing relevant risks. The policy included a risk framework.

29. In early 2022 the policy was reviewed and updated following an observational audit report on risk management practices by the OAG in November 2021. Recommendations included putting in place a formal risk framework and planning to assess and achieve risk maturity.

30. The following changes have been made as a result of the review:
- (a) The policy and framework elements have been separated as each has a different purpose. The policy sets out the overarching statement of mandated principles for the organisation, linking risk management to our strategic objective, vision, and values. The draft framework has been recently developed to support the policy by setting out practical guidance on risk processes for staff and to form a holistic approach to risk management.
  - (b) The policy also sets a new direction for the Council to determine the amount of risk that council is prepared to take, accept or avoid. The Council will be asked to set a risk appetite and threshold statement.
  - (c) Business continuity and risk management are interconnected as part of the risk management process and have been integrated into the policy.
  - (d) Establishing a common language and definitions is crucial for the effective adoption and implementation of risk management across the organisation. We have updated our risk language to be easily understandable and consistent with our current processes.
31. The revised version of the Risk Management Policy is included as **Attachment 4** to this report. The existing policy is available on council's [website](#).
32. The associated risk framework is an internal document that will be adopted and reviewed by the executive team. The risk appetite will be taken to the Council to determine and set at a later date.

#### **Amendment to the Committee Terms of Reference**

33. The executive requested that the responsibility for approving the risk framework be moved from the Committee to the chief executive. This has been outlined in the chief executive section of section 5.4.1 of the policy 'Risk Management Roles and Responsibilities'.
34. The current terms of reference for the committee at B2 state:

##### ***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.*
35. In order to align with the new policy a recommendation would need to be made to Council that it amends the Strategy Finance and Risk Committee Terms of Reference to reflect the decisions made in the revised Risk Management Policy. This would remove the word 'Framework and Strategy' so it reads: 'Review, approve and monitor the implementation of the Risk Management Policy, including the Corporate Risk Register.'

#### **STRATEGIC / STATUTORY CONTEXT**

36. The Protected Disclosures (Protection of Whistleblowers) Act 2022 came into force in July 2022, replacing the Protected Disclosures Act 2000.
37. The Local Government Act (2002) requires local authorities to comply with the principles of being a good employer and includes ensuring that "all employees maintain proper standards of integrity, conduct, and concern for the public interest" (s36).
38. In June 2022 the OAG released the Integrity Framework titled 'Putting integrity at the core of how public organisations operate'.
39. A council integrity framework has been recently approved by the executive.
40. The Fraud Prevention and Management Policy and Risk Management Policy are issues that were raised in the 2020/21 Audit NZ management letter as outstanding items.

**OPTIONS ANALYSIS****Issue 1: Protected Disclosures (Protection of Whistleblowers) Policy and Procedure**

41. The Protected Disclosures Policy and Procedure have been updated to align with changes to the Protected Disclosures Act. The council executive team have recommended the changes be adopted by the Committee.

	Option	Advantages	Disadvantages
1A	Adopt the revised Protected Disclosures (Protection of Whistleblowers) Policy and Procedure <b>Recommended</b>	<ul style="list-style-type: none"> <li>The policy aligns with recent legislative changes and ensures compliance</li> <li>Awareness-raising campaign will be based on updated policy and procedure.</li> </ul>	
1B	Do not adopt policy and procedure Status quo		<ul style="list-style-type: none"> <li>Policy will not reflect recent legislative changes</li> <li>Awareness-raising campaign will be based on an out-of-date policy.</li> </ul>

**Issue 2: Fraud Prevention and Management Policy**

42. The options for the Fraud Prevention and Management policy are set out in the table below.

	Option	Advantages	Disadvantages
2A	Adopt the revised Fraud Prevention and Management Policy <b>Recommended</b>	<ul style="list-style-type: none"> <li>Policy will set out Council's updated position on fraud and that fraud prevention is the responsibility of everyone at the council</li> <li>Addresses the item from Audit NZ to review the policy.</li> <li>Awareness-raising campaign will be based on updated policy</li> </ul>	
2B	Do not adopt policy Status quo		<ul style="list-style-type: none"> <li>Policy will not reflect Council's updated position on fraud and that fraud prevention is the responsibility of everyone at the council</li> <li>Fails to address Audit NZ request to review the policy</li> <li>Awareness-raising campaign will be based on an out-of-date policy</li> </ul>

**Issue 3: Risk Management Policy**

43. The options for the Risk Management Policy are set out in the table below. The council executive team have recommended the changes be adopted by the Committee.

	Option	Advantages	Disadvantages
3A	Adopt the revised Risk Management Policy <b>Recommended</b>	<ul style="list-style-type: none"> <li>The policy aligns with the OAG recommendations</li> <li>Awareness-raising campaign will be based on the updated policy and framework.</li> </ul>	
3B	Do not adopt policy Status quo		<ul style="list-style-type: none"> <li>Policy will not reflect the latest government recommendations</li> <li>Policy will not be fit for purpose for our evolving and maturing organisation</li> <li>Organisation-wide awareness-raising campaign will be based on an out-of-date policy.</li> </ul>

**Issue 4: Amendment to the Committee Terms of Reference**

44. The options for amending the committee terms of reference are set out in the table below.

	Option	Advantages	Disadvantages
4A	Recommend to council that it amends the terms of reference of the committee to remove the words 'framework and strategy' <b>Recommended</b>	<ul style="list-style-type: none"> <li>Consistent with the new policy set by the executive</li> </ul>	
4B	Do not recommend to council to amend the terms of reference of the committee Status quo		<ul style="list-style-type: none"> <li>Inconsistent with the new policy set by the executive.</li> </ul>

**FINANCIAL CONSIDERATIONS**

45. The Protected Disclosures Procedure outlines that the council may contribute towards reasonable costs incurred by a discloser in making a protected disclosure (such as seeking advice related to the disclosure). The circumstances will be worked through on a case-by-case basis. The procedure also outlines that the council will provide a mechanism for anonymous reporting, which will incur costs if provided by an external provider.



## LEGAL IMPLICATIONS / RISKS

46. The Protected Disclosures Policy is currently not compliant with the recent changes to the Protected Disclosures Act. It is prudent that changes are adopted as soon as possible.
47. The 2020/21 Audit NZ management letter recommended the fraud and risk policies be reviewed, and failing to do so may result in this being raised again in the next audit. If they were not reviewed, the audit observed, 'risk management will maintain a siloed view of key operational practices, will limit a move towards maturing a proactive risk management approach, and will limit the upside for performance-improvement initiatives'.

## CONSULTATION / ENGAGEMENT

48. The policies have moderate to low public interest as they do not affect the wider community and relate more to internal practices to ensure integrity. As there have not been any significant breaches of integrity there is not an urgent need to try to re-establish public trust and confidence. Therefore, no external consultation has been conducted. However, the Protected Disclosures Policy now includes current and former employees, elected members and volunteers. As such, it may not require consultation/engagement, but will need to be widely publicised when it has been adopted.

## SIGNIFICANCE

49. 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.
50. 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.
51. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

## ENGAGEMENT

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





## NEXT STEPS

53. If the Committee adopts amendments to the policies, the three updated policies and the Protected Disclosure Procedure will be published on the council's website.
54. If the Committee requests further consideration of issues, these will be brought back to the next committee meeting.
55. An internal communication and training plan will be developed to ensure that all staff are aware of the integrity framework and how to access the policies and procedures connected to it. This will include ongoing regular communication to ensure awareness of the integrity framework becomes a permanent aspect of the organisation's culture. Training will be provided to those people identified in policies and procedures to ensure compliance, such as 'appropriate council officers' who may receive a protected disclosure.



56. An internal communication plan will be developed to ensure all staff are aware of the revised Risk Policy. An organisation-wide implementation plan will also be developed for the new Risk Management Framework which supports the policy by setting out additional guidance for staff and provides the foundation and process for managing risks.
57. An external communication plan will be developed to inform the wider community of the new policies, in particular the Protected Disclosures Policy and Procedure.

## ATTACHMENTS

1. **Draft Protected Disclosures Policy 2022 - A14224754** [↓](#) 
2. **Draft Protected Disclosures Procedure 2022 - A14233484** [↓](#) 
3. **Draft Fraud Prevention Policy 2022 - A14233997** [↓](#) 
4. **Draft Risk Management Policy 2022 - A14242814** [↓](#) 

# DRAFT PROTECTED DISCLOSURES (PROTECTION OF WHISTLEBLOWERS) POLICY



Policy type	City		
Authorised by	Council		
First adopted	22 February 2007	Minute reference	M07/6
Revisions/amendments	7 December 2015	Minute reference	M15/89.4
	XXX 2022	Minute reference	MXX/XXX

## 1. PURPOSE

1.1 To meet council's responsibilities under the Protected Disclosures (Protection of Whistleblowers) Act ~~2000~~2022 (the Act) to promote the public interest by facilitating the disclosure and timely investigation of matters of serious wrongdoing in, or by, the council.

1.2 To protect ~~employees~~disclosers, who in accordance with the provisions of the Act, make disclosures of information about serious wrongdoing in, or by, the council.

1.3 To show our commitment to high standards of ethical and accountable conduct, to not tolerate any form of wrongdoing, and to encourage reporting as an obligation of our organisation.

## 2. SCOPE

2.1 This policy applies to all disclosers at Tauranga City Council.

## 2.3. DEFINITIONS

Term	Definition
<u>Appropriate Authority</u>	<p><u>as defined by the Act, without limiting the meaning of the term, includes:</u></p> <ul style="list-style-type: none"> <li>• <u>the head of any public sector organisation</u></li> <li>• <u>any officer of Parliament</u></li> <li>• <u>the membership body of a particular profession, trade, or calling with the power to discipline its members</u></li> <li>• <u>persons or bodies listed in Schedule 2 of the Act, including:</u> <ul style="list-style-type: none"> <li>○ <u>the Commissioner of Police</u></li> <li>○ <u>the Controller and Auditor-General</u></li> <li>○ <u>the Department of Internal Affairs</u></li> <li>○ <u>the Director of the Serious Fraud Office</u></li> <li>○ <u>the Health and Disability Commissioner</u></li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ <u>the Human Rights Commission</u></li> <li>○ <u>the Independent Police Conduct Authority</u></li> <li>○ <u>the Inspector-General of Intelligence and Security</u></li> <li>○ <u>an Ombudsman</u></li> <li>○ <u>the Parliamentary Commissioner for the Environment</u></li> <li>○ <u>the Public Service Commission</u></li> <li>○ <u>the Solicitor-General</u></li> <li>○ <u>WorkSafe New Zealand.</u></li> </ul> <p><u>An Appropriate authority does not include a Minister or member of Parliament.</u></p>
<b><u>Bad Faith</u></b>	<u>is acting dishonestly and deceitfully, with a destructive or negative intent, rather than genuine concern. This would include, for example, taking a disclosure straight to the media or disclosing on social media. Bad faith would also include making a disclosure where you are aware the serious misconduct did not actually occur.</u>
<b>Council</b>	the Tauranga City Council, its elected members, management and staff, and the activities undertaken on its behalf.
<b><u>Discloser</u></b> <b><u>Employee</u></b>	<p><u>as defined by the Act, means an individual who is (or was formerly)—</u></p> <ul style="list-style-type: none"> <li><u>(a) an employee</u></li> <li><u>(b) a homeworker within the meaning given in section 5 of the Employment Relations Act 2000</u></li> <li><u>(c) a secondee to the organisation</u></li> <li><u>(d) engaged or contracted under a contract for services to do work for the organisation</u></li> <li><u>(e) concerned in the management of the organisation (including, for example, a person who is or was a member of the board or governing body of the organisation)</u></li> <li><u>(f) a member of the Armed Forces (in relation to the New Zealand Defence Force)</u></li> <li><u>(g) a volunteer working for the organisation without reward or expectation of reward for that work.</u></li> </ul> <p><u>Note that (e) includes the Mayor and Elected Members</u></p> <p><u>as defined by the Act, includes:</u></p> <ul style="list-style-type: none"> <li><u>(a) a former employee</u></li> <li><u>(b) a homeworker within the meaning of section 5 of the Employment Relations Act</u></li> <li><u>(c) a person seconded to the organisation</u></li> <li><u>(d) an individual who is engaged or contracted under a contract for services to do work for the organisation</u></li> <li><u>(e) a person concerned in the management of the organisation (including a person who is a member of the board or governing body of the organisation)</u></li> </ul>

	<del>(f) a person who works for the organisation as a volunteer without reward or expectation of reward for that work.</del>
<b>Employee</b>	<u>All council employees, including volunteers, persons seconded to council and contractors.</u>
<b>Good Faith</b>	<u>is dealing with each other honestly, openly, and without misleading each other. Good faith requires parties to be active and constructive in establishing and maintaining a productive relationship in which they are responsive and communicative.</u>
<b>Protected Disclosure</b>	<u>as defined by the Act, a disclosure of information is a protected disclosure if the discloser—</u> <u>(a) believes on reasonable grounds that there is, or has been, serious wrongdoing in or by the council; and</u> <u>(b) discloses information about that in accordance with the Act; and</u> <u>(c) does not disclose it in bad faith.</u> <del>is the disclosure by an employee, of information about a serious wrongdoing in, or by, the Council.</del>
<b>Reasonable Grounds</b>	<u>There is enough information for an average person, exercising reasonable and honest judgment, to decide to report</u>
<b>Receiver</b>	<u>as defined by the Act, the receiver of a protected disclosure who is either—</u> <u>(a) the organisation concerned; or</u> <u>(b) an appropriate authority.</u>
<b>Retaliate</b>	<u>as defined by the Act, means</u> <u>(a) doing any of the following:</u> <u>(i) dismissing the employee</u> <u>(ii) refusing or omitting to offer or afford to the employee the same terms of employment, conditions of work, fringe benefits, or opportunities for training, promotion, and transfer as are made available to other employees of the same or substantially similar qualifications, experience, or skills employed in the same or substantially similar circumstances</u> <u>(iii) subjecting the employee to any detriment or disadvantage (including any detrimental or disadvantageous effect on the employee's employment, job performance, or job satisfaction) in circumstances in which other employees employed by the employer in work of that description are not or would not be subjected to such detriment or disadvantage</u> <u>(iv) retiring the employee, or requiring or causing the employee to retire or resign</u> <u>(b) organising to do anything described in paragraph (a).</u>
<b>Serious Wrongdoing</b>	<u>as defined by the Act, includes any act, omission, or course of conduct in (or by) council that is one or more of the following:</u> <u>(a) an offence</u>

	<p><u>(b) a serious risk to—</u></p> <p><u>(i) public health; or</u></p> <p><u>(ii) public safety; or</u></p> <p><u>(iii) the health or safety of any individual; or</u></p> <p><u>(iv) the environment</u></p> <p><u>(c) a serious risk to the maintenance of law, including—</u></p> <p><u>(i) the prevention, investigation, and detection of offences; or</u></p> <p><u>(ii) the right to a fair trial</u></p> <p><u>(d) an unlawful, a corrupt, or an irregular use of public funds or public resources</u></p> <p><u>(e) oppressive, unlawfully discriminatory, or grossly negligent, or that is gross mismanagement, and is done (or is an omission) by—</u></p> <p><u>(i) an employee (if the organisation is a public sector organisation)</u></p> <p><u>(ii) a person performing (or purporting to perform) a function or duty or exercising (or purporting to exercise) a power on behalf of a public sector organisation or the Government.</u></p> <p><del>(a) An unlawful, corrupt, or irregular use of funds or resources of a public sector organisation; or</del></p> <p><del>(b) An act, omission or course of conduct that constitutes a serious risk to public health or public safety or the environment; or</del></p> <p><del>(c) An act, omission, or course of conduct that constitutes a serious risk to the maintenance of law, including the prevention, investigation, and detection of offences, and the right to a fair trial; or</del></p> <p><del>(d) An act, omission, or course of conduct that constitutes an offence; or</del></p> <p><del>(e) An act, omission, or course of conduct by a public official that is oppressive, improperly discriminatory, or grossly negligent, or that constitutes gross mismanagement.</del></p>
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### **3. BACKGROUND**

~~This policy has been provided to meet the Council's requirements under the Protected Disclosures Act 2000 ("the Act").~~

~~The Council recognises its responsibility to promote the public interest by:~~

- ~~(a) Facilitating the disclosure and investigation of matters of serious wrongdoing in or by the Council; and~~
- ~~(b) Protecting employees who, in accordance with the provisions of the Act, make disclosures of information about serious wrongdoing in or by the Council~~

### **4. PRINCIPLES**

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4.1 A culture of integrity is important to maintain public trust and confidence.

4.2 Everyone is encouraged to speak up about serious wrongdoing if they have reasonable concerns.

4.3 All disclosers will be treated fairly and consistently.

4.4 A discloser has the right to report a serious wrongdoing without possible negative repercussions affecting them.

- ~~All employees will be treated fairly and consistently~~
- ~~An employee has the right to report a serious wrong doing without possible negative repercussions affecting them~~

## 5. POLICY STATEMENT

### 5.1 Speaking Up

5.1.1 Uncovering serious wrongdoing is crucial to maintaining integrity. Research indicates that reporting by employees is the most effective way of identifying corruption. Implementing a clear framework will encourage people to speak up about serious wrongdoing and is essential to business integrity.

5.1.2 The council is committed to fostering a transparent culture. This means providing an environment that encourages open communication, and where feedback and constructive challenge is the norm. This means individuals are encouraged to speak up and raise concerns about conduct that may be unethical or illegal. We all have a responsibility to hold our colleagues accountable by reporting any concerns, even if it is only suspected.

5.1.3 If someone genuinely believes they have reliable information about a serious wrongdoing and want to see it investigated, then they should speak up about it and make a protected disclosure. If the matter is not about serious wrongdoing, then it can be raised through general speak up guidance provided in the Code of Conduct.

### 5.15.2 Protected Disclosures

5.2.1 If an individual reasonably believes that a serious wrongdoing has taken place, in or by the council, they may should disclose information about it and in good faith so that it can be investigated.

5.2.2 A disclosure will be protected under the provisions of the Protected Disclosures Act if the discloser:

- ~~(a) the information is about a serious wrongdoing in or by the Council; and~~
- a) (b) they believe, believes on reasonable grounds, that the that there is, or has been, serious wrongdoing in or by the council; and
- a)b) discloses information is true or is likely to be true; about that in accordance with the Act (as set out in 5.4 below); and
- c) (e) they wish to does not disclose it in bad faith.

### 5.3 Non-protected Disclosures

5.3.1 The Act does not provide protection for an individual in circumstances where:

- a) an individual makes an allegation which they knew to be false; or
- b) an individual acts in bad faith; or

- ~~c) the information so is protected by legal professional privilege (information that is confidential legal advice such as emails, memoranda or reports written to or by an in-house lawyer or an external lawyer advising the council, or correspondence about a dispute in Court).~~

~~5.3.2 If a discloser acts in bad faith, such as going straight to the media or on social media, then it won't be a protected disclosure.~~

## **5.4 Making a Protected Disclosure**

~~5.4.1 Information about a serious wrongdoing in or by the council should be made to an appropriate council officer, the chief executive, the mayor, or an appropriate authority at any time as detailed in the Protected Disclosures Procedure (the procedure).~~

### **5.2 Protected Disclosures to Officers**

~~In the first instance, information about a serious wrongdoing in or by the Council should be made, either verbally or in writing to the appropriate officers, as detailed in the Procedures for this policy.~~

### **5.3 Disclosure to the Chief Executive**

~~If an individual believes that there are reasonable grounds that the officer/s identified in 5.2 above:~~

- ~~(a) is or may be involved in the serious wrongdoing alleged in the disclosure; or~~
- ~~(b) is, by reason of any relationship or association with a person who is or may be involved in the serious wrongdoing alleged in the disclosure, not a person to whom it is appropriate to make the disclosure,~~

~~the disclosure can be made, either verbally or in writing, to the Chief Executive.~~

### **5.4 Disclosure to an Appropriate Authority**

~~If an individual believes, on reasonable grounds, that:~~

- ~~(a) The Chief Executive is or may be involved in the serious wrongdoing alleged in the disclosure; or~~
- ~~(b) That immediate reference is justified by reason of the urgency of the matter to which the disclosure relates, or some other exceptional circumstances; or~~
- ~~(c) There has been no action or recommended action on the matter to which the disclosure relates within 20 working days after the date on which the disclosure was made,~~

~~the disclosure can be made to the Mayor or an "Appropriate Authority" which includes:~~

- ~~• the Commissioner of Police~~
- ~~• the Controller and Auditor General~~
- ~~• the Director of the Serious Fraud Office;~~
- ~~• the Inspector General of Intelligence and Security;~~
- ~~• an Ombudsman~~
- ~~• the Parliamentary Commissioner for the Environment;~~

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- ~~the Independent Police Conduct Authority;~~
- ~~the Solicitor-General;~~
- ~~the State Services Commissioner;~~
- ~~the Health and Disability Commissioner;~~
- ~~the head of every public sector organisation; and~~
- ~~a private sector body which comprises members of a particular profession and which has the power to discipline its members.~~

## **5.5 Entitlement to Protection**

5.5.1 A discloser is entitled to protection where a protected disclosure is:

- a) made to the council, if it is made in accordance with the procedure; or
- b) to an appropriate authority.

5.5.2 A discloser is entitled to protection even if—

- a) they are mistaken and there is no serious wrongdoing; or
- b) they do not refer to the name of the Act or this policy when making the disclosure; or
- c) they technically fail to comply with this section (5.5) or section 5.7 (Disclosure to a Minister), as long as they have substantially complied; or
- d) they also make the disclosure to another person, as long as they do so—
  - (i) on a confidential basis; and
  - (ii) for the purposes of seeking advice about whether or how to make a protected disclosure in accordance with the Act or this policy.

5.5.3 Another discloser who discloses information in support of, or relating to, a protected disclosure is also entitled to protection if the discloser:

- a) does not disclose in bad faith; and
- b) discloses to the council, or to an appropriate authority, in accordance with 5.4 of this policy.

## **5.6 Receiving a protected disclosure**

5.6.1 The receiver of a disclosure will consider the disclosure and determine the required actions, which may involve investigation, addressing serious wrongdoing, referring the disclosure to an appropriate authority or deciding that no action is required. The procedure outlines how the receiver will determine such actions.

## **5.7 Further Disclosure to a Minister**

5.7.1 A disclosure can be made to a Government Minister (e.g. the Minister of Local Government) if the discloser believes on reasonable grounds that the receiver of a protected disclosure:

- a) has not acted as it should in accordance with the procedure, or
- b) has not dealt with the matter so as to address the serious wrongdoing.



**5.5 — Disclosure to a Minister or Ombudsman**

A disclosure can be made to a Minister of the Crown or to an Ombudsman if:

- (a) ~~substantially the same disclosure has already been made in accordance with paragraphs 5.2 or 5.3 or 5.4 above; and~~
- (b) ~~the individual believes, on reasonable grounds, that the person or authority to whom the disclosure was made:~~
  - (i) ~~has decided not to investigate the matter; or~~
  - (ii) ~~has decided to investigate the matter but has not made progress with the investigation within a reasonable time after the date on which the disclosure was made; or~~
  - (iii) ~~has investigated the matter but has not taken any action, nor recommended taking any action on the matter; and~~
- (c) ~~the individual continues to believe, on reasonable grounds, that the information disclosed is true or is likely to be true.~~

**5.65.8 Protections**

5.8.1 ~~Where a disclosure is made to a Council an appropriate council officer (listed in the procedure), the chief executive or the mayor in accordance with this policy, he or she the receiver will use their best endeavours not to disclose the identity of the individual making the disclosure keep confidential any information that might identify the discloser, unless:~~

- a) ~~(a) — the individual discloser consents in writing to the release of the identifying information; or~~
- b) ~~(b) — the Council officer reasonably believes that disclosure there are reasonable grounds to believe that the release of the identity identifying information is essential; -~~
  - ~~(i) — To for the effective investigation of the allegations in the protected disclosure; or~~
  - ~~(ii) — It is essential to prevent a serious risk to public health or public safety, the health or safety of an individual, or to the environment; or~~
  - ~~(i)(iii) (iii) — Having regard to to comply with the principles of natural justice; or~~
  - ~~(iv) to an investigation by a law enforcement or regulatory agency for the purpose of law enforcement.~~

5.8.2 ~~The release of information that might identify the discloser and breaches a) or b) in section 5.8.1. above is an interference with the privacy of an individual for the purposes of Part 5 of the Privacy Act 2020 (the Privacy Act). The discloser may make a complaint under section 70 of the Privacy Act, and Part 5 of the Privacy Act will apply to their complaint.~~

5.8.3 ~~It is Council's council's practice to refuse a request for information under the Local Government Official Information and Meetings Act 1987, if it might identify the individual making the disclosure.~~

5.8.4 ~~The council must not retaliate, threaten to retaliate, treat or threaten to treat a discloser less favourably because they intend to make or have made a protected disclosure (see definition of retaliate above).~~

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~~5.8.45.8.5~~ 5.8.5 Where an ~~individual makes~~ employee intends to make or has made a protected disclosure and claims to have suffered retaliatory action or threatened retaliatory action from the ~~Council~~ council, the individual ~~may have~~ has a personal grievance which can be dealt with in accordance with the provisions of the Employment Relations Act 2000.

~~5.8.55.8.6~~ 5.8.6 If an individual makes a protected disclosure of information or refers a protected disclosure to an appropriate authority ~~for investigation~~, they will not be liable to any civil ~~or~~ criminal proceeding, or ~~to any~~ disciplinary proceeding, by reason of having made or referred the protected disclosure ~~of information~~.

## **5.7 — Protections Not Applicable**

~~The Act does not provide protection for an individual in circumstances where:~~

- ~~a) (a) an individual makes an allegation which they know to be false; or~~
- ~~b) (b) an individual acts in bad faith; or~~
- ~~(c) the information is protected by legal professional privilege~~

## **6. RELEVANT DELEGATIONS**

6.1 The Chief Executive, or his/her sub-delegate, has delegated authority to implement this policy.

## **7. REFERENCES AND RELEVANT LEGISLATION**

Protected Disclosures (Protection of Whistleblowers) Act 2022 Privacy Act 2020

Employment Relations Act 2000

Local Government Official Information and Meetings Act 1987

Office of the Auditor-General: Putting integrity at the core of how public organisations operate

## **8. ASSOCIATED POLICIES/PROCEDURES**

Protected ~~Disclosure procedures~~ Disclosures Procedure

Fraud Prevention and Management Policy

Code of Conduct

Disciplinary Policy, Performance Improvement Procedure

Investigation of Issues Protocol

Harassment & Bullying Prevention & Management Policy

Diversity, Equity and Inclusion Policy

Conflicts of Interest Policy

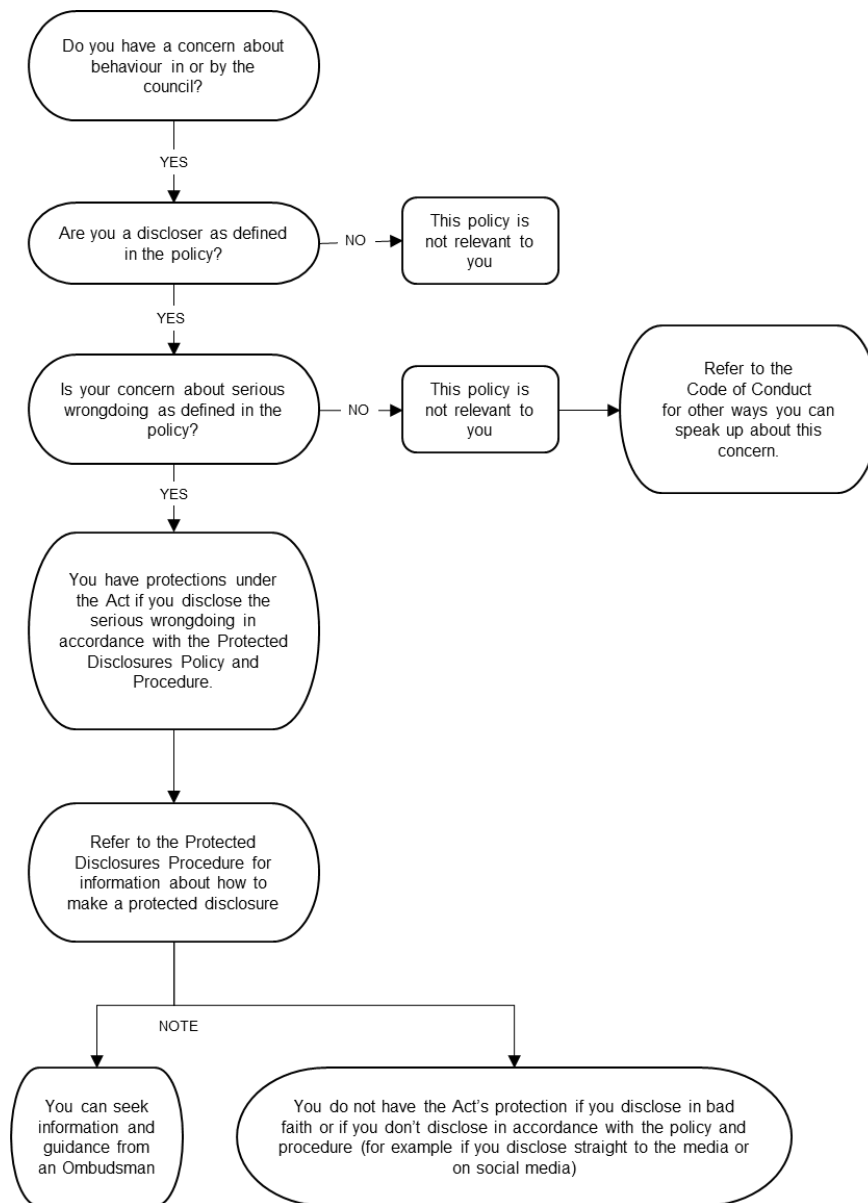
Integrity Framework

Elected Members Code of Conduct

## **9. SCHEDULES**

Schedule 1: Flow Chart of how this policy applies to a discloser

Objective ID: ~~A6748926~~ ??

**Schedule 1: Flow Chart of how this policy applies to a discloser**

# PROTECTED DISCLOSURES (PROTECTION OF WHISTLEBLOWERS) PROCEDURE



Procedure type	Internal
Authorised by	Executive Leadership Team
First adopted	28 October 2015
Revisions/amendments	xxx
Review date	As required

## 1. PURPOSE

- 1.1. To provide guidance to all [staff/disclosers](#) on the implementation of the Protected Disclosures [Policy \(the policy-\)](#) in alignment with the [Protected Disclosures \(Protection of Whistleblowers\) Act 2022 \(the Act\)](#).

## 2. OPERATING PROCEDURE OR GUIDELINES

### 2.1 Making a protected disclosure – standard approach

- 2.1.1 Any [Council employee/potential discloser](#) who intends [making to make](#) a protected disclosure<sup>1</sup> should, in the first instance, contact one or more of the following appropriate [council](#) officers<sup>2</sup> [as set out in section 5.4 of the policy](#):

- any general manager;
- chief financial officer;
- ~~Manager: Issue Resolution & Governance;~~
- ~~Corporate Solicitor / Senior Corporate Solicitor;~~
- [Manager: People & Capability;](#)
- [manager: democracy services;](#)
- [manager: human resources;](#)
- [manager: legal & risk](#)
- [team leader: risk;](#)
- [team leader: legal;](#)
- team leader: HR business partners;
- ~~HR Partner / Senior HR Partner;~~
- [HR business partner;](#)

<sup>1</sup>As defined by the Protected Disclosures policy and the underlying Protected Disclosures Act 2000.

<sup>2</sup>See section 5.2 of the Protected Disclosures policy

- [Risk specialist risk advisor](#); or
- [Anyany](#) other staff member with significantly similar position titles established in the future.

[2.1.2](#) The [employee potential discloser](#) intending to make a ~~make a~~ protected disclosure should inform the appropriate [council](#) officer that he or she wishes the disclosure to be protected.

[2.1.3](#) The disclosure may be made to the appropriate [council](#) officer verbally or in writing.

[2.1.4](#) [Information and advice for those considering making a disclosure can also be sought from an Ombudsman.](#)

[2.1.5](#) [The council will also provide a mechanism for anonymous reporting. This can encourage issues to be dealt with internally by providing a safe mechanism for individuals who are reluctant to use other channels to raise concerns. Anonymous disclosures may be difficult to fully investigate, and disclosers may be encouraged to make a confidential disclosure in order to investigate the matter more thoroughly.](#)

## 2.2 Making a protected disclosure – escalated approach

[2.2.1](#) [If a discloser, for the reasons set out in section 5.3 of the Protected Disclosures policy, the employee intending to make a protected disclosure any reason, does not feel it is appropriate to make the disclosure to any of the appropriate council officers listed above, the as set out in section 5.4 of the policy, the disclosure can be made to the Chief Executive, at any time to:](#)

[a. If, for the reasons set out in sections 5.4\(a\) or \(b\) of the Protected Disclosures policy, the employee intending to make a protected disclosure does not feel it is appropriate to make the disclosure to the Chief Executive, the disclosure can be made to an appropriate authority as detailed in the Protected Disclosures policy and the underlying Protected Disclosures Act 2000.](#)

[a\) Disclosures to the Chief Executive or The chief executive;](#)

[b\) The mayor; or](#)

[c\) An appropriate authority.](#)

[2.2.2](#) [A further disclosure can be made to a Government Minister if the discloser feels inadequate action has been taken, as set out in section 5.7 of the policy.](#)

[2.2.3](#) [Disclosures to the chief executive, the mayor, an appropriate authority or a Government Minister should be in writing.](#)

## 2.3 Receiving a protected disclosure

~~Note that the~~ [2.3.1](#) [The above procedures require the employee discloser making the protected disclosure to recognise it as such. However, this might not always be the case. As such, if there is any doubt, a disclosure should be treated as a protected disclosure until such time as that doubt is removed. The first response to a discloser is likely to set the tone for how they perceive their treatment throughout the process, and whether they are satisfied by the outcome.](#)

~~Where an appropriate officer or~~ [2.3.2](#) [The person receiving the Chief Executive receives a protected disclosure that person should within 20 working days:](#)

[a\) Inform the person making the disclosure of the rights and protections \(including the exceptions to those protections\) offered by the Protected](#)

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~~Disclosures Act 2000~~Act, together with the circumstances where information may be shared with another appropriate authority under that Act;

- ~~a) Record the disclosure in writing if not provided in writing;~~
- b) Acknowledge in writing the date the disclosure was received (and, if it was made orally, summarise the receiver's understanding of the disclosure) and the fact that it is made in accordance with the ~~Protected Disclosures~~ Act;
- c) Check with the discloser whether the disclosure has been made elsewhere (and any outcome); and
- d) Check if any other council policies relate to the issue of disclosure (e.g. a matter of a serious risk to the health or safety of an individual may have been reported under the Harassment & Bullying Prevention & Management Policy or discrimination under the Diversity, Equity and Inclusion Policy).

2.3.3 The person receiving the protected disclosure should immediately inform the chief executive (unless the chief executive is implicated in any alleged wrongdoing covered by the disclosure).

2.3.4 If the chief executive is implicated in any alleged wrongdoing covered by the disclosure the person receiving the protected disclosure should immediately inform the mayor.

2.3.5 The chief executive (or the mayor in circumstances addressed by section ~~'e'2.3.4~~ above) is responsible for initiating whatever investigative processes he or she considers appropriate in the circumstances.

2.3.6 The chief executive (or the mayor in circumstances addressed by section ~~'e'2.3.4~~ above) ~~is responsible for advising the person who made the protected disclosure of the recommended actions (or lack of action) taken with regard the disclosure. Such advice should be provided within 20~~ working days of the original disclosure:

- a) Consider the disclosure and whether it warrants investigation;
- b) Deal with the matter by doing one or more of the following:
  - (i) investigating the disclosure
  - (ii) addressing any serious wrongdoing by acting or recommending action
  - (iii) referring the disclosure as outlined in 2.4
  - (iv) deciding that no action is required as outlined in 2.5; and
- c) Inform the discloser (with reasons) about what the receiver has done or is doing to deal with the matter in accordance with paragraph 2.3.6 b);

2.3.7 However, when it is impracticable to complete these actions within 20 working days, the receiver should carry out the actions described in 2.3.2 a) to d) and the chief executive (or mayor) should carry out 2.3.6 a) within 20 working days of the original disclosure<sup>3</sup>, and then should—

- a) Inform the discloser how long they expect to take to deal with the matter;
- b) Appropriately update the discloser about progress;
- c) Deal with the matter as described in subsection 2.3.6 b); and
- d) Inform the discloser (with reasons) about what the receiver has done or is doing to deal with the matter in accordance with subsection 2.3.6 b).

## 2.4 Referring a protected disclosure

<sup>3</sup>~~Refer section 9(1)(c) of the Protected Disclosures Act 2000.~~

2.4.1 A disclosure may be referred to an appropriate authority (on more than one occasion) in certain circumstances, such as where it relates to:

- a) An offence
- b) An unlawful, a corrupt, or an irregular use of public funds or public resources
- c) Any other circumstance determined as high risk to the integrity of the council.

2.4.2 The discloser and the intended recipient will be consulted before the disclosure is referred.

2.4.3 If an appropriate authority receives a disclosure, they may refer the disclosure back to the council or to another appropriate authority. If an appropriate authority refers a disclosure back to the council, the council must inform the authority about what the council has done or is doing to deal with the matter (at the same time as the council informs the discloser of that).

## **2.5 Where no action is required**

2.5.1 A receiver may decide that no action is required if:

- a) The disclosure does not involve serious wrongdoing, is not considered a protected disclosure, or is not made by a discloser
- b) The length of time between the alleged serious wrongdoing and the disclosure makes an investigation impracticable or undesirable
- c) The matter is better addressed by other means.

2.5.2 The receiver must inform the discloser of the reasons no action is required.

## **2.6 Practical Assistance and advice for disclosers**

2.6.1 A discloser will be offered practical assistance and advice as follows:

- a) having a support person accompany them when making a disclosure
- b) having a support person identify, assess and mitigate any risks to the discloser
- c) reminding the discloser that information and advice can also be sought from an Ombudsman
- d) reminding the discloser of the general support and guidance available through the employee assistance programme
- e) peer support of an employee not involved in investigating the disclosure in any way
- f) identifying a senior contact within the organisation to whom the employee can escalate any concerns or issues

2.6.2 Council may contribute towards reasonable costs incurred by a discloser in making a protected disclosure (such as seeking advice related to the disclosure). This will be determined on a case-by-case basis.

## **2.7 Duty of Confidentiality**

2.7.1 The receiver must engage the council privacy officer at the earliest opportunity following the receipt of a disclosure.

2.7.2 Where a disclosure is made to an appropriate council officer, chief executive or mayor in accordance with the policy, he or she will use their best endeavours not to disclose any information that might identify the individual making the disclosure unless:

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- (a) the individual consents in writing; or
- (b) the appropriate council officer, chief executive or mayor have reasonable grounds to believe that the release of the identifying information is essential:
  - (i) To the effective investigation of the allegations in the protected disclosure; or
  - (ii) It is essential to prevent serious risk to public health or public safety, or to the environment, or the health or safety of any individual; or
  - (iii) Having regard to the principles of natural justice; or
  - (iv) To an investigation by a law enforcement or regulatory agency for the purpose of law enforcement.

2.7.3 Disclosers are encouraged to obtain legal advice prior to consenting to the disclosure of any identifying information.

2.7.4 The council will consult with disclosers before any information is released if for the reason described in 2.7.2 (b) (i) or (iii) and will consult if practicable for reasons 2.7.2 (b) (ii) or (iv).

2.7.5 The council will inform the discloser after releasing identifying information unless there is an urgent need to disclose, and consultation is not practical (e.g. where there is an immediate risk to health and safety of a person or the environment).

2.7.6 The council will meet its duty of confidentiality by ensuring:

- a) All information is managed as restricted documents in the council's document management system. Access will be limited to those managing the disclosure.
- b) All disclosers will be able to request to view information they have disclosed and update or correct it at any time.
- c) Information is only shared with officers who will be managing the serious wrongdoing.
- d) As soon as a disclosure has been made, the appropriate council officer, chief executive or mayor will assign a pseudonym to the discloser. All communications or documents pertaining to the disclosure will omit the discloser's name or use the pseudonym, and omit the discloser's position.

## **2.8 Raising awareness of the policy and procedure**

2.8.1 The policy and procedure will be available on the council public website.

2.8.2 The policy and procedure will be published widely on all internal communication platforms with information shared about how to use the procedure (such as inductions, staff communications, newsletters, Executive Stand Ups and chief executive updates).

2.8.3 At least every six months communication will go out to all employees to raise awareness.

2.8.4 Where possible, positive reinforcement and reporting on the outcomes of concerns that have been raised within the organisation will be shared, without disclosing identifying information.

2.8.5 Training on protected disclosures will be provided to all employees when they commence working at the council.

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[2.8.6 Specialist training will be provided to people leaders and those appropriate council officers who will be receiving and handling protected disclosures, including information about who can be approached for confidential legal advice.](#)

### **3. RELEVANT DELEGATIONS**

[3.1](#) Except with respect to circumstances addressed by section 2.~~3~~[3.4](#), the chief executive is responsible for the implementation of these procedures. The chief executive may delegate any or all responsibilities to whomsoever he or she deems appropriate in the circumstances.

[3.2](#) With respect to circumstances addressed by section 2.~~3~~[3.4](#), the mayor is responsible for the implementation of these procedures and may delegate any or all responsibilities to whomsoever he or she deems appropriate in the circumstances.

### **4. REFERENCES AND RELEVANT LEGISLATION**

[Protected Disclosures \(Protection of Whistleblowers\) Act 2022](#)

[Privacy Act 2020](#)

[Employment Relations Act 2000](#)

[Local Government Official Information and Meetings Act 1987](#)

[Office of the Auditor-General: Putting integrity at the core of how public organisations operate](#)

### **5. ASSOCIATED POLICIES/PROCEDURES**

[Protected Disclosures Policy](#)

[Fraud Prevention and Management Policy](#)

Disciplinary Policy, Performance Improvement Procedure **AND**

Code of Conduct

Investigation of Issues [Protocol](#)

Harassment & Bullying Prevention & Management Policy

Diversity, Equity and Inclusion Policy

Conflicts of Interest Policy

Integrity Framework

Elected Members Code of Conduct

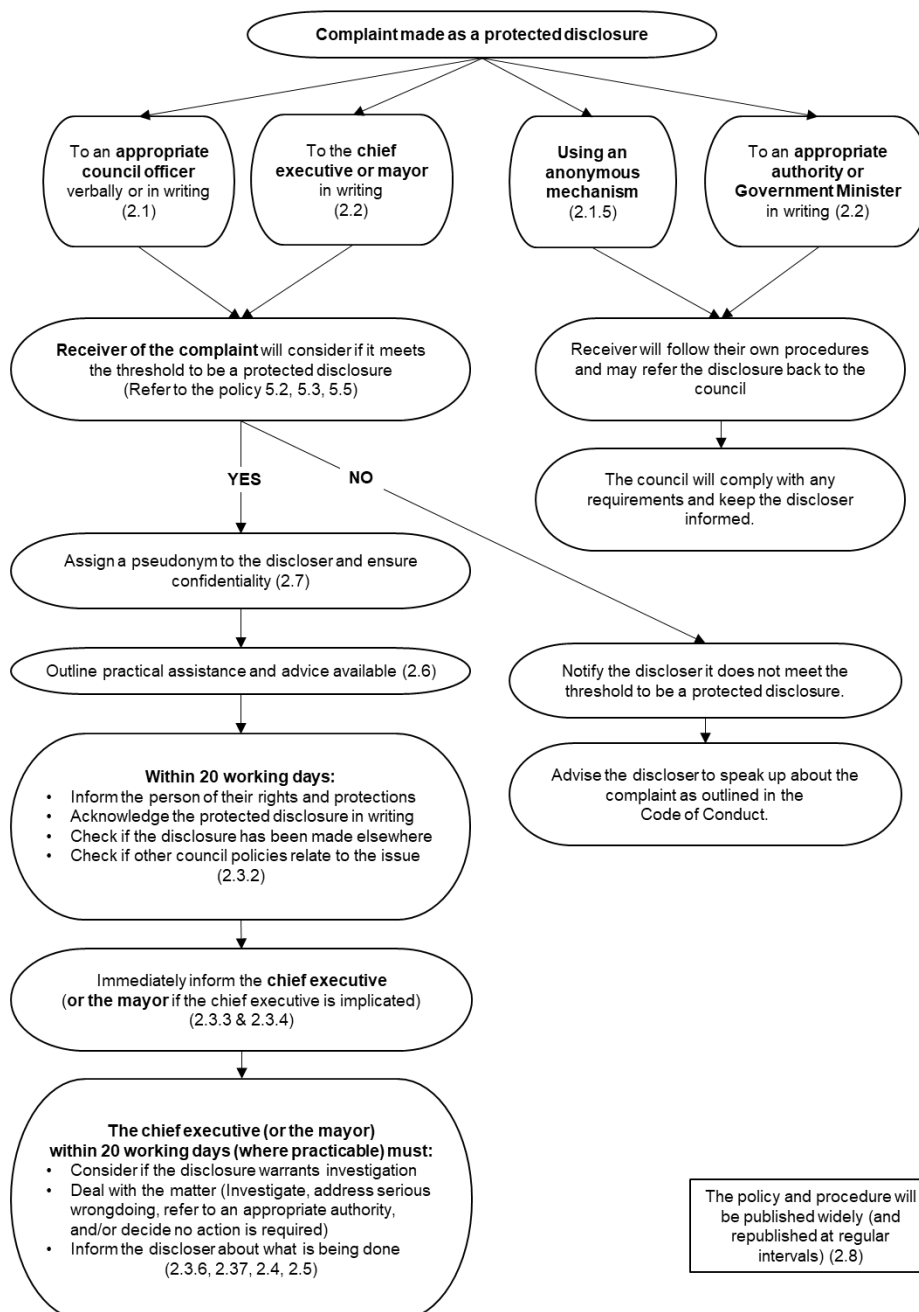
### **6. SCHEDULES**

[Schedule 1: Flow chart of the protected disclosures procedure](#)

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**Schedule 1: Flow Chart of the Protected Disclosures Procedure**

*Please refer to the relevant section of the procedure for more details*





## DRAFT FRAUD PREVENTION POLICY

<b>Policy type</b>	City		
<b>Authorised by</b>	Council		
<b>First adopted</b>	22 February 2007	<b>Minute reference</b>	M07/6
<b>Revisions/amendments</b>	7 December 2015	<b>Minute reference</b>	M15/89.4
	5 December 2022	<b>Minute reference</b>	XX
<b>Review date</b>	The policy must be reviewed no later than five years after the date on which it was adopted.		

### ~~1. POLICY OBJECTIVES~~

- ~~• To prevent fraud within the organisation.~~
- ~~• A consistent and transparent approach to all allegations of fraud.~~

### ~~2. PRINCIPLES~~

- ~~• All employees will be treated fairly and consistently~~
- ~~• Employees are expected not to take advantage of their positions for any personal benefit~~
- ~~• Employees are expected to take responsibility to ensure the public accountability of the organisation at all times.~~

### 1. PURPOSE

1.1 To set out that Council has zero-tolerance for any fraud or corrupt behaviour and is committed to undertaking regular fraud assessments and will investigate all instances of suspected fraud.

1.2 To help promote a culture which:

- deters fraudulent activity;
- facilitates the prevention and detection of fraud; and
- ensures that all instances of suspected fraud will be investigated.

### 2. SCOPE

2.1 This policy applies to all council activities and all employees of the council. This includes:

- the organisation's employees
- volunteers
- persons seconded to council
- contractors.

2.2 When the term council staff, or employee is used in this policy it refers to all of those included in the scope in section 2.1.

### 3. DEFINITIONS

Term	Definition
<u>Corruption</u>	<u>the abuse of entrusted power for private gain (such as soliciting or receiving gifts or other gratuities to perform an official duty or omit to perform an official duty). Corruption is a type of fraud, and it includes bribery.</u>
<b>Council</b>	the Tauranga City Council, its elected members, management and staff, and the activities undertaken on its behalf.
<b>Fraud</b>	<p><u>is knowingly and inappropriately using Council resources or information for personal gain or the gain of another entity. It includes where an individual corruptly uses or discloses any information, acquired by the individual in their official capacity, to obtain, directly or indirectly, an advantage or a pecuniary gain for themselves or any other person. Theft of property may be considered to be fraudulent behaviour in some instances.</u></p> <p><u>all acts of deception, bribery, corruption, misrepresentation or omission committed with the intention of gaining an unjust or illegal financial advantage or to cause an unjust or illegal loss or disadvantage to a third party. It includes but is not limited to:</u></p> <ul style="list-style-type: none"> <li>• <u>forgery or unauthorised alteration of council documents or accounts</u></li> <li>• <u>deliberate mishandling or misreporting council money or financial transactions</u></li> <li>• <u>deliberate misuse of council funds, supplies and other assets including intellectual property</u></li> <li>• <u>misuse of or obtaining insider knowledge of council activities without authorisation</u></li> <li>• <u>unauthorised disclosure of private, confidential or proprietary information to external parties</u></li> <li>• <u>unauthorised use of council property, equipment, materials or records for personal advantage or gain</u></li> <li>• <u>dishonest claims for reimbursement of expenses</u></li> <li>• <u>failure to disclose any conflict of interest in accordance with the <b>Conflicts of Interest Policy</b></u></li> <li>• <u>accepting cash or cash equivalents or gifts or hospitality during procurement process, tendering or similar (see <b>Sensitive Expenditure Policy</b>).</u></li> <li>• <u>seeking and/or accepting anything of material value (greater than \$100 or smaller gifts that cumulate to \$100 over a year offered by the same external party) without approval in accordance with the <b>Sensitive Expenditure Policy</b>.</u></li> </ul>

#### **4. BACKGROUND**

~~The Auditor General expects that all public entities should formally address the matter of fraud, and develop a policy on how to minimise it, as well as the steps to deal with it if it occurs.~~

~~4.1 Council's resources, assets and money belong to Tauranga's community, so all council staff are expected to maintain the community's trust by always conducting themselves with the upmost integrity and transparency throughout all of council's activities (see Code of Conduct).~~

~~4.2 The Fraud Prevention Policy is one part of the council's integrity framework. It sits under the Code of Conduct and is closely related to other policies and procedures, such as the Sensitive Expenditure Policy and Conflicts of Interest Policy.~~

~~4.3 This policy applies to all situations of fraud and therefore the distinction between this policy and the other related policies is the element of dishonesty for an unfair, unjustified or unlawful gain. For example:~~

- ~~• using council's systems to access personal information about other individuals for self-interest is a Code of Conduct breach captured by the Disciplinary and Performance Improvement Procedure~~
- ~~• using the council's systems to access personal information about other individuals and intentionally and in bad-faith deleting, modifying or disclosing that information to another person, or using that information for illegitimate use, including an unfair, unjustified or unlawful gain, is captured by the Fraud Prevention Policy~~

#### **5. POLICY STATEMENT**

##### **2.1 Attitude Towards Fraud**

~~Tauranga City Council's attitude is that fraud is a serious matter.~~

~~The Council will investigate fully all cases of alleged fraud in accordance with the Discipline Procedures provided in Council's Code of Conduct.~~

~~Allegations of suspected fraud will be dealt with in accordance with the Disciplinary Policy, Performance Improvement Procedure and Code of Conduct.~~

~~If fraud is proven to have occurred, Council will follow up and seek full reimbursement of misappropriated funds from the individual.~~

~~If information has been used for personal gain, or to the advantage of a third party, Council will follow up and seek full reimbursement from the individual(s) concerned.~~

~~5.1 Council has zero-tolerance for fraud, dishonesty or illegal behaviour.~~

~~5.2 Council is committed to fostering a transparent culture (see Protected Disclosures (Protection of Whistleblowers) Policy).~~

~~5.3 All council staff have a responsibility to act honestly and with integrity to protect community resources and trust.~~

- 5.4 All council staff have a shared responsibility to prevent and report any incident of fraud, dishonesty or illegal behaviour in accordance with the *Code of Conduct*. Speaking up about suspected fraud will be covered by the *Protected Disclosures (Protection of Whistleblowers) Policy and Procedure*. This provides a safe process for all staff to report fraud.

## **2.2 — Investigations**

~~Where the Chief Executive is of the view that fraud has occurred, Council will notify the Police and request that they investigate allegations of fraud. This may/may not result in court action.~~

- 5.5 All instances of suspected fraud will be investigated in accordance with the *Management of Suspected Fraud Procedure*.
- 5.6 Where there are reasonable grounds of fraudulent or corrupt activities having occurred, these will be treated as serious misconduct in accordance with council's *Disciplinary and Performance Improvement Procedure*, and will be referred to the New Zealand Police, Serious Fraud Office or other appropriate enforcement agency where statutes may have been breached, or loss suffered, for prosecution consideration.
- 5.7 The council will take all appropriate measures to recover any loss or expenditure attributable to fraudulent behaviour. This includes, but is not limited to recovery of, intellectual property, physical assets, money, third party expenses incurred and investigation costs.

## **2.3 — Preventative Measures**

~~Council will ensure an adequate internal control environment exists supported by written policies and procedures to minimise the risk of fraud. These include, but are not limited to:~~

- ~~• appropriate segregation of duties;~~
- ~~• appropriate levels of delegation;~~
- ~~• adequate systems and process controls;~~
- ~~• financial reporting and monitoring; and~~
- ~~• internal audit investigations of risk areas.~~

- 5.8 The council recognises that fraud prevention and control are integral components of risk management. Opportunities for fraud are to be minimised through:
- the development, implementation and regular review of the Risk Framework and Risk registers
  - regular fraud awareness training
  - encouraging staff to report instances of suspected fraud
  - appropriate levels and checks of delegation
  - financial reporting and monitoring
  - internal audit investigations.

## **6. RELEVANT DELEGATIONS**

~~The Chief Executive or his/her sub-delegate has responsibility for the implementation of this policy, and associated procedures. The chief executive or their nominee has delegated authority for the implementation of this policy.~~

◆ **REFERENCES AND RELEVANT LEGISLATION**

~~Protected Disclosures Policy~~

~~Protected Disclosures procedures~~

~~Disciplinary Policy, Performance Improvement Procedures and Code of Conduct~~

~~Management of Suspected Fraud procedures~~

**7. ASSOCIATED POLICIES/PROCEDURES**

- Code of Conduct
- Conflicts of Interest Policy
- Protected Disclosures (Protection of Whistle blowers) Policy
- Management of Suspected Fraud Procedure
- Digital Services Acceptable Use Policy and Policy Guidelines
- Delegations Manual
- Gift and Hospitality Register Procedure
- Fleet User Policy
- Sensitive Expenditure Policy
- Interests Register
- Risk Management Policy
- Procurement Strategy and Procurement Procedures
- Integrity Framework
- Disciplinary and Performance Improvement Procedure

## DRAFT RISK MANAGEMENT POLICY



<b>Policy type</b>	City		
<b>Authorised by</b>	Council		
<b>First adopted</b>	28 October 2014	<b>Minute reference</b>	M14/78.4
<b>Revisions/amendments</b>		<b>Minute references</b>	
<b>Review date</b>			

### 1. PURPOSE

- 1.1 This policy aims to ensure council undertakes effective risk management by:
- setting council's commitment to risk management and business continuity
  - establishing a framework to deliver a consistent approach to risk management
  - clarifying risk management roles and responsibilities across the organisation
  - providing assurance that risks are being appropriately addressed and managed.
- 1.2 Risk is *the effect of uncertainty (either positive, negative or both) on objectives*. Managing risk is therefore a critical part of achieving our objectives.
- 1.3 Effective risk management supports good decision-making, improves performance, encourages innovation, and increases the chances of achieving our purpose to 'Make Tauranga better'.

### 2. SCOPE

- 2.1 This policy applies to all council activities and all employees of the council.

### 3. DEFINITIONS

Term	Definition
<b>Council</b>	the Tauranga City Council, its elected members, management and staff, and the activities undertaken on its behalf.
<b>The Committee</b>	The committee responsible for risk.
<b>Risk</b>	The effect of uncertainty (either positive, negative or both) on objectives.
<b>Risk Management Framework</b>	A set of components that provide the foundation and process for managing risks.



<b>Business Continuity</b>	The capability of council to continue delivery of products or services at acceptable pre-defined levels following a disruptive incident
<b>Risk Register</b>	A record of all identified risks, their consequences, likelihood, rating and treatments, reviewed on a periodic basis.

#### 4. PRINCIPLES

- 4.1 Council's approach to risk management is consistent with the Joint Australian New Zealand International Standard Risk management – Principles and guidelines (AS/NZS ISO 31000:2018).

#### 5. POLICY STATEMENT

##### 5.1 Commitment to Risk Management and Business Continuity

- 5.1.1 Council is committed to embedding risk management and business continuity into everyday practice at all levels of the organisation to achieve its objectives.
- 5.1.2 Council will promote a culture where all staff are empowered to own their risks and continuity plans through collaborative engagement.

##### 5.2 Risk Appetite and Threshold Statement

- 5.2.1 The amount of risk that council is prepared to take, accept or avoid will be set by resolution of Council and reviewed periodically or, at a minimum, each triennium.

##### 5.3 Risk Management Approach

- 5.3.1 Risk management will be consistent with the AS/NZS ISO 31000:2018 standard (Risk) and AS/NZS ISO 22301 (Business Continuity).
- 5.3.2 Everyone in the council will follow a consistent process for identifying and managing risks as detailed in the Risk Management Framework which sits alongside this policy and aligns with our Risk and Opportunity Matrix (Appendix 1).

##### 5.4 Risk Management Roles and Responsibilities

- 5.4.1 Risk management is everyone's responsibility relevant to their role as set out below:

<b>Role</b>	<b>Responsibilities</b>
<b>The Council</b>	<ul style="list-style-type: none"> <li>Evaluate risks to the delivery of the Long-Term Plan (LTP) and ensure they align to council's objectives</li> <li>Determine the risk appetite and set the risk threshold</li> </ul>
<b>Committee responsible for risk</b>	<ul style="list-style-type: none"> <li>Review and approve the Risk Management Policy</li> <li>Review reports from management and auditors and monitor the effectiveness of risk management processes and implementation</li> </ul>
<b>Chief Executive</b>	<ul style="list-style-type: none"> <li>Approve the Risk Management Policy and recommend it to the Committee responsible for risk</li> <li>Approve the Risk Management Framework</li> <li>Lead and promote a strong risk management and resilience culture across the organisation</li> </ul>

<b>The Executive Team</b>	<ul style="list-style-type: none"> <li>• Endorse the Risk Management Policy and Framework and champion it to the organisation</li> <li>• Monitor effective implementation of risk management and business continuity across the organisation</li> <li>• Receive and review risks on the risk register on a quarterly basis</li> <li>• Receive and review other risk-related reports on an as-required basis</li> <li>• Provide direction on risk tolerance at a general and risk-specific level</li> <li>• Periodically review the Risk Management Policy to ensure it remains appropriate</li> </ul>
<b>General Managers</b>	<ul style="list-style-type: none"> <li>• 'Own' risks relevant to, or arising from, their groups</li> <li>• Lead and promote a risk culture within their groups</li> </ul>
<b>Risk Team</b>	<ul style="list-style-type: none"> <li>• Develop and maintain the Risk Management Policy and Framework</li> <li>• Lead the rollout of the risk management framework into council decision-making processes</li> <li>• Regularly review the high-level corporate risk register</li> <li>• Manage the interface between operational risk management plans and the high-level corporate risk register</li> <li>• Advise and, where necessary, challenge the risks, controls, treatments and accountabilities in risk management plans across the organisation</li> <li>• Educate and assist operational managers and leaders to implement the risk management framework in their divisions and teams</li> </ul>
<b>Operational managers and leaders</b>	<ul style="list-style-type: none"> <li>• Develop and manage risk management plans for their team in accordance with the risk management policy and framework</li> <li>• Lead and promote a risk aware culture within their teams</li> </ul>
<b>Staff</b>	<ul style="list-style-type: none"> <li>• Identify, evaluate, report and manage risks in their daily activities and projects</li> </ul>

## 5.5 Risk Recording and Reporting

5.5.1 Identified risk management plans will be documented and recorded electronically as risk registers. Risk registers will be reviewed quarterly by each department.

5.5.2 This policy covers the following types of risk, which cascade through all levels of council:

<b>Risk Type</b>	<b>Description</b>	<b>Recording</b>
<b>Corporate</b>	High level risks relating to internal or external events which could impact on council achieving its community outcomes.	Risks with council-wide significance will be recorded in the corporate risk register.
<b>Operational</b>	Risks that may impact daily operations and council's service delivery to the community.	Operational risk management plans will be recorded in the corporate risk register.
<b>Emerging</b>	Risks which are on the 'radar' and could potentially develop but where the impact is not yet fully known.	Emerging risks will be recorded on the risk report to the Strategic, Finance and Risk Committee.
<b>Business continuity</b>	Risks or unexpected events which could disrupt the delivery of essential business operations.	Plans will be recorded on Microsoft Teams for ease of access.

<b>Project</b>	Risks or opportunities which may impact on individual projects achieving their objectives.	The accountable programme team will maintain an electronic risk register for the duration of the project
<b>Health &amp; Safety (H&amp;S)</b>	Risks which may cause harm to or impact the health, safety and wellbeing of employees or contractors when exposed to a hazard.	Health & Safety risks will be managed in 'Vault / Damstra' by the H&S team, covered by a Safety Management System standard.

5.5.3 The risk registers and relevant risk management plans will be reported regularly in a format agreed from time to time with the chief executive and chair of the relevant committee in line with the Risk Reporting and Response table (Appendix 2).

## **5.6 Review of Risk Management**

5.6.1 Risk management will be reviewed regularly to ensure that the desired outcomes and benefits are being achieved.

5.6.2 The effectiveness of council's risk management will be independently assessed by internal and external audits or as mandated by New Zealand legislation.

## **6. RELEVANT DELEGATIONS**

6.1 The chief executive or his/her nominee has delegated authority for the implementation of this policy.

## **7. REFERENCES AND ASSOCIATED POLICIES**

AS/NZS ISO 31000:2018 Risk management – Principles and Guidelines

AS/NZS ISO 22301:2019 Business Continuity

## **8. ASSOCIATED POLICIES/PROCEDURES**

Corporate Risk Register

Risk Management Framework

Business Continuity Management

## **9. APPENDICES**

Appendix 1: Risk and Opportunity Matrix

Appendix 2: Risk Reporting and Response Table

## APPENDIX 1 RISK & OPPORTUNITY MATRIX

Risks and Opportunities Matrix																
Risks								Opportunities								
			Consequence Rating					Consequence Rating								
			Low	Minor	Moderate	Significant	Severe	Substantial	Significant	Moderate	Minor	Low				
			1	2	3	4	5	5	4	3	2	1				
Likelihood Rating	Almost Certain	5	Moderate	High	Critical	Critical	Critical	Pursue	Pursue	Pursue	Recommend	Possible	5	Almost Certain	Likelihood Rating	
	Likely	4	Moderate	High	High	Critical	Critical	Pursue	Pursue	Recommend	Recommend	Possible	4	Likely		
	Possible	3	Low	Moderate	High	High	Critical	Pursue	Recommend	Recommend	Possible	Low Benefit	3	Possible		
	Unlikely	2	Low	Moderate	Moderate	High	High	Recommend	Recommend	Possible	Possible	Low Benefit	2	Unlikely		
	Rare	1	Low	Low	Low	Moderate	High	Recommend	Possible	Low Benefit	Low Benefit	Low Benefit	1	Rare		

Footnote: The risk matrix is linked to descriptors used when assessing the likelihood and consequence / impact of the risk occurring. These descriptors can be found in the appendices of the [Risk Management Framework](#)

## APPENDIX 2 RISK REPORTING AND RESPONSE TABLE

Risk Reporting and Response Table	
Risk Rating Level	Reporting and Escalation
<b>Critical</b>	<ul style="list-style-type: none"> <li>• Immediate notification to Exec / Risk Owner / Risk Manager</li> <li>• 3 monthly review by GM / Risk Owner / Risk Manager</li> <li>• 3 monthly reporting to Exec / the Committee</li> </ul>
<b>High</b>	<ul style="list-style-type: none"> <li>• Attention of Exec / Risk Owner / Risk Manager</li> <li>• 3 monthly review by GM / Risk Owner / Manager with specific control / treatment ownership</li> <li>• 3 monthly reporting to Exec / the Committee</li> </ul>
<b>Moderate</b>	<ul style="list-style-type: none"> <li>• GM attention</li> <li>• 6 monthly review by GM / Risk Owner and Manager with specific action / monitoring ownership</li> <li>• 3 monthly reporting to Exec / the Committee if required</li> </ul>
<b>Low</b>	<ul style="list-style-type: none"> <li>• Risk Owner attention</li> <li>• 6-12 monthly routine review and management</li> <li>• Ensure likelihood &amp; consequence continues to pose a low level</li> </ul>

## 9.4 Open Space Level of Service Policy Deliberations and Adoption

**File Number:** A13868657

**Author:** Sharon Herbst, Policy Analyst  
Clare Abbiss, Open Space & Community Facilities Planner

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

### PURPOSE OF THE REPORT

1. To consider submissions received and adopt the revised Open Space Level of Service Policy 2022.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report Open Space Level of Service Policy Deliberations and Adoption .
- (b) In relation to the key deliberation matters that arose from feedback during the consultation period:
  - (i) Agree to adopt the proposed amendment to the policy at 5.3.2 for new greenfield developments to retain the minimum requirement for 1.7ha/1000 population of neighbourhood and local areas reserves but remove the requirement for at least 50% to comprise neighbourhood area open space, on the proviso that accessibility standards are achieved.
  - (ii) Agree to amend the reason to remove the 50% requirement at 5.3.2 to read *"If, during planning for neighbourhood and local area open space, it can be demonstrated that it is impractical to apply a minimum 50% neighbourhood area open space composition and achieve good urban design outcomes, then some of the 50% requirement can be replaced with local area open space, as long as the accessibility standard is met that requires neighbourhood area open space within 400 metres of most residents"*
- (c) Adopt minor amendments to correct errors in the definitions.
- (d) Adopt the revised Open Space Level of Service Policy included as **Attachment 1** in this report.

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### EXECUTIVE SUMMARY

2. The Open Space Level of Service Policy (the policy) was adopted in 2009 and aims to ensure existing and new communities in Tauranga have open spaces (parks and reserves) that are accessible, high quality, and deliver a range of functions. This ensures all residents can access a variety of experiences within specified distances from their home.
3. On 1 August 2022, the Strategy, Finance and Risk Committee (the Committee) approved a draft Open Space Level of Service Policy (draft policy) for community consultation. The minor and specific amendment to the policy aims to provide more flexibility in the provision of neighbourhood open space in new greenfield developments by changing the quantity standard for neighbourhood area open space, provided that the accessibility standard can still be achieved. The purpose of the proposed change is to facilitate good urban design outcomes in new greenfield developments and is required to enable the current urban growth planning processes to progress in Tauriko West Urban Growth Area.

4. Community consultation was undertaken from 13 September to 30 September 2022. Thirteen written submissions were received, and four submitters were heard at the Committee meeting on 14 November 2022.
5. A summary of submissions is included in this report, outlining the issues raised by submitters, and options for the Committee to consider. The full copy of submissions and the consultation material can be found in the agenda for the 14 November 2022 Committee meeting.
6. The submissions were evenly spread with six broadly agreeing, and seven broadly disagreeing with the policy change.
7. Those who supported the policy change noted it provided greater flexibility and was more pragmatic and more sustainable. Those who disagreed raised the issue of greater need for open space where there is higher density housing with smaller sections.
8. Submitters also raised issues that sought changes to other parts of the policy, and others provided thoughts on how to achieve good open space outcomes in new urban growth areas.
9. The Committee is now asked to make decisions on the issues raised by submitters. Depending on the decisions made, the draft policy could be adopted, or direction could be given to work on further amendments to the draft policy.
10. As a result of council's strategic framework review, and City Plan Change 33, the full policy is planned to be reviewed in 2023, which will provide the opportunity to address proposed changes to other parts of the policy, and to consider suggestions to achieve good open space outcomes.

## BACKGROUND

11. The policy was adopted in 2009 and aims to ensure existing and new communities in Tauranga have open spaces (parks and reserves) that are accessible, high quality, and deliver a range of functions. This ensures all residents can access a variety of experiences within specified distances from their home.

### The draft Open Space Level of Service Policy

12. On 1 August 2022, the Committee considered early feedback on a suggested change to the policy, and it approved the draft policy for community consultation.
13. The suggested change relates specifically to an amendment to the policy's quantity standard for neighbourhood and local area open space in new greenfield developments, seeking to facilitate good urban design outcomes in these areas.

### Community Submissions on the policy change

14. The community was asked for their views on the proposed changes to the policy, and also asked for ideas about acceptable open space provision in greenfield development areas. Thirteen written submissions were received, and four submitters were heard at the Committee meeting on 14 November 2022.
15. The community was specifically asked:
  - *Do you agree or disagree that the suggested change to our Open Space Level of Service Policy is an acceptable approach in new greenfield urban development areas?*
  - *Why did you agree/disagree?*
  - *How else do you think council could provide acceptable access to a range of open spaces in new greenfield urban development areas?*
16. An analysis of the submissions showed submissions were evenly spread with six broadly agreeing, and seven broadly disagreeing with the policy change.

## Hearings

17. At the hearings meeting, the Committee heard from four submitters who provided further clarification to their written submissions.

## Deliberations

18. The Committee is now asked to make decisions on the issues raised by submitters. Depending on the decisions made, the draft policy could be adopted, or direction could be given to work on further amendments to the draft policy.
19. The issues and options for responding are outlined below.
20. When making decisions on the options, the Committee should be aware that the draft policy needs to be adopted before the end of 2022, to support the current urban planning work in Tauriko West. Also, this is a minor amendment to one section of the draft policy, with a wider review of the remainder of the policy planned when the work on the strategic framework, and City Plan Change 33, can provide clearer direction as outlined below.

## Issues Raised

21. Some issues raised related specifically to the proposed policy change and to new greenfield urban development areas, and others related to suggestions to amend other parts of the policy.
22. Those who supported the policy change noted it provided greater flexibility and was more pragmatic and more sustainable. Those who disagreed focused on issues like a greater need for green space where there is higher density housing with smaller sections, that green space should at least keep the same provision, and the need for more active reserves in the city. Submitters sought to ensure open spaces are large with multiple facilities, green space is provided within safe walking distance from homes, there is provision for more community gardens and fruit trees, and other green space (like esplanade reserves) might not be easily accessible or provide the same quality that neighbourhood area open space would. The overall approach to providing quality reserves could be improved by focusing on the start of the planning process with developers to deliver quality, with green space and environmental considerations a priority.
23. Overall, developers supported the improved flexibility this small amendment would provide, with suggestions to change the wording to specify the reasons it could be applied, and to include privately owned reserves that are accessible to the public. Other suggestions were, the ability to negotiate a pragmatic approach to the provision of the different policy standards to achieve quality outcomes, including flexibility to provide smaller reserves if it still provides a good outcome, with a network approach across the growth area rather than an individual reserve approach.
24. The feedback also focused on issues outside new greenfield urban development areas which were outside the scope of this policy amendment. This included suggesting a full review of the policy to enable better open space planning across the city, extending flexibility to existing comprehensive development areas, ensuring that existing reserves in intensification areas provide the needed quality, fairness in council investment in reserves across the city (especially in intensification areas), and active reserve provision and inground infrastructure on reserves.

## STRATEGIC / STATUTORY CONTEXT

25. Currently Council is refreshing its strategic framework and has recently adopted the Vision for Tauranga 'Tauranga, together we can', which has three pillars of prioritising the environment, lifting up our communities, and fuelling opportunities. Council's strategic framework outlines Council's response to the vision for Tauranga. The framework will allow both the organisation and the community to see how the council's day to day operations deliver on strategic outcomes for the city. Policies, such as the Open Space Level of Service Policy, are an intrinsic part of the framework, ensuring that higher level strategic goals are operationalised in a consistent and transparent manner.



26. The proposed policy amendment aligns with the direction of the Urban Form and Transport Initiative (UFTI) to ensure residents can access local social/community opportunities within a 15-minute journey time.
27. This proposed policy amendment is consistent with the strategic direction provided by SmartGrowth, as it facilitates practical planning in greenfield developments and takes into account the need for open space to provide for those future communities.
28. City Plan Change 33 – Enabling Housing Supply, enables higher density housing to be provided in the city. The Open Space Level of Service Policy recognises that there will be different development patterns within the city and different City Plan zones, and that some areas of the city must be considered on an individual basis to tailor the most appropriate range, quality and quantity of open space to achieve good urban development outcomes.
29. When the strategic framework review is completed, a review of the remainder of the policy is planned, which will also take into account City Plan Change 33, to ensure it continues to align with any new direction.

### OPTIONS ANALYSIS

30. The options for responding to the issues raised are set out below.

#### Issue One: Changes to the quantity standard level of service in new greenfield areas

31. Some submitters supported the change to the quantity standard. They thought it provided more flexibility, a more sustainable use of land, and enabled a localised approach.
32. Some submitters opposed changing the quantity standard. Some said that in higher density areas there should be at least the same provision and were concerned that the proposal to replace neighbourhood area open space with local area open space (e.g. esplanade reserves), may not provide the same accessibility or same quality as neighbourhood area open space.
33. The proposed change is designed to provide more flexibility, enable more sustainable use of land, and enable a localised landscape approach to be used in providing neighbourhood and local area open space. The proposed change does not reduce the accessibility standards to neighbourhood reserves, in fact a proviso of the ability to alter the quantity is that the accessibility standard must be retained. The proposed change does not reduce the total area of open space that the policy requires to be delivered.

Option	Option description	Advantages	Disadvantages
1A	Do not change the current quantity standard level of service in new greenfield areas.  (Not recommended-status quo)	<ul style="list-style-type: none"> <li>• Supports submissions that seek to retain the same standards for open space.</li> <li>• Same quantity of neighbourhood area open space.</li> </ul>	<ul style="list-style-type: none"> <li>• Unlikely to be able to be practically delivered, therefore does not provide clear direction to developers and the community, and does not assist with efficient and consistent decision making for inter-related processes (plan changes, structure planning, subdivision consents).</li> <li>• Does not promote good urban design outcomes for open space provision, aligned to UFTI and SmartGrowth direction.</li> <li>• Does not support community outcome of a well-planned city.</li> <li>• Does not provide the</li> </ul>

			<p>opportunity to reduce the amount of developable land required for neighbourhood area open space, to support increased housing numbers.</p> <ul style="list-style-type: none"> <li>Does not support maximising the open space development opportunities afforded by the existence of areas of land unsuitable for housing development.</li> </ul>
1B	<p>Change the current quantity standard level of service in new greenfield areas. Adopt the proposed amendment to the policy at 5.3.2 for new greenfield developments <u>to retain</u> the minimum requirement for 1.7ha/1000 population of neighbourhood and local areas reserves, but <u>remove</u> the requirement for at least 50% to comprise neighbourhood area open space.</p> <p><b>(Recommended – and as per consulted draft)</b></p>	<ul style="list-style-type: none"> <li>Supports submissions that seek to amend the quantity standard.</li> <li>Provides more flexibility and localised/landscape approach.</li> <li>Enables efficient and consistent decision making for inter-related processes (plan change, structure planning, subdivision consents).</li> <li>Promotes good urban design outcomes for open space provision, aligned to UFTI and SmartGrowth direction, the current accessibility standard, national and international best practice.</li> <li>Supports community outcome of a well-planned city.</li> <li>Retains the current accessibility requirements to neighbourhood area open space.</li> <li>Provides the opportunity to reduce the amount of developable land required for neighbourhood area open space, thereby supporting increased housing numbers .</li> <li>Supports maximising the open space</li> </ul>	<ul style="list-style-type: none"> <li>Some submitters suggested that with increased housing density, the level of neighbourhood open space should at least be maintained or increased.</li> <li>Smaller quantity of neighbourhood area open space.</li> <li>Reserve types that off- set the reduction in neighbourhood area open space have different accessibility and quality to neighbourhood area open space.</li> </ul>

		development opportunities on areas of land unsuitable for housing development.	
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### Issue Two: Reasons for enabling the different quantity standard to be applied in new greenfield areas

34. One submitter sought to amend the factors that could enable the proposed quantity standard change. They sought to add consideration of planning constraints, physical land constraints and infrastructure.
35. The current proposed wording notes that factors can include increased housing density as an example but does not preclude other factors being considered.

	Option	Advantages	Disadvantages
2A	Do not amend the reason to remove the 50% neighbourhood area open space. (not recommended-status quo)	<ul style="list-style-type: none"> <li>nil</li> </ul>	<ul style="list-style-type: none"> <li>It is not necessary to identify any specific factors, because within new greenfield areas in the future, there is an expectation of higher housing densities, and there is likelihood that there will be areas of land constrained for development for various reasons.</li> </ul>
2B	Amend the reason to remove 50% neighbourhood area open space requirement to include planning constraints, physical land constraints and infrastructure. (Not recommended)	<ul style="list-style-type: none"> <li>Supports feedback from submitters</li> </ul>	<ul style="list-style-type: none"> <li>It is not necessary to identify any specific factors, because within new greenfield areas in the future, there is an expectation of higher housing densities, and there is likelihood that there will be areas of land constrained for development for various reasons.</li> </ul>
2C	Amend the reason to remove the 50% neighbourhood area open space requirement to read: <i>"If, during planning for neighbourhood and local area open space, it can be demonstrated that it is impractical to apply a minimum 50% neighbourhood area open space composition and achieve good urban</i>	<ul style="list-style-type: none"> <li>Clarifies the reasons when the 50% requirement can be replaced with local area reserves</li> <li>It is not necessary to identify any specific factors, because within new greenfield areas in the future there is an expectation of higher housing densities, and there is likelihood that there will be areas of land constrained for development for</li> </ul>	<ul style="list-style-type: none"> <li>Does not identify specific factors</li> </ul>

	Option	Advantages	Disadvantages
	<p><i>design outcomes, then some of the 50% requirement can be replaced with local area open space, as long as the accessibility standard is met that requires neighbourhood area open space within 400 metres of most residents”.</i></p> <p><b>Recommended – amendment to version consulted on</b></p>	various reasons.	

36. The revised draft policy (**Attachment 1**) shows only the recommended changes to the version consulted on. The other substantial changes that were proposed in the consulted draft policy can be viewed in the consultation material in the agenda for the 14 November 2022 Committee meeting.

**Issue Three: Other suggestions to provide appropriate access to open spaces in greenfield areas**

37. Submitters provided several suggestions on the broad topic of how council could provide acceptable access to a range of open spaces in new greenfield urban developments which are outlined below with appropriate discussion.
38. After considering these suggestions, there are no recommended changes to the policy.

*Amount of open space*

39. Some submissions suggested increasing the amount of open space in greenfield areas, due to higher density. As the quantity provision of open space is based on a per population calculation, there will be more open space required in higher density areas compared to lower density areas.
40. It was suggested that council provide more land for community gardens and fruit trees in higher density areas because backyards are smaller. Council does not currently have a level of service for provision of land for community gardens. The Use of Council Land Policy review is considering how council can support identification of suitable land for, and assisting implementation of, community gardens. Planting fruit trees on appropriate reserves is supported by council and does not necessarily require additional open space.

*Access to open space*

41. One suggestion was that access to green spaces can be supported through safe pedestrian access. The implementation of the current policy already supports this suggestion.
42. The importance of reserves being within walking distance of houses was raised, with one suggestion of increasing the accessibility from most residences to 300m, from the current 400m. The current accessibility standard of 400m is ‘as the crow flies’ and equates to a walk of 10 to 15 minutes, is supported by council’s “Connected Centres Programme”, which promotes access to social opportunities within a 15-minute journey. The accessibility standard also defines the maximum distance that people should have to travel to access neighbourhood area open space, so many people would have access closer than 400m. The current standard aligns to UFTI and SmartGrowth direction.

*Quality of open space*

43. Submissions varied on whether the policy's ideal size of 3,000m<sup>2</sup> for neighbourhood area open spaces was too large or too small in higher density developments. Support for larger reserves focused on the need for more open space in higher density neighbourhoods, to deliver a range of facilities and outcomes. Support for smaller reserves focused on the impractical application of increased housing density and delivering this size of reserve. The current policy of the ideal size of 3,000m<sup>2</sup> for neighbourhood area open space, ensures that the accessibility, function and quality standards of the policy can be achieved. It enables the policy's "base development requirements" to be provided with sufficient buffers to adjoining and internal uses, including sufficient unobstructed open space for things like backyard cricket or to kick a ball, as well as a dedicated play space, seats, shade, and landscape planting. With higher density housing and smaller backyards, and the proposed amendment to the quantity of neighbourhood area open spaces that enables fewer to be provided, maintaining an ideal size of 3,000m<sup>2</sup> in the policy is considered important.
44. Submitters suggested that reserves should be large with multiple benefits for all age ranges, with space for all forms of recreation and to enable people to connect with nature and biodiversity. The implementation of the current policy already supports these suggestions, as the policy promotes a range of open space types within new greenfield area, ranging in sizes from ideally 3,000m<sup>2</sup> up to at least 2ha.
45. Clarification was sought on what types of land neighbourhood area open space can be provided on, with one suggestion to amend the policy to state that the quantity standard can incorporate landscape, ecological, biodiversity, archaeological areas, cultural and stormwater areas into neighbourhood area open space. The policy already enables different types of land to be used, with Attachment A of the policy providing examples of a variety of different open spaces that could be used for neighbourhood area open space.
46. One suggestion was to enable more flexibility in the provision of the reserve quantity standard if higher quality is provided, by enabling the offsetting of quantity with quality - (e.g. infrastructure, improvements and amenity that exceed a minimum quality standard could be offset by enabling a lower quantity standard). As the policy does not specify a minimum quality standard it would be difficult to articulate this approach in a policy statement. Practical implementation of the policy during planning for open space provision, enables council and developers to work together to identify ways to achieve a quality, accessible network of open spaces with a variety of functions and facilities. Therefore, it is not considered necessary or appropriate to include this suggestion as a policy statement, but rather use the process to implement the policy to identify and deliver a quality network of open spaces.
47. Another suggestion was that the existing size and quality of reserves should be retained. The proposed change does not reduce the size or quality of reserves to be provided in new greenfield developments.

*Privately owned reserves*

48. Clarification was sought about the ability for privately owned reserves to contribute to open space provision. The policy already allows for this and there are examples of this occurring. 5.3.2 outlines that 'this could incorporate land provided by other organisations as long as it meets the quality, function and accessibility standards outlined in the policy and is developed in a way that ensure the space is accessible to the community.'

**Issue Four: Open space issues that are outside the scope of this policy review**

49. Other issues raised are discussed below. As these issues are outside the scope of this policy review, there are no recommendations to amend the policy to include them.

*Implementation of the policy*

50. Suggestions to improve the implementation of the policy included applying a network planning approach across growth areas for open space, to ensure a range of quality experiences. This should consider size, quality and timing of delivery, the network of reserves, and population/housing density. There were also suggestions to engage in early

open space planning in new greenfield developments to deliver quality green space, and integrated planning of all greenspaces to support housing outcomes.

51. Questions were also raised about the application of the policy across the city to ensure balanced application to existing developed areas and to new greenfields, especially considering the emphasis on intensification in existing areas and more compact urban form.
52. The policy promotes an equitable and reasonable provision and distribution of open space (quality, function, accessibility and quantity) across all areas of the city, with different approaches for different areas.
53. For example, new greenfield areas require greater accessibility to neighbourhood area open space, than in existing developed areas of city. In intensification areas e.g. Te Papa, the policy enables a bespoke level of service to be developed, which can include improving existing reserves, improving reserve connectivity, and acquiring more land. For existing reserves, the policy promotes reviews of the performance of reserves to ensure they continue to meet community expectations, as demographics and surrounding land use may have changed since the reserve was first developed. The Tauranga Reserves Management Plan supports this approach, through identifying how existing reserves are managed and may be developed to meet the needs of changing communities.
54. Another issue raised was about ensuring investment in reserves across the city is equitable, appropriate and fairly decided. Specific investments in existing reserves are identified through council's Long-term plan processes.
55. Staff will continue to work on improving the implementation of the policy and working on any issues as they are raised in the process.

#### *Full review of the policy*

56. It was suggested that a full review of the Open Space Strategy and the policy is needed as they are outdated.
57. As part of the refresh of the council's strategic framework, work is currently underway to review the Open Space Strategy, and in light of City Plan Change 33, a review of the policy is planned to ensure it continues to align with any new direction.

#### *Quantity standard for existing comprehensive development areas*

58. One submitter suggested that the same quantity standard amendment should also be applied to new urban growth areas, to provide the same flexibility. Further information is needed in discussion with developers building in existing comprehensive development areas, to ascertain how a retrospective application like this would affect developments that are already underway.

#### *Active reserves provision*

59. Another issue raised was the provision of active reserves in new growth areas and if this could address current shortfalls across the network. One submitter noted that smaller reserves appear to be supported at the expense of active recreation and sport on larger reserves. The policy and suggested amendments do not affect the level of provision of active reserves. Provision of sports fields and active reserves are driven by the Active Reserves Level of Service Policy, which includes planning for active reserves in new greenfield developments.

#### *Inground infrastructure on reserves*

60. One submitter suggested an amendment to the policy to enable infrastructure/services to be installed on reserves.
61. Current controls and provisions that council uses to manage the installation of infrastructure/services on reserves includes:
  - (a) The policy requires reserves to meet function, quality and accessibility standards. Any proposals to install infrastructure/services on a reserve would need to consider the ability of the reserve to achieve these standards. Some reserves are ideally suited to

accommodating infrastructure/services e.g. stormwater reserves, whilst neighbourhood reserves are less conducive. This is currently assessed on a case-by-case basis.

- (b) The Best Practice Guide to Open Space, which is the document that details the quality standard in the policy, notes that land encumbered by above or underground services or infrastructure restricting present or future amenity, should be avoided.
  - (c) The Resource Management Act (s239) requires land to be vested in council to be free from all interests in the land including any encumbrances. There is a caveat at the end of this section that says that interests can be included, provided they are certified by the council on the survey plan.
  - (d) Under the Reserves Act, the purpose of any reserves vested in council needs to be considered when installing infrastructure/service on them. For example, reserve classified as recreation reserve under the Reserves Act would not usually be consistent with the infrastructure being located in the reserve, as it could compromise the ability to use it for recreation. Local purpose reserve areas should ideally be created to serve this purpose.
  - (e) The Tauranga Reserves Management Plan notes in the general management statements applying to all existing reserves, that council does not want infrastructure, utilities or services to be located on reserve land, unless it is associated with an authorised project for the benefit of the reserve.
62. These controls and provisions provide an appropriate framework for decision making for the installation of inground infrastructure/services on reserves.

### FINANCIAL CONSIDERATIONS

63. The Local Government Act 2002 (LGA 02) allows for councils to enter into development agreements that require developers to provide infrastructure (including parks and reserves) in lieu of paying development contributions. Council has used such agreements for development in Pyes Pā West and Wairakei resulting in no local reserve development contributions for those developers who have entered into agreements. It is anticipated that similar agreements will be entered into for future greenfield developments, and no local contributions will be collected through the development contributions policy.
64. Therefore, no financial implications are anticipated as a result of the recommended changes.

### LEGAL IMPLICATIONS / RISKS

65. There are no legal implications arising from the recommended changes.
66. The recommendations in this report mitigate any risk of the growth planning process for new greenfield developments not taking account of open space requirements.

### CONSULTATION / ENGAGEMENT

67. The community has been consulted on the draft policy, including targeted consultation with developers, Te Kauae a Roopu, Te Rangapū Mana Whenua o Tauranga Moana, and Sport BOP.

### SIGNIFICANCE

68. 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.
69. In making this assessment, consideration has been given to the likely impact, and likely consequences for:

- (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the issue.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
70. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.

### ENGAGEMENT

71. Taking into consideration the above assessment, that the issue is of medium significance, and that consultation has already taken place, officers are of the opinion that no further engagement is required prior to Committee making a decision.

### NEXT STEPS

72. Depending on the decisions made by the Committee, a revised Open Space Level of Service Policy could be adopted, or direction could be given to work on developing amendments to the policy.
73. The Committee may direct staff to seek further investigation into other issues raised by submitters that are outside the scope of this policy.
74. A full review of the policy is planned in 2023 after the work on the strategic framework review has been completed, and in light of City Plan Change 33.

### ATTACHMENTS

1. **Draft Revised Open Space Level of Service Policy 2022 - A14245926** [↓](#) 



## OPEN SPACE LEVEL OF SERVICE POLICY



<b>Policy type</b>	City		
<b>Authorised by</b>	Council		
<b>First adopted</b>	5 June 2009	<b>Minute reference</b>	M09/41
<b>Revisions/amendments</b>	9 June 2010	<b>Minute reference</b>	M10/43.4
	XXX 2022	<b>Minute reference</b>	MXX/XXX

### 1. PURPOSE

- 1.1 To identify how Council is going to work towards achieving the vision, principles and goals of the Open Space Strategy (2006).
- 1.2 To outline how Council is responding to the different growth needs of the city through addressing the quantity, quality, accessibility and function of the Open Space Network.

### 2. SCOPE

- 2.1 This policy provides a clear approach and level of service standards for the provision and development of the Council's Open Space Network.

### 3. DEFINITIONS

Term	Definition
Best Practice Guide for Open Space	A document adopted by Council in 2007 that outlines best practice approaches and success factors for the planning, development and management of open space within Tauranga city.
Existing Comprehensive Development Areas	The urban growth areas of Pyes Pa West <del>and</del> Papamoa East Stage 1 (Wairakei), <del>and Papamoa East Stage 2 (Te Tumu)</del> where: <ul style="list-style-type: none"> <li>• There is a clearly defined geographic area which is/will be identified in the City Plan and is being comprehensively planned as an urban growth area; and</li> <li>• The City Plan has distinct and separate provisions relating to subdivision, development and services of the area; and</li> <li>• The area meets the Smartgrowth requirements of a minimum average development yield of 15 lots per hectare.</li> </ul>

	Existing Comprehensive Development Areas could also include Intensification Areas (as defined below) within them.
New Comprehensive Development Areas	<p>The urban growth areas of Tauriko West and Te Tumu, where:</p> <ul style="list-style-type: none"> <li>• There is a clearly defined geographic area which is/will be identified in the City Plan and is being comprehensively planned as an urban growth area; and</li> <li>• The City Plan has distinct and separate provisions relating to subdivision, development and services of the area; and</li> <li>• The area meets the Smartgrowth requirements of a minimum average development yield of 15 lots per hectare.</li> </ul> <p>Other New Comprehensive Development Areas could be added entirely at Council's discretion at a later date. New Comprehensive Development Areas could also include Intensification Areas (as defined below) within them.</p>
Council	Tauranga City Council – the elected member body representing Tauranga City.
Criteria	The criteria applied to assess the quality of the Open Space Network. the criteria are identified in the Best Practice Guide for Open Space 2007 and outlined further in this policy under the quality standards.
Existing Urban Growth Areas	The six growth areas identified in the Tauranga City Plan and development contributions policy as <del>B</del> Bethlehem, <del>w</del> est <del>B</del> Bethlehem <del>w</del> est, <del>P</del> Pyes <del>P</del> Pa, <del>P</del> Pyes <del>P</del> Pa west (outside of the lakes area), <del>O</del> hauiti, <del>w</del> elcome <del>B</del> Bay and <del>P</del> Papamoa. Existing Urban Growth Areas could also include Intensification Areas within them.
New Urban Growth Areas	The urban growth areas identified by council, other than the six Existing Urban Growth Areas and two <del>infill</del> Growth Areas identified in the Tauranga City Plan and Development Contributions Policy. New Urban Growth Areas could include Intensification Areas (as defined below) within them.

Historic Reserve	An area of land identified through a City Plan change process or resource consent process as possessing historic values.
Infill Growth Areas	The two growth areas identified in the Tauranga City plan and Development Contributions Policy as Mount Maunganui and Tauranga, and any Infill Growth Areas identified in the future.
Intensification Areas	Areas that provide greater opportunity for medium density, high density, or mixed use types of development within a defined area. these areas are generally defined by Council through specific intensification projects and subsequent City Plan changes.
Marae Urban, Marae Rural and Ngati Kahu Papakainga Zoned land	Land zoned Marae Urban, Marae Rural and Ngati Kahu Papakainga In the Tauranga City Plan.
Open Space Network	Areas of land (mainly parks and reserves) that are maintained by council and that the community have a level of physical access to. In most circumstances these areas will be connected to each other in some way (e.g. using the street network or other areas of open space). Comprises neighbourhood, local, suburban and citywide areas. Attachment B provides an explanation of the different types of open space included in the Open Space Network.
Rural and Rural Residential Zoned Land	Land zoned as Rural and Rural Residential in the Tauranga City Plan.

#### 4. PRINCIPLES

##### 4.1 In implementing this Policy Council will:

- Primarily focus on the access to and use of the Open Space Network.
- Focus on making the most of the Open Space Network.
- Seek to ensure there is a fair and reasonable distribution of open space across all areas of the city.
- Seek to ensure that the open space level of service is able to be provided into the future as population growth occurs.

##### 4.2 Council will also recognise:

- The role of the Open Space Network in achieving good urban development outcomes by providing community focal points, pedestrian and open space connections, high levels of amenity and feelings of openness, and a range of recreational opportunities.

- The role of the Open Space Network in providing opportunities for recreation (active and passive), conservation (protection of natural and cultural features), amenity (greening of the urban environment and spatial settings for housing), and utilities (stormwater management, ecological corridors, buffers etc).
- The role of the Open Space Network in achieving a number of Council's strategic objectives (eg transport, stormwater, open space objectives).
- That the value of open space can be measured by a variety of means including utilisation, existence value and amenity.
- That the level of service for open space needs to be achievable from a cost and practicality point of view.
- That the benefits of the Open Space Network are received by both the existing population and the future growth population.
- That there are different sectors of the community that have different needs in terms of access to the Open Space Network.

## **5. POLICY STATEMENT**

### **5.1 Open Space Level of Service Framework**

#### **5.1.1 Standards**

The open space level of service promotes a standards based approach.

The standards are designed to ensure that people have good access to the Open Space Network and the variety of open space experiences that it provides while ensuring that the Open Space Network is highly valued by the community and is the outcome of good design and best practice.

The standards are:

- Accessibility – how far people should have to travel to reach a particular type of open space.
- Quality – the level of quality which all open spaces should attain to.
- Function – the different types of open space experiences we want to provide.
- Quantity – how much open space we should have.

Section 5.2 provides further information on these standards.

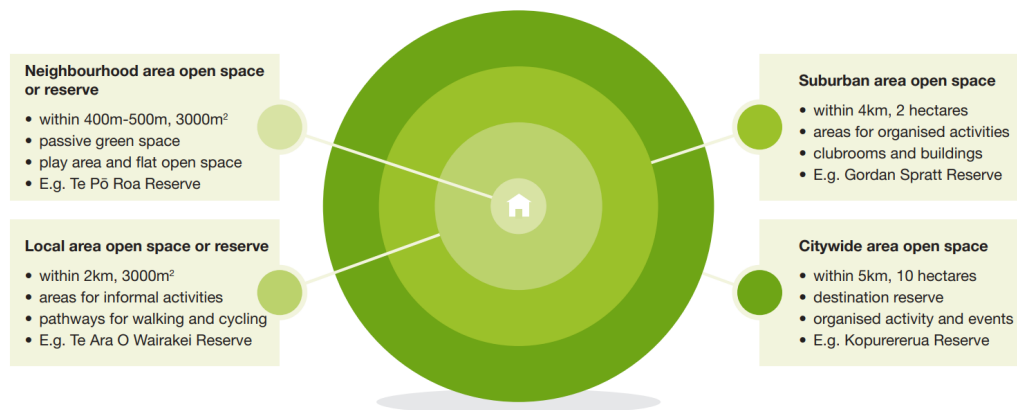
#### **5.1.2 Areas**

An area based approach has been used to help determine the standards for accessibility, function and quantity. What this means is that people should be able to travel a certain distance to access certain types of experiences from their home. For example, most people should be able to walk 10-15 minutes from their home to get to an area of open space that provides play opportunities, passive spaces, vegetation and amenity. This is the Neighbourhood Area Open Space and can be provided through a variety of reserve types such as neighbourhood reserves, active reserves, and stormwater reserves, as long as the function standards are met.

The hierarchy then moves up to Local Area Open Space, Suburban Area Open Space, and then Citywide Area Open Space. To illustrate this if you were to start at one point in the city you would see a series of concentric circles working their way out from that point to identify the different open space experiences that would be provided and the distances required to travel to these open spaces.

The overall Open Space Network is shown in the figure below (the house indicates a home):

The open space network diagram shows the different types and preferred sizes of open spaces in Tauranga and the ideal distance from homes



### 5.1.3 Application

The Policy recognises that some areas of the city must be considered on an individual basis in order to tailor the most appropriate range, quality and quantity of open space to achieve good urban development outcomes. With this in mind, application of the standards recognises different development patterns within the city and different City Plan zones in some cases (see Section 5.3).

### 5.1.4 Reserve Types

A description of the general types of open space is included in Attachment B. While the type of open space is not the driver for the standards (which had been the case under the previous level of service) a description is provided for each reserve type to highlight the different areas that contribute to the make up of the Open Space Network.

## 5.2 Open Space Level of Service Standards

### 5.2.1 Accessibility Standards

The accessibility standards are outlined in Attachment A.

The aim of accessibility standards is to ensure that everyone has reasonable access to the Open Space Network and the variety of experiences that it provides. The standards reflect our analysis on what are acceptable and reasonable distances for people to travel to get to different open space experiences. For Neighbourhood Area Open Space the expectation is that people are able to walk 10-15 minutes to access these areas. For Local, Suburban and Citywide Open Space Areas people could access these utilising a variety of transport options (including walking).

When applying the accessibility standards:

- Physical barriers such as main roads, railways, steep topography, and inaccessible areas will be taken into account and will require the provision of additional areas of open space if these barriers inhibit physical accessibility. This recognises that the 500m and 400m requirement is “as the crow flies” and that in some situations it may not a realistic measure of actual accessibility.

- The type of open space must be able to accommodate the function and experiences outlined in Attachment A to a satisfactory level. For example, if a stormwater reserve provides the Neighbourhood Open Space Area requirements then it must be able to be developed with play facilities, passive spaces (seats, shade etc), vegetation and landscaping, and this function must not be compromised by the primary purpose of the reserve for stormwater. If this cannot be achieved then an additional area of open space will be required.
- If it is considered impractical to achieve the accessibility standards because of the nature of the built environment or the cost involved in doing this (for example, in an existing residential area where there is limited opportunity to purchase land or the cost is determined by Elected Members to outweigh the benefits of doing this) then the priority will be on increasing the accessibility, visibility and quality of the nearest existing open spaces.
- It is recognised that in some cases the accessibility standards may be exceeded, that is, one person may have more access to a number of open space areas within close proximity to their home. This is often a product of the historical provision of open space or geographical characteristics of an area, and can often be reflected in the property values of these areas (eg higher value properties along the coastal strip).
- The distances are intended to reflect the furthest a person would have to travel to get to a particular type of open space; in some cases it may be that the open space will be closer.
- The ideal size of open space has been specified. This is to ensure that the function standards and base development requirements are met however there is some flexibility in this size requirement if it can be illustrated that the base development requirements are still being achieved.

The accessibility standards will be achieved in Tauranga when most people have access to neighbourhood, local, suburban and citywide open space in accordance with the distances outlined in Attachment A. Council's mapping systems are able to analyse accessibility standards both as the crow flies and through actual accessibility using distances along the street and Open Space Network.

### 5.2.2 Quality Standards

The quality standards are determined through compliance with criteria included in the Best Practice Guide for Open Space.

The aim of quality standards is to provide good quality open spaces that contribute to the recreational and social needs of the community. The quality of open spaces is about people – our Open Space Network needs to be developed so that people know that its there, people feel safe using it, so that it responds to a variety of recreational needs from all ages, and so that it is valued by people.

The Best Practice Guide criteria are:

- **Location** – open space should be located in a central, prominent area that relates strongly to surrounding catchment, land use and activities, maximises street and public frontage, and connect to existing open space network and surrounding residential catchment (need to ensure appropriate edge treatments are in place).
- **Landform** – ensure site topography is compatible with the intended purpose of the open space, promote clear visibility within the reserve, locate to ensure good solar access, avoid overly exposed sites.
- **Proportion** – ensure open space meets minimum requirements for use and function, include buffer zones if appropriate, avoid overly elongated, narrow and irregular shapes.

- **Access** – open space should be located at the intersection of movement corridors, and where a high level of use is anticipated, and near transport routes, safe and distinct pedestrian accessways will be provided through the open space.
- **Visibility** – open space will be highly visible and have a good proportion of direct road frontage to the street network and other public edges, avoid solid fences or planting which limits passive surveillance into and through the reserve, avoid dense planting in areas that will block visibility, ensure entry and access points are clearly visible and signage is strategically located.
- **Identity** – where possible locate open space to protect heritage sites, views, or mature vegetation, utilise planting schemes and materials that reflect and enhance site identity and incorporate interpretive features such as signage and sculpture where appropriate.
- **Wellbeing** – provide shade by way of clear stemmed specimen trees, locate facilities in prominent, visible locations, ensure all structures are designed to safety codes, avoid use of vegetation that presents health issues.
- **Public Use** – ensure that activities reflect needs of user groups, create activity nodes to encourage desirable social interaction, encourage a sense of ownership of the open space.
- **Adaptability** – consider ways that the open space might adapt to users at different times of the day or year, select materials that are suited to the site conditions, where space permits provide flat unobstructed areas, avoid unnecessary barriers that might impede use.

For a full analysis of the criteria and its application refer to the Best Practice Guide for Open Space available on Council's website [www.tauranga.govt.nz](http://www.tauranga.govt.nz).

When applying the quality standards:

- The location of neighbourhood and local area open space should be considered as part of or adjacent to neighbourhood and town centres as a first priority to maximise usage, with larger parks being located on the edge.
- The location of neighbourhoods and local area open space within residential areas of higher densities should be considered to provide relief from the built environment and provide additional amenity for these areas.
- In some cases, where appropriate and practical Council will consider the further acquisition and development of land to increase the quality of existing areas of open space.
- In circumstances where an area of existing open space is significantly unable to meet the Best Practice Guide for Open Space criteria, Council, in consultation with the community, may consider selling and replacing the land, exchanging the land, or purchasing additional land adjacent to the open space area, all with the intent of meeting best practice criteria.
- It is recognised that the delivery of projects that help to achieve the quality standards is subject to the long-term plan and annual plan prioritisation process. This may mean that the delivery of projects occurs over a longer period of time than originally anticipated through a reserve management plan process or other planning process.

The quality standards are more difficult to measure than accessibility standards. This means that it is difficult to measure at what point in time the quality standards are fully achieved. Community needs, perceptions, use, existing provision, project timing, and topography all impact on the ability to achieve quality open spaces. It is recognised that from a practical point of view not all existing areas will fully achieve the criteria however the aim is to achieve an overall average of 70% compliance. All new open space areas are required to achieve the criteria as close as practicable with an aim for 100% compliance.

### 5.2.3 Function Standards



The function standards are outlined in Attachment A

The aim of the function standards is to ensure that a variety of open space and recreational experiences are provided from the Open Space Network, and provide a balance between small neighbourhood parks and larger suburban and citywide parks.

#### 5.2.4 Quantity Standards

##### Infill Growth Areas and Existing Urban Growth Areas

The previous level of service approach only considered the amount of open space required which was expressed as a hectares of reserve land per population standard (ha/1000). This meant that more people = more open space. This level of service now shifts the focus to accessibility, quality and function of open spaces. This approach is more suited to Infill Growth Areas and Existing Urban Growth Areas where most of the development has already occurred. This ensures that the focus is on making the most of what we have (as per the principles of this Policy). The outcome of this is that the majority of levels of service projects focus on the development of open spaces, with fewer projects requiring additional land purchase in existing areas of the city.

In some Existing Urban Growth Areas land purchase may be required where the area is currently undeveloped. In these circumstances the requirement for an open space is only triggered by the development of that area, in other words if the area was not developed then there would be no requirement for additional open space.

For Existing Urban Growth Areas and Infill Growth Areas the level of service expressed as a hectares per thousand standard **will only be used** to identify how much open space we have and how this is tracking as the population grows, and for comparison against other local authorities.

##### Existing Comprehensive Development Areas and New Comprehensive Development Areas and New Urban Growth Areas

While the change in approach works well in existing residential areas of the city, for new undeveloped areas (such as Existing Comprehensive Development Areas and New Comprehensive Development Areas and New Urban Growth Areas) there is a need for a quantity based level of service that links in with the quality, accessibility and function standards outlined in this Policy.

The reason for this is to:

- provide a starting point and certainty to developers of the open space requirements,
- enable a link to be made to growth and subsequent development contributions,
- achieve fair and reasonable distribution of open space across the city (a Principle of this Policy),
- recognise that Existing Comprehensive Development Areas and New Comprehensive Development Areas have areas of higher density than standard residential developments as these areas aim to achieve, as an average minimum the SmartGrowth development yield of 15 lots per hectare (compared to a standard yield of 10-11 lots per hectare). The role of open space becomes even more important the higher the densities are; and
- provide a better ability to achieve live, work, play environments when developing a greenfield site.

On this basis quantity standards will only be applied to New Urban Growth Areas Existing Comprehensive Development Areas and New Comprehensive Development Areas. The quantity standard is 1.7 hectares of neighbourhood and local open space per 1000 people. Criteria provide further detail on how this can be achieved to try and ensure a balance between the provision of different reserve types, and between open space that can be used and open space that provides amenity but has limited physical use. Section 5.3 provides an explanation of the criteria and how this is to be applied. The 1.7ha/1000 standard is based on the average provision of local reserves as at 2001.



In circumstances where land is offered to Council that is above the open space level of service standards this will be taken at Council's discretion. This includes discretion relating to payment for the land, the area required, and development and ongoing maintenance costs of the land.

### 5.3 Application of Open Space Level of Service

It is recognised that different areas of the city have different characteristics, communities, development patterns, and levels of existing open space provision. Application of the Open Space Level of Service standards needs to recognise and respond to the differences within the city. To this extent the following information outlines how the level of service will be applied to different growth areas within the city.

#### 5.3.1 Existing Comprehensive Development Areas

The accessibility, quality and function standards will apply to these areas.

The following quantity standards will also apply as follows:

A standard of 1.7 hectares neighbourhood and local area open space per 1000 people subject to the following criteria:

- a minimum of 50% of this will comprise neighbourhood reserve (see Attachment B for a definition) distributed throughout the development.
  - this can also incorporate linear walkway reserves to achieve connectivity and create walkable neighbourhoods
  - this can also incorporate Historic Reserves (as long as function standards are met)
  - this could incorporate land provided by other organisations as long as it meets the quality, function and accessibility standards outlined in the Policy and is developed in a way that ensure the space is accessible to the community
- up to 50% of this will include a proportion of other areas of open space (eg stormwater management reserves, active reserves, subregional reserves) and/or open space provided by other organisations where the community will gain benefit from the amenity and be able to access the area for recreational purposes. To ensure that the Policy objectives and principles are achieved, this requirement must be located equitably throughout the development area. For example, this requirement could not be made up of one large reserve in one location of the development as this limits the ability to achieve the accessibility and function standards.

As part of the planning for the growth area a public open space schedule must be provided to outline how the level of service standards have been met and what the quantity standard is comprised of. This will need to be incorporated into the structure plan and urban development plan for the area.

In some areas Council will work with the developers to see if agreement can be reached on vesting and developing the Open Space Network without the requirement for financial or development contributions.

For comprehensive development areas in existence as at 2008 the open space level of service will occur in accordance with the relevant Plan Change for that area.

#### 5.3.2 New Comprehensive Development Areas and New Urban Growth Areas

The accessibility, quality and function standards will apply to these areas.

The following quantity standards will also apply as follows:

A standard of 1.7 hectares neighbourhood and local area open space per 1000 people subject to the following criteria:

- a minimum of 50% of this will comprise neighbourhood reserve (see Attachment B for a definition) distributed throughout the development. ~~If factors, such as increased housing density, make this proportion impractical, if, during planning for neighbourhood and local~~

[area open space, it can be demonstrated that it is impractical to apply a minimum 50% neighbourhood area open space composition and achieve good urban design outcomes,](#) then some of the 50% requirement can be replaced with local area space, as long as the accessibility standard is met that requires neighbourhood area open space within 400 metres of most residents.

- this can also incorporate linear walkway reserves to achieve connectivity and create walkable neighbourhoods
- this can also incorporate Historic Reserves (as long as function standards are met)
- this could incorporate land provided by other organisations as long as it meets the quality, function and accessibility standards outlined in the Policy and is developed in a way that ensure the space is accessible to the community
- up to 50% of this will include a proportion of other areas of open space (eg stormwater, active reserves, subregional reserves) and/or open space provided by other organisations where the community will gain benefit from the amenity and be able to access the area for recreational purposes. To ensure that the Policy objectives and principles are achieved, this requirement must be located equitably throughout the development area. For example, this requirement could not be made up of one large reserve in one location of the development as this limits the ability to achieve the accessibility and function standards.

As part of the planning for the growth area a public open space schedule must be provided to outline how the level of service standards have been met and what the quantity standard is comprised of. This will need to be incorporated into the structure plan and urban development plan for the area.

In some areas Council will work with the developers to see if agreement can be reached on vesting and developing the Open Space Network without the requirement for financial or development contributions.

### 5.3.3 Intensification Areas

As part of ongoing planning for Intensification Areas, an evaluation will be undertaken to determine the types of open space available, the quality of these spaces, and the function that they provide. This will occur through spatial planning and subsequent open space planning for these areas.

As part of the planning process for the area, consideration will be given to community perceptions about their open space environment. Strengths and weaknesses will be identified and consideration will be given to a range of options available to address identified issues. These options could include:

- improving the quality of open spaces (refer to quality standards)
- improving the function of open spaces (refer to function standards)
- improving connections between open spaces (using streets, accessways, cycle ways etc)
- improving the amenity values of the Open Space Network
- provision of additional areas of open space
- enhancement of streetscape to provide amenity and recreational opportunities
- recognition of open spaces provided by schools, churches, marae and other organisations
- consideration of provision of on-site open space
- contribution of town centres and civic spaces

Outcomes of the spatial planning and subsequent open space planning will be used to establish a specific level of service relevant to the area identified, with associated projects and costs.

### 5.3.4 Existing Urban Growth Areas and Infill Growth Areas

The accessibility, quality, and function standards will apply to these areas.

### 5.3.5 Rural and Rural Residential Zoned Land

The Neighbourhood Area Open Space level of service standards are not required in these zones (unless there is insufficient provision in adjacent areas). This is on the basis that the section sizes are sufficient to provide the function and experiences outlined in the open space level of service standards. Local, Suburban and Citywide areas are still required to be accessible for people in these zones. If the zone is to change in the future or a smaller lot development is proposed the neighbourhood area standards will apply.

### 5.3.6 Marae Urban, Marae Rural and Ngati Kahu Papakainga Zoned Land

Open space provided or planned to be provided in these zones is excluded from the Open Space Level of Service. There is no requirement for Marae Zoned land to provide open space in accordance with this Policy. It is however recognised that open space and recreational needs will be assessed and responded to through the development of iwi and hapu management plans for these areas.

### 5.3.7 Historic Reserves

The following policy statement is relevant to an area identified through a Plan Change process or resource consent process as possessing historic values and that is **above** the level of service requirements specified in this policy.:

- If Council ownership is required, land that is less than 1 hectare in size will be vested in Council free of charge.
- Land that is over 1 hectare in size requires a report to Council for direction on Council's potential approach to acquiring the land. The report will need to include information on:
  - the tangata whenua relationship with the land as identified through the relevant iwi/hapu management plan and/or through discussions with relevant iwi/hapu groups
  - historic values of the site
  - management and maintenance issues/options and associated costs (note consideration could be given to co-management opportunities)
  - New Zealand Historic Places Trust comments on the site
  - all potential future opportunities of the land
  - all potential interests in the land.

The development and maintenance costs of the land will be funded through general rates or targeted rates where this already exists or is planned for the development area and is determined to be an appropriate source of funding through the Level of Service Policy.

## 5.4 Implementation Plan

The schedule of projects required to meet the Open Space Level of Service is agreed through long-term plan and annual and reflected in annual and long-term plans (ie projects, funding and timeframes) and Financial or Development Contributions Policy.

## 5.5 Land Acquisition Process

Procedures will be developed to outline how land acquisition for open space required to meet the Open Space Level of Service will occur. Timeframes and budget required for purchase will be subject to the Annual Plan and Long Term Council Community Plan processes.

## 6. RELEVANT DELEGATIONS

The chief executive and their sub-delegate has authority for the implementation of this policy.

## **7. REFERENCES AND RELEVANT LEGISLATION**

SmartGrowth

Open Space Strategy 2006

Tauranga City Plan

Development Contributions Policy

Infrastructure Development Code

Level of Service Policy

Best Practice Guide for Open Space 2007

Local Government Act 2002

Reserves Act 1977

Property Acquisitions and Disposals Policy

## **8. ATTACHMENTS**

8.1 Attachment A: Open Space Level of Service Accessibility and Function Standards

8.2 Attachment B: Different Types of Open Space in the Open Space Network

**Attachment A: Open Space Level of Service Accessibility and Function Standards**

Open Space Area	Function Standards	Quantity Standards	Base Development Requirements	Examples of Open Space Types that could achieve this
Neighbourhood Area Open Space	<ul style="list-style-type: none"> <li>Areas for play (particularly young children)</li> <li>Passive spaces</li> <li>Green environment</li> <li>Amenity</li> </ul>	<ul style="list-style-type: none"> <li>Within 500m (400m in CDA's) of most residences (95%)</li> <li>Ideal size of 3000m<sup>2</sup></li> </ul>	Playground (see LOS) Area of open space Seats and shade Vegetation/landscaping Mow to low levels	Neighbourhood reserves Stormwater reserves Coastal reserves Active reserves Destination parks
Local Area Open Space	<ul style="list-style-type: none"> <li>Areas for walking</li> <li>Areas for unorganised activity</li> <li>Open space</li> <li>Amenity</li> </ul>	<ul style="list-style-type: none"> <li>Within 2km of most residences (95%)</li> <li>Include a large area of unobstructed space (of approximately 3000m<sup>2</sup>)</li> </ul>	Open space area Pathways Seats and shade Vegetation/landscaping	Walkway reserves Stormwater reserves Coastal reserves Active reserves Destination parks
Suburban Area Open Space	<ul style="list-style-type: none"> <li>Areas for organised activity</li> <li>Social and community use</li> <li>Local events</li> <li>Themed landscape</li> </ul>	<ul style="list-style-type: none"> <li>Within 4km of most residences (95%)</li> <li>Ideal size of 2 hectares</li> </ul>	Open space areas Picnic/BBQ facilities Vegetation/landscaping  Optional: Toilet facilities Buildings/clubrooms Skateparks Themed landscaping	Active reserves Stormwater reserves Coastal reserves Destination parks Passive reserves
Citywide Area Open Space	<ul style="list-style-type: none"> <li>Destination areas</li> <li>Green and natural areas</li> </ul>	<ul style="list-style-type: none"> <li>Within 5km + of most residences (95%)</li> <li>Ideal size of 10 hectares +</li> </ul>	Higher LOS provided for play equipment and structures	Destination parks Active reserves Passive reserves

**Attachment B: Types of Open Space**

This is not an exhaustive list but is intended to provide information on the main types of reserve included in the Open Space Network.

Reserve Type	Primary Function	Description	Examples
Neighbourhood Reserve	Informal Recreation and Open Space	Generally small areas of space that provide for use by local communities for casual recreation, relaxation, community activity, and amenity. They also play a role in providing relief from the built environment.	<ul style="list-style-type: none"> <li>Lees Park</li> <li>Kings Ave Reserve</li> <li>Wells Ave Reserve</li> <li>Pelorous Reserve</li> </ul>
Active Reserve	Formal Recreation and Open Space	Generally large parks primarily used for organised sports and events. They also provide large areas of open space and are used for passive purposes.	<ul style="list-style-type: none"> <li>Mitchell Park</li> <li>Pemberton Park</li> <li>Blake Park</li> <li>Tauranga Domain</li> </ul>
Community Building Reserve	Community Buildings	Land used primarily for community facility purposes (eg libraries, halls, community centres, clubrooms etc). Generally located within town or neighbourhood centres.	<ul style="list-style-type: none"> <li>Welcome Bay Reserve (Waitaha Reserve)</li> <li>Bethlehem Community Hall Reserve</li> </ul>
Historic Reserve	Cultural or Historic Protection	Land provided to protect areas of cultural and/or historic significance. These areas can also provide for passive recreation (eg walking) and open space.	<ul style="list-style-type: none"> <li>Osprey Drive Reserve</li> <li>Otumoetai Pa Reserve</li> </ul>
Passive Reserve	Various Purposes	Generally large areas of land that provide for a variety of purposes including amenity, conservation, preservation, access, recreational use, natural environments etc.	<ul style="list-style-type: none"> <li>Kopurererua Valley</li> <li>Matua Saltmarsh</li> </ul>
Esplanade (Harbour) Reserve	Harbour access and conservation	Land that provides access to harbour areas and also protect conservation values of harbour margins. Often these reserves provide walkway linkages.	<ul style="list-style-type: none"> <li>Waikareao Estuary reserves</li> </ul>
Walkway Reserve	Walkway Linkages	Land that provides walkway linkages within the Open Space Network. Generally of a sufficient width to provide for dual use and also amenity and open space to the surrounding areas.	<ul style="list-style-type: none"> <li>Sherwood Vale Walkway Reserve</li> </ul>
Coastal Reserve	Coastal access and conservation	Land that provides access to coastal areas and also protects conservation values of coastal land.	<ul style="list-style-type: none"> <li>Mount Main Beach</li> <li>Papamoa Beach</li> </ul>

Destination Park	Destination point for recreational experiences	Parks that provide a unique experience that people will drive to get to and that provide a higher level of service than other parks.	<ul style="list-style-type: none"><li>▪ Memorial Park</li></ul>
Stormwater Reserve	Stormwater collection	Areas of land required for stormwater collection purposes but also able to provide significant amenity and recreational values.	<ul style="list-style-type: none"><li>▪ Wairakei Drainage Reserve</li><li>▪ Carmichael's Reserve</li></ul>
Subregional Parks	Variety of purposes as outlined in Joint Subregional Parks Policy	Large areas of land that provide for the subregional population and provide a variety of recreational experiences as well as protecting significant landscapes, heritage, ecological, and cultural areas.	<ul style="list-style-type: none"><li>▪ Huharua Harbour Park</li><li>▪ TECT All Terrain Park</li></ul>

## 9.5 Use of Council Land Policy Deliberations Report

**File Number:** A14168091

**Author:** Vicky Grant-Ussher, Policy Analyst

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

### PURPOSE OF THE REPORT

1. This report provides analysis of issues raised during the community consultation on the draft Use of Council Land Policy and options to address these issues. The report seeks approval to adopt the use of council land policy in Attachment 1 and rescind the ten existing policies which the revised policy replaces.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Use of Council Land Policy Deliberations Report".
- (b) Agrees to:
  - (i) remove the Qualmark requirement for commercial operators
  - (ii) include a requirement that surf schools hold a current Surfing New Zealand registration
  - (iii) maintain a gradual approach to transitioning to new requirements for commercial operators
  - (iv) amend the partnership principle to include the expectation that users work with council to care for sites
  - (v) adopt a maximum 33-year lease term with 10-year renewal and a two-year termination clause for operational property, with an extension to seven years available (in accordance with section 8.5 of the policy) and an exclusion for property that is leased on commercial terms
  - (vi) confirm that Playcentres are not considered Early Childhood Education (ECE) facilities
  - (vii) remove the high-performance sport criteria from the policy and rely on site specific criteria included in the masterplans and reserve management plans to determine priority
  - (viii) other minor drafting and consequential changes identified in the draft policy included at Attachment 1
- (c) Adopts the Use of Council Land Policy 2022 at Attachment 1 as so amended
- (d) Rescinds the following policies on adoption of the Use of Council Land Policy:
  - (i) Community, private and commercial use of council-administered land
  - (ii) Community gardens
  - (iii) Encroachments onto reserves
  - (iv) City events
  - (v) Operation of markets and stalls
  - (vi) Sponsorship signage on reserves
  - (vii) Network operator licences



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- (viii) Outdoor spaces booking
  - (e) Rescinds the following policies one year and one month following the adoption of the Use of Council Land Policy:
    - (i) Temporary commercial activities on reserves
    - (ii) Mobile shops.
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## EXECUTIVE SUMMARY

2. The draft Use of Council Land Policy (the policy) combines ten existing policies on land use and creates a single policy to guide land use. The policy contains ten principles to guide decisions on council land that were strongly supported in the feedback received on the policy.
3. Feedback from submissions supported the principle that community benefit should be the priority for council land and that commercial activities must show a public benefit to operate on council land. The policy proposed quality requirements for commercial operators on council land which were strongly supported by submitters, particularly those relating to waste management and noise levels.
4. Feedback from traders resulted in a recommended change to the accreditation proposed with concerns raised around Qualmark certification and requests to include a Surfing New Zealand registration requirement for surf schools. The timing of new requirements coming into force was also raised by some submitters who wanted a more immediate response to issues.
5. Concerns were raised during consultation around the condition of sites after use, particularly on multi-use sites. To address these concerns, we recommend amending the partnership principle to include expectations that users work with the council to care for sites.
6. The proposed changes to lease length and structure received mixed support with key concerns raised around funding security for community groups. To address these concerns, we met with TECT and BayTrust to ensure future funding would not be affected by the proposed changes. Both organisations were comfortable with the proposed structure. We are proposing extending the termination clause length to two years with a discretion to extend to seven years where circumstances warrant to address these concerns.
7. Whilst some submitters supported the clarification that playcentres are not considered to be Early Childhood Education (ECE) facilities, there were calls to extend the exemption to cover other ECE facilities, in particular kindergartens. This change would require further exploration and if the committee is interested in exploring the issue further an issues and options paper can be prepared on this topic.
8. Submitters mostly supported the clauses relating to high performance sport although concerns were raised about the impact on community sport. Sport BOP noted that demand from teams not based in Tauranga is projected to increase in future. They recommended that the council retain some discretion to prioritise community sport in future if demand rose. To address these concerns, we are proposing to remove the high-performance sport criteria from the policy and rely on site specific criteria included in the masterplans and reserve management plans to determine priority.
9. Following further consultation, and due to other work underway, a number of minor amendments have been made to the policy. We are also seeking approval to rescind the 10 existing policies on land use following the adoption of the consolidated policy.

## BACKGROUND

10. The draft policy combines ten existing policies related to land use into one consolidated policy. The policy aims to provide a single, easy to use policy to cover the use of council land.

11. On 13 December 2021, 14 February 2022, and 1 August 2022, the committee considered options to change or clarify policy positions from the ten existing policies. The options selected were included in the draft policy for community consultation.
12. Fifty-nine online submissions were received, and feedback was gathered at two community pop-up sessions and two drop-in sessions for commercial traders. Hearings on the policy took place on 14 November 2022, and five people spoke to their submission.
13. To support the implementation of the policy an online form for those wanting to use council land is being developed, and online information and guidance on the use of council land is being refreshed.

## STRATEGIC / STATUTORY CONTEXT

14. Policies, such as those which guide use of council's land, are an intrinsic part of ensuring that higher level strategic goals are operationalised in a consistent and transparent manner and provide staff with delegated authority where appropriate. The principles in this policy link closely with the themes from the City Vision and the implementation of this policy will support the future strategic direction for the city of Tauranga.

## OPTIONS ANALYSIS

### Principles of the policy

15. Most submitters were supportive of the policy principles with many noting that they reflected what they considered important. We recommend an amendment to the partnership principle which is discussed in more detail in paragraphs 27 to 29 to help set expectations around caring for sites.

### Quality requirements for commercial operators

16. Submitters were highly supportive of increasing quality standards for operators. Of particular interest to submitters was the noise created by operators, waste minimisation and management, and emissions created by generators or vehicles.

#### Waste requirements

17. Since the draft policy was adopted for consultation the Waste Management and Minimisation Bylaw (the bylaw) has been adopted which now covers activities on council land. To align with the bylaw, we have removed specific waste management requirements from the policy and instead now require that users of council land comply with the bylaw (see change made at section 7.9). This simplifies the process for any enforcement action needed.

#### Noise restrictions

18. The high level of noise from commercial operators on council land was a particular issue the community noted. Some noise creation is likely from mobile shops<sup>1</sup>, however higher end energy sources can produce less noise. Energy generators with low noise emissions are more expensive than other options<sup>2</sup>, which can make investing in a different energy source difficult for traders with low margins or traders starting a business. Providing power in parks can address noise issues, however this can be expensive. The Kulim Park power installation cost approximately \$40,000<sup>3</sup>.
19. To balance the expense of noise minimisation for traders, with the need to address noise concerns from the community, the draft policy gives staff the ability to set lower noise restrictions at specific sites (at section 7.9). This would allow staff to target lower noise

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<sup>1</sup> Food that needs heating or chilling results in high power needs so coffee carts, ice cream and food trucks often result in noise creation.

<sup>2</sup> High end generators cost around \$10,000. Solar panels are low noise and low emissions, but traders advised they are insufficient to fully cover energy needs and so another energy source is usually required to meet the full energy requirements.

<sup>3</sup> The power connection was utilised for other park infrastructure not just mobile shops.

restrictions on sites where particular issues are raised by the community. Outside of these sites the City Plan noise limits would apply, leaving opportunities for traders who are unable to meet lower noise limits to trade elsewhere.

#### Qualmark certification

20. The draft policy proposed Qualmark registration as a mandatory requirement for temporary commercial traders on council land (such as surf schools, equipment hire businesses, and other activities). The certification was proposed to ensure businesses met a minimum quality standard. Qualmark fees were suspended as part of the Covid-19 response but prior to this were on average \$1,000 per year for the basic certification.
21. The Qualmark certification proposal was not supported by most traders. Key concerns with Qualmark were the value of the process compared with the cost. The operators said that they had to pay for several registrations to run their business already and they did not see the same value in it as other registrations particularly given the relatively high cost. We heard that Qualmark offered advice on quality standards for areas such as tourism marketing and brand management, which operators found less relevant for their businesses as they target more local users.
22. Table One: Qualmark requirement

Options	Advantages	Disadvantages
Option 1: Include requirement for commercial operators to be Qualmark certified	<ul style="list-style-type: none"> <li>Provides a certified quality standard</li> </ul>	<ul style="list-style-type: none"> <li>Expensive for operators</li> <li>Not targeted to local operators</li> </ul>
Option 2: Do not include requirement for commercial operators to be Qualmark certified and instead assess quality based on track record and feedback from community  <b>(Recommended – see removal of original section 7.5 of the policy and amendment to section 7.7)</b>	<ul style="list-style-type: none"> <li>Reduces costs for operators</li> <li>Gives local information</li> </ul>	<ul style="list-style-type: none"> <li>Requires staff to monitor feedback</li> <li>Feedback not always a reliable indicator of quality</li> <li>No certified quality standard</li> </ul>

#### Surfing NZ registration

23. The six surf schools currently licenced to operate on council land, all agreed that registration with Surfing New Zealand (Surfing NZ) should be a mandatory requirement for surf schools. Surfing New Zealand registration costs approximately \$300 per year and instructors must undergo specific training to meet certification requirements.
24. Table Two: Surfing NZ requirement

Options	Advantages	Disadvantages
Option 1: Include requirement for surf schools to maintain registration with Surfing NZ  <b>(Recommended – see new section 7.6 in the policy)</b>	<ul style="list-style-type: none"> <li>Provides a registered quality standard</li> <li>Results in a high-quality offering through requiring trained instructors and class ratios</li> </ul>	<ul style="list-style-type: none"> <li>Requirements may limit new entrants that cannot afford the training and registration.</li> </ul>

Option 2: Do not include requirement for surf schools to maintain registration with Surfing NZ	<ul style="list-style-type: none"> <li>• Reduces costs for operators</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback not always a reliable indicator of quality</li> <li>• No certified quality standard</li> <li>• No guarantee that providers are offering a quality experience</li> </ul>
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### Transitional arrangements

25. We had planned to transition new requirements and delegated powers related to commercial activities gradually, as new licence requests were received, or licences needed to be renewed. This would mean that changes such as noise restrictions, or powers to change the number of operators on sites, would not take immediate effect. Some submitters noted that they would prefer that these changes have immediate effect.

26. Table Three: Transitional arrangements

Options	Advantages	Disadvantages
Option 1: Use transitional arrangements to bring in new requirements  <b>(Recommended – no change to section 15 of the policy)</b>	<ul style="list-style-type: none"> <li>• Maintains existing agreements for the period of their licence</li> <li>• Gives current operators time to adjust to new requirements</li> <li>• Licence renewals could be processed by current resourcing</li> </ul>	<ul style="list-style-type: none"> <li>• Would not respond to community concerns as quickly</li> </ul>
Option 2: Have requirements take immediate effect amending recommendation (k) of this report	<ul style="list-style-type: none"> <li>• Would enable council to respond to community concerns quickly</li> </ul>	<ul style="list-style-type: none"> <li>• Would require resourcing for one-off reissuing of approximately 80-100 licences</li> <li>• Would change licence agreement during the licence term</li> </ul>

### Condition of sites following use

27. Several submitters raised issues about the condition sites were left in after use, sometimes limiting other groups from undertaking their planned activities. This reflected comments we heard during the pre-engagement with stakeholders, especially for multi-purpose sites. Some of the complaints related to authorised users, others related to unauthorised use, or use for longer than authorised.

28. Currently users may be required to provide a bond upfront. Generally, this is used where their activity is likely to result in damage that would need to be remediated, such as events that install stages, or require ground works. Bonds are less commonly used for regular sports use, community use or commercial operators.

## 29. Table Four: Managing the condition of sites

Options	Advantages	Disadvantages
<p>Option 1: Amend the partnership principle to include the expectation that partners will work with council to care for sites to ensure sites are returned in good condition for future community use</p> <p><b>(Recommended – see section 3.7, section 6.4 and section 7.1 of the policy)</b></p>	<ul style="list-style-type: none"> <li>Staff will need to consider prior-track record of partners in caring for spaces as part of requests for bookings or licences and permits</li> <li>Would give staff an avenue to move, add conditions like a bond or decline bookings, licences, or permits when the user has previously returned a site in poor condition</li> </ul>	<ul style="list-style-type: none"> <li>Where new one-off users damage a site there is less ability to recover financial losses</li> </ul>
<p>Option 2: Require a bond for all bookings, permits or licences to use council land</p>	<ul style="list-style-type: none"> <li>Creates a financial incentive for users to return the site in good condition</li> <li>Provides fund to remediate damage</li> </ul>	<ul style="list-style-type: none"> <li>Would put financial obligation on all users which could discourage groups with less financial resources from using council land</li> <li>Often the impact of the damage cannot be fixed by funding (eg grass recovery time)</li> </ul>

**Lease length and structure**Maximum length

30. Many submitters were happy with the maximum length of the lease proposed (33 years). Both TECT and BayTrust were supportive of the maximum length. BayTrust noted that 33 years was on the shorter side of what they would consider for large investments such as new buildings or infrastructure as they often want to fund for intergenerational use, but that 33 years would be acceptable.
31. Some submitters raised concerns that 33 years was too long. Submitters concerned with the long lease mentioned the need for council land to provide for growth and changes in the community into the future.
32. While this policy sets the maximum lease length authorised by council, the length of any individual lease would be assessed on a case-by-case basis and professional judgement would be applied. Longer lease terms would be targeted at groups requiring certainty to invest in significant capital or maintenance expenditure.

Termination clause

33. Concerns were raised around the need for a termination clause with some submitters proposing that flexibility to respond to changing community needs could be met with appropriate lease lengths and renewal periods alone. While we agree that most changes should be accommodated by using these lease mechanisms, there are certain circumstances where using a termination clause may be appropriate, such as if a community group's membership dwindles significantly and there are other community users wanting to use the land.

34. Not having a termination clause in leases may discourage staff from leasing spaces, or leasing spaces for long period, where there are concerns that future needs or users are not clear. This may be of concern for land in growth areas or areas undergoing redevelopment where future community needs are less predictable.
35. The key impacts of a termination clause submitters were worried about were the potential impact on access to community funding and the possibility of needing to relocate quickly. Submitters noted that groups would often require significant time to gather resources to relocate and that one-year was not sufficient time.
36. We spoke with funding specialists from both TECT and BayTrust about whether a termination clause would have an adverse impact on access to philanthropic funding. Both organisations were comfortable that the proposed structure and termination clause would not impact their likelihood to fund activities.
37. The termination clause does appear to be short, however the process before triggering a termination clause could be much longer depending on the significance of the decision. Any application of the termination clause would be the culmination of any change proposal, after engagement and consultation on the planned changes had occurred.
38. A longer termination clause period could be considered, as well as adding discretion to extend this length when circumstances warrant a longer formal notice period. It would be important to factor this notice period into project timeframes for change proposals following the consultation, engagement and decision-making period (which may itself take significant time).

#### Operational property leased on commercial terms

39. Following further consultation, we have identified that some operational property (such as Tauranga Airport and Vessel Works) is leased on commercial terms but is classified as an operational property because they provide council services. These assets often return market rental similar to strategic property and therefore adding a termination clause to these properties would impact the value of these leases. To address this issue, we have proposed an exclusion be added to the policy, to exclude the termination clause requirement for operational property that is leased on commercial terms.

Table Five: Termination Clause

Options	Advantages	Disadvantages
Option 1: Adopt a maximum 33-year lease term with 10-year renewal and a one-year termination clause for operational property, with an exclusion for property leased on commercial terms	<ul style="list-style-type: none"> <li>Clarifies the maximum lease term and allows long-term leases where required to secure funding</li> <li>Gives flexibility should council need operational property for another use in future or where a community group is no longer meeting their agreed outcomes</li> <li>Addresses community concern that leases be fit for future growth or change in the community</li> <li>Not likely to impact philanthropic funding for community groups</li> <li>Allows operational property that is leased on commercial terms to continue to receive maximum revenue</li> </ul>	<ul style="list-style-type: none"> <li>Concerns from the community that termination clause may be used unfairly</li> <li>Short formal notice period for users (although consultation on the use of the clause would have occurred prior to use)</li> </ul>

<p>Option 2: Adopt a:</p> <ul style="list-style-type: none"> <li>• maximum 33-year lease term with 10-year renewal and</li> <li>• a two-year termination clause for operational property, with an extension to seven years available (in accordance with section 8.5 of the policy) and an exclusion for property that is leased on commercial terms</li> </ul> <p><b>(Recommended – see section 8.4 and section 8.5 of the policy)</b></p>	<ul style="list-style-type: none"> <li>• As above but gives a longer two-year notice period for users to organise to relocate</li> <li>• Allows the Chief Executive discretion to extend the termination clause to seven years where they consider the scale of capital investment on the land, term of the lease, or nature of the use of the site justifies a longer termination period</li> </ul>	<ul style="list-style-type: none"> <li>• May increase project timeframes for changes as consultation and engagement on the use of the clause would have occurred prior to the use of the clause and then a further two-to-seven-year formal notice period would be required</li> </ul>
<p>Option 3: Adopt a maximum 33- year lease term with 10-year renewal and no termination clause for operational property</p>	<ul style="list-style-type: none"> <li>• Addresses concerns termination clause may be used unfairly</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces flexibility should council need operational property for another use in future or where a community group is no longer meeting their agreed outcomes</li> <li>• Community concern that leases be fit to accommodate future growth or change in the community is not addressed</li> <li>• May disincentivise leasing land due to concerns that land may be needed in future</li> </ul>

### Clarifying the rules for Early Childhood Education (ECE) facilities on council land

40. The 2015 review of the Community, Private and Commercial Use of Council-Administered Land Policy considered the issue of whether to provide land for ECE facilities. At the time the council sought advice from the Ministry of Education which clarified that while the council could provide land for that purpose it was not a role that council was required to undertake.
41. Following the review, council decided that it was not council's role to provide land for this purpose and new provisions were included in the policy, which would prohibit new ECE

facilities on council land. To address existing facilities on council land, provisions were added to be considered at the point any lease ended before entering in a new lease.

42. The council also decided that playcentres would not be included in the definition of an ECE facility and the existing policy definitions reflect this. The rationale was that because playcentre was parent-led it was more like other community playgroup activities like music sessions, sports and soft play activities which help build community connectedness and can operate on council land.
43. While the existing policy excluded playcentres from the definition of an ECE facility the section of the policy on ECE facilities mentioned provisions relating to relocation of the Mount Maunganui Playcentre. This drafting created ambiguity and confusion about whether playcentres were excluded or not. We proposed updating the policy to remove this ambiguity.
44. Several people submitted on this change. The key concerns raised were around the equity between allowing playcentres but not kindergartens which are also non-profit community centred organisations. The Mount Maunganui Playcentre were supportive of the clarification.

### High Performance Sport

45. Submitters generally supported the use of council land by high performance sport however there were many comments about the need to proactively manage the potential conflicts with community sport through negotiating bookings ahead of time. The recent masterplan process on high use sites including the two sites where most high-performance sport use occurs (Tauranga/Wharepai Domain and Blake Park), has enabled proactive site planning to reduce scheduling conflicts between users.
46. Sport BOP raised in the initial pre-engagement on the proposed conditions that while the proposed policy criteria seemed right for now, they expected the level of use from teams outside of Tauranga or international teams to increase in future. They recommended adding more discretion before accepting booking from these teams to account for any future increases in demand.
47. Given the feedback from the community and the concerns about future demand for high performance sport raised by Sport BOP, we recommend removing the criteria for high-performance sport use from the policy and instead take a site-based approach. Decisions on when to prioritise high-performance sport will be made according to the masterplan for individual sites and the relevant reserve management plan. This approach will give more flexibility to negotiate the needs of different users and allow for more frequent adjustments should demand on sites change going forward.
48. Table Seven: High Performance Sport

Option	Advantages	Disadvantages
Option 1: Retain the draft policy criteria for all sites	<ul style="list-style-type: none"> <li>Provides a city-wide direction on when high-performance sport will be prioritised</li> </ul>	<ul style="list-style-type: none"> <li>Does not allow for different priorities on individual sites</li> <li>May result in displacing community sport on sites set aside for community sport use if demand from high performance exceeds the capacity of sites allocated for high performance use</li> </ul>



<p>Option 2: Remove the draft policy criteria and set high performance criteria in relevant masterplans and reserve management plans</p> <p><b>(Recommended – see amendment to original section 6.22 of the policy)</b></p>	<ul style="list-style-type: none"> <li>• Provides site specific direction on prioritises of use</li> <li>• Stops high-performance sport from having priority on sites set aside for community sport use</li> </ul>	<ul style="list-style-type: none"> <li>• High-performance sport may not be able to be accommodated when demand exceeds the capacity of sites allocated for high performance use</li> </ul>
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### Community gardens, memorials, and stormwater

49. Submitters strongly supported community gardens. Some submitters mentioned that we should consider our position on other forms of edible plants such as fruit trees and food forests. These other types of food production on council land are likely to be on a smaller scale, and while still important to have a plan to manage, are not likely to require a licence to occupy style agreement. To address these smaller scale garden types, we have adjusted the policy to recognise that only written permission would be required in these instances (see sections 9.1 and 9.2 of the policy).
50. Submitters mostly agreed with the provisions related to memorials on council-land with many supporting a memorial tree option. A few submitters did not support the restriction on memorial seats or the scattering of ashes while a few others opposed any memorials on council land.
51. Those submitting on stormwater provisions mentioned a desire to see these spaces activated as wetlands, and/or ecological sites for wildlife and native plantings. The Nature and Biodiversity Action & Investment Plan being developed will look at how we can support high value ecological areas in Tauranga alongside their other functions such as stormwater catchments or flow paths, transport routes and community spaces.

### Updates and consequential changes to the policy

52. Since the policy was developed, the masterplans on Blake Park and Tauranga Wharepai Domain have addressed some matters covered by the policy. To recognise these agreements, we have included the masterplans as a consideration alongside the policy principles (see sections 6.3, 6.9, 6.22 and the definition in section 4 of the policy). We have also updated sections relating to sports use of Blake Park as this is now superseded by the masterplan (see removal of original section 6.22 of the policy).
53. We have also made small changes to definitions and categorisations in response to staff feedback (see section 4 of the policy and consequential amendments). This includes changing the requirement for fitness classes from having to book to instead hold a licence (at no cost reflecting the prior policy decisions) – see section 7.1 of the policy. This change was to recognise that as ongoing users of the space, a licence was a more appropriate mechanism to gather information and would reduce the need to provide documentation multiple times particularly for those that operate frequently. This change also provides the ability to consider noise limits for operators, like other commercial operators, if requested by the community.

### FINANCIAL CONSIDERATIONS

54. Updates to the policy that require additional vetting and processing by staff may increase the operational cost of issuing approvals. The termination clause for operational property may

devalue the lease, however excluding operational property leased on commercial terms is expected to reduce the impact on revenue.

### LEGAL IMPLICATIONS / RISKS

55. In implementing this policy staff will need to adhere to governing legislation such as the Reserves Act, the New Zealand Bill of Rights Act 1990, and bylaws made under the Local Government Act 2002.
56. Any limitation on the use of council land must be consistent with the Reserves Act and the rights and freedoms given under the New Zealand Bill of Rights Act 1990. Staff using this policy to move, add conditions or decline a request to use council land must do so in a way that does not unjustifiably impinge on users' rights and freedoms.

### SIGNIFICANCE

57. 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.
58. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the issue.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
59. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.

### ENGAGEMENT

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

### NEXT STEPS

61. Following the decisions today we will notify stakeholders, update the website, and begin operationalising the new requirements as per the transitional arrangements selected.
62. An online form for those wanting to use council land is being developed, and online information and guidance on the use of council land is being refreshed in the medium term to support the implementation of the policy.

### ATTACHMENTS

1. **Draft Policy - A14260219** [!\[\]\(609f3372828e3526d7ce4ba9a1b5248e\_img.jpg\)](#) 
2. **Consultation Survey Results Summary - A14260218** [!\[\]\(3352a6730d138e04e821032e4ee01472\_img.jpg\)](#) 

## USE OF COUNCIL LAND POLICY 2022



<b>Policy type</b>	City		
<b>Authorised by</b>	Council		
<b>First adopted</b>	6 December 2005	<b>Minute reference</b>	M05/140
<b>Revisions/amendments</b>	9 May 2016 5 December 2022	<b>Minute references</b>	M16/25.3
<b>Review date</b>	3 years		

### 1 PURPOSE

- 1.1 To provide a consistent approach to the management and use of Tauranga City Council (council) owned and administered land.
- 1.2 To set clear expectations about how council land may be used.
- 1.3 To give direction on specific activities on council land.
- 1.4 To provide a decision-making framework for the management and use of outdoor spaces.
- 1.5 To give effect to the principles of the Treaty of Waitangi.

### 2 SCOPE

- 2.1 This policy applies to:
  - the management and use of council-owned and/or administered strategic or operational land except where specifically excluded below
  - the use of roadways and road berms by mobile shops, [events or promotions and giveaways](#).
- 2.2 This policy excludes:
  - the management and use of indoor facilities on council land
  - [Public art on council land](#)
  - the management and use of Mauao
  - the use of roadways and road berms (except by mobile shops, [events or promotions or giveaways](#) as outlined above).

### 3 PRINCIPLES

#### Outcomes sought from the use of council land

- 3.1 **Community Benefit** - council land is primarily for community use; however council land may be used for private or commercial purposes where this provides a public benefit, and is consistent with relevant plans, strategies and policies.

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3.2 **Environment** - council recognises and protects the environmental values associated with council land. Areas with high ecological and landscape value are recognised, valued, and protected.

3.3 **Vibrancy, Inclusivity and Diversity** - council recognises the role of council land in providing for a range of uses and activities that contribute to community connection, vibrancy, and diversity.

3.4 **Cultural Significance** - council recognises the customary and traditional connection that mana whenua has to the land. Council will work with mana whenua on the management and use of council land to give effect to the principles of the Treaty of Waitangi, and the relationship protocols it has with iwi and hapū. Areas with high cultural, archaeological, and historical value are recognised, valued, and protected.

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3.5 **Health and Wellbeing** - council recognises the role of council land in promoting and supporting health, wellbeing, and active communities.

#### Approaches to managing council land

3.6 **Purposeful** - council-owned and administered land will be managed and used for its stated purpose, as outlined in the Tauranga Reserve Management Plan, the Reserves Act and the Long-Term Plan and Annual Plan.

3.7 **Partnership** - council will work in partnership with users of the land, mana whenua and key stakeholders to achieve the outcomes of this policy. Users will work with council to care for sites to ensure sites are returned in good condition for future community use.

3.8 **Network Approach** - council applies a network approach to the development, management and use of outdoor spaces to ensure that activities are accommodated on the most suitable space for the type of use, and to minimise the impact on infrastructure, the environment, and other users.

3.9 **Knowledge and Insight** - council will actively monitor the use of outdoor spaces to inform decision-making. Council will share available information on spaces, including their history, cultural, ecological, and environmental values and their potential uses with the community.

3.10 **Fairness** - in setting fees and charges, council will balance the public value of the use of council land against any private benefits accrued.

#### 4 DEFINITIONS

<b>Active Reserve</b>	A large reserve that provides for a wide range of activities including formal sport, events and casual use. They also provide wide open greenspace within the urban environment of the city.
<b>Booking</b>	An agreement that secures use of council-owned and/or administered land.
<b>Casual Use</b>	The informal use of council-administered land which is usually a one-off occurrence, but could be for two or three uses.
<b>Coastal Reserve</b>	Any reserve, owned and/or administered by council, along the foreshore or harbour.
<b>Commercial Activities</b>	<u>Operators carrying out on-going commercial activities located on council land. Includes businesses operating off site, but as part of that business using council land. Excludes commercial events, markets, mobile shops, tour operators or commercial activities operating on a site under a lease or licence to occupy agreement.</u>
<b>Community Users</b>	Not for profit organisations including but not limited to community groups

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	and charities using council-administered land.
<b>Commercial Users</b>	Individuals or businesses using council-administered land to make a profit or financial gain.
<b>Community Garden</b>	An area of land cultivated collectively by a group of people for growing fruit and vegetables for personal use, and not for commercial gain.
<b>Community Sport</b>	Local not for profit organised physical activity within the Tauranga City Council district.
<b>Council</b>	Tauranga City Council or any person authorised or delegated to act on its behalf.
<b>Council Land</b>	Council land includes council-owned land and council-administered land which council is responsible for. This includes land owned by council and Crown land which council is responsible for managing but excludes Mauao.
<b>Cultural Tour Operators</b>	Māori cultural tour or tours including a site of cultural significance as identified in the Tauranga City Plan
<b>Early Childhood Education Facility</b>	Premises used regularly for the education and/or care of children aged from 0 to 5 years old, excluding Playcentres, but including and not limited to: <ul style="list-style-type: none"> <li>• kindergartens</li> <li>• te Kohanga Reo</li> <li>• education and care centres.</li> </ul>
<b>Encroachment</b>	An unauthorised occupation, development or use of council land for private benefit.
<b>Events</b>	An organised occasion that brings people together for the purpose of participating in an uplifting community, cultural, commemorative, recreational, sport, art, educational or entertainment experience. Events do not include markets, fairs, regularly scheduled sport and recreation activities, weddings and other family celebrations, or commercial activities, activations or attractions on reserves.
<b>Event Signage</b>	<u>Signage related to an event occurring on a site, this includes identification signage, and promotional signage.</u>
<b>Exclusive Use</b>	Land or facility used exclusively by the lease or licence holder where the general public are excluded, or the use of the land makes that specific area unavailable for other uses.
<b>Junior Sports Code</b>	Junior division of a sports code, the age of which is defined by the related regional or national sports organisation.
<b>Lease</b>	A lease gives the lessee the exclusive use of the property. Lease agreements may include rights of renewal, and provisions for reviewing the rent over the term of the lease.
<b>Licence or Permit</b>	A short-term right to operate on a site. Licence or permit agreements may include conditions of operation.
<b>Licence to Occupy</b>	Usually, a short-term right to occupy a property for a particular purpose, and it does not give any right to exclusive occupation.
<b>Market</b>	Any publicly accessible outdoor place where goods are offered for sale, which consists of a number of stalls grouped together.
<b>Masterplan</b>	<u>Is a plan for the future use of sites, developed by council alongside site users and formally approved by Council.</u>
<b>Mobile Shop</b>	A vehicle from which material goods can be sold. This includes both food and non-food goods.
<b>Non-exclusive Use</b>	The land or facility is used by the <u>permit or</u> licence holder but the general public may still access the land or facility.
<b>Operational Property</b>	Operational Property is land which is currently used for council services or an infrastructural project e.g. recreation reserve, park or stormwater reserve.
<b>Operator</b>	The person or organisation carrying out business by means of a mobile shop, <u>a commercial activity</u> or a tour.

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Deleted: High Performance Sport Fixture or Training

Deleted: Are fixtures and trainings that are not considered events and include high performing regional, national or international teams, re-occurring periodically for the purpose of developing knowledge and skills of the participants.

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Deleted: Market Organiser

Deleted: The applicant who has applied to run the market.

Deleted: Ongoing Use

Deleted: A formal agreement for use of council land or a facility, usually involving a lease or a licence to occupy, for long term (sometimes semi-permanent) usage.

Deleted: an activity or attraction

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<b>Park</b>	A park held under the Local Government Act 2002
<b>Promotions or giveaways</b>	<u>Temporary use of a site by commercial activities to raise awareness of a brand or product through giveaways or promotional activities.</u>
<b>Public Benefit</b>	For an activity to be considered to have a public benefit the activity must have a benefit that would; help meet the principles of this policy, be capable of being identified and defined, and be aimed at the general public or a sufficient section of the community.
<b>Regular Competition</b>	Are games and competition re-occurring weekly for a minimum of 10 weeks or 10 re-occurring monthly occurrences per year.
<b>Regular Training</b>	Activity for the purpose of developing knowledge and skills of a sport re-occurring weekly for a minimum of 10 weeks or 10 re-occurring monthly occurrences per year.
<b>Reserve</b>	Any reserve owned or administered by the council.
<b>Road Berm</b>	The shoulder of the roadway or strip of land adjoining the roadway.
<b>Roadway</b>	The portion of the road used for vehicular traffic in general, including parking spaces.
<b>Site</b>	Location within a public place (as defined by the <a href="#">Street Use and Public Places Bylaw</a> ) suitable for activities, may be a park or reserve or a portion of a park or reserve.
<b>Stall</b>	Includes any stationary yet moveable stand or similar structure on or at or from which goods and services are sold or exposed for sale.
<b>Strategic Property</b>	Land owned by the council for a future purpose, which is not currently being used for that purpose. This includes land which is expected to meet future operational needs e.g. land banking.
<b>Sponsorship Signage</b>	Signage which is aimed at acknowledging the partnership between the user of council-owned or administered reserves and a commercial entity. It is not signage which is dedicated to advertising a commercial entity.
<b>Sports fields</b>	All grass sports fields provided within the council's active reserve network. This does not include playing surfaces that are under a lease arrangement with the council.

Deleted: Private Use

Deleted: Where individuals use council-administered land for their own use but not for profit or financial gain.

Deleted: Public Place

Deleted: Tournament

Deleted: Small-scale Activation

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## 5 FEES AND CHARGES

- 5.1 Fees and charges for the use of council land, including but not limited to booking fees, licence or permit fees and lease and licence to occupy charges, will be set through the council's user fees and charges process. In setting fees the council will have regard to clause 3.10.

## 6 BOOKING COUNCIL LAND

### Activities that do not need to book to use council land

- 6.1 One-off, casual non-exclusive use of council land, which has no facilities, by individuals or for community use does not require a booking. However, users are recommended to advise council in order to check if an organised activity is wanting to use the same space at the same time as this also allows council to update potential users if a booking arises or planned works need to be undertaken.

### Activities that must book to use council land

- 6.2 Activities that must book to use council land:
- community or commercial users wanting exclusive use of council land
  - community users wanting non-exclusive use of council land on an ongoing basis
  - commercial users wanting one off, casual non-exclusive use of council land
  - filming and photography sessions
  - promotions or giveaways
  - events
  - wedding ceremonies
  - markets
  - stalls
  - sports competitions, regular trainings, or regular fixtures.

Deleted: or commercial

Deleted: boot camps

### Sites available for booking

- 6.3 The council may specify times at which sites are unavailable for booking, or for particular types of bookings, as outlined in 6.2 to ensure that the sites are managed for the wellbeing and enjoyment of the community in accordance with the principles of this policy or in line with agreed masterplans.
- 6.4 Any decision by the council to make a site unavailable for booking must be made with regard to the principles of this policy. The council will explore opportunities for the relocation of potential users including consideration of alternative sites, times, or dates for the activity. The council reserves the right to reverse the decision to make a site unavailable at any point. The council will consider users prior track record caring for sites as outlined in Clause 3.7 when making booking decisions.
- 6.5 In some circumstances council may be required to undertake unscheduled work on an outdoor space that is booked by a user through council's booking process. The council will take all reasonable steps to minimise the potential for this to occur however if it does occur then the council work will take priority over booked users of the space. The

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council will explore opportunities for relocation of the user including consideration of alternative sites, times, or dates for the activity.

[6.6](#) The council reserves the right to reallocate booking sites, times, or dates in accordance with clause 6.8 multiple booking requests.

[6.7](#) [The council reserves the right to refuse to consider a booking where the booking request is outside of the relevant booking timeframe required.](#)

#### Minimum requirements for bookings

6.8 Any use of council land must:

- adhere to the conditions set as part of the bookings or event approval processes
- be consistent with the principles of this policy and relevant policy clauses of this policy that relate to the activity to take place
- not create a nuisance or encourage offensive behaviour
- be consistent with relevant plans, bylaws strategies and policies
- include appropriate time for the site to recover to an acceptable standard for use
- be lawful and safe.

#### Multiple Booking Requests

6.9 If multiple booking requests are made for the same site, date, and time, the council will:

- work with the users to explore options for accommodating both activities at the identified site
- work with the users to explore relocation of one of the users to another area of outdoor space
- if unable to achieve an acceptable resolution, decide which booking request to accept based on the principles of the policy, and in accordance with sections 6.9 – 6.17 decisions on bookings. [Where an agreed masterplan exists for a site the masterplan will be considered alongside the principles of the policy.](#)

#### Decisions on Bookings

6.10 Booking requests will be considered by [relevant staff](#) in the first instance.

**Deleted:** staff in the Active Community Partnerships team\* or the Venues and Events team\*...

6.11 If the booking request clashes with another booking or booking request and the process in 6.8 has not achieved an acceptable resolution, or if the booking request relates to a significant booking, then the booking request will instead be considered by the Bookings Approval Panel [of staff as delegated by the Chief Executive.](#)

6.12 Unless further information is requested, a decision must be made within 20 working days of the date on which the booking request is made. In cases where further information is requested by council, it must be made within 20 working days of the further information being provided.

6.13 The council will offer an opportunity for applicants to discuss the potential booking and conditions. Applicants may provide any information they consider relevant to the decision-making process.

6.14 A decision must be provided in writing and must be provided to the applicant. If the booking request is declined, conditions are imposed, or the potential booking is

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required to move to a different location, then the decision must state reasons for that decision.

- 6.15 If the applicant, is dissatisfied with the decision, it may ask the Bookings Approval Panel to reconsider the decision.
- 6.16 If an application to reconsider the decision is made, then a reconsideration decision must be made within 20 working days after the date of that application. The Bookings Approval Panel may either confirm the original decision or vary it. If the reconsideration decision varies the original decision, the reviewer may substitute any decision that the original decision maker could have made.
- 6.17 There is no right of challenge against the Bookings Approval Panel decision.

#### Sport club and association bookings

- 6.18 The following policy provisions only apply to booking decisions for sports use of sportsfields.
- 6.19 Priorities of use:
- in season sports codes receive priority over out of season sports codes
  - the council will set season timeframes and sport code priorities based on patterns of use.
- 6.20 The seasons are as follows:
- winter season: runs from 1 April to 30 September
  - summer season: runs from 1 October to 31 March.
- 6.21 Junior sports codes receive priority on weekdays before 7pm and weekends before 12pm, unless specific alternative arrangements are in place as agreed with council.
- 6.22 For regular competition and training:
- priority will be given to bookings from Tauranga based organisations
  - bookings made by regional sports organisations and clubs have priority over bookings made by schools
  - regular competition has priority over regular training except for Tuesday, Wednesday and Thursday evenings where training has priority

#### Events

- 6.23 Events must go through the events approval process [accessed on the council website](#).

#### Stalls

6.24 Individual stalls will only be permitted:

- [for the specific purpose of fundraising for a community or charitable organisation](#), [or](#)
- [as part of an event or market](#).

### 7 LICENCE OR PERMITS TO OPERATE ON COUNCIL LAND

**Deleted:** <#>the priority criteria for the Bay Oval at Blake Park is as follows (highest priority first): ¶  
 <#>international cricket ¶  
 <#>national cricket ¶  
 <#>regional cricket ¶  
 <#>sub-association cricket ¶  
 <#>club cricket finals ¶  
 <#>international use/events ¶  
 <#>national use/events ¶  
 <#>regional use/events ¶  
 <#>local community events ¶  
 <#>local club cricket ¶  
 <#>other local club sport ¶  
 <#>cricket training ¶  
 <#>other local training. ¶

**Deleted:** <#>High Performance sport fixtures and training (excluding events) will be accommodated on council land where the fixture or training: ¶  
 <#>is likely to increase the profile and relevance of sport for the community **or** ¶  
 <#>relates to Tauranga based or national New Zealand sporting teams **or** ¶  
 <#>can be accommodated without unduly compromising existing community sport bookings. ¶

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**Activities that must have a licence or permit to operate on council land**

7.1 Activities that must have a licence or permit to operate on council land:

- [mobile shops](#) (unless operating with an event or market that has been approved by the council)
- [fitness classes](#)
- [commercial activities](#)
- [tour operators](#).

Deleted: <#>small-scale activations¶

**Sites available for trading**

7.2 Activities (as outlined in clause 7.1) may only operate on sites as outlined on their licence or permit and subject to any maximum limit set under clause 7.9 of this policy, and any conditions set out in their licence or permit agreement.

7.3 The council may tender licences or permits for specified trading sites. Only activities (as outlined in clause 7.1) with a tendered licence or permit may trade from these sites.

**Decisions to grant a licence or permit agreement**

7.4 Activities (as outlined in clause 7.1) must provide to the council as part of their application:

- their proposed trading sites
- a completed waste management plan in a form prescribed by the council
- information to satisfy that the commercial activity is compliant with their health and safety obligations, including any adventure activities requirements under the Health and Safety at Work Act and Health and Safety at Work (Adventure Activities) Regulations 2016 where applicable.

7.5 [Cultural tour operators must provide evidence of engagement with appropriate iwi / hapū representatives on the content of their tour.](#)

Deleted: <#>Small-scale activations must provide evidence of Qualmark certification. ¶

7.6 [Operators offering surf lessons or coaching must registered as an approved surf school with Surfing New Zealand. If Surfing New Zealand withdraws a surf school's registration, council may revoke their licence or permit with immediate effect.](#)

7.7 Decisions to license or permit activities (as outlined in clause 7.1) to operate, and or the conditions of any permit, must align with the principles of this policy as outlined in Section 3. [Council will consider operators past track record when making decisions on the use of council land.](#)

7.8 The council may issue a licence or permit for a specified period up to a maximum of two years in duration (excluding leases) but must include an annual review.

**Minimum requirements for licence or permit agreements**

7.9 Licence or permit agreements must include provisions that state:

- approved trading sites, duration of trade, and conditions of trading, including any noise restriction levels and [any requirements under the Waste Management and](#)

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[Minimisation Bylaw 2022](#). Operators may request to vary trading sites on their licence subject to approval by council

- that licences or permit agreements are personal to the operator and may not be transferred
- the council reserves the right to suspend or restrict trade by commercial activities on sites during an event or market that has been approved by council
- the council reserves the right to alter the terms and condition of the licence or permit with one months' notice in writing
- that any breach of the terms and conditions of the licence or permit may result in the licence or permit being revoked
- maximum numbers of activities, or types of activities (as outlined in clause 7.1) that may operate at one time in specified parks and reserves as determined by the Manager: Parks and Recreation\*.

#### Setting maximum limits for activities in parks and reserves

7.10 When setting maximum numbers under clause 7.9, the Manager: [Spaces & Places Operations](#),\* will consider how the maximum would contribute to / or impact on the achievement of the principles of this policy and have regard to:

- the level of public benefit gained from the activities on offer and the level of demand for commercial activities at the park or reserve

\* Or any equivalent role in future.

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- the effect the maximum limit would have on:
  - the availability of car parking
  - impact on other users of the reserve
  - impact on the environment
  - impact on the infrastructure of the park or reserve
- the impact of the maximum limit on the variety of operators/activities on offer for park or reserve users
- feedback from iwi and hapū and the community on the operation of commercial activities on the reserve
- the effect a maximum limit would have on the livelihood of existing traders and the ease of entry for new operators on council land.

## 8 LEASE AND LICENCE TO OCCUPY COUNCIL LAND

- 8.1 Decisions to allow a lease or licence to occupy and the conditions of the lease or licence to occupy will be set with regard to the guidance in this section.
- 8.2 Council will not issue any leases in perpetuity for use of council-administered land for any purpose.

### Lease of strategic property

- 8.3 Any use of a strategic property must:
- be consistent with the zoning in the District Plan unless a designation or resource consent has been granted
  - return a market rental, or offer comparable returns for council e.g. through reduced maintenance costs, or other benefits received, [lease fees will be set through the user fees and charges setting process that is part of each annual plan or long-term plan process](#).
  - be consistent with the council's intentions for the property, the lease length may be the maximum acceptable while still achieving the intentions of the property
  - include periodic renewal periods no longer than 10 years in duration
  - be lawful and safe.

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### Lease of operational property

- 8.4 Any use of an operational property must:
- be consistent with the zoning in the District Plan unless a designation or resource consent has been granted
  - be consistent with relevant plans, strategies and policies
  - [lease fees will be set through the user fees and charges setting process that is part of each annual plan or long-term plan process](#)
  - be considered with regard to the principles of this policy
  - be for a period no longer than 33 years maximum as aligned with the Reserves Act 1977
  - include periodic renewal periods no longer than 10 years in duration
  - include a termination clause allowing council to terminate the lease, [except where an operational property is leased on commercial terms, the length of the termination clause must be set in accordance with clause 8.5](#)
  - be lawful and safe.

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- 8.5 Termination clauses for leases of operational property will be set for a standard period of two years, however an extension to up to seven years may be considered where the Chief Executive considers that scale of capital investment on the land, term of the lease, or nature of the use of the site justifies a longer termination period. Termination clauses are not required for operational property leased on commercial terms.

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#### **Licence to occupy strategic property**

- 8.6 Council may grant a licence to occupy agreement to use strategic property. Any licence to occupy strategic property must:

- be consistent with the zoning in the District Plan unless a designation or resource consent has been granted
- be consistent with relevant plans, strategies and policies
- be lawful and safe
- include a termination clause allowing council to terminate the licence with one month's notice.

#### **Licence to occupy operational property**

- 8.7 Council may grant a licence to occupy agreement to use operational property. Any licence to occupy operational property must:

- be consistent with the zoning in the District Plan unless a designation or resource consent has been granted
- be consistent with relevant plans, strategies and policies
- be considered with regard to the principles of this policy
- be lawful and safe
- include a termination clause allowing the council to terminate the licence with one month's notice.

#### **Early Childhood Education and Care (ECE) facilities on council land**

- 8.8 Council land is not for the purpose of providing ECE facilities (playcentres are not considered ECE facilities). ECE facilities may only be allowed on council land in the following circumstances:
- the ECE occupies an existing ECE facility and has a current lease on council land or
  - the ECE leases a portion of a facility in which they are not the primary tenant.

#### **Existing ECE facilities on council land**

- 8.9 When a lease for an existing ECE facility expires the council will consider the factors in clause 8.11 before entering a new lease arrangement.

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- 8.10 If an existing ECE facility wants to expand their facility the council will consider the factors in clause 8.11 before agreeing to an expansion.

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- 8.11 Factors to be considered when deciding whether to grant or amend a lease for an ECE facility:

- demand for the site from other uses and / or users

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- impact on the purpose of owning the land, including the role of the site in the council's network of land holdings
- level of service requirements
- the relevant reserve management plan (if applicable)
- alternative options for the site
- council and the ECE facility's organisational, financial and future plans
- the historical association of the ECE facility with the site
- the role of the ECE facility within the community
- the legal status of the land.

8.12 If a new lease is not offered to an existing ECE facility, the council is not required to fund or provide alternative land to facilitate the re-location of that facility.

## 9 COMMUNITY GARDENS

9.1 The council encourages community groups wanting to use council land for community gardens through providing land for this purpose, supporting the identification of appropriate land in line with clause 3.6 and clause 3.8 of this policy, and assisting in planning and implementation.

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9.2 Community gardens must have a licence to occupy agreement. Approval from the council is required to plant edible trees or plants on council land as per clause 12.1 of this policy.

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## 10 MEMORIALS ON COUNCIL LAND

10.1 The scattering of ashes on council land is prohibited, however memorial areas are provided in Tauranga Cemeteries for this purpose.

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10.2 Council land is generally not provided for memorials however commemorative trees can be planted to remember a loved one, celebrate a birth, anniversary or special event, honour someone or express appreciation.

10.3 Family and friends can plant or help plant the tree. Council staff need to be present at all tree plantings. Plaques are not permitted for the planted trees. Trees may be recorded on the council website where this is desired for the public record.

10.4 The cost for a memorial tree will be set in the council user fees and charges. The cost will cover the planting and initial care and maintenance over its lifetime. Trees that die or are vandalised within two years are replaced for free.

10.5 The council may offer limited provision for memorial seats with commemorative plaques subject to infrastructure needs in the parks and reserve network. Memorial seats are in place for 10 years or the lifetime of the seat.

## 11 STORMWATER

11.1 The primary purpose of stormwater reserves is to direct, slow, absorb and remove stormwater from roads, housing, and infrastructure to avoid flooding and damage.

11.2 Stormwater reserves are recognised as part of the council's network of outdoor space and may be used for recreational purposes, to provide greenspace and perform ecological functions.

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- 11.3 Infrastructure and levels of service for stormwater reserves will support community aspirations for stormwater reserves, provided this can be accommodated without compromising the primary purpose of the reserve set out in clause 11.1.

## 12 ENCROACHMENTS ONTO COUNCIL LAND

### Encroachments onto council land

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- 12.1 Approval is required from the council to carry out any planting, maintenance or other work on council land, and the work must be consistent with any relevant strategies, plans or policies. Where approval is not obtained, the planting, maintenance and other works are determined to be encroachments.

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### Encroachments onto coastal reserves

- 12.2 The council's key objective of maintaining the natural dune environment in perpetuity of the coastal reserve is paramount, including the number of access points to the beach through coastal reserves.
- 12.3 Approval is required from the council to carry out any planting, maintenance or other work in the coastal reserve, and the work must be consistent with any relevant strategies, plans or policies.

### Existing encroachments

- 12.4 The council will have a planned programme to remove of existing encroachments subject to funding availability.
- 12.5 The council may charge the private landowner for some, or all, of the costs associated with removal of the encroachment under the Street Use and Public Places Bylaw. When considering the level of charge council will have regard to the contribution of the property owner to the establishment, or expansion, of any encroachment.
- 12.6 Highest priority for removal will be encroachments on:
- sites where significant damage to the natural character of the dunes, indigenous flora or reserves has occurred
  - sites where the maintenance or enhancement of public access or other amenity values are compromised by physical or psychological barriers to public use
  - sites where structures or other developments increase the risk of erosion or other damage during storm conditions.
- 12.7 Some existing accessways from private properties may be allowed to remain for practical reasons and some shared accessways will be encouraged in consultation with council. The council will facilitate a process to encourage shared accessways for private landowners adjoining reserves.
- 12.8 The council may decide that an existing encroachment may be regarded as sufficiently minor to be left as is.

## 13 SIGNAGE ON COUNCIL LAND

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13.1 Council may allow community groups to have identification signs and sponsorship signage on reserves, parks, and greenspace where the signs comply with council signage guidelines and have received approval from the Manager: Parks and Recreation.

13.2 [Event signage will be assessed and approved through the events approval process on the council website.](#)

13.3 In setting [sponsorship](#) signage guidelines, the council will have regard to the role of [sponsorship](#) signage in supporting community groups' financial sustainability alongside the impact on the landscape values of reserves, parks, and greenspace.

13.4 Those erecting signage are responsible for ensuring full compliance with council's bylaws and all appropriate legislation, including the Building Act and Resource Management Act.

#### 14 NETWORK OPERATOR LICENCES

14.1 The council may grant licences to Network Operators (as defined in Section 2 of the Telecommunications Act 1987) for the purpose of placing and maintaining telecommunication facilities (macro or micro-cellular antenna and/or equipment) hereinafter called "telecommunication facilities") on council property.

14.2 The council has authority to grant such licences, subject to specific conditions the operator must meet.

#### 15 TRANSITIONAL ARRANGEMENTS

15.1 To allow for an orderly transition:

- Provisions in section 1-6, and 8-15 will have immediate effect.
- Provisions in section 7 will apply to new applicants for licences following the adoption of the policy.
- The Mobile Shop Policy and Temporary Commercial Activity on Reserve policy will continue to apply to existing licence and permit holders until 1 year and 1 month after this policy is adopted.

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**16 RELEVANT DELEGATIONS**

16.1 The Chief Executive or their nominee has delegated authority for the implementation of this policy.

**17 REFERENCES AND RELEVANT LEGISLATION**

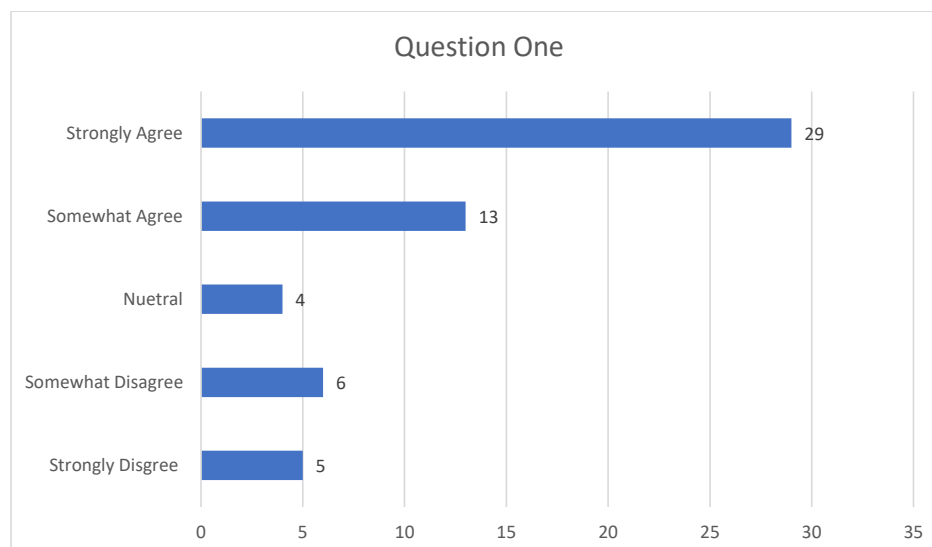
- Reserves Act 1977
- Street Use and Public Places Bylaw
- Local Government Act 2002
- Tauranga City District Plan
- Resource Management Act 1991
- Traffic and Parking Bylaw 2012
- Waste Management and Minimisation Bylaw 2022
- Telecommunications Act 1987

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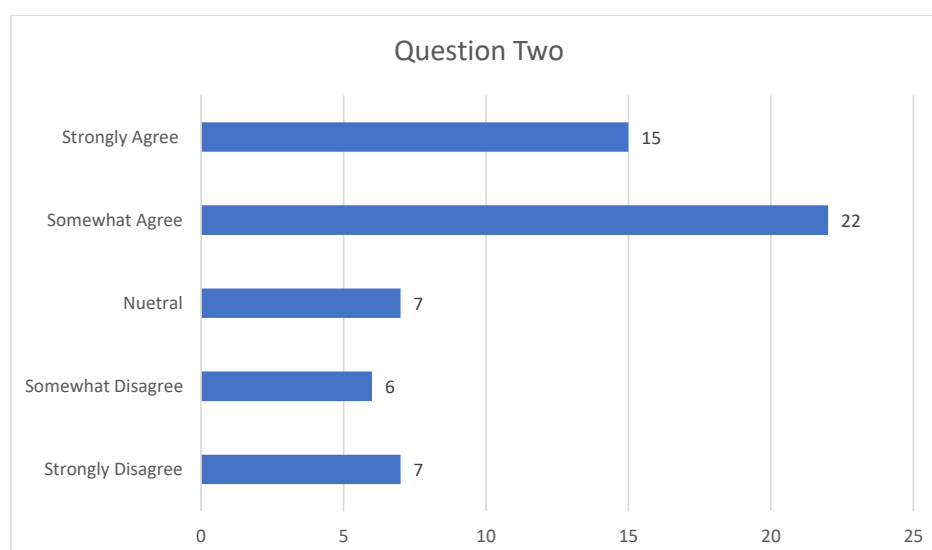
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## Consultation Survey Results Summary

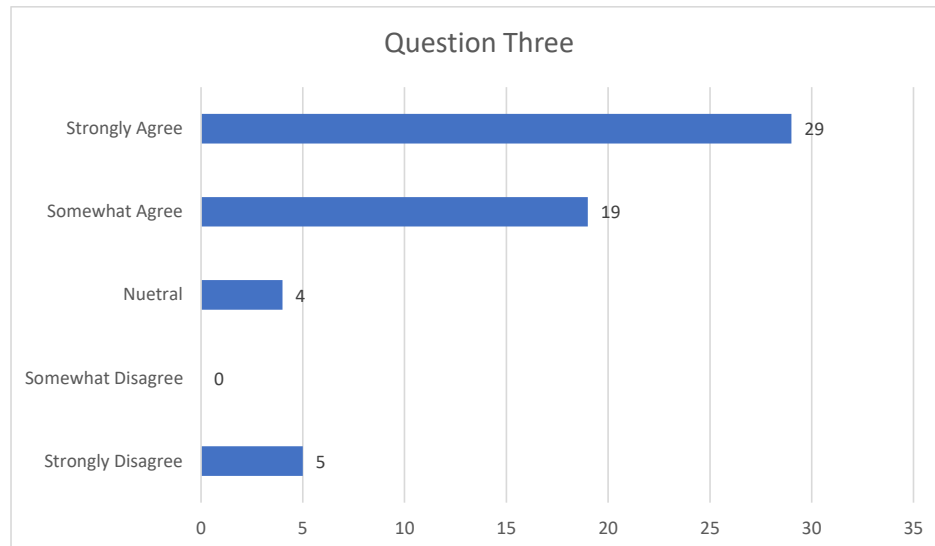
Question One: Do you agree or disagree with the proposed principles



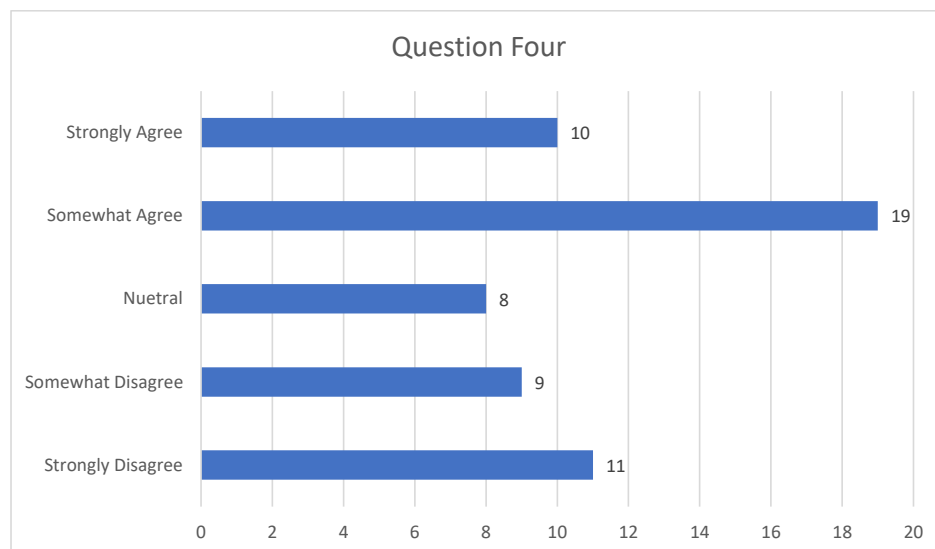
Question Two: Do you agree or disagree we should allow commercial users to use council land where they provide a public benefit?



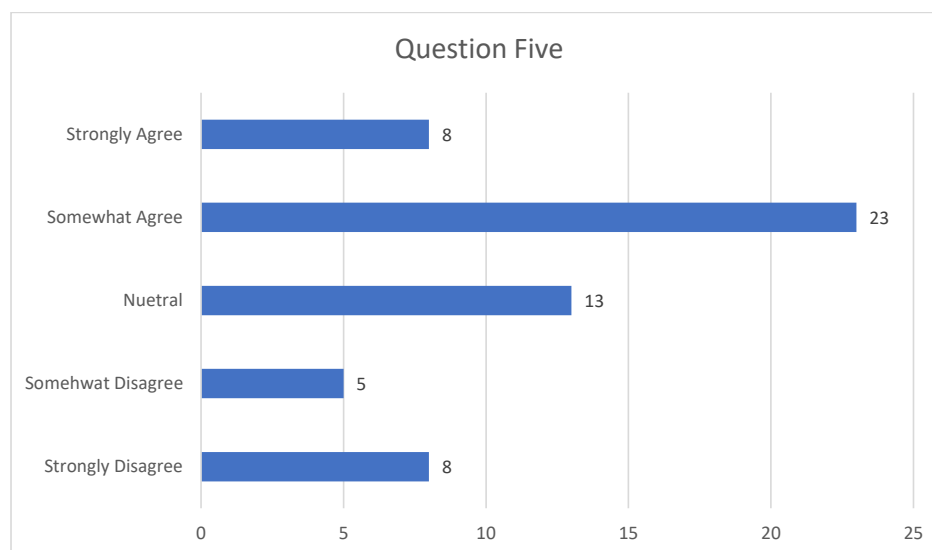
Question Three: What do you think about the ability to set different standards and requirements on certain sites?



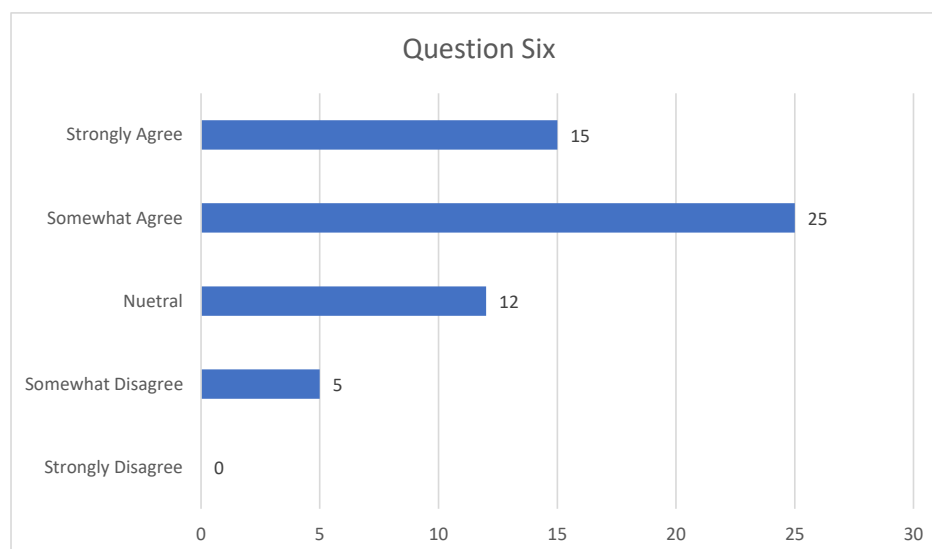
Question Four: Do you agree with a maximum 33-year lease term for groups on operational land with a one-year termination clause included?



Question Five: Do you agree to high performance sport having priority in these circumstances?



Question Six: Do you support the proposed changes and clarifications?



## 9.6 Growth & Land Use Projects Progress Report - December 2022

**File Number:** A14191609

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

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

### PURPOSE OF THE REPORT

1. Tauranga City is continuing to experience rapid growth. Managing this growth is a significant issue for Council. The report enables the Committee to monitor progress on key projects related to managing growth in a sustainable manner including land use planning projects and related transport, infrastructure and funding workstreams.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Growth & Land Use Projects Progress Report - December 2022".

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### EXECUTIVE SUMMARY

2. Managing growth is a significant issue for Council, particularly the challenge of ensuring growth is sustainable in a four well-beings context for both current and future communities.
3. The attached report outlines the progress being made in relation to a number of projects necessary to manage this continued growth. This information is also regularly reported to the SmartGrowth partners.
4. Key points to note in this update are:
  - (a) Plan Change 33 to implement the Medium Density Residential Standards (MDRS) and intensification around centres is progressing with submissions summarised and the further submission process underway as scheduled.
  - (b) The Otumoetai Spatial Plan has been completed and prioritisation of investment for the upcoming LTP is underway.
  - (c) The Mount Spatial Plan and Mount Industrial Planning Study are commencing and are addressed in further detail in a separate report to this meeting.
  - (d) SmartGrowth work on the Housing and Business Assessment and the Future Development Strategy / Joint Spatial Plan continue. Key technical inputs include the recently completed 30-year population and dwelling allocation for TCC (which also feeds into the next LTP), as well as work to determine future industrial land options in the subregion which has recently been awarded to a consulting firm. This work will also be informed by the recent NZIER assessment of the existing housing shortage in Tauranga and equivalent work currently underway for the WBOP District. For TCC, NZIER concluded an existing housing shortage of 4,300 to 5,300 homes exists. This is expected to grow significantly over close to 8,000 homes within the next 10 years as housing demand continues to outstrip supply. This demonstrates the continued focus required on planned housing projects, especially the priority development areas of Tauriko West, Te Tumu and Te Tumu which offer the greatest opportunity to deliver housing at scale within reasonable timeframes.
  - (e) Hearings of submissions on the Greerton Maarawaewae study have been deferred until the new year to enable further information to be prepared on issues such as the

opportunity for a new health precinct and relocation options for the current racecourse which will inform deliberations and recommendations to the Crown as landowner.

- (f) A MOU has been agreed between Ngati Kahu and TCC for the Poteriwhi (Parau Farms) site and an initial hui between parties has been held to discuss both parties aspirations for the site including sportsfields, cultural sites and values, ecological areas, housing and other opportunities.
- (g) The Western Corridor remains a priority focus, progress includes:
  - (i) A decision by Council to prepare a variation to Plan Change 33 to rezone Tauriko West for urban development. Subject to adjustment of Plan Change 33 timeframes and the government's signalled amendments to freshwater policy we are working to notify this variation in June 2023.
  - (ii) Kainga Ora selecting the Western Corridor (wider Tauriko / Pyes Pa area) for assessment as a Specified Development Project under the Urban Development Act. This assessment is led by Kainga Ora and is underway.
  - (iii) Structure planning of Keenan Road commencing and additional resource has been secured for this project.
  - (iv) A private plan change for the Tauriko Business Estate extension in the lower Belk Rd area is still being progressed by the developer. We anticipate notifying this in early to mid-2023.
  - (v) The Tauriko West enabling works detailed design is now substantially complete. Updated costings provide reasonable confidence that it can be delivered to budget and within the \$260m funding stack now in place following Infrastructure Acceleration Fund and developer funding being confirmed in recent weeks. Next stages for the enabling works are focused on consenting, land acquisition and then construction procurement.
  - (vi) Waka Kotahi continues to work on the long-term transport business case for the Western Corridor / SH29 area. Progress remains slower than anticipated. This investment is a key catalyst for development of the Western Corridor at scale and without it development opportunities will remain highly constrained, including effects on growth areas signalled for development in the near-term (Tauriko West, Tauriko Business Estate and Keenan Rd). This is a significant concern.
- (h) Progress in Te Tumu has been slow in recent times due to complex Māori land challenges. Currently the beneficial owners of the TK14 Māori Land Block are voting on a resolution proposed by their Trustees on whether to negotiate with TCC on the delivery of infrastructure corridors through their land which would support urban development of their land and the wider Te Tumu area. Results are expected by the end of the calendar year and the outcomes of this process will have a significant bearing on the direction of the Te Tumu urban growth area project.
- (i) TCC has been successful in receiving \$67m of Infrastructure Acceleration Funding to support urban transformation of Te Papa. Much of this will assist with delivery of Stage 2 of the Cameron Rd multi-modal project from the hospital to Barks Cnr. Uncertainties with the regeneration of Accessible Properties (APL) land holdings in Gate Pa and Merivale resulted in the removal of IAF funding toward stormwater improvements and a walking/cycling bridge connecting Merivale with Gate Pa. Efforts are underway to support the APL regeneration plans and these associated infrastructure requirements.
- (j) IFF levy - On 2 September TCC lodged the TSP IFF Levy Proposal. This is the first Levy Proposal lodged with MHUD under the IFF legislation. The Levy Proposal is currently progressing through Central Government decision making processes.
- (k) Liquefaction and lateral spread were identified as presenting medium to high natural hazard risk across large areas of the eastern part of Tauranga City, under the operative

Bay of Plenty Regional Policy Statement (RPS) natural hazard provisions. This caused concern for SmartGrowth Partners when considering future intensification opportunities in Mount Maunganui and Pāpāmoa. While the requirement in the RPS includes the use of a default methodology for assessing risk (Appendix L), the RPS does provide for discretion to the default methodology based on the judgement of a suitably qualified and experienced practitioner.

Since the RPS was developed in 2016, we have invested in our understanding of liquefaction hazard in the city. Improved datasets (soil parameters, groundwater), updated hazard mapping, a ground shaking model specific to Tauranga and liquefaction analysis undertaken post the Canterbury earthquakes, all provide us the opportunity for more tailored likelihoods. SmartGrowth, Tauranga City Council (TCC) and Bay of Plenty Regional Council (BoPRC) commissioned Tonkin and Taylor (T+T) to develop alternative likelihoods to better inform liquefaction management, within the scope of the operative provisions of the RPS. Their study proposed alternative likelihoods that consider both industry best practice and specific information held on this hazard in Tauranga (listed in Table 1). The results provide a better a reflection of risk in the Tauranga resulting in lower risk levels which can, in many cases, be mitigated through existing regulatory processes i.e. subdivision and building consent.

Table 1: Summary of earthquake (liquefaction) return periods

Assessment	In the RPS (Appendix L: Table 20)	T+T Proposed
Primary	1,000-year (0.1% AEP)	500 year (0.2% AEP)
Secondary	100 year (1% AEP)	250-year (0.4% AEP)
Secondary	3,030-year (0.033% AEP)	1,500-year (0.067% AEP)

It is recommended that the likelihoods are adopted into the RPS guidance for natural hazard policy implementation for the Western Bay Sub-Region, as suitable alternatives to those in Appendix L (Table 20) and this is supported by BOPRC staff. We do note national guidance for liquefaction (i.e. earthquake parameters used in analysis) may change following the release of the National Seismic Hazard Model in October 2022. We are currently working on how this may impact our current knowledge, ahead of further updates anticipated from MBIE in 2023.

- (l) The Government has finalised a National Policy Statement under the RMA for Highly Productive Land (NPS-HPL) with the aim of protecting this land resource for primary production and restricting loss from urban and lifestyle block development. The Western Bay sub-region contains a significant amount of highly productive land. For example, most areas in kiwifruit are classified as highly productive. The NPS-HPL does not affect areas that are zoned for urban development but not yet developed, or areas that are earmarked for urban development in the next 10 years eg Tauriko West and Te Tumu. While the NPS-HPL does not create a prohibition of urban development on highly productive land in the long-term it does create a significantly higher bar to justify the need for this. This will affect areas in UFTI such as potential growth areas in the eastern corridor and western corridor identified as suitable for growth post 2050.
- (m) The Government has introduced its RMA replacement legislation into parliament in the form of the Spatial Planning and Natural & Built Environment Bills and they have been referred to select committee. Submissions are due 30 January 2023. The Bills have

been well signalled and consistent with expected direction. TCC raised a number of issues at the exposure draft submission stage. It appears the majority of these issues have not been addressed.



## QUERIES FROM LAST QUARTERLY REPORT

### Land banking

5. A question was raised at the Strategy, Risk & Finance Committee on 12 September 2022 as to whether “land-banking” was an issue, potentially restricting timely release of land for housing. In answer to this there are a number of large residentially zoned and serviced sites across Tauranga City that have not yet been developed to deliver additional housing supply.
6. These include balance sites for future subdivision stage releases (eg: multiple sites in Wairakei), multiply owned Māori land (eg: western side of Kaitemako Road), and sites that continue to be used for agricultural and horticultural purposes (eg orchards within Bethlehem, Pyes Pa, Pyes Pa West, Ohauti and Welcome Bay Greenfield UGA's). Aspiration and ability to release these landholdings in the short to medium term varies, however key residential land developers generally appear motivated to continue to deliver additional supply to market as quickly as is practicable. As such, land-banking is not considered to be a significant issue and some undeveloped sites have infrastructure constraints that require resolution before development can occur eg sites in Kennedy Rd, Pyes Pa West.
7. Expectations around the yield and uptake of undeveloped greenfield sites has recently been updated, and independently reviewed, to inform the allocation of projected dwelling growth across the City. These allocations are key inputs to infrastructure models and strategic projects. Council staff continue to monitor this situation and update assumptions around uptake as better information becomes available primarily through consenting process and landowner/ developer engagement.
8. In terms of density, while there has been a significant increase in density in recent years for new Greenfield development, some developers have embraced this more than others and there is certainly remaining opportunity for some undeveloped greenfield sites to be utilised more efficiently – noting that TCC does not have tools to require these outcomes.

### Breakdown of macro housing needs

9. In response to ‘headline’ housing requirements and housing shortfall figures the Committee sought further breakdown across the housing spectrum eg requirements for social, affordable and market housing at different price points. Some initial ideas of how this could be delivered have been provided to Commissioners for further discussion and action.

### Māori housing

10. Information was sought from the Committee on Māori housing needs and progress. The TCC Te Pou Takawaenga team have engaged a papakainga advisor in early 2022 to work with hapu and Māori land trusts to aspirations for land development and assist in progressing these aspirations. This role has resulted in hui with a number of hapu and Māori Land trusts.
11. Where the land use aspirations are identified an assessment is undertaken against the City Plan to consider the consenting pathway. Where the City Plan enables development, staff are now working with the land trusts on concept plans. Staff are also working with one hapu where the City Plan does not enable the land use aspiration and a plan change is being considered.

## STRATEGIC / STATUTORY CONTEXT

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

## OPTIONS ANALYSIS

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

## SIGNIFICANCE

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

**NEXT STEPS**

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

**ATTACHMENTS**

1. **Appendix A - Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - December 2022 - A14191771** [!\[\]\(815df092dd722ee9268ef8e6d0193e3a\_img.jpg\)](#) [!\[\]\(c72edb9626cad660f3a9f5fb0f22a68c\_img.jpg\)](#)

## Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects - December 2022

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
<b>The Otumoetai Spatial Plan (OSP)</b>	<p>This OSP seeks to deliver a 30-year blueprint that provides strategic direction for existing and future growth needs of the area, forming the basis for the coordination of decision making within and across multiple agencies in a growth context. A draft spatial plan has been prepared, including a proposed 10-year action plan.</p> <p>A workshop was held with Commissioners on 17 November to discuss and agree an approach to prioritisation of actions within the draft spatial plan. Key considerations agreed include responding to growth needs, maintaining appropriate levels of service (open space, movement and other infrastructure), 'catching up' on gaps in the current levels of service and desired outcomes where necessary, responding to climate change and resilience challenges and Council's Strategic Framework outcomes. Consideration shall also be given to existing Long Term Plan budgets, potential for funding subsidies from partners and funding by other parties.</p> <p>Council staff are currently working on refining the prioritisation of actions and will report back to Council in early 2023.</p>	<p><b>2023 – first quarter</b> Council to consider refined prioritisation of spatial plan actions</p>
<b>The Mount Maunganui Spatial Plan (MSP) and Mount Industrial Planning Study</b>	<p>This MSP seeks to deliver a 30-year blueprint that provides strategic direction for existing and future growth needs of the area, forming the basis for the coordination of decision making within and across multiple agencies in a growth context. Working with mana whenua, our community and key stakeholders, the spatial plan will include a 10-year implementation plan for growth in the Mount Maunganui/Arataki area, providing direction in relation land use, movement, open space and public realm and infrastructure, having regard to key opportunities and challenges such as hazards and climate change impacts.</p> <p>The Mount Industrial Planning Project is being prepared at the same time as the Mount Spatial Plan. The purpose of the industrial study is looking to plan for the future of the industrial area and identify a programme of actions, which considers current issues and the needs of all stakeholders. An integrated approach is being taken to the two projects, particularly in relation to engagement with mana whenua and key stakeholders.</p> <p>The projects will sit within the wider Mount Planning and Delivery Programme, currently under development (refer separate reporting on this agenda), ensuring a coordinated approach across Council's wider programme of Mount related projects.</p>	<p><b>December 2022</b> Complete project planning; early engagement with mana whenua, subject matter experts and key stakeholders</p> <p><b>2023 – first quarter</b> Stakeholder workshops; community engagement (March)</p> <p><b>2023 – second quarter</b> Design sprints, draft scenarios and action prioritisation; final Industrial Planning report</p> <p><b>2023 – August</b> Final Spatial Plan</p>

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<b>Greerton Maarawaewae Study (GMS)</b>	<p>The Greerton Maarawaewae Study (GMS) was launched in October 2021 to identify opportunities to support wellbeing as the city continues to grow. Consultation on three options was undertaken during August 2022, with 897 submissions Received:</p> <ul style="list-style-type: none"> <li>Option A: Health and Recreation – 201</li> <li>Option B: Central Park – 128</li> <li>Option C: Enhanced Status Quo – 548</li> <li>No option selected / other – 20</li> </ul> <p>Following on from the submission period, it was agreed to defer the hearings of submissions and deliberations until early-2023. The reason for this delay is that there are a number of outstanding issues Council need some clarity on to assist in making a fair and robust recommendation to the Crown around the future use of the reserve land. Existing users, mana whenua, submitters and those on Council's study database have been informed of the decision to defer the hearings and deliberations.</p> <p>In line with matters raised as part of the submissions, staff will continue to progress workstreams to inform the project, including sites for a potential relocation of the racecourse (as part of the broader Racing Working Group's work, led by Thoroughbred Racing New Zealand) and equestrian activities; further understanding opportunities for public access to the golf course and Kopurererua Valley; and further understanding the health provision needs within wider Bay of Plenty strategic context. An update on progress will be provided early in the new year, including proposed rescheduling of hearings and deliberations.</p>	<p><b>December 2022 / 2023 – first quarter</b></p> <ul style="list-style-type: none"> <li>Racing Working Group continue to work through identifying potential sites for a sub-regional equine racing facility</li> <li>Ongoing engagement with key stakeholders, including mana whenua</li> </ul> <p><b>2023 – first / second quarter</b></p> <ul style="list-style-type: none"> <li>Hearings of submitters and deliberations</li> </ul>
<b>Urban Design Panel (UDP)</b>	<p>On 28 March 2022, the Strategy, Finance and Risk Committee passed resolution set up an Urban Design Panel (UDP). Nominations for the UDP were sought during August 2022, with 45 nominations received. Council resolved to nominate 14 panelists on the 3 October who have now been appointed. Next steps in the process include:</p> <ul style="list-style-type: none"> <li>UDP training (December 2022)</li> <li>UDP website to go live with information on the process and panelists' information (December 2022 / January 2023)</li> <li>Recruitment of Urban designer within the Environmental Planning team (early 2023)</li> <li>Ongoing comms and engagement to encourage use of the UDP, including meetings with key stakeholders, e.g., Property Developers Forum, Urban Task Force</li> </ul>	<p><b>December 2022</b></p> <ul style="list-style-type: none"> <li>Undertake training and education for panellists</li> </ul> <p><b>2023 – first quarter</b></p> <ul style="list-style-type: none"> <li>Urban design panel is fully operative and meeting regularly to review proposals</li> </ul>

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	<ul style="list-style-type: none"> <li>UDP commences with Council projects early in the new year, followed by opening to private sector</li> <li>Ongoing development of supporting design guidelines (subdivision, centres) and Urban Design Action and Investment Plan (2023)</li> </ul>	
<b>Te Papa Monitoring Framework</b>	<p>The Te Papa Spatial Plan adopted 2020 contains an implementation plan with associated actions. The actions are to be implemented on a Te Papa wide and centre-based basis. Associated with these actions are investment objectives and KPI's. The Te Papa Monitoring framework seeks to refine commence monitoring of the KPIs including setting and existing baseline for monitoring changes in future.</p> <p>The framework will be a subset of the SmartGrowth UFTI monitoring and look to measure the successfulness of the outcomes in the Te Papa Spatial Plan. The outcomes are based around housing, environmental quality, access to social and economic opportunities and more liveable neighbourhoods with stronger culture and identity.</p> <p>This work is currently on hold while further progress is made on the Otumoetai Spatial Plan and the Mount Manganui Spatial Plan. Once the actions for these plans have been identified, the monitoring framework will be finalised and brought before Council for endorsement.</p>	<p><b>2023</b></p> <ul style="list-style-type: none"> <li>A 'spatial plan' monitoring framework brought to committee for endorsement in mid-2023.</li> </ul>
<b>Plan Change 27 - Flooding from intense rainfall Plan Change</b>	<p>Plan Change 27 proposes to manage the effects of flooding from intense rainfall on people, properties and infrastructure was publicly consulted on in late 2020 / early 2021. An independent hearings panel conducted hearings for Plan Change 27 on 30 November to 3 December 2022 and their decision was notified on 11 April 2022. Environment Court appeals closed on 25 May 2022. Three appeals were received and 20 s.274 parties.</p> <p>Mediation was held on 11 and 12 October 2022. The mediation resulted in a number of actions and follow up meetings to discuss the parameters of the flood model, the process for resource consents and building consents when landform has changed and providing clear information on process on Council website. The majority of these follow up actions are now complete.</p>	<p>Expert conferencing is scheduled end of November to discuss the parameters of the flood model. A report back to the Environment Court is due in early 2023.</p>

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<b>Plan Change 33 – Enabling Housing Supply</b>	<p>On 15 August 2022, Council adopted Plan Change 33 for public notification which replaced PC26. The plan change was publicly notified on 20 August 2022. Submissions closed on Friday 23 September 2022.</p> <p>The Medium Density Residential Standards were applied around the Mount Town Centre with 11m height provisions. Further height may be appropriate in some parts of this area subject to cultural and landscape assessment. This work is now commencing so that submissions on this matter can be addressed through the PC33 Hearings process.</p> <p>A total of 400 submissions were received. The summary of submissions was publicly notified on 25 November 2022 and the further submission period ends on 9 December 2022.</p> <p>Council recently resolved to prepare a variation to PC33 to rezone Tauriko West for urban development. This is addressed further under the Tauriko West project update.</p>	<p><b>Mid 2023</b> Hearing on plan change.</p> <p><b>Late 2023</b> Hearings Panel will make recommendations to Council on the plan change.</p> <p>By 20 November 2022, Council must either accept or reject the recommendations of the Hearings Panel on the plan change.</p>
<b>Tauriko West Urban Growth Area</b>	<p>Work on the plan change related aspects for rezoning Tauriko West has continued in anticipation of the MfE Amendments to the National Freshwater Framework being gazetted at the end of this year. The NPS-FM/NES-F amendments are to provide a consenting pathway for urban development that affect wetland drainage, as well as a Tauranga exemption to enable earthworks to proceed simultaneously with the Plan Change process.</p> <p>Council passed a resolution on 7 November 2022 to proceed with the Plan Change (PC33) variation approach to rezone Tauriko West as a new residential area. This approach is a type of stream-lined planning process under the RMA; and requires an extension to the timeframe currently agreed for PC33. Like a conventional plan change this process will involve mana whenua, stakeholder and community participation (including submissions and hearings), with final decision making involving independent commissioners and council, and if necessary, the Minister for the Environment - instead of appeals to the Environment Court.</p> <p>Some of the key technical reports to support the PC33 Variation cannot be completed until there is certainty of the MfE Amendments to the National Freshwater Framework being gazetted at end of the year – and (only) then can the landowners finalise the proposed landform concept with the required earthworks to raise the area above flood risk levels, re-create a new stream and provide for wetland offsetting.</p> <p>Hence final technical reports, landscape and ecological assessment work, stormwater modelling, flood risk assessments and the section 32 RMA report – all required to support the plan change</p>	<p>The next steps focus on the completion of the technical investigations, section 32 report, planning provisions and further engagement, particularly once MfE gazettes the NPS-FM/NES-F amendments which is programmed for the of 2022 – to support notification of the Plan Change 33 Variation in mid-2023.</p>

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	<p>cannot be completed until 2023. All such required work needs to be completed by April-May 2023 or earlier, if possible, if we are to achieve notification of the PC33 Variation in June 2023 as planned.</p> <p>Transport and funding workstreams related to Tauriko West are reported separately in this Appendix.</p> <p>Engagement with the landowners, Redwood Lane residents and Te Kauae a Roopu has continued. This includes liaison with landowners on the eastern side of SH29 as well, currently zoned Rural, but within the Tauriko West UGA.</p> <p>A review of the Agreement for Te Kauae a Roopu has also commenced, as well as facilitated Wananga sessions for spatially mapping cultural sites of significance for the plan change and structure plan. The review of the Agreement includes an amended scope, new mandated hapu reps, and a revised remuneration set up (jointly reimbursed by Waka Kotahi and Council).</p>	
<b>Te Tumu Urban Growth Area</b>	<p>The review of existing technical reporting informing the Te Tumu Structure Planning project is underway. Consideration is being given to the requirement to amend these reports to reflect updates in national regulations and guidance documents such as the updated guidance that has been recently released by MfE on sea-level rise projections. This updated guidance has recommended the need to consider greater sea-level rise projections across longer timeframes for new urban development and large-scale infrastructure projects. Updates to technical reports will also need to consider amended national direction on matters relating to freshwater management (expected at the end of the year) and indigenous biodiversity, subject to the timing of the release of these documents.</p> <p>In respect to national direction, and as previously reported, unless further amendments are made to the NPS-FM and NES-F, as set out in submissions made by TCC, delivery of urban development within Te Tumu will remain challenging. In addition, the provisions outlined in the updated NPSIB exposure draft further exacerbate these challenges. Staff have workshopped these concerns with MfE staff and have offered to continue to work with Ministry officials to assist in testing any future draft provisions. Delays and uncertainties around the outcomes of this contribute to ongoing delays to finalising technical reports and the notification of a plan change for this area.</p> <p>Over the last several months the Trust for the Tumu Kaituna 14 land have been engaging with its beneficial landowners. This engagement has included a greater social media presence and multiple hui and wananga with its landowners that have covered a range of important topics including trustee rotation and future development opportunities for the land block. Voting on appointment of two</p>	Continue completion of reviews of technical reporting and drafting of planning provisions, and preparation for potential resumption of engagement workstreams in 2023.

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	<p>current trustee vacancies has recently been completed and are likely to be confirmed by the Māori Land Court early in the new year.</p> <p>The Trust are now seeking decisions from their landowners on two further matters, including making an amendment to the Trust Order to allow for new rules for a trustee rotation and election system based on particular criteria; and whether there is support by landowners for the Trust to negotiate with TCC the granting of access and use rights for infrastructure corridors and an active reserve through use of easements or long-term leases. Not only are the infrastructure corridors important to facilitate development opportunities for the TK14 land but are also critical elements to the delivery of urban development for the wider growth area. Voting by landowners on these matters is expected to run through until mid-December 2022.</p> <p>Opportunities to recommence engagement with iwi and hapu in relation to this project, including technical reporting are continuing to be explored. The timing and process for this will be dependent on the outcome of the voting process currently being undertaken by the Trust with its landowners. This will also influence any future application to the Māori Land Court, which will need to reflect a robust and detailed engagement process between the Trust and its beneficial owners.</p>	
<b>Upper Ohauti Urban Growth Area – Private Plan Change</b>	<p>Upper Ohauti (the Riddington Block) is an area of rural zoned land located at the southern edge of the existing urban area, on either side of Ohauti Road. It lies entirely within TCC jurisdiction and is identified in the Bay of Plenty Regional Policy Statement for urban development post-2021.</p> <p>A developer lodged a private plan change request under Part 2 of Schedule 1 to the RMA on 8 April 2022, to rezone and structure plan the area for residential development. TCC staff requested further information on 3 June 2022 in relation to a number of matters, including stormwater, transport, and mana whenua engagement. The developers are currently preparing a response and expect to re-lodge the plan change request in April/May 2023.</p> <p>Once staff are satisfied that sufficient information has been provided, TCC will need to formally consider the plan change request under Schedule 1 of the RMA and accept or adopt it for notification.</p> <p>TCC has appointed a staff lead to coordinate TCC input to the plan change and have also engaged an external planning consultant to undertake the statutory reporting and processing of the plan change, working alongside TCC staff. Note that the changes introduced by PC33 will apply to this growth area if the plan change is approved.</p>	<p>Continue to work with developer to progress the private plan change, providing input to technical work as required.</p> <p>Review response to request for further information.</p> <p>Make recommendation to Council on whether to accept, adopt, or reject the plan change for notification.</p>



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<b>Lower Belk Road Urban Growth Area (Tauriko Business Estate Stage 4) – Private Plan Change</b>	<p>The Lower Belk Urban Growth Area was shifted into the TCC jurisdiction by the Local Government Commission on the 1 March 2021.</p> <p>The majority landowner of the area proposes to extend the Tauriko Business Estate, and they are preparing a private plan change request to rezone and structure plan this area. The landowners propose to use the streamlined planning process (SPP). This will require TCC to formally accept the plan change under Schedule 1 of the RMA, prior to seeking ministerial approval for use of the SPP.</p> <p>The landowners are preparing technical assessments in support of their plan change, including stormwater, transport, archaeology, landscape and urban design etc. Some of these reports have been completed and provided to TCC for comment. TCC staff are also liaising with BOPRC staff on matters relevant to their remit (i.e. stormwater, hazards, public transport). The landowners propose to have the plan change ready for lodgement with TCC in early 2023.</p> <p>TCC has appointed a staff lead to coordinate TCC input to the plan change. The plan change area is included in TCC waters planning for the Western Corridor, including future proofing infrastructure to enable future urbanisation further up Belk Road in the longer-term.</p> <p>Development of this growth areas relies on the implementation of the Tauriko West enabling works, which includes a roundabout on SH29 which connects to the growth area via Kaweroa Drive, Taurikura Drive, and Belk Road. The ability to fully develop this growth area is restricted by the timing of proposed long-term transport upgrades to SH29 and SH29A.</p>	<p>Continue to work with majority landowner to progress a private plan change using the SPP.</p> <p>Continue to work with Waka Kotahi to progress the implementation of the Tauriko West enabling works, the long-term upgrade of SH29 and SH29A, and associated improvements to the transport network.</p>
<b>Keenan Road Urban Growth Area</b>	<p>The Keenan Road area is located south of The Lakes. It is identified for residential development of circa 2,000-2500 homes. The city's jurisdictional boundary was recently shifted to include all of this area. There are a range of landowners (including developers) in Keenan Road ready to develop.</p> <p>We intend to structure plan the area over the next few years. In parallel to this the Plan Change documentation and associated technical assessment will be developed. Wider water/wastewater planning is already underway as part of planning for Tauriko West, and the wider Western Corridor.</p> <p>Prior to progressing rezoning of Keenan Road, the Regional Council will need to change the Urban Limits Line within the Regional Policy Statement (i.e approx. 1/3 of the growth area is outside of the urban limits line). This work has commenced, with a change to the RPS programmed to be concluded in mid-2023. (Plan Change 6).</p>	<p>Continue to work with BoPRC to progress the change to the Urban Limits Line in the Regional Policy Statement (i.e through Proposed Change 6 to the RPS). Continue to engage with landowners and Government partners on the planning process and their role in delivering the workstreams to re-zone this Urban Growth Area.</p>

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	<p>Planning for Keenan Road will also require a transport business case to be progressed for transport access and investment associated with the growth area. Progress is underway with the development of a 'Point of Entry' and this being negotiated with Waka Kotahi. Keenan Road will also be dependent on the Waka Kotahi Tauriko Network Long Term business case.</p> <p>Resource has now been appointed to lead the planning process for the Keenan Road Urban Growth Area. Since appointment the focus has been on developing a more detailed Project Plan and initial engagement with key landowners and key stakeholders (e.g. Waka Kotahi).</p>	<p>Confirm the 'point of entry' with Waka Kotahi.</p> <p>Establish an initial engagement plan for the project.</p>
<b>Specified Development Project (SDP) for the Western Corridor</b>	<p>On 14 September 2022, Kāinga Ora advised TCC that it had selected part of the Tauranga Western Corridor for assessment as a potential Specified Development Project (SDP) under section 29(a) of the Urban Development Act 2020 (the UDA).</p> <p>The UDA gives Kāinga Ora the ability to lead or facilitate complex urban development projects through a Specified Development Project process. The value of the SDP process is that it could allow Kāinga Ora, TCC, and the SmartGrowth partners to bring together multiple, complex, and otherwise separate urban development processes and enables them to be accessed through a single, integrated process. The aim is to ensure that the planning, infrastructure, and funding for a project is agreed early on, providing greater certainty and coordination for the implementation and delivery of the project.</p> <p>The decision to select the Western Corridor for assessment as a potential SDP is the first formal stage of the SDP process, which includes an extensive engagement and consultation component. The assessment is a collaborative process working with TCC, mana whenua, other SmartGrowth partners, central government, landowners/developers and other stakeholders. The outcome of the assessment will then determine whether Kāinga Ora recommends establishment of an SDP – which is expected in Q3 2023.</p> <p>The area KO have proposed for the SDP comprises those parts of the Western Corridor currently identified as planned urban growth areas or priority development areas such as Tauriko West, the Tauriko Business Estate, Lower Belk Road Extension, and the Keenan Road area. This is a smaller area than that suggested for assessment by TCC, which also included the envisaged Western Corridor growth areas at Upper Belk Road, Joyce Road, and Merrick Road, along potentially with the Greerton Maarawaewae study area.</p> <p>In initial workshops with Kāinga Ora, TCC Staff have emphasised the need to have clarity around the function and value of a potential SDP, given that plan changes to rezone Tauriko West and Lower</p>	<p>Continue to work with Kāinga Ora on the SDP assessment process.</p>

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	<p>Belk Road are already underway. Staff have also raised questions with Kainga Ora around whether the SDP can help to secure funding of the long-term transport network improvements, which are critical to unlocking growth in the Western Corridor.</p> <p>Note that the SDP assessment process is being undertaken by Kainga Ora in parallel to the ongoing TCC led work on Tauriko West, Lower Belk Road, and Keenan Road, and Waka Kotahi led work on the short- and long-term improvements to the transport network.</p>	
<b>Smith's Farm</b>	<p>As part of the Takitimu North Link (TNL) project NZTA will deliver the Smiths Farm access road which will provide access and reticulated services to enable development of this site. The TNL project is expected to be completed around 2026 and as such the site cannot be developed immediately.</p> <p>While the site has resource consents in place for residential development the underlying zoning of the site is rural residential. The proposed rezoning of parts of the site, including creation of a new Medium Density Residential Zone that will allow for the Medium Density Residential Standards to be utilised, has been included as part of Proposed Plan Change 33.</p> <p>Alongside the rezoning of the site, TCC has started to consider objectives for the development of the site and how the site will be developed, including its potential divestment.</p>	<ul style="list-style-type: none"> <li>• Progress rezoning as part of PPC33</li> <li>• Progress consideration of development options and approaches</li> <li>• Work with Waka Kotahi to upsize the watermain to ensure MDRS density opportunities are not constrained by servicing limitations.</li> </ul>
<b>Pōteriwahi (Parau Farm)</b>	<p>Council has entered into a MOU and had initial discussions with Ngati Kahu on the parties aspirations for the future of the site including cultural, ecological, open space, housing and other outcomes.</p> <p><b>Pōteriwahi</b> (Parau Farms) has several positive attributes including high amenity, relatively large size and scale, close to the Bethlehem town centre, schools and public transport.</p>	<ul style="list-style-type: none"> <li>• Continue engagement with Ngati Kahu through late 2022 and early 2023.</li> <li>• Report back through Council, including decision making in relation to previous community engagement.</li> </ul>
<b>Resource Management (RM) System Reform</b>	<p>The Government plans to repeal the Resource Management Act and enact three new pieces of legislation. The proposed new laws are the:</p> <ul style="list-style-type: none"> <li>• Spatial Planning Act (SPA) which requires the development of long-term regional spatial strategies to help coordinate and integrate decisions made under relevant legislation</li> </ul>	<p>Continue to make submissions as appropriate and, advocate and engage with MfE and the upcoming parliamentary process.</p>

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	<ul style="list-style-type: none"> <li>Natural and Built Environment Act (NBA), the main replacement for the RMA, to protect and restore the environment while better enabling development</li> <li>Climate Adaptation Act (CAA) to address complex issues associated with managed retreat, and funding and financing climate adaptation.</li> </ul> <p>The Natural and Built Environment Bill and the Spatial Planning Bill were introduced into Parliament on 15 November 2022. Submissions to the Select Committee are due at the end of January 2023. The Climate Change Adaptation Bill is likely to follow in 2023.</p> <p>TCC previously lodged a submission on the Select Committee Inquiry on the exposure draft of the Natural and Built Environment Bill. While our submission was supportive of the government objectives for reform, we were not convinced that the objectives will be achieved or that existing challenges will be overcome. We were also concerned that the reforms are misaligned with other programmes across government, and do not address funding mechanisms for investment by central and local government in infrastructure. In their final report, the Select Committee made a number of recommendations for the future development of the Bill. However, these changes did not alter the direction and structure of the reforms or substantively address the key points of our submission.</p> <p>An initial review suggests that the new system outlined in the Bills is broadly consistent with the Select Committee report on the exposure draft and articulated recently in a series of speeches given by the Minister for the Environment. The main components of the system are described below:</p> <ul style="list-style-type: none"> <li>The NBA will be the primary piece of legislation to replace the RMA. The NBA requires any use of the environment to comply with environmental limits and targets and sets out positive outcomes to be promoted for the natural and built environments. The NBA requires the development of a National Planning Framework (NPF) and requires each region to develop a combined NBE plan covering both resource allocation and land use for a region.</li> <li>The SPA will provide a more strategic and coordinated approach to long-term regional planning. It will require spatial planning at the regional level through the development of Regional Spatial Strategies (RSS) and integrate the NBA with other legislation.</li> <li>The NPF provides a stronger and more active role in the new system for central government. The NPF will consolidate and expand existing national direction into a single integrated framework, providing direction for RSS and NBE plans. The NPF will set: <ul style="list-style-type: none"> <li>policies and standards for construction and development activities</li> <li>natural environmental limits relating to water, estuaries, air, soil and indigenous biodiversity</li> </ul> </li> </ul>	<p>We note that TCC has a representative on the MfE National Planning Framework Advisory Group and also on the Taituara Resource Management Reform Reference Group (RMRRG) which is providing advice directly to MfE.</p> <p>TCC staff are currently reviewing the details of the new system outlined in the Bills, and how this reflects the issues raised in previous submissions and other matters important to TCC.</p>

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	<ul style="list-style-type: none"> <li>○ targets for development within those environmental limits</li> <li>• Regional spatial strategies (RSS) will require central government, local government, and Māori to work together, in consultation with the community, to identify how their region will grow, adapt and change over the next thirty-plus years. RSS will provide strategic direction for NBE plans, putting the emphasis on upfront and robust planning and implementation.</li> <li>• NBE plans will be combined plans covering both resource allocation and land use for a region, combining more than 100 existing regional policy statements and regional and district plans into 14 NBE plans, simplifying and improving the integration of the system.</li> <li>• Resource consents will still be part of the resource management system. Consents are a flexible tool to help implement NBE plans, the NPF, and the NBA. Existing RMA resource consent types will be retained, with the number of activity status categories reducing from six in the RMA to four in the NBA. The NPF and NBE plans will: <ul style="list-style-type: none"> <li>○ provide direction on where consents are needed and their activity status</li> <li>○ provide direction on the level of notification required</li> <li>○ permit activities subject to conditions to ensure environmental protections remain</li> <li>○ provide clear processes for decision-making.</li> </ul> </li> </ul> <p>RSS and NBE Plans will be developed by new regional planning committees, with representation from local government, hapu, iwi and Māori and central government (RSS only). Membership and structure is to be decided on a region-by-region basis, with secretariats to support the committees including staff and resources from local authorities and technical and mātauranga Māori expertise. The emphasis is intended to be on early collaboration and decision-making and a shift away from time-consuming and costly appeals.</p>	
<b>Government Policy &amp; Initiatives</b>	<p><b><u>National Policy Statement for Freshwater Management (NPSFM) and National Environmental Standard for Freshwater (NESF)</u></b></p> <p>Since 31 May 2022, when MfE released the exposure draft of the proposed amendments to both the National Policy Statement for Freshwater Management 2020 (NPS-FM) and the Resource Management (National Environmental Standards for Freshwater) Amendments Regulation (No 2) 2022 (NES-F), TCC has continued to liaise with MfE staff on the TCC submission supporting a consenting pathway proposed for urban development.</p> <p>MfE has advised that the Amendments are to be gazetted at the end of the year, and it is expected that there will be a way forward for urban development that affects wetland drainage, as well as any watercourses. It is also expected that there should be a Tauranga exemption to enable earthworks</p>	Continue to liaise with MfE on the amendments expected to be gazetted at end of the year.

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	<p>applications to be made prior to the residential zoning becoming operative through the Tauriko West plan change (available for a 5 year period).</p> <p>These anticipated amendments to the national freshwater framework have significant benefits for the planned urban growth areas identified in the SmartGrowth UFTI Connected Centres programme; i.e. Tauriko West, and Te Tumu.</p> <p><b><u>National Policy Statement for Indigenous Biodiversity (NPSIB)</u></b></p> <p>The Ministry for the Environment (MfE) released the exposure draft on the NPSIB on 9 June 2022 for targeted feedback. The submission period to the exposure draft closed on 21 July 2022.</p> <p>As previously reported to the Strategy, Finance and Risk Committee (01/08/2022), Council lodged a submission to this exposure draft that covered a range of matters of concern, including:</p> <ul style="list-style-type: none"> <li>• Despite the intent to separate the requirements of this NPS from other national direction, there remains complex interactions and a lack of integration between these NPS that appear to create conflict and issues with implementation.</li> <li>• The proposed criteria and methodology for identifying SNA will likely result in there being additional areas impacted by this NPS, including areas not currently identified in our existing urban growth areas.</li> <li>• The broad nature of the specified adverse effects of any new subdivision, use or development on SNAs that must be avoided will potentially create significant impacts on the ability to deliver urban development in planned growth areas. This is worsened by the inability to apply the proposed effects management hierarchy to address adverse effects.</li> <li>• The NPS-IB requires Councils to change their plans to manage both 'irreversible' and other adverse effects on indigenous biodiversity resulting from subdivision, use and development in areas outside of identified SNAs. The practicalities of applying such a broad direction with uncertain outcomes across an urban environment will likely create implementation and interpretation issues.</li> <li>• There are potential implementation issues associated with mapping and management of effects associated with highly mobile fauna areas, particularly in greenfield urban growth areas; and</li> <li>• The resourcing required is significant across councils and technical expertise and timing to complete the implementation appears to be inefficient use of resources.</li> </ul>	

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	<p>Since lodgement of the submission in August, staff have prepared and circulated to Commissioners detailed examples of impacts of this NPS on delivery of urban development. A workshop between TCC and Ministry staff was held on 21 September, where details of TCC's submission and further worked examples were discussed.</p> <p>MfE website suggests that the anticipated timeline for gazettal of this NPS is December 2022.</p> <p><b><u>National Policy Statement for Highly Productive Land (NPS-HPL)</u></b>  The NPS-HPL was released on 18 September 2022 and came into force on 17 October 2022.</p> <p>The objective of the NPS-HPL is to protect highly productive rural land for use in land-based primary production. This is to be achieved through provisions, which include the requirement to map highly productive land, that makes it more difficult to subdivide and develop highly productive land. Land that is already identified for future urban development is not to be mapped as highly productive land. Land will qualify for this exemption if it is identified in a published Future Development Strategy or non-statutory strategic planning document (adopted by council resolution) as being suitable for urban development over the next 10 years, at a level of detail that makes the boundaries of the area identifiable in practice.</p> <p>BOPRC is responsible for mapping under this NPS, and has begun working with Council's in the region to prepare for this mapping to be carried out. Until mapping is completed (which must be notified within 3 years of commencement of the NPS) any plan change and consenting decisions prior to the relevant RPS incorporating the maps, district councils must still apply the NPS-HPL to land that is zoned rural general or rural productive and identified under the Land Use Capability (LUC) classification of 1, 2 or 3. This requirement does not apply to land identified for future development or land that is already subject to a plan change to rezone it to urban or rural lifestyle at the time the NPS-HPL comes into force.</p> <p>In Tauranga, many of its planned future growth areas include land classed as LUC 2 and 3. Tauriko West and Keenan Rd include this land classification within areas proposed for urban development. However, the NPS-HPL would not be applicable given the stated exemptions. Te Tumu largely contains lower classed land with any class 2 or 3 land being already subject to other constraints that would limit urban development opportunities.</p>	<p>Work with BOPRC on mapping HPL within Tauranga.</p>

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	<p>Urban development of land with a LUC class of 1-3 is not prohibited by the NPS-HPL but requires the applicant to demonstrate that other practical development options don't exist (e.g. more intensification or greenfield development on non-LUC 1-3 land) as well as compelling cost benefit assessment.</p> <p><b><u>Interim Guidance on the use of new sea-level rise projections</u></b>            In July the Ministry for the Environment released a reference guide to the 'interim guidance for the use of new sea-level rise projections (<a href="https://environment.govt.nz/assets/publications/climate-change/Interim-guidance-on-the-use-of-new-sea-level-rise-projections-Quick-reference-guide.pdf">https://environment.govt.nz/assets/publications/climate-change/Interim-guidance-on-the-use-of-new-sea-level-rise-projections-Quick-reference-guide.pdf</a>)</p> <p>This document provides a high-level overview on updates to parts of the Ministry's 2017 Coastal hazards and climate change: Guidance for local government, reflecting the latest sea-level rise scenarios from the Intergovernmental Panel on Climate Change (IPCC) and NZSeaRise.</p> <p>The MFE advise that a full update to the guidance is underway and is expected to be published by early 2023. It is understood that the updated projections provided in this recent release will not be changing when the full update comes out next year. In the meantime, Regional Council is now exploring the opportunity to provide updated region-specific information on SLR (being an update of previous direction provided in 2017) that will then be used as a reference for future technical updates on hazard work for greenfield growth and infrastructure projects.</p>	<p>Assess the implications of the Interim Sea-level-rise projections guidance for structure plan areas.</p>
Regional policy and planning initiatives	<p><b><u>Proposed Change 5 (Kaituna River) to the Bay of Plenty Regional Policy Statement (RPS)</u></b></p> <p>Proposed Change 5 (Kaituna River) has been prepared under the RMA and is specific to the Kaituna River and its tributaries. Bay of Plenty Regional Council (BOPRC) is required to change the RPS to recognise and provide for the vision, objectives and desired outcomes of the Kaituna River Document to the extent that contents relate to resource management issues. Kaituna He Taonga Tuku Iho – A Treasure Handed Down (The Kaituna River Document) was a requirement of the Tapuika Claims Settlement Act 2014.</p> <p>The proposed change relates to freshwater so it must follow a new Freshwater Planning Process which is overseen by the Chief Freshwater Commissioner. The Commissioner has appointed a Freshwater Hearing Panel of three members to be chaired by Antoine Coffin. A hearing on the proposed change was completed in October and closing submissions heard in November. The Freshwater Hearings Panel have indicated that a decision on this change is likely early in the New Year.</p>	<p>Continue to make submissions as appropriate and, advocate and engage with the Regional Council on matters as they relate to Tauranga and the western Bay of Plenty sub-region.</p>



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	<p><b><u>Proposed Change 6 (NPS-UD) to the Bay of Plenty Regional Policy Statement (RPS)</u></b></p> <p>Bay of Plenty Regional Council (BOPRC) notified Proposed Change 6 (NPS-UD) to the Bay of Plenty Regional Policy Statement (RPS) on 9 August 2022.</p> <p>The National Policy Statement on Urban Development (NPS-UD) requires BOPRC to change the RPS to be more responsive to urban development proposals and provide support to intensification of urban areas. The purpose is to enable additional development capacity, regardless of whether it is planned in existing planning documents, and to contribute to well-functioning urban environments. The NPS-UD also requires local authorities to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) in planning decisions relating to urban environments.</p> <p>The key changes in PC6 are:</p> <ul style="list-style-type: none"> <li>• New - Responsive planning policy for urban environments (including criteria to determine if a proposal will 'add significantly to development capacity')</li> <li>• Deleted - Urban limits in the western Bay sub-region (including policies, Appendices and references relating to urban limits).</li> <li>• New - Increased density urban development for urban environments (including removal of Policy UG 4A (dwelling yields).</li> <li>• Amended - Te Tiriti of Waitangi principles</li> </ul> <p>PC6 is not a spatial plan and doesn't identify where (or not) urban development will be located. Nor does it zone or provide infrastructure for urban development. This is the role of district/city councils through the Future Development Strategy, the City Plan, and infrastructure planning and funding documents.</p> <p>TCC staff have been involved in reviewing and commenting on the draft text of PC6 prior to notification and are broadly comfortable that it meets the requirements of the NPS-UD to provide additional flexibility, is consistent with the strategic vision for Tauranga and the western Bay of Plenty sub-region as set out in the UFTI Connected Centres programme and aligns with Councils own growth planning.</p>	

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	TCC lodged a submission in support of PC6 on 6 September 2022. The further submission period is anticipated for early 2023, with hearings in Mid-2023.	
<b>Infrastructure Acceleration Fund applications</b>	TCC has successfully completed negotiations and entered into agreements with Kainga Ora for two Infrastructure Acceleration Fund grants: <ol style="list-style-type: none"> <li>1. Tauriko West (\$80m)</li> <li>2. Te Papa intensification (\$67m).</li> </ol>	
<b>Infrastructure Funding &amp; Financing levies</b>	<p>TCC is in the closing stages of negotiating the Transport System Plan IFF.X</p> <p><b><u>Transport TSP IFF</u></b> TCC's goal is to reach financial close on the TSP in the final quarter of 2022</p> <p>IFF TSP: TCC has been working closely with Crown Infrastructure Partners and professional advisors to input into CIPs competitive finance process and to develop TCC's levy proposal for submission to the Ministry of Housing and Urban Development. The levy proposal was submitted on 2 September. It is the first levy proposal in New Zealand under the IFF legislation.</p> <p>TCC will continue to monitor fluctuations in the financial markets and the impact of interest rate changes for this proposal; and</p> <p>The levy proposal will continue through the government approvals process.</p> <p><b><u>IFF Tauriko West</u></b> TCC has put a possible IFF to fund a portion of infrastructure works at Tauriko West on hold. TCC is now working closely with developers to progress an alternative funding solution instead of an IFF levy.</p>	<p>The Government approvals process and completion of the associated financier negotiations is anticipated to run through until approximately the end of November 2022. The levy is then expected to become law in Q1 2023.</p>

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<b>Housing Infrastructure Fund</b>	<p>TCC's Housing Infrastructure Fund (HIF) loan to fund a portion of the Papamoa East Interchange (PEI) was approved in 2017 to bring Te Tumu forward and was due to expire in 2021.</p> <p>Prior to expiration of the loan staff engaged with the MBIE and Waka Kotahi to explore our options for extending the timeframe for drawdown. This would enable the HIF loan to be used to fund a portion of the PEI to support development of the Wairakei town centre.</p> <p>The Crown has confirmed TCC is able to repurpose the HIF loan and TCC is now in the process of preparing the loan agreement to be entered into early in 2023.</p>	Finalise HIF loan subject to approvals from the Ministers of Finance, Housing and Transport (Q1 2023)
<b>Development Contributions</b>	Staff are preparing a report for Council consideration regarding the 23/24 Development Contributions Policy. This report will consider not consulting upon the new DC Policy and keeping changes to charges below the Local Government Act inflation threshold. Staff would continue to work on a number of improvements to the DC Policy for introduction in the following year.	Report to Council for decisions on the 23/24 Policy.
<b>Housing &amp; Business Capacity Assessment (HBA) &amp; Joint Spatial Plan (JSP) (including Future Development Strategy (FDS))</b>	<p>SmartGrowth is required to prepare a Housing and Business Capacity Assessment (HBA) and a Future Development Strategy (FDS) under the National Policy Statement on Urban Development (NPS-UD). The HBA needs to be completed by the end of 2022 in time to inform the 2024 Long-Term Plans, and the FDS. SmartGrowth currently intend to produce a Joint Spatial Plan (JSP) by December 2023 which would incorporate the requirements of the FDS.</p> <p><b>HBA</b></p> <p>A working group including TCC staff has been set up and is meeting fortnightly to progress the HBA.</p> <p>Market Economics (M.E) has been commissioned to complete the business component of the HBA. The housing assessment will use the <u>Housing Capacity Assessment</u> work completed in 2021 and update this, including addressing any gaps. This is being undertaken internally.</p> <p>The HBA will provide:</p> <ul style="list-style-type: none"> <li>An update of residential demand and capacity by catchment. This will take into account the impact of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021.</li> </ul>	Continue to progress the preparation of the draft HBA and the FDS/JSP.

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	<ul style="list-style-type: none"> <li>Employment and value-added projections by sector and Business Area/Statistical Area 2, Gross Floor Area (GFA) by sector and Business Area/SA2, and Non-residential land/floorspace capacity by catchment.</li> </ul> <p><b>JSP – FDS</b> The SmartGrowth councils are required to:</p> <ul style="list-style-type: none"> <li>Jointly prepare a FDS as a stand-alone document or be treated as a part of any other document (such as a spatial plan).</li> <li>Show spatially how local authorities intend to achieve 'well-functioning urban environments; and how and where they will provide 'sufficient development capacity' to meet future growth needs over the next 30 years.</li> <li>Jointly prepare, implement, and update an annual implementation plan</li> </ul> <p>During 2021, the SmartGrowth partners (councils, tāngata whenua and Central Government) completed a <u>Draft Joint Spatial Plan</u>. This Plan is a working document and was not formally adopted. However, it does provide a comprehensive and up-to-date basis for the 2023 version, which would incorporate the requirements of the FDS.</p> <p>At this point it is intended to produce a Joint Spatial Plan (JSP) by December 2023 which would incorporate the requirements of the FDS. This new Plan would replace the SmartGrowth Strategy 2013.</p> <p>A working group including TCC staff has been set up to progress the JSP. This group is meeting monthly and various aspects of its work programme are underway. This will include completing an Industrial Land Study to inform the JSP which is underway. This industrial land work will consider the needs of existing and new heavy and emitting industry. A communications and engagement plan for the JSP is currently being worked on.</p>	
<b>TRANSPORT STRATEGY</b>		
<b>Inter-regional rail</b>	<p><b>Inter-regional rapid rail investigation</b> In August 2020 the Government announced that it will undertake an Indicative Business Case (IBC) to investigate the potential for rapid rail between Hamilton and Auckland. The Cabinet agreement included a mandate to initiate an investigation of a separate IBC for extending rapid rail to Tauranga, and how that would fit with the Hamilton to Auckland IBC.</p>	MoT officials have advised that only once the Minister of Transport has had the opportunity to consider the final IBC they will share the

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	<p>In May 2021 the Minister of Transport considered advice from the Ministry of Transport outlining the options to develop the next stages of the project. This included:</p> <p><i>“investigating a possible extension of Hamilton to Auckland rapid rail to Tauranga (focussing within the Waikato region) where this is important for informing the Hamilton to Auckland business case work or does not require additional resource.”</i></p> <p>MoT staff advised that this means the project won't be looking at options and scenarios for a Hamilton to Tauranga connection. Rather, the focus is on investigating a possible extension within the Waikato Regional boundaries and further design development to refine the cost estimates, benefits assessment, and considering the commercial viability, affordability and deliverability of the project.</p> <p>In November 2022 MOT staff advised that while the IBC is now complete they are still awaiting an opportunity to brief the Minister of Transport on the findings of the investigation and are therefore unable to share any more information on this project at this time.</p> <p><b>The future of inter-regional passenger rail</b></p> <p>In August 2022, the Transport and Infrastructure Committee of the Parliament opened an inquiry into the future of inter-regional passenger rail in New Zealand (<a href="https://www.parliament.nz/en/pb/sc/make-a-submission/document/53SCTI_SCF_INQ_125787/inquiry-into-the-future-of-inter-regional-passenger-rail">https://www.parliament.nz/en/pb/sc/make-a-submission/document/53SCTI_SCF_INQ_125787/inquiry-into-the-future-of-inter-regional-passenger-rail</a>).</p> <p>The Projects terms of reference are:</p> <ul style="list-style-type: none"> <li>○ Investigating possibilities and viability of passenger rail in underserved communities, those with prior rail links that have been disestablished, and those currently advocating for improved rail links;</li> <li>○ Gaining insights into viability of passenger rail sitting alongside KiwiRail's freight network;</li> <li>○ Evaluating existing inter-regional passenger rail, such as the Capital Connection, and how these services work between local and regional councils and central government;</li> <li>○ Gaining insights into the integration of regional rail into existing local public transport networks;</li> <li>○ Investigating the climate and emissions reductions possibilities of passenger rail, and how this links to VKT (vehicle kilometres travelled) reduction targets in the Emissions Reduction Plan, and including electrification between regions; and</li> </ul>	<p>projects findings more widely. We have not been provided a timeframe for this to occur.</p>

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	<ul style="list-style-type: none"> <li>Investigating potential rail expansions and investments in specific areas, such as Tauranga (following a recent report on the re-introduction of passenger rail) and the Lower North Island (following a business case funded at Budget 2021).</li> </ul> <p>A submission was made on 6 October 2022 to the Inquiry. The key points of the submission were:</p> <ul style="list-style-type: none"> <li>UFTI and SmartGrowth support commuter rail as a future option, but when developed neither strategies foresaw commuter rail as a viable alternative for the next few decades.</li> <li>The rail route in the BoP is currently very highly utilised and a freight operation would likely be affected by having to operate around an inter-regional passenger service unless for example there is an appropriate track separation.</li> <li>The impact of inter-regional commuter rail services on existing services would need to be considered. For example, impacts such as displacement of freight services, to allow passenger rail need to be understood within both a road and rail context.</li> <li>Passenger rail services will require significant capital costs (e.g. park and ride, station facilities (buildings, platforms) and track facilities (signals, level crossing) and the investigation and planning of these needs to be undertaken.</li> <li>Key infrastructure along the route (e.g. the Tauranga Harbour bridge) has a seismic risk profile and minimal passenger evacuation capability (in the example of the Kaimai Tunnel) that would need to be remedied in order to enable passenger services.</li> <li>Passenger rail requires high populations and high population densities to be a viable option. International examples state that for a feasible rail service population density needs to be greater than 4,000 to 5,000 per square mile in the vicinity of the rail line. A light rail service requires 5,000-10,000 passengers per hour in the peak direction to be viable. Tauranga, in terms of population size and density, is currently well below these thresholds.</li> </ul>	
<b>Regional Public Transport Plan (RPTP) review</b>	<p>The RPTP is a statutory document prepared and reviewed every three years by the Bay of Plenty Regional Council.</p> <p>The RPTP provides over-arching policy direction on matters including service planning &amp; design, mode shift and carbon reduction or service and infrastructure delivery, that can then be considered further through 'place-based' projects like the TSP Public Transport Services and Infrastructure business case.</p>	The RPTP was adopted by the Regional Transport Committee on 22 September.

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	<p>TCC was actively involved in the review of the RTPP including at a staff level and through the Regional Public Transport Committee. Hearings on the draft RTPP were held in August 2022 where TCCs submission was presented. This focussed on:</p> <ul style="list-style-type: none"> <li>○ The RTPP being amended to acknowledge the challenge faced in terms of the affordability of the services and infrastructure to support a successful public transport system including within a wider multi-modal transport system;</li> <li>○ Clarity being provided on how the RTPP targets align to and are consistent with those already agreed through existing sub-regional planning processes like UFTI and the TSP;</li> <li>○ TCC signalling its keenness to work with Regional Council and the wider SmartGrowth, UFTI and TSP partners to confirm how the draft Plan monitoring framework is able to integrate with other performance measurement frameworks in place at a local / sub-regional level to avoid overlap and ensure an efficient and coordinated monitoring framework.</li> </ul> <p>The Regional Public Transport Committee deliberated on submissions in late August. In respect to the TCC submission points, the RTPP was amended to:</p> <ul style="list-style-type: none"> <li>• Include an additional 'Challenge' statement: 'Funding our network' which highlights the disparity between current funding levels and what will be required to achieve the public transport network aspirations (through UFTI and the TSP). The statement notes that local authorities will not be able to fund the future levels required and a step change in central government funding will be critical to achieving the aspirational targets in this Plan. The statement also notes the overly complex funding environment and the limited funding mechanisms at local government's disposal to deliver transport outcomes.</li> <li>• Note that public transport investment will need to be scaled up significantly to meet ambitious new mode shift and emissions reduction targets and that analysis of the gap between current funding level and future requirements will be undertaken once there is a clearer picture of the implications of the new targets.</li> </ul>	
<b>Eastern Corridor Transport Planning (Te Tumu &amp; Wairakei)</b>	<p>A number of transport-focused workstreams remain underway related to the Te Tumu structure planning process, Wairakei Town Centre development and the Papamoa Eastern Interchange (PEI), these include:</p> <ul style="list-style-type: none"> <li>• Continued development of the detailed design for the PEI to provide access onto the Tauranga Eastern Link to provide for development of the Wairakei Town Centre area and for Te Tumu in the future. A successful HIF application, and bringing forward delivery confirmed through the LTPA, this has enabled funding for PEI to be brought forward to enable construction. Detailed</li> </ul>	<p>Deliver the Te Tumu and Wairakei Town Centre transport infrastructure business case (programmed completion May 2023).</p>

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	<p>design and early works are underway.</p> <ul style="list-style-type: none"> <li>Development of the required Waka Kotahi business case to confirm the availability of the National Land Transport Fund to support implementation of the transport system for the Wairakei Town Centre and Te Tumu growth areas. The scope of this SSBC covers The Boulevard, Te Okuroa Drive and the connected The Sands Ave. Liaison between the project partners and Bluehaven are ensuring that the preferred option that will emerge from this BC will be consistent with early implementation of the western ends of these key transport corridors within the Wairakei town centre area.</li> <li>Transport planning workstreams associated with Te Tumu structure planning are well advanced. The structure plan includes dedicated public transport lanes on The Boulevard through Te Tumu to the Wairakei Town Centre, high-quality walking and cycling connections, and general traffic lanes and will guide the development of the Waka Kotahi business case. Further progress information on the structure planning is provided in the Te Tumu Urban Growth Area update above.</li> <li>Development of the interim concept design for Te Okuroa Drive (between Sands Ave and Te Tumu boundary) to allow for access to Wairakei Town Centre development (predominantly for the DIY development) and TCC employment land until long term design is required. This work is progressing and designs will be delivered as a subset to the PEI contract. TCC are responsible for design and construction, but in liaison with Bluehaven.</li> </ul>	<p>Complete the final stages of developing concept designs for The Sands Ave and part of Te Okuroa Drive within the Wairakei Town Centre. This work is being undertaken with Bluehaven and will inform the Waka Kotahi business case.</p> <p>Contract the detailed design and delivery of Te Okuroa Drive interim-stage to enable the Town Centre development, through the PEI contract.</p>
<p><b>Bay of Plenty region Travel Demand Management (TDM) program</b></p> <p>A Bay of Plenty Regional Council led project that will identify a range of TDM interventions across the BOP region. The work</p>	<p>In early 2022 the first phase of the project which involved a stocktake exercise to establish a baseline of material and TDM activities already available and being implemented across the BoP was delivered.</p> <p>Phase two of the project which involved the delivery of a Scoping Study of TDM initiatives (0-3 year programme of activities that is costed and prioritised) aligned to support the direction of UFTI and the TSP has now been developed for the western BoP. Similar Scoping Studies has also been completed for the Eastern BoP and Rotorua.</p> <p>Tauranga staff were involved in the Scoping Study and worked alongside staff from Western Bay District Council on this Bay of Plenty Regional Council lead project. Examples of the types of activities that the Scoping Study has identified relate to:</p> <ul style="list-style-type: none"> <li>Developing an 'umbrella group and brand' to bring existing groups and campaigns together (e.g. Travel Safe; Wednesday Challenge; Tauranga Travel Pledge; Sport BoP) to promote</li> </ul>	<p>Following reporting to and endorsement of the TDM Scoping Study by the TSP Programme Management and Governance Groups, the next step for this project is for the Regional Council to report the Study's findings to the Regional Transport Committee (programmed for early 2023) for endorsement and support for its use as an</p>



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includes a component which is to focus on the WBoP sub-region and the identification of interventions to compliment the broader TSP program.	<p>alignment and marketing of initiatives.</p> <ul style="list-style-type: none"> <li>Supporting, enhancing and publicising the travel safe programme including the travel plans for schools and businesses.</li> <li>Including different TDM opportunities into each business case and major project areas.</li> <li>Starting / continuing the conversation with the community and stakeholders to co-design TDM and take a community-led approach.</li> <li>Improving end-of-trip facilities for people using active transport to reach their destination.</li> <li>Promoting the expansion of 'share' initiatives (e.g. e-scooter; bike).</li> </ul>	input to the development of TSP refresh (version 2) and subsequent partner Councils next Long Term Plan processes.
<p><b>Transport Emissions Reduction analysis</b></p> <p>Analysis of Urban Form and Transport Initiative (UFTI) &amp; Western Bay of Plenty Transport System Plan (TSP) emissions work relative to emerging Government policy direction.</p>	<p><b><u>National Emissions Reduction Plan</u></b></p> <p>In May 2022, the Government announced the first Emissions Reduction Plan (ERP). In July the Ministry of Transport (MoT) began briefing Tier 1 and 2 cities on what the ERP specifically meant for them individually and particularly in terms of the 'Vehicle Kilometres Travelled' (VKT) reduction targets.</p> <p>Tauranga's feedback to this initial engagement resulted in the MoT adjusting its initially proposed target from a 23% to 21% VKT reduction from the MoT 2019 benchmark.</p> <p>MoT advised in September that Cabinet would consider the proposed sub-national VKT targets and publish these by the end of 2022. This would allow MoT to engage further on the proposed sub-national targets before they are finalised in 2023.</p> <p><b><u>Transport Emissions Projection Tool</u></b></p> <p>A Transport Emissions Projection Tool (TEPT) has been developed (reported to the Councils Strategy Risk and Finance Committee in October) based on the Transport System Plan. This tool enables the impact of different levers (e.g. mode shift; travel demand management; low carbon vehicle update) to be tested to identify the impact on transport emissions relative to the baseline (TSP programme of activities) and the Governments Emissions Reduction Plan to be understood.</p> <p>Discussions with BoPRC, Waka Kotahi and the Ministry for Housing &amp; Urban Development to inform them of the TEPT and what it can inform have continued.</p>	<p>Await the MoT engagement on the proposed VKT reduction targets and provide feedback.</p> <p>Continue to promote the TEPT to key partners and use it for option analysis associated with the TSP Refresh.</p> <p>Waka Kotahi guidance, when available, will influence the design options that are considered through the business case.</p>

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PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	Guidance from Waka Kotahi on how any MoT VKT targets should be applied to the development of business cases, like the SH2/Hewletts Road sub-area and Cameron Road Stage 2 is still outstanding.	
<b>Dynamic Road Pricing</b>	<p>This proof of concept is managed by Waka Kotahi with close coordination with Tauranga City Council. The study seeks to:</p> <ul style="list-style-type: none"> <li>• Create insights about using pricing to optimise current road infrastructure assets/capacity of networks and services; and</li> <li>• Model the net revenue implications for local reinvestment in transport services and solutions.</li> </ul> <p>The Study output is a proof-of-concept report that will include:</p> <ul style="list-style-type: none"> <li>• Transport analysis. This is being done in two stages so the transport model parameters can be adjusted as the analysis progresses – Stage 2 analysis is currently underway; and</li> <li>• Economic assessment. This will include considering road pricing revenues and costs, equity and affordability, optimisation of networks and vehicles, and travel modes.</li> </ul> <p>The report will include early analysis about revenue ownership, decision making about use of revenues and sunk tolling costs that need to be recovered (recovered currently by existing tolling revenue streams).</p> <p>The Stage 1 analysis recommended moving to scheduled variable road pricing (VRP) rather than real-time dynamic road pricing (DRP). It also recommended testing a variable access charge + distance charge price structure. Stage 1 identified four success factors in the design of a pricing scheme for Tauranga:</p> <ul style="list-style-type: none"> <li>• Scalable – the concept needs to work on one corridor, several corridors or across a network of roads.</li> <li>• Public acceptance – The concept needs to be understandable, and it needs to be able to provide a value proposition (e.g. reliable travel).</li> <li>• Targeted – The concept needs to be able to target certain corridors and areas.</li> <li>• Equitable – The concept needs to be flexible to be able to design a scheme with equitable impacts.</li> </ul> <p>The objectives for Stage 2 are to build on the findings of Stage 1 to improve the concept, represent variable price in more detail, deliver the revenue spreadsheet where variants on input assumptions</p>	<p>Carry out the Stage 2 modelling, testing and analysis. The outputs of which will be:</p> <ul style="list-style-type: none"> <li>• Fine tuning the concept to represent variable price in more detail;</li> <li>• Produce the revenue spreadsheet where variants on input assumptions can be tested;</li> <li>• Complete the assessment of the concept to inform delivery of the Proof-of-Concept report.</li> </ul> <p>The study report is due to be delivered end March 2023.</p>

## Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects - December 2022

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>can be tested, and complete the assessment of the concept for the purposes of writing a Proof-of-Concept report.</p> <p>The end March 2023 completion of the Study is later than originally programmed. This is due primarily to the project partners taking time to sense-make the fine grain details that must be resolved to undertake an innovative and bespoke study e.g. applying 'optimal flow' and determining an agreed methodology to incorporate in the assessment.</p>	
<p><b>Western Corridor (SH29 Tauriko / Tauriko West)</b></p> <p><u>Tauriko Enabling Works Business Case</u></p> <p>The Enabling Works business case seeks to enable the Tauriko West urban growth area (UGA) to be opened for approximately the first 2,000 households.</p> <p><u>Tauriko Long-Term Business Case</u></p> <p>A Waka Kotahi lead business case to confirm the long-term transport solution</p>	<p><b><u>Tauriko Enabling Works (EW) Business Case</u></b></p> <p>Following approval of the Business Case in February 2022 the pre-implementation phase (property acquisition and detailed design) has been progressing and is led by Waka Kotahi (WK) while working closely with Council staff.</p> <p>The detailed design of the Enabling Works projects is substantially complete. Waka Kotahi have lodged the Notices of Requirement for the required designations associated with the Enabling Works projects.</p> <p><b><u>Tauriko Long-Term Detailed Business Case</u></b></p> <p>WK work is continuing and focused on identifying the preferred option for the long-term transport improvements. This has involved further development of Option B – Offline (<a href="#">The transport system - Tauriko West</a> (<a href="http://taurikofortomorrow.co.nz">taurikofortomorrow.co.nz</a>)).</p> <p>The analysis of the options by Waka Kotahi continues. This has been focused on transport modelling and economic (benefit cost analysis) analysis of the options. It has also included some</p>	<p><b><u>Tauriko Enabling Works Business Case</u></b></p> <ul style="list-style-type: none"> <li>Subject to the completion of the detailed design Waka Kotahi are programmed to commence the procurement process to appoint contractor for construction early in 2023.</li> <li>WK continue initial property acquisition processes.</li> </ul> <p><b><u>Tauriko Long-Term Business Case: Next steps</u></b></p> <p>TCC to continue to work closely with WK to support them to confirm the long-term preferred option.</p>

**Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects - December 2022**

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
for the western corridor. A key focus is on the state highway 29 including SH29A between the Takitimu Intersection and Barkes Corner, but also public transport solutions, walking and cycling, and local road networks.	further design development (e.g. SH29A/Pyes Pa intersection / Barkes corner).  Waka Kotahi's project timeframe to complete their investigation continues to be extended. This is creating risks for other projects (e.g. Tauriko West, Tauriko Business Estate and Keenan Road urban growth areas). At the time of writing this report staff are working closely with Waka Kotahi to have the project programme through to completion confirmed.	

## 9.7 City Waters Planning Update Report

**File Number:** A14240440

**Author:** Claudia Hellberg, Team Leader: City Waters Planning

**Authoriser:** Nic Johansson, General Manager: Infrastructure

### PURPOSE OF THE REPORT

1. The purpose of this report is to provide the Committee with an update on the current progress, next steps and identified risks with strategic long-term water projects.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "City Waters Planning Update Report".

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### EXECUTIVE SUMMARY

2. Tauranga continues to experience rapid urban development pressure and growth which creates increased demand on the regions water system. Growth is expected to remain strong in the medium to long-term and is a key driver of 3 waters infrastructure investment.
3. In addition, The Tautau and Waioeroi streams that supply our city with water are aquifer-fed and need groundwater levels to recharge before stream flows can improve. There has been a lack of groundwater recharge from 2019 to 2021 which were particularly dry years. Recent rainfall has improved the situation, but the streams are still in the process of recovering which may take a year or more of regular rain. This reduction in the availability of raw water highlights Tauranga's vulnerability to climate change and the need for a long-term system view.
4. This report outlines the progress being made in relation to projects necessary to provide for this continued growth and addressing 3 waters challenges.
5. The four specific projects covered in this report are:
  - (a) Establishment of a Freshwater Management Tool,
  - (b) Development of a sub-regional long-term system view for water,
  - (c) Reconsenting of existing water takes, and
  - (d) Development of the Waimapu Catchment Management Plan.

### BACKGROUND

6. There are four key strategic water projects aiming to prepare Tauranga for the long-term future.

#### Freshwater Management Tool

7. As outlined in a report to the Strategy, Finance and Risk Committee on the 13<sup>th</sup> of December 2021 the "Freshwater Management Tool" is a model suite, which allows TCC to simulate the current hydrological and water quality run off state and will be able to predict future changes based on intervention options and climate change predictions. This tool will support good decision making and value for money investment decisions. The focus of this modelling suite is the average everyday situation on a long-term basis.

8. To date progress has been made to collate a huge amount of data to feed into the model. Data sets have been sourced from a variety of organisations including Bay of Plenty Regional Council (BOPRC), Western Bay of Plenty District Council (WBOPDC), the National Institute for Weather and Climate (NIWA) and GNS Science. As part of this process we received positive feedback on the quantity and quality of the data collected and held by TCC.
9. An independent review panel of leading experts in key technical areas relevant to this model has been set up. The panel consists of 4 experts with expertise in hydrogeology, urban stormwater management and modelling for policy decision-making and infrastructure planning. One panel member with engineering and Mātauranga maori expertise has been appointed by Te Rangapu to ensure their aspirations and perspective are taken account of and incorporated throughout the development of the tool. The review tasks that the panel undertakes are being staged throughout the model development.
10. The project has made significant progress over the last year and preliminary results of the model build and the current state analysis are expected to be delivered in the next couple of weeks. These preliminary outputs can help inform placeholder budgets, for example to implement water quality improvements, during the next Long Term Plan cycle, once the model is calibrated and scenarios have been tested.
11. Testing of the model for a range of scenarios is scheduled for 2023. Among other inputs, the definition and testing of scenarios is intended to have input from Bay of Plenty Regional Council concerning draft water allocation and water quality limits and targets to be set for freshwater bodies by 2024 to give effect to the National Policy Statement for Freshwater Management. Findings from this tool will also inform the sub-regional integrated study outlined below.

#### **Sub-regional long-term system view for water**

12. Tauranga faces a range of challenges around our three waters delivery, which includes catering for ongoing growth, the need to adapt to climate change, changes in regulation, and a potentially new service delivery model. Embedded in these challenges are the requirement for council to give effect to Te Mana o Te Wai.
13. To address these challenges and their long-term implications, it was identified that considering these at a sub-regional scale under a joint TCC and WBOPDC programme is required. This was endorsed by this Committee in December 2021.
14. A first step was taken to establish a sub-regional working group with representatives from BOPRC, WBOPDC, and TCC with a focus on water allocation for municipal supply for the short to medium term. Terms of Reference (ToR) were agreed between TCC, BOPRC and WBOPDC in April this year with the goal of achieving a common understanding of resources available for municipal water supply and developing a plan on how these may be sustainably utilised to service communities in the Western Bay of Plenty moving forward.
15. The ToR enabled strong collaboration between TCC, BOPRC and WBOPDC on this important issue for the subregion, facilitating the sharing of information held by all parties on water supply issues, opportunities and constraints. Five workshops have been held to date. The initial 3 focused on sharing of information and understanding each other's active workstreams in this area. The latter two focused on building a common understanding of future demand, consented supply allocations and water supply systems resilience.
16. Information from the 3 parties as well as outcomes from the workshops is being collated and will form a report to the steering group established under the ToR before the end of the year. The report will cover the findings of the work undertaken to date and recommended next steps.
17. Besides the progress made by the TCC, BOPRC and WBOPDC working group on the short to medium term municipal water allocation question, a joint TCC and WBOPDC project was started to strategically align 3 waters infrastructure planning at a sub-regional scale in

accordance with growth assumptions and ongoing spatial planning under SmartGrowth. This project is being called “Our Water Future”.

18. A technical working group with representatives from WBOPDC and TCC has been established. The initial focus of this group is to refine a draft work programme.
19. “Our Water Future” project has been presented to the Combined Tangata Whenua Group (CTWG) in November 2022. The forum is in the process to provide feedback on the proposed governance structure for this project and to nominate their representatives. It is also expected that a technical expert will be nominated by CTWG to join the technical working group.

### **Reconsenting of existing water takes**

20. The Joyce and Oropi consents are due for re-consenting in 2026. The Waiari consent is due in 2042.
21. The 2021 – 2051 30-year infrastructure plan flagged issues with potential over allocation, as BOPRC (as part of previous work) considered all streams from these supplies as over allocated. Through discussions of the TCC, BOPRC and WBOPDC working group on municipal allocations, it seems that the issue is less concerning than previously expected. However, there is still the potential that the consent will be re assessed at a lower level to meet NPSFM limits.
22. While the indication is that the allocation reductions of the existing takes might be less concerning, it might still be of advantage long term to look for alternative raw water supply sources for resilience purposes.
23. The first phase of the reconsenting project is the preparation of a consenting and engagement strategy. While the strategy has been drafted the engagement strategy can only be finalised with the input of tangata whenua.
24. Roles as cultural advisor and for tangata whenua engagement for this project have been identified, but still waiting to be filled by Te Rangapu.

### **Waimapu Catchment Management Plan**

1. Earlier this year, the Ministry for the Environment (MfE) sought nominations for a Grant to fund catchment management planning projects to be carried out in partnership with iwi/hapu partners. TCC in collaboration with Te Rangapu put forward a range of projects.
2. A proposal to develop the Waimapu Catchment Management Plan in partnership with a leader of Ngati Ruahine (Keni Piahana) made it to the top of the list and TCC is currently discussing with MfE a Deed of Grant for this project.
3. The expected outcome from this project is an exemplar of how to develop a catchment management plan within a iwi/hapu partnership.
4. An initial Deed of Contribution for up to 10% of the intended Grant is expected to be signed before the end of this year to enable the undertaking of project establishment activities, and the project is expected to be fully underway from February next year.

### **STRATEGIC / STATUTORY CONTEXT**

5. The waters projects covered in this report are framed under the 30-year Infrastructure Strategies and Long-Term Plan. The Long-Term Plan also contains provisions for future growth planning to support a sub-regional network view for water.

### **OPTIONS ANALYSIS**

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

**CONSULTATION / ENGAGEMENT**

7. The four projects covered in this report are of interest as outlined in this report to Bay of Plenty Regional Council, Western Bay of Plenty District Council and iwi and hapu. TCC staff will continue to work closely with these partners across all three water projects.

**SIGNIFICANCE**

8. While growth and water management challenges are a significant issue for Tauranga City, this report does not require any core decisions at this stage.

**NEXT STEPS**

9. Council continues to progress the projects and workstreams identified in this update.

**ATTACHMENTS**

**Nil**



**9.8 Capex Programme 22/23: Challenges and Opportunities**

**ATTACHMENTS**

**Nil**

Staff will provide overview presentations to the Strategy Finance and Risk Committee with a question and discussion session to follow.

## 9.9 Community Funding Policy Review - Issues and Options

**File Number:** A14257184

**Author:** Sandy Lee, Policy Analyst  
Richard Butler, Community Partnerships Funding Specialist

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

### PURPOSE OF THE REPORT

1. To discuss the matters detailed in the Draft Community Funding Policy Review – Issues and Options Report and provide any necessary clarifications before the Report is brought back to the Committee early next year for formal consideration and direction.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Community Funding Policy Review - Issues and Options".

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### BACKGROUND

2. Council supports community organisations through various types of funding. This includes grants and cash funding as well as in-kind assistance such as lease subsidies and rates remissions. However, council's Community Funding Policy (the policy) only covers three specific grant funds (Community Grant Fund, Community Development Match Fund and Partnership Agreements), which only account for 11% of the total amount of council investment.
3. When the draft policy was first recommended for Council adoption on 12 July 2021 it was noted that the policy is intended to eventually serve as an umbrella policy for all community funding streams and that 'additional work will be undertaken to determine if all council funding streams should come under the auspices of the policy, including consideration of Council funding for community facilities' (Resolution CO13/21/15). The policy was then formally adopted on the 26 July 2021 with the resolution that 'the policy and the amount of the Community Grant Fund be reviewed within 18 months to align with Annual Plan planning cycle' (Resolution CO14/21/10). Staff are now undertaking the review.
4. Feedback was provided by staff across the business units and representatives of Te Rangapū Mana Whenua o Tauranga Moana. We held a workshop with representatives from three philanthropic and five key stakeholder organisations and sought comment via email from applicants and recipients of a community grant in the last financial year.
5. Several issues have been identified from the feedback, which are detailed in the Draft Community Funding Policy Review – Issues and Options Report attached. Many of the issues relate to, or need to be considered in relation to, council's community funding programme. There are a number of issues, some of which are complex, so it is proposed that the Committee consider the draft report, seek any clarifications needed on the issues and options, and provide direction on Committee views.
6. Following the discussion, staff will make any required amendments to the Draft Issues and Options Report and bring it back to the Committee for formal consideration early in the new year for direction.

## SIGNIFICANCE

7. 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.
8. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the issue.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
9. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance, however the decision proposed in this report is of low significance.


## ENGAGEMENT

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

## NEXT STEPS

11. Any required amendments to the Draft Community Funding Policy Review – Issues and Options Report will be made following the discussions. The report will then be brought back to the Committee on the 13<sup>th</sup> February 2023 for formal consideration and direction on the options.

## ATTACHMENTS

1. **Draft Community Funding Policy Review - Issues and Options Report - A14257322** [↓](#) 

**8.4 Community Funding Policy Review - Issues & Options Report****File Number:** A13899145**Author:** Sandy Lee, Policy Analyst  
Richard Butler, Community Partnerships Funding Specialist**Authoriser:** Barbara Dempsey, General Manager: Community Services**PURPOSE OF THE REPORT**

1. To consider the issues arising from the review of council's Community Funding Policy and provide direction for the revised policy.

**RECOMMENDATIONS**

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Community Funding Policy Review - Issues & Options Report".
- (b) Provides the following direction for the purpose of revising the current policy:

**Issue 1: More Balanced Funding Across the Sectors**

- (i) Agree to apportion specific amounts of contestable grant funding for each sector (Environment, Social, Arts, Culture & Heritage, Sport and Recreation) based on funding priorities.

**Issue 2: Robust Accountability for All Community Funding Streams**

- (ii) Agree to requiring all forms of community funding to have formal agreements in place with specific accountability, reporting and monitoring requirements commensurate with the value of the funding received.

**Issue 3: Clarity and Consistency in Community Organisations' Eligibility for Multiple Sources of Council Funding**

- (iii) Agree to make explicit that decisions on community grant funding applications will take into consideration any other funding (in-kind and cash) the applicant has received either in the past or currently and that preference will be given to those who do not already receive some other form of support from council.
- (iv) Agree to specifying limits on the amount of contestable grant funding any one organisation can apply for and receive from council.

**Issue 4: Size and Structure of the Community Grants**

- (v) Agree to increase the Match Fund Small Grant to \$5,000 max., remove the Match Fund Medium Grant and incorporate the remaining value into the Community Grant Fund (from \$10,001 min. to \$5,001 min.) with the details provided in Table 4, option 4a.

**Issue 5: Options to Clarify the Purpose of Partnership Agreements**

- (vi) Agree to separate partnership agreement funding into two distinct funds: 'Community Sector Lead Agreements' and 'Multi-Year Funding' and remove the word 'partnership' as per the details provided in Table 5, option 5a.

**Issue 6: Options for More Specific Purpose and Priorities for Community Funding**

- (vii) Agree to align the purpose of community funding with the approved strategic vision and the priorities within the approved Action and Investment Plans.

**Issue 7: Legal Status Requirement Limiting Kaupapa Māori Groups**

- (viii) Agree to keeping the status quo, requiring Kaupapa Māori groups without legal status to work with marae (set up as a Trust) to umbrella them for the funding application.

**Issue 8: Inconsistent Community Funding Boundaries**

- (ix) Agree to include exceptions to the boundary restrictions only for community-led projects that are located on TCC co-managed and/or co-owned sites that are outside TCC boundaries.

**EXECUTIVE SUMMARY**

2. Council supports community organisations through various types of funding. This includes grants and cash funding as well as in-kind assistance such as lease subsidies and rates remissions. However, council's Community Funding Policy (the policy) only covers three specific grant funds (Community Grant Fund, Community Development Match Fund and Partnership Agreements), which only account for 11% of the total amount of council investment.
3. When the draft policy was first recommended for Council adoption on 12 July 2021 it was noted that the policy is intended to eventually serve as an umbrella policy for all community funding streams and that 'additional work will be undertaken to determine if all council funding streams should come under the auspices of the policy, including consideration of Council funding for community facilities' (Resolution CO13/21/15). The policy was then formally adopted on the 26 July 2021 with the resolution that 'the policy and the amount of the Community Grant Fund be reviewed within 18 months to align with Annual Plan planning cycle' (Resolution CO14/21/10). Staff are now undertaking the review.
4. Feedback was provided by staff across the business units and representatives of Te Rangapū Mana Whenua o Tauranga Moana. We held a workshop with representatives from three philanthropic and five key stakeholder organisations and sought comment via email from applicants and recipients of a community grant in the last financial year.
5. Staff are seeking direction on the issues and options identified through the review. Following direction, more work will be undertaken by staff and further detailed options for some of the issues will be brought back to the Committee early next year for further direction. Following this, the policy will be amended, and the draft will be brought to the Committee for approval for broader public consultation.

**BACKGROUND****Development of the policy**

6. During the Annual Plan deliberations in July 2020 Council requested staff investigate the creation of a contestable grant fund in response to the significant number of requests for funding from community organisations. The intention was to provide a dedicated fund that all future funding requests from community organisations could be referred to. The aim was to reduce the risk of any further ad-hoc and potentially unfair distribution of funding.
7. In October 2020, the Policy Committee supported the recommendation to amend the Community Investment Policy to reflect the new grant fund and inform its administration and distribution.
8. When work started on updating the policy, a community funding framework had already been drafted following a review in 2019 of all the ways in which council supports community organisations, and the total amount of the investment. The framework was to enable more consistency, fairness and transparency in how support is provided across all of council's activities. The review work was put on hold in 2020 as efforts were focused on ensuring the new grant fund and updated policy were established in time for the next Long-term Plan when more requests for funding were anticipated.

9. Findings from the community funding framework review informed the update of the policy. Other funding streams across council's activities were considered for inclusion in the policy, but with the short timeframe, only the Community Development Match Fund and proposed Partnership Agreements were included along with the new Community Grant Fund. In December 2020 Council approved the draft Community Funding Policy and the Community Investment Policy being revoked once the new one was adopted. The new funding policy still captured the intent of the Community Investment Policy.
10. When the draft Community Funding Policy (the policy) was recommended for council adoption in July 2021, it was highlighted that the policy had been written so that in the future it could serve as an 'umbrella' policy, providing general guidance as to council's expectations and decision-making around how we support community organisations. The report on 12 July 2021 also recommended that Council note that more work would be undertaken to determine if all council funding streams should come under the auspices of the Community Funding Policy (Resolution CO13/21/15). When Council subsequently adopted the policy on 26 July 2021, there was a resolution that the policy and amount of the Community Grant Fund be reviewed within 18 months to align with the Annual Plan planning cycle (Resolution CO14/21/10).

#### **Review of the policy**

11. The Community Funding Policy currently covers the contestable Community Grant Fund (\$10,001 up to \$50,000), the contestable Community Development Match Fund Small (up to \$1000) and Medium (\$1001 to \$10,000) Grants, and non-contestable multi-year funding through Partnership Agreements.
12. The Match Funds are intended as seed funding for new projects and require applicants to provide an in-kind 'match' of the funding they receive. These funds are open to a range of community groups including informal and grass roots neighbourhood groups and communities of interest, as well as formal groups with legal status, whereas the Community Grant Fund is only available to formal groups that are registered charities.
13. Since the implementation of the policy the grant funds have been significantly oversubscribed. In the last financial year (FY 21/22), there were 107 applications to the Community Grant Fund (40 approved), 25 to the Medium Grant (15 approved), and 19 to the Small Grant (14 approved).
14. In reviewing the policy, engagement has taken place with a range of internal and external stakeholders which has informed the issues and options discussed in this report. There have been regular discussions with staff implementing the policy to understand what they think is working and what areas need improving. There were also discussions with staff who administer and/or manage other community funding streams across the council.
15. In general, staff across the business units support the principles and purpose of the policy to have transparency, consistency and fairness in the way the council distributes funding to community organisations. At a scoping workshop in mid-September with relevant staff and managers there was unanimous support for bringing all other community funding streams into the policy, with the understanding that some may be taken out again as the review progressed.
16. Currently the policy covers a small number of the community funding streams which make up only 11% of the total investment to community organisations (see Attachment 1: Summary of Community Investment). The different funding streams cover thirteen types of arrangements with varying degrees of council-imposed conditions and direction, as illustrated in the Community Funding Continuum (see Attachment 2). On one end of the continuum are funding for projects, services and activities that are initiated by the community (e.g., one-off contestable and non-contestable grants, lease and rental subsidies, direct multi-year funding, and rates remissions) which require recipients to meet the specific criteria for each type of funding, and on the opposite end of the continuum are funding arrangements where council dictates what services they want and which community organisation will be funded to deliver it (e.g. direct contract for services).

17. The various funding streams are currently administered by the respective business units that manage the activities. Staff described the difficulty sometimes in getting visibility of any other funding an organisation receives and that there could be improvements so that they are as fully informed as possible when making funding decisions.
18. Council staff administering the policy and the community grants noted that if they had all the information at hand, they could see whether some organisations and sectors are receiving more funding than they would be comfortable with compared to other sectors. Increased transparency and visibility could also encourage greater public recognition of the various ways that the council supports community organisations. Staff also questioned whether recipients of other sources of council funding were subjected to similar accountability requirements and whether improvements could be made to ensure fairness.
19. In mid-October a workshop was run with an external advisory group consisting of representatives from the three philanthropic organisations<sup>1</sup> and five key community organisations that have funding agreements with the council. The philanthropic funders provided useful feedback on the whole funding programme, including the need for more specific purposes and priorities and considering the funding environment as a whole. Representatives from the key community organisations emphasised a similar point as staff about ensuring funding is more equitable across the sectors, and to consider trends, while also stressing the importance of funding assurance for community organisations.
20. We met with two representatives from Te Rangapū Mana Whenua o Tauranga Moana in mid-October to discuss some specific issues that had been raised in relation to supporting Kaupapa Māori activities and initiatives through community funding. They also provided insight into some of the barriers that Kaupapa Māori groups and organisations face in relation to accessing funding, emphasising the need for better in-person communication and engagement with Māori about the funding to build confidence and encourage applications<sup>2</sup>. Broad feedback on community funding was also solicited at the Rangapū hui a couple of days later by staff presenting the Tauranga Matarauui – Inclusive City Strategy.
21. Feedback was also sought from external stakeholders to understand how they think the current policy is working and if they had any suggestions for improvement. A total of 94 applicants and recipients were emailed for their feedback with 16 responding. The feedback was generally positive, with most expressing their support and appreciation of the current policy and funding arrangements. At least a quarter of the respondents did, however, emphasise the importance of longer-term/multi-year funding options being available to enable a level of certainty and forward planning.
22. Feedback from a couple of organisations that currently have Partnership Agreements emphasised the importance of the 'partnership' relationship as well as the need to realise this more fully.

#### STRATEGIC / STATUTORY CONTEXT

23. The new City Vision adopted by Council and developed in conjunction with the community outlines our collective vision for the city. 'Tauranga, together we can' captures the vision for a collaborative approach to realising a city that 'prioritises nature', 'lifts each other up', and 'fuels possibility'. These three pillars inform council's refreshed strategic framework, with our five primary strategies geared towards delivering the five community outcomes that together contribute to the vision.
24. The vision and strategic framework inform the council's plans and policies, including the Community Funding Policy, which guide the operationalisation of these higher-level

<sup>1</sup> TECT, Bay Trust and Acorn Foundation.

<sup>2</sup> Similar concerns related to barriers to applying for funding for some community groups (for example, groups where English is their second language) were also raised during discussions with staff. Suggestions were made on how to better support these groups to overcome the initial application barrier by diversifying the way council accepts applications. However, as this is an operational issue, it has not been included in this policy issues and options report.

strategies in council's day-to-day activities. It is therefore important that council's approach to community funding is aligned with the overall vision for the city. More specifically, the services, activities and projects council support through the distribution of funding should assist community organisations to contribute to the delivery of the community outcomes.

## OPTIONS ANALYSIS

### Issue 1: More Balanced Funding Across the Sectors

25. The four main sectors (Sport and Recreation; Arts, Culture & Heritage; Social; Environment) currently receive different amounts of council funding. Some members of the external advisory group raised concerns about the unequal funding going to the different sectors and that funding should be more balanced. The main concerns were that sport and recreation receives considerably more and that there needs to be more support for the environmental sector.
26. The total amount of community investment is approximately \$22 million per year distributed through a range of funding streams. Approximately 77% of the total investment goes to organisations in the Sport and Recreation sector, 14% to Social sector organisations, 6% to Arts, Culture & Heritage, and 3% to Environmental sector organisations<sup>3</sup> (see Attachment 3: Summary of Community Investment by Sector for details).
27. From the contestable community grants that are covered in the current Community Funding Policy, the funding distribution by sector is different. In the last financial year (21/22) 64% of the funding was for the Social sector, 14% for Sports and Recreation, 13% for Arts, Culture and Heritage, and 9% went to the Environment sector.
28. Feedback from the philanthropic funders emphasised the need to take into consideration the whole funding environment that council is a part of when considering how to fund the different sectors in a more balanced way. They highlighted that the council is just one of the sources of community funding. The other sources available to community organisations include, for example, the regional council, central government agencies, gaming machines (pokies)<sup>4</sup> and lottery grants, as well as the local philanthropic funders. It was suggested the council could exclude sport and recreation organisations from community grant funding due to their ability to access other external funding sources.

**Table 1: Options for More Balanced Funding Across the Sectors**

	Options	Advantages	Disadvantages
1a.	Prioritise community grant funding for the sectors that currently receive the least funding from council (e.g. apply weighting to applications).	<ul style="list-style-type: none"> <li>Helps lift council's support for certain sectors while still enabling organisations from other sectors to apply for community grant funding.</li> </ul>	<ul style="list-style-type: none"> <li>May require more work from staff to develop capability within certain sectors to apply for grant funding.</li> </ul>
1b.	Exclude sport and recreation organisations from being eligible for the contestable Community Grant Fund and refer potential applicants to other external	<ul style="list-style-type: none"> <li>Increased funding available due to reduced competition.</li> <li>Takes a more holistic</li> </ul>	<ul style="list-style-type: none"> <li>Potential negative impacts on council's relationships with sport and recreation organisations that</li> </ul>

<sup>3</sup> These percentages exclude the funding from three types of funding: Mayoral Grants, Event Funding, and Rates Remissions. Lease subsidies make up a significant portion of the funding, particularly for the Sport and Recreation sector. The distribution of cash only funding is 58% Sport and Recreation, 15% Arts, Culture & Heritage, 19% Social Services, and 8% Environment (see Attachment 3 for details).

<sup>4</sup> Pokies funding is a major source of community funding with almost \$8.4 million of grant funding distributed in 2021 in Tauranga. Fifty nine percent of the funding in 2021 went to sport, 22% to community, 6.5% to arts and culture, and 6.3% to health and welfare. Source: <https://granted.govt.nz/dashboard.html>.



	funding sources.	<p>approach to council's whole community funding programme.</p> <ul style="list-style-type: none"> <li>• Sport and recreation organisations still have access to other external funding for projects and activities.</li> </ul>	<p>have currently and historically received support from council through grant funding.</p> <ul style="list-style-type: none"> <li>• Negatively impacts sport and recreation organisations that do not receive any other support from council.</li> </ul>
1c.	<p>Apportion specific amounts of contestable grant funding for each sector (Environment, Social, Arts, Culture &amp; Heritage, Sport and Recreation) based on funding priorities.</p> <p><b>Recommended.</b></p>	<ul style="list-style-type: none"> <li>• Could provide aspirational funding targets that council seeks to meet over a period of time that are aligned with council's strategic funding priorities.</li> <li>• Provides a clear amount of funding for each sector.</li> <li>• Ensures a more equitable funding process which is one of the underpinning principles of the policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Potentially higher competition for grant funding in a larger sector compared to a smaller sector.</li> <li>• May require more work from staff to develop capability within certain sectors to meet grant funding expectations.</li> <li>• Potential impact on the quality of funded projects during the period when building capability within sectors.</li> </ul>
1d.	Status quo. Maintain current eligibility for community grant funding for all sectors.		<ul style="list-style-type: none"> <li>• Unlikely to address the imbalanced and inequitable support for the different sectors across council's funding streams.</li> </ul>

#### Issue 2: Robust Accountability for All Community Funding Streams

29. The Community Funding Policy (the policy) includes clear accountability and reporting measures for grant recipients. Recipients are required to report on their delivery of the objectives and targets they specify in their funding agreement at a level that is commensurate to the funding they receive. Staff also review the grants programme so that it continues to meet community needs. These measures help ensure that the funding distributed provide an actual benefit to the community.
30. The accountability and reporting measures vary significantly across council's funding streams and there is potential for improvement. Currently it is not always clear whether the value of the funding an organisation receives is proportional to the community benefit they provide.
31. For example, council currently provides more than \$13million in total in lease subsidies, which are not included in the policy scope, to 168 community organisations for their lease of council land and/or buildings. These subsidies help support and enable the organisations to deliver their services, by providing a space to operate at significantly reduced rents (most

subsidies are for more than 75% of the rent). Approximately a third of these are historical lease agreements that were originally put in place more than 20 years ago. Land values have increased significantly since these agreements were first established, and many are now in prime locations with considerable market values. Council could look at how the community benefit provided could better reflect the value of the subsidies the organisations receive.

32. Improvements could also be made to ensure that all funding arrangements have formal agreements with clear deliverables and reporting requirements in place. This would help staff in their assessment of whether the funded organisation is delivering on their objectives or what the community benefits are. Clear accountability, reporting and monitoring processes could be included in these funding agreements so that there is consistency across the funding streams.

**Table 2: Options for Robust Accountability for All Community Funding Streams**

	Options	Advantages	Disadvantages
2a.	<p>Require <b>all types of community funding</b> to have formal agreements in place with specific accountability, reporting and monitoring requirements commensurate with the value of the funding received. This includes funding agreements for direct funding (i.e. one-off grants, multi-year funding, and lease subsidies) having additional deliverables in them negotiated with council that provide some direct benefits to the general public.</p> <p>(Refer to Attachment 4: Proposed Community Funding Continuum)</p> <p><b>Recommended.</b></p>	<ul style="list-style-type: none"> <li>Ensures that the funding council distributes to community organisations deliver a community benefit and reflect current community needs.</li> <li>Ensures community organisations that receive any source of funding from council are subjected to similar accountability and reporting requirements.</li> <li>Helps ensure that community benefits are proportional to the value of funding provided to community organisations.</li> <li>Does not reduce funding for community organisations.</li> <li>Increases the deliverables expected from community organisations.</li> </ul>	<ul style="list-style-type: none"> <li>Potentially some resistance from organisations that have not had this level of accountability previously.</li> <li>Different expiry dates for current funding agreements mean that some funding recipients will be subjected to the new requirements later than others.</li> <li>Potentially difficult to determine what proportional community benefits would be.</li> <li>Increases the deliverables expected from community organisations.</li> </ul>
2b.	<p>Status quo. Keep the current accountability and reporting requirements as they are for the different funding streams.</p>	<ul style="list-style-type: none"> <li>No additional requirements or expectations for funding recipients or staff.</li> </ul>	<ul style="list-style-type: none"> <li>Does not address the issues and inconsistencies across the funding streams</li> </ul>

### Issue 3: Clarity and Consistency in Community Organisations' Eligibility for Multiple Sources of Council Funding

33. There is no explicit approach as to whether funding will or should be approved for community organisations that already receive other funding from council. This has meant that decision-making has varied across council. In some circumstances, for example, funding applications have been approved for organisations already receiving support through lease subsidies or rates remissions. However, in the absence of any clear stance from council, applications have been declined in other situations as staff have had to make the discretionary decision that organisations may only receive one source of contestable grant funding given the high demand for community grant funding.

**Table 3: Options for Clarity and Consistency in Community Organisations' Eligibility for Multiple Sources of Council Funding**

	Options	Advantages	Disadvantages
3a.	<p>Make explicit that decisions on community grant funding applications will take into consideration any other funding (in-kind and cash) the applicant has received either in the past or currently and that preference will be given to those who do not already receive some other form of support from council.</p> <p><b>Recommended.</b></p>	<ul style="list-style-type: none"> <li>Signals to applicants what council's preference is while still allowing some flexibility.</li> <li>May help to reduce the overall number of applications to the community grant fund by reducing applications from organisations already receiving some other form of funding from council.</li> <li>Still allows for staff discretion to accommodate unique situations and projects serving important community needs.</li> <li>Provides clarity for staff administering the grant funding that will help enable more consistency.</li> </ul>	<ul style="list-style-type: none"> <li>Applicants may not always have the information about past funding their organisation has received from council.</li> <li>Council may lose quality applications for new projects from organisations already receiving some form of funding or support from council.</li> </ul>
3b.	<p>Specify limits on the amount of contestable grant funding any one organisation can apply for and receive from council.</p> <p><b>Recommended.</b></p>	<ul style="list-style-type: none"> <li>Reduces the number of applications received for contestable grant funding.</li> <li>Saves organisations from spending time writing grant applications if they are not eligible or if they</li> </ul>	<ul style="list-style-type: none"> <li>Does not in isolation address the more common issue around organisations applying for and/or requesting different streams of funding.</li> </ul>

		already receive other funding from council.	
3c.	Limit eligible community organisations to one contestable grant per year.	<ul style="list-style-type: none"> <li>Reduces the competition for contestable grant funding.</li> <li>Saves organisations from spending time writing grant applications if they are not eligible.</li> </ul>	<ul style="list-style-type: none"> <li>Impacts community events that run more than once per year.</li> </ul>
3d.	Status quo. Leave eligibility decisions to the discretion of staff administering the funds.		<ul style="list-style-type: none"> <li>Some organisations may continue to get multiple forms of funding.</li> <li>Inconsistency in how different business units make decisions on eligibility.</li> </ul>

#### Issue 4: Size and Structure of the Community Grants

##### *Ambiguous distinction between the Match Fund Medium Grant and the Community Grant Fund*

34. The distinct purpose and benefit of the Match Fund Medium Grant compared to the large Community Grant is currently ambiguous. The match grant is aimed at supporting community groups to deliver new projects by contributing at least 50% of the total project value (up to \$10,000). Applicants must demonstrate they have an equal amount of community support and investment in the project by 'matching' the fund through in-kind support, volunteer time, donated materials, or dollar value. While the Community Grant Fund does not require applicants to exactly 'match' council's contribution, they do however need to demonstrate community investment in the project. As such, organisations that have sought funding and other non-financial contributions from other providers are prioritised for funding.
35. One of the intentions for the two separate funds is that organisations can get initial support for their new project through a one-off Match Fund Grant then apply to the Community Grant Fund to continue, develop, or expand it. However, based on the applications from the previous funding rounds, this has rarely occurred. In the last two funding rounds, the Match Fund Grants received less than a third (29%) of the number of applications than the larger Community Grant Fund, which means most Community Grant applications are for new projects. For instance, only two of the seed projects funded through the Match Fund Medium Grant in 2021/22 have gone on to apply for funding through the Community Grant in 2022/23. In reality, the size of the project and the amount of funding required is the key determining factor on which grant applicants apply to.
36. Staff have suggested removing the Medium Match Fund Grants altogether as there is a somewhat arbitrary cut-off between the two grants. For example, three of the ten projects funded by the Medium Grant in May 2021 were for \$1,000 meaning that a difference of one dollar determined whether they were governed by the criteria for the Match Fund or the Community Grant Fund.

##### *Longer-term funding for successful community projects*

37. The Community Development Match Fund is intended for new projects and explicitly excludes already completed projects or those that have previously been funded by council. Some key stakeholders raised concern that this restriction does not align with the purpose of the fund as it prevents, rather than enables, successful community-led projects
38. There are no criteria in the Community Grant Fund excluding previously funded projects from receiving another grant. But, given how oversubscribed the Community Grant has been (in the last two funding rounds only 38% of applications were able to be approved), staff have tended to prioritise new projects. However, with the lack of options for longer-term funding, some successful applicants do re-apply for more funding. At present, there are nine repeat applications for projects that were funded in the 2021/22 funding round.
39. Staff administering these grants recognise the need for longer-term funding to support projects that are providing an important service to the community. This has meant that, at times, applications from previously funded projects have been approved or recommended for a Partnership Agreement.
- Value and importance of the Match Fund Small Grant*
40. The Small Match Fund Grant is the only grant directly open to unregistered, informal community groups (as well as registered organisations) without requiring an umbrella organisation. Applications are received on an on-going basis throughout the year. Feedback from stakeholders valued the availability of funding outside the current bi-annual funding cycle and the ability for projects/initiatives responding to new and emerging needs in the community to be supported by council. Feedback from one of the philanthropic funders also highlighted that they look to the council to cover non-registered groups as their funds are only available to registered groups.
41. The Small Match Fund Grant is also an important source of funding for organisations unable to find a suitable umbrella organisation to access one of the larger grants. Feedback from an ethnic community organisation that had received three of the small grants highlighted how newer, unregistered organisations such as theirs, may be seen to be competing with larger, more established registered community organisation for the same pool of council funds. The philanthropic funders noted the contestable process itself can prevent collaboration. These factors create conflicts of interest that can deter the registered organisations from acting as umbrellas for unregistered community groups.
42. Several key stakeholders, including the philanthropic funders, emphasised the importance and value of the small community grants, but that the size is currently small with a relatively large administrative burden. Suggestions were made to increase the size of the grant to help balance the application process and accountability requirements with the amount of funding they provide.

**Table 4: Options for the Size and Structure of the Community Grants**

	Options	Advantages	Disadvantages
4a.	<p>Increase the Match Fund Small Grant to \$5,000 max., remove the Match Fund Medium Grant and incorporate the remaining value into the large Community Grant Fund (i.e. from \$10,001 min. to \$5,001 min.).</p> <p>The following is proposed for this new grant arrangement option:</p> <ul style="list-style-type: none"> <li>Match Fund Small Grant (up to \$5,000) <ul style="list-style-type: none"> <li>Keep year round applications.</li> </ul> </li> </ul>	<p>Match Fund Small Grant:</p> <ul style="list-style-type: none"> <li>Provides access to higher amounts of funding for unregistered community organisations that cannot secure a suitable umbrella organisation.</li> <li>Provides an avenue for more funding to enable successful</li> </ul>	<p>Match Fund Small Grant:</p> <ul style="list-style-type: none"> <li>Greater accountability risk for council distributing grants of up to \$5,000 to community groups with no legal status.</li> <li>Potentially a significant increase in the number of applications to this small grant.</li> </ul>

	<ul style="list-style-type: none"> <li>- Keep direct access to informal clubs/groups without requiring an umbrella organisation.</li> <li>- Enable successful repeat projects to be funded.</li> </ul> <ul style="list-style-type: none"> <li>• Match Fund Medium Grant <ul style="list-style-type: none"> <li>- Discontinue.</li> </ul> </li> <li>• Community Grant Fund (\$5,001 up to \$50,000) <ul style="list-style-type: none"> <li>- Keep existing eligibility to registered community organisations with charity status.</li> <li>- Do not fund any repeat projects.</li> </ul> </li> </ul> <p><b>Recommended.</b></p>	<p>small projects to continue.</p> <p>Community Grant Fund:</p> <ul style="list-style-type: none"> <li>• Excluding repeat projects reduces the competition for an already oversubscribed fund. <i>Projects initially funded through this grant could apply for a contestable multi-year fund (see Issue 5 for details)</i></li> </ul> <p>General:</p> <ul style="list-style-type: none"> <li>• More clarity and distinction between the different grant funds available.</li> <li>• Removes the arbitrary distinction between the Match Fund Medium Grant and Community Grant and the potentially unfair 'match' criteria for projects that may only differ in value by a small amount.</li> </ul>	
4b.	<p>Increase the Match Fund Small Grant to max. \$2500, change the Match Fund Medium Grant to between \$2501 and \$10,000 and remove the match requirement, and keep Community Grant Fund as is.</p> <p>The following is proposed for this new grant arrangement option:</p> <ul style="list-style-type: none"> <li>• Match Fund Small Grant (up to \$2,500) <ul style="list-style-type: none"> <li>- Keep year round applications.</li> <li>- Keep direct access to informal clubs/groups without requiring an umbrella organisation.</li> </ul> </li> <li>• Match Fund Medium Grant (\$2,501 up to \$10,000) <ul style="list-style-type: none"> <li>- Enable successful</li> </ul> </li> </ul>	<p>Match Fund Small Grant:</p> <ul style="list-style-type: none"> <li>• Provides access to slightly higher amounts of funding for unregistered community organisations that cannot secure a suitable umbrella organisation.</li> </ul> <p>Match Fund Medium Grant:</p> <ul style="list-style-type: none"> <li>• Provides an avenue for more funding to enable successful projects of this value to continue.</li> <li>• Helps reduce the demand on the</li> </ul>	<p>Match Fund Small Grant:</p> <ul style="list-style-type: none"> <li>• Slightly increased accountability risk for council distributing grants of up to \$2,500 to community groups with no legal status.</li> <li>• Up to \$2,500 is still a relatively small amount of funding.</li> <li>• Does not address the arbitrary cut-off between the values of the Match Fund Medium Grants and the larger Community Grants.</li> </ul>

	<p>repeat projects to be funded.</p> <ul style="list-style-type: none"> <li>Community Grant Fund (\$10,001 up to \$50,000) <ul style="list-style-type: none"> <li>Keep existing eligibility to registered community organisations with charity status.</li> <li>Do not fund any repeat projects.</li> </ul> </li> </ul>	<p>Community Grant Fund from seed projects looking for more funding.</p> <p>Community Grant Fund:</p> <ul style="list-style-type: none"> <li>Excluding repeat projects reduces the competition for an already oversubscribed fund. <i>Projects initially funded through this grant could apply for a contestable multi-year fund (see Issue 5 for details)</i></li> </ul> <p>General:</p> <ul style="list-style-type: none"> <li>Clarifies the distinction between the Medium Match Fund Grant and Community Grant Fund.</li> </ul>	
4c.	Status quo. Leave the current values and arrangements of the three grant funds.	<ul style="list-style-type: none"> <li>Avoids any potential confusion for applicants about the changes.</li> </ul>	<ul style="list-style-type: none"> <li>Does not address any of the issues raised.</li> </ul>

#### Issue 5: Clarify the Purpose of Partnership Agreements

43. Partnership Agreements provide multi-year funding for select community organisations previously supported by a one-off contestable Community Grant Fund. These agreements are currently the only longer-term funding available and recipients have increased accountability and reporting requirements in line with the greater investment from council.

##### *Clarify the purpose of Partnership Agreements*

44. Council has eight Partnership Agreements with community organisations which have been progressively entered into. However, the reasons for selecting them vary and create some ambiguity in the purpose of the Partnership Agreements for both council staff and recipients. Some of the agreements were based on council historically supporting organisations to provide an important service to the community. Some were considered to be delivering programmes and activities that aligned with council's current strategic priorities, and therefore council wanted to provide longer-term support than just a one-off grant. Others were identified as cornerstone organisations that play a key advisory role to help support and develop their sector, including assisting organisations in applying for grants. Currently council staff provide some assistance to organisations needing help, but this is often a time-intensive process with potential for conflicts of interest if council is also the decision-maker.

##### *Make the process for securing Partnership Agreements more fair*

45. Staff administering the Partnership Agreements have acknowledged that the current process by which organisations receive these funding agreements could be improved. Potential organisations are currently identified by staff and approached to discuss the multi-year funding, after which formal council approval is sought. Unlike the other community grants,

there is no open or contestable process that enables other community organisations to apply for and secure multi-year funding.

*Distinguish the Partnership Agreements from other similar funding arrangements*

46. Discussions with staff highlighted concerns around the use of the term 'partnership' for these funding agreements. 'Partnership' suggests a mutual relationship between council and the 'partner' organisation that does not necessarily reflect the reality of all of the funding arrangements and has also created expectations from some of the organisations of continuous funding. Some staff members consider them to be more accurately multi-year funding agreements and suggested changing the name.
47. Council also has other similar funding arrangements with community organisations that council has close links with. These other arrangements have been variously termed 'relationship', 'partnership' or 'service' agreements or referred to as 'community partnerships', and improvements could be made to ensure consistency in the terminology to avoid any confusion around what the differences in the funding arrangements are.

**Table 5: Options to Clarify the Purpose of Partnership Agreements**

	Options	Advantages	Disadvantages
5a.	<p>Separate the funding into two types based on the different reasons (and purpose) of the current partnership agreement holders, remove the term 'partnership' and name them accordingly.</p> <p>The following is proposed*:</p> <ul style="list-style-type: none"> <li>Community Sector Priority Agreements – these are multi-year funding agreements with cornerstone community organisations for each of the five sectors that include them playing an advisory role.</li> <li>Multi-Year Funding – these are contestable fixed term funding for particular projects that aligns with council's funding priorities.</li> </ul> <p>(Refer to Attachment 4: Proposed Community Funding Continuum)</p> <p>*Note that these are a re-organisation of existing funding rather than requests for more funding.</p> <p><b>Recommended.</b></p>	<p>General:</p> <ul style="list-style-type: none"> <li>Clarifies the purpose of each of the funding arrangement types for both staff and stakeholders.</li> <li>Greater clarity and consistency between the different multi-year funding arrangements and service agreements provided by council.</li> </ul> <p>Community Sector Priority Agreements:</p> <ul style="list-style-type: none"> <li>Empowers community organisations to show leadership by supporting and developing their sector.</li> <li>A clear collaborative arrangement between council and the cornerstone organisations that helps provide distance between council as funder and council assisting potential funding applicants.</li> </ul> <p>Multi-Year Funding:</p> <ul style="list-style-type: none"> <li>Provides an option for</li> </ul>	<p>Community Sector Priority Agreements:</p> <ul style="list-style-type: none"> <li>Council potentially seen to be pitting key sector organisations against each other for the funding agreement for their respective sector.</li> <li>A sector may not currently have a suitable cornerstone organisation with the capacity and capability to deliver on the agreements.</li> </ul> <p>Multi-Year Funding:</p> <ul style="list-style-type: none"> <li>More work for staff to administer another contestable multi-year fund.</li> <li>The word 'partnership' is important for some of the current Partnership Agreement holders and the relationship with council that it communicates.</li> </ul>



		<p>longer-term support for projects that align with council priorities that helps to give the recipient organisations some security. Also alleviates pressure on the Community Grant Fund.</p> <ul style="list-style-type: none"> <li>Provides flexibility for council to support different community-led projects without expectations of on-going funding by community organisations.</li> <li>Enables other organisations that have demonstrated their capability to deliver projects to apply for multi-year funding.</li> </ul>	
5b.	Rename Partnership Agreements to Multi-Year Funding Agreements but keep the arrangements as they are.	<ul style="list-style-type: none"> <li>Addresses the confusion and expectations associated with the mis-leading 'partnership' name.</li> </ul>	<ul style="list-style-type: none"> <li>Does not address any of the other issues related to the partnership agreement arrangements discussed.</li> </ul>
5c.	Status quo. Keep the name 'Partnership Agreement' and their varied arrangements.	<ul style="list-style-type: none"> <li>Some current Partnership Agreement holders value the specific 'partnership' term and the relationship with council that it communicates.</li> </ul>	<ul style="list-style-type: none"> <li>Does not address the identified issues.</li> </ul>

#### Issue 6: More Specific Purpose and Priorities for Community Funding

48. The general purpose of community grant funding in the current policy is to support community organisations to 'achieve council's strategic priorities, community outcomes, and principles of support, and be appropriate to the purpose and role of a local authority'. Relatedly, the general funding criteria stipulates that applicants must demonstrate how their project or activity contributes to one, or preferably more, of the community well-beings and the community outcomes specified in the LTP. The stated purpose and criteria align council's community funding with the broad direction and purpose of local government and enables a wide range of projects and initiatives to be eligible for funding.
49. Further details on the grant criteria are also provided within the schedules for the Community Grant Fund and the Community Development Match Fund on how council approaches community wellbeing. These are captured under the six 'Principles of Support': Communities

of need and social equity; Encourage Kaupapa Māori Outcomes; Community Pride and Belonging; Wellbeing and Participation; Safe and Resilient Communities; and Environmental Sustainability. An additional 15 areas of interest are articulated for the Match Fund on 'priority communities' for the funding.

50. Feedback from both internal and external stakeholders highlighted challenges associated with such expansive purpose and criteria. Staff administering the community grants have found the lists too exhaustive and unhelpful in providing specific decision-making guidance when assessing applications that all meet the funding criteria. As noted earlier, council currently receives three times more applications to the large Community Grant and two times more for the Medium Match Fund Grant than what is able to be funded. Staff have indicated the need to prioritise funding areas and reduce the number of principles of support, areas of interest and assessment criteria.
51. A number of the key external stakeholders, including some of the cornerstone community organisations, commented on the application process becoming a 'tick-in-the-box' exercise regarding the well-beings as they feel the pressure to tick multiple well-being boxes. There is also the risk of potentially diluting what an organisation does rather than funding them for contributing fully to one well-being.
52. The representatives from the philanthropic organisations pointed out that the broadness of council's stated community funding purpose means that all sorts of projects could arguably make a case for funding, even if it may not be what council would want to fund. They suggested narrowing down the purpose and priorities to help reduce the number of grant applications.

**Table 6: Options for More Specific Purpose and Priorities for Community Funding**

	Options	Advantages	Disadvantages
6a.	Focus the purpose of community funding on just the community wellbeings (social, environmental, cultural, economic).	<ul style="list-style-type: none"> <li>• Maintains some continuity with the current grant funding criteria.</li> <li>• Clarifies and simplifies the overall purpose of community funding.</li> <li>• Enables all sectors to be eligible for funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Community wellbeings are very broad and may not help to narrow down the number of applications.</li> </ul>
6b.	Focus the purpose of community funding on just the community outcomes.	<ul style="list-style-type: none"> <li>• Aligns with outcomes specifically developed for the Tauranga community to help deliver on the wellbeings.</li> <li>• Clarifies and simplifies the overall purpose of community funding.</li> </ul>	<ul style="list-style-type: none"> <li>• May be difficult to administer and monitor if the set of community outcomes change and/or are amended with the Long Term Plan.</li> </ul>
6c.	Align the purpose of community funding with the approved strategic vision and the priorities within the approved Action & Investment Plans.	<ul style="list-style-type: none"> <li>• Aligns community funding with a recently approved strategic direction, and actions that are specific to Tauranga and developed with the</li> </ul>	<ul style="list-style-type: none"> <li>• Depending on the number of priorities in the Action and Investment Plans, they might not reduce the number of applications to the</li> </ul>

	<b>Recommended.</b>	<p>community.</p> <ul style="list-style-type: none"> <li>• Clarifies and simplifies the purpose of community funding for potential applicants.</li> <li>• Encourages more meaningful contribution from the community to the collective vision for the city.</li> <li>• Can help inform more specific grant funding criteria based on the priorities in the Action and Investment Plans that assists decision-making for staff.</li> <li>• Enables flexibility in funding as the priorities in the Action and Investment Plans change over time.</li> </ul>	oversubscribed community grants.
6c.	Status quo. Keep the current broad purpose of community funding and areas of interest.	<ul style="list-style-type: none"> <li>• Enables a wide range of community projects and initiatives to be eligible for funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not address any of the identified issues.</li> </ul>

#### Issue 7: Legal Status Requirement Limiting Kaupapa Māori Groups

53. The existing policy limits funding to organisations with a legal status. Kaupapa Māori organisations and groups, including marae, are often not incorporated societies and therefore ineligible for community grant funding. A representative of Te Rangapū Mana Whenua o Tauranga Moana also highlighted that Kaupapa Māori organisations are not always interested in becoming incorporated to have a legal status, but they often work closely with iwi and hapū and provide significant benefit to their community.

**Table 7: Options for Legal Status Requirement Limiting Kaupapa Māori Groups**

	Options	Advantages	Disadvantages
7a.	Enable Kaupapa Māori groups without legal status to be eligible for community grant funding provided they can demonstrate their ability to deliver projects and document their practices and their connections to iwi and hapū.	<ul style="list-style-type: none"> <li>• Enables more Kaupapa Māori initiatives to be funded for the benefit of the communities and aligns with the purpose of community funding.</li> <li>• Aligns with the current approach for the Kaupapa Māori Legacy</li> </ul>	<ul style="list-style-type: none"> <li>• Accountability risk for council distributing funding to groups with no legal status.</li> </ul>

		Event Fund.	
7b.	Status quo. Require Kaupapa Māori groups without legal status to work with marae (set up as a Trust) to umbrella them for the funding application. <b>Recommended.</b>	<ul style="list-style-type: none"> <li>Ensures funding is provided to organisations that have demonstrated ability to deliver.</li> </ul>	<ul style="list-style-type: none"> <li>Potentially limits the number of Kaupapa Māori activities and initiatives from being funded.</li> </ul>

#### Issue 8: Inconsistent Community Funding Boundaries

54. The policy currently excludes funding for projects that are outside Tauranga City Council boundaries. Grant applications received for projects located outside the council territory but primarily benefitting the Tauranga community have had to be declined. For example, a community grant application was received for a project at Oropi Mountain Bike Track which is on council-owned land but is technically in the Western Bay of Plenty District Council area.
55. There are also a number of other Tauranga City Council-owned (or jointly-owned) sites that are outside the official city boundaries. This includes McClaren Falls which is entirely managed by the council, and the TECT All Terrain Park and Huharua Park which are jointly owned, developed and managed by Tauranga City Council and Western Bay of Plenty District Council in recognition of the opportunities and benefits they provide both for Tauranga residents as well as visitors.
56. Discussions with two representatives from Te Rangapū also highlighted the fact that iwi and hapū boundaries do not directly align with the city boundaries but they would still be considered part of the Tauranga community.

**Table 8: Options for Inconsistent Community Funding Boundaries**

	Options	Advantages	Disadvantages
8a.	Include exceptions to the boundary restrictions only for community-led projects that are located on Tauranga City Council co-managed and/or co-owned sites that are outside the city boundaries. <b>Recommended.</b>	<ul style="list-style-type: none"> <li>Recognises council's current management of these sites and their primary benefit to the Tauranga community, including sites located within iwi and and hapū boundaries and/or co-managed with iwi and hapū (e.g., Omanawa Falls and McLaren Falls).</li> <li>Consistent with council's current approach to funding community organisations that are on council-owned land and/or buildings through supporting them to provide their service to the community.</li> </ul>	<ul style="list-style-type: none"> <li>Potentially increases the number of applications to already oversubscribed grant funds.</li> </ul>

8b.	Include exceptions to the boundary restrictions only for community-led projects that are on sites within the Bay of Plenty region where there are proven benefits to the Tauranga community.	<ul style="list-style-type: none"> <li>Recognises that there are projects and activities not immediately within the city boundaries that still benefit Tauranga residents.</li> </ul>	<ul style="list-style-type: none"> <li>Potentially increases the number of applications to already oversubscribed grant funds.</li> <li>Difficult to determine whether Tauranga residents are primarily beneficiaries.</li> <li>Difficult to determine which council should be responsible for providing funding.</li> </ul>
8c.	Maintain current funding to activities strictly within Tauranga City Council boundaries. Status quo.	<ul style="list-style-type: none"> <li>Makes it very clear to applicants what the physical boundaries are.</li> </ul>	<ul style="list-style-type: none"> <li>Inconsistent with other council policies (e.g. Sub-Regional Parks Policy) and the other sites outside of the city boundaries that council owns and manages.</li> </ul>

#### FINANCIAL CONSIDERATIONS

57. All community funding covered in this policy review has already been approved. While some of the options and recommendations provided in this report may require the re-organisation of some existing funding arrangements, no additional funding is being requested.
58. Some recommended options in this report will require additional staff time and resources to implement. There has already been approval for a consultant to investigate the options for a 'funding hub' which is taking place alongside this policy review and is intended to help with the operation and implementation of the amended policy. Depending on what recommended options are selected, further costs will be investigated and reported to the Committee with the draft policy.

#### LEGAL IMPLICATIONS / RISKS

59. This report has no legal implications. Any risks associated with the recommended or selected options will be investigated when detailed amendments are being made to the existing policy document.

#### CONSULTATION / ENGAGEMENT

60. We engaged with a range of internal and external stakeholders for the policy review to understand their thoughts about community funding, what is working, and what could be improved.
61. A workshop was held with an external advisory group consisting of representatives from the three philanthropic organisations in Tauranga and five key community organisations that have some form of funding agreement with the council. They were chosen because of their previous involvement in the policy development and funding framework. Email feedback was also sought from the group on the draft issues and options.
62. Engagement took place with Te Rangapū Mana Whenua o Tauranga Moana, including the chair and another representative, to hear their views on funding for Kaupapa Māori activities

and initiatives as well as community funding more generally. Broad feedback was also sought from Te Rangapū during a hui on the Tauranga Matarauui Strategy.

63. Feedback on the policy was also sought from the successful and unsuccessful applicants to the two community grant funds covered by the policy. A total of 94 stakeholders were emailed from the last two funding rounds for their views on how the policy is working, with 16 responses received.
64. We engaged with staff across council's business units who manage and/or administer some form of community funding through workshops and on-going discussions, to understand the details and arrangements of the funds as well as their views on bringing all community funding into the policy scope.

#### SIGNIFICANCE

65. 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.
66. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the issue.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
67. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of high significance, however the decision proposed in this report is of low significance.

#### ENGAGEMENT

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

#### NEXT STEPS




69. Staff will undertake more work on some of the approved options and identify some detailed options for addressing the issues. These options will be brought back to the Committee early next year for further direction. Following this, the policy will be amended, and the draft will be brought to the Committee for approval for broader public consultation.

#### ATTACHMENTS

1. **Attachment 1 - Summary of Community Investment - A14225942**
2. **Attachment 2 - Community Funding Continuum (current) - A14233801**
3. **Attachment 3 - Summary of Community Investment by Sector - A14225943**
4. **Attachment 4 - Community Funding Continuum (proposed) - A14233805**

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Draft

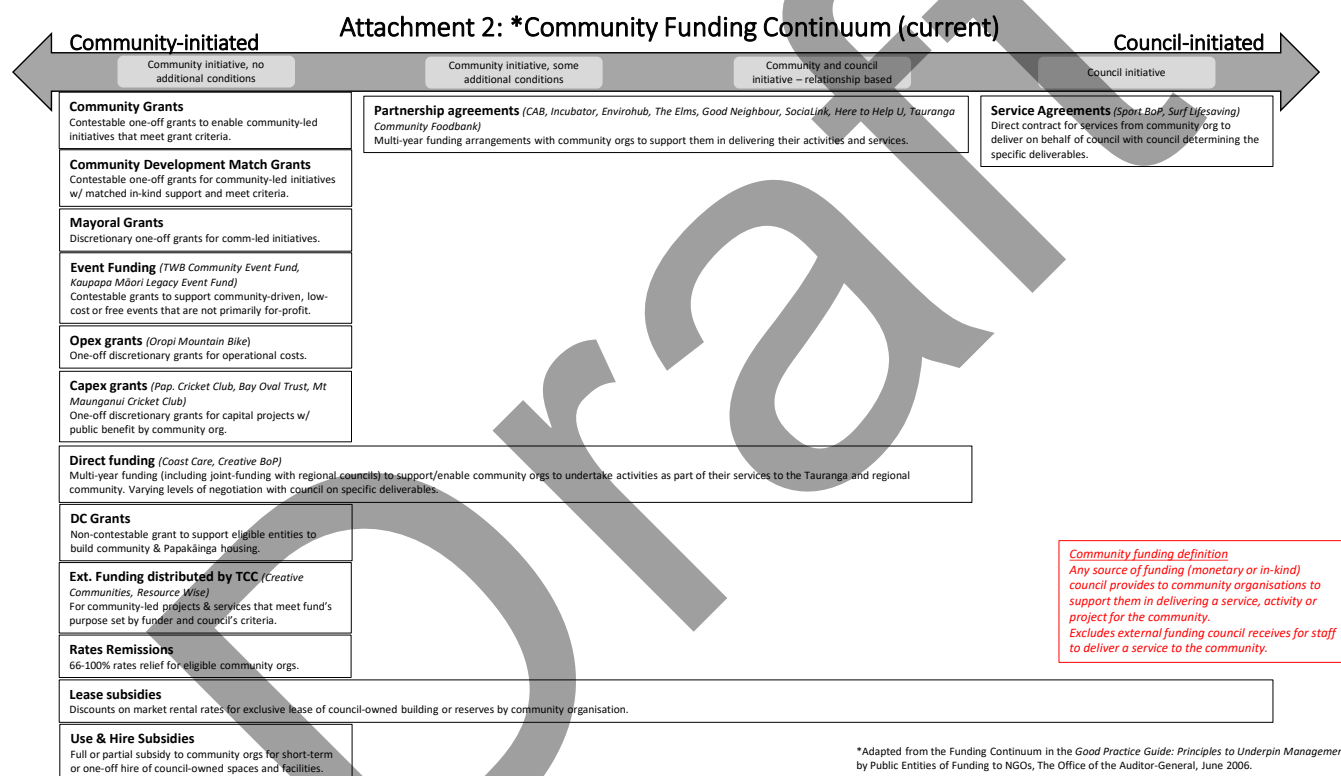
## Attachment 1: Summary of Community Investment FY2021/22

Community Funding Type	Total Investment	Cash Only
Community Grants	\$ 1,460,000.00	\$ 1,460,000.00
Partnership Agreements	\$ 889,000.00	\$ 889,000.00
Mayoral Grants	\$ 41,500.00	\$ 41,500.00
Event Funding*	\$ 230,000.00	\$ 230,000.00
Opex Grants	\$ 5,000.00	\$ 5,000.00
Capex Grants	\$ 3,057,300.00	\$ 3,057,300.00
Direct Funding	\$ 215,000.00	\$ 215,000.00
Development Contributions Grants*	\$ 1,000,000.00	
Ext Funding Distributed by TCC	\$ 420,100.00	\$ 420,100.00
Rates Remissions	\$ 420,500.00	
Lease Subsidies	\$ 13,024,600.00	
Use & Hire Subsidies	\$ 156,300.00	
Service Agreements	\$ 675,400.00	\$ 675,400.00
	<b>\$ 21,594,700.00</b>	<b>\$ 6,993,300.00</b>

Note: Figures have been rounded to the nearest \$100.00

\*Figures are the total amount set aside for the funds, not the amount distributed in the year.





## Attachment 3: Summary of Community Investment by Sector FY2021/22

<b>Sport &amp; Recreation</b>	<b>Total Investment</b>	<b>Cash Only</b>
Service agreements (2)	\$ 675,400.00	\$ 675,400.00
Opex grant (1)	\$ 5,000.00	\$ 5,000.00
Capex grant (3)	\$ 3,057,300.00	\$ 3,057,300.00
Lease Subsidies (70)	\$ 12,227,800.00	
Community Grants (6)	\$ 191,000.00	\$ 191,000.00
Development Match Fund Grants (5)	\$ 13,500.00	\$ 13,500.00
Total:	<b>\$ 16,170,000.00</b>	<b>\$ 3,942,200.00</b>

<b>Arts, Culture &amp; Heritage</b>	<b>Total Investment</b>	<b>Cash Only</b>
Direct funding (2)	\$ 170,000.00	\$ 170,000.00
Use & hire subsidies (1)	\$ 95,000.00	
External funds (1)	\$ 96,900.00	\$ 96,900.00
Historic Village lease subsidies (13)	\$ 31,900.00	
Partnership Agreements (2)	\$ 584,000.00	\$ 584,000.00
Lease Subsidies (5)	\$ 28,500.00	
Community Grants (4)	\$ 131,100.00	\$ 131,100.00
Development Match Fund Grants (10)	\$ 55,000.00	\$ 55,000.00
Total:	<b>\$ 1,192,400.00</b>	<b>\$ 1,037,000.00</b>

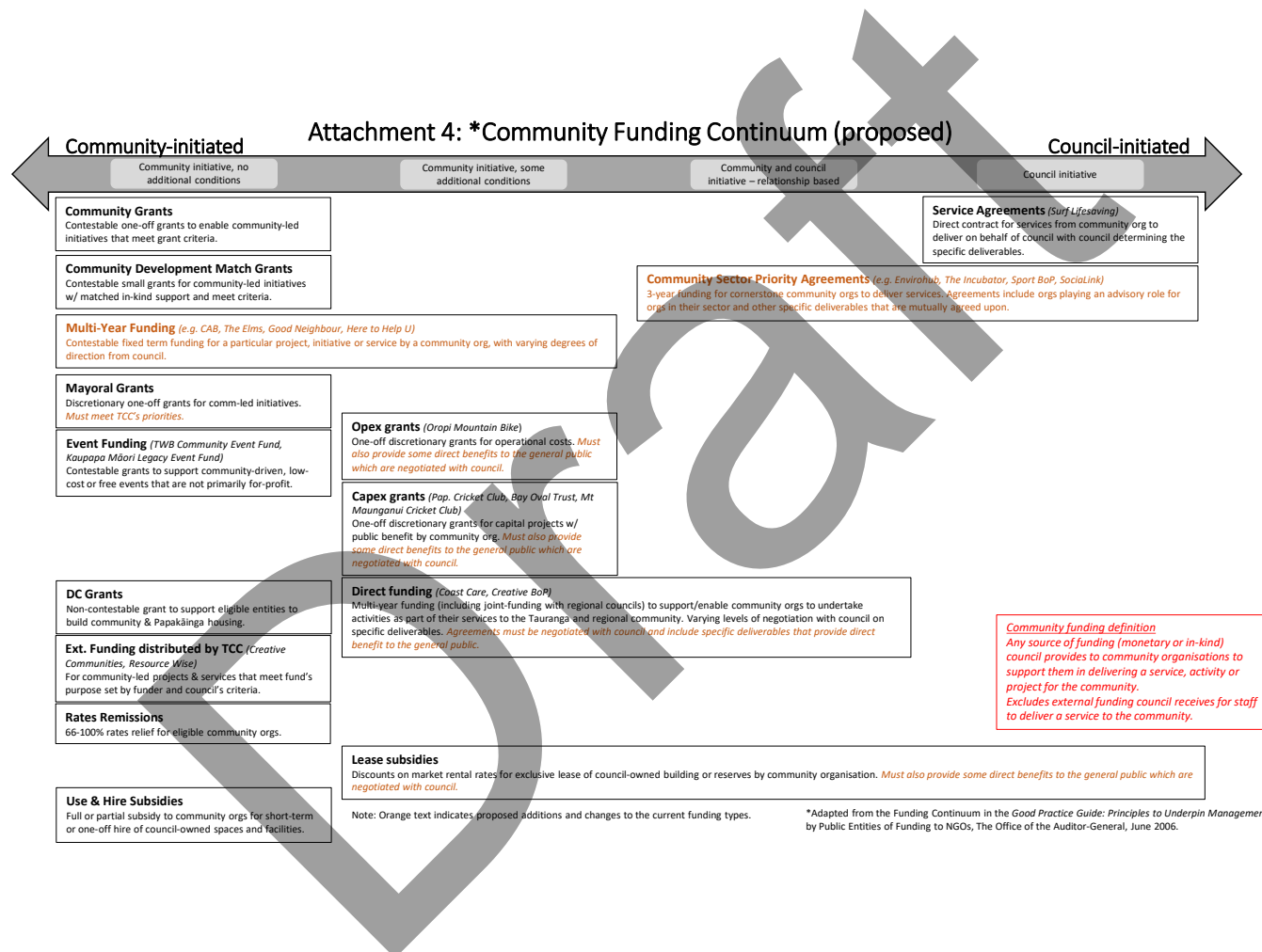
  

<b>Social</b>	<b>Total Investment</b>	<b>Cash Only</b>
Use & hire subsidies (1)	\$ 2,000.00	
Historic Village lease subsidies (26)	\$ 55,400.00	
Partnership Agreements (5)	\$ 305,000.00	\$ 305,000.00
Lease Subsidies (54)	\$ 681,000.00	
Community Grants (28)	\$ 883,800.00	\$ 883,800.00
Development Match Fund Grants (12)	\$ 65,100.00	\$ 65,100.00
Development Contributions Grants (2)	\$ 1,000,000.00	
Total:	<b>\$ 2,992,300.00</b>	<b>\$ 1,253,900.00</b>

<b>Environment</b>	<b>Total Investment</b>	<b>Cash Only</b>
Direct funding (1)	\$ 45,000.00	\$ 45,000.00
Use & hire subsidies (1)	\$ 59,300.00	
External funds (1)	\$ 323,300.00	\$ 323,300.00
Community Grants (3)	\$ 120,000.00	\$ 120,000.00
Development Match Fund Grants (2)	\$ 19,100.00	\$ 19,100.00
Total:	<b>\$ 566,700.00</b>	<b>\$ 507,400.00</b>

Note: Summary amounts do not include Mayoral Funds, Rates Remissions or Event Funding. Figures have been rounded to the nearest \$100.00



## **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
<b>11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 14 November 2022</b>	<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)(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)(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>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
<b>11.2 - Commercial Land Assessable for Rates</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be	s48(1)(a) - the public conduct of the relevant part of the proceedings of

	likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	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
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## **12 CLOSING KARAKIA**