



AGENDA

Ordinary Council meeting Monday, 27 February 2023

I hereby give notice that an Ordinary meeting of Council will be held on:

Date: Monday, 27 February 2023

Time: 9.30am

**Location: Bay of Plenty Regional Council Chambers
Regional House
1 Elizabeth Street
Tauranga**

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

**Marty Grenfell
Chief Executive**

Terms of reference – Council

Membership

Chairperson	Commission Chair Anne Tolley
Members	Commissioner Shadrach Rolleston Commissioner Stephen Selwood Commissioner Bill Wasley
Quorum	<u>Half</u> of the members physically present, where the number of members (including vacancies) is <u>even</u> ; and a <u>majority</u> of the members physically present, where the number of members (including vacancies) is <u>odd</u> .
Meeting frequency	As required

Role

- To ensure the effective and efficient governance of the City
- To enable leadership of the City including advocacy and facilitation on behalf of the community.

Scope

- Oversee the work of all committees and subcommittees.
- Exercise all non-delegable and non-delegated functions and powers of the Council.
- The powers Council is legally prohibited from delegating include:
 - Power to make a rate.
 - Power to make a bylaw.
 - Power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan.
 - Power to adopt a long-term plan, annual plan, or annual report
 - Power to appoint a chief executive.
 - Power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
 - All final decisions required to be made by resolution of the territorial authority/Council pursuant to relevant legislation (for example: the approval of the City Plan or City Plan changes as per section 34A Resource Management Act 1991).
- Council has chosen not to delegate the following:
 - Power to compulsorily acquire land under the Public Works Act 1981.
- Make those decisions which are required by legislation to be made by resolution of the local authority.
- Authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council.
- Make appointments of members to the CCO Boards of Directors/Trustees and representatives of Council to external organisations.
- Consider any matters referred from any of the Standing or Special Committees, Joint Committees, Chief Executive or General Managers.

Procedural matters

- Delegation of Council powers to Council's committees and other subordinate decision-making bodies.
- Adoption of Standing Orders.
- Receipt of Joint Committee minutes.
- Approval of Special Orders.
- Employment of Chief Executive.
- Other Delegations of Council's powers, duties and responsibilities.

Regulatory matters

Administration, monitoring and enforcement of all regulatory matters that have not otherwise been delegated or that are referred to Council for determination (by a committee, subordinate decision-making body, Chief Executive or relevant General Manager).

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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 THE ORDER OF BUSINESS**

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Council meeting held on 7 February 2023

File Number: A14416833

Author: Robyn Garrett, Team Leader: Governance Services

Authoriser: Robyn Garrett, Team Leader: Governance Services

RECOMMENDATIONS

That the Minutes of the Council meeting held on 7 February 2023 be confirmed as a true and correct record.

ATTACHMENTS

1. Minutes of the Council meeting held on 7 February 2023



MINUTES

**Ordinary Council meeting
Tuesday, 7 February 2023**

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**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE BOP REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE, 1 ELIZABETH
STREET, TAURANGA
ON TUESDAY, 7 FEBRUARY 2023 AT 9.30AM**

PRESENT: Commission Chair Anne Tolley, Commissioner Shadrach Rolleston,
Commissioner Stephen Selwood, Commissioner Bill Wasley

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), Sarah Omundsen (General Manager: Regulatory and
Compliance), Gareth Wallis (General Manager: City Development &
Partnerships), Nick Lynch-Watson (Open Space & Community Facilities
Planner); Ross Hudson (Team Leader: Planning), Emily McLean
(Programme Lead: City Development), Amanda Davies (Manager:
Community Amenity Programme Delivery); Jane Barnett (Policy Analyst),
Nigel McGlone (Manager: Environmental Regulation), Rob Lahey (Principal
Strategic Advisor); Coral Hair (Manager: Democracy & Governance
Services), Robyn Garrett (Team Leader: Governance Services), Sarah
Drummond (Governance Advisor), Anahera Dinsdale (Governance Advisor),
Janie Storey (Governance Advisor)

1 OPENING KARAKIA

Commissioner Shad Rolleston opened the meeting with a karakia.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

Nil

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Council meeting held on 12 December 2022

RESOLUTION CO1/23/1

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

- (a) That the minutes of the Council meeting held on 12 December 2022 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

10.1 Recommendation from other Committee - Strategy, Finance and Risk Committee – 5 December 2022

Staff Christine Jones, General Manager: Strategy, Growth and Governance

RESOLUTION CO1/23/2

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report Recommendation from other Committee - Strategy, Finance and Risk Committee - 5 December 2022.
- (b) 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' with immediate effect.

CARRIED

11 BUSINESS

11.1 Proposed Dual Naming for Rotary Park and Ila Park

Staff Barbara Dempsey, General Manager: Community Services
Nick Lynch-Watson, Open Space & Community Facilities Planner
Ross Hudson, Team Leader: Planning
Emily McLean, Programme Lead: City Development

External Tane Bennett - Principal Maungatapu School
Kaida Miharo - Senior student
Frankie Te Kani - Senior student
Marlo Ririnui - Senior student
Irene Walker - Teacher

Key points

- The students thanked the Council for the opportunity to speak to the name change and noted that Rotary Park was special to the school. Rotary Park was the local name, but to iwi it was known as Ōpūpū as there was an abundance of pūpū - periwinkle shells at Rotary Park and mud snails in the estuary.
- A relative of one of the students, Marama Rewiti Martin, was involved in opening of Rotary Park and was depicted in a black and white photo at the time.
- The kura and students used the park as a place of studying and learning and presented a journal to the meeting which showed the kura's involvement in the area. Students had designed the mural depicting a sea whale and different sea creatures. It was an area where warriors and their tupuna would go to battle and rest up afterwards.
- The group requested that the park be known as Ōpūpū so that everyone could understand the cultural significance and history of the site.
- The students started their request in 2021 and, as some of the original students had left, the current group was continuing their work towards the name change to complete the mahi.
- Ms Walker noted that a big part of the naming was the education around the names. The parks were well known for younger people and families and could also be a place where they could be educated. Part of the curriculum of schools would be to tell the history, it was creating a space and helping the community to take care of the environment. Both places had wetland restoration projects and were places of knowledge about how to look after an area that was once a swamp. These areas were a breeding ground and kai cupboard for iwi, but were now depleted, with one of the reasons for depletion being city growth and development. Iwi were at the Council table to constantly remind them about the environment and were bringing the young people forward to do this.

In response to questions to the group and staff

- There were not many pūpū left in the area, they had been depleted over time.
- There was a significant redevelopment occurring at Ila Park and interpretation panels with the history of the area were included in the design elements. Ila Park was expected to be reopened by the end of March. There was also the same intention for signage and information to be provided at Rotary Park.
- Conversations had been held with remaining Ila family members and they were in support of the redevelopment and dual naming. They had indicated that they would attend the reopening in March 2023.

Discussion points raised

- The Rotary Club had signalled they were keen to continue with the development of the park and this would be a good programme for them to become involved in.
- The students were thanked for coming to present to the meeting. Council appreciated their input and Commissioners noted the importance of the Council and the community being able to understand the history of each of these areas.

RESOLUTION CO1/23/3

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Proposed Dual Naming for Rotary Park and Ila Park".
- (b) Approves the name "Ōpūpū" to be added to Rotary Park as a dual name. The full reserve name will be Ōpūpū – Rotary Park.
- (c) Approves the name "Te Papa Tākaro o Tongaparaoa" to be added to Ila Park as a dual name. The full reserve name will be Te Papa Tākaro o Tongaparaoa – Ila Park.

CARRIED

11.2 Destination Skatepark - Update to Project Scope and Budget

Staff Barbara Dempsey, General Manager: Community Services
Amanda Davies, Manager: Community Amenity Programme Delivery

Key points

- The scope of the original budget required 50% external funding to progress, 62% external funding had been secured so Option B was able to proceed.
- The updated budget for Option B required an additional \$375,000 to be funded over 2 financial years.

In response to questions

- Regarding being able to work within the budget available rather than seeking additional funding, it was noted that the funding was to provide a contingency for the project and to allow the park to offer a wider variety of skate experiences.
- Access across Maunganui and Hull Roads and carparking on site would be provided through the redevelopment of Blake Park and a signalised crossing would be installed.
- Staff were currently working extensively on the consenting options which would include having consents in place for future development. Some work would be able to commence to provide power, water and fencing on the site.
- Shade would be provided through the installation of shade sails and the retention of the large trees. Skaters had indicated that they would rather have the flow bowl than a covered skating area, so further shade would be considered within the future development plans.

Discussion points raised

- A good outcome had been achieved in terms of the level of investment from external funders, and the good active participation from users was noted and commended.
- Commissioners had been signalling the challenging LTP constraints, and it was queried whether there was enough communication and understanding within the community on the cost implications of projects and the onus of additional funding being put back onto them.

RESOLUTION CO1/23/4

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Destination Skatepark – Update to Project Scope and Budget".

- (b) Approves the updated project scope to proceed with construction of Option B.
- (c) Approves an updated project budget for the construction of Option B of \$3,610,081, which includes 62% external funding to a value of \$2,211,217.
- (d) Approves a council contribution of \$1,398,863.76. This includes an additional Council contribution of \$375,863 for project contingency to deliver Option B.
- (e) Approves the allocation of the updated total project budget to the following financial years - \$1,083,024.36 for FY 23 and \$2,527,056.83 for FY 24

CARRIED

11.3 Submission to Sale and Supply of Alcohol (Community Participation) Amendment Bill

Staff Sarah Omundsen, General Manager: Regulatory and Compliance
Jane Barnett, Policy Analyst
Nigel McGlone, Manager: Environmental Regulation

Key points

- Public submissions were due on the Bill by 12 February 2023. The bill was aimed at giving local communities more of a say with regards to the issuing of liquor licences.

In response to questions

- The proposed legislation removed all opportunities for appeal and provided a greater opportunity for community participation.
- Objections would be considered in light of where objectors were from e.g. from local communities and individuals or wider national interest groups.
- Current legislation had been interpreted narrowly to require that someone must have a greater interest in an application than the public to participate e.g. live within 1-2 km. If they did not live in the area they did not have a voice, the proposal made it possible for anyone that felt they were impacted by the licence to become part of the process.
- There was no change to the application notification or engagement at the beginning of the application process. This had been raised in consultation on the draft TCC Local Alcohol Policy and staff were to go above the legislative requirement to ensure early notification occurred.
- The removal of the right to a cross examination where no party could ask questions of other parties needed to be made clearer. There was still a need for some questioning and provision to do so should be included in the legislation in some format without making the parties feel uncomfortable.

Discussion points raised

- Commissioners amended the proposed resolution to allow further points to be added to the submission and to approve it retrospectively at the next meeting.
- The draft bill presented a lot of conflicting information which District Licensing Committees would need to make decisions on, and added a level which did not address the actual problem of excess alcohol usage. Any person wanting access to alcohol would find it.
- It seemed to be a large process where no one would end up satisfied - the proposal tended to make it worse and could result in an increased cost to Council.
- It was requested that these reservations be provided at the start of the submission and to ask the Select Committee whether the new measures proposed would make a difference to the problem of alcohol abuse.

RESOLUTION CO1/23/5

Moved: Commissioner Bill Wasley
Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Submission to Sale and Supply of Alcohol (Community Participation) Amendment Bill".
- (b) Updates the submission to include further comments from the Commissioners prior to being submitted to the Justice Select Committee, and brings the submission back to Council at the next meeting for retrospective ratification.
- (c) Notes that a report to the Strategy, Finance and Risk Committee will recommend that decisions on the revised draft Local Alcohol Policy be delayed until after the Amendment Act comes into force.

CARRIED

11.4 Bay of Plenty Mayoral Forum - Triennial Agreement 2022 - 2025

Staff Christine Jones, General Manager: Strategy, Growth and Governance
Rob Lahey, Principal Strategic Advisor

RESOLUTION CO1/23/6

Moved: Commissioner Bill Wasley
Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Bay of Plenty Mayoral Forum - Triennial Agreement 2022 - 2025".
- (b) Endorses the proposed Triennial Agreement, provided in Attachment 1.
- (c) Authorises the Commission Chair to sign the Triennial Agreement on behalf of Tauranga City Council.

CARRIED

11.5 Updated Meetings Schedule 2023

Staff Christine Jones, General Manager: Strategy, Growth and Governance
Coral Hair, Manager: Democracy & Governance Services

Key points

- The Tauranga Public Transport Joint Committee meetings had been included and the annual plan hearings and deliberations had been removed.

In response to questions

- Discussions would be held within the next week to discuss the Long-term Plan process and would be reported with a timeline to the next meeting.
- Meetings held on a Friday were generally joint committee meetings organised by BOPRC.
- BOPRC Public Transport, SmartGrowth, Metro and Upper North Island meetings were to be added.

RESOLUTION CO1/23/7

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Updated Meetings Schedule 2023".
- (b) Adopts Attachment 1 as the meetings schedule for the period January to December 2023.

CARRIED

11.6 Submission to Inquiry into 2022 Local Elections

Staff Christine Jones, General Manager: Strategy & Growth
Coral Hair, Manager: Democracy & Governance Services

Discussion points raised

- Commissioners amended the proposed resolution to allow further points to be added to the submission and to approve it retrospectively at the next meeting.

RESOLUTION CO1/23/8

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Submission to Inquiry into 2022 Local Elections".
- (b) Updates the submission to include further comments from the Commissioners prior to being submitted to the Justice Select Committee and brings the submission back to Council at the next meeting for retrospective ratification.

CARRIED

11.7 Emergency Management Response - January Weather Event

Staff Barbara Dempsey, General Manager: Community Services

Key points

- A navigator had been appointed and was wrapping around the families that had been affected by slips and flooding.
- A project team was investigating what needed to be done to clear the site and were awaiting a Geotech report.
- The ground needed to dry out prior to the work being carried out. Staff were keeping a watch on the weather which may delay the clean-up.
- The team was working closely with the insurance parties involved.
- Noted that many of the team members turned up following the event and got on with the job working long hours. Some staff on annual leave came into work to assist.

In response to questions

- The \$150m invested by the previous Council in stormwater projects and infrastructure changes had assisted with coping with the heavy rainfalls. An investigation would be undertaken to

determine how they had coped, to understand the volumes and flows involved, and see if the infrastructure had functioned as expected and whether there were any gaps. A report would be provided to Council when this had been completed.

- Staff were still to determine how many of the slips were on public and private land. The insurance implications would need to be considered on private land and, once known, the situation would be assessed.
- Council had a detailed and robust contract with the concert group which used the Tauranga Domain, which included penalties for damage to the park. While this may cover the financial cost, the regular sporting codes would not be able to use the fields for a while. The hirer had set up the stage and sound but could not cancel the concert until their insurance clause was activated. They then needed to remove the gear for their next gig and did so while the ground was still sodden.

Discussion points raised

- The Commissioners congratulated staff on doing an amazing job to make sure damage from the storm was minimised and all systems were working. They asked that their appreciation be passed on to all staff concerned.
- Credit was given to past councils for making good decisions in stormwater, drinking water and wastewater investment.

RESOLUTION CO1/23/9

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Emergency Management Response - January Weather Event".

CARRIED

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION CO1/23/10

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

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
13.1 - Public Excluded Minutes of the Council meeting held on 12	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the

December 2022	unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information 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)	disclosure of information for which good reason for withholding would exist under section 6 or section 7
13.2 - Update on Maungatapu matters	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED**14 CLOSING KARAKIA**

Commissioner Shad Rolleston closed the meeting with a karakia.

The meeting closed at 11.02 am.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 27 February 2023.

.....
CHAIRPERSON

8 DECLARATION OF CONFLICTS OF INTEREST

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

- 9.1 Mohinder Singh on behalf of the Sikh Indian community - Request for installation of covered bus stop at 61 Te Okuroa Drive (Papamoa Gurudwara Sahib). To be tabled.**

ATTACHMENTS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Bay Venues User Fees Review and Office Refurbishment

File Number: A14412950

Author: Sanjana France, CCO Specialist
Anne Blakeway, Manager: City Partnerships

Authoriser: Paul Davidson, Chief Financial Officer

PURPOSE OF THE REPORT

1. The purpose of this report is to present Bay Venues proposed draft user fees and charges schedule for Council to adopt as a draft for public consultation. This report also presents Bay Venues proposal to reallocate existing budgets for an office refurbishment at Baypark Stadium.

RECOMMENDATIONS

That the Council:

- (a) Receives the Bay Venues User Fees Review and Office Refurbishment report.
- (b) Adopts Bay Venues' draft user fees and charges proposal as set out in Option 1 of Attachment 1, as a draft for public consultation, incorporating any amendments as directed by Council at this meeting.
- (c) In addition, approves an increase of \$600,000 to the Bay Venues annual operating subsidy (above the normal CPI increase).
- (d) Approves the reallocation of Bay Venues capital budget to fund the support office refurbishment, noting that this project has been approved by the Bay Venues Board and is in alignment with the Baypark Masterplan.
- (e) Approves additional rates funding of \$186,000 per annum to cover depreciation and interest costs associated with the Baypark office refurbishment.

EXECUTIVE SUMMARY

User Fees Review

2. Bay Venues has undertaken a review of user fees across the funded network, including all facilities that are subsidised by the council operating grant.
3. Bay Venues is seeking approval to increase user fees to broadly align with the national benchmark, as outlined in the pricing review provided at Attachment 1. This report provides recommendations and context on Bay Venues' proposal.

Office Refurbishment

4. Bay Venues support staff are currently spread across multiple areas within Baypark and other external sites, including Baywave. Bay Venues are seeking approval to proceed with an office refurbishment, using their existing budget for other Baypark Stadium projects, including repairs to the stadium roof lining, that are not required in the short to medium term.
5. It should be noted that this is the first stage of resolving the issues highlighted in the recent Strategic Review of Bay Venues. There is further work to be done through the Long-term Plan 2024-2034 process in relation to capital investment, depreciation and renewals to

ensure a sustainable funding and financing model. A report will come to Council before June 2023.

BACKGROUND

User Fees Review

6. Bay Venues commissioned RSL (Recreation Sport Leisure Consultancy) to review user fees in the funded network against a national benchmark (comprising seven other New Zealand cities). The RSL Pricing Comparisons report is provided at Attachment 2.
7. The review has concluded that current user fees are between 27% - 90% of the national benchmark (excluding Baywave, which is slightly ahead of benchmark).

Typical comparisons to the national benchmark are provided in the table below (all prices include GST):

	Aquatics	Indoor Courts	Community Halls	Community Centres
	Adult Greerton	Youth/Senior Community Trustpower Arena	Adult Community Bethlehem Hall	Yth/Sen Community XL Room
Bay Venues current user fee	\$2.60	\$24.90	\$19.40	\$21.50
Current % of national benchmark	63%	49%	66%	61%
Comparisons with other cities:				
Wellington	\$3.40	\$64.00	\$19.00	\$30.00
Hamilton	\$4.00	\$44.00	\$35.00	\$40.00
Christchurch	\$4.50		\$15.30	\$25.00
Pukekohe	\$2.70			
Auckland	\$5.00 \$4.30	\$50.00	\$26.00 \$53.00	\$28.80 \$40.80
Dunedin		\$22.50	\$20.00	
Lower Hutt		\$75.00	\$24.00	

8. In some areas of the user fees review, Bay Venues identified that the national benchmark did not reflect the standard of the facilities or felt it would significantly impact affordability. Where this is the case, the recommended user fee has been reduced to reflect the standard of the facility and perceived affordability.

Office Refurbishment

9. Bay Venues currently have over 350 staff. Staff numbers are roughly evenly split between full time, part time and casual staff with around 90 full time staff based at Baypark. Of the staff based at Baypark, approximately 50 are office-based and not directly customer-facing.
10. Bay Venues believes there is a pressing need to co-locate teams that are currently dispersed across multiple sites (Baypark and Baywave) in multiple office locations (more than 10 small and disconnected office areas). This is a barrier to teams connecting and communicating easily, a matter raised in staff engagement survey results.

11. A detailed business case, along with photos showing the current state of offices, are provided at Attachment 3.

STRATEGIC / STATUTORY CONTEXT

12. As a council-controlled organisation, Bay Venues is required to operate in a financially prudent manner and is intended to produce an operating surplus. Bay Venues' purpose is to provide a service to the community on behalf of Council, rather than to operate a business for profit. The predominant strategic driver for Bay Venues is "maintaining and enhancing accessibility for all".
13. Bay Venues operates under an Enduring Statement of Expectations (ESE) with Council. The ESE identifies the purpose of Bay Venues as:
"Bay Venues exists to care for and optimise community facilities to create value for Tauranga City and enhance the quality of life of its people, now and into the future".
14. It is expected that the operating surplus generated by the more commercially focussed activities in the network will go some way towards offsetting the potential deficit generated by the commercial activities.
15. To aid the desired outcomes of the Baypark Master Plan, the proposed office upgrade will future proof the building and, should it be decided in future that appropriate Bay Venues staff are moved elsewhere (e.g. co-located with Council staff at 90 Devonport Road), part or all of the offices could be made available to community organisations or leased out commercially to generate an income.

OPTIONS ANALYSIS - PRICING REVIEW AND OFFICE REFURBISHMENT

16. Bay Venues' options analysis provided in Attachment 1 considers the two scenarios to increase their user fees, along with the relative advantages and disadvantages of each option.
17. Bay Venues' options analysis provided in Attachment 3 considers the scenarios for their office refurbishment, along with the relative advantages and disadvantages of each option.

FINANCIAL CONSIDERATIONS

18. Bay Venues' operating costs have increased significantly over the last three years, while the ability to increase operating revenue has been limited by:
 - (a) An inability to increase volume due to capacity restrictions, particularly at major sites such as Baywave, Trustpower Arena, and the Mount Hot Pools, which are close to full capacity; and
 - (b) The impact of COVID and the direction of previous Councils has resulted in an inability to increase user fees by anything other than the usual CPI increases (maximum 5%).
19. Bay Venues has a current operating deficit of \$1.6 million per year. To remain financially sustainable Bay Venues needs to return to at least breakeven position, which they can do through a mix of price increases and an increase to the annual operating subsidy from Council.
20. It should be noted that the proposed increase of \$600,000 to Bay Venues' annual operating subsidy is in addition to the remuneration alignment increase of \$336,000 already approved by Council in 2022. TCC will manage the increased rates requirement within the parameters of the Long-term Plan 2024-2034.
21. The 2023 FY budget was for stadium main lights, stadium roof ceiling and stadium paint finishes with some additional ancillary budget.
 - Stadium lights budget is still required, with \$1 million needing to be carried forward into FY2023/24.

- Some paint work will be undertaken, stadium roof not currently a priority, the main areas of concern from a health and safety perspective have been remediated.
- Reallocate \$1.35 million of the remaining \$1.495 million to the office refurbishment.

New Capital	FY2023 Budget	FY2023 Forecast	FY2024 Carry forward	Comments
New Capital projects under \$200k	\$1,000,000	\$1,000,000		\$700,000 spent to date
Baypark Inc Pavilions and Stadium	\$2,495,778	\$1,495,778	\$1,000,000	See para 19 above
New Capital Total	\$3,495,778	\$2,495,778		
Design and fees 3%	\$104,873	\$104,873		
NEW CAPITAL TOTAL	\$3,600,652	\$2,600,652	\$1,000,000	

22. Assuming a 10-year useful life of the Baypark office refurbishment, additional rates funding of \$186,000 will required from FY2024 onwards to cover \$135,000 per annum depreciation and \$51,000 per annum additional interest grant funding.
23. Bay Venues' comparative analysis of the financial return on investment of the project is provided in the below table on the basis that the office spaces were leased at a fair market commercial rate at some stage in the future. Any non-commercial arrangements would impact the return on investment (ROI).

Description	
Office Upgrade Cost	\$1,350,000
Potential Revenue - Existing office space freed up by relocating staff (annual lease at \$200/m2)	\$40,000
Potential Revenue - If Bay Venues vacate redeveloped offices in future (annual lease @ \$400/m2)	\$200,000
Total Potential Revenue	\$240,000
Assumed ROI (based on total potential revenue)	18%
Assumed Payback Period (excluding debt servicing and depreciation)	5.6 years

LEGAL IMPLICATIONS / RISKS

24. Section 8.2 (iii) of TCC's [Enduring Statement of Expectations](#) with Bay Venues notes that:
- "Funding of new projects over \$200,000, not included in an approved Asset Management Plan, Long-term Plan or Annual Plan, must be approved by Council following the submission of a detailed business case."*
25. In addition, the Enduring Statement of Expectations requires that the business case will be subject to prior peer review by Council staff. Unfortunately, the tight frames of this business case coming to Council has not enabled a peer review to be undertaken in this instance.
26. Further, the Enduring Statement of Expectations clarifies that:
- "The general expectation for new capital projects is that they will need to generate sufficient additional revenue to cover interest costs and depreciation, as well as all other project costs."*
- And that: *"Council may elect to provide debt funding for community projects if it is in the ratepayer interest to do so."*

27. It should be noted that, following a decision by Council a number of years ago, depreciation on the Baypark Stadium building is not funded. However, funding of the fitout depreciation is being sought for this project, as it is assumed that the building will still be operational in 10 years' time. We may need to revisit the depreciation funding when the next fitout is due, to understand if it is still viable as an office space in the future.

CONSULTATION / ENGAGEMENT

28. Bay Venues' pricing review will be included, along with Tauranga City Council's annual review of user fees and charges, in the community consultation undertaken as part of the Annual Plan 2023/24 and Long-term Plan 2024-2034 processes.
29. The office refurbishment project does not require community consultation or engagement.

SIGNIFICANCE

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

ENGAGEMENT

33. Taking into consideration the above assessment, that the pricing review decision is of medium significance, officers are of the opinion that consultation is required under the Local Government Act (2002). This will take place along with TCC's annual user fees and charges review as part of the Annual Plan 2023/24 community consultation process.
34. No further engagement is required for the office refurbishment decision

NEXT STEPS

35. If the pricing review proposal is approved by Council, this will be included in TCC's annual user fees and charges review as part of the Annual Plan 2023/24 community consultation process.
36. Subject to the outcome of community consultation, Bay Venues will increase user fees in the financial year 2023/24 to broadly align with the national benchmark.
37. If the office refurbishment is approved, Bay Venues staff will continue with detailed design, procurement and building consent (concurrent) in March to May 2023. Construction will commence in June 2023, subject to contractor availability.

ATTACHMENTS

1. Bay Venues Community Facility User Fees Review - A14412247  
2. RSL - Bay Venues Pricing Comparisons Report, December 2022 - A14412251  
3. Bay Venues Office Refurbishment Report - A14412290  



ATTACHMENT 1

Bay Venues Community Facility User Fees Review

EXECUTIVE SUMMARY

1. Bay Venues has undertaken a review of community facility user fees with a view to aligning its prices with national market benchmarks of comparable community facilities in other major cities.
2. On average, the analysis has concluded that current user fees are in nearly all cases significantly below national benchmark (see detailed table in Appendix 1). Current user fees are between 27% & 90% of the benchmark (excluding Baywave, which is slightly ahead of benchmark). Most frequently used facilities are between 49% & 90% of benchmark.
3. Bay Venues proposal, which has been discussed with and approved by our Board, is to increase our user fees in accordance with Appendix 1 to align more closely with the current user fees of benchmark community facilities around the country.
4. Recommended user fees are still below the national benchmark in most cases.
5. We recommend a one-off upfront adjustment to benchmark in year 1 (Option 1), with an alternative option to adjust over 2 years (Option 2).
6. It should be noted that the last significant review of our user fees for our community facilities was undertaken in 2020 and no changes were made, other than normal CPI increases (given COVID).
7. Notwithstanding the proposed user fee increases under Option 1, Bay Venues is forecasting that it will still require an increase to the operating subsidy of \$0.6m in FY24 (taking total operating subsidy to \$5.0m to cover the costs of operating the community facilities. If Option 2 is taken, we will require an increase of \$0.98m in FY24 (total to \$5.38m) and \$0.6m in FY25 (total to \$5.0m) (all figures exclude normal CPI increases).
8. If we do not increase our user fees as proposed (and only adjust to CPI) then we will require an increase to our operational subsidy in FY24 of \$1.6m (total operating subsidy of \$6.0m for FY24).

BACKGROUND

9. Bay Venues commissioned RSL to review user fees in the funded network against a national benchmark (comprising 7 other New Zealand cities). The review has concluded that current user fees are between 27% - 90% of the national benchmark (excluding Baywave which is slightly ahead of benchmark).
10. Typical comparisons to the national benchmark are provided in the table below (all prices include GST):

	Aquatics	Indoor Courts	Community Halls	Community Centres
	Adult Greerton	Youth/Senior Community Trustpower Arena	Adult Community Bethlehem Hall	Yth/Sen Community XL Room
Bay Venues current user fee	\$2.60	\$24.90	\$19.40	\$21.50

Current % of national benchmark	63%	49%	66%	61%
Comparisons with other cities:				
Wellington	\$3.40	\$64.00	\$19.00	\$30.00
Hamilton	\$4.00	\$44.00	\$35.00	\$40.00
Christchurch	\$4.50		\$15.30	\$25.00
Pukekohe	\$2.70			
Auckland	\$5.00 \$4.30	\$50.00	\$26.00 \$53.00	\$28.80 \$40.80
Dunedin		\$22.50	\$20.00	
Lower Hutt		\$75.00	\$24.00	

11. In some areas of the user fees review, Bay Venues identified that the national benchmark did not reflect the standard of the facilities or felt it would significantly impact affordability. Where this is the case, the recommended user fee has been reduced to reflect the standard of the facility and perceived affordability.
12. Consolidated Summary of proposed changes under Option 1:

	Bay Venues Consolidated	Per User
Current Deficit (pre operating subsidy)	(\$6.0m)	
Operating Subsidy	\$4.4m	\$2.31
Current Operating Deficit	(\$1.6m)	
Option 1:		
Increase in User Fees	\$1.0m	\$0.53
Increase in Council Subsidy	\$0.6m	\$0.32
New Operating Subsidy if Option 1 is adopted	\$5.0m	\$2.63
New Operating Subsidy if Option1 is not adopted	\$6.0m	\$3.16

OPTIONS ANALYSIS

13. The options analysis below presents two options to increase Bay Venues user fees.
14. It is assumed that no significant decline in demand will result from an increase in user fees given that most facilities are running at or close to full capacity, and that the proposed increases are relatively low on a per person basis.

Option 1 (RECOMMENDED)

15. **Increase user fees to broadly align more closely with national benchmark in year 1 (FY24).**
16. This will result in a user fee increase of between \$0.14 - \$1.81 per person in year 1 (FY24), reverting to a normal CPI increase from year 2 (FY25) onwards.

	Current: User Fee Range	Option 1: New User Fee Range	Increase range per user
Aquatic Entry Fee (per person, excluding Baywave which is increasing by CPI only)	\$1.30 - \$5.50	\$2.80 - \$6.40	\$0.70 - \$1.70
Squad Swimmer (per person per hour, assuming 4 swimmers per lane, including entry)	\$4.83 - \$6.53	\$5.75 - \$7.54	\$0.93 - \$1.01
Indoor Court User (per person per hour, assuming 16 players per court)	\$0.96 - \$2.99	\$1.69 - \$3.63	\$0.48 - \$1.81
Community Hall User (per person per hour, assuming 20 people per group)	\$0.34 - \$1.21	\$0.65 - \$1.61	\$0.14 - \$0.42
Community Centre User (per person per hour, assuming 20 people per group)	\$0.39 - \$1.53	\$0.86 - \$2.63	\$0.47 - \$1.12

17. Revenue increase through user fee contribution in year 1 (FY24) will be \$1.03m.

18. Council operating subsidy will increase by \$0.6m in year 1 (excluding CPI).

Advantages	Disadvantages
<ul style="list-style-type: none"> Reduces the operating subsidy burden on TCC and supports a more sustainable "user-pays" model. User fees are fair & reasonable, aligned with comparative national benchmark. Straightforward to implement. Will bring user fees into line with national benchmark in one step. Unlikely to require further significant user fee increases in the short to medium term. 	<ul style="list-style-type: none"> Will result in "bill shock" at a time of increased cost of living and high inflation. Likely to be a negative response from areas of the community impacted by user fee increases.

Option 2 – NOT RECOMMENDED

19. **Increase user fees to broadly align with national benchmark over a 2-year period (FY24-FY25), weighting 60% of the increase towards year 1 (FY24).**

20. This will result in a user fee increase of between \$0.12 - \$1.39 in year 1 (FY24), with user fees aligning to Option 1 from year 2 (FY25) onwards.

	Current: User Fee Range	Option 2: New User Fee Range (Yr 1)	Increase range per user
Aquatic Entry Fee (per person, excluding Baywave which is increasing by CPI only)	\$1.30 - \$5.50	\$2.40 - \$6.20	\$0.50 - \$1.10

Squad Swimmer (per person per hour, assuming 4 swimmers per lane, including entry)	\$4.83 - \$6.53	\$5.35 - \$7.05	\$0.52 - \$0.53
Indoor Court User (per person per hour, assuming 16 players per court)	\$0.96 - \$2.99	\$1.46 - \$3.53	\$0.36 - \$1.39
Community Hall User (per person per hour, assuming 20 people per group)	\$0.34 - \$1.21	\$0.55 - \$1.51	\$0.12 - \$0.30
Community Centre User (per person per hour, assuming 20 people per group)	\$0.39 - \$1.53	\$0.70 - \$2.29	\$0.31 - \$0.81

21. Revenue increase through user fee contribution in year 1 (FY24) will be \$0.65m, increasing to \$1.03m in year 2 (FY25).
22. Council operating subsidy will increase by \$0.98m in year 1, reverting to \$0.6m in year 2 (excluding CPI).

Advantages	Disadvantages
<ul style="list-style-type: none"> Impact on users will be spread over a 2-year period. Will reduce burden on TCC from year 2 onwards, supports a sustainable user-pays model. User fees are fair & reasonable, aligned with comparative national benchmark. 	<ul style="list-style-type: none"> Likely to be a negative response from the community, although likely to be less than option 1. This negative response would extend over a longer period. Harder to implement given there will be 2 significant price increases in a row. Higher TCC operating subsidy funding will be required to cover operating loss in year 1.

OTHER OPTIONS

23. A range of other options were considered to address the operating deficit and will continue to be investigated. Most of these options are not viable without significant impacts on the outcomes expected of Bay Venues. The options assessed are summarised in Appendix 2.

Appendix 1 – Detailed user fees & charges schedule

	Annual users	Current Price FY23	Current % benchmark	Option 1: Price FY24	\$ Change vs current	New % Benchmark
Aquatics General Entry						
Baywave						
Adult	57,831	8.50	118%	8.90	0.40	118%
Senior	4,429	5.70	121%	6.00	0.30	122%
Child	69,361	5.70	146%	5.50	(0.20)	134%
Child 2-4	15,701	2.40	68%	3.00	0.60	80%
Family	8,087	22.80	114%	23.30	0.50	111%
Hydroslide	38,412	5.90	69%	6.30	0.40	70%
Greerton						
Adult	14,376	5.50	90%	6.40	0.90	100%
Senior	3,704	2.60	63%	4.20	1.60	98%
Child	10,172	2.60	68%	3.90	1.30	98%
Child 2-4	3,158	1.30	45%	3.00	1.70	99%
Family	1,366	13.00	65%	16.70	3.70	80%
Memorial/Otumoetai						
Adult	11,399	5.30	84%	6.10	0.80	92%
Senior	1,632	2.60	55%	4.00	1.40	81%
Child	39,558	2.60	79%	3.70	1.10	107%
Child 2-4	1,854	1.30	32%	2.80	1.50	65%
Family	1,127	13.00	76%	15.80	2.80	87%
Aquatics Lane Hire						
Standard Lane Hire – Peak	28,562	9.30	59%	12.50	3.20	76%
Schools (9am - 3pm)		4.40	56%	6.25	1.85	76%
Adult Squad Baywave		4.20	n/a	4.41	0.21	n/a
Adult Squad Greerton/Memorial/Otumoetai		2.50	n/a	2.63	0.13	n/a
Child Squad Baywave		4.10	n/a	4.31	0.21	n/a
Child Squad Greerton/Memorial/Otumoetai		1.90	n/a	2.00	0.10	n/a
Aquatics Memberships						
Baywave	122	433.10	n/a	585.00	151.90	n/a
Greerton/Memorial/Otumoetai	177	277.68	n/a	375.00	97.32	n/a
Indoor Sports						
Trustpower Arena						
Adult – Standard	226	47.90	86%	58.10	10.20	100%
Adult - Community Regular	1,568	38.30	69%	46.50	8.20	80%
Youth/Senior - Standard	1,427	31.10	61%	52.70	21.60	98%
Youth/Senior - Community Regular	3,175	24.90	49%	42.20	17.30	79%
QEYC						
Adult - Standard	363	33.60	60%	46.30	12.70	79%
Adult - Community Regular	571	26.80	48%	37.00	10.20	63%
Youth/Senior - Standard	213	23.80	47%	52.70	28.90	98%
Youth/Senior - Community Regular	1,005	19.00	37%	33.70	14.70	63%
Aquinas / Merivale / Mount Sports						
Adult - Standard	249	25.70	58%	36.90	11.20	80%
Adult - Community Regular	1,445	21.90	50%	29.60	7.70	64%
Youth/Senior - Standard	157	17.60	69%	33.60	16.00	125%
Youth/Senior - Community Regular	1,109	15.40	60%	27.00	11.60	101%

	Annual users	Current Price FY23	Current % benchmark	Option 1 (FY24)	\$ Change vs current	New % Benchmark
Community Halls						
Bethlehem / Greerton / Matua / Welcome Bay						
Adult - Standard	660	24.20	78%	32.10	7.90	99%
Adult - Community Regular	1,630	19.40	66%	25.70	6.30	84%
Youth/Senior - Standard	1,532	18.80	61%	25.70	6.90	79%
Youth/Senior - Community Regular	2,201	15.20	52%	20.50	5.30	67%
Tauriko Settlers Hall / Waipuna						
Adult - Standard	130	21.40	84%	25.80	4.40	96%
Adult - Community Regular	441	14.50	76%	20.50	6.00	102%
Youth/Senior - Standard	109	16.30	64%	20.60	4.30	77%
Youth/Senior - Community Regular	1,329	13.70	71%	16.50	2.80	82%
Cliff Rd / Elizabeth Street						
Adult - Standard	1,574	12.00	50%	20.40	8.40	81%
Adult - Community Regular	900	9.70	60%	16.30	6.60	95%
Youth/Senior - Standard	254	8.50	35%	16.20	7.70	64%
Youth/Senior - Community Regular	180	6.80	42%	13.00	6.20	76%
Community Centres						
Arataki / Papamoa Sport & Recreation Centre						
XL Room (Heron/Dotterel Combined)						
Adult - Standard	364	30.50	60%	52.60	22.10	98%
Adult - Community Regular	208	24.30	69%	42.10	17.80	114%
Youth/Senior - Standard	140	26.40	52%	42.30	15.90	79%
Youth/Senior - Community Regular	1,117	21.50	61%	33.80	12.30	91%
Large Room (Heron, Dotterel)						
Adult - Standard	736	19.60	36%	42.00	22.40	73%
Adult - Community Regular	612	15.70	50%	33.60	17.90	101%
Youth/Senior - Standard	398	15.10	27%	33.40	18.30	58%
Youth/Senior - Community Regular	953	12.00	38%	26.70	14.70	81%
Medium Room (Kingfisher, Penguin)						
Adult - Standard	1,451	14.30	38%	33.60	19.30	85%
Adult - Community Regular	363	11.40	52%	26.90	15.50	116%
Youth/Senior - Standard	244	12.40	33%	26.80	14.40	68%
Youth/Senior - Community Regular	1,124	10.00	45%	21.40	11.40	92%
Small Room (Sandpiper, Oystercatcher)						
Adult - Standard	539	11.00	50%	26.90	15.90	115%
Adult - Community Regular	551	9.10	63%	21.50	12.40	142%
Youth/Senior - Standard	269	9.70	44%	21.40	11.70	92%
Youth/Senior - Community Regular	1,242	7.80	54%	17.10	9.30	112%

APPENDIX 2 – OTHER OPTIONS TO OFFSET OPERATING DEFICIT

OPTION	CONSIDERATION	RECOMMENDATION
Increase user fees & charges in the funded network.	Pricing review indicates current fees are well below national benchmark, therefore there is scope to increase prices to align with market.	Recommended
Increase User Fees & Charges in the non-funded network.	The non-funded network is more commercial in nature, therefore prices are reviewed on an annual basis to ensure they align with the market. There is limited scope to increase prices further.	Recommended where possible
Increase Operating Subsidy	The operating subsidy has historically increased by CPI only. Significant growth in user volume and cost to run facilities provides scope to increase the operating subsidy.	Recommended
Reduce operating costs	<ul style="list-style-type: none"> As a service industry staff costs represent 60% of total operating cost. Staff shortages have had a significant impact on Bay Venues ability to operate therefore we do not see any scope to reduce staff costs. Reducing staffing would impact negatively on levels of service and create additional health and safety risks that are not considered acceptable. Other Costs are comprised primarily of facility maintenance, compliance & utilities which have risen significantly in recent years. Bay Venues have controlled these costs where possible, but any further reduction will impact significantly on levels of service and/or patron and staff health and safety. 	Recommended where possible
Close Community Facilities	Not considered at this stage.	Not Recommended



Bay Venues Pricing Comparisons Report

December 2022

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About RSL Consultancy

RSL Consultancy undertakes projects and offers strategic advice throughout Aotearoa to enable community well-being. We support organisations to make informed decisions when it comes to their people, facilities, places, and spaces. RSL carries out a range of pre-planning work from needs assessments and feasibility reports to business cases. We also work on a range of organisational strategic and operational projects.

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Executive Summary

Over the last six years the Bay Venues Limited (BV) funded network revenue growth (primarily set at CPI rate) has been insufficient to cover operational expense growth. This has mainly been driven by the following factors:

- Increases in BV staff remuneration to align closer to market rates (including minimum wage increases).
- General operational expenditure required to maintain the quality of facilities (for example, cleaning, repairs, and maintenance).
- Additional support costs associated with compliance requirements (for example Health & Safety and HR).
- Depreciation and debt servicing on new capital items to enhance levels of service.
- The impact of COVID-19 has added further pressure causing reduced user numbers and in turn revenue over the last two years.

The change in the financial performance of BV since 2016 has necessitated reconsideration of the future pricing for the funded network as one approach to reduce some of the operating shortfall.

1.1 Purpose of Review

The purpose of this report is to compare BV's pricing structure against other comparable facilities and programmes in other major cities throughout New Zealand and identify what impact increasing BV prices to match the national average would have on BV's revenue.

BV prices across the following networks have been compared to the national averages across comparable networks and facilities:

- Community Aquatic Network – including hydro slides, hot pools, on-site fitness centres and learn to swim programmes
- Community Indoor Sports Network
- Community Centre Network
- Community Hall Network

This report considers the pricing in comparable facilities in six major centres across New Zealand. Hot pools in other centres have been considered, as not all major centres have hot pools. Local, Tauranga pricing averages for hot pools and learn to swim programmes have also been considered.

This report reviews BV pricing that either came into effect on 1 July 2022 or will come into effect on 1 January 2023 and outlines what increases, to bring BV prices up to meet national averages, would amount to if they are adopted. A breakdown of the level of use against each pricing category across facilities was not available in the production of this report. However, estimates of what impact increasing BV prices to align with national averages have been made across some pricing categories. These estimates were made using some assumptions that will need to be tested by BV.

1.2 Findings

Overall, 78 different BV prices have been compared to the equivalent number of average national prices for comparable facilities/programmes and 10 to average local prices (hot pools and learn to swim).

Of the 78 national comparisons only 10 BV prices are above national averages:

- 4 out of 6 Baywave general entry prices
- 3 out of 5 BaySwim learn to swim prices
- 3 out of 4 Clubfit fitness centre prices

Of the 10 local comparisons, eight BV prices are above local averages:

- 5 out of 5 Mount Hot Pool prices
- 3 out of 5 BaySwim prices

With 88% of BV prices below national averages, there is significant scope to increase prices and associated revenue across the entire network.

Generally, potential increases across the aquatic network to align with national averages are not significant and will have limited impact on users. Baywave and the Mount Hot Pools have the highest levels of use of the aquatic facilities managed by BV and as such should provide the greatest opportunities for increased revenue generation. However, all but four out of six general entry prices at Baywave are above the national average.

Overall, the Indoor Sports Network has the greatest hours of use and therefore the greatest potential impact on revenue, with changes to Trustpower Arena and QEYC pricing likely to have the greatest impact on indoor sports facility revenue.

Increases across the indoor sports network to align with National averages are more than most increases needed to align with National averages. However, because the costs are shared across multiple users in practice, they will have limited impact on users.

Changes across the whole Community Centre network in each price category and by room size are needed if they are to align with National averages. Due to the overall high use levels of the Community Centre network price changes here could be a key contributor to increased revenue for BV. However, while community centres and halls have multiple users, the bookings are often made by not-for-profit groups or individuals that do not pass the hire cost on to the users. Therefore, the potential impact on those types of users should be carefully considered.

Many large centres around New Zealand have relatively simple pricing structures, not differentiating between peak/off-peak, adult/youth/senior. Some, particularly for community centres and halls, charge a flat rate across all pricing categories.

In the absence of a breakdown of use by type at each BV managed facility, it is not possible to precisely calculate the actual impact price increases could have on BV revenue. Therefore, scenarios have been provided, and further analysis by BV is required.

1.3 Recommendations

Using a detailed breakdown of use by type across all BV managed facilities and programmes, BV should calculate impact on revenue if increases to align with higher national averages are applied.

Reducing BV prices that are above national averages are not necessary as people are already used to paying at those levels and in some instances, such as Platinum Membership at BayFit, are accessing a much higher level of service than other facilities provide.

BV needs to develop a clear pricing strategy that can inform Council of BV's rationale for any pricing approaches BV is advocating for. For example, continued differential pricing may relate to the different levels of service delivered across facilities, and recognition of the socio-economic makeup of some communities across Tauranga where increased pricing could be a barrier to participation.

BV also needs to ensure that any proposals for pricing align with existing Council strategies that relate to pricing, for example the recent Community Centres Action and Investment Plan which refers to the importance of accessibility.

Consider what financial impact introducing a broad discount card like Wellington City Council's Leisure Card would have on revenue across the facilities network. This could be a means to support participation for those who may struggle financially if prices are increased to match national averages.

2 Introduction

2.1 Purpose

The purpose of this report is to compare BV's pricing structure against other comparable facilities and programmes in other major cities throughout New Zealand and identify what impact increasing BV prices to align with the national average would have on BV's revenue.

2.2 Scope

The scope of facilities included in this exercise includes:

- Community Aquatic Network
- Community Indoor Sports Network
- Community Centre Network
- Community Hall Network

Collectively these facilities comprise the funded network.

In addition to these facilities, Mount Hot Pools, BaySwim and Clubfit have been considered. The remainder of BV owned, and managed facilities, programmes and services are excluded from this review.

This Pricing Comparison does not include any investigation or analysis of BV current or future expenditure. It also does not consider other potential revenue sources that may be able to support community use and programmes.

The pricing comparisons are limited to those cities in New Zealand with a population of greater than 100,000. Comparisons with Auckland facilities include both direct council and third party managed facilities¹.

There has been no analysis undertaken to assess the impact on usage if prices increase. That is there has been no detailed price sensitivity analysis when forecasting potential additional revenue though price increases.

2.3 Methodology

The process used for this review and developing this report was:

- Agreement of the project brief with BV staff
- Review of 2021-2031 Long Term Plan, Revenue and Financing Policies for:
 - Tauranga City Council – estimated population 158,300²
 - Auckland Council – estimated population 1,695,200
 - Christchurch City Council - estimated population 389,300
 - Dunedin City Council – estimated population 130,400
 - Hamilton City Council – estimated population 179,800
 - Hutt City Council – estimated population 112,500
 - Wellington City Council – estimated population 213,1000
- Review of comparison facility data from a range of facilities in the cities referred to above.

¹ Auckland Council has a mix of in-house facility management and outsourced facilities. Comparison facilities investigated include those managed on contract by Community Leisure Management (CLM), Belgravia Leisure and the YMCA of Auckland.

² These 2022 population estimates are based on 2018 Census data

- Review of hot pool data from facilities throughout New Zealand, including where applicable, the cities referred to above.
- Gathering and review of additional comparison facility data and confirmation of benchmarks.
- Ongoing client input and review throughout the process.
- Completion of final report.

3 The Issue

Over the last six years BV funded network revenue growth (primarily set at CPI rate) has been insufficient to cover operational expense growth. This has primarily been driven by the following factors:

- Increases in BV staff remuneration to align closer to market rates (including living wage increases).
- General operational expenditure required to maintain the quality of facilities (for example, security, utilities, cleaning, repairs, and maintenance).
- Additional support costs associated with compliance requirements (for example Health & Safety and HR).
- Depreciation and debt servicing on new capital items to enhance levels of service.
- The impact of COVID-19 has added further pressure causing reduced user numbers and in turn revenue over the last two years.

The change in the financial performance of BV since 2016 has necessitated reconsideration of the future pricing for the funded network as one approach to reduce some of the operating shortfall.

The last change to the pricing strategy, undertaken in 2018, was only minor in nature and simplified the pricing approach for some, but not all facilities (by removing peak and off-peak pricing differentials in some areas). The change was not applied across all facility types, and in some instances, resulted in a decrease in charges. While further increases in the funded network were proposed in 2020, these were not implemented.

4 Comparison of Pricing Approaches

When comparing BV facility pricing to other facilities in major centres throughout New Zealand, it is useful to understand how others approach facility pricing. A snapshot and simple analysis of other organisations is provided to give some wider strategic context.

4.1 National Trends

Whilst every council has an individual approach to pricing for indoor recreation and aquatic facilities, to suit their communities and strategic direction, there are some general trends relevant to industry pricing:

- The running costs of community facilities generally cannot be recovered from user fees alone. An operational subsidy is required. Therefore, councils generally provide significant subsidies in acknowledgement of the community outcomes achieved through aquatic and indoor recreation facilities.
- It is generally accepted that community users (including individuals and groups) should pay less to access council/community facilities than commercial operators.
- The balance between ratepayer funding and user pays is an ongoing question for communities related to the public good versus private benefit received from accessing community facilities.
- Most councils set targets for aquatic facilities and indoor recreation facilities to achieve in terms of the cost recovery expected from user fees balanced against the subsidy provided through general rates funding. The level of these targets varies significantly across councils. Details of these are set out in Table 4.1 below.
- There is an increasing awareness of the barriers to participation that some people face, particularly those with lower socio-economic status, where user fees can deter participation.

- Facility managers find it difficult to manage the balance of facility access between community activities (such as regular sports bookings) and higher revenue generating activities (such as events and management run programmes). This is often a source of conflict and can become very political.
- To ensure appropriate community access is maintained requires a compromise in terms of the overall financial performance of facilities.
- Discounts to support specific types of users, for example, children, youth, older adults, and disabled, are common across aquatic facilities but relatively unusual for indoor recreation facilities.
- Off-peak time can be charged at a lower rate than peak time to encourage greater use, although there is very little evidence that a lower price increases usage in off-peak periods.
- Pricing structures across the country differentiate:
 - Adult and children/seniors for aquatic and indoor centres.
 - Community and commercial for indoor sports centres, and community centres and halls.
 - Room size for community centres.
 - BV takes an additional tiered approach that considers the varying levels of service provided across the network. These multiple factors lead to a large number of pricing scenarios.

Councils undertake regular reviews to assess the actual cost of delivery for Aquatic and Indoor Recreation facilities and then set pricing in relation to this. A common approach is as follows:

- Calculate the cost of delivering the service/facility.
- Consider what users are currently paying.
- Benchmark charges against what other councils are charging.
- Consider the location and demographics of the users to determine what is a reasonable charge.

When speaking to other councils the common response was:

- User charges are historical.
- There is little institutional knowledge of how they were originally set.
- There is no clear formula for setting user charges although staff at those councils with clear cost recovery targets find these assist with determining user fees.

Table 4.1 Comparison of Cost Recovery Targets to BV Actual

Facility Location	Community Centres / Halls	Indoor Recreation Centres	Aquatic Centres
Tauranga ³	48% Centres 30% Halls	55%	55% (excl. hot pools) 80% (incl. hot pools)
Christchurch	0-25%	25-75%	25-75%
Dunedin	—	55%	45%
Hamilton	—	0-20%	20-40%
Hutt City	—	40-50%	40-50%
Wellington	5%	25%	30%

³ Using BV FY21 data

What is clear is that different councils have very different expectations of cost recovery from their facilities for example, Wellington and Christchurch are the only councils that identify any cost recovery for Community Centres and Halls. Dunedin, Hamilton, and Lower Hutt all provide operating grants/subsidies. The different expectations are based on a range of factors including desired strategic outcomes, overall affordability (to Council and customers) and historical approaches and expectations.

Councils also have an inconsistent way of recording the cost of facility operations. What is included in those costs varies (some include depreciation and staffing as well as general overheads, while others separate depreciation and staffing costs out and treat them as wider council costs not related to a particular facility). However, having clear cost recovery targets is considered useful as a key factor in helping assess and determine facility pricing.

4.2 Aquatics

The most common approach across the council managed facilities was to be guided by a cost recovery target for the service, set in each council's Revenue and Financing Policy contained in their Long-Term Plan. These are set out in Table 4.1 above.

In terms of actual implementation:

- The most common approach is to have three types of general entry pricing – adult, senior and child. Auckland facilities are the exception to this as there is no charge for children across the Auckland region, regardless of who manages the facility.
- Very few centres charge the same amount for senior/child entry.
- In most centres, senior entry is priced higher than child entry.
- Most centres charge the same price at all pools in the area, regardless of the level of service provided at each individual pool. This is a simple base model that recognises that the motivators and drivers for people's aquatic facility choice are often less related to the overall level of service a facility provides than they are to location (proximity to home, school, work), lane availability, parking, and other factors.

4.3 Indoor Recreation

Typically, indoor recreation facilities are charged on a per hour basis. Some Councils have peak/off-peak charging, but it is less common for youth/senior discounts to be offered. Most prices are largely influenced by historic approaches.

- Tauranga is the only centre that consistently offers different rates for community and standard users of indoor recreation centres. Some Auckland Council managed facilities do, but not all.
- Auckland has variation in charging types within its network of facilities depending on who operates them. In many instances the differential pricing applied in council managed facilities (such as for youth/senior or off-peak users) is not applied in their commercially operated facilities.
- Many council-managed indoor recreation facilities offer discounted rates for youth/senior.
- A few councils still offer off-peak pricing differentials, but the majority do not adopt this approach.

4.4 Community Centres and Halls

There is very little consistency across the country in the approach taken for community centres and halls, other than they are typically charged on an hourly basis. With community centres, there are different charges depending on the size of the room.

- Across the country there are a mix of council owned and managed community centres and halls, with others either being owned and managed, or at least managed by other organisations such as charitable trusts or incorporated societies.
- Some Councils which have owned and managed community centres and halls in the past have or are transitioning out of ownership and management. In those instances, councils make grants available to those organisations managing them.

5 Current Use Trends

All community facilities across New Zealand saw a decline in use during COVID-19 restrictions. A high-level analysis of the annual use of facilities in the BV network demonstrates that most community facilities have returned to pre-COVID levels and year to date data indicates they are on track to at least match if not exceed levels of use in 2021.

To fully understand how changes in the pricing approach will impact facility revenue, BV needs to undertake an in-depth analysis of the use profile of each facility, as price changes by category will have a varied impact on revenue.

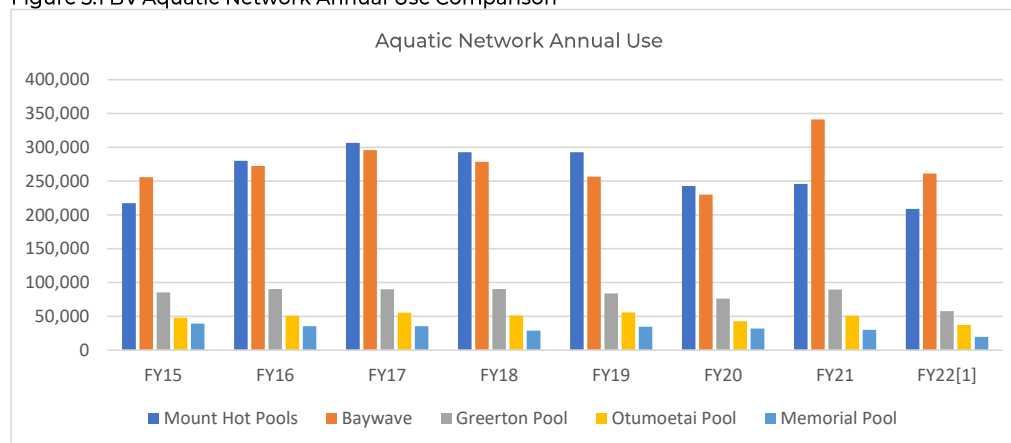
5.1 Aquatic Use Trends

Baywave and the Mount Hot Pools have the highest levels of use of the aquatic facilities managed by BV and as such should provide the greatest opportunities for increased revenue generation.

Table 5.1: Annual Use Data Aquatic Network

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 ⁴
Mount Hot Pools	217,208	280,031	306,509	292,576	292,600	242,914	245,834	209,063
Baywave	255,651	272,512	295,911	278,402	256,736	230,001	341,226	261,276
Greerton Pool	85,415	90,243	90,148	90,213	84,033	76,285	89,763	57,566
Otumoetai Pool	48,243	50,858	55,432	51,172	55,920	42,666	50,831	37,454
Memorial Pool	39,314	35,362	35,515	28,705	34,626	31,804	30,087	19,539
Total Aquatic Visits	645,831	729,006	783,515	541,068	723,915	623,670	757,741	584,898

Figure 5.1 BV Aquatic Network Annual Use Comparison



⁴ Year to date

Table 5.2: Annual Use Data - Additional Services in Aquatic Network

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Bay Swim – average annual enrolments	1,352	2,097	2,124	1,898	1,970	1,399	1,944	1,908
Clubfit – average annual memberships	1,692	1,837	2,299	2,595	2,763	2,922	2,891	2,559
Additional Use - Totals	3,044	3,934	4,423	4,493	4,733	4,321	4,835	4,467

5.2 Indoor Use Trends

Overall, the Indoor Sports Network has the greatest hours of use and therefore the greatest impact on revenue, followed by the Community Centres network. Community Halls have the lowest overall use levels and therefore a lower impact on total revenue.

5.2.1 Indoor Sports Network

Considering community use only (including sporting tournaments and programmes) Trustpower Arena consistently has the highest level of use and Aquinas Action Centre the least.

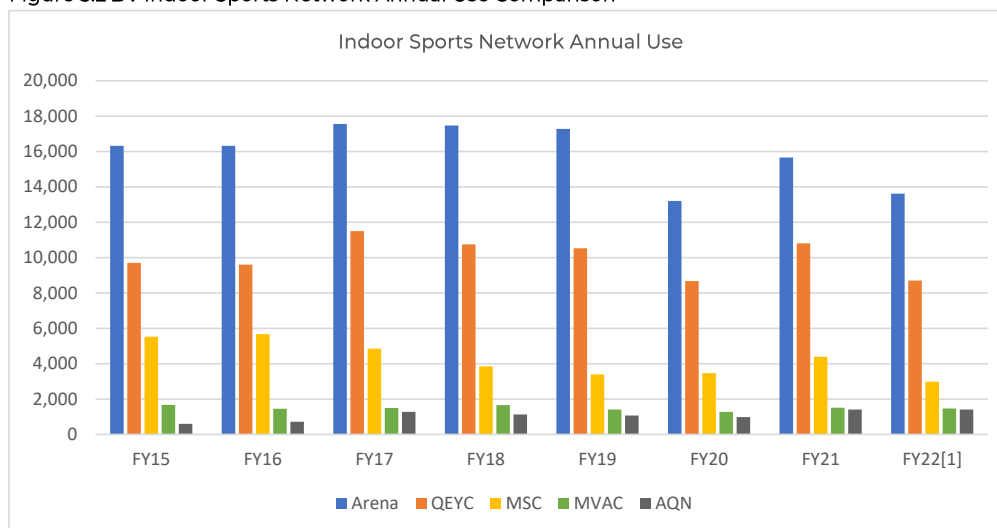
Table 5.3: Use Data Indoor Sports Network (Hours of Use)

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 ⁵
Trustpower Arena ⁶	16,327	16,317	17,556	17,466	17,276	13,204	15,657	13,612
Queen Elizabeth Youth Centre (QEYC)	9,709	9,604	11,500	10,753	10,526	8,677	10,804	8,710
Mt Maunganui Sports Centre (MSC)	5,524	5,677	4,845	3,856	3,390	3,461	4,390	2,984
Merivale Action Centre (MVAC)	1,671	1,450	1,502	1,662	1,409	1,280	1,506	1,466
Aquinas Action Centre (AQN)	600	721	1,276	1,130	1,067	978	1,407	1,414
Total	33,831	33,769	36,679	34,867	33,668	27,600	33,764	28,186

⁵Year to date

⁶Figures exclude all events and commercial use of the Trustpower Arena

Figure 5.2 BV Indoor Sports Network Annual Use Comparison



This indicates that changes to Trustpower Arena and QEYC pricing will have the greatest impact on indoor sports facility revenue whilst changes at Aquinas Action Centre will have a minimal impact.

5.2.2 Community Halls Network

The Community Halls network overall has the lowest levels of use compared to Indoor Sports and Community Centres. However, halls tend to be the best performers in terms of cost recovery. This can largely be attributed to the fact that the level of service is basic, and the halls are managed as a network and not individually staffed by facility.

Within the Halls network the Elizabeth Street venue has the highest average hours of use per annum (partly due to it having two rooms available for hire), closely followed by Greerton Hall. The Cliff Road building has the lowest levels of use. Generally, use levels are relatively similar across the hall facilities.

Price changes across the whole halls network, could play a key role to drive increased revenue.

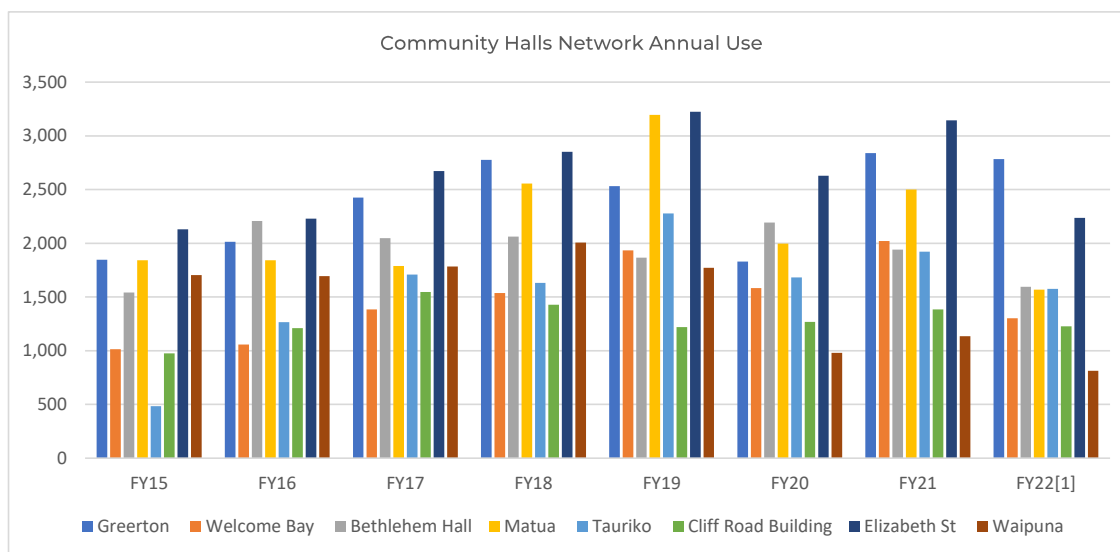
Table 5.4: Use Data Community Halls Network

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 ⁷⁷
Greerton Hall	1,846	2,014	2,426	2,777	2,532	1,831	2,839	2,783
Welcome Bay Hall	1,014	1,058	1,384	1,538	1,934	1,583	2,022	1,301
Bethlehem Hall	1,543	2,208	2,048	2,063	1,865	2,192	1,940	1,594
Matua Hall	1,841	1,842	1,789	2,556	3,194	1,996	2,500	1,569
Tauriko Hall	483	1,267	1,710	1,632	2,278	1,681	1,921	1,576
Cliff Road Building	976	1,211	1,547	1,428	1,220	1,268	1,385	1,226
Elizabeth St Community & Arts Centre	2,130	2,230	2,672	2,852	3,225	2,629	3,144	2,236

⁷⁷ Year to date

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 ⁷
Waipuna Park Pavilion	1,704	1,695	1,783	2,006	1,772	980	1,134	814
Community Halls Network Total	11,537	13,525	15,357	16,852	18,019	14,160	16,885	13,099

Figure 5.3 BV Community Halls Network Annual Use Comparison



5.2.3 Community Centres Network

The Community Centres are well utilised facilities, with high levels of overall use, in part due to the provision of multiple rooms that can be hired out at any one time. The Arataki Community Centre is the highest use facility, although use has yet to return to pre-COVID levels. Year to date figures for all Community Centres in the network are on track to at least match 2021 use levels, if not exceed them. The Papamoa Community Centre continues to have the lowest levels of use across the Community Centre network.

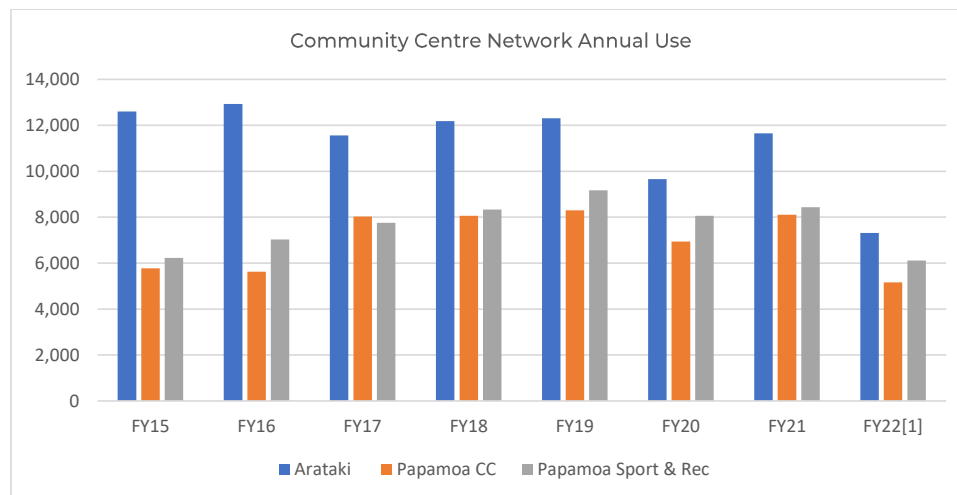
Table 5.5: Use Data Community Centres Network

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 ⁸
Arataki Community Centre	12,607	12,925	11,558	12,178	12,305	9,654	11,654	7,313
Papamoa Community Centre	5,769	5,629	8,030	8,064	8,295	6,937	8,110	5,158
Papamoa Sport & Recreation Centre	6,228	7,030	7,753	8,335	9,170	8,058	8,437	6,113

⁸ Year to date

Facility	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 ⁸
Community Centres - Total Hours	24,604	25,584	27,341	28,577	29,770	24,649	28,201	18,584

Figure 5.4 BV Community Centre Network Annual Use Comparison



Changes across the whole Community Centre network in each price category and by room size are needed to align to national averages. Due to the overall high use levels of the Community Centre network price changes here will be a useful contributor to increased revenue for BV.

6 Comparison Pricing

For comparison purposes, comparable aquatic and indoor sport, community centres and halls in Auckland, Christchurch, Dunedin, Hamilton, Lower Hutt, and Wellington have been considered. In Auckland both Council managed and contracted out facilities have been considered as they have differing pricing structures. As very few large centres have hot pools, a range of hot pools throughout New Zealand have been considered.

Most of the councils considered have relatively simple pricing structures for their indoor sport and aquatic facilities. Apart from one below standard outdoor council owned pool in Wellington, most councils, charge the same price for each facility within a particular category, that is indoor sport or aquatics, regardless of the service offering at the various facilities⁹. Pricing for Auckland facilities varies depending on community demographics and who they are managed by, that is Auckland Council or via facility management contracts.

The rationale for charging the same prices across a region seems to be that people are generally more interested in having facilities close to home rather than the level of service they offer¹⁰. This would seem to be the case for general use, but independent customer insight research undertaken in Tauranga in 2017 showed that while close to home is one factor, in other cases it depends on where an activity is being held or the facility features for example people are prepared to travel further afield if the activity they want to engage in is not close to home for example hydroslide or water polo (which requires a 2m deep pool). From an indoor sport perspective, if a basketball league is not available close to home, people are prepared to travel to the facility that offers that activity.

The same approach is not consistently applied to Community Centres and Halls. Many are owned and/or operated by other organisations, usually Charitable Trusts or Incorporated Societies. While councils usually list them on the community facility section of their websites and sometimes manage bookings through a central booking system, they tend to provide the managers of the facilities with operational grants rather than set a pricing structure and recover revenue earned through the facilities.

Table 6.1 indicates BV's actual percentage of cost recovery across the facilities it manages over the last four years.¹¹

⁹ Hamilton aquatic facilities have a slight differentiate in price between the 2 facilities.

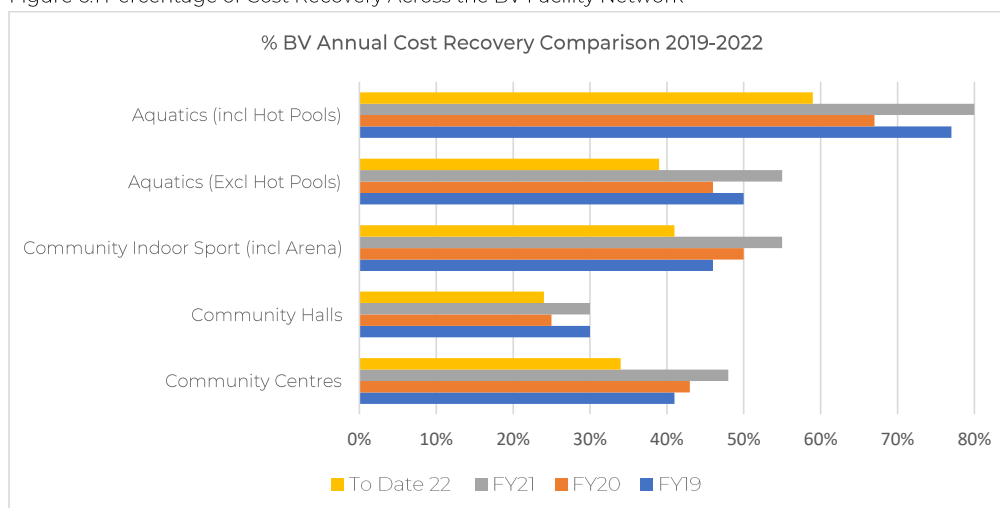
¹⁰ Wellington City Council

¹¹ Data sourced from BV.

Table 6.1: BV Cost Recovery by Facility Type - FY19 to FY22¹²

	Community Centres	Community Halls	Community Indoor Sport (incl Arena)	Aquatics (Excl Hot Pools)	Aquatics (incl Hot Pools)
Cost recovery (%) FY19	41%	30%	46%	50%	77%
Cost recovery (%) FY20	43%	25%	50%	46%	67%
Cost recovery (%) FY21	48%	30%	55%	55%	80%
Cost recovery (%) FY22 ¹³	34%	24%	41%	39%	59%

Figure 6.1 Percentage of Cost Recovery Across the BV Facility Network¹⁴



6.1 Aquatic Network

A range of prices across swimming pools, hot pools, hydrosides, fitness centres (situated at pools), and learn to swim programmes have been considered for comparison purposes. Swimming pool prices are General Entry prices.

There are a mix of concessions offered across regions to remove barriers, such as cost, to participation:

¹² Year to date.

¹³ Year to date

¹⁴ Year to date

- Auckland offers free access to all children under 16,
- BV provides a disability membership which offers free entry. There are 1,700 members.
- Wellington's Leisure Card is available to anyone working with WCC's partners who provide social services across the city. This provides 50% discount for casual entry to swimming pools and recreation centres, including spa and sauna, and 20% off use of ClubActive, the fitness centre located at the pools and SwimWell swimming lessons.
- Christchurch has offered discounts to people with Community Service Cards and people with disabilities using a KiwiAble card. These were converted to a broader Hāpua Access Card in 2020, which is more in line with Wellington's Leisure Card. People must go through an application process to access the card. There is a cost of \$30 every 3 years.
- Hamilton charges people with disabilities, the same price as seniors and children.

Table 6.2 compares BV prices with national averages for general entry prices across six categories.

Table 6.2 Impact and Comparison Summary – Aquatic General Entry

Tier 1 Facility						
Baywave	Adult	Senior	Child	Under 5 with caregiver	Family	Standard Lane Hire
Current Price	\$8.50	\$5.70	\$5.70	\$2.40	\$22.80	\$9.20
National Comparison	\$7.20	\$4.70	\$3.90	\$3.55	\$20.00	\$15.65
BV Comparison to National (%)	18% above	21% above	46% above	32% below	14% above	41% below
\$ Increase to match National	NA	NA	NA	\$1.15	NA	\$6.45
Tier 2 Facility						
Greerton	Adult	Senior	Child	Under 5 with caregiver	Family	Standard Lane Hire
Current Price	\$5.50	\$2.60	\$2.60	\$1.30	\$13.00	\$9.20
National Comparison	\$6.10	\$4.10	\$3.80	\$2.90	\$20.70	\$19.30
BV Comparison to National (%)	10% below	37% below	32% below	55% below	37% below	52% below
\$ Increase to match National	\$0.60	\$1.50	\$1.20	\$1.30	\$7.20	\$10.10
Tier 3 Facility						
Otumoetai/Memorial	Adult	Senior	Child	Under 5 with caregiver	Family	
Current Price	\$5.30	\$2.60	\$2.60	\$1.30	\$12.70	
National Comparison (Outdoor pools)	\$5.75	\$4.50	\$3.30	\$4.00	\$21.10	
BV Comparison to National (%)	8% below	43% below	20% below	67% below	37% below	
\$ Increase to match National	\$0.45	\$1.90	\$0.70	\$2.70	\$8.40	

Baywave

All but one Baywave general entry aquatic price is above the national average which offers little scope to increase prices. Prices range between 14-46% above the national average. The range of prices in facilities comparable to Baywave are:

- Adult – from \$6.30 at Huia Pool, Lower Hutt, to \$8.10 at Westwave Pool¹⁵, a council managed pool in Auckland. The average is \$7.20
- Senior - from \$3.40 at the Wellington Regional Aquatic Centre¹⁶ to \$6.60 at Westwave. The average is \$4.70.
- Child – from \$3.40 Moana Pool, Dunedin to \$4.20 Huia Pool, Lower Hutt. Auckland Pools do not charge children under 16. The average is \$3.90
- Family – from \$15.90 Moana Pool to \$25 Waterworld, Hamilton. The average is \$20.
- The only price at Baywave not above the national average is the under-five with a caregiver price of \$2.40 which is \$1.55 below the national average.

Greerton Pool

The range of prices in facilities comparable to Greerton Pool:

- Adult – from \$5 Franklin Pool and Leisure a Belgravia Leisure managed pool in Auckland to \$7.20 Gallagher Aquatic Centre, Hamilton. The average is \$6.10.
- Senior – from \$2.70 Franklin Pool and Leisure Centre to \$5 YMCA-managed Cameron Pool. The average is \$4.10.
- Child – from \$3.50 Wharenui Swimming Club and Sports Centre, Christchurch to \$4 Keith Spry Pool, Wellington. The average is \$3.80.
- Under five with caregiver – from \$1 Lloyd Elsmore Pool, Auckland to \$4.30 Cameron Pool. The average is \$2.90.
- Family – from \$17.10 Wharenui, Christchurch to \$25 Gallagher Aquatic Centre, Hamilton. The average is \$20.70.

Greerton Pool prices range from 10% to 55% below the national average. For individual entry prices Greerton would need to increase between \$0.60 to \$1.50 to match the national average. An increase of \$7.20 would bring the family entry price in line with the national average.

Otumoetai and Memorial Pools

The range of prices in facilities comparable to Otumoetai and Memorial Pools:

- Adult – from \$3.30 Khandallah Pool¹⁷, Wellington to \$6.70 at both Waltham Pool, Christchurch, and Pt Erin Pool, Auckland. (CLM managed) The average is \$5.75.
- Senior – from \$3.30 Khandallah Pool, Wellington to \$5.40 Parnell Baths. The average is \$4.70.
- Child – from \$1.80 Khandallah Pool, Wellington to \$4.20 McKenzie Baths, Lower Hutt. The average is \$3.30.
- Under five with caregiver – from \$3.80 Waltham Pool, Christchurch to \$4.20 Pt Erin, Auckland. The average is \$4.10.
- Family – from \$17.10 Waltham Pool, Christchurch to \$23.10 McKenzie Baths, Lower Hutt. The average is \$20.10¹⁸.

Otumoetai and Memorial prices range from 8% to 67% below the national average. An increase of \$7.40 would bring the family entry price in line with the national average. Other price increases at Otumoetai and Memorial Pools to match the national average would range from \$0.45 to \$2.70.

¹⁵ This price includes use of the spa and sauna.

¹⁶ Using WCC's leisure Card.

¹⁷ This is a run-down Council owned pool that was close to closing.

¹⁸ Auckland pools don't offer a family price as they don't charge for children.

6.1.1 Operating hours

Most indoor pools operate seven days a week. Operating hours are in the following range:

- 5.30-6am to 8-9.30pm Monday to Friday
- 7am to 7-9pm Saturday and Sunday

Otumoetai and Memorial Pools operate in line with indoor pool operating hours enabling swim squads access to train in the morning before work. While most outdoor pools operate seven days a week -from October/November through to March/April, they operate for fewer hours a day than indoor pools:

- 10-11am to 6-7pm daily

6.1.2 Potential Impact on Revenue¹⁹

Using 2021 use data and taking available 2018 known use patterns into account a \$55,199 increase in revenue could be achieved by price increases across the following categories shown in Table 6.3.

Table 6.3 Potential Increase in Revenue from Price Increases²⁰

% of Users	Type of Use	\$ Increase by Type	Increase in Revenue
Greerton – 89,764 users			
16% (14,362)	Adult	\$0.60	\$8,617
20% (17,952)	Child	\$1.20	\$21,542
Memorial – 30,087 users			
22% (6,619)	Child	\$0.70	\$4,633
13% (3,911)	Family	\$4.50	\$17,560
Otumoetai – 50,831 users			
8% (4,067)	Child	\$0.70	\$2,847

6.1.3 Swimming Pools – Lane Hire/Squads

For comparison purposes the standard lane hire price is the only price that has been compared with other aquatic facilities in the large centres around New Zealand, as limited information about squad prices was available.

- Nationally there is a lot of variation in the approach taken to pricing lane hire and high user group admission prices at aquatic facilities.
- Peak/off-peak pricing is relatively uncommon.
- Other comparative facilities nationally, typically charge standard entry rates for squad swimmers / high-user group participants, this is in addition to the lane hire charge.
- Typically, the only discounts offered to squad/high user groups are through the purchase of multi-use entry cards.
- Most councils charge the same rates across their aquatic facility network regardless of size or service offering.
- Lane hire charges range from \$2.40 at Moana Pool in Dunedin to \$30 at the YMCA-managed Cameron Pool in Auckland. It should be noted that Moana Pool consistently charges less than any other facility in the large centres across all pricing categories. Wellington pools charge \$8.60.

¹⁹ Note: No analysis has been undertaken of the impact price increases may have of usage.

²⁰ Seniors have been excluded from this consideration, as their level of use was not available.

- National comparisons show lane hire is significantly higher than BV's Lane hire prices with average prices ranging from \$15.65 to \$19.30.
- Increases in BV prices to match the national average would be between \$6.50 and \$10.10.
- When costs per user per hour are calculated the magnitude of potential increases to BV prices to match national averages is not significant. For example, if the lane is hired for five users the increase ranges from \$1.30 to \$2 per user.

Potential Impact on Revenue

Increasing lane hire charges across the network to match the national average could generate increased revenue of around \$90,000 per annum if two lanes are hired out for four nights a week at each of Baywave, Greerton and Otumoetai pools for 48 weeks of the year.

6.1.4 Swimming Pools - Hydroslices

Hydroslice prices in each of Auckland, Christchurch, Dunedin, and Hamilton are considered for comparison purposes. Wellington and Lower Hutt do not have hydroslices:

Table 6.4: Hydroslice Comparisons

Hydroslice	
Baywave	
Current Price	\$5.90
National Comparison	\$8.60
BV Comparison to National (%)	-31%
\$ Increase to match national average	\$2.70

- Prices ranged from \$4.40 at Westwave in Auckland with pool entry on top of that (for adults only as all under 16s in Auckland have free entry) to \$10.50 at QEII in Christchurch, which includes pool entry. Glenfield Pool in Auckland was the most expensive slide only price of \$7.10.
- Charges at most facilities are per hour, those that charge higher rates have no time restrictions on use.
- The hydroslice at Westwave Pool, Auckland operates seven days a week, 7am to 8pm Monday to Friday and 6am to 7pm on the weekend. This is not the norm. Most facilities do not operate their hydroslices on at least Monday and Tuesday, and for a limited time when they are operating. Most operate from 3pm on the weekdays they are operating. Closing during the week ranges from 6pm to 8pm. They also operate for limited hours on the weekend, from 10am to 5pm or 6pm.

Impact on revenue

Assuming types of use have remained stable since 2018, (that is the proportion of adult vs child users, as opposed to the number of users), a \$2.70 increase to the 13% of the 2021 users at Baywave that used the hydroslice (44,359) would generate additional revenue of \$119,770.

6.1.5 Swimming Pools – Learn to Swim (LTS)

All aquatic facilities offer a learn-to-swim service for babies through to adults, regardless of whether they are council or non-council managed. The biggest variation in rates is across Auckland. While Auckland Council-managed facilities/swim schools offer a consistent pricing structure rates vary

across Belgravia Leisure, Community Leisure Management (CLM) and the YMCA managed facilities/swim schools vary from pool to pool.

It is difficult to make a direct comparison with prices, as session times vary across facility. Lesson times range from 15 minutes, usually for adult stroke correction lessons, through to 30 minutes for advanced school aged and adult sessions. Average children's lessons are 25 minutes, some more, some less depending on the age of the children. For children of all ages, BaySwim lessons for children of all ages are 30 minutes. Session numbers vary across pools and age groups, as low as 3 for preschoolers in Wellington to 8 for adults. BaySwim numbers range from 3 for preschoolers to 9 for babies.

Table 6.5 compares BV prices to both local and national averages.

Table 6.5: Learn to Swim Cost comparisons

Learn to Swim	Babies	Pre-school	School Age	Adult	Squad	Private
BaySwim Price ²¹	\$14.00	\$18.00	\$18.00	\$18.00	\$18.00	\$25.00 ²²
National Comparison	\$15.20	\$16.20	\$16.60	\$18.00	\$15.20	\$48.85
BV Comparison to National (%)	14% below	5% above	2% above	6% below	12% above	48% below
\$ Increase to match National	\$2.20	NA	NA	\$1.00	NA	\$23.85
Local Comparison	\$16.00	\$16.00	\$16.60	\$17.25	NA	
BV Comparison to Local Swim Schools (%)	19% below	6% above	2% above	1% below	NA	
\$ Increase to match Local	\$2.80	NA	NA	\$0.25	NA	

- Most LTS programmes delivered in public pools are offered during the school term (10-week blocks) and break for school holidays.
- Rates range from \$10 at Christchurch pools (Christchurch rates are lower than BV rates across all pricing categories) to \$22 at the CLM managed The Bays Pool, Auckland.
- CLM, YMCA and Hamilton swim schools do not vary their rate across the pricing categories. Hutt Pools charge more for adults, but do not differentiate across the other pricing categories.
- BV is \$2.20 less than the national average charged for babies and \$1 less than the national average charged for children. Other BV prices range from \$0.80 to \$1.80 more than national averages.
- From a local perspective, BV prices align with local averages in all, but Babies LTS which is charged out at \$2.80 more than BV.

²¹ Prices effective beginning of Term 1 2023

²² Per child for 15-minute session

- While BV private lessons are lower in price than the national average, BV lessons are 15 minutes, whereas most private sessions across the country are 30 minutes long. On this basis BV private classes are 2% higher than the national average.

Potential Impact on Revenue

Increasing BaySwim prices to align with local/national averages is unlikely to have a significant impact on revenue generation.

6.1.6 Swimming Pools – Fitness Centres

It is now commonplace for larger aquatic facilities to provide fitness centres. Pricing structures vary depending on what is on offer at each facility. For comparison purposes casual and weekly/annual membership prices that include access to both the pool and gym have been considered. Like Baywave, some but not all facilities charge an additional one-off joining fee.

Table 6.6: Swimming Pool Fitness Centre Cost Comparisons

Fitness centres	Casual	Weekly (Pool/Gym)	Annual (Pool/Gym)	Joining Fee
Clubfit Price (Baywave)	\$16.50	\$26.83 ²³	\$1,395	\$49.00
National Comparison	\$18.50	\$19.10	\$971.20	\$40.00
BV Comparison to National (%)	11% below	41% above	44% above	22% above
\$ Increase to match National	\$2.00	NA	NA	NA

- Baywave charges \$2 less per casual visit than the national average.
- Casual prices range from \$14.80 at Moana Pool, Dunedin to \$22.30 at the Auckland Council run Tepid Baths.
- Weekly prices range from \$16.90 Franklin Pool and Leisure, Auckland to \$25 Moana Pool.
- Annual prices range from \$832 at Waterworld, Hamilton to \$1,273 Moana Pool.
- Joining fees range from \$25 at Franklin Pool and Leisure to \$50 at Westwave and Tepid Baths, both council-run Auckland pools.
- All but one fitness centre considered opened at 5.30am. Wellington fitness centres open at 6am. Closing times range from 8pm to 9.30pm. Franklin Pool and Leisure offer 24/7 access for an additional \$40.
- All but one fitness centre considered had reduced weekend operating hours which ranged from 7am to 9am opening, and 5pm to 8pm closing. Wellington pool fitness centres are open 6am to 9pm seven days a week.

Potential Impact on Revenue

Patterns of use at Clubfit are not available for the preparation of this report. However, as casual use is the only price at Clubfit less than national average, potential increases in revenue will be insignificant.

6.1.7 Hot Pools

Eleven hot pools across New Zealand are considered for comparison purposes. Three are Tauranga based.

²³ This includes access to all other BV managed pools, including Mount Hot Pools, a towel and 20% off massage. This is generally a higher level of service than that provided by other facilities across the country that offer a pool/gym price for users.

Table 6.7: Hot Pool Standard Entry Comparison

Mount Hot Pools	Hot Pools		General Entry		
	Adult	Senior	Child	Family	Private Pools
Current Price	\$20.00	\$13.50	\$13.50	\$53.50	\$25.00
Average Local Hot Pool Comparison	\$13.70	\$9.00	\$6.20	\$34.35	\$21.25
BV Comparison to Local Hot Pools	31.5% above	33% above	54% above	35% above	15% above
National Comparison (including local hot pools)	\$25.40	\$19.30	\$13.80	\$66.10	\$26.75
BV Comparison to National (including local hot pools) %	21% below	31% below	2% below	11% below	7% below
\$ Increase to match National (including local hot pools)	\$5.40	\$5.80	\$0.50	\$12.60	\$1.75

Table 6.8: Hot Pool Pricing Comparison – Residents' Discount

Mount Hot Pools	Hot Pools		Residents Rates		
	Adult	Senior	Child	Family	Private Pools
Current Price	\$10.00	\$6.70	\$6.70	\$26.70	\$20.00
National Comparison	\$14.30	\$10.50	\$8.10	\$43.20	\$21.60
BV Comparison to National (%)	30% below	36% below	17% below	38% below	7% below
\$ Increase to match National	\$4.30	\$3.80	\$1.40	16.50	\$1.60

- Other than Mount Hot Pools, none of the other Tauranga-based hot pools offer discounts for residents.
 - Their prices range from \$11-\$17 for adult entry, \$7-\$11 Senior entry, \$6-\$6.5 child entry, \$28-\$40 family entry and \$20-\$22.50 private pool entry.
 - BV prices range from 15-45% above the other local hot pool adult entry price. 18-45% above the senior entry price. 52-56% above the child entry price. 25-48% above the family price and 10-20% above the private pool price.
- He Puna Taimoana, Christchurch, was the only other hot pool that charges the same rate for seniors and children. All the other pools including the three other hot pools in Tauranga charge seniors more than children. Debrett's in Taupo was the only pool to charge children more than seniors.
- Only five of the 11 hot pools offer discounts for residents. These range from 20% in Rotorua and Christchurch, to 80% in Kaikohe. Like Mount Hot Pools, Taupo and Hanmer offer 50% discounts for residents.
- While conscious that local hot pools charge less than Mount Hot Pools, they also offer far less to their users than Mount Hot Pools has to offer.
- Operating hours for hot pools vary considerably around the country:
 - Opening 7-11am
 - Closing 7.30-10pm

Potential Impact on Revenue

Without access to details of use across the pricing categories it is not possible to calculate how much additional revenue BV could secure if it increased prices to match the national average (including the three local hot pools). However:

- If adult use was 20% of overall use, in 2021 (49,166), an increase of \$5.40 per adult, to bring it in line with national average price, would generate additional revenue of \$265,496.
- If family use was 10% of overall use in 2021 (24,583). An increase of \$12.60 per family, bringing in line with the national average, would generate additional revenue of \$309,745.

6.2 Community Indoor Sports Network

Indoor Sports Centres are universally charged at an hourly rate across the country. There is a range of different pricing models across the country, some differentiating peak versus off-peak, community versus standard, adult versus youth/senior, and others not at all.

BV no longer differentiates between peak versus off-peak. A decision that can be justified by the fact that there is little evidence to suggest that a cheaper rate in off-peak hours encourages use. Also from a practical perspective, many users or potential users are either at school or work during those hours and therefore unavailable to benefit from the reduced rate.

Table 6.9: Impact and Comparison Summary – Indoor Sports Pricing

Tier 1 Facility	Adult		Youth/Senior	
Trustpower Arena	Standard	Regular Community	Standard	Regular Community
Prices effective 1 January 2023	\$50.70	\$40.60	\$32.90	\$26.40
Price per person (based on 16 players per court per hour)	\$3.20	\$2.55	\$2.10	\$1.65
National Comparison ²⁴ *Based on peak rate	\$55.60	\$55.60	\$51.10	\$51.10
BV Comparison to National (%)	9% below	27% below	36% below	48% below
\$ Increase to match National	\$4.90	\$15.00	\$18.20	\$24.70
Per person increase to match National (based on 16 players per court per hour)	\$0.30	\$0.90	\$1.10	\$1.50
Tier 2 Facility	Adult		Youth/Senior	
QEYC	Standard	Regular Community	Standard	Regular Community
Prices effective 1 January 2023	\$35.60	\$28.40	\$25.20	\$20.10
BV Price per person (based on 16 players per court per hour)	\$2.20	\$1.80	\$1.60	\$1.25
National Comparison ²⁵ *Based on peak rate	\$63.80	\$59.10	\$61.10	\$56.50
BV Comparison to National (%)	44% below	42% below	59% below	64% below

²⁴ Tier 1 facilities considered are from across all metro centres apart from Christchurch

²⁵ All but one comparable metro facilities are Auckland based and have a range of managers, including Auckland Council, YMCA, and Belgravia Leisure. As such there is no consistency in pricing which has created an anomaly whereby the national average price for Tier 2 facilities is higher than the national average price for Tier 1 facilities.

\$ Increase to match National	\$27.70	\$30.70	\$35.90	\$36.40
Per person increase to match National (based on 16 players per court per hour)	\$1.70	\$1.90	\$2.25	\$2.30
Tier 3 Facility	Adult		Youth/Senior	
Merivale/ Mount Sports/ Aquinas	Standard	Regular Community	Standard	Regular Community
Prices effective 1 January 2023	\$27.20	\$23.20	\$18.60	\$16.30
BV Price per person (based on 16 players per court per hour)	\$1.70	\$1.45	\$1.20	\$1.00
National Comparison *Based on peak rate	\$44.20	\$44.20	\$25.55	\$25.55
BV Comparison to National (%)	38% below	48% below	36% below	27% below
\$ Increase to match National	\$17.00	\$21.00	\$6.95	\$9.25
Per person increase to match National (based on 16 players per court per hour)	\$1.10	\$1.30	\$0.40	\$0.60

- Despite increases to take effect from 1 January 2023, BV prices for indoor sport centres are still consistently less than comparable facilities in the large centres. This ranges from 9% below the standard adult rate at Arena to 64% below the regular community youth/senior rate at QEYC.
- There are different approaches to indoor centre pricing across the country. Very few facilities differentiate between community and standard users, most differentiate between adult and youth/senior, and a few charge everyone the same price.
- The Walter Nash 5 court stadium in Lower Hutt is the most expensive centre, charging \$75 / hour across all categories.
- Rates at Auckland indoor court facilities, both council and non-council-managed, differ from facility to facility. Belgravia Leisure and YMCA while charging different rates to each other, do take the approach of charging the same rate across all categories. So, for the Belgravia Leisure managed facility at Franklin that is \$45 / hour, and the YMCA-managed North Shore Recreation Centre that is \$65 / hour. YMCA takes the same approach in its Hamilton-managed facility charging \$45 / hour across all categories.
- Prices charged at comparable one and two-court facilities across the country have rates closer to those charged at Trustpower Arena than the other smaller BV facilities. With prices for:
 - o Standard adult ranging from \$40 / hour for a two-court facility in Hamilton to \$78 / hour for a one-court, council-run, facility in Auckland.
 - o Community adult ranging from \$40 / hour for the same two-court facility in Hamilton to \$77.30 / hour for a two-court, council-run, facility in Auckland.
 - o Standard youth/senior ranging from \$11.10 at a very basic one-court facility in Dunedin to \$78 for a one-court, council-run, facility in Auckland referred to above.
 - o Community youth/senior ranging from \$11.10 / hour at the basic one-court facility in Dunedin to \$77.30 / hour to the two-court, council-run, facility in Auckland referred to above.
- Most indoor centres operate from 6-8am to 7-10pm most days. Some have reduced hours on the weekend and close anywhere from 6-9pm.

Potential Impact on Users

When costs per player per hour are calculated the magnitude of potential increases to BV prices to match national averages across all pricing categories is not significant. Using an assumption of 16

players (2 teams with 8 players per team) the per player/per hour court hire cost increase across the network would range from \$0.30 at Trustpower Arena to \$2.30 at QEYC. Cost per player per hour increases across the network would be:

- Tier 1 - \$0.30 to \$1.50.
- Tier 2 - \$1.70 to \$2.30.
- Tier 3 - \$0.40 to \$1.30.

Note: Basketball can register up to 10 players per team, netball up to 12 players per team, so the increases could potentially be less per player per hour than set out above.

Potential Impact on Revenue

Without access to details of levels of use for each pricing category across the BV indoor courts network it is not possible to calculate how much additional revenue BV could secure if it increased prices to match the national average. However, some estimated increases can be calculated using some assumptions. Table 6.10 sets out those estimated increases using 2021 use data and percentage use across two pricing categories. Estimates have not been made for Tier 3 facilities as increased revenue is less than \$20,000 across each pricing category at each facility.

Table 6.10: Estimate of revenue increases using 2021 use data

% of Use (hours)	Type of Use	\$ Increase by Type	Increase in Revenue
Trustpower Arena – 15,657 hours of use			
20% (3,131)	Community adult	\$15.00	\$49,965
30% (4,697)	Community youth/senior	\$24.70	\$116,018
QEYC – 10,804 hours of use			
20% (2,161)	Community adult	\$30.70	\$66,343
30% (3,241)	Community youth/senior	\$36.40	\$117,972

6.3 Community Halls Network

There is no consistency in approach to the pricing of community halls around the country, although most councils do take a consistent approach to pricing community halls that they oversee. Management of many community halls sits with local community groups who take responsibility for bookings and upkeep of the halls. While all have an hourly hire rate, it is not uncommon for an event price to be charged, which may involve payment of a bond and include an additional cleaning fee.

Table 6.11: Impact Modelling Community Halls – Cost per hour - 15 Users²⁶

Tier 1 Facility	Adult		Youth/Senior	
Bethlehem/Greerton/Matua/Welcome Bay	Standard	Regular Community	Standard	Regular Community
Prices effective 1 January 2023	\$25.60	\$20.50	\$19.90	\$16.10
Price per person (based on use by 15 people)	\$1.70	\$1.40	\$1.30	\$1.10
National Comparison *Based on peak rate	\$30.85	\$29.30	\$30.85	\$29.00
BV Comparison to National (%)	17% below	30% below	35% below	44% below

²⁶ There are likely to be considerably more users at Tier 1 and 2 facilities, which would further reduce the per person cost per hour of both BV prices and the amount to increase them to meet national averages.

\$ Increase to match National	\$5.25	\$8.80	\$10.95	\$12.90
Per person increase to match National (based on use by 15 people)	\$0.35	\$0.60	\$0.75	\$0.90
Tier 2 Facility	Adult		Youth/Senior	
Tauriko/Waipuna	Standard	Regular Community	Standard	Regular Community
Prices effective 1 January 2023	\$22.70	\$15.40	\$17.30	\$14.50
BV Price per person (based on use by 15 people)	\$1.50	\$1.00	\$1.15	\$0.95
National Comparison *Based on peak rate	\$25.60	\$19.20	\$25.60	\$19.20
BV Comparison to National (%)	13% below	20% below	32% below	24% below
\$ Increase to match National	\$2.90	\$3.80	\$8.30	\$4.70
Per person increase to match National (based on use by 15 people)	\$0.20	\$0.25	\$0.55	\$0.30
Tier 3 Facility	Adult		Youth/Senior	
Cliff Rd, Elizabeth Street	Standard	Regular Community	Standard	Regular Community
Prices effective 1 January 2023	\$12.70	\$10.30	\$9.00	\$7.20
BV Price per person (based on use by 15 people)	\$0.85	\$0.70	\$0.60	\$0.50
National Comparison *Based on peak rate	\$24.00	\$16.30	\$24.00	\$16.30
BV Comparison to National (%)	47% below	37% Below	62% below	56% below
\$ Increase to match National	\$11.30	\$6.30	\$15.00	\$9.10
Per person increase to match National (based on use by 15 people)	\$0.75	\$0.40	\$1.00	\$0.60

- When assessed against facilities of a similar standard BV's prices across the three tiers are consistently below the national average.
 - Tier 1 – 17-44% below. To raise BV prices to match the national average would amount to a \$0.35-\$0.90 increase per person if 15 people are using the facility, which is well below the capacity of the facilities.
 - Tier 2 – 13-32% below. A \$0.20-\$0.55 increase per person (if 15 users) to match national average.
 - Tier 3 – 37-62% below. A \$0.40-\$1 increase per person increase (if 15 users) to match the national average.
- Auckland, Lower Hutt, and Wellington pricing differentiate peak and off-peak bookings.
- Dunedin and Hamilton charge the same price across all categories, but charge more for bigger facilities. Dunedin charges the lowest rate across all facilities considered.
- Christchurch charges a much lower rate for community use than standard but does not differentiate between adult and youth bookings and charges the same rate for standard and commercial use.
- Across the various councils and categories considered, the range of prices is:
 - Auckland – \$22.50 - \$53
 - Christchurch – \$15.30 - \$81.70

30

- o Dunedin - \$10 - \$20
- o Hamilton - \$20 - \$35
- o Lower Hutt - \$24 - \$35
- o Wellington - \$19 - \$30

Potential Impact on Users

With increases of \$0.20-\$1 per user based on 15 users per facility booking, per hour) the impact on users would be insignificant if BV prices are increased to bring them in line with national averages.

Potential Impact on Revenue

While hours of use per BV-managed community hall is known, the breakdown of each pricing category was not available for the development of this report. However, by making some assumptions an estimate of increased revenue can be made Table 6.12 below examines potential revenue increases if national average prices are matched at each Tier across two categories.

Table 6.12: Estimate of revenue increases using 2021 use data for community halls

Tier 1 – 9,301 combined hours of use			
% of Use (hours)	Type of Use	\$ Increase by Type	Increase in Revenue
30% (2,790)	Community adult	\$8.80	\$24,552
20% (1,940)	Community youth/senior	\$12.90	\$25,026
Tier 2 – 3,055 combined hours of use			
% of Use (hours)	Type of Use	\$ Increase by Type	Increase in Revenue
30% (917)	Community adult	\$3.80	\$3,485
20% (611)	Community youth/senior	\$4.70	\$2,872
Tier 3 – 4,529 combined hours of use			
% of Use (hours)	Type of Use	\$ Increase by Type	Increase in Revenue
30% (1,359)	Community adult	\$6.30	\$8,562
20% (906)	Community youth/senior	\$9.10	\$8,243
Total Increase in Revenue			\$72,740

6.4 Community Centres Network

Nationally there is significant variation in how charges for community centres are implemented with some councils applying a per square meter per hour price, some using hourly rates and others using session pricing (1/2 or full day rates).

- Hutt City Council owns and manages the community centres across the Hutt Valley but does not set a cost recovery target for them.
- In Hamilton the community centres are not owned by council, and they set their own rates. On that basis Hamilton City Council does not seek any cost recovery.
- Christchurch, Wellington, and Dunedin have a mix of council-owned/managed and non-council owned/managed community centres operating, those non-council-managed facilities set their own rates.
- Christchurch and Wellington set cost recovery targets for those facilities they own.
- Dunedin does not seek cost recovery for the council-owned facilities.

For comparison purposes facility prices have been compared on a per-hour basis by room size (capacity) to align with BV's pricing structure that is effective from 1 January 2023 –large (combined rooms), large, medium, small. As BV prices vary across some but not all pricing categories across three facilities, national averages have been compared to BV averages across the three facilities.

Because there is no consistency in ownership, pricing and levels of service provided at community centres around the country, there are some anomalies in the national averages, where average prices for smaller rooms may be more than prices for bigger rooms.

Table 6.13: Community Centres - Price Comparison

Large Room Combined (90-120)	Adult		Youth/Senior	
	Standard	Regular Community	Standard	Regular Community
BV average prices effective 1 January 2023 * Actual prices **Average prices	\$32.30*	\$25.70*	\$30.15**	\$22.80*
Price per person per hour (based on use by 50 people)	\$0.65	\$0.50	\$0.60	\$0.45
National Comparison	\$51.00	\$35.30	\$51.00	\$35.30
BV Comparison to National (%)	37% below	27% below	47% below	35% below
\$ Increase to match National	\$18.70	\$9.60	\$20.85	\$12.50
Per person increase per hour to match National (based on use by 50 people)	\$0.40	\$0.20	\$0.40	\$0.25
Large Room (50-90)	Adult		Youth/Senior	
	Standard	Regular Community	Standard	Regular Community
Average BV prices effective 1 January 2023	\$24.00**	\$19.20**	\$16.00*	\$12.70*
BV Price per person per hour (based on use by 30 people)	\$0.80	\$0.65	\$0.50	\$0.40
National Comparison ²⁷	\$55.10	\$31.55	\$55.10	\$31.55
BV Comparison to National (%)	62% below	47% below	71% below	60% below
\$ Increase to match National	\$31.10	\$12.35	\$39.00	\$18.85
Per person increase per hour to match National (based on use by 30 people)	\$1.05	\$0.40	\$1.30	\$0.60
Medium Room (30-50)	Adult		Youth/Senior	
	Standard	Regular Community	Standard	Regular Community
Average BV prices effective 1 January 2023	\$19.40**	\$15.00**	\$13.10*	\$10.60*
BV Price per person per hour (based on use by 20 people)	\$1.00	\$0.75	\$0.70	\$0.50

²⁷ Refer to the note in 6.4 regarding anomalies

National Comparison	\$37.50	\$22.10	\$37.50	\$22.10
BV Comparison to National (%)	60% below	45% below	65% below	52% below
\$ Increase to match National	\$18.10	\$7.10	\$24.40	\$11.50
Per person increase per hour to match National (based on use by 20 people)	\$0.90	\$0.40	\$1.20	\$0.60
Small Room (5-20)	Adult		Youth/Senior	
	Standard	Regular Community	Standard	Regular Community
Average BV prices effective 1 January 2023	\$15.00**	\$11.30**	\$10.30*	\$8.30*
BV Price per person per hour (based on use by 5 people)	\$3.00	\$2.30	\$2.10	\$1.70
National Comparison	\$22.20	\$14.40	\$22.20	\$14.50
BV Comparison to National (%)	48% below	33% below	54% below	43% below
\$ Increase to match National	\$7.20	\$3.00	\$11.90	\$6.20
Per person increase per hour to match National (based on use by 5 people)	\$1.45	\$0.60	\$2.40	\$1.25

- Nationally, Community Centre prices range as follows:
 - Large (combined)rooms - \$16.40-\$81.70
 - Large rooms - \$15-\$92
 - Medium - \$12.50-\$50
 - Small rooms - \$5.25-\$30
 - Kitchens - \$15-\$36
- All BV's average prices are below the national average ranging from 27-71% below. That is a range of \$9.60 to \$39.00.
- None of the community centres considered, regardless of whom they are owned/managed by, differentiate between adult and youth/seniors. Some do have different rates for community/standard users.
- Some but not all have a higher commercial rate. Very few facilities charge extra for the use of the kitchen.
- Community Centres in Hamilton, Lower Hutt, and Wellington and some in Auckland charge the same rate across all pricing categories, but that rate differs from one facility to another depending on the level of service provided for example inclusion of the use of the kitchen.
- Most Community Centres are staffed from 9am-5pm but are available for evening bookings until 9-10pm.

Potential Impact on Users

At first glance some of the increases to align BV prices with national averages are substantial, for example, \$39 to align a Standard Youth/Seniors rate for a large room. However, based on 30 people using a room that can hold 50-90 people, this amounts to \$1.30 per user/per hour increase, which is not a significant increase.

When costs per user per hour are calculated across all pricing categories, the magnitude of the proposed increases is insignificant ranging from \$0.20 to \$1.30.

All prices at Papamoa Community Centre are more than Arataki and Papamoa Sport and Community Centre, and more than all but one pricing category (small room community) of the National averages. More in-depth calculations will need to be made by BV to clarify the extent of price increases and the amount per user per hour on actual rather than average prices across the network.

Potential Impact on Revenue

Combined hours of use across the BV-managed Community Centre network in 2021 was 28,201. The breakdown across each centre was as follows:

- Arataki Community Centre – 11,654
- Papamoa Community Centre – 8,110
- Papamoa Sport and Recreation Centre – 8,437

What was not known for the development of this report was the breakdown of use of each pricing category, which is likely to vary across the different Community Centres. There are four different sizes of rooms (across two of the three centres and three across all three), each with a variety of pricing categories across the network and likely different levels of use across each pricing category at each centre. Because of this and in the absence of that detail, it is difficult to speculate what impact on revenue increasing prices to align with national averages would have. That is an exercise that BV is best equipped to undertake.

7 Conclusions and Recommendations

Overall, 78 different BV prices have been compared to average national prices for comparable facilities/programmes and 10 to average local prices (hot pools and learn to swim).

Of the 78 national comparisons only 10 BV prices are above national averages:

- 4 out of 6 Baywave general entry prices
- 3 out of 5 BaySwim learn to swim prices
- 3 out of 4 Clubfit fitness centre prices

Of the 10 local comparisons, 8 BV prices are above Local averages:

- 5 out of 5 Mount Hot Pool prices
- 3 out of 5 BaySwim prices

With 88% of BV prices below national averages, there is scope to increase revenue across the entire network.

Generally, potential increases across the aquatic network to align with national averages are not significant and will have limited impact on users. Baywave and the Mount Hot Pools have the highest levels of use of the aquatic facilities managed by BV and as such should provide the greatest opportunities for increased revenue generation. However, all but four out of six general entry prices at Baywave are above the national average.

Overall, the Indoor Sports Network has the greatest hours of use and therefore the greatest potential impact on revenue, with changes to Trustpower Arena and QEYC pricing likely to have the greatest impact on indoor sports facility revenue.

Increases in prices across the indoor sports network to align with national averages are greater than most increases needed (in other facilities/offers) to align with national averages. However, because the costs in the indoor sports network are shared across multiple users in practice, any price increases would have a limited impact on users.

Changes across the whole Community Centre network in each price category and by room size are needed if they are to align with National averages. Due to the overall high use levels of the Community Centre network price changes here could be a key contributor to increased revenue for BV. However, while community centres and halls have multiple users, the bookings are often made by not-for profit groups or individuals that do not pass the hire cost on to the users. Therefore, the potential impact on those types of users should be carefully considered.

Many large centres around New Zealand have relatively simple pricing structures, not differentiating between peak/off-peak, adult/youth/senior. Some, particularly for community centres and halls, charge a flat rate across all pricing categories.

In the absence of a breakdown of use by type at each BV managed facility, it is not possible to calculate the actual impact price increases could have on BV revenue. Therefore, scenarios have been provided and further analysis by BV is required.

7.1.1 Recommendations

Using a detailed breakdown of use by type across all BV managed facilities and programmes, BV should calculate impact on revenue if increases to align with higher national averages are applied.

Reducing BV prices that are above national averages are not necessary as people are already used to paying at those levels and in some instances, such as Platinum Membership at BayFit, are accessing a much higher level of service than other facilities provide.

BV needs to develop a clear pricing strategy that can inform Council of BV's rationale for any pricing approaches BV is advocating for. For example, continued differential pricing may relate to the different levels of service delivered across facilities, and recognition of the socio-economic makeup of some communities across Tauranga where increased pricing could be a barrier to participation.

BV also needs to ensure that any proposals for pricing align with existing Council strategies that relate to pricing, for example the recent Community Centres Action and Investment Plan which refers to the importance of accessibility.

Consider what financial impact introducing a broad discount card like Wellington City Council's Leisure Card would have on revenue. This could be a means to support participation for those who may struggle financially if prices are increased to match national averages. would have on revenue across the facilities network.

8 Appendix One – List of facilities considered

8.1 Aquatics

Baywave Comparisons	Adult	Senior	Child	Under 5 with caregiver	Lane Hire
Westwave, Auckland	8.10	6.60			
Taiora QEII, Christchurch	6.70	4.95	3.80	3.80	12.95
Moana, Dunedin	7.40	4.30	3.40	3.30	2.40
Wellington Regional Aquatic Centre	6.80	3.40	4.00		8.60
Waterworld, Hamilton	7.70	4.00	4.00		14.30
Huia Pool and Fitness, Lower Hutt	6.30	4.80	4.20		20.00
Greerton Comparisons	Adult	Senior	Child	Under 5 with caregiver	Lane Hire
Keith Spry, Wellington	\$6.80	\$3.40	\$4.00	\$0.00	\$8.60
Gallagher Aquatic Centre, Hamilton	\$7.20	\$4.00	\$4.00		\$14.30
Wharenui Swimming Club & Sports Centre, Christchurch	\$6.00	\$4.50	\$3.50	\$3.50	\$12.95
Franklin Pool, Pukekohe (Belgravia Leisure)	\$5.00	\$2.70			\$25.00
Cameron Pool, Auckland (YMCA)	\$6.30	\$5.00		\$4.30	\$30.00
Lloyd Elmore, Auckland	\$5.30	\$4.30		\$1.00	

Otumoetai/Memorial Comparisons	Adult	Senior	Child	Under 5 with caregiver	Family
Mackenzie Baths, Petone	\$6.30	\$4.80	\$4.20		\$23.10
Waltham Pool, Christchurch	\$6.70	\$5.00	\$3.80	\$3.80	\$17.10
Pt Erin Pool, Auckland (CLM)	\$6.70	\$5.00		\$4.20	
Khandallah Pool, Wellington	\$3.30	\$3.30	\$1.80		
Hydroslide Name	Standard Hydroslide				
QEII Leisure Centre, ChCh	\$10.50				

Glenfield Pool & Leisure Centre	\$7.10
Moana, Dunedin	\$7.40
Waterworld, Hamilton	\$5.00
Westwave, Auckland	\$4.40

Hot Pool Name	Adult	Senior	Child	Family	Private Pool
Ferland Spa, Tauranga	17	11	6	40	20
Oropi Hot Pools, Tauranga	13	9	6.5	35	22.5
Welcome Bay Hot Pools	11	7	6	28	
Polynesian Spa, Rotorua (Family Pool)	25	25	11	60	27
Taupo Debretts	24	11	13	85	24
Opuke Thermal Pool & Spa, Methven	29	29	19	84	
Hanmer Springs	35	22	20	89	45
Tekapo Springs	35	30	20	99	
He Puna Taimoana, Christchurch	20	15	15	51	
Ngawha Springs, Kaikohe	34	27	15	90	
Te Aroha Mineral Spas	36	26	20		22

Hot Pool Residential Discounts	Adult	Senior	Child	Family	Private Pool
Polynesian Spa, Rotorua	20	20	9	48	21.6
Taupo Debretts	12	5.5	6.5	42.5	
Ngawha Springs, Kaikohe	6	4	3	40	
He Puna Taimoana, Christchurch	16	12	12	41	
Hanmer Springs	17.5	11	10	44.5	

Learn to Swim Comparisons	Name of Swim School	Babies	Pre-School	School Age	Adult	Private	Squad
Waterworld, Hamilton		15.5	15.5	15.5			16.5
Huia Pool, Lower Hutt		17	17	17	20.5		
Moana Pool, Dunedin	Just Swim	7.6	13.3	13.3	20.4	37.4	13.3
Casey Ave, Hamilton (Private)	ACE	17	17	19		70	
The Bays, Auckland (CLM)	Swim Magic	22	22	22	22		
Massey Park, Auckland (CLM)	Swim Magic	20	20	20	20		
Westwave, Auckland		13.7	14.7	14.7	14.7		

Glen Innes, Auckland (YMCA)		15.7	15.7	15.7	15.7		15.7
WRAC, Wellington	SwimWell	12.5	12.5	14.5	15.5	61.5	
Pioneer Pool, Chch	SwimSmart	10.8	13.8	13.8		26.5	

Fitness Centre Comparisons	Casual Entry (Adult)	12mth Gym/Pool	Weekly Gym/Pool
QEII, Chch	\$18.50	\$951.00	\$19.95
Huia Pool Fitness Centre, Hutt			\$14
WRAC, Wellington		\$925	\$18
Westwave, Auckland (Council)	\$18.70		\$20
Tepid Baths, Auckland (Council)	\$22.30		\$23
Waterworld, Hamilton	\$17.90	\$832	\$16
Moana, Dunedin	\$14.80	\$1,273.00	\$25
Franklin Pool & Leisure, Auckland (Belgravia)	\$18.50	\$875	\$16.90

8.2 Indoor Courts

Trustpower Arena Comparisons	Community Hire- Adult		Standard Hire- Adult		Community Hire- Youth/Pen		Standard Hire- Youth/Pen	
Facility Name	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak
Edgar Centre, Dunedin	\$45.00	\$45.00	\$45.00	\$45.00	\$22.50	\$22.50	\$22.50	\$22.50
Walter Nash Stadium, Lower Hutt	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
The Peak, Rototuna, Hamilton	\$44.00	\$29.00	\$44.00	\$29.00	\$44.00	\$29.00	\$44.00	\$29.00
ASB Sports Centre, Wellington	\$64.00	\$42.00	\$64.00	\$42.00	\$64.00	\$42.00	\$64.00	\$42.00
Trust Arena, Waitakere	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00

MSC/AQN/MER Comparisons	Community Hire- Adult	Standard Hire- Adult	Community Hire- Youth/Pen	Standard Hire- Youth/Pen
YMCA Hamilton Recreation Centre	\$40.00	\$40.00	\$40.00	\$40.00

Caledonia Gymnasium, Dunedin	\$48.40	\$48.40	\$11.10	\$11.10
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QEYC Comparisons	Community Hire- Adult		Standard Hire- Adult		Community Hire- Youth/Pen		Standard Hire- Youth/Pen	
Facility Name	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak	Peak	Off Peak
Manurewa Leisure Centre, Auckland	\$55.20	\$44.20	\$78.80	\$63.10	\$55.20	\$44.20	\$78.00	\$63.10
Pioneer Recreation & Sport Centre	\$53.00	\$53.00	\$53.00	\$53.00	\$40.00	\$40.00	\$40.00	\$40.00
YMCA North Shore Recreation Centre	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00	\$65.00
Allan Brewster Leisure Centre,	\$77.30	\$62.20	\$77.30	\$62.20	\$77.30	\$62.20	\$77.30	\$62.20
Franklin Pool and Leisure, Auckland (Belgravia Leisure)	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00

8.3 Community Centres

Community Centre Comparisons	Extra Large Rooms (Combined Rooms) 90 - 120pax (hourly rates \$)					
Facility Name	Community Regular Adult	Community Regular Youth/Snr	Standard Adult	Standard Youth/Snr	Private Functions & Community Events	Commercial
Onehunga Community Centre, Auckland	28.80	28.80	57.60	57.60	57.60	57.60
Franklin The Centre, Auckland	40.80	40.80	81.60	81.60	81.60	81.60
Wesley Community Centre, Auckland	26.00	26.00	52.00	52.00	52.00	52.00
Sunnynook Community Centre, Auckland	21.00	21.00	26.00	26.00	26.00	26.00
Grey Lynn Community Centre, Auckland	65.00	65.00	65.00	65.00	65.00	65.00
Johnsonville Community Centre, Wellington	30.00	30.00	30.00	30.00	30.00	50.00
Newtown Community & Cultural Centre	20.00	20.00	20.00	20.00	20.00	20.00
Stokes Valley Community Centre	52.00	52.00	52.00	52.00	52.00	52.00
Kelson Community Centre	18.00	18.00	18.00	18.00	18.00	23.00
The Western Community Centre, Hamilton	40.00	40.00	40.00	40.00	40.00	40.00
Good News Community Centre, Hamilton	30.00	30.00	30.00	30.00	30.00	30.00

North New Brighton Community Centre, Chch	16.35	16.35	30.65	30.65	81.68	81.68
St Albans Community Centre, Christchurch	25.00	25.00	30.00	30.00	80.00	100.00

Community Centres	Large Room 50-80pax					
	Community Regular Adult	Community Regular Youth/Snr	Standard Adult	Standard Youth/Snr	Private Functions & Community Events	Commercial
<u>Onehunga Community Centre, Auckland</u>	\$19.20	\$19.20	\$38.40	\$38.40		
<u>Franklin The Centre, Auckland</u>	\$46.00	\$46.00	\$92.00	\$92.00		
<u>Wesley Community Centre, Auckland</u>	\$26.00	\$26.00	\$52.00	\$52.00		
<u>New Lynn Community Centre, Auckland</u>	\$20.75	\$20.75	\$41.50	\$41.50		
<u>Sunnynook Community Centre, Auckland</u>	\$16.50	\$16.50	\$22.50	\$22.50		
<u>Grey Lynn Community Centre, Auckland</u>			\$58.00	\$58.00		
<u>Johnsonville Community Centre, Wellington</u>	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	\$32.00
<u>Newtown Community & Cultural Centre</u>	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
<u>Stokes Valley Community Centre</u>	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00
<u>Dunedin Community House</u>	\$15.00	\$15.00	\$30.00	\$30.00	\$30.00	\$30.00
<u>The Western Community Centre, Hamilton</u>	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00

Community Centres	Medium Room 30-50pax					
	Community Regular Adult	Community Regular Youth/Snr	Standard Adult	Standard Youth/Snr	Private Functions & Community Events	Commercial
<u>Onehunga Community Centre, Auckland</u>	\$20.75	\$20.75	\$41.50	\$41.50	\$41.50	\$41.50
<u>Franklin The Centre, Auckland</u>	\$31.25	\$31.25	\$62.50	\$62.50		
<u>Wesley Community Centre, Auckland</u>	\$18.00	\$18.00	\$36.00	\$36.00		
<u>New Lynn Community Centre, Auckland</u>	\$12.75	\$12.75	\$25.50	\$25.50		

<u>Sunnynook Community Centre, Auckland</u>	\$12.50	\$12.50	\$18.50	\$18.50		
<u>Johnsonville Community Centre, Wellington</u>	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$26.00
<u>Stokes Valley Community Centre</u>	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
<u>South Dunedin Community Network</u>	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
<u>Dunedin Community House</u>	\$12.50	\$12.50	\$25.00	\$25.00	\$25.00	\$25.00
<u>Good News Community Centre, Hamilton</u>	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
<u>North New Brighton Community Centre, Chch</u>	\$15.32	\$15.32	\$22.46	\$22.46	\$35.74	\$35.74
<u>St Albans Community Centre, Christchurch</u>	\$17.00	\$17.00	\$27.00	\$27.00	\$40.00	\$35.00

Community Centres	Small Room 5-20pax					
	Community Regular Adult	Community Regular Youth/Snr	Standard Adult	Standard Youth/Snr	Private Functions & Community Events	Commercial
<u>Onehunga Community Centre, Auckland</u>	\$12.00	\$12.00	\$24.00	\$24.00		
<u>Franklin The Centre, Auckland</u>	\$12.75	\$12.75	\$25.50	\$25.50		
<u>Wesley Community Centre, Auckland</u>	\$5.25	\$5.52	\$10.50	\$10.50		
<u>New Lynn Community Centre, Auckland</u>	\$12.75	\$12.75	\$25.50	\$25.50		
<u>Sunnynook Community Centre, Auckland</u>	\$12.50	\$12.50	\$18.50	\$18.50		
<u>Grey Lynn Community Centre, Auckland</u>	\$16.50	\$16.50	\$33.00	\$33.00		
<u>Johnsonville Community Centre, Wellington</u>	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$16.00
<u>Newtown Community & Cultural Centre</u>	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
<u>Stokes Valley Community Centre</u>	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
<u>Kelson Community Centre</u>	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$23.00
<u>South Dunedin Community Network</u>	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
<u>Dunedin Community House</u>	\$7.50	\$7.50	\$15.00	\$15.00	\$15.00	\$15.00
<u>The Western Community Centre, Hamilton</u>	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
<u>Good News Community Centre, Hamilton</u>	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00

8.4 Community Halls

Community Hall Comparisons	Seating	Community Reg Hire- Adult	Community Reg Hire- Youth/Snr	Standard Hire- Adult	Standard Hire- Youth/Snr
Kaukapakapa Memorial Hall & Drury Halls, Auckland	150	\$26.00	\$26.00	\$26.00	\$26.00
Brighton Community Hall, Dunedin	200	\$10.00	\$10.00	\$10.00	\$10.00
Ngaio Town Hall, Wellington	100	\$19.00	\$19.00	\$25.00	\$25.00
Melville Community Hall, Hamilton	100	\$35.00	\$35.00	\$35.00	\$35.00
Wainui Hall, Te Hana Hall, South Head Halls, Auckland	100-150	\$26.00	\$26.00	\$26.00	\$26.00
Fairfield Hall, Dunedin	120	\$20.00	\$15.00	\$20.00	\$20.00
Leicester Hall, Auckland	110	\$53.00	\$53.00	\$53.00	\$53.00
Ostend War Memorial Hall, Auckland	140	\$22.50	\$22.50	\$35.00	\$35.00
All Saints Church Hall, Hamilton	60	\$20.00	\$20.00	\$20.00	\$20.00
Karitane Hall, Dunedin	100	\$12.50	\$12.50	\$12.50	\$12.50
Moera Community Hall, Lower Hutt	150	\$24.00	\$24.00	\$35.00	\$35.00
Abberley Hall, Chch	40	\$15.30	\$15.30	\$35.75	\$35.75
Chartwell Scout Hall, Hamilton	50	\$20.00	\$20.00	\$20.00	\$20.00
Newtown Hall, Wellington	60	\$20.00	\$20.00	\$30.00	\$30.00



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**ATTACHMENT 3****Bay Venues Support Office Refurbishment****EXECUTIVE SUMMARY**

1. Bay Venues support staff are currently spread across multiple areas within Baypark and other external sites, including Baywave. To create a high performing and collaborative environment allowing teams to work effectively together, sharing ideas and breakdown silos it is essential to have Bay Venues teams co-located in a functional working environment.
2. The current configuration of the existing office area is not suitable, they are inefficient and tired, making it harder to attract and retain staff. They are dark with closed in small offices rather than open plan spaces and not conducive to effective communication and teamwork.
3. Bay Venues would like to create a working environment similar to the Council's office environment, with open plan office space and areas for meetings and collaboration.
4. The refurbishment has been designed in the most cost-effective manner utilising the existing office floorplate.
5. There is sufficient office space in one area at Baypark to accommodate around 50 staff. This area requires refurbishment to ensure it is suitable for the number of staff.
6. The budget for the works is available and with Bay Venues and is being reallocated from other Stadium projects including repairs to the stadium roof lining that are not required in the short to medium term.
7. Refurbishing the offices is an investment in the Baypark facility that aligns with the Baypark Master Plan and provides for current and future use.
8. The Bay Venues Board have assessed and approved the request as a priority project critical to the ongoing operation of the organisation.

BACKGROUND

9. Bay Venues are a council-controlled organisation and kaitiaki of 24 community facilities in Tauranga Moana.
10. The largest facilities that Bay Venues manage are currently all on the Mount Maunganui side of the city, i.e. Baypark, Baywave and the Mount Hot Pools. If, at some point in the future, Bay Venues have significant assets in or around the CBD (e.g. the proposed Stadium and/or the Memorial Park facility) then it may be practical to re-locate some staff away from Baypark.
11. Bay Venues currently have over 350 staff. Staff numbers are roughly evenly split between full time, part time and casual staff with around 90 full time staff based at Baypark. Of the staff based at Baypark approximately 50 are office based and not directly customer facing. We are working hard to develop a high performing team culture that allows us to deliver on our purpose of *Connecting our Community through Exceptional Experiences*.
12. Most Bay Venues operational teams will need to be based at Baypark until such time as the focus of the facility shifts away from it being the primary event hub for the city.
13. There is a pressing need to co-locate Bay Venues teams that are currently dispersed across multiple sites (Bay Park and Baywave) in multiple office locations (more than 10 small and disconnected office areas) which is a barrier to teams communicating easily. Photos showing the current state of offices are included as Appendix 2.
14. This office space was originally constructed for Bay of Plenty Rugby in the 2000's and the existing layout remains including changing rooms and concrete block open plan showers. In 2016 there was some minor refurbishment of the top floor, though no works were done to the ground floor as this was previously leased out.

15. Bay Venues is a large and diverse organisation with wide-ranging priorities, with the need to build capability and capacity by streamlining processes and working collaboratively.
16. Bay Venues staff engagement survey results were clear on the need to improve communication and connection. Co-locating staff is an important way to facilitate this – recognising there are, and will always be, teams based at other facilities around the city (e.g. swimming pools).
17. Digital improvements are required to enable flexible working to recruit and retain staff. This includes mobile devices, improved connectivity and digitally enabled office and meeting spaces to support video meetings and collaboration.
18. A Baypark Master Plan was adopted in 2022 and sets the vision for the site as a significant community sports hub, while still accommodating some events.
19. The support office space has separate entrances, so if there were changes to the use of the stadium in future, this space could still exist as standalone office space in several configurations of up to three separate tenancies.
20. Bay Venues are supportive of the potential to co-locate some staff with Tauranga City Council (TCC) in its new building on Devonport Road in the future (due for completion 2025), but appropriate office accommodation is required for Bay Venues staff now, with a pressing need and commercial leases being cost prohibitive.

OPTIONS ANALYSIS

Option 1 (RECOMMENDED)

21. Refurbish the existing Baypark Support Office to accommodate 50 staff in a cost-effective, functional working environment supported by appropriate technology.
22. In future there is the option to consider moving appropriate staff into the TCC offices once completed - if practical to support the needs of the business.
23. An architect has been engaged to develop plans. Throughout the process staff have been consulted and feedback sought and included in the design where possible. The resulting design includes the following:

Ground Floor

- 26 workstations
- Four shared / meeting rooms/offices with digital capabilities
- Staff room with kitchen
- Reception/waiting area
- IT store/setup room
- Toilets
- Outdoor space

First floor

- 24 workstations, CEO office and three individual offices
- Five shared meeting rooms/offices with digital capabilities
- Large meeting/training room
- Ablutions

24. Plans have already been value engineered to provide the best possible cost including retaining a significant portion of the existing fitout, reusing carpet and locating a basic staff kitchen in an old shower block to make use of existing plumbing. No significant structural alterations are being made to the building.
25. Original plans to provide lift access to the first floor have been excluded due to the additional cost (estimated at \$350,000), but this is not currently required and can easily be added in future.

26. Upon approval working drawings will be completed, building consent lodged and a contractor appointed with construction to commence in June 2023. The construction programme is around 4 months as most of the work is interior fitout.
27. While this is a renewal of an existing asset, as the Baypark site is not being depreciated by TCC (with the exception of the Arena) there is no renewal funding provided by Council for the wider site. However, new capital has been budgeted for works at Baypark in the current financial year and will be re-allocated to this project with other works not required at this point in time.

Advantages	Disadvantages
<ul style="list-style-type: none"> Bay Venues staff would be in suitable office space. Bay Venues support staff would be co-located, significantly improving communication and teamwork Capital Budget is available and with Bay Venues, this is a reallocation and not a request for new capital funds By co-locating, areas currently in use by some teams, would be free for community use (to aid the Baypark masterplan) or external commercial lease (approx. 200m2) Aligned with Council office environment standards If Bay Venues staff co-locate to the TCC offices in future, the office area at Baypark could be leased at commercial rates 	<ul style="list-style-type: none"> There is a one-off capital cost to complete the office refurbishment. There will be some minor staff disruption while the works are happening.

Option 2 (NOT RECOMMENDED)

28. Do nothing and maintain the status quo. Then consider moving appropriate Bay Venues staff into TCC offices once completed - if practical for venue/event management needs.
29. This does not address the fact that the existing office spaces are not suitable.

Advantages	Disadvantages
<ul style="list-style-type: none"> No investment required. 	<ul style="list-style-type: none"> Staff would remain in unsuitable office space, with no improvement in communication and teamwork. Increased challenge of retaining and recruiting staff. Increased potential for staff wellbeing concerns. Not aligned with Council office environment standards. Does not align with the Baypark masterplan.

Option 3 (NOT RECOMMENDED)

30. Move staff to commercial leased offices as close to Baypark as possible. Then consider moving appropriate Bay Venues staff into TCC offices once completed - if practical for venue/event management needs.

31. Anticipated lease cost would be approximately \$200,000 to \$250,000 (+GST) per annum for a 600m² office space, plus fitout costs and additional travel time/costs for some staff. The fitout costs would depend upon the office space leased but would be expected to be less than the Baypark office space.
32. There are limited office locations of this size in close proximity to Baypark.

Advantages	Disadvantages
<ul style="list-style-type: none"> Staff move to suitable office space and are co-located Lower capital fitout cost 	<ul style="list-style-type: none"> High ongoing annual cost Additional fitout cost required that would involve investing capital in a third party owned building Limited suitable office spaces available to lease in close proximity to Baypark Not aligned with Council office standards Additional one-off cost to move staff to leased office Does not align with the Baypark masterplan Staff travel to the main facilities at Baypark causing delays and contributing to traffic congestion in the area

FINANCIAL CONSIDERATIONS

33. The total project cost of Option 1 is forecast to be \$1,350,000 based on a cost estimate from Kingston's Quantity Surveyor plus an allowance for office equipment, ICT requirements and consulting fees. This will be 100% new capital due to the lack of renewal funding at Baypark.

Summary of Cost	Amount
Total Construction Cost*	\$960,312
Total inc QS Estimate + Consulting fees	\$1,190,538
Additional office equipment / ICT requirements	\$153,800
Total	\$1,344,338

* Costs may vary from the Quantity Surveyor estimate but does include approximately \$140k contingency.

34. The above cost is on the assumption the work is completed in one phase, which will cause some disruption to staff during construction. If the works are completed over two phases, there would be an additional 10% budget requirement as well as a longer overall project timeline. It would also still cause disruption to staff therefore completing the project in one phase is recommended.
35. Operating expenses will not vary significantly to current costs as staff numbers won't change. The current financial year FY23 has \$3.6m approved for new capital and \$700,000 has been spent to date. We have sufficient funds to complete this project already approved in the LTP 2021-31 (Please see Appendix for more details).
36. A comparative analysis of the financial return on investment of the project is provided in the below table on the basis that the office spaces were leased at a fair market commercial rate at some stage in the future. Any non-commercial arrangements would impact the ROI.

Description	
Office Upgrade Cost	\$1,350,000
Potential Revenue - Existing office space freed up by relocating staff (annual lease at \$200/m ²)	\$40,000

Potential Revenue - If Bay Venues vacate redeveloped offices in future (annual lease @ \$400/m2)	\$200,000
Total Potential Revenue	\$240,000
Assumed ROI (based on total potential revenue)	18%
Assumed Payback Period (excluding debt servicing and depreciation)	5.6 years

NEXT STEPS

37. If approved, Bay Venues staff will:

- Continue with detailed design, procurement and building consent (concurrent) March - May 2023
- Commence construction June 2023, subject to contractor availability

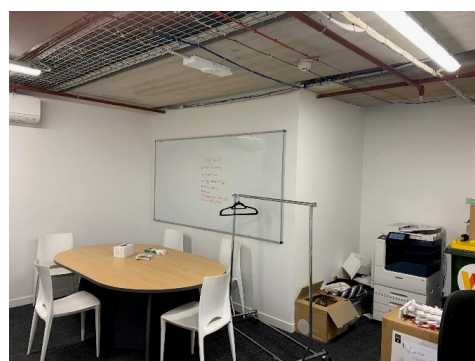
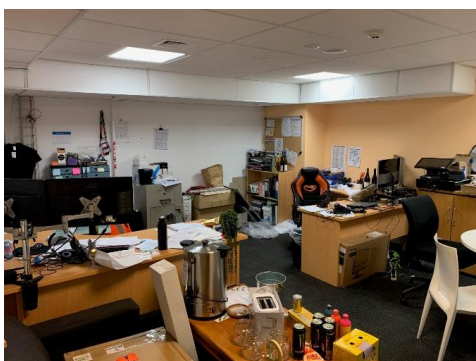
Appendix A: New Capital Budget 2022/23 (proposed)

NEW CAPITAL	2023 FY Budget	2023 FY Forecast	2024 FY Carry Forward	Comment
New Capital projects under \$200k	1,000,000	1,000,000		\$700,000 spent to date
Baypark Inc Pavilions and Stadium	2,495,778	1,495,778	1,000,000	See notes below
New Capital Total	3,495,778	2,495,778		
Design and fees 3%	104,873	104,873		
NEW CAPITAL TOTAL	3,600,652	2,600,652	1,000,000	

Notes

- The 2023 FY budget was for stadium main lights, stadium roof ceiling and stadium paint finishes with some additional ancillary budget.
- Stadium lights budget is still required, \$1m will need to be carried forward into 2023/24 FY.
- Some paint work will be undertaken, stadium roof not currently a priority, the main areas of concern from a H&S perspective have been remediated.
- Reallocate \$1.35m of the remaining \$1,495m to the office refurbishment

Appendix B: Photos of existing Office Spaces



Item 0.0

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11.2 Traffic & Parking Bylaw Amendment 42

File Number: A14401843

Author: Will Hyde, Senior Transportation Engineer

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To obtain approval from the Commission to introduce amendments to the appropriate Attachments within the Traffic and Parking Bylaw (2012)

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Traffic & Parking Bylaw Amendment 42".
- (b) Adopts the proposed amendments to the Traffic and Parking Bylaw (2012) Attachments as per Appendix B, relating to minor changes for general safety, operational or amenity purposes, to become effective on or after 28 February 2023 subject to appropriate signs and road markings being implemented.

EXECUTIVE SUMMARY

2. The Traffic and Parking Bylaw 2012 includes Attachments each of which lists various traffic and parking restrictions.
3. Council can amend the Attachments by Council Resolution.
4. This report sets out amendments to the following:
 - (a) Attachment 7.1: No Parking Behind Kerb
 - (b) Attachment 7.2: Prohibited Stopping and Standing of Vehicles
 - (c) Attachment 7.8: Motorcycle Parking
 - (d) Attachment 7.9: Parking Time Restrictions
 - (e) Attachment 7.16: Loading Zones with Time Restriction
5. These amendments are proposed for general operational reasons, principally requests from the public or other stakeholders for numerous small changes to parking controls.
6. These amendments are summarised in Appendix A, with details listed in Appendix B.

BACKGROUND

7. The amendments set out in Appendix B are changes proposed to reflect and support operational and safety needs on the road network.
8. A number of "house-keeping" amendments have also been proposed, to reflect parking areas or restrictions which are no longer relevant, for example car parks which no longer exist but are still listed in the Attachments.
9. The remainder of the proposed amendments are minor changes to parking restrictions across the city which have arisen through requests from the public and other stakeholders, changes resulting from approved developments, plus other minor changes deemed necessary by the Network Safety and Sustainability team.

STRATEGIC / STATUTORY CONTEXT

10. The amendments achieve the vision and strategic transport priorities to help make our network safer and easier for people to get around the city.

FINANCIAL CONSIDERATIONS

11. Negligible – the associate signs and markings costs can be accommodated within existing project or operational budgets.

LEGAL IMPLICATIONS / RISKS

12. The bylaw amendment is needed to allow enforcement of changes deemed necessary for safety and amenity purposes.

CONSULTATION / ENGAGEMENT

13. The changes identified in Appendix B have been assessed as being of a minor nature.
14. Consultation is not required for minor stopping and parking amendments, or other minor amendments required to support operational improvements

SIGNIFICANCE

15. 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.
16. 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.

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

ENGAGEMENT

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

ATTACHMENTS

1. **Appendix A - T&P Bylaw Amendment 42 - A14403893** [!\[\]\(3dc92c626ede9fa1b47e2e010104b5c4_img.jpg\)](#) 
2. **Appendix B - T&P Bylaw Amendment 42 - A14403894** [!\[\]\(5aa86d4510bccda8326cff2d2412c12b_img.jpg\)](#) 

APPENDIX A: Summary Table of Amendments to Traffic and Parking Bylaw 2012 (Amendment 42)

Proposed amendment Location	Details of amendments	Reason	Consultation
Attachment 7.1 – No Parking Behind Kerb (Bylaw clauses 12.1 & 12.3)			
Various locations	Short lengths of berm parking prohibition.	To address localised concerns relating to berm damage or blocked sight lines at intersections and driveways.	Not required.
Attachment 7.2 – Prohibited Stopping and Standing of Vehicles (Bylaw clauses 12.1 and 12.3)			
Various locations	Short lengths of yellow lines at various locations.	On request, and following assessment by safety engineer, to address situations where parked vehicles block property access, through-movement of vehicles along a road, or restrict sight lines.	Not required.
Attachment 7.8 – Motorcycle Parking (Bylaw clauses 12.1 and 12.2d)			
Kulim Park	Inclusion of an existing motorcycle parking space created through the recent park upgrade.	This existing space is not currently in the bylaw.	Not required.
Third Avenue	Extension of an existing parking space.	To accommodate increased demand.	Not required.
Attachment 7.9 – Parking Time Restrictions (Bylaw clauses 12.1 and 12.2c)			
Oceanbeach Road outside Omanu Takeaway	P30 time limited parking added to bylaw.	Long-standing existing limit signed on these existing spaces, not currently in the bylaw.	Not required.
Attachment 7.16 – Loading Zones with Time Restriction (Bylaw clause 18.1)			
Devonport Road	New on-street loading zone.	Provided in response to business requests. Location will be reviewed pending broader review of loading provision within the CBD.	Not required (no parking is being removed)

APPENDIX B: Proposed Amendment No.42 to the Traffic and Parking Bylaw 2012**Attachment 7.1: No Parking Behind Kerb**

Pursuant to clause 12.1 and Clause 12.3 of the Traffic and Parking Bylaw 2012 the parking of motor vehicles is at all times prohibited between the kerb line and road boundary in the locations listed below:

Location	Details
Birch Avenue Roundabout at Cypress Street	The berm on the north-east quadrant of the roundabout.
Chadwick Road South-west side	From Parker Way north-westwards to the end of the road.

APPENDIX B: Proposed Amendment No.42 to the Traffic and Parking Bylaw 2012**Attachment 7.2: Prohibited Stopping and Standing of Vehicles**

Pursuant to Clause 12.1 and Clause 12.3 of the Traffic and Parking Bylaw 2012, the parking of motor vehicles is prohibited at all times in the following locations:

Prohibited Stopping and Standing of Vehicles	
Aviation Avenue West side	From the extension of the southern boundary of Boeing Place, southwards for 25m.
Boeing Place South side	From a point 23m east of the western boundary of No.1 Boeing Place, westwards and around the end of the cul-de-sac to a point 10m east of the boundary of No.14 and No.18. Excludes four marked parking spaces with the cul-de-sac end.
Botanical Road South-east side	Between the vehicle accesses of No30 and No32.
Botanical Road North-west side	From the south-west boundary of No29 (reserve access) northeastwards for 9 metres.
Eighteenth Avenue North side	From a point 2.5m east of the boundary of No.111 and No.109, eastwards for 23.5m.
Eighteenth Avenue South Side	Commencing at the intersection with the eastern kerb of Botanical Road, extending 14 metres east.
Eighteenth Avenue South Side	Commencing at the intersection with the eastern kerb of Botanical Road, extending 75 metres east .
Palm Springs Boulevard East side	From a point 10m north of the north edge of the vehicle crossing to Nos.15-27, southwards to the roundabout with Santa Cruz Drive
Te Maire Street South side	From a point 25m west of the centre line of Hutton Place, eastwards for 42m.
Te Maire Street South side	From the common boundary of No.5 Hutton Place and No.32 Te Maire Street, westwards for 19m and eastwards for 11m.
Te Maire Street North side	From the western boundary of No.25 Te Maire St eastwards for 45m.
Te Maire Street North side	From a point opposite the common boundary of 5 Hutton Place and 32 Te Maire Street, westwards for 19m and eastwards for 16m.
Victory Street North side	From a point 25m east of the common boundary of No.54 and No.56. eastwards for 54m.

APPENDIX B: Proposed Amendment No.42 to the Traffic and Parking Bylaw 2012**Attachment 7.8: Motorcycle Parking**

Pursuant to Clause 12.1 and Clause 12.2(d) of the Traffic and Parking Bylaw 2012 only motorcycles may park in the following parking spaces:

Motorcycle Parking	
Third Avenue South Side	Commencing at a point 95 metres east of the eastern boundary of Cameron Road, extending east a distance of 3 metres.
Third Avenue South Side	Commencing at a point 90 metres east of the eastern boundary of Cameron Road, extending east a distance of 8 metres.
Kulim Park	The marked triangular space between the campervan parking and standard parking approximately 25m south-east of the end of the park road cul-de-sac.

APPENDIX B: Proposed Amendment No.42 to the Traffic and Parking Bylaw 2012**Attachment 7.9: Parking Time Restrictions**

Pursuant to Clause 12.1 and Clause 12.2(c) of the Traffic and Parking Bylaw 2012 no vehicle (except for passenger service vehicles in vehicle stands) may park on the following roads for longer than the applicable time limit listed below:

Parking Time Restrictions: 30 minute parking	
Oceanbeach Road Fronting No.399	Five angled parking spaces.

APPENDIX B: Proposed Amendment No.42 to the Traffic and Parking Bylaw 2012**Attachment 7.16: Loading Zones with Time Restriction**

Pursuant to Clause 18.1 of the Traffic and Parking Bylaw 2012 the following portions of road, land or building are declared to be loading zones during the times specified below only:

Loading Zones with Time Restriction	
Devonport Road 10 minute time limit	An 8m space fronting No.71

11.3 Executive Report

File Number: A14309402

Author: Nic Johansson, General Manager: Infrastructure
Barbara Dempsey, General Manager: Community Services
Paul Davidson, Chief Financial Officer
Christine Jones, General Manager: Strategy, Growth & Governance
Alastair McNeil, General Manager: Corporate Services
Sarah Omundsen, General Manager: Regulatory and Compliance
Gareth Wallis, General Manager: City Development & Partnerships

Authoriser: Marty Grenfell, Chief Executive

PURPOSE OF THE REPORT

1. To provide updates on key projects and activities.

RECOMMENDATIONS

That the Council:

- (a) Receives the "Executive Report".
- (b) Retrospectively endorses the submissions to the:
 - (i) Natural and Built Environment Bill and Spatial Planning Bill;
 - (ii) Inquiry into the 2022 Election; and
 - (iii) Sale and Supply of Alcohol (Community Participation) Amendment Bill.

INFRASTRUCTURE

Corporate Sustainability Plan Progress

2. Development of the Corporate Sustainability Plan has begun, with workshops and interviews set up with key internal stakeholders.
3. This work will inform how Tauranga City Council becomes a more sustainable organisation, by creating a framework that ensures sustainability, in the form of the four wellbeings (social, cultural, economic and environmental), is incorporated into TCC's decision-making.
4. While work is underway on the Climate Action & Investment Plan (AIP), the Corporate Sustainability Plan differs as it seeks to create actions, goals and measures that are operational and tactical for TCC as an organisation. The Climate AIP is focused on Tauranga as a city and on strategic goals (e.g. broader transport-related goals). These two bodies of work are however inherently linked as one workstream within the Corporate Sustainability Plan, which seeks to outline TCC's response to dealing with the challenges associated with climate change as an organisation. In order to avoid any duplication of work, the project teams are working closely together to ensure there are no action double-ups.
5. Priority has been given to those areas of work that will be included in the preparation of the 2024-34 Long-term Plan.
6. Managing and publicly disclosing climate-related risk is a priority area of the Corporate Sustainability Plan and will provide the information which will be required in the future for LGFA reporting.

Summer Holiday Waste Collection

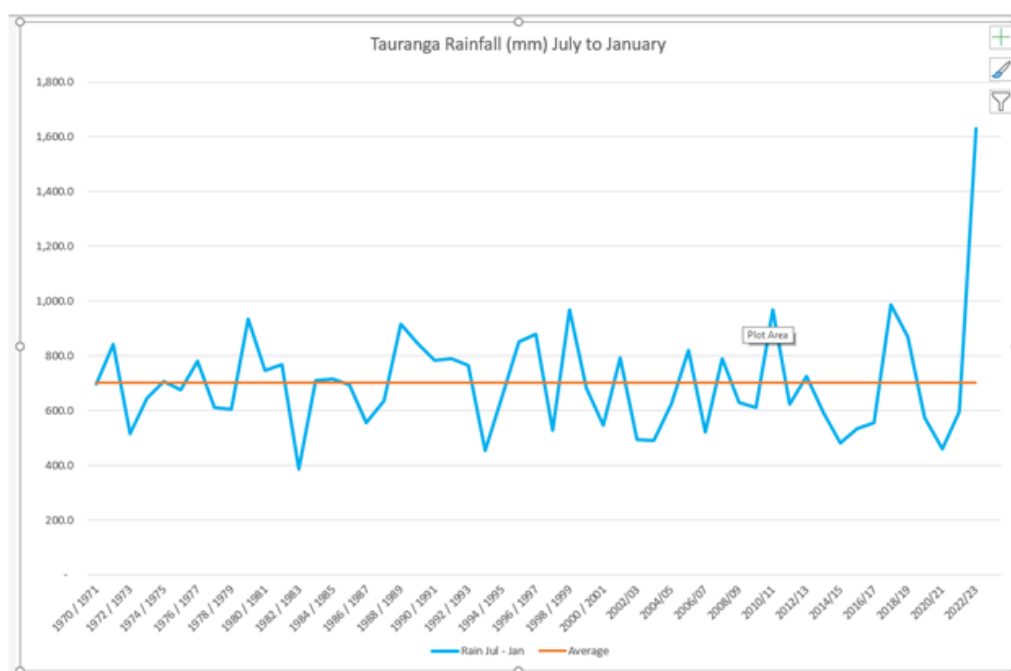
7. The summer holiday period between December and mid-January presents numerous challenges for kerbside collections. Tauranga City is a holiday destination, which means more people, more waste and higher traffic volumes, which in turn contribute to more obstacles on the kerbside.
8. TCC pre-empted some of these issues by preparing a Summer Waste Campaign summer guide for holiday hotspots, such as Mt Maunganui and Papamoa. This provided messaging around bin placement at kerbside, what to do with excess waste, what goes in the recycling bins, etc.
9. January 2023 was our biggest month to date for glass and recycling kerbside collections, generating 490 tonnes of glass and 630 tonnes of recycling. This equated to a 56% total diversion (from landfill) rate for the month.
10. The collections took longer each day over the holiday period, but most were completed on their scheduled day, the exception being five streets that were missed on 26 December. Collections on these streets were completed the following morning. Regular 'missed collection' communications are sent out to remind residents to leave their bins out if they are missed, to reduce the risk of non-collection the following day.
11. The litter collection group geared-up accordingly for this period as well, to ensure overflowing bins, litter and illegal dumping issues could be dealt with effectively. The team started the litter bin run earlier than normal in the Mount and undertook a second run to deal with the increase in people in this area. Messaging encouraged the public to report overflowing bins and to use another bin or take waste home if a bin was full.
12. We are currently compiling a post-campaign analysis to find out how successful the campaign was in maintaining our service levels over the busy summer period and to take any learnings into next summer's campaign.
13. There was no increase in feedback from the community over this period.

Te Maunga transfer station redevelopment design update

14. The Te Maunga redevelopment project has moved to the detailed design stage.
15. Procurement for a main contractor is due to close at the end of February, with contract award to follow shortly after. At this stage, construction is planned to commence later this year. We will be looking for companies that have a track record of delivering similar projects.

Extreme weather events

16. The storm event over Anniversary Weekend required water plants to be shut down for several hours, due to high turbidity in our source water streams.
17. Wastewater plants experienced very high flows, but there were no overflows at the plants. Several manholes 'popped' in the network, releasing wastewater/stormwater.
18. Water and wastewater plant operations staff worked all night to keep the plants operational.
19. Please note that we had to cease water treatment for several hours as the streams were carrying too much silt and sediment to treat. This lowered storage in the city the reservoirs and the plants had to be restarted very carefully and slowly to maintain a flow of treated water to the reservoirs. In future, we are very likely to issue a "Conserve Water" notice at the outset of significant rain events to minimise the risk of reservoirs getting too low – we need to maintain firefighting capacity in addition to domestic supply.
20. Extremely high rainfall for January has impacted our ability to maintain stormwater reserves and these are therefore looking unkempt. It will take a couple of months to catch-up and have our reserves looking acceptable again.



21. Staff were involved in monitoring the transport network over the Anniversary Weekend weather event and ensuring slips were cleared, etc. The two main sites that caused concern were a slip on Welcome Bay Road and the Oropi Bridge, where a hole formed near the southern abutment.
22. Ongoing recruitment is taking place, with approximately seven staff employed over the December/January period. Some of these staff have started and others are due to start in the next two weeks.
23. The three-yearly Waka Kotahi procedural audit took place between the Anniversary and Waitangi Weekends. This audit reviews our financial systems, Waka Kotahi claims and procurement processes, as well as specific projects completed over the 2019/20 to 2021/22 financial year period. The audit covered the period before the restructure of Transport in late-2019 and before the implementation of new systems and processes. Waka Kotahi has indicated that the next audit will be in two years, so they can more accurately assess the impact of the changes in the way Transport is now operating. The audit report is expected in April/May.
24. Construction is continuing along Totara Street and Maunganui and Cameron Roads. The traffic signals on Totara Street will be switched on once the final power connection is completed, as the previously-indicated connection point had insufficient capacity to operate the signals. A new cable is required to be thrust under Totara Street to access an alternative power supply on the port side of the street. Two of the sets of signals (Trident and Kiwaka) will be turned on in the first week of March and the third (Hull Road) is still awaiting confirmation of the power supply and timing for the cable install. Ideally, this will be completed to allow the traffic signals to be turned on in early March.
25. Six-monthly results were reported to the Strategy, Finance and Risk Committee on 13 February. Currently, the TCC-delivered capital programme forecast is tracking at 84% compared to budget.
26. Interim benchmarking will take place in February/March to measure the progress of project delivery improvements since changes were made to organisation in 2020.
27. An internal reporting and monitoring performance project is underway, with the aim of improving reporting and information availability to Council.

COMMUNITY SERVICES

Community Development

28. The Kāinga Tupu Taskforce has undertaken a recent review, providing a focus on revitalising the connection with the Homelessness Provider Network and adopting a revised Memorandum of Understanding that sets out strategic roles, responsibilities and Taskforce membership. As a result of the review, Kāinga Tupu Action Groups will be re-established, in consultation with the Homelessness Provider Network, to support the delivery of key Kāinga Tupu projects at an operational level.
29. Planning for the Western Bay Homelessness Point in Time Count, to be held in Census week, is well underway in a partnership with Statistics NZ. The Point in Time Count survey results will further populate the Homelessness and Housing Data Dashboards, to continue developing an integrated platform which enables all parties to share the same data, track and understand the effectiveness of actions taken, and report on the State of Homelessness in the Western Bay of Plenty. Other benefits include more clearly identifying the characteristics of people experiencing homelessness, enhancing system planning and programme development, and increasing public awareness about homelessness.
30. As part of the current youth hub feasibility study, the team has been hosting a survey on multiple platforms. A total of 423 responses were received and 204 respondents indicated they would like to be involved in further discussions. On 19 February, staff will be partnering with youth sector organisation 'Stand Tall' to run a co-design workshop which will further inform the feasibility study.
31. Our Rangatahi Advisor has been supporting the delivery of Te Toka Whakaea – Youth Climate Forum, a gathering for 13–24-year-olds to discuss the climate issues of most importance in Tauranga. The forum was held on Saturday, 11 February at Huria Marae in Brookfield, where a range of climate topics were discussed and workshopped. Feedback from this hui will feed directly into the Climate Action Plan, which currently in development.
32. A pilot programme for diverse young people wanting to make positive changes locally and globally will continue in 2023, after a successful first year. Launched in October 2021, the Global Ambassadors programme consists of 21 young people from Tauranga and the Western Bay who have contributed more than 1440 volunteering hours across 30 different projects, focus groups and events. All their activities were underpinned by at least one of the United Nations' Sustainable Development Goals. Work included partnering with Tauranga City Council to support development of the multi-ethnic forum and hosting a group of youth leaders of Somali heritage, in co-operation with E Tū Whānau. The Global Ambassadors programme is a collaboration between Education Tauranga, Enigmatic Global, Tauranga City Council and Council's Welcoming Communities programme.
33. Our Kaitohutohu Hapori Māori has been supporting a new initiative which aims to address the equity divide within the water safety and aquatics space. 'Tai Timu, Tai Ora' delivers training of water safety and swim programmes to kaiako in Kura Māori, who in turn will deliver these services to tamariki in local schools. In partnership with BaySwim and Aquatic Survival Skills, Council is funding a 'Train the Trainer' programme whereby BaySwim facilitators teach kaiako the Water Safety and Learn to Swim programmes for years 1-8 children. The kaiako are then able to deliver these programmes in te reo Māori. The pilot of this programme has been a huge success, so phase 2 is exploring roll-out of this kaupapa to all Kura Māori and Māori health and social service providers over the next 12 months.

Emergency Management

34. The entire Emergency Management (EM) team worked alongside our Council colleagues to respond to the severe weather that impacted the country in late-January. In Tauranga, the first response started in the early hours of Sunday 29 January, when multiple incidents of flooding and landslides were reported to emergency services. The most severe incidents included two slips at Egret Ave in Maungatapu, where up to 20 properties were evacuated, as were two houses along Redwood Lane by the Wairoa River. There were multiple slips

around the city that required emergency response from many of our teams. As a result, five properties were issued with Dangerous Building Notices in Egret Ave and two properties in Redwood Lane were also deemed uninhabitable. Many slips still exist in the area and will be monitored over the coming weeks.

35. Council has established a recovery office, including a Navigator who is supporting the affected families. A range of council staff, along with specialist consultants, have also been monitoring the slips, with the aim of advising when remedial works can safely begin. The remedial works need to be co-ordinated with private landowners and insurance companies. While it is important to the residents to clear the site as soon as possible, we also need to ensure that the work is only undertaken when we have formal advice that it is safe to do so.
36. Liz Oliver (Senior Advisor – Emergency Management) has been selected as the Bay of Plenty CDEM Group Representative to visit Japan in February, at the invitation of Professor Nomoto, Tokyo Metropolitan University. This will be an opportunity to learn about the impacts of the 2011 Tōhoku Earthquake and Tsunami and subsequent recovery. This will also provide opportunities to exchange disaster risk reduction experiences with Japanese researchers and educators.

Libraries

37. The libraries' summer reading challenge has just ended and was our biggest ever in terms of numbers participating. We introduced a pre-schooler tier for the first time and also added online registrations, activities and prize draws, making it accessible to more families than ever. A key feature of the challenge is the check-ins, where a young reader tells a library staff member about the books they have read. We recorded 3,000 of these meetings. Consistent reading is the best way to ensure children don't return to school after the holidays with a lower reading level than when they left, and it also helps provide a great start to the new school year. At its heart, Kia Kaha te Pānui: Summer Reads is about encouraging children to discover a love of reading and stories – a win for parents, teachers and kids! More than 1,000 children participated in Kia Kaha te Pānui over summer, visiting our libraries multiple times with their families. Large crowds came to the two finale parties, held at He Puna Manawa and Memorial Park. With the help of Friends of the Library, we were able to give a prize book to every child who completed three check-in conversations with a librarian. This is a large expense and the fundraising by Friends of the Library is hugely-appreciated. Participants were particularly impressed with the quality of the books and many have noted how treasured the book prizes were.

The feedback from evaluations was very positive, including:

Great job! My two boys have been so motivated by this challenge (got one who is usually struggle to get to read). The other one is certain he's going to win the skateboard.

Hearing my mokopuna 3&6 read back what their books were about, very confident, priceless.

Such a wonderful initiative for the kids to learn, grow & prosper - while building relationships with books, libraries and other readers. Tino pai.



38. Census 2023 - Libraries are working with our Tauranga Moana Census team to provide a computer network and in-person help during the period around Census Day, so that all community members can be counted. Public Libraries New Zealand, the national body for public libraries, has partnered with Statistics New Zealand to provide the public library network as Assisted Completion Locations for Census 2023.

Space and Places

39. Marine Parade Coastal Path - The play area opposite Te Ngaio Reserve was completed and opened for use just before the Christmas holidays. One distinctive feature of the new play area is a driftwood log transported from further along the beach, which is now installed as a unique climbing feature. Planting along the edge of the play area will occur when the main path is installed later in the year and will further enhance its natural integration into the dunes. The new pedestrian crossing to provide a safer road crossing is expected to be completed shortly.



New Natural Play Area at Te Ngaio Reserve

40. Ila Park Upgrade – Work is progressing well at Ila Park, despite the challenging summer weather conditions. Wet pour under-surfacing is well underway, and completion is anticipated by the end of February.



Wet Pour under Flying Fox at Ila Park

41. The Men's Shed, Historic Village – Work has commenced on stripping and replacing the existing building's asbestos cladding. Sabre Construction is undertaking this work and will also be undertaking renewal works on Building 6 (Big Red Shed), 22 (The School House), and 35A & 35B (Nissan Huts) in the coming months.

42. *Kopurererua Valley Stream Realignment* – This project is tracking well, with the rain and flooding in the valley having a minimal impact. Two significant milestones expected to be delivered in February:

- (a) The bridges will be lifted into position within the southern alignment (see picture below)
- (b) The “Livening of the stream”, a major milestone for iwi and Tauranga City Council, will be taking place on 21 February, marking 70% completion of the project.



New Pedestrian Bridges arriving at site and ready for installation

43. *Welcome Bay Amenity Improvements* – the following work has been completed as part of the Welcome Bay Amenity Improvement Project:

- (a) Waipuna Park – Installation of a new Basketball court, new shared pathway and boardwalk, upgrade to existing playground, accessibility upgrades to the existing playground, new picnic facilities, new bench seats and bike racks
- (b) Johnson Reserve – new natural play area installed
- (c) Oteki Reserve – new swing set installed.



44. *Walkways* – Recent weather events have put pressure on all services, including walkways. The team has worked hard in an attempt to keep tracks open and clear. Customer feedback is higher than normal, and as would be expected, the issues are directly-related to high wind and rainfall. We have bolstered the team to help get to repairs as quickly as possible.
45. McLaren Falls has experienced large weather bombs, with extensive damage to existing facilities and new damage resulting in the wider park being closed until safety assessments can be undertaken.
46. *Cemeteries* – the team has taken back maintenance of the city cemeteries and is providing a higher level of service with the additional resources they now have.

Venues and Events

47. Tauranga hosted the inaugural New Zealand Festival of Squash at Trustpower Baypark Arena in November and Council's post-event evaluation has recently been completed. The event resulted in 4,273 visitor nights for Tauranga, with these visitors spending \$621,450 in the city. In addition to the economic contribution, the event received an incredibly high satisfaction level from attendees, with 98% satisfied or very satisfied with their event experience.
48. In December, FIFA announced that Tauranga had been successful in securing the Netherlands Team Base Camp for the FIFA Women's World Cup in July. The Netherlands is ranked 6th in the world and were finalists at the last FIFA Women's World Cup in 2019. We look forward to welcoming this prestigious team, nicknamed the 'Oranje leeuwinnen' (Orange Lionesses).
49. Tauranga's New Year's Eve Community Celebrations returned this year, with over 12,000 people enjoying the five community celebrations across the city. Onsite surveys indicated that 89.95% of the public were either satisfied or very satisfied after their New Year's Eve experience. The inflatable incident at Fergusson Park is still to be investigated by Worksafe.
50. Delivery of the City Centre Events and Activation Plan is tracking well. Several unique events took place in December and January on the waterfront: Including the Tauranga Moana Bomb Comp, which attracted approximately 500 spectators, and the Rockquest Waterfront Takeover. Live music on Wharf Street, free outdoor movie nights and sunrise yoga will continue until March. The 'Summer in our City Centre' marketing campaign will also continue until March.
51. The partnership between Te Pou Takawaenga, the Venues and Events team and mana whenua to enhance manaakitanga at events continues, with a pōhiri planned to welcome the England and BLACKCAPS teams before their test at Bay Oval in February. The pōhiri will be performed by kapahaka roopu, Tūtara Kauika and supports Goal 5 in the Tauranga Events Action and Investment Plan, to become the best host city in Aotearoa.
52. Anzac Day planning is underway for this year's services. Council's Event Delivery Lead will be working closely with the local RSAs and Pāpāmoa Dawn Service Organising Committee to deliver this year's services across the city.

Customer Services

53. A project is underway to develop standalone payment touch screen kiosks in a trial for customers in He Puna Manawa and the new office at Mount Maunganui. It is intended that these will be ready to install in March/April. The kiosks will provide another channel for customers to better access our online payments at these walk-in sites, as well as being a prototype for any expanded kiosk offering of online services. If the trial is successful, future kiosks need not necessarily be limited to traditional council locations.

Arts & Culture

54. The first round of the 2022/23 Creative Communities funding programme was successfully delivered in December, with grants totalling \$18,000 made to a diverse range of projects.
Creative Communities is a Creative New Zealand funding programme which distributes funds through local authorities to support community arts projects. Community projects supported in this round included a Bengali dance performance, a South Asian fusion music performance, social painting, and an opera showcase profiling local opera singers. Other successful projects of note included:
 - (a) A grant to Te Tuhi Mareikura Trust to deliver a series of wananga for local artists, to develop their online presence and digital skills and connect their work to audiences around the world
 - (b) Support for the Mount Art Group's annual art exhibition at the Mount Surf Club

- (c) Funding towards “Mount Originals”, a studio album featuring original contemporary music made by students at Mount College.

Further rounds of the Creative Communities funding programme will be held in February and May.

- 55. New Heritage collection displays have been installed in He Puna Manawa, focusing on a ‘back to school’ theme looking at education in Tauranga through the ages. The summer has also seen pop-up displays in Mount Maunganui showcasing vintage tourism brochures and postcards from people holidaying at the Mount. The education and outreach team has spent the summer break developing new teaching resources, alongside Heritage Partner the Elms Trust, with a teacher training day co-facilitated with The Elms exploring and promoting how the Heritage Collection can support teachers to deliver the new ‘Aotearoa Histories” curriculum.
- 56. The summer lighting activation on The Strand (“The Shapes of Summer”) wrapped-up two weeks earlier than scheduled at the beginning of February, due to damage sustained during the extreme weather, and some vandalism and theft of electrical equipment. While this was a disappointing end to the season, the installations were well-received, with many positive comments made on social media, and lots of families sharing ‘selfies’ featuring the backdrop of lights and the central city waterfront.

CHIEF FINANCIAL OFFICER

Tauranga Airport

- 57. Over December and January, 80,688 passengers travelled through the Airport, which is 108% of the volume for the same months pre-COVID. Bookings going forward are strong. Travel agents are reporting they are busier than they have been for a couple of decades.
- 58. The Terminal Precinct development has commenced, with most of the taxiway relocation completed. Work is now focused on relocating the Z energy fuel pumps and earthworks associated with the construction of the new Fire Station.
- 59. A condition assessment of the existing runway lighting and associated equipment has been completed, which shows that most of the equipment is either obsolete or in poor condition. Negotiations with Airways NZ are expected to be completed by 22 February.
- 60. Weather conditions have caused a large number of flight cancellations and while the weekend of severe weather at the end of January tested both the local Air NZ and the Airport’s business continuity capabilities, the plans proved suitable.

STRATEGY, GROWTH & GOVERNANCE

Resource Management Act Reform: Council Submission to the Natural and Built Environment Bill and Spatial Planning Bill

- 61. On 3 February, the Council submission to the Environment Select Committee on the Natural and Built Environment Bill (NBE Bill) and Spatial Planning Bill (SP Bill) was lodged. This latest submission to this ongoing reform process follows a previous submission to the Environment Select Committee’s inquiry into the exposure draft of the NBE Act and responses to various consultation documents from the Ministry for the Environment.
- 62. The Council’s previous feedback acknowledged the need for reform and provided general support for the Government reform objectives. However, the feedback expressed concern that the proposed system would not achieve its objectives or address challenges with the current system. The Council’s most recent submission to the Environment Select Committee has again highlighted these concerns.
- 63. Key areas of focus of the most recent submission noted that:

- There is a large disconnect between governance, policy and ultimate implementation responsibilities, accountabilities and funding. This needs to be integrated for the future Resource Management System to be able to deliver on its intended outcomes;
 - The proposed system is unlikely to improve efficiency and reduce complexity. For example, the NBE Bill contains a long list of (sometimes conflicting) system outcomes, with no prioritisation or hierarchy to guide decision-makers. The NBE Bill is unclear at what point (if any) decisions around trade-offs between conflicting outcomes or locations will be made, or if they will be left to consenting. This approach leads to a situation where key issues that should have been addressed in the plan-making process are left for consenting processes, where given the use of independent commissioners, there will be little if any governance or political oversight on how these matters are addressed;
 - The regionalisation of plan-making, and the introduction of Regional Planning Committees (RPCs) will require significant time and resource. RPCs need appropriate funding to be effective;
 - The proposed representative structure for RPCs may make it difficult for high-growth Councils to resolve and achieve the required level of focus on priority urban growth challenges;
 - The likely one-member Council representative on an RPC cannot bind a council or a Long-term Plan process. Therefore, wider structural issues need to be addressed if the proposed spatial planning approach is to be effective;
 - The RPC's accountability back to parent councils, who represent the communities that are subject to the plans, is diffused but leaves them paying the costs and providing the resources with a much-reduced influence on the outcomes being sought;
 - The ability for a region to form a subcommittee to address specific issues is welcomed, as this would allow more influence for metropolitan councils in managing the growth of their cities and recognising that sub-regions within a region often have quite distinct and different development growth issues and opportunities and communities. A sub-regional spatial plan approach would reflect these opportunities and differences.
 - Spatial planning will be supported by infrastructure implementation agreements, but with limited integration with LTP processes and central government funding (e.g. Waka Kotahi) not locked-in, they won't be effective. Integrated and committed funding and implementation plans are critical to the success of the new approach and this is a significant gap in the proposed legislation;
 - The introduction of a National Planning Framework (NPF) has potential, but time needs to be allowed for at the outset to get it right and enable coproduction, including with local government. This will help to remove existing conflicts in national direction and avoid the new system suffering the same flaws as the existing legislation;
 - The approach to providing Māori needs requires careful thought. A more strategic role for Māori in the RM system, as proposed, would require significant resourcing (both funding and time) to build engagement, capacity and capability for iwi and hapū.
64. While the submission focuses on how the two Bills could be improved, it does note that an overall 'pause' and 'reset' of the resource management proposals, within the context of the wider institutional, planning and funding environment, may lead to a better long-term solution being identified.
65. Council's full submission to the two Bills is attached to this report.
66. The next steps for this process are anticipated to be the opportunity to present the Council submission to the Environment Select Committee in the near future.
67. In addition to the TCC submission, BOPRC has been facilitating a high-level joint submission to be collectively submitted by all BOP councils. Staff have reviewed the draft submission, which picks up a number of the same issues and, overall, is aligned with our submission.

Democracy and Governance Services

New Minister of Local Government

68. Hon. Kieran McAnulty has been appointed as the Minister of Local Government in new Prime Minister Chris Hipkins' recent Cabinet reshuffle. Previously, he was Associate Minister of Local Government. Minister McAnulty also has portfolios as Minister of Emergency Management, Racing and Rural Communities and is Deputy Leader of the House.

Local Government Electoral Legislation Bill

69. The Council submitted on the [Local Government Electoral Legislation Bill](#) (submissions closed on 14 September 2022). These were considered by the Governance and Administration Committee, which has [reported](#) back to the House and recommends that the Bill be passed with the following main amendments:
- Wording to be consistent with the Electoral (Māori Electoral Option) Legislation Act 2022;
 - Community engagement requirements - an amendment requested by TCC and Taituarā to change the wording in section 19GA(5)(a) from "in accordance with Part 6 of the Local Government Act 2002" has been accepted and it is now recommended to read: "as part of its consultation under subpart 1 of Part 6". This would make it clear that section 19GA was not dictating which particular consultation method should be used under Part 6. The new provision refers to subpart 1 of Part 6 instead of to Part 6 as a whole. This is because there are other subparts of Part 6 that are not relevant to decisions about specific Māori representation (including reporting obligations and financial management);
 - Clarifying "communities" - further amendments to make it clear which communities a territorial authority or regional council needs to engage with when making decisions about Māori representation. The term "other communities of interest" is not defined in the Local Electoral Act and is often interpreted to have a place-based meaning. The amendment would remove the words "of interest" from Section 19GA(5)(a) and clarify that the term "communities" should be interpreted as it is used in Part 6 of the Local Government Act 2002.
 - Reviewing Māori representation when a Māori ward or constituency is already in place - recommended amendments to new sections 19GA(6) and 19GB, to clarify that territorial authorities and regional councils that have had Māori wards and constituencies instated during only one of their previous two elections cannot review Māori representation. This is designed to allow the wards and constituencies to "bed in". The current wording could be read to require a determination about Māori representation to be made before each triennial election and this was not the intent.
 - Changing the timing of representation reviews - Changes are recommended to section 19N(1) to extend the timeframe for councils to respond to submissions on the initial proposal from six to eight weeks, to allow more time for councils to resolve their final representation proposals. Changes are recommended to section 19O, which deals with the appeal process, to reduce the amount of time during which people can appeal from 20 December to 30 November in the year before the triennial election, to ensure sustained engagement and a quicker final resolution. Changes are recommended to section 19Q to bring forward appeals and objections being passed-on to the Local Government Commission from 15 January to 20 December, to ensure an efficient and focused process.
 - Order of decisions about electoral system and representation – Changes are recommended to correct the current mismatch between the timing of electors demanding a poll on the type of electoral system and the first date councils may resolve their initial proposal. The changes would bring the date of a poll demand forward from 21 February to 11 December of the preceding year. This would minimise the risk of representation decisions being made before the type of electoral system was determined.

- Recounts and tied votes – Changes are recommended to section 92B to enable candidates involved in a tied vote to be given three working days after the recount to withdraw, to stop unnecessary delays in the result of the election being announced.
70. The Select Committee did not accept the TCC recommendations in regard to sections 19GA and 19H (2)(b), to clarify the timing of representation reviews for councils which are not in a triennial general election cycle. TCC submitted that where the Minister of Local Government had exercised the power under sections 258I-J of the LGA 2002, the determination will be made after two general elections.
71. The Bill is now at the second reading phase.

Submission to Inquiry into the 2022 Election

72. The Council considered a draft submission at its meeting on 7 February 2023 and subsequently made further changes to the submission. The submission is attached to the report as Appendix 1 and there is a recommendation to retrospectively approve the submission, which was lodged before the closing date for submissions on 14 February 2023.

Takawaenga

73. Rangapū feedback to Central Government Reforms – 2023 has had a hectic start, with a series of deadlines on crucial legislation, including the Three Waters Reforms, Resource Management Act Reforms and the Local Government Review. The focus has been on TCC acting in close partnership with Rangapū, to ensure our tangata whenua views are heard. Generally speaking, we have helped by facilitating workshops, sharing TCC responses and enabling Rangapū to submit an autonomous response, side-by-side with TCC. While this enables TCC and tangata whenua to express different views, more often than not they have been in support of one another.
74. Strategic Framework and Te Ao Māori Approach – Rangapū members have been actively involved in the development of the Action & Investment Plans (AIPs), with each AIP having assigned representatives who contribute a Māori lens to its development. At a high level, the Strategic Framework and the Te Ao Māori approach have been developing in consultation with the Rangapū and Kaumatua Forum and the concepts have been tested and checked regularly, with ongoing support. In addition, specialised mātauranga Māori support has been facilitated into the Sustainability Approach and will be available as more detail is developed. This is essential to bringing life to the high-level support from tangata whenua.

CORPORATE SERVICES

Community Relations

75. The Media Impact Score has remained consistent over recent months, on average 2.0. Reporting on the Civic Precinct and Centre City Transformation continues to remain positive with Media Impact Scores sitting around 4.7.
76. Reporting has been dominated mainly by recreation & environment themes, especially highlighting current and upcoming attractions in the city and wider region through summer.
77. The recent weather event was a major focus, ensuring updates were shared over social media as regularly as possible with the community, to help keep people safe and informed.

Digital Services

Community Channel Preferences

78. In October 2022, we conducted some research to better understand how our Tauranga communities would like to receive communications from Council. The information received has provided a rich understanding of how the community wants Council to communicate with them, with an overwhelming desire to see a move to a more digital/online communication method. We are now working within the organisation to better support more digital/online communication methods, where appropriate.

Recruitment

79. We are continuing to work on recruitment and retention of Digital staff and have reduced our vacancy rate from 33% four months ago to 23% in January. With multiple new staff starting in the coming weeks, we expect to see the vacancy rate drop to 15%.

Digital Capital Programme - Enterprise Resource Planning (ERP) Programme

80. In late-2022, the digital team validated a programme plan for the next six months (January-June 2023), to continue building on the delivery achieved between October and December 2022. The key focus is to deliver the foundational building blocks required to transition processes from legacy to modern environments.

Customer, Property, Human Resources and Environmental Planning information is currently being migrated from the legacy environment into our central data management platform SAP, with all workstreams on-track to better support the needs of our growing organisation and community.

Supply Chain

81. After a few years of supply chain constraints, we are seeing things ease and lead times returning to normal, particularly in the area of monitors, mice etc. The market is still somewhat unpredictable however, so the landscape can change quite quickly. One of the biggest challenges currently is the unfavourable exchange rate, particularly when dealing with the US.

Building Fitouts

82. The team is working on multiple building fitouts in various stages of delivery, to bring some of our insourced contracts and remote communities together. Many of these are high priority and the team is focusing on what connectivity can be achieved to meet operating deadlines.

A key issue for the two sites for the City Beautification Project (Tauriko & Mt Maunganui) is confirming the location so that connectivity can be provided before the 1 July deadline.

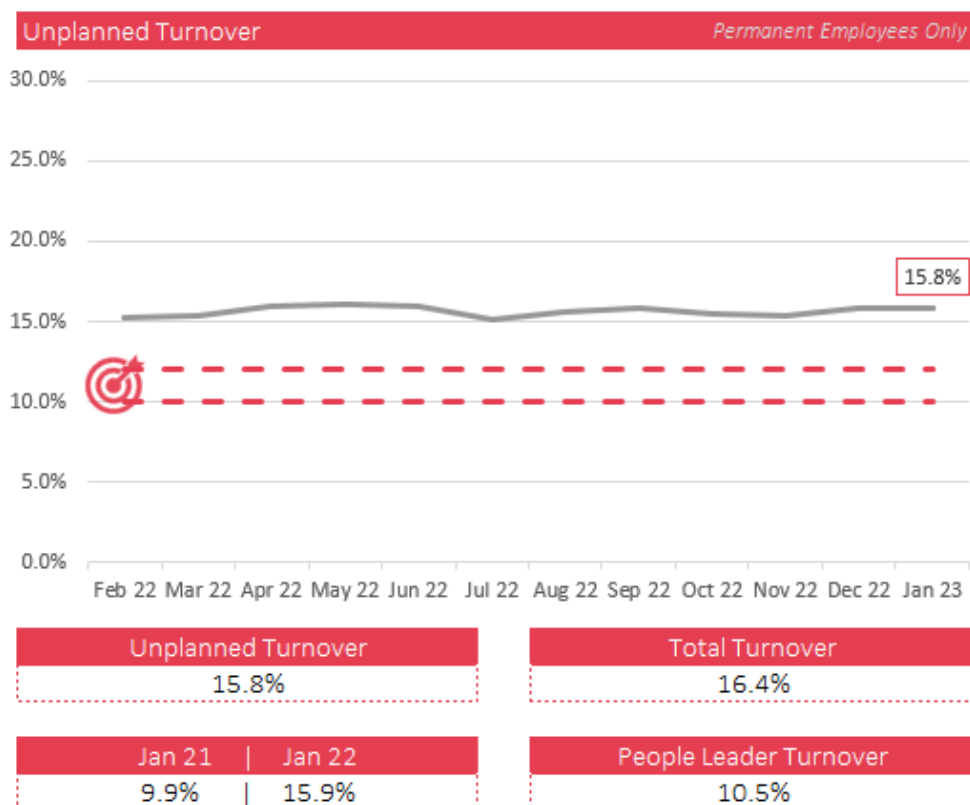
The Mount Collaborative Space is in the early planning stages and the team is working with Community Relations team to ensure technology provided is fit-for-purpose. This site has a very short turnaround to be operational, so the team is focusing on providing the basics to provide connectivity and building the foundation for the future digital enhancements.

Human Resources*Employee Benefits*

83. To aid attraction and retention of staff, we are re-evaluating the staff benefits council currently offers to staff. We expect to complete the initial evaluation phase by mid-2023, with the intent of introducing any new benefits required shortly after. Attractive benefits demonstrate that people and their wellbeing matter. This in turn helps improve performance, employee retention and corporate culture. We will also make the Council a more attractive employer of choice.

Staff Turnover

84. Staff turnover is calculated on a 12-month rolling basis. The employment market continues to be challenging, so it is positive our turnover is remaining steady. Our aspirational staff turnover is 10-12%.



Employee engagement

85. MyTeamPulse is a new employee engagement survey which will be rolled-out to the full organisation from 27 February. This survey is an important part of listening to our employees and ensuring that the Council is a great place to work.

Legal, Risk & Procurement

Legal Services Panel

86. On 1 December, we transitioned to our new legal services panel. Panel members are drawn from two local, three national and one specialist law firm. The panel ensures that we can get consistent legal advice at competitive rates, while also enabling reviews of the quality of the advice we receive.

Business Continuity

87. We have started conducting business continuity validation testing, which in simple terms is a 'fire drill' for our business continuity. Teams across the organisation will go through an exercise that simulates a business disruption, such as power outage, cyber-attack etc., to test the readiness of their plans and the organisation's ability to continue delivering services to the community.

Procurement

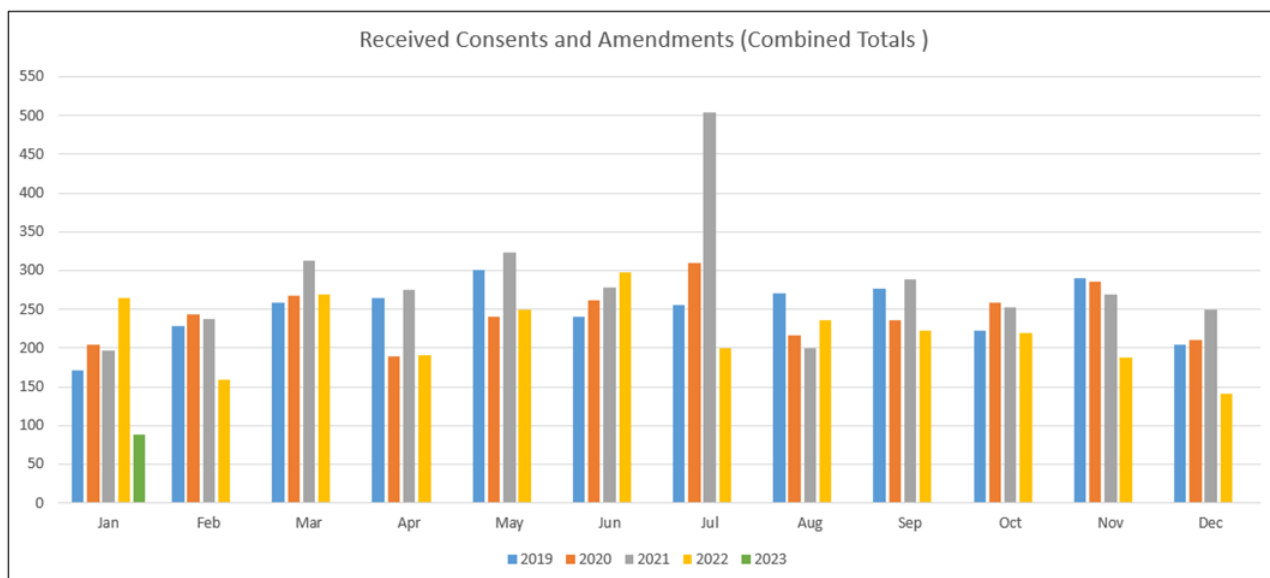
88. Through a partnership with Amotai (supplier diversity organisation), we are sponsoring an event to connect suppliers and buyers of services, to diversify the organisations we use to deliver community outcomes. The aim is to enable our supply chain to be more resilient and provide opportunities for a variety of people and organisations to be involved in the work we are doing.

REGULATORY AND COMPLIANCE

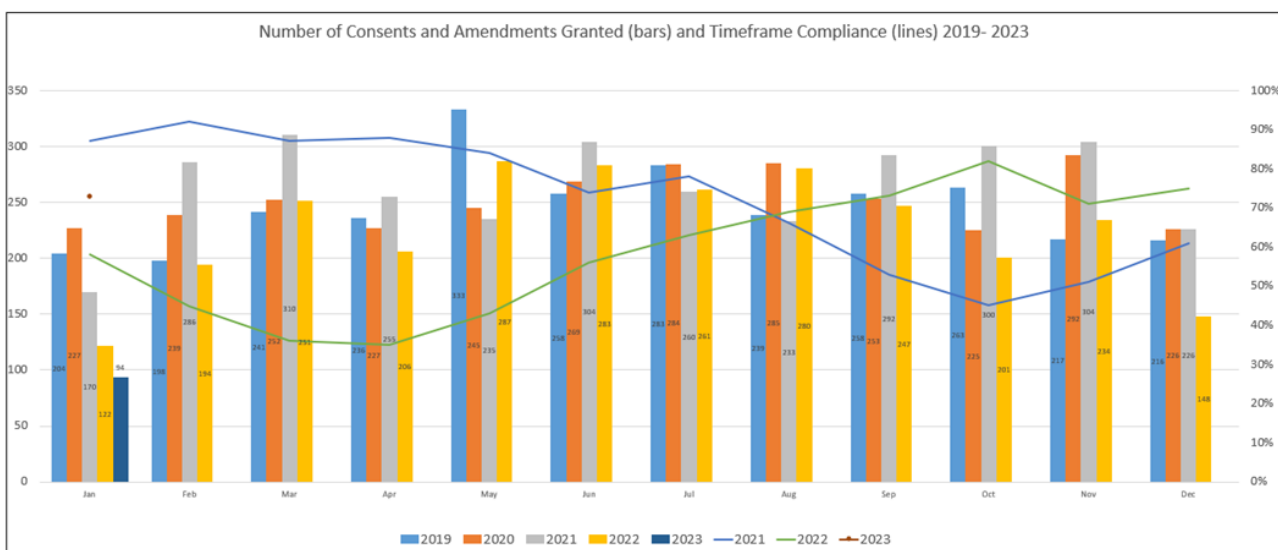
Building Services

Building Consents

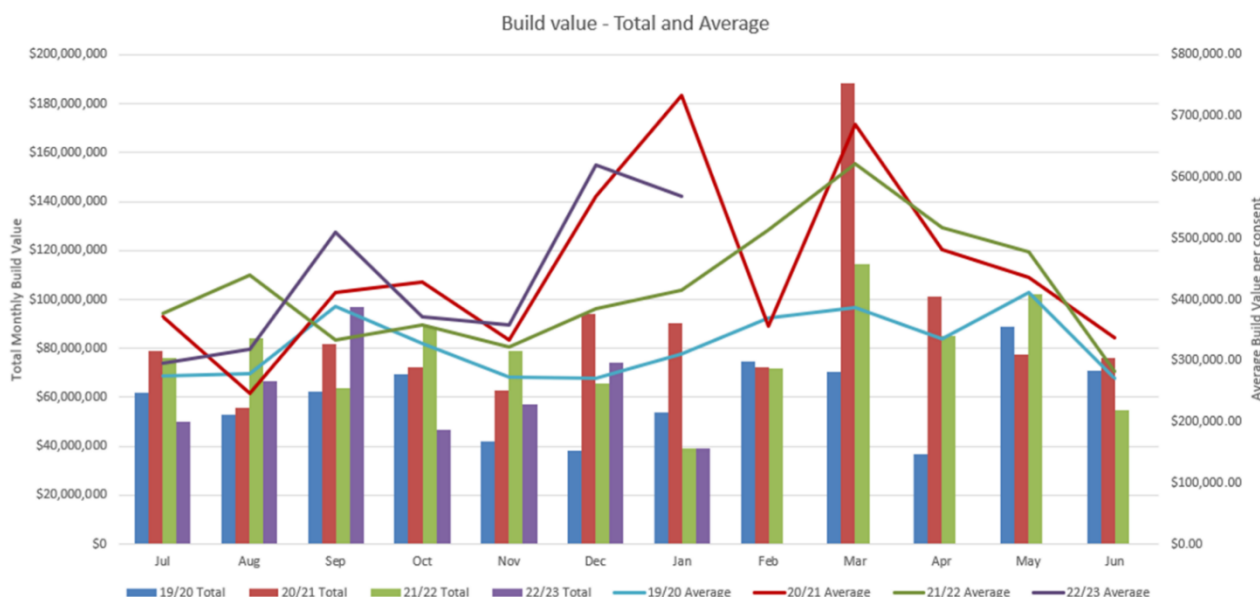
89. We received 187 Building Consent and Amendment applications in November, 141 in December and 88 in January. This is significantly lower than previous years (between 34 and 54% down, compared with the respective monthly averages). We are expecting volumes to remain lower for the remainder of the financial year, based on information shared with us by our industry partners.



90. We granted 234 consents and amendments in November, 148 in December and 94 in January. The tapering-off of volumes mirrors the reduced number of applications received and is reflected in our decreased use of external contractors now that we are through our backlog of consents. Applications continued to be allocated to a BCO for processing within a week of lodgment.



91. The total value overall of consents issued over the last 12 months has declined as the number of consents issued has fallen. However, the average value of consents has been relatively high over the last six months, as a result of the number of large consents received, such as new technology and teaching blocks at Papamoa College, commercial blocks in Papamoa/Mount, the new Uzabus depot in Tauriko and the first stage of a new aged care facility at Bethlehem Shores. Other peaks in average value over the last four years are also associated with large consents such as the Winstone Gib factory (stage 2) in March 2021.



92. Compliance with statutory timeframes has plateaued, with 71% of consents and amendments being issued within 20 working days in November, 75% in December and 73% in January. There are a number of reasons for this lower-than-ideal compliance, including reduced staffing over December and January. However, it has significantly improved from 46% last year.
93. Inspection wait times for standard (45-minute) inspections have remained low, generally around 1-2 days. The wait time for our most complex inspection types (for instance R3 Finals) increased to 18 days in the lead-up to Christmas, but dropped back to an average of nine days throughout January.
94. As at the end of January, we had 12 trainee Building Control Officers (processors and inspectors) who had yet to attain formal competency. We expect roughly half of these to achieve their competency in February or March, and the remainder later in the year. As these trainees complete their competency assessments, we expect to see improved productivity as they will be able to complete more work and their supervisors will spend less time with the trainees. We are continuing recruitment for the next intake into our trainee BCO programme, albeit at a slightly reduced volume.

Compliance

95. The volume of complaints received about potentially illegal building work dropped over the holiday period, from 50 in November to 17 in December and 23 in January.
96. We have put extra effort into our pool inspection programme over the summer, with 69 pools inspected in November, 88 in December and 117 in January. We put a greater emphasis on these inspections during the summer, as this is when pools are most frequently filled and in use. Compliance rates are high, with 80% typically passing. The most common cause of a failed inspection is a non-compliant gate or latch and, in most cases, this is easily remedied.
97. Our Building Warrant of Fitness (BWOFF) audit programme is identifying a number of buildings that haven't complied with the required inspection and maintenance regimes. Recent guidance from MBIE has confirmed that we can't issue a BWOFF where the past 12 months' records are incomplete, which is causing issues with some of the city's commercial buildings. This has been raised with MBIE, and their staff are considering what, if anything, needs to be done differently.

Matters of Interest

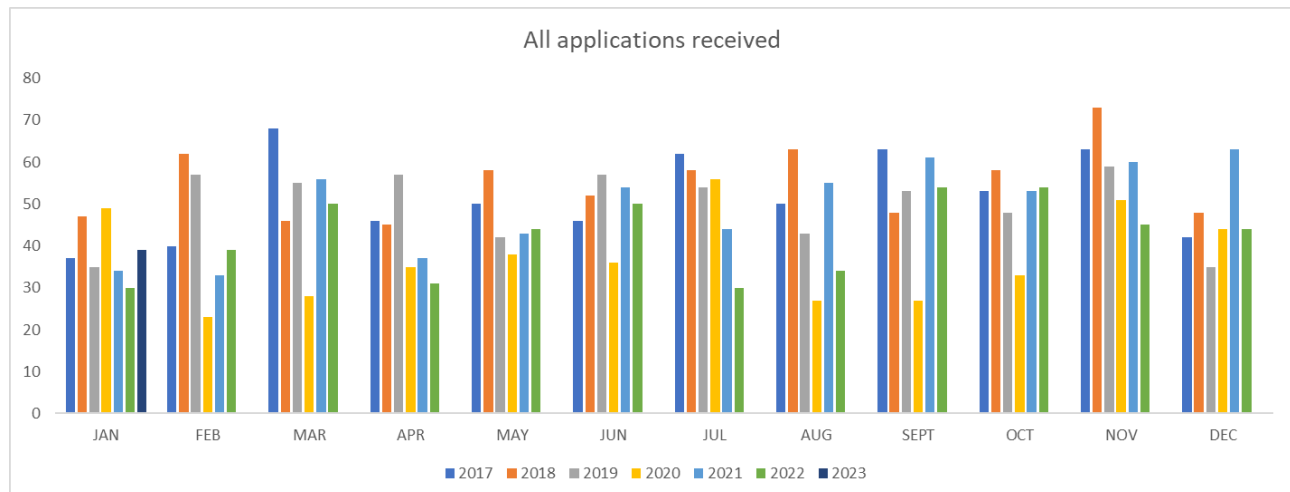
98. Five of our Building Control Officers assisted Auckland Council with the response to the flood event in late-January. This was a great opportunity for the team to help-out our colleagues and the Auckland community, but also enabled them to see the practical application of our natural hazard mapping and controls. It was clear that the flooded areas in Auckland were

almost exclusively in areas identified as flood prone and showed the importance of Building Consent process controls.

Environmental Planning

Resource Consenting

99. Resource consent applications remain high, following relatively low numbers received in July and August last year. Between October and December, the Resource Consents team processed 284 consenting matters, including 61 land use consents, 41 subdivision approvals, 42 variations to existing consents and 50 easements.



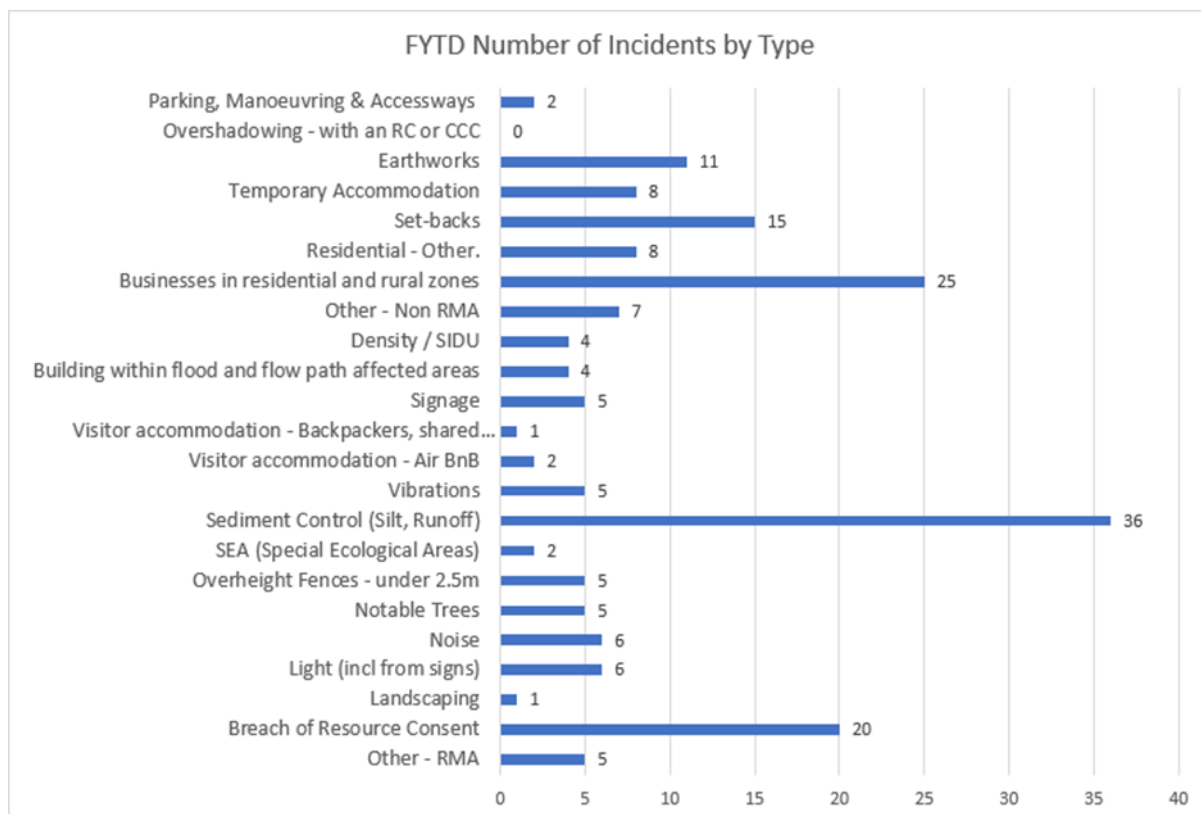
100. Activities consented included public walkways, new classrooms, town house developments and state highway roading interchanges. Particularly complex land consents have included those with contaminated land, aviation fuel storage tanks, and activities in flood-prone areas, flood plains and overland flow-paths.
101. Compliance with statutory timeframes for this period was 60%. The second quarter saw the departure of five planners, leaving 11 out of 20 positions filled. This coincided with a high application volume and complexity across the function, which has contributed to not meeting statutory timeframes.
102. Successful recruitment through the end of the second quarter has resulted in a number of new graduates and planners starting in January. We have also successfully engaged a number of consultant planners, and the External Peer Review Panel (Stormwater, Wastewater, Transport) is now delivering an improved level of service in terms of timeframes. With these factors, as well as the volume of Building Consent applications continuing to trend down, it is expected that we will see an improvement in timeframe compliance through the next six months.
103. The Development Engineers have received 118 referrals for technical advice during the reporting period. The External Peer Review Panel commenced during this time and the process is now well-embedded, with the panel providing good feedback on application referrals.
104. For wastewater and stormwater, we are mostly seeing low risk applications, which don't require peer review by our Asset Managers. Panel capacity is good for this work with a range of consultants providing support. We have completed 31 transport referrals since October 2022. Panel capacity for transport reviews has at times been stretched and we are reviewing onboarding another consultancy to increase capacity in this area.
105. Our Urban Designer starts at the end of February and work is well-underway in setting up our urban design panel and processes. The panel came together in December for training, which included learning about the process, roles and responsibilities of the panel, along with a City Centre walk-and-talk.

Development Contributions

106. The Development Contributions team has assessed approximately 1000 building consents with a DC assessment value of approximately \$18 million in the first two quarters. In addition, the team has assessed 350 resource consents. The team is seeing more requests for deferral of development contributions, and these are being reviewed with the Policy team to find an equitable way of managing this within the constraints of the Building Act and Local Government Act.

Environmental Monitoring

107. 183 incidents have been responded to so far this year, following complaints received from the community. These incidents generally require onsite assessment and are broken down by type below, with the most significant issues around sediment control and business activities in residential zones.



108. We continue to receive a large volume of noise complaints, 925 so far this year, which tend to be residential noise complaints about neighbour noise. The team undertakes proactive consent monitoring of noise and vibration, particularly for events planned over summer, and is involved in stakeholder meetings and reviewing noise management plans to ensure neighbour expectations are managed through the process. This includes site visits when concert stages are being set up, to ensure they are orientated optimally for noise management.

Matters of interest

109. There were no appeals of decisions during the reporting period, but several successful hearings were held (including a Hospital Designation). A number of significant consents were granted, including a 38 Unit, four-Level apartment building on Selwyn St, the Northern Quarter Stages 1 and 2, the outline plan of works for the Civic Precinct Stage 1, and the Papamoa East Interchange.

Environmental Regulation

Alcohol Licensing

110. During this last period, the Alcohol Licensing Team forwarded 77 various alcohol licensing related applications to the District Licensing Committee (DLC) for consideration and determination. Of those applications, six (1 – New ON Licence, 5 – Renewal OFF Licences)

have either been opposed by the agencies or have received public objections. Hearings for these applications will be or have been scheduled for the near future, depending on the availability of all parties. The balance of applications have been granted by the DLC 'on the papers'. Approximately 30% of applications are for special licenses (one-offs).

111. Inspections of 28 alcohol licensing premises were conducted by Alcohol Licensing Inspectors over the same period, and of the eight major events scheduled to be held in Tauranga, four were monitored by staff (without any issues being identified). The remaining four were cancelled due to adverse weather conditions.

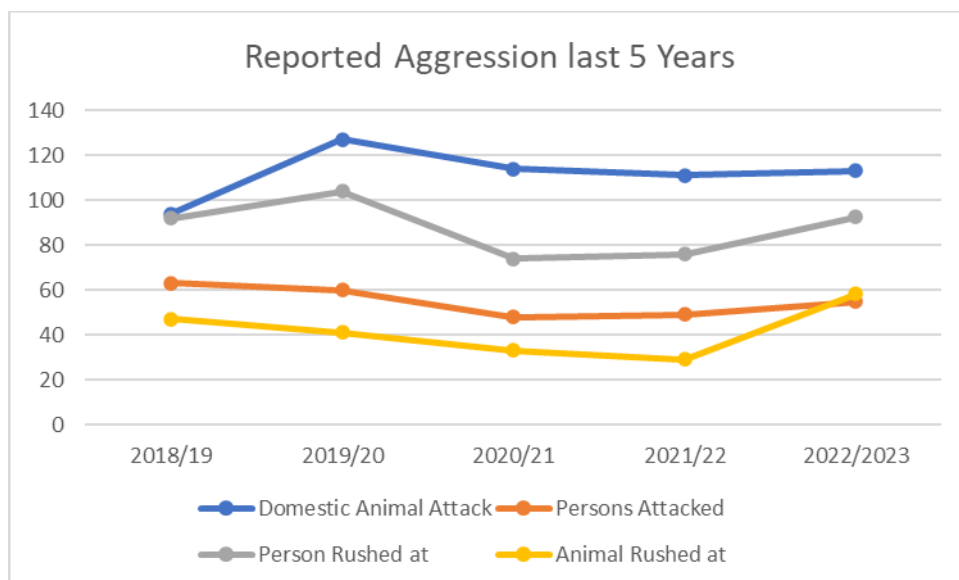


Environmental Health

112. So far this year, the team has undertaken 205 inspections of food businesses, as well as 642 registrations of food and health premises. Only 86 of these were for new premises. The team has investigated 14 complaints received and, in most cases, education and advice are enough to resolve the issue. One Abatement Notice was issued in relation to possible cross-contamination and food preparation procedures.
113. We do aim to undertake inspections each year of all food premises, however the first six months of the year have been impacted by reduced staff numbers. To assist with the backlog of inspections, a contractor has been engaged and will start work in late-February.
114. Two Environmental Health Officers will be attending the New Zealand Institute of Environmental Health Conference in early March. Topics covered include situational awareness and safety, elements and ingredients of offences, topical prosecutions, verification training, MPI food training, drinking water safety and legislation, contaminated land, wellbeing in the workforce, amongst others.

Animal Services

115. Many Councils are experiencing a significant upsurge in reported dog attacks on people. Fortunately, we have not experienced this in Tauranga, but we have noted an increase in reported dogs rushing at people and their pets. See the figure below, which outlines aggression incidents reported over the last five years in Tauranga.
116. A "rushing at" is where a dog has shown aggression toward a person or domestic animal and the person feels either they or their pet have been endangered, but no physical contact has been made. It is a subjective call made by the complainant, and the incident must happen in a public place.



Note: The 22/23 values are projections based on YTD complaints.

117. Projections for the 22/23 year indicate that we are experiencing a 16% increase in roaming dog complaints, with 149 more complaints received for the first seven months compared to the same period last year. This may be related to more owners returning to the workplace and many dogs are being left home unattended, something the dogs are not used to. If the dog is registered and has no previous history, it will be returned home free of charge; if it happens again, the dog will be impounded until claimed by the owner. The increase in roaming dogs has led to a 15% increase in the number of dogs impounded so far this year.
118. We have commenced a campaign to contact all dog owners who have not provided microchip information about their dog to Council. This is required by the Dog Control Act and if the owner continues to fail to microchip their dog, they will receive an infringement. To assist dog owners, the pound provides a microchip service during normal pound hours. So far this year, 68 owners have brought their dog to the pound to be 'chipped', compared to 66 for all of last year. In addition, 53 impounded dogs have also been microchipped. We often find the dog owner has had their dog microchipped, but they haven't informed Council. This is often because of a misunderstanding when a veterinarian has microchipped the dog and recorded it on the Companion Animal register, but not the Council register.

Parking and Bylaws

119. On 1 December, paid parking was reintroduced in the Tauranga CBD area. On-street parking had been free for a maximum of 2 hours per day since July 2020. We have taken an educational approach to our enforcement, issuing warning notices in the first instance. If the same vehicle is observed again, an infringement is issued. From 1 December to 31 January, 997 warning notices were issued to vehicle owners for not paying for parking, and 182 infringements have been issued to vehicle owners who have previously received a warning. In this same period, we have issued 72 infringements for vehicles parking longer than paid for.
120. On 1 December, a blanket restriction on berm parking was introduced from Marsh Street to Eleventh Avenue. We have taken the same approach as with paid parking offences, with 1556 warnings and 36 infringements issued to vehicles parked behind the kerb.
121. Despite the weather, numerous complaints have been received regarding illegal parking in the vehicle and trailer combination boat ramp on Pilot Bay. This is heavily monitored, and 149 infringements were issued in December and January.
122. Only one special vehicle lane infringement notice for Links Avenue has been challenged in court, the defendant claiming that they did not see the signage. The Courts found in Council's favor. There are three defended hearings pending for both Links Ave and Hairini St

bus lane infringements. It is expected that these matters will be heard during February and March.

123. Freedom camping enforcement has increased to nightly patrols, 7 days a week, from 1 November, in response to an influx of summer freedom campers. 225 infringements for breaches of the Freedom Camping Bylaw were issued in December and January. Locations of concern have been Stella Place (59 infringements), Marine Parade (43 infringements) and Marine Park (26 infringements). Of the 225 infringements, 81 were for freedom camping in a non-self-contained vehicle, 78 for freedom camping outside the designated area and 45 for freedom camping in a prohibited area.
124. Homelessness continues to be an issue in a number of our reserves, with 53 complaints received in December and January. Our Bylaws Officers continue to engage and connect these individuals to support agencies. Some locations, such as Memorial Park and Cambridge Park, are generating complaints of antisocial behavior linked to the homeless. These complaints are referred to the Police. A homeless male rough sleeping in his vehicle in Greerton Marist Reserve has relocated after two years.

Key Account Management

125. Our Key Account Manager continues to support the delivery of good regulatory outcomes, primarily operating across the Environmental Planning and Building Services teams, while working closely with Infrastructure, providing a single point of contact for engagement and communication with applicants and their teams.
126. Projects include the Civic Centre redevelopment, 2 Devonport Road, Haumoana private hospital, Bethlehem Shores, MetlifeCare, Northern Quarter, Kainga Ora, Ministry of Education, Bluehaven developments, and Group Home Builders.

Submission to the Sale and Supply of Alcohol (Community Participation) Amendment Bill

127. The Sale and Supply of Alcohol (Community Participation) Amendment Bill aims to improve communities' ability to influence alcohol regulation in their area by making targeted changes to the alcohol licensing process provided for in the Sale and Supply of Alcohol Act 2012 (the Act). Proposed changes include:
- amending the Act so that parties can no longer appeal provisional local alcohol policies
 - allowing district licensing committees (DLCs) to decline to renew a licence if they consider that the licence would be inconsistent with conditions on location or licence density in the relevant LAP
 - changing who can object to licensing applications.
 - changing the way that licensing hearings are conducted.
128. The Council considered a draft submission at its meeting on 7 February 2023 and subsequently made further changes to the submission. The submission is attached to the report as Attachment 3 and there is a recommendation to retrospectively approve the submission, which was lodged before the closing date for submissions on 12 February 2023.

CITY DEVELOPMENT & PARTNERSHIPS

City Partnerships

129. Our application for \$12.1 million in Three Waters Better-Off funding from central Government was approved in late-December. This will go directly towards Te Manawataki o Te Papa.
130. We have also been successful in securing an additional \$528,847 in funding from the Lottery Community Facilities Fund to go towards the construction of the Destination Skatepark. This was the full amount requested, which means we have now been granted a total of \$2,011,217 from external sources (including \$1,023,000 from TECT and \$459,370 from New Zealand Community Trust). The feedback that we received from Lotteries was that the request aligned well with Lottery Grants Board outcomes and the Committee's priorities and funding criteria.

131. We are currently recruiting for new trustees for the Tauranga Art Gallery Trust and Tourism Bay of Plenty boards, with listings being advertised via various media and on the TCC website. In the meantime, we have undertaken the three-yearly CCO Board remuneration review, which will come to Council on 20 March.
132. *A Managing Risk, Improving Trust & Confidence* training session for CCO board members has been organised for later this month, facilitated by the Office of the Auditor General.
133. A City Partners' event was held on 12 December where Willis Bond shared the latest Civic Precinct designs with key stakeholders, after they were presented at the Council meeting on the same day. Over 70 stakeholders attended, with the response being very positive.
134. On 15 February, along with architects Warren and Mahoney, we presented at an event on sustainable building practices hosted by Priority One and the Green Building Council, highlighting our 90 Devonport Road and Te Manawataki o Te Papa projects. Over 80 registrations were received for this function, with high levels of interest from local builders and architects.
135. A project team has been formed to consider options for short- and medium-term city centre parking interventions, to assist during the period of construction disruption and while we are transitioning in our modal shift journey. An Issues and Options paper will be put forward to Council in April for consideration. Bay of Plenty Regional Council is keen to support us where possible.
136. The draft Mainstreet Policy will be circulated to departments within Council for comments from interested teams. The policy is intended to support greater accountability and higher levels of performance for Mainstreets. Alongside the policy, the City Partnerships Specialist is developing a framework to support the expansion of Mainstreet targeted rating areas, with Papamoa and Mount Maunganui Mainstreets currently investigating this option.
137. Six-monthly written reports for the period July – December 2022 have been received from the four Mainstreets, with presentations to the Strategy, Finance and Risk Committee planned for March. Mainstreets have been provided with foot traffic and spend data for their areas.
138. Papamoa Unlimited approved a motion at their Annual General Meeting in December requesting an increase to the Mainstreet targeted rate, from the \$50,000 included in the LTP to \$60,000 for the 2023/24 financial year. Section 78 of the Local Government Act 2002 states that "a local authority must, in the course of its decision-making process in relation to a matter, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter." A letter of support has been received from Papamoa Plaza, one of the major ratepayers in the targeted rating area, with further letters of support anticipated from those affected.

Te Manawataki o Te Papa – Civic Precinct

139. At the Council Meeting on 12 December, the Council approved the preliminary designs and cost estimates for Te Manawataki o Te Papa Site A and authorised staff to proceed to developed and detailed design.
140. An Advanced Works Agreement has been signed between PowerCo and TCC, which enables the procurement of required equipment such as temporary transformers and cabling. PowerCo is currently completing the detail design work and BECA has been engaged to validate the information originally provided to Powerco to confirm transformer sizing requirements.
141. A work programme for the next six-months is being developed by project managers RCP. The work programme will include the potholing schedule around the site, to provide surety about the location of third-party utility services.

Tauranga Moana Waterfront*The Strand Reserve*

- 142. The landscape architect is currently preparing the developed design and cost estimates for the north, central and south areas of The Strand Reserve. The developed designs and cost estimates will be presented to Council in April.
- 143. The project team has shortlisted and invited four playground design specialists to present proposals as part of Stage 2 of the procurement process.
- 144. Concept designs for the new Wharewaka and public conveniences, and the renewal of the seawall with living seawalls, are currently being developed. Discussions with the Otamataha Trust on the location of the Wharewaka are underway and will be finalised by March.

The Strand South – Te Hononga ki Te Awanui

- 145. The project team and contractors decided to defer installation of the KiwiRail Underpass due to severe weather-related safety concerns. Staff and KiwiRail are discussing a new date for a BOL (Block of Line) to complete the installation.
- 146. The boardwalk 50% developed design has been delivered, with a preferred option for timber supporting piles. The decking timber for the boardwalk has been ordered to ensure material availability for construction in mid-2023, with completion scheduled for October. The project team has issued a Registration of Interest for Early Contractor Involvement. The submissions will be evaluated in early-March to enable the preferred contractor to be involved in the final design process.
- 147. In-person landowner engagement has commenced in relation to the Memorial Link between Tunks Reserve and Memorial Park, prior to the development of a concept design, which is expected to be delivered in the first quarter of 2023.

Tunk's Reserve/Elizabeth Street East

- 148. The 100% construction design has undergone internal review, which has resulted in some modification to the roading pavement specification and design.
- 149. Building Consent Exemption has been approved for the works.
- 150. RFP Documents have been uploaded to Tenderlink, with tenders closing on 16 March.

Masonic Park

- 151. The landscape architect is currently preparing the developed design, with construction scheduled to commence by mid-2023. The project will be delivered in accordance with the TCC/Willis Bond partnering agreement.
- 152. The project team is also working with the Tauranga Art Gallery Executive and Board to coordinate the construction of the new Art Gallery entrance onto Masonic Park.
- 153. Engagement with adjoining food and beverage operators is underway.

Dive Crescent carpark

- 154. Crossroads Construction Ltd was appointed prior to Christmas to undertake the carpark upgrade.
- 155. Construction works are due to be completed by 31 March. Long lead-time items, including the carpark lighting and some plant species, will be installed after the construction completion date.



Beacon Services Wharf

156. The preferred design prepared by Tonkin + Taylor includes a new pedestrian ramp from Dive Crescent leading to an existing concrete platform. Fixed to this structure will be a new viewing platform that has an aluminium gangway attached to it, connecting to a large concrete pontoon. A new paved/decked viewing area will be created at the top of the existing wharf. The preferred design also sees the entire area being landscaped and the existing seawall treated to mirror the balance of the development along the waterfront.
157. Engagement with stakeholders on this option is scheduled for late-February, where feedback on the concept designs will be gathered through a series of drop-in sessions.
158. Contractors have completed Cone Penetration Tests (CPT) along Dive Crescent in the vicinity of the wharf, to provide confidence about the nature of the harbour floor substrates. A CPT programme encompassing the marine zone running along the waterfront is also planned in March. The programme will focus on those areas where the proposed wharf developments are located.



159. The team is working with the University of Waikato Coastal Science Group on how best to protect the rare blue sponges located in the vicinity of the wharf, as the development takes shape.

Cargo Shed

160. All seismic and internal fit-out works have been completed and the Code of Compliance Inspection has been completed.
161. The Cargo Shed has been handed over to the Property Team to manage the asset, and the Baycourt team to manage the ongoing use of the space. Project close-out is well underway.

Elizabeth Street carpark seismic strengthening

162. A handover, which includes additional elements required to be added to the maintenance schedule for the property, is planned for late-February.
163. Close-out of the project is progressing.

Spring Street carpark seismic strengthening

164. The project team is managing the complexity of the strengthening design and revising the drilling schedule and bracket design at various strengthening locations.
165. Due to the complexities of this work, the contractor has issued a new construction programme including a three-month extension to the original completion date.
166. Strengthening work to the public toilets in the building has begun, which includes an upgrading of the women's WC. The toilets will be closed for the next 4-6 weeks, and we are looking into the option of providing a temporary portacom toilet while the upgrade is in progress.

90 Devonport Road (Civic Administration Building fit out)

167. Willis Bond has received the Stage 1 Foundation Building Consent, and site accommodation and hoardings have been installed.
168. A Security Strategy is being developed through a series of workshops with TCC specialist groups. The information from the security workshops will inform the Security Design for 90 Devonport Road.
169. ICT/AV and Radio Comms Design is progressing.
170. Main Contract Hard Fit-out (MCHF) fees for the fit-out works are being negotiated.
171. The 100% developed design is expected by 1 May.
172. LT McGuinness has presented a construction programme showing a completion date of February 2025. The project team is working through scenarios for a staged occupation.






Memorial Park

173. The project scope, as defined within the completed feasibility study, includes development of new aquatic facilities and an upgrade to the existing indoor court facilities. A delivery plan for the design and construction phases of work is well-progressed.
174. A procurement approach for the designers and construction partner has been established. This acknowledges the scale and complexity of the project, along with the challenges currently faced by the construction industry. Early market-testing indicates a reasonable level of interest in the project.
175. We plan to commence the procurement of the design team in early-March, closely followed by procurement of a construction partner for the project.

Communications and engagement

176. An overarching communications strategy and plan for the coming year has been developed, which identifies key dates and milestones for when and how we will be communicating and engaging with our community about all projects related to the city centre.
177. Individual communications and engagement plans (internal and external) for each project continue to be implemented to keep people updated and informed about progress and help understanding of how each project fits in with the wider transformation of the city centre.
178. We continue to support project managers in their engagement with the community and stakeholders, to promote understanding of the impacts projects may have.
179. We have developed a specific section on the [TCC website](#) with the latest information on the city centre projects, as well as the relevant supporting documents (www.tauranga.govt.nz/ourfuturecitycentre). This is proving to be a valuable resource for internal and external purposes.
180. Timelapse cameras have been set up at key sites, so we can capture the historical transformation of the city centre taking place and share that progress with our community.

ATTACHMENTS

1. **2023 02 03 NBEA and SPA Bills - TCC Submission - Final_PDF - A14384557**  
2. **Submission on Inquiry into 2022 local elections - Tauranga City Council - A14350245** 
3. **Tauranga City Council Submission to the the Sale and Supply of Alcohol (Community Participation) Amendment Bill - A14393503**  



Submission to

Environment Select Committee

Natural and Built Environment Bill and Spatial
Planning Bill

February 2023

Introduction

1. Tauranga City Council welcomes the opportunity to submit on the Natural and Built Environment Bill (NBEA) and the Spatial Planning Bill (SPA).
2. We understand that the reformed resource management system created by these Bills has been designed to achieve five objectives:
 - a. protect and, where necessary, restore the natural environment, including its capacity to provide for the well-being of present and future generations:
 - b. better enable development within environmental biophysical limits including a significant improvement in housing supply, affordability and choice, and timely provision of appropriate infrastructure, including social infrastructure:
 - c. give effect to the principles of te Tiriti o Waitangi and provide greater recognition of te ao Māori, including mātauranga Māori:
 - d. better prepare for adapting to climate change and risks from natural hazards, and better mitigate emissions contributing to climate change:
 - e. improve system efficiency and effectiveness and reduce complexity, while retaining local democratic input.
3. Our previous submission to the Environment Select Committee's inquiry into the exposure draft of the NBEA and responses to various consultation documents from the Ministry for the Environment acknowledged the need for reform and were supportive of the government objectives. However, we expressed concern that the proposed system would not achieve these objectives or address challenges with the current system.
4. The key issues raised in our previous submissions included:
 - a. The proposed system is unbalanced, focussing primarily on the natural environment and ignoring the built environment.
 - b. The proposed system is unlikely to improve efficiency and reduce complexity.
 - c. The regional framework for drafting RSS and NBA Plans will make it difficult to resolve significant housing and urban development challenges, and address the range of issues that face growing major metropolitan centres.
 - d. There is no need for two separate Bills and this adds unnecessary complexity. The two Bills should be combined into a single Bill.
 - e. A more developed vision for the resource management system is required.
 - f. Partnership and resourcing must be appropriate for the scale of the changes proposed.
 - g. Further detail and engagement with local government is required to ensure the effectiveness of the proposed system.
5. While some issues have been addressed in part, simply by the provision of additional detail within the full text of the Bills, our review suggests that several key issues remain and need to be

addressed for the future Resource Management System to be able to deliver on its intended outcomes, these are outlined below:

The Bills intent is to provide for:	TCC Comments:
<ul style="list-style-type: none"> A shift from an effects-based approach to an outcomes-based approach 	<ul style="list-style-type: none"> The NBE Bill contains a long list of (sometimes conflicting) system outcomes, with no prioritisation or hierarchy to guide decision makers. It is unclear at what point (if any) decisions around trade-offs between conflicting outcomes or locations will be made, or if they will be left to consenting. There is a danger that key issues that should have been addressed in the plan making process are left over for consenting processes where given the use of independent commissioners, there is little if any governance or political oversight on how these matters are addressed. It is further removing political involvement (and therefore reflecting the views of the communities represented) from establishing key planning directions. The requirement to manage effects remains. In the absence of direction on the prioritisation or hierarchy of the system outcomes the NBE Bill will not improve the efficiency and complexity of the system.
<ul style="list-style-type: none"> To regionalise plan making with the introduction of regional planning committees who will be responsible for developing one Natural and Built Environment Plan (NBE Plan) and one Regional Spatial Strategy (RSS) per region. 	<ul style="list-style-type: none"> There will be significant time and resource required to set up the Regional Planning Committees (particularly around the appointment arrangements) let alone complete the development of the strategies and plans. The new plans will be complex to develop and navigate (as seen in the case of the Auckland Unitary Plan) and the first iterations of strategies and plans will be unlikely to get everything right (as recognised in the Government's own Regulatory Impact Statement at p. 87). With one representative per council and a minimum of two representatives appointed by iwi and hapu, the balance of committees may make it difficult for high growth councils to resolve and achieve the required level of focus on priority urban growth challenges. The governance arrangements for regional planning committees (e.g. agreeing host council, reporting and legal liability, budgets and accountability, secretariat resourcing, staff secondments etc.) are complex. Accountability back to the parent Councils who represent the communities that are subject to the plans, is diffused and leaves them with paying the bills and providing the

The Bills intent is to provide for:	TCC Comments:
	<p>resources with much reduced influence on the key outcomes being sought.</p> <ul style="list-style-type: none"> • The plan making process will be anything but simple and efficient. The system has retained submissions, further submissions (now primary and secondary submissions) and introduced enduring submissions. The Secondary Submission step could be made more efficient if it is focussed on Primary Submissions where they are seeking to result in impacts or changes to properties undertaken by others. • The combined NBE Plan will need to be much more prescriptive than current Plans, specifying more permitted and prohibited activities and detailing notification requirements for every activity.
<ul style="list-style-type: none"> • Introducing mandatory spatial planning. 	<ul style="list-style-type: none"> • The ability for a region to form a subcommittee to address specific issues is welcomed, as this would allow more influence for metropolitan Councils in managing the growth of their cities and recognising that sub-regions within a region often have quite distinct and different development growth issues and opportunities, and communities, and therefore a sub-regional spatial plan would reflect these opportunities and differences instead of a one size fits all approach. In the western Bay of Plenty, a subcommittee could develop a sub-regional spatial plan that reflects our existing SmartGrowth partnership and the particular needs of the sub-region. • Spatial planning will be supported by implementation agreements, but with limited integration with LTP processes, including requirements for community consultation, and not locking in central government funding are likely to be unworkable. Integrated and committed funding and implementation plans are critical to the success of the new approach and this is a significant gap and probably the single largest issue currently facing Tauranga and the SmartGrowth Partnership. Moreover, a single council representative on a regional planning committee cannot bind a council or a long term plan process. There are wider structural issues that must be addressed if spatial planning is to be effective. This includes ensuring that local government form, function and funding are aligned to the spatial

The Bills intent is to provide for:	TCC Comments:
	<p>palming area and that the Crown is a partner in funding and delivering an agreed spatial planning</p> <ul style="list-style-type: none"> • No requirement on central government for national spatial planning for matters of national significance (e.g. ports, renewable electricity generation and transmission, strategic transport networks). • RSS's will have to be much more detailed than current spatial plans - a 'cut and paste' approach from SmartGrowth and UFTI will not meet the requirements of the SPA. We may therefore have to step back and redo high level spatial planning - rather than focus on implementation of the agreed settlement pattern through rezoning, infrastructure delivery etc. Given our housing and growth challenges this is a significant risk.
<ul style="list-style-type: none"> • The introduction of a National Planning Framework (NPF) to provide national direction. 	<ul style="list-style-type: none"> • First NPF will mainly be a consolidation and alignment of existing National Policy Statements and National Environmental Standards (without altering settled policy intent), plus limited new content (e.g. infrastructure, natural hazards). • Removal of existing conflicting direction is welcomed and should be applied across the board (for those regions transitioning to the new system first and for those regions who proceed later). However, the risk with using the existing national direction as a base is that it will suffer the same flaws as the existing framework. Where conflicts are left to planning committees to resolve or worse are unable to be resolved, costly and time-consuming litigation seems inevitable. • Translation of existing NPS and NES content into new biophysical limits and targets is uncertain. • Given that the success of the new system relies heavily on NPF, especially the overarching content that is intended to help resolve conflicts between outcomes, time should be allowed at the outset to get it right and to enable co-production with local government and iwi and hapū.
<ul style="list-style-type: none"> • Providing Māori a more strategic role in the RM system. 	<ul style="list-style-type: none"> • It is essential that the role of Māori within these Bills is given careful thought given the significant implications it will have.

The Bills intent is to provide for:	TCC Comments:
	<ul style="list-style-type: none"> The proposed greater role of Māori will require significant resourcing (both funding and time) to build engagement, capacity, and capability for iwi and hapu. Requirement to "uphold" Te Oranga o te Taiao potentially unclear.

6. A well planned and resourced transition to the new system will be critical for success. However, it appears that implementation and funding of the new system falls almost entirely to local government at a time when local government revenue and funding is under enormous pressure and there is limited ability to increase rates.
7. Transformation of the type proposed by government requires transformational funding. We are concerned that there is insufficient funding available to achieve the reform objectives, and to fund the critical infrastructure needed to deliver outcomes for the natural and built environment.
8. With much of the detail yet to come on how the Bills will be operationalised and what (if any) central Government funding will be available for all system participants, we do not have a high level of confidence that the future system will improve system efficiency and effectiveness and reduce complexity.
9. Given this there may be an opportunity for these reforms to be paused to provide the time and space necessary to consider whether the overall structure of future RM arrangements and broader arrangements across local government and into areas like funding will deliver a coherent and improved system that will deliver for New Zealanders over the years to come. Given what is proposed, institutional arrangements, weak central government commitment and insufficient funding of local government are the key barriers to effective implementation of plans in the current system and are not addressed by this planning reform.
10. We will end up with six Acts the SPA, NBEA, LGA, LTMA, Climate Change Response (Zero Carbon) Amendment Act 2019 and the proposed Climate Change Adaptation Act to be managed across 78 regional and territorial local authorities and significant number of misaligned, siloed, Crown agencies and departments.
11. This will remain a highly complex structure and system for resource management in a small country like NZ with a population of just 5+ million.
12. Alternative ideas and solutions have been proposed by others but seem to have been given in the way of genuine consideration. As an example we point toward the Infrastructure New Zealand's Building Regions Report published in August 2019. <https://infrastructure.org.nz/wp-content/uploads/2021/08/Report-A-vision-for-local-government-planning-law-and-funding-reform.pdf> which suggests a more streamlined and integrated approach across resource management and other related disciplines.
13. We broadly support the detailed feedback on the bills outlined in the draft (at the time of writing) submissions from Taituara and Local Government New Zealand, and our submission should be read in conjunction with theirs. Our comments on the various elements of the new system, in support of the high-level points above and focussing on the most important issues for Tauranga City, are outlined in the table on the following pages.

14. We are happy to discuss our submission further with you or provide additional information and evidence that would be of assistance. Enquiries should be directed to:

Andrew Mead
Manager: City & Infrastructure Planning
027 763 5762
andrew.mead@tauranga.govt.nz

15. Our tangata whenua partners have previously requested that the Select Committee hear submissions in Tauranga, and we endorse and support this request.
16. We wish to speak in support of our submission.

THE NATURAL AND BUILT ENVIRONMENT BILL

Clause	Summary of Proposal	Tauranga City Council Submission Points
Purpose		
CI 3	<p>The purpose of this NBEA is to</p> <p>(a) enable the use, development, and protection of the environment in a way that—</p> <div><div>(i)</div><div>supports the well-being of present generations without compromising the well-being of future generations; and</div></div> <div><div>(ii)</div><div>promotes outcomes for the benefit of the environment; and</div></div> <div><div>(iii)</div><div>complies with environmental limits and their associated targets; and</div></div> <div><div>(iv)</div><div>manages adverse effects; and</div></div> <p>(b) recognise and uphold te Oranga o te Taiao.</p>	<ul style="list-style-type: none">• We generally support the purpose of the NBEA and the introduction of Te Oranga o te Taiao.• While both limbs of the purpose are intended to work together, it is not clear how. Te Oranga o te Taiao broadly encompasses much of the ground the first limb covers. Is there a weighting on a case-by-case basis as to which limb will be given greater priority? What will happen if there is a conflict between the two limbs of the purpose when attempting to interpret another section that potentially has several equally relevant interpretations?• In the SP Bill the purpose is to provide for RSSs that assist in achieving the NBEA purpose (with explicit mention of “recognising and upholding te Oranga o te Taiao”). It is unclear whether this would elevate this limb above the limb (a) in relation to RSSs.
System outcomes		
CI 5	<p>The national planning framework and all plans must provide for the following system outcomes:</p> <p>(a) the protection or, if degraded, restoration, of—</p> <div><div>(i)</div><div>the ecological integrity, mana, and mauri of...:</div></div> <div><div>(ii)</div><div>outstanding natural features and outstanding natural landscapes:</div></div> <div><div>(iii)</div><div>the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins:</div></div> <p>(b) in relation to climate change and natural hazards, achieving—</p> <div><div>(i)</div><div>the reduction of greenhouse gas emissions:</div></div> <div><div>(ii)</div><div>the removal of greenhouse gases from the atmosphere:</div></div> <div><div>(iii)</div><div>the reduction of risks arising from, and better resilience of the environment to, natural hazards and the effects of climate change:</div></div> <p>(c) well-functioning urban and rural areas that are responsive to the diverse and changing needs of people and communities ...</p> <p>(d) the availability of highly productive land for land-based primary production:</p> <p>(e) the recognition of, and making provision for, the relationship of iwi and hapū and the exercise of their kawa, tikanga (including kaitiakitanga), and mātauranga in relation to their ancestral lands, water, sites, wāhi tapu, wāhi tūpuna, and other taonga:</p> <p>(f) the protection of protected customary rights and recognition of any relevant statutory acknowledgement:</p> <p>(g) the conservation of cultural heritage:</p> <p>(h) enhanced public access to and along the coastal marine area, lakes, and rivers:</p> <p>(i) the ongoing and timely provision of infrastructure services to support the well-being of people and communities.</p>	<ul style="list-style-type: none">• We support the shift from an effects-based system to an outcomes-based system, as a driver of change. However, the list of system outcomes explicitly has no prioritisation or hierarchy to guide decision makers.• In some circumstances or locations to achieve one outcome will then be contrary to another outcome. For example, outcome (d) is ‘availability of highly productive land for land-based production and then (c)(ii) ‘the ample supply of land for development’. If these conflicts are not adequately addressed in the NPF or in NBE Plans, it will make processing resource consents based on the outcomes difficult, time-consuming, and prone to litigation. It will not take us any further than the current system where there are standalone NPS’s for example where judgments need to be made on how much weighting is given to a particular NPS and the trade- offs required, but no framework is in place to assist with that weighting and the judgment of the decision-maker is required.• Although outcome (c) in relation to the built environment is more developed than in the exposure draft, we remain concerned that the Bill does not sufficiently address the quality and liveability of the built environment. It is unclear whether the concept of quality and good urban design is included in “an adaptable and resilient urban form”, or whether “well-functioning” is consistent with the definition in the current National Policy Statement for Urban Development (NPS-UD).• In order to achieve system outcomes around protecting kaitiakitanga, iwi and hapū must be resourced (with time, funding, and technical support) to maintain guardianship over their taonga, including associated flora and fauna.

Clause	Summary of Proposal	Tauranga City Council Submission Points
Decision-making principles		
Cl 6	decision making principles	<ul style="list-style-type: none">While we support generally the included principles, we do not believe these are an appropriate substitute for a hierarchy of outcomes to guide decision makers. Guidance on how and when (e.g. plan-making, consenting, etc.) to apply them will be required.
Te Tiriti o Waitangi		
Cl 4	That decision makers will be required to “give effect to” the principles of Te Tiriti o Waitangi.	<ul style="list-style-type: none">We support giving effect to the Principles of Te Tiriti o Waitangi. However, we note that the Supreme Court has acknowledged the criticism about the use of the principles rather than the text of Te Tiriti – guidance will therefore be essential. We also support ensuring that the integrity, intent, and effect of Treaty settlements and associated legislation, and other arrangements made under the Resource Management Act 1991 are upheld in relation to the NBE Bill.Māori appointed bodies will be difficult for regions such as the Bay of Plenty, due to the large number of iwi and hapu. Agreement might not be reached on who will represent iwi and hapu, many of whom may be reluctant to relinquish their mana and individual representation. The process therefore needs to ensure that regionalisation takes proper account of natural Māori alliances, and is supported with appropriate resourcing (time, funding, and technical support) from central government.The Bill proposes an entity that is a monitoring and reporting body only – the powers proposed do not go far enough. The entity should be required to work closely with the Minister for the Environment on the NPF to ensure the NPF gives effect to the principles of Te Tiriti, as required by clause 4 of the NBE Bill.In order to achieve the purpose of the NBE Bill, better alignment with the natural form and function of te taiao is required. This includes defining te taiao as not just the ‘natural environment’, but the ‘entire environment’ which better incorporates the intrinsic relationship between iwi, hapū and te taiao in cl 5(3)(b) and so it better meets the purpose of the NBE Bill.Engagement agreements could potentially cut across existing council relationships with iwi and hapū, creating inconsistencies and potentially undermining existing relationships. In Tauranga, we have examples of relationship agreements that have taken years and are still not signed by all parties. What happens if during preparation of the RSS or NBE Plan, a hapu that isn’t in the agreement now wants to be included? Is there a process to amend?Mana Whakahono have already been shown to be a complex process with limited success - for example, in the western Bay of Plenty we have none. There is already a lack of capacity and capability within hapū and iwi, which may prevent meaningful engagement in the process, despite the best intentions of the system. The timeframes for reaching agreement and the amount of resource and funding that will be required should not be underestimated.We recommend the Government contributes to the funding and resourcing of Mana Whakahono ā Rohe to enable planning committees to comply with their obligations and to ensure iwi and hapū aspirations and expectations are met. It would also support the Crown’s commitment to its Treaty partnership.
Cl 6	Decision makers must recognise and provide for the authority and responsibility of each iwi and hapū.	
Cl 11 and Sch 2	Transitional arrangements	
sch 8, pt 1	That mana whenua representation will have representation on RPCs. The selection process for which is flexible to allow for regional variation. The proposals were subject to a Waitangi Tribunal decision earlier this year.	
subpt 5	A National Māori Entity will be established to monitor Te Tiriti performance and input into the NPF.	
cl 3	Include Te Oranga o te Taiao in the purpose of the NBA. Te Oranga o te Taiao is defined in clause 7 of the Natural and Built Environments Bill.	
sch7 cl 9	Introduce Engagement Agreements to agree on how iwi, hapū and other Māori organisations will be engaged in NBA Plan and RSS development. Agrees funding too. [Cross reference to clause 37 Spatial Planning Bill]	
subpt 5, and sch 7, cl 4	Mana Whakahono ā Rohe can be developed and implemented but cannot constrain the engagement required by the NBA or SPA. Plans must be prepared in accordance with Mana Whakahono ā Rohe	

Clause	Summary of Proposal	Tauranga City Council Submission Points
National Planning Framework		
Purpose		
CI 33	NPF to further the purpose of the Act by providing direction re integrated management of matters of national significance and where national consistency or subnational consistency is required; resolve conflicts about environmental matters and system outcomes; setting environmental limits and strategic directions.	<ul style="list-style-type: none">• We support the consolidation, alignment, and expansion of existing national direction to create the NPF. However, we are concerned that the scope and speed of the first NPF will not provide sufficient direction or conflict resolution, and this will be left to regions to resolve in RSSs and NBE Plans, which leads to inefficiencies.• In terms of transitional arrangements, the NPF should apply to the plans and policy statements developed under the RMA during the transition process. If it does not, existing national direction may be inconsistent with the NPF, and transformative aspects of the reform will be delayed for regions that take part in later tranches. The RMA should be amended to enable the NPF to apply to RMA plans and policy statements.• Guidance likely to be required for committees and consenting authorities on how to apply resource allocation principles.
CI 36	resource allocation principles (a) sustainability: (b) efficiency: (c) equity	
Limits and Targets		
CI 37	Introduce environmental limits and provide guidance on how to set local limits in NBE Plans. The purpose of an environmental limit is to prevent the degradation of the ecological integrity of the natural environment and to protect human health Environmental limits must be set in relation to: <ul style="list-style-type: none">• Air• Indigenous biodiversity• Coastal water• Estuaries• Freshwater• Soil	<ul style="list-style-type: none">• We need to ensure that limits and targets are not drafted in such a way that when layered on top of each other they have the effect of prohibiting (either by consent activity status or by directive “avoid” policies) development in areas which could otherwise contribute to addressing climate change - either through development of renewable energy, or urban form which contributes to reduced emissions (via reduced need to travel).• It will be very difficult, if not impossible, to comply with all limits and targets, achieve all system outcomes, in all locations, at all times – particularly at a cost which New Zealand can afford (or are prepared to pay). For urban development in particular, if there are enough layers of limits and targets which say “don’t put it here” and there is nowhere left for it to go, what then?• At some point in the system, we need to make the difficult decisions around what matters most in what location - i.e. spatial trade-offs. For example, as part of the RSS decision makers should be able to determine which wetland areas will be (re)created and enhanced on a regional scale (with associated large benefits as carbon sinks) as offsetting for loss of wetlands in urban development areas, where it couldn't be avoided.• This complexity reinforces the need for the Minister to work more closely with local government on the NPF, and particularly the role of the overarching direction to set priorities and resolve conflicts - i.e. in some locations urban development and climate change should be prioritised over natural environment protection, provided that any losses are offset.• The setting of limits and targets in relation to freshwater must support the implementation of Te Mana o te Wai in all aspects.
CI 38	And may be set in relation to other aspects of the natural environment.	
CI 39	Provides for setting limits in NPF or requirements for them to be set in plans	
CI 40	form	
CI 41	interim limits for ecological integrity	
CI 42	interim limits for human health	
CI 43	how to set – timebound (date/event)	
CI 44-46	exemptions to ecological limits or interim ones (no provision re human health)	
CI 47	Targets can be set to improve the state of the natural and built environment	
CI 48	form of target – set in NPF or plan - measurable, timebound, it is relevant to achieving a system outcome, a framework outcome or a plan outcome.	

Clause	Summary of Proposal	Tauranga City Council Submission Points
	Targets must be set for air, indigenous biodiversity, coastal water, estuaries, freshwater and soil (at or above limits and minimum level targets in the NPF) NPF can also state process for setting the targets in plans	
CI 50	Minimum level targets must be set where there has been unacceptable degradation of the natural environment.	
CI 51	Discretion to set targets for other matters	
CI 53	Monitoring	
CI 54 and 55	Management units must be set for environmental limits and targets at an appropriate spatial scale <ul style="list-style-type: none">- Can enable offsetting within the MU- Must be able to measure Criteria don't apply to freshwater or air	
CI 48	It will be mandatory to contribute to achieving targets to restore or improve the natural environment.	
Strategic direction and resolving conflicts		
CI 56	strategic direction – how to achieve system outcomes, wellbeing within environmental limits, key long-term environmental issues, priorities, monitoring	<ul style="list-style-type: none">• In the absence of clear direction in the NBE Bill, clear direction in the NPF for each system outcome, including on how to resolve conflicts and competing interests, is essential. Despite what the NBE Bill says about there being no hierarchies, some sort of in principle hierarchy along the lines of Te Mana o Te Wai - perhaps with additional levels to account for the wider scope – would be helpful. For example:<ul style="list-style-type: none">○ Health of the natural environment○ Basic human needs (e.g. drinking water, sanitation, shelter/housing)○ Emissions reduction○ Other use and development• However, the system needs to acknowledge that the priorities will be different depending on the location and significance. For example, it might be appropriate to offset the loss of a wetland of low ecological value (and re-create a new wetland elsewhere of equal or greater extent or value - i.e. offset) to make way for urban development. But it would not be appropriate if the wetland was of high value.• It is important that the NPF recognises this and allows decision makers for the RSS or NBE Plan to take local circumstances and values into account. For example, when identifying an area to accommodate urban growth decision makers can decide that in this location, providing for urban development is more important than protecting existing biodiversity (subject to applying the effects management hierarchy and appropriate offsetting etc.).• With regard to other matters under Clause 58, emphasis should be placed on prioritising the support of utilisation of Māori land in the delivery of infrastructure, now and into the future.• The substantive or procedural requirements under Clause 60(c) should not really be discretionary content. This is effectively the replacement of the National Planning Standards and an expanded set of standards is key
CI 57	There is no hierarchy between system outcomes.	
CI 33	But the NPF will help resolve conflicts.	
CI 58	other matters must be included (a) non-commercial housing on Māori land, (b) papakāinga on Māori land (c) enabling development capacity well ahead of expected demand (d) enabling infrastructure and development corridors (e) enabling renewable electricity generation and its transmission.	
CI 59 and 60	discretionary content – outcomes, rules, RSS and plan requirements, including structure	
	The first NPF is expected to be introduced prior to the development of RSSs and NBA Plans.	
	The first NPF will mostly consist of a translation of existing national direction into the new system as well as providing guidance on key areas such as climate change and infrastructure.	
cl 61-64	effects management Applies to significant biodiversity areas and specified cultural heritage May apply to other effects if NPF provides	

Natural and Built Environment Bill and Spatial Planning Bill

Tauranga City Council Submission – Summary of Key Issues

Clause	Summary of Proposal	Tauranga City Council Submission Points
	Exemptions Introduction of trivial adverse effect Limits to exemptions and considerations [cl 66 and 67]	<div>to streamlining and consolidating existing plans into combined regional documents. It would be helpful if this included a set of nationally consistent bulk and location standards for each zone, building on the medium density residential standards.</div> <ul style="list-style-type: none">Existing exemption mechanisms and application of the effects management hierarchy (e.g. in the recently updated National Policy Statement for Freshwater Management and National Environmental Standard for Freshwater (NPS-FM and NES-F) should be consolidated and made consistent across the NPF.
Subpart 6 cl 68-74	giving effect to NPF Largely carry over of RMA re NPS/NES	
Subpart 7 cl 75-79	consents and permits	
Cl 80	standards, methods, requirements	
Development and Review		
schedule 6, cl 9	The NPF will be developed with a board of inquiry process	<ul style="list-style-type: none">We support the use of a board of inquiry process for the NPF, but are concerned that consent is not being co-developed with councils and Māori.Between full reviews of the NPF, it will be important to retain the ability to update or review a particular section if issues of implementation are identified.
cl 93	The NPF will be reviewed every 9 years.	
Regional Planning Committees		
schedule 8, clauses 2 and 3	<div>The composition and process for establishing an RPC will be flexible and determined by the regions themselves. Each RPC will have a minimum of six members including at least two mana whenua representatives. All councils in the region can appoint at least 1 member.</div> <div>Iwi/hapū committee set up to determine appointing bodies</div> <div>There will be central government representative on RPCs when developing an RSS, this representative will be appointed by the Minister.</div>	<ul style="list-style-type: none">We support the ability for all councils to be represented with at least one seat on Regional Planning Committees (RPCs) and the criteria proposed (i.e. consideration of rural, urban mix, and populations represented). However, we are concerned that the process for establishment will be protracted.Nonetheless we note that having one member to commit Councils to a spatial plan that has wider funding commitments determined thru separate LTP / RLTP / NLTP funding and decision making processes is untenable. As we know from SmartGrowth form, function (ie spatial planning) and funding must be aligned. Cross council partnerships are cumbersome, highly transactional rely too much on relationship management and have little effect without the ability to make decisions and fund and implement those decisions.The appointment of Māori representatives will be difficult for regions such as the Bay of Plenty. Due to the large number of iwi and hapu, the minimum number of Māori appointees may be inadequate. Agreement might not be reached on who will represent iwi and hapu, many of whom may be reluctant to relinquish their mana and individual representation. The process therefore needs to ensure that regionalisation takes proper account of natural Māori alliances, and is supported with appropriate resourcing (time, funding, facilitation, and technical support) from central government. Given the likely complexities of establishing RPC’s including appropriate representation arrangements, and undertaking the preparation of a RSS, the establishment of sub-regional committees and providing for the development of sub-regional spatial plans, would assist in addressing the above concerns.Central government representatives on the RPC for the purposes of spatial planning will need a coherent plan to support their representation and resolve/avoid any conflicts between government objectives. This could be achieved through the development of a National Spatial Strategy (or Government Policy Statement on Spatial Planning) to bring together Government policy objectives. Central government representatives will also need to be able to have authorisation to commit funding of central government infrastructure which will
	There will be one RPC which will be responsible for developing both the NBA Plan and RSS.	
sch 8, cl 13	LGC can do a review	

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Tauranga City Council Submission – Summary of Key Issues

Clause	Summary of Proposal	Tauranga City Council Submission Points
		be critical to delivering RSSs. It is also considered important that the Minister ensures that there is Crown representation on RPCs. It should be a mandatory requirement particularly given that the Crown itself as having an integral role in the establishment and operation of RPCs and the development of appropriate spatial strategy partnerships which underpin successful strategy development and subsequent implementation including effective funding and implementation plans.
Accountability		
Sch 8, cl 17	duty to act collectively	<ul style="list-style-type: none">With regard to accountability of RPC’s, we are concerned about the separation of policy making from implementation and agreement of councils, particularly with regard to funding of the infrastructure required to deliver RSSs. To achieve successful and efficient implementation of strategy actions, there needs to be clear and implementable alignment between the policy direction and associated funding of implementation. If this is not achieved the proposed reforms will not take us any further than where we are now with voluntary and agreed strategies, that are then not appropriately agreed and funded by the individual partners whether they be local government or Crown agencies.
Sch 8, cl 18	no ratifications etc	
Committee Form		
sch 8, cl. 32 and 33	The RPC may also create sub-committees to provide advice including joint subcommittees to deal with cross boundary issues. Explicit provision for a freshwater subcommittee.	<ul style="list-style-type: none">We welcome the ability to create sub-committees as a way to consider local aspirations, issues and circumstances as well as cross boundary issues. This addresses a key point of our submission on the exposure draft of the NBEA Bill, which was that high growth councils should be able to manage their growth at a sub-regional level, e.g our existing SmartGrowth Partnership.An urban growth sub-committee should have full delegation to prepare a spatial urban development plan for the sub-region, provided it was consistent with the overall RSS. Once a region has prepared an RSS and NBE Plan, subcommittees could also be useful tools to consider an area specific plan change or review.We support the Taituara suggestion that RPC’s should be established as a joint committee under schedule 7 clause 30A of the LGA.With regard to the legal autonomy of the RPC to initiate and defend legal actions, we have concerns around who would fund these legal proceedings. This brings into question the accountability for such actions, and the perceived creation of the RPC as an entity separate from each of the parent Council partners or Crown agencies.
cl 100	Regional Planning Committees will be independent statutory bodies but still committees of all LAs. A secretariat will provide technical and administrative support to the RPC.	
cl 101	The RPC will have legal autonomy to initiate and defend legal actions.	
cl 102	plan content	
Funding and resourcing		
sch 8, cl 34	Resourcing plan	<ul style="list-style-type: none">We are concerned that there is a misalignment between funding of the RPC and the rating, revenue and financing policies, long term planning etc of councils under the LGA.The NBE Bill requires constituent local authorities to “provide sufficient resources” to enable the RPC and the secretariat to perform their functions. However, it is unclear whether a council can rate for 100% of the funding required. We are also concerned about what sufficient resourcing looks like in practice.Councils will also have to maintain BAU planning functions while the RPC goes through the transition period and prepares the first RSS and NBE Plan for the region – essentially doubling up on costs for several years.
sch 8, cl 36-37	Funding. NB If funding for the committee cannot be agreed an external party can determine the amount and share	

Clause	Summary of Proposal	Tauranga City Council Submission Points
The Secretariat		
Sch 8, part 3, cl 34	The secretariat and director of the secretariat should sit within a host council appointed by each region.	<ul style="list-style-type: none">• We are concerned around the complexity of arrangements for staffing and/or the secretariat – and how that employment relationship would actually work in practice. It is also unclear how the relationship would change post-transition once a region has an operative RSS and NBE Plan, e.g. for plan changes and reviews.• There is a significant risk that there will be insufficient capacity and skilled personnel across planning and associated sectors to deliver the RPC and Secretariat functions (i.e. new RSS and NBE Plan) while also delivering BAU. There also needs to be a significant investment in training and culture to deliver the transformation anticipated.• We are concerned that this uncertainty around what the future looks like will contribute to the current exodus from the planning profession.
Sch 8 cl. 33	Director / host NB previous ministerial statements that staff can be directly employed or seconded to the secretariat.	
sch 8 cl. 34	Responsibilities of DOS	
sch 8 cl. 35	Host authority agreement process.	
Sch 8 cl. 36	local authorities must jointly fund the committee and secretariat.	
NBE Plans		
cl 95-98	RPCs will be responsible for creating one NBE Plan per region - using the process set out in sch 7 - which will be referred to an Independent Hearing Panel.	<ul style="list-style-type: none">• Support the requirement for NBE Plans to give effect to the NPF and be consistent with the RSS. However the lack of certainty about the content of the NPF has created a high level of anxiety that could and should have been avoided. If the NPF lacks sufficient direction, then the NBE Plan making process will be protracted. The NBE Plans also have the potential of being longer and more complex due to regions addressing local area issues.• We suggest that the select committee consider whether there are opportunities to make changes to NBE Plans for technical amendments or clarification, without having to follow the processes outlined.• We welcome confirmation that the King Salmon approach has been adopted, with an explicit hierarchy of decision making. This will remove the need for decisions at consent level to consider the purpose or outcomes of the NBEA Bill, or the requirements of the NPF (unless it is the NPF that requires the consent, obviously).• We also support the retention of a duty to avoid, remedy, or mitigate adverse effects, as it ensures that situations not foreseen by an RSS or NBE Plan can still be considered through an effects management hierarchy. The consistency of language with the RMA will also reduce potential litigation.• We support the content of NBE Plans, but note that these Plans will be unwieldy in length and complex. For example, every rule will contain notification requirements. The NBE Plan is at risk of having a greater complexity than District Plans currently have, especially if there is insufficient direction in the NPF which results in the NBE Plans having to address more issues.• We would appreciate confirmation that existing plans and regional policy statements (and the evidence underpinning them) can form the basis of the new NBE plans to avoid wasted work. We note there is a specific provision in the Spatial Planning Bill that enables their use in preparation of an RSS.
	Adopting the approach in King Salmon, national direction gives effect to the purpose of the NBA and NBA plans give effect to national direction.	
cl 14	The new system will retain the duty to “avoid, remedy, or mitigate”	
cl 105	NBE plans will set out the objectives, rules, processes, and limits/targets for a region. More decisions e.g., notification will be dealt with in the Plan.	
Relationship with other planning documents		
cl 109	NBA Plans must be consistent with RSSs	<ul style="list-style-type: none">• We support the requirement of the NBE Plan to be consistent with the RSS. We also support the inclusion of circumstances where an NBE Plan could be inconsistent or different.
cl 107	Particular regard to SCOs and SREOS and planning docs of iwi/hapū.	

Natural and Built Environment Bill and Spatial Planning Bill

Tauranga City Council Submission – Summary of Key Issues

Clause	Summary of Proposal	Tauranga City Council Submission Points
cl 109	Circumstances when an NBA Plan can be inconsistent or different to an RSS include -	
Content and Form		
cl 108	Things that must be disregarded	<ul style="list-style-type: none">Regarding the list of matters to be disregarded when preparing plans under Clause 108, we are concerned that the exclusion of “views” could limit the ability to protect cultural viewshafts, which are an important matter for iwi and hapu across Tauranga Moana. Overall, the drafting of this clause could capture a myriad of activities and uses that were not intended to (or should not) be disregarded, and open the door to substantial litigation.While we respect the importance of tree protection the inclusion of Clause 125 seems out of place.We support the ability of the RPC to identify any rules that will have legal effect (which differs from Taituara’s position). However, legal effect should only be applied at notification or following decisions as it currently sits in the RMA).
cl 110	adaptive management	
cl 112	environmental contributions	
cl 113-115	Aquaculture	
cl 116	customary marine title	
Cl 117 - 125	rules	
Cl 130 – 136	when rules have legal effect	
Designations		
Part 8 Subpart 1	Designations	<ul style="list-style-type: none">We support the proposed designation process, with an initial notice of requirement to identify and protect a spatial footprint followed by more detailed Construction and Implementation Plans (CIP) as required. However, we suggest that the processing authority for the CIP stage is the relevant local authority rather than the RPC. This would align with the requirement to obtain resource consents for discharges etc.
Preparation and Review		
Schedule 7	Preparation, change, and review of natural and built environment plans	<ul style="list-style-type: none">The principles guiding which process to apply for plan changes (Schedule 7, Clause7) are inadequate to deal with the types of plan changes that are required. There may be a plan change required that is not urgent and is region wide which doesn’t sit on one of those groupings.Guidance is required to help determine what is a major regional issue, along with confirmation that for anything less than that a plan change can just be progressed.The direction on notifying a proposed plan is unclear – e.g. what is meant by giving notice to every ratepayer under Schedule 7, Clause 31?. By electronic notice to a person directly affected is generally not possible with how council are able to contact ratepayers under the Privacy Act.Timeframes for primary submissions should be clearer at ‘at least 40 working days’ or ‘up to 40 working days’. Also need to confirm that this timeframe only applies for a full review.It is not clear whether there are any appeal rights for plan changes under Schedule 7, Subpart 6. This should be clarified.We believe local authorities should be given wider (but not unlimited) scope to reject a request for an independent plan change.We do not support Schedule 7, Clause 113(5) prohibiting the ability to accept late submissions - there should be the ability to consider this. The ability to have scope to consider submissions which are not in the right form should also be retained.

Natural and Built Environment Bill and Spatial Planning Bill

Tauranga City Council Submission – Summary of Key Issues

Clause	Summary of Proposal	Tauranga City Council Submission Points
		<ul style="list-style-type: none">Clause 126(2), need to be able consider safety effects on the visibility of commercial signage and advertising.
Consenting		
Issuing Consents		
cl 152	Retain all five types of resource consents (s87 RMA)	<ul style="list-style-type: none">We broadly support the proposed consenting process, noting that it retains the basic elements established under the RMA.However, one aspect we have significant concerns about is the restriction of resource consent duration to 10 years for certain activities under Clause 275. This would have a serious impact on planning for continued operation of critical local infrastructure.For water supply, the “construction, operation, upgrading, or maintenance” is not subject to the restriction. However, for infrastructure that forms part of a public wastewater, storm water or sewerage network, only “construction, upgrading, or maintenance” is not subject to the restriction. Perversely, excluding the “operation” of wastewater and stormwater networks, means the renewal of a consent for the continued operation of a discharge would be limited to a 10 year duration, whereas a new discharge would not.Under the current system, the preparation time for a consent renewal is several years. This would not be workable if they are only being granted for a 10 year period. Short term consents for consent renewals can only work if they are being processed in a pragmatic way with targeted information requirements which align with other local authority planning mechanisms (e.g. investment plans outlining what can be achieved in a 10 year LTP period). This could then be a step by step improvement plan of the discharge towards a defined end goal. Given the significant investment required, a 10 year consent period is not appropriate and greater long term consent certainty is required.The NBE Bill is also unclear on the relationship with the new Water Service Entities, who will have some rule making functions. For example, is it intended that the legislated Stormwater Management Plans (SMP) will outline how the limits and targets will be met, and how (in an adaptive pathway for hard to meet targets) this will be achieved? The SMP could include capital investments, but also identify rules for discharges into the stormwater network which could be included in the NBE Plan. And after appropriate consultation, would these plans then be the basis for the 10 year duration for a stormwater discharge consent?
cl 153	Retain the (s89A) activity classes except for the non-complying category.	
cl70	Retain discharges that have certain effects cannot be permitted. Activities relating to prospecting, exploring or mining must be treated as a prohibited activity.	
cls 87B(2) and 87B(4)	Comparative assessments will used to determine the best practicable option for the discharge.	
	Activities classified as a prohibited activity in a proposed plan will remain discretionary until the plan becomes operative.	
	When making a decision on a consent the authority must consider: <div><div>1) The actual and potential effects on the environment.</div><div>2) Any measure proposed to avoid, remedy, or mitigate.</div><div>3) Whether the activity contributes to the outcomes/targets in an NBA plan.</div><div>4) Nature and extent of inconsistencies with a policy or rule in a plan for the NPF.</div><div>5) The likely future environment anticipated by the NPF or NBA plan.</div></div> Any other relevant matter.	
Roles and Responsibilities		
Local Government		
cl 647	Local Government will no longer have plan making functions. Instead, Councils will have responsibility for implementing and administering the RPC’s plans and strategies.	<ul style="list-style-type: none">There is a large disconnect between governance, policy, and ultimate implementation responsibilities and accountabilities and funding. This needs to be integrated for the future Resource Management System to be able to deliver on its intended outcomes. That integration needs to connect with the LGA and LTMA ie amendment to these Acts to require implementation of an adopted RSS eg through Long Term Plans, Infrastructure Strategies, Regional & National Land Transport Plans, and with equivalent requirements for Water Services Entities. Without this formal direction, there will be nothing to ensure the required investment occurs to deliver on a RSS and inevitably coordinated and timely investment will not occur, as has been the experience of the SmartGrowth Partnership in the Western Bay of Plenty.
cl 643	Regional councils and unitary authorities participate in RPCs, prepare SEOs, and are responsible for the matters in cl 644	
cl 644	The matters that regional authorities are responsible include: <div><div>• Use of land</div><div>• Coastal marine area</div><div>• Water</div></div>	

Clause	Summary of Proposal	Tauranga City Council Submission Points
	<ul style="list-style-type: none">Discharges of contaminantsBed of water bodyIndigenous biodiversity Infrastructure	<ul style="list-style-type: none">The lack of clear and integrated policy and funding arrangements across the relevant legislation will not take us any further than the current system. This current system often results in individual partners, whether they be local government or Crown agencies, becoming misaligned on the timing and commitments for implementation. A concern is that the RPC has responsibility for plan making but the ultimate accountability for implementation and funding of actions rests with local government and Crown agencies whose input is somewhat limited given the structure of RPC’s and their proposed independence. There needs to be accountability for delivery. The easy part is plan or strategy development which partners sign up to in the spirit of partnership but the challenging next step is agreeing and adequately funding implementation.
cl 645	Territorial authorities and unitary authorities participate in RPCs, prepare SCOs and are responsible for the matters in s 646	
cl 646	Territorial authorities are responsible for: <ul style="list-style-type: none">Control effect of land use (natural hazard risk, contaminated land, indigenous biodiversity)Control emission of noiseSurface of water in rivers and lakesControl of subdivision Protection of trees	
Cl 64	Duty to assist RPCs with information and technical support.	
Implementation		
Funding		
In the 2022 Budget the Government allocated \$179 million towards implementing the new system. This is intended to support the model regions and establish a National Māori Entity.		
Transitional provisions, savings (to be contained in secondary legislation)		
The reforms will be implemented in three tranches with the first tranche of regions transitioning immediately.		
RMA plans, consenting and decision making will apply (with some exceptions) until a regional planning committee has made decisions on recommendations from an IHP.		
When lodging a consent for a matter that has immediate legal effect (after notification of an NBA plan), consent applicants and councils will need to apply for all the consents required (and it will not be possible to “bundle” consents across the two Acts).		
To provide certainty and simplicity to consent reviews: <ul style="list-style-type: none">a) RMA consents that come up for renewal after notification of an NBA plan be reviewed using the NBA approach to consent reviews (noting this applies to all consents);b) Consent reviews directed by an NBA plan will only be able to be used once those provisions are beyond legal challenge (ie there is no appeal);c) Consent review directed by the NPF are effectively operative when inserted into an NBA plan		
Provisions that relate to water, air or soil or protect indigenous biodiversity or cultural heritage will have immediate legal effect.		
NBA plan making process provisions commence 1 year after royal assent.		

Clause	Summary of Proposal	Tauranga City Council Submission Points
	RMA Plans will continue to be amended to incorporate national direction, respond to changing circumstances and to fix errors.	
Alignment with Other Legislation and Reforms		
	The Government has commissioned a report into the Future for Local Government. The RMA reforms are independent of the outcomes of FFLG. Bylaw offences and fines under LGA will not be considered.	<ul style="list-style-type: none">We are concerned that the Three Waters reform is not integrated with these reforms and there is insufficient interface with Water Service Entities. This interface is going to be key given such entities will be an implementer of an RSS and sub-regional spatial plansWe are also concerned that existing issues arising with the Building Act (for example, around natural hazards) have not been addressed.
	The Government is undertaking reforms of Three Waters.	
	The Climate Adaptation Act is being progressed at a slower pace than the NBA and SPA.	

THE SPATIAL PLANNING BILL

Clause	What is the Government Proposing	Draft TCC Submission Points
Purpose		
CI 4	the purpose is to provide for RSSs that assist in achieving the NBEA purpose (with explicit mention of “recognising and upholding te Oranga o te Taiao”).	
Te Tiriti o Waitangi		
CI 5	That decision makers will be required to “give effect to” the principles of Te Tiriti o Waitangi.	<ul style="list-style-type: none">As noted in relation to the NBE Bill, we support giving effect to the Principles of Te Tiriti o Waitangi in all aspects and at all levels.However, if iwi and hapu are to have an enhanced role in the system then they must be supported with appropriate resourcing (time, funding, and technical support) from central government.
CI 7	Decision makers must recognise and provide for the authority and responsibility of each iwi and hapū.	
	Capability and Capacity	
Regional Spatial Strategies		
CI 12	RSS for each region	<ul style="list-style-type: none">We support the introduction of mandatory spatial planning and the requirement that NBE plans are consistent with the RSS. We also support the ability to incorporate existing RMA planning documents (and their evidence base) into RSSs. However, we are concerned that a gap remains between spatial planning and associated implementation agreements, and actual commitment to fund the infrastructure contained therein.We also question, given the amount of cross referencing between this Bill and the NBEA Bill, whether having two bills is the most effective, efficient, and simple way of providing for regional spatial strategies. We think it would be much simpler if all provisions were contained in a single Act. This would contribute significantly to the efficiency of statute implementationThe list of “considerations” when preparing an RSS under Clauses 24-29 are not very directive, so may be easily discounted. We also note that the list refers only to “iwi planning documents” when “iwi and hapu planning documents” would be more appropriate in rohe such as Tauranga Moana. As noted in relation to the NBE Bill, we are concerned that the inclusion of “views” in the list of matters to be disregarded when preparing an RSS under Clause 25 of the SPA Bill could limit the ability to protect cultural viewshafts, which are an important matter for iwi and hapu across Tauranga Moana.The engagement agreements required under Clause 37 need to take into consideration existing relationship protocols between councils and iwi and hapū so as not to undermine those relationships. Central government should fund, resource and support iwi and hapu, including the development of capability and capacity to support the increased level of participation required to give effect to these agreements. The number of Māori groups that need to be invited will be large (e.g. Bay of Plenty has 39 iwi and treaty settlement entities, and well over 100 hapu), so the level of funding and resource is likely to be significant, especially during the first iteration of the process.
CIs 15-17	An RSS will include: <ul style="list-style-type: none">Vision and objective for developmentSet out priority actionsProvide strategic direction on key matters including (abbrev):<ul style="list-style-type: none">Areas that require protection, restoration, or enhancementAreas of cultural significanceAreas that are appropriate for urban developmentAreas appropriate for extracting natural resources.Areas appropriate for rural use.Areas of coastal marine area appropriate for development.Infrastructure needsAreas vulnerable to natural hazards and the effects of climate changeIndicative locations for business and residential activities	
CI 18	significant other matters criteria	
CI 19	level of detail	
CIs 24-29	Considerations when preparing an RSS. Have particular regard to: <ul style="list-style-type: none">Government Policy StatementsSREOs and SCOs Have regard to: <ul style="list-style-type: none">Strategies, plans made under other legislationIwi planning documents	

Clause	What is the Government Proposing	Draft TCC Submission Points
	<ul style="list-style-type: none">Statutory acknowledgementsPlans under international obligationsGovernment responses to Infrastructure strategy Evidence quality	
CI 37	An engagement agreement will be required for the development of the RSS. The engagement agreement will set out how Māori groups will participate in the process and how this will be resourced.	
schedule 8, cl 2	Each RPC will have a central government representative when creating an RSS.	
CI 42	If there are issues common to 2 or more regions, then a cross-regional planning committee may be established under ministerial discretion or by agreement. A parent committee may ask a cross-boundary committee to reconsider an issue. Each parent committee must directly incorporate the cross-regional spatial strategy into its regional spatial strategy.	
	A joint committee or IHP can revert to Part 2 of the NBA and or the NPF when making decisions on NBA plan content: 1) where there is a claim of invalidity 2) if the RSS has a gap where the RSS provisions are ambiguous or uncertain	
	Each RSS should be renewed every 9 years or if the NPF is amended or there is significant change in the region.	
Implementation		
CI 52	RPC must prepare and adopt implementation plan for RSS and publish within 6 months of adopting RSS.	<ul style="list-style-type: none">We support mechanisms to ensure the delivery of the RSS. A critical handbrake of the urban growth partnerships/growth strategies (including our SmartGrowth partnership) has been a lack of commitment to the funding of key elements in a timely manner, particularly from central government around transport. Achieving the objectives for reform will likely require increased levels of investment across central and local government. (e.g. increased costs of new or existing infrastructure to better protect the natural environment or reduce emissions). The SPA Bill does not address the broader infrastructure and financing constraints, which is a key dependency and the key to delivering the strategies efficiently. It will be important that there is cross-party long-term commitments from central government in these implementation agreements. Implementation plans should be mandatory with clear and agreed linkages to local authority and Crown agency funding plans- such as LTPS, RTPs, NLTF, and other relevant funding mechanisms. Without such connections and mandatory requirements we are no further advanced that we are now.We recommend that the Government produce a Government Policy Statement on Spatial Planning and/or a national spatial strategy, to cover matters such as strategic transport, airports and ports, and renewable energy generation.
CI 54	Implementation plans must set out the relative priority of each action and the interdependencies between them. The implementation plans must also set out the key steps and who is responsible for priority actions.	
CI 55	Implementation plans must be reviewed after 3 years.	
CI 57	Implementation agreements are voluntary but must set out the programme of activities and their sequencing, identify funding sources. Implementation agreements are not enforceable.	



13 February 2023

Chairperson
Justice Committee

Kia Ora Chairperson

Tauranga City Council - Submission to Inquiry into 2022 Local Elections

Thank you for the opportunity to submit on the Inquiry into 2022 Local Elections.

While Tauranga City Council (TCC) did not have an election in October 2022, as it currently has Commissioners in place until July 2024, there are some issues in the terms of reference that will impact on future elections; and we make comments on these aspects.

As Commissioners we believe we are well placed to provide independent and objective input into the Inquiry. We have no conflict of interest and none of us will be standing in the next local government election.

A. LOW VOTER TURNOUT

We have reviewed the information in Taituarā's submission on voter turnout which concluded there had been a decrease in turnout at the 2022 elections to 40.4%, down 1.8% from the 2019 elections, largely explained by lower turnout in Auckland. TCC does not believe there is a need to panic but agrees with Taituarā that research indicates lower turnout leads to even lower turnout in future elections, and that this matter is of equal concern to both local and central government.

TCC supports Taituarā's submission and recommends:

- That the Justice Committee agrees that declining citizen participation and engagement is an issue of equal concern for both central and local government.

A1 *Civics Education and active engagement with the community*

Post-election research shows that a significant number of eligible voters do not consider that voting in local government elections makes a difference and is relevant to them personally. We believe that active engagement with the community in a meaningful way, which makes people feel that local government is relevant to them personally, is the key to increase voter turnout.

'[My Tauranga Vibe](#)' is an example of an approach used by TCC to engage as many people as possible in shaping the aspirations of our city. It was successful because it was electronic, easy to complete and was relevant. This was part of a broader package of engagement with the community that as Commissioners we undertook to find out what was relevant and important to our community.

We see that low voter turnout reflects the lack of relevant engagement that councils undertake to make people feel involved in what is happening in their community. We

support more innovative and relevant engagement tools being used by councils in addition to the more formal consultation processes.

The Independent Review Panel on the Future of Local Government (Independent Review Panel) in their draft October 2022 report¹ notes the international evidence that civics education leads to higher voter turnout is limited; however, there is evidence these programmes can empower people to be active, well-informed citizens with an interest in local politics and can prompt young people to take civic action ranging from volunteering and voting to lobbying or running for local council.

TCC does not believe that civics education will be the panacea to improve voter turnout. We are aware there are a number of programmes that schools run currently around civics and elections, and we support those, but there is only so much that schools can do. We are mindful not to add to the curriculum load on teachers and schools.

TCC recommends:

- That the Justice Committee recommends that greater emphasis be placed by councils on relevant engagement with their communities to increase voter turnout.
- That the Justice Committee agree that civics education is not mandated in schools.

A2 *National communications and engagement campaigns*

TCC believes that national campaigns should be fully funded by central government and rolled out across the country to provide a consistent and reliable message to all voters. Smaller councils who cannot afford to participate in the national campaign currently miss out and we do not believe that is fair or equitable.

TCC recommends:

- That the Justice Committee agrees that there should be a national communications and engagement campaign designed to build awareness of local elections and understanding of how to vote.
- That the Justice Committee recommends that the campaign should be fully funded by central government.

A3 *Making voting easier and more social*

TCC supports initiatives to make voting easier to increase voter participation.

These include:

- Online voting
- More accessible voting place locations
- Candidate Profile Statements
- Overseas voting – electronic transmission of special votes

¹ Future for Local Government October 2022 draft report
<https://www.futureforlocalgovernment.govt.nz/assets/Reports/Draft-report-final.pdf>

Online voting

Online voting is widely used for non-government elections such as company board elections, iwi and rūnanga trusts, community trusts and school boards. It is provided as an alternative method and does not replace postal voting. It is common for such votes to have online, postal and in person options.

Online voting is seen as more convenient, more accessible for voters with high needs such as the visually impaired, would assist overseas voters and is likely to engage more younger voters over time. We can see no reasons why online voting should not be introduced for all councils for the 2025 elections.

TCC was one of the councils involved in working towards trialling online voting in the 2019 elections. TCC recognises the security concerns relating to online voting but believes these can be dealt with and should not stop online voting for local elections going ahead. TCC also notes that the cost of the 2019 trial became prohibitive for the councils involved and recommends that central government pay for the cost of local government elections.

TCC supports the continued use of postal voting, which is a convenient and generally safe method of delivering voting papers to many voters. However, the reduction in the postal service has created delays with both delivery and return of voting papers, especially in rural areas. As well as online voting, another solution is to have additional drop off locations for vote return.

TCC recommends:

- That the Justice Committee recommends that online voting be undertaken by local government for the 2025 elections.

More accessible voting place locations

With the reduction in postal deliveries and street receivers, more vote return options are necessary. Some councils introduced “the big orange bins” in the 2022 elections for vote return and TCC understands this was a successful initiative, with some councils e.g. Wellington City Council receiving nearly half their vote return via the bins. These were secure wheelie bins for people to “post” their vote and were available in places such as libraries, supermarkets, petrol stations, voting hubs and at community events.

Councils that used these bins promoted the use and locations on their website and through social media. TCC will be using the “big orange bins” at its next election.

If the Electoral Commission becomes responsible for local government elections (see below) councils could use the local knowledge of where best to place these bins.

TCC recommends:

- That the Justice Committee supports councils providing more accessible vote return options such as the use of collection boxes in community venues.

Candidate Profile Statements

Candidates have the option of providing a maximum of 150 words plus a photo to be included in the booklet that goes out with the voting documents. These profile statements are governed by sections 61 and 62 of the Local Electoral Act 2001. An Electoral Officer is not required to verify or investigate any information included in the profile statement.

TCC believes these candidate profile statements are not helpful to voters trying to make an informed decision on whom to vote for. In fact they can even deter voters who feel they have a deficit of useful information to make an informed choice.

TCC recommends that changes are made to section 61 of the Local Electoral Act 2001 to ensure that specific information on candidates is captured in these profile statements and suggest the following mandatory headings:

- governance experience
- experience in working with the community
- any business experience or managing a budget
- specific issues they are concerned about and look to progress
- issues they are passionate about

TCC recommends:

- That the Justice Committee supports a review of the candidate profile statement provisions in section 61 of the Local Electoral Act 2001 to provide more specific and relevant information for voters.

Overseas voting – electronic transmission of special votes

The Electoral Regulations 1996 for central government elections provides for electronic transmission of special votes to and from voters who are overseas during the voting period, and it makes sense that this ability be extended to local government elections.

TCC supports Taituarā's submission and recommends:

- That the Justice Committee agrees to amend the local electoral law to allow for the electronic transmission of special votes to and from voters who will be overseas during the voting period.

B. CENTRALISED DELIVERY OF LOCAL ELECTIONS

TCC notes that the report into the 2019 Local Elections recommended that the Government consider giving responsibility for running all aspects of local elections to the Electoral Commission. The Independent Review Panel considering the Future for Local Government in their draft October 2022 report also recommends the Electoral Commission conduct local elections.

TCC is supportive of a move towards centralised delivery of all local electoral functions by a fully resourced Electoral Commission. We believe that the cost of local government elections should be fully funded by central government.

The benefits of this centralised approach are:

- (a) Better resourced agency to implement new voting methods, like online voting
- (b) Better co-ordination of and consistent nation-wide promotion of local election campaigns with a view to promote diversity of candidates
- (c) Achieve savings through economies of scale
- (d) Equity for smaller communities who struggle to afford governance costs
- (e) National consistency of approach for voters and candidates in interpretation and application of electoral law and regulations
- (f) Increase in security around the conduct of the electoral process
- (g) Better able to attract and retain electoral staff

TCC recommends:

- That the Justice Committee recommend that the Government transfer responsibility for running all aspects of local elections to the Electoral Commission.
- That the Justice Committee recommend that the Electoral Commission be resourced to undertake local government elections.
- That the Justice Committee recommend that central government fund all aspects of local government elections.

C. LOWERING THE VOTING AGE

TCC does not have a view on whether the voting age should be lowered from 18 to 16 years and recognises this is a hot topic with the recent Supreme Court decision that a voting age of 18 is inconsistent with the Bill of Rights, the Independent Review Panel considering the Future for Local Government recommending the voting age be lowered to 16 years and the Independent Electoral Review (IER) also looking at the voting age.

TCC encourages Parliament to consider the wider ramifications of lowering the voting age in relation to the legal definition of a "child". Should 16 years be considered the age of maturity for voting, then other aspects of life, where 18 years is considered the age of maturity, would also need to be reconsidered such as:

- (a) alcohol
- (b) armed forces
- (c) youth justice
- (d) marriage

TCC notes that Parliament could lower the voting age to 16 years for local government elections in advance of, or instead of, central government elections, as there is a lower threshold required to change local election voting age than central (50% compared to 75%).

TCC agrees with Taituarā that, whatever the voting age decided on by Parliament, it should be the same for both local and central government elections to avoid confusion, the administrative burden of having two rolls, and a disjointed and conflicting rationale for choosing different voting ages.

TCC supports Taituarā's submission and recommends:

- That the Justice Committee agrees that the voting age should be identical for local and central government elections.
- That any lowering of the voting age should be accompanied by an expansion of civics education in early secondary schools.

D. FOUR-YEAR LOCAL ELECTORAL TERM

The length of the local electoral term is also an electoral topic being discussed now. The Future for Local Government Independent Review Panel recommended in their draft October 2022 report that there be a four-year local electoral term. IER is reviewing the length of the Parliamentary term as part of its terms of reference.

TCC previously supported the Local Government New Zealand remit for a four-year electoral term in 2020 for the following reasons:

- Promotes longer term thinking and decision-making by councillors resulting in more stable decision-making and greater certainty to the public, investors and stakeholders
- Allows for more time to implement a local government vision by extending the productive working time of a council and reducing councillor turnover
- Gives more time for new councillors to be better educated and informed and takes the pressure off them to get up to speed quickly
- Encourages the use of more mechanisms to increase participatory democracy
- Reduces voter fatigue and may result in increased voter turnout
- Reduces the administration costs of setting up and inducting a new council
- Savings in election costs by reducing the number of elections

Depending on the announcement of the Minister of Local Government regarding the TCC election date in 2024, the next term of TCC may be either 15 months or just over four years.

The change would result in local government and central government elections been held in same year once every third cycle. The central government term could also be extended for four years.

Any changes to the electoral cycle may impact on the Long-Term Plan (LTP) and Annual Plan cycle. It is recommended that the LTP be decoupled from the election cycle and that the LTP be completed for a 10 year period and reviewed every five years. This approach will reinforce that the LTP is a strategic document which sets the long term direction and intent of Council.

TCC recommends:

- That the Justice Committee supports a four- year local electoral term.
- That the Justice Committee supports changes to the Long-Term Plan cycle and recommend that LTPs are in place for 10 years and reviewed every five years.

The Council does wish to speak to this submission.

Ngā mihi

Anne Tolley | Commission Chair

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| www.tauranga.govt.nz



Tauranga City Council Submission - Sale and Supply of Alcohol (Community Participation) Amendment Bill

7 February 2023

Introduction

Thank you for the opportunity to make a submission on the Sale and Supply of Alcohol (Community Participation) Amendment Bill (the Bill).

Tauranga City Council strongly supports the intent of the Bill to enable local communities to have greater influence on the way alcohol is regulated in their neighborhoods. However, we are concerned around the uncertainty and associated costs in some areas of the Bill and these are set out in our feedback below.

Tauranga City Council is in the process of reviewing our current Local Alcohol Policy (LAP). An initial draft LAP was consulted on during November and December 2021. After hearings and deliberations in 2022, a revised draft LAP was developed for a second round of community consultation in September. Council received submissions on this revised draft, but in November delayed any decisions on this given the announcement of the Bill.

Appeals on Local Alcohol Policies

(section 7 of the Bill amending sections 80 to 88 of the Act; and transitional provisions proposed in new Schedule 1AA to the Act)

Developing an LAP is inherently complex. The differing views within the community, the resource intense appeal process and lack of, and sometimes conflicting, evidence make LAPs difficult to put in place. Although they have the potential to be an important decision-making tool for councils, to minimise the alcohol related harm in their communities by controlling the location and density of outlets, they have not been able to be fully implemented.

There is strong evidence that the appeal process has prevented the outcomes that communities have been seeking.

- Currently LAPs cover only 35 per cent of the population in New Zealand.
- Data from Alcohol Healthwatch report that of the 33 LAPs developed up to the end of 2017, 32 were appealed to ARLA.
- As at May 2022, 86 per cent of provisional LAPs had been appealed by supermarkets and 72 per cent by bottle stores.

- Auckland, Christchurch, Wellington and Hamilton Councils (accounting for 50 percent of the population) have all halted or abandoned LAPs following the appeals.

These appeals have not only cost time and resources but have also resulted in less restrictive LAPs. Less restrictive has the effect of increasing the availability of alcohol within communities and in turn lessens any potential reductions in alcohol harm.

Removing the ability to appeal against provisional LAPs will allow community input from the special consultative procedure to remain in the LAP, which could be adopted without delays from the appeal process.

Therefore, Tauranga City Council supports the proposal in the Bill to remove the ability to appeal. However, we believe the current drafting of Schedule 1AA in particular creates uncertainty and this may pose a risk to councils such as ours that are in the review stage and have developed a draft LAP but not yet proceeded to adopt a provisional policy.

It is our understanding that the Bill intends for an existing draft LAP (provided it is in place on the day the Amendment Act comes into force), to take effect, without the requirement for a provisional LAP to be adopted and for the appeals process to apply. This is consistent with the overall legislative intent to remove appeal rights, even when an LAP is only at the draft stage when the Amendment Act comes into force. This intent is also demonstrated by the analysis of options in the regulatory impact statement, where existing appeals were considered.

This intention is not clear in the current drafting.

If a draft LAP has not yet become a provisional LAP by the day after the Bill receives Royal assent, clause 1(2)(a) of Schedule 1AA provides that it may be:

- (i) *discontinued under section 88 as it read immediately before the commencement of this clause:*
- (ii) *brought into force in accordance with section 90 (as amended by the Sale and Supply of Alcohol (Community Participation) Amendment Act 2022):*
- (iii) *reviewed under section 97:*

The relevant transitional provision is subclause (ii) which provides that a draft LAP may be brought into force in accordance with section 90 (as amended by the Bill)

Section 90 amended

~~Once a provisional~~ *If a local alcohol policy has been adopted and ceased to be provisional, the territorial authority concerned—*

- (a) *must give public notice of its adoption; and*
- (b) *may then bring it into force on a day stated by resolution.*

This drafting creates uncertainty because a draft policy will not have been adopted as the LAP (ie Council will not have given public notice under the new section 80 and 30 days will not have passed as required by the new section 81. Although the amendments to section 90 of the Act assume that the LAP has already been adopted, which must occur before it can be brought into force.

We recommend addressing this uncertainty in clause 1(2)(a) of Schedule 1AA as follows:

- (2) If this clause applies,—
- (a) the draft local alcohol policy may be—

- (i) discontinued under section 88 as it read immediately before the commencement of this clause:
- (ii) publicly notified and adopted in accordance with sections 80 and 81 (as amended by the Sale and Supply of Alcohol (Community Participation) Amendment Act 2022):
- (iii) brought into force in accordance with section 90 (as amended by the Sale and Supply of Alcohol (Community Participation) Amendment Act 2022):
- ~~(iii) reviewed under section 97:~~

In our view, such an amendment to subclause (2) of clause 1 of Schedule 1AA would clarify the apparent intent of the Bill.

Renewal of licences where relevant local alcohol policy exists

(section 12 of the Bill replacing section 133 of the Act)

We support the proposal that allows a District Licensing Committee (DLC) to decline to renew a licence if they consider that the licence would be inconsistent with conditions in the relevant LAP. We agree with the proposed wording for s 133 that a DLC *may* decline or impose conditions on a licence renewal where a relevant LAP is in place.

Who can object to licence applications

(section 10 of the Bill amending section 102 of the Act, and section replacing section 205 of the Act)

Tauranga City Council supports greater community participation in local licensing decisions. While we agree that the current legislation has been interpreted too narrowly and excluded some community members from the process, we do not support the current proposal in the Bill to allow anyone to object to licensing applications. This will increase costs and has the potential for local community input to be crowded out by those without a relevant connection with the area or local community. We recommend:

Objectors need to have a relevant connection and interest with the area and community in which the licence is being applied for.

We believe that these changes would bring the Act closer to the intent of the legislation that local communities be able to input into licensing decisions.

We agree that objections by trade competitors be restricted so that they could only object to an application if they are directly affected by the application in a way that does not relate to trade competition.

Given the potential increase in the number of objectors and therefore hearings, the provisions set out in section 16 of the Bill to help manage increased volumes is supported.

Further changes are required to ensure a wider and more transparent notification process. The notification process set out in the legislation does not appropriately inform all of those that may be impacted and interested in licence applications. While most territorial authorities inform their communities via their websites this should be reflected in the legislation. We recommend:

All applications and renewals be notified on the relevant territorial authorities' website within 10 days of the territorial authority receiving the application.

How licensing hearings are run

(sections 13 and 14 of the Bill amending section 202(5) and inserting section 203A into the Act)

Tauranga City Council fully supports the principle of making hearings less formal and adversarial so that both objectors and applicants feel more at ease and feel like they have been heard. Much of what is proposed is currently being implemented at our DLC hearings. The following changes proposed by the Bill are supported:

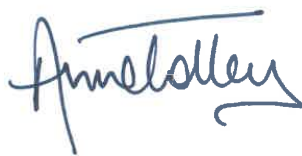
- new clause 202(5) allowing DLCs to conduct hearings by phone, audio-visual link or other remote access facility, if appropriate and facilities are available
- new clause 203A(1) that DLCs must establish appropriate procedures
- new clause 203A(2) (a) ensuring these procedures avoid unnecessary formality

Although we support hearings becoming less formal and adversarial and understand that this is the intention for removing questioning of other parties and cross examination (new clause 203A (2) (b) and (c)) we are seeking further clarification on this. We also recommend training for DLCs.

Cross examination and questioning can be an effective way to test the suitability or otherwise of applicants. The removal of cross examination places more onus on DLCs to draw out the evidence to ensure they have the information they need to make decisions. The DLC will be required to ask more follow up questions. We submit that the legislation needs to ensure that parties can direct questions to the Chair that the party may wish to ask of other parties. The Chair could then ask those questions at their discretion. Without this ability, there is potential for evidence being missed. The current drafting of clause 14 (2)(b) does not permit parties and their representative to questions of other parties or a witness of other parties. It is unclear if it allows for questions to be asked via the Chair. We recommend:

- training via a nationally approved provider as is currently required for RMA Commissioners
- that the Bill specifically clarify that parties' direct questions to other parties through the chair of the DLC.

On behalf of Tauranga City Council



Anne Tolley

Commission Chair

Tauranga City Council

11.4 Submission to Local Government Official Information and Meetings Act Amendment Bill

File Number: A14406396

Author: Margaret Batchelar, **Manager:** Customer Services

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

PURPOSE OF THE REPORT

1. To seek retrospective approval of a submission to the Governance and Administration Select Committee on the Local Government Official Information and Meetings Act Amendment Bill.

RECOMMENDATIONS

That the Council:

- (a) Approves Attachment 1 – Tauranga City Council's "Submission to Local Government Official Information and Meetings Act Amendment Bill 2022".

EXECUTIVE SUMMARY

2. Submissions on the Local Government Official Information and Meetings Amendment Bill 2022 (the Bill) opened on 26 November 2022 and closed on 3 February 2023.
3. The organisations standard practice is to present draft submissions to Council prior to finalisation however, as this submission was due to the Governance and Administration Select Committee on 3 February 2023, this was not possible.
4. Instead this submission is being presented to Council for retrospective approval (see Attachment 1).
5. The Bill proposes changes in two parts to the Local Government Official Information and Meetings Act 1987 (the Act). The intent of part 1 is to improve natural hazard information (including the impacts of climate change) provided in land information memoranda (LIMs). The intent of part 2 is to align the withholding provisions for information if it would likely prejudice the national security or defence of New Zealand with the Official Information Act 1982.

BACKGROUND

Part 1 – Key LIM Changes

6. LIMs are often the main source of information for property buyers and a key tool to understand natural hazard risk and enable more informed decision making when purchasing a property.
7. Improving natural hazard information in LIMs is a key action under New Zealand's (NZ) National Adaptation Plan.
8. The Bill amends the Act to introduce:
 - clearer requirements to provide natural hazard information in LIMs (including the impacts of climate change);
 - a statutory responsibility for regional councils to provide natural hazard information to territorial authorities;
 - provisions to develop regulations for providing natural hazard information in LIMs; and

- limitation of legal liability for local authorities when disclosing natural hazard information in good faith.
9. Councils will be involved in the drafting of regulations once the Bill is enacted.
 10. The Amendments will come into force on a date set by Order in Council or 2025 whichever is earlier.

Part 2 – Related Official Information Act Changes

11. The Act provides for information held by council's to be available or protected from public release – consistent with the Official Information Act 1982 (OIA). However, unlike the OIA, the Act does not provide conclusive grounds for withholding information if it would likely prejudice the national security or defence of NZ. The Bill aligns with the equivalent provisions in the OIA around management of national security risks and allows a local authority to withhold information if it would likely prejudice NZ's security, defence or international relations.

DISCUSSION

12. There is already a requirement under the current Act to include natural hazard information that is *known* to territorial authorities in LIMs eg the current legislation refers to the need to include erosion, falling debris, subsidence, slippage, alluvion, avulsion or inundation as special features or characteristics of the land. The Bill provides clearer natural hazard and climate change definitions by aligning them to those in the Resource Management Act 1991.
13. The upcoming changes regarding LIMs are primarily to improve consistency (across all Territorial Authorities (TAs) of natural hazard information disclosure on LIMs and when and how it is presented. The Council's LIM team has for many years had a mature approach to referencing natural hazard information on all its LIMs - working closely with officers in the wider part of Tauranga City Council (TCC) responsible for natural hazard data modelling to ensure that adequate reference and links to known natural hazard information in all its varying stages of data assessment is included.
14. Similarly, TCC has typically notified landowners when natural hazard information affecting their properties has been reviewed and updated – by way of letters, maps etc to ensure that the information provided is understandable to the lay person eg flood hazard information.
15. TCC has an established relationship with the Bay of Plenty Regional Council (BOPRC) in respect of the sharing of natural hazard information and climate change information impacting natural hazards. The BOPRC currently provides natural hazard modelling assessments that it has procured to TCC. This is noted on LIMs for the relevant properties. When the Bill is passed it will be important to work closely with BOPRC to ensure there is clear understanding of new responsibilities around timing and presentation of natural hazard information to TCC.
16. It is likely that regulations will introduce a standard template or framework for the display of natural hazard information across all TA's so that it is clear, concise, and nationally consistent in its presentation.
17. The submission supports the intent of the Bill.

STRATEGIC / STATUTORY CONTEXT

18. The Council may submit on legislation affecting its operations. There is no requirement to do so and the decision to make a submission depends on the individual council.

FINANCIAL CONSIDERATIONS

19. There are no financial considerations in making a submission.

CONSULTATION / ENGAGEMENT

20. Internal consultation with staff who manage resilience and natural hazard modelling along with external legal feedback was sought on the Bill and issues identified during those discussions were included in the submission.

SIGNIFICANCE

21. 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.
22. 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.
23. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of low significance.

ENGAGEMENT

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

ATTACHMENTS

1. **LGOIMA Amendment Bill Submission Feb 2023 - A14413881** [↓](#) 

Attachment 1 – Tauranga City Council's "Submission to Local Government Official Information and Meetings Act Amendment Bill 2022".

3 February 2023

**Submission on the Local Government Official Information and Meetings
Amendment Bill**

To: Governance and Administration Select Committee
From: Barbara Dempsey
General Manager: Community Services
Tauranga City Council
Private Bag 12022
Tauranga 3143

I can be contacted at:

Barbara.Dempsey@tauranga.govt.nz 027 7054775

Yours sincerely

Barbara Dempsey

LMO-450102-29-7-3:rg

SUBMISSION

Council supports the intent of this bill because it:

- Generally ensures the provision of natural hazard information to LIM applicants (where the information is known)
- Seeks to improve the clarity and consistency around how natural hazard information is communicated to LIM applicants across all territorial authorities
- Ensures LIM applicants receive information about natural hazards that is known at both a local and regional level.
- Encourages the disclosure of natural hazard information by limiting legal liability.
- All the other existing provisions around information disclosure on LIMs are retained.

We wish to make the following comments.

General Views

Part 1 – Land Information Memoranda

Clause – amended interpretation

Although Council generally supports the amendment to the interpretation section in section 2(1) of the principal Act, it draws attention to the need for consistency between the definitions proposed to be inserted by this clause and those applied elsewhere in the Bill. For example, the meaning of “natural hazard” pursuant to section 2(1) of the RMA 1991 describes natural hazard occurrences which “...may adversely affect human life, **property**, or other aspects of the environment”. Whereas in Clause 8 proposed new section 44B, which addresses the natural hazard information to be included on a LIM, refers specifically to natural hazards as they affect “**land**”. Property has a much broader meaning and could include buildings and other improvements on land.

This seems likely to create ambiguity, and some clarification is sought.

Clause 7 – section 44A amended (Land information memorandum)

The proposed new section 44A(2)(a) and (ab) amends the nature of the information relating to natural hazards that must be included on a LIM. While most of the information that is required under the current section 44A(2)(a) is addressed in the proposed new section 44B, information about “other special features or characteristics” including “the likely presence of hazardous contaminants” is to be addressed in section 44A(2)(ab). The prerequisite to the inclusion of information on a LIM in the current legislation is that the information is a feature or characteristic that:

- (i) Is known to the territorial authority;
- (ii) Is not apparent from the district scheme under the Town and Country Planning Act 1977 or a district plan under the Resource Management Act 1991.

LMO-450102-29-7-3:rg

Although the Bill preserves both of these prerequisites in relation to other special features or characteristics and hazardous contaminants, it does not preserve the reference to information apparent from a district plan. It is assumed that this is because the nature of the information required to be supplied about natural hazards under new section 44B is more extensive than what might normally be apparent from a district plan. However, this potentially shifts a greater onus onto territorial authorities to include more information in LIMS as they can no longer rely on the information about natural hazards contained in the district plan to avoid the necessity of specifically including that information in a LIM.

Clause 8 – new section 44B(2) (a) (i) - (iii):

The current legislation requires territorial authorities to provide information identifying each special feature or characteristic of the land concerned, which includes natural hazard information.

New section 44B 2(a) of the Amendment Bill has a requirement to provide “information about” each hazard, each potential hazard, **or the impact**” of each hazard where there is a reasonable possibility that the land may be affected “now or in the future”, and the impacts of climate change that exacerbate natural hazards.

It would seem that where s44B(2) refers to “each hazard or impact”, the word ‘impact’ refers to the impact of climate change. The intent is clearly that there should be an obligation to report on both hazards and the impact of climate change that exacerbates that hazard. We do not read the use of the word ‘or’ to imply that a territorial authority has a choice to report on one element and not the other, where there is known information. However we suggest that this clause be more clearly articulated as follows:

A land information memorandum must include—

(a) the following information, to the extent that it is known to the territorial authority:

- (i) information about each hazard that affects the land concerned:**
- (ii) information about any impact of climate change that exacerbates natural hazards that affect the land concerned:**
- (iii) information about each potential hazard to the extent that the authority is satisfied that there is a reasonable possibility that the hazard may affect the land concerned (whether now or in the future):**
- (iv) information about any impact of climate change that exacerbates natural hazards that affect the land concerned to the extent that the authority is satisfied that there is a reasonable possibility that the impact may affect the land concerned (whether now or in the future):**
- (v) information about the cumulative or combined effects of those hazards on the land concerned;**

Further, the purpose of the new section states that the information must be “understandable”, suggesting that there is a requirement for interpretation of technical

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reports. This is a much broader requirement than in the current legislation and is likely to require more time and thinking from either Council's technical staff who manage or procure natural hazard modelling to ensure that the information or part of the information received from external technical hazard modelling specialists on natural hazards and the impacts of climate change on natural hazards can be understood by the lay person. This may require more vigorous and potentially expensive instructions to external specialists. It may also increase council costs in respect of the development of more explanatory documents for LIM applicants. For LIM staff who compile LIM reports, they will likely have more information to review before their LIM reports are finalised.

Territorial authorities typically hold a lot of information about individual natural hazards, from data modelling through its many draft stages to peer reviews and final approval of the modelling and risk assessment. They also hold information on property files relevant to natural hazards that is comprised of the observations and notes of landowners, property professionals, and its own officers, and records of relevant historical events. This information may relate to an area of land containing many land parcels or to individual land parcels.

There will likely be significant differences in the data held by each of territorial authorities and regional councils. And little consistency in terminology, methodology and scale of the natural hazard data assessment which may be at property, block, city, or region level. There is the potential for uncertainty if users are trying to understand data at a property level when the mapping was done at a regional level. This could lead to misunderstandings by LIM applicants and may hinder the ability to develop nationally consistent and "understandable" data.

It would be a good opportunity to set directives on which natural hazards are to be included, at what magnitudes / frequencies / timeframes and scales.

It is noted that proposed section 44B(2)(b) states territorial authorities must include any further information required by the regulations to make the information provided under proposed section 44B(2)(a) more understandable. Council considers that 'any further information required' is very broad and could create an onerous or unreasonable expectation on territorial authorities if they do not have the opportunity to engage in meaningful discussions about what further information the regulations could require of territorial authorities.

Further, proposed section 44B(3) provides that the information must be summarised and presented in the form required by the regulations (if any). Council sees value in removing the words "if any", noting that the regulations would set a uniform threshold about how the information is to be presented.

Council seeks that in the amendments and in these regulations, greater clarity be provided on what is expected of territorial authorities in terms of the nature of the information to be provided.

Council requests that territorial authorities are given the opportunity to meaningfully engage with the drafting of the regulations.

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Further, Council suggests that the proposed amendment legislation go one step further to ensure LIM information is “understandable” to applicants by providing guidelines on which natural hazards are to be included in LIM reports and at what magnitudes / frequencies / timeframes and scales.

Clause 8 - new section 44B(2) (a) (iii)

Under section 44B(2)(a)(i)(ii) territorial authorities will be required to provide information about each hazard, potential hazard and its impact in a LIM. This would by definition include any information that it already holds about the cumulative or combined effects of those hazards. It is not clear whether the intention of this section is to require council to create new information regarding cumulative effects where the resulting information does not actually exist or whether the intent is to ensure council only provides this information where it already exists and is “known”. If the proposed requirement under (iii) requires an additional assessment or the application of judgement by territorial authority staff to determine what cumulative effects there may be – this would require the application of professional technical expertise of a kind that is not necessarily available in-house, and would increase council costs in respect of additional third party specialist work. Further, different natural hazard information is frequently held or managed within different departments and the cumulative or combined effects of hazards may not necessarily have been considered or assessed across all those areas. Even to determine if there may be cumulative effects on a specified property such that further assessment is required is a matter for skilled professional staff from a variety of disciplines.

Council seeks that greater clarity be provided on what is expected of territorial authorities in terms of this section regarding the cumulative or combined effects of natural hazards.

Clause 8 - new section 44C

Section 44C would require a regional council to pass onto territorial authorities certain information that is known to it about natural hazards and the impacts of climate change that exacerbate natural hazards. However, one of the practical difficulties that arises under the proposed legislation is determining the point in time at which such information becomes “known to the regional council” such that it must be included in a LIM. The natural hazard information held by regional councils is often wide ranging through many different stages of modelling through to final determination. Often the regional council and territorial authority take a different view as to whether that information, sometimes provided on condition of confidentiality, should be made available on a LIM.

The proposed section 44C assists to some extent by stating that the specified information must be provided to each territorial authority “as soon as reasonably practicable in the circumstances”. What is unclear is whether the determination of

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timing by the regional councils will be influenced by the expectation, provided by this new section, that information on natural hazards passed to a territorial authority will always become available for inclusion on a LIM. It could be counter-productive to the free flow of information between regional councils and territorial authorities if the regional council delayed the passing on of information about natural hazards because of concerns that the information may be released prematurely – for example while still in draft form.

It would be helpful to include in section 44C or in the regulations referred to in section 44C(2) some further explanation of the expectation of the timing of the release of information to territorial authorities, or some provision that would allow a regional council to identify information in draft form or subject to review that ought not to be included on a LIM.

It is further noted that proposed section 44C does not require a regional council to provide information about the “other special features or characteristics” including “the likely presence of hazardous contaminants”, referred to in section 44A(2)(ab). It is not clear whether this is a deliberate omission, but **the view of the Council is that the information a regional council is required to provide to a territorial authority ought to include the information referred to in section 44A(2)(ab).**

Clause 8 - new section 44D

Council welcomes the protection offered to territorial authorities in relation to civil or criminal proceedings concerning the good faith provision of information in a LIM. However, it notes that this protection does not extend to information about “other special features or characteristics” including “the likely presence of hazardous contaminants”, referred to in section 44A(2)(ab).

In giving effect to the purpose of the Bill, Council considers it unclear why drafters would not extend protection over information in proposed section 44A(2)(ab) as it proposes to do for information about natural hazards required by proposed section 44B.

Council asks that section 44D(a) be amended to refer to information included on a LIM under section 44A(2)(ab) as well as section 44A(2)(a) in order to give full effect to the purpose of the Bill.

Part 2 – Amendments relating to official information

Council supports clauses 11 and 12.

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11.5 Appointment of Tangata Whenua Representatives to SmartGrowth Leadership Group

File Number: A14344952

Author: Juanita Assink, Personal Assistant to General Manager: Strategy, Growth & Governance

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

PURPOSE OF THE REPORT

1. To confirm the appointment of Whitiora McLeod as the Tangata Whenua Representative to the SmartGrowth Leadership Group.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Appointment of Tangata Whenua Representatives to SmartGrowth Leadership Group".
- (b) Accepts the recommendation of Te Rangapū Mana Whenua o Tauranga Moana and confirms the appointment of Whitiora McLeod as a Tangata Whenua Representative to the SmartGrowth Leadership Group.
- (c) Accepts the recommendation of Te Kāhui Mana Whenua o Tauranga Moana and confirms the appointment of Riki Nelson as a Tangata Whenua Representative to the SmartGrowth Leadership Group.
- (d) Notes that this appointment is also to be confirmed by Western Bay of Plenty District Council and Bay of Plenty Regional Council.

EXECUTIVE SUMMARY

2. Te Rangapū Mana Whenua o Tauranga Moana has recommended to the Council the appointment of Whitiora McLeod as the Tangata Whenua Representative to the SmartGrowth Leadership Group. The Council is asked to consider and accept this recommendation.
3. Te Kāhui Mana Whenua o Tauranga Moana has recommended to the Council the appointment of Riki Nelson as the Tangata Whenua Representative to the SmartGrowth Leadership Group. The Council is asked to consider and accept this recommendation.

BACKGROUND

4. Council has been advised Irene Walker and Kevin Tohiariki have resigned from their appointments as one of the four Tangata Whenua representatives on the SmartGrowth Leadership Group.
5. As per the Terms of Reference for the SmartGrowth Leadership Group, Te Rangapū Mana Whenua o Tauranga Moana has nominated a replacement representative, Whitiora McLeod - Te Rūnanga o Ngāi Te Rangi and Te Kāhui Mana Whenua o Tauranga Moana has nominated a replacement representative, Riki Nelson – Ngāti Te Wai.
6. As SmartGrowth Leadership Group is a joint committee, these appointments are to be confirmed by all three partner councils: Tauranga City Council, Western Bay of Plenty District Council and Bay of Plenty Regional Council.

FINANCIAL CONSIDERATIONS

7. The remuneration for Tangata Whenua Representatives is provided for in the SmartGrowth budget.

LEGAL IMPLICATIONS / RISKS

8. Schedule 7, Clauses 30(A) and 31 of the Local Government Act sets out the requirements for joint committees, including the establishment of an agreement that must specify the number of members each local authority or public body may appoint to the committee, and this is reflected in the Terms of Reference of the SmartGrowth Leadership Group.

CONSULTATION / ENGAGEMENT

9. No community engagement is required.

SIGNIFICANCE

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

NEXT STEPS

13. Whitiara McLeod will be confirmed as Tangata Whenua Representative to the SmartGrowth Leadership Group.
14. Riki Nelson will be confirmed as Tangata Whenua Representative to the SmartGrowth Leadership Group.
15. Note this appointment is also to be confirmed by Western Bay of Plenty District Council and Bay of Plenty Regional Council

ATTACHMENTS

Nil

11.6 Draft submission on Future for Local Government draft report**File Number:** A14388704**Author:** Jeremy Boase, **Manager: Strategy and Corporate Planning****Authoriser:** Christine Jones, **General Manager: Strategy, Growth & Governance****Please note that this report contains confidential attachments.**

Public Excluded Attachment	Reason why Public Excluded
Item 11.6 - Draft submission on Future for Local Government draft report - Attachment 2 - 2023 02 09 Ascari Report LG Reform Rpt FINAL	s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.

PURPOSE OF THE REPORT

1. To present, and seek approval for, a draft submission to the Future for Local Government Panel on their draft report, *He mata whāriki he matawhānui*.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Draft submission on Future for Local Government draft report".
- (b) Approves the draft submission included at **Attachment 1** with the following amendments:
 - (i) *(to be added during the meeting if necessary)*
- (c) Delegates authority to the General Manager: Strategy, Growth & Governance to make minor drafting, typographical, and presentation amendments as required prior to formally submitting the submission ahead of the 28 February deadline.
- (d) **Attachment 2** can be transferred into the open when both councils have finalised their submission to the Review Panel.

BACKGROUND

2. In 2021 the Minister of Local Government established a Ministerial review into the Future for Local Government ("the Review") and appointed a Review Panel to undertake the Review.
3. In September 2021 the Review Panel released an interim report to the Minister signalling the probable direction of the review and the key next steps.
4. On 28 October 2022 the Review Panel issued a draft report, *He mata whāriki he matawhānui*, for public consultation. A copy of the draft report can be found at <https://www.futureforlocalgovernment.govt.nz/assets/Reports/Draft-report-final.pdf>.
5. The review Panel has called for submissions on the draft report. The submission period closes on 28 February 2023.

DISCUSSION

6. Following discussions and correspondence with the Commission, Council's draft submission has been prepared and is included as **Attachment 1** to this report for consideration and approval.
7. The draft submission addresses some, but not all, of the themes, recommendations, and questions in the Review Panel's draft report.
8. Key themes of the submission include:
 - the once-in-a-generation opportunity for reimagining local government has not yet been taken by the Review Panel
 - one-size-fits-all solutions for local government are unlikely to be of benefit
 - the principle of subsidiarity is key when considering the future apportionment of roles and responsibilities between central government, local government, and other actors
 - the distinctive issues facing metro growth councils, particularly in relation to planning, funding and delivering on spatial plans, have not been sufficiently addressed in the Review Panel's draft report
 - greater alignment, including long-term funding alignment, is required between central government and local government to ensure local outcomes are achieved
 - further prescriptive legislated solutions to engagement and relationship matters, including relationships with mana whenua, are not supported; instead, local solutions should be empowered.

Discussion Document on Local Government Reform

9. In association with Hamilton City Council, Council commissioned Ascari Partners Limited to prepare a discussion document on the Future for Local Government review scope and covering the wider environment of reform affecting local government in New Zealand. The discussion document provides a high-level assessment of the key issues, questions, and pathways of greatest relevance to urban growth metro councils.
10. A copy of the discussion document is included as confidential **Attachment 2**.
11. It is intended that the discussion document be included as an attachment to Council's submission to the Review Panel.
12. The discussion document is currently included in confidential to allow both commissioning councils to discuss it with their governing bodies. It is intended to make the discussion document public once both councils have finalised their individual submissions to the Review Panel.

STRATEGIC / STATUTORY CONTEXT

13. The Review into the Future for Local Government is an opportunity to create a new system of local governance and democracy that will effectively respond to a changing New Zealand and create conditions for communities to thrive¹.
14. Depending on how it is received by current and future governments, the Review may result in changes to legislation that fundamentally affects all councils and communities. Taken together with currently legislated changes to waters management and the resource management framework, the Review Panel's remit is part of a fundamental change to local governance and local government.

OPTIONS ANALYSIS

15. Council has three options available to it:

¹ Source: <https://www.futureforlocalgovernment.govt.nz/>

- (a) Approve the submission as written and submit to the Review Panel
 - (b) Amend the submission and submit to the Review Panel
 - (c) Do not make a submission to the Review Panel.
16. Making a submission ensures that Council's thoughts and opinions on the Review Panel's draft report are clearly communicated to the Review Panel for their consideration. The impact of those thoughts and opinions on the Review Panel's final report and recommendations to the Minister will be determined by the Review Panel.

SIGNIFICANCE

17. 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.
18. 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.
19. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue of local governance and the future of local government is of high significance, but that the decision to approve a submission on the issue to the Review Panel is of low significance.



ENGAGEMENT

20. Taking into consideration the above assessment, that the decision is of low significance, and recognising the time constraints involved, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

21. Once direction is received from Council, the submission will be finalised and lodged with the Review Panel before the deadline of 28 February 2023.

ATTACHMENTS

1. **2023-02-20 Draft submission on FfLG draft report - for 27 Feb Council meeting - A14420352**  
2. **2023 02 09 Ascari Report LG Reform Rpt FINAL - A14411651 - Public Excluded**

(Draft) Submission to the Review Panel on

He mata whāriki, he matawhānui

Review into the Future for Local Government – Draft Report

Prepared by

Tauranga City Council

February 2023

Background

Tauranga City Council is a metro council and a growth council¹. This has a strong influence on some of our views on the future for local government and on the Review Panel's draft report.

Together with Hamilton City Council, another metro and growth council, we have prepared a discussion document that specifically considers matters of greatest relevance to metro growth councils. That discussion document² is attached to, and should be read as an integral part of, this submission.

This submission

This submission addresses some, but not all, of the themes, recommendations and questions in the Review Panel's draft report. It is broadly structured along the lines of the Review Panel's draft report, but due to the inter-related nature of many of the issues covered by that draft report, some agglomeration has occurred.

Key contact

For further information about matters covered by his submission, in the first instance please contact Christine Jones, General Manager: Strategy, Growth & Governance.

¹ A Tier 1 local authority as defined in the National Policy Statement on Urban Development

² Discussion Document on Local Government Reform, John Williamson, Ascari, February 2023

Overview / executive summary

1. We thank the Review Panel for its work on the review and the publication of its draft report.
2. The local government sector is a diverse one. Councils and the many communities they serve are very different. The issues and opportunities they face often have many differences, be that between councils, between communities within a council rohe, or over time.
3. To address the future for local government (or local governance), those differences are as important as the similarities in the sector. A one-size-fits-all approach is unlikely to actually fit any. For a fast-growing metro council such as Tauranga, the response of the Review Panel is not bold enough. The Review Panel describe their work as a once-in-a-generation opportunity. We consider this a missed opportunity, one we commend the Review Panel to correct before its final report is issued. The statement in Chapter 9 that the Panel are still “deciding whether we will propose a new structure for local government or leave that to some future reform process to determine” is the clearest indicator of the potential for such a missed opportunity eventuating.
4. We recommend a simple two-stage approach to fundamentally re-imagine local government and then local governance:
 - Step 1 – align roles and responsibilities with desired outcomes, focusing councils (and government partners) on the right things
 - Step 2 – provide the capability and resources to be successful.
5. For a high-growth council, adequacy and certainty of funding is critical. Currently the inadequacy and uncertainty of funding arrangements is a significant barrier to delivering the city our residents and future residents require. Increasing emphasis is needed in the Review Panel’s final report on the alignment needed between local government and central government to collectively address and fund responses to the significant pressures created by urban growth.
6. We strongly value our relationships with mana whenua of Tauranga Moana, but urge caution in the Review Panel’s recommendations of potentially significant legislative change in this realm. Legislating for good relationships is fraught, and here more than anywhere else the Review Panel should recognise that a one-size-fits-all approach, as is often the way with legislated ‘solutions’, is not best advised.

Chapter 2: Revitalising citizen-led democracy

7. The Review Panel clearly makes a case for increased community participation in local government and local governance. We have some support for this, for the right issues and at the right time.
8. However, there is also a strong need for local government to make difficult and timely decisions on large and complex issues with multi-generational impacts. For these matters, a 'traditional' representative democracy approach is likely to remain the most effective method to effective decision-making.
9. As a growth council, Tauranga City Council has to frequently address major urban development matters that will shape the future of the city for generations to come. An over-reliance on participatory democracy or deliberative democracy (by current residents) for decision-making risks excluding the interests of future generations and future residents or the wider range of demographic groups. This may lead to an outcome of 'short-termism' that is not in the best interests of the city and its future communities.
10. We recommend that the Review Panel further consider the needs of macro-level urban decision-making before forming a final view on the merits of representative versus participatory democracy.
11. **Review Panel recommendation 2:** *That local government, supported by central government, reviews the legislative provisions relating to engagement, consultation, and decision-making to ensure they provide a comprehensive, meaningful, and flexible platform for revitalising community participation and engagement.*
12. While it is difficult not to support a review, we are concerned that the outcome from such a review may be more detailed and prescriptive legislation that hampers rather than enhances community participation and engagement and hampers effective, timely decision-making.
13. As the Review Panel states, the existing provisions around the significance and engagement policy lead to 'a question as to whether the very idea of a 'policy' on significance and engagement generates a sense of pre-determined and transactional engagement'. Should a review result in further legislated detail around 'how' or 'when' to conduct engagement, we would not support it. We believe the legislative provisions should be further reduced to focus on principles not methodology – the current legislation in sections 82 through 87 of the Local Government Act 2002 ("the Act") are a combination of reasonable principles and unnecessarily-detailed process and prescription.
14. To be meaningful at a city- or district-wide level, local government engagement should be focused on the critical issues and decisions where broad engagement is likely to better inform decision making. These matters are likely to be inherently obvious to a council and therefore do not need legislative direction to identify.
15. Removing some of the prescription over significance, engagement and consultation is likely to reduce the time and energy put in (by council staff, elected members, and communities) to processes that are statutorily required but which have little impact on decision-making. This may then free-up such time and energy to put into more relevant local matters where community participation is much more valuable. In short, councils

need to be able to determine appropriate engagement processes that relate to the nature and scope of particular initiatives.

16. **Review Panel recommendation 3:** *That central government leads a comprehensive review of requirements for engaging with Māori across local government-related legislation, considering opportunities to streamline or align those requirements.*
17. We support the intent to 'streamline or align' the legislative requirements to engage with Māori. However, we do believe that review should be led by central government. There is substantially more knowledge within local government as regards what is working and what isn't and where streamlining or alignment is required. As such, the review should be led by local government and supported (and thence enacted) by central government.
18. **Review Panel recommendation 5:** *That central government provides a statutory obligation for councils to give due consideration to an agreed, local expression of tikanga whakahaere in their standing orders and engagement practices, and for chief executives to be required to promote the incorporation of tikanga in organisational systems.*
19. While we support the intention that council practices give consideration to local tikanga, we do not support the proposal to introduce statutory obligations to effect this. The impression (rightly or wrongly) that a council is giving such consideration 'because the law says they have to' is likely to be counter-productive to good relationships and good outcomes. Councils should be trusted to do what for their district and for their circumstances is 'the right thing' without the weight of legislative compulsion.

Chapter 3 – A Tiriti-based partnership between Māori and local government

20. We support the Review Panel's assertion that te ao Māori values have fundamental relevance to local governance and the role of local government within that. We also support what we consider to be the Review Panel's general acceptance that 'legislating for good relationships' is no easy task. Further, we support the Review Panel's recognition that there is a lot of good relationship-building and partnering work occurring across the country in locally-relevant ways, albeit that there are some gaps and failings too.
21. However, we consider that the 'fundamental change to Te Tiriti o Waitangi provisions of the Local Government Act 2002' proposed by the Review Panel should be part of a much broader constitutional discussion about the role of Te Tiriti across all facets of central and local governance. The discussion should not just be about the Local Government Act and local government entities.
22. Further, while there are opportunities for all parties in further improving Tiriti-based partnerships, there should also be a recognition of the inherent risks. Local government (and local governance) exists for all members of local communities. Indeed, the funding model that underpins local government, and which is supported by the Review Panel, involves all paying rates and consequently all having a say.
23. **Review Panel recommendation 6:** *That central government leads an inclusive process to develop a new legislative framework for Tiriti-related provisions in the Local Government Act that drives a genuine partnership in the exercise of kāwanatanga and rangatiratanga in a local context and explicitly recognises te ao Māori values and conceptions of wellbeing.*

24. We do not support this recommendation. Firstly, we are not convinced that there is a sufficient evidence base to suggest that New Zealand wants a 'fundamental change' in Treaty legislation. Secondly, as noted above, if such a discussion is to occur we believe it should not be restricted to local government legislation (and specifically the Local Government Act) but should encompass central government operations and relationships as well.
25. **Review Panel recommendation 7:** *That councils develop with hapū/iwi and significant Māori organisations within a local authority area, a partnership framework that complements existing co-governance arrangements by ensuring all groups in a council area are involved in local governance in a meaningful way.*
26. We support this recommendation and note that in Tauranga we have had such a framework in place for many years. The framework is underpinned by 'protocol agreements' with all iwi and hapu and includes a kaumatua forum; a joint council/tangata whenua standing committee; Te Rangapū Mana Whenua o Tauranga Moana Partnership (an autonomous body made up of 17 representatives from each of the hapū and iwi in the Tauranga City Council area); and four independent mana whenua appointees to Council's Strategy, Finance & Risk Committee.
27. **Review Panel recommendation 8:** *That central government introduces a statutory requirement for local government chief executives to develop and maintain the capacity and capability of council staff to grow understanding and knowledge of Te Tiriti, the whakapapa of local government, and te ao Māori values.*
28. While we support the principle of developing and maintaining the capacity and capability of council staff (and elected members), we do not believe that this needs statutory backing. Encouragement via exposure to good practice and ongoing education should be sufficient without introducing additional legislation.
29. **Review Panel recommendation 9:** *That central government explores a stronger statutory requirement on councils to foster Māori capacity to participate in local government.*
30. The Act currently requires councils to 'consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority'. It is not clear what a 'stronger requirement to foster Māori capacity' looks like but the implication is that it would require significantly more intervention (and therefore funding) than currently required.
31. The Review Panel separately references 'unfunded mandates' in its draft report and this recommendation risks adding to the existing long list. Should the essence of the recommendation remain, we suggest that it needs to be supported by appropriate central government funding to allow local government to implement the new requirements.
32. We further note that Māori are not the only sector within the community who struggle with the capacity to participate in local government. Consideration should be given to such other sectors (which may be different in different communities) when considering the specificity of the recommendation as currently written. Should councils be required to 'foster capacity across the community to participate in local government' and, if so, how should that be funded?

33. **Review Panel recommendation 10:** *That local government leads the development of coordinated organisational and workforce development plans to enhance the capability of local government to partner and engage with Māori.*
34. We support this recommendation.
35. **Review Panel recommendation 11:** *That central government provides a transitional fund to subsidise the cost of building both Māori and council capability and capacity for a Tiriti-based partnership in local governance.*
36. We support this recommendation but note that the 'transitional' period may be significant and may, indeed, be perpetual.

Chapter 4 – Allocating roles and functions in a way that enhances local wellbeing

37. We note the work that the Review Panel has undertaken to develop a proposed framework for the allocation of roles, and broadly support the three principles underlying it:
- recognising local government's ability to influence local wellbeing
 - subsidiarity
 - te ao Māori values.
38. We recognise and accept the 'nuance' in role allocation identified by the Review Panel at section 4.6.1 of its draft report, but also acknowledge the Review Panel's assertion that some roles that currently sit centrally would benefit from a greater role being played by local government, these being:
- housing and urban development
 - local economic development, including people not in employment, education, or training.
39. We also note the Review Panel's suggestion of increased 'scale and efficiency arguments' (which we take to infer some form of regionalisation) for activities such as climate change mitigation and adaptation, transport, waste management, and building consenting.
40. However, we posit that the experience of metro growth councils such as Tauranga (and Hamilton) warrant a 'differently nuanced' consideration. To this end, please refer to the commentary in section 4 of the Discussion Document attached to this submission.
41. **Review Panel recommendation 12:** *That central and local government note that the allocation of the roles and functions is not a binary decision between being delivered centrally or locally.*
42. We support this recommendation and the commentary in section 4.1 of the draft report: 'It is not about a binary allocation – local or central – but rather how the design, accountability, influence and delivery could sit across many actors, **with subsidiarity being a key principle** (emphasis added very deliberately).'
43. **Review Panel recommendation 13:** *That local and central government, in a Tiriti-consistent manner, review the future allocations of roles and functions by applying the proposed approach, which includes three core principles:*
- ▶ the concept of subsidiarity

- *local government's capacity to influence the conditions for wellbeing is recognised and supported*
- *te ao Māori values underpin decision-making.*

44. As noted above, we support this recommendation with the proviso that the particular circumstances of metro growth councils are separately and specifically considered.

Chapter 5 – Local government as champion and activator of wellbeing

45. We were collectively less than impressed with this section of the Review Panel's draft report. It appears to be a combination of academic treatise and 'stating the blindingly obvious'. We are unsure whether this is because our experience in Tauranga is markedly different to some other parts of the country but we didn't consider that this chapter added much value.
46. The start sets the tone: 'Putting wellbeing at the core of council's purpose ... will unlock greater wellbeing outcomes for communities.' We are confident that the Review Panel is aware that section 10 of the Local Government Act 2002 already puts wellbeing (or well-being) at the core of the purpose of all of local government. The inference that the Panel's 'key finding' is somehow new is perplexing.
47. Further, the three key roles of local government as:
- anchor institution
 - systems networker and convenor, and
 - place-maker

are already roles and responsibilities that this council considers it undertakes for the benefit of the city and the wider sub-region. Again, there is little new in the Review Panel's findings.

Chapter 6 – A stronger relationship between central and local government

48. In contrast to the previous chapter, we strongly support the thinking in this chapter and the well-summarised key findings:

'Communities need and deserve collaborative and cohesive effort from both central and local government that utilises their collective strengths and resources.

'A reset is required to create a relationship between central and local government that enables a unified approach to tackling deep-seated, complex intergenerational issues. It will require a mindset shift from both central and local government.

'There is no consistent approach to collaboration, with systems being fragile and reliant on individuals. Stronger, more systemic collaboration mechanisms are required for better alignment, partnering, and co-investment for the benefit of communities.'

49. The Discussion Document attached to this submission addresses, from a metro growth council perspective, many of the issues considered by the Review Panel. See sections 4 and 5 of that document, and in particular sub-sections headed:

- Strategic alignment needs to be better set and maintained by all parties

- NPS-UD not being enabled by the Review
- Lack of integration around transport funding (and systems)
- Funding certainty is required to support high growth councils
- This includes funding for the provision of social and cultural infrastructure
- Adequacy and certainty of funding
- Longer term funding commitments from Waka Kotahi
- Agreeing planning and funding together
- Increased revenue sharing by government, and
- Partnership-led funding and financing.

50. In the sphere of strong strategic alignment between central and local government, attention is drawn to the disconnect between the resource management reforms, the three-waters reforms, and this review of the future for local government. The current statutory and institutional structures are complicated and are about to get more complicated with the involvement of further organisations. Aligning responsibilities for planning, funding, and delivering regional spatial plans is critical for the success of our growing cities and needs comprehensive attention from all parties.

51. **Review Panel question:** *How can central and local government explore options that empower and enable a role for hapū/iwi in local governance in partnership with local and central government? These options should recognise the contribution of hapū/iwi rangatiratanga, kaitiakitanga, and other roles.*

52. This is not a single, central project. These matters have to be worked through locally and on a case-by-case basis. An arrangement that may work in one part of a city or district with relevant iwi and hapū may be significantly different to an arrangement that works in another part of the city or district with different iwi and hapū. Further, such arrangements need to be focused on, and enable, good and expedient decision-making. Again, this is a matter where one size does not fit all. The ability to have variations across the nation is critical to having successful arrangements that are fit for purpose and that reflect local situations.

Chapter 7 – Replenishing and building on representative democracy

53. The Review Panel states in section 7.1 (Key findings) that 'There needs to be more diverse representation and increased governance capability at the council table.' It should be recognised that these are two distinctly different things and that one (more diverse representation) does not necessarily lead to the other (increased governance capability). Depending on the specific circumstances, increased diversity may actually reduce governance capability.

54. For clarity, we should note that we support both (separate) aims of increased diversity and increased capability.

55. The theme of diversity is also covered in section 7.2 (Overview) with subtly but significantly different wording. That section states 'we need to ensure that local leadership allows diverse voices to be heard.' That enabling of diverse voices to be heard (by whomever the elected members of the day are) is quite different to 'more diverse representation ... at the council table'. One points to mindset the other to direct representation. The former can be achieved through well-designed engagement programmes and by all elected members with the right desire and, if necessary, contextual training. The latter relies on the choices made by the voting public.

56. We acknowledge the Review Panel's support for 'ongoing work to resolve the barriers to effective online voting' but consider that a stronger statement to support online voting would better represent the views of the sector.
57. We welcome the Review Panel's initiation of a discussion regarding hybrid governance models and cautiously supports the in-principle preferred Option C: Develop a comprehensive mechanism allowing for a number of appointments on both a Tiriti and a capability basis.
58. We support the various parameters and considerations that the Review Panel propose under Option C, and draw particular attention to the one which emphasises the 'need to ensure that capability-based appointments are based on genuine skill gaps in elected membership, and are not:
- being put forward to advance political interests (by strengthening membership around a particular viewpoint)
 - creeping into demographically driven appointments. While we thoroughly support diversity at the council table, we do not think this is the most effective way to achieve it.'
59. Identifying skills gaps and using the provisions to make capability-based appointments to fill the gaps is critical to the success and credibility of the proposed system.
60. We note that when the Minister exercises powers under Part 10 of the Local Government Act to intervene in local government governance matters³, appointments to Crown Review Team, Crown Observer, Crown Manager and Commission roles are invariably made on the basis of capability. There are clear benefits to such appointments that can be learned from and incorporated into the Option C model, particularly where there are 'genuine skill gaps in elected membership'.
61. Also critical to the success of capability-based appointments is who is charged with making such appointments. An independent body, similar to the Local Government Commission, should undertake the role. Appointments should not be made by either local government or central government politicians.
62. **Review Panel recommendation 15:** *That the Electoral Commission be responsible for overseeing the administration of local body elections.*
63. We are supportive of a move towards centralised delivery of all local electoral functions by a fully resourced Electoral Commission. We believe that the cost of local government elections should be fully funded by central government.
64. The benefits of this centralised approach are:
- a. a better resourced agency to implement new voting methods, like online voting
 - b. better co-ordination of, and consistent nation-wide promotion of, local election campaigns with a view to promote diversity of candidates
 - c. an opportunity to achieve savings through economies of scale
 - d. equity for smaller communities who struggle to afford governance costs

³ As has happened in Kaipara, Canterbury and Tauranga in relatively recent times

- e. national consistency of approach for voters and candidates in interpretation and application of electoral law and regulations
- f. an increase in security around the conduct of the electoral process
- g. a better ability to attract and retain electoral staff.

65. We recommend:

- a. that the Review Panel recommend that the Government transfer responsibility for running all aspects of local elections to the Electoral Commission
- b. that the Review Panel recommend that the Electoral Commission be resourced to undertake local government elections
- c. that the Review Panel recommend that central government fund all aspects of local government elections.

66. **Review Panel recommendation 16:** *That central government undertakes a review of the legislation to:*

- a. adopt Single Transferrable Vote as the voting method for council elections*
- b. lower the eligible voting age in local body elections to the age of 16*
- c. provide for a 4-year local electoral term*
- d. amend the employment provisions of chief executives to match those in the wider public sector, and include mechanisms to assist in managing the employment relationship.*

67. We recognise the potential benefits of the Single Transferrable Vote method, particularly for enabling diversity in multi-member wards. However, we also recognise that the method appears inherently complicated to some people (and the calculation of results is so complicated that manual calculation is impossible). Nationwide adoption would perhaps enable a nationwide, and ongoing, education process to be launched so that increasing numbers of voters feel comfortable with it.

68. We have no view on whether the voting age for local government should be lowered to 16. We do, though, note there are many potential consequential impacts of such a change to the age of (voting) 'maturity' across sectors as diverse as alcohol purchasing, the armed forces, marriage, and youth justice.

69. We strongly believe that any change to voting ages should be the same for both local and central government elections to avoid confusion, avoid the administrative burden of having two rolls, and avoid risking a disjointed and conflicting rationale for choosing different voting ages.

70. We support the introduction of a four-year electoral term in local government and again believe it should be consistent with central government elections.

71. As a consequence of the electoral term increasing to four years, we also support the Long-term Plan being prepared on a four-yearly cycle with adoption towards the end of

the third year of the council term⁴. The purpose of a Long-Term Plan is, among other things, to provide a long-term focus for the decisions and activities of the local authority⁵.

72. Such long-term focus can be undermined by the current three-yearly review (or re-do) process. Whilst we would prefer a longer review period (say five years) to allow for long-term decision making to be consistently applied by successive councils, we recognise that tying the Long-term Plan period to the term of the council is practical. Moving both to four years is a step in the right direction.
73. We do not support the recommendation to remove the five-year term of Chief Executives.
74. **Review Panel recommendation 17:** *That central and local government, in conjunction with the Remuneration Authority, review the criteria for setting elected member remuneration to recognise the increasing complexity of the role and enable a more diverse range of people to consider standing for election.*
75. We support this recommendation and emphasise the focus on the complexity of the role rather than just population. Some local authorities with similar population bases have vastly different 'complexity bases' that elected members need to address. High-growth councils (both metros and districts) are a good example of those with increased complexity, while also still being required to undertake the same range of processes and meet the same legislative requirements as all other councils.
76. **Review Panel recommendation 18:** *That local government develops a mandatory professional development and support programme for elected members; and local and central government develop a shared executive professional development and secondment programme to achieve greater integration across the two sectors.*
77. We support the first part of the recommendation. We also support the second part of the recommendation but caution that the success of the programme will depend on the details; it will need to be attractive to the staff who are, or will become, directly involved in central / local government interactions and be developed as a genuine opportunity and not just a box to be ticked.
78. **Review Panel question:** *How can local government enhance its capability to undertake representation reviews and, in particular, should the Local Government Commission play a more proactive role in leading or advising councils about representation reviews?*
79. The Local Government Commission does not necessarily need to lead representation reviews (local on-the-ground knowledge is of much more use in the initial stages of the process) but advice is always helpful. In particular, given that the Local Government Commission is often the ultimate decision-maker and that it is Tauranga's experience that those final decisions are often heavily dependent on the three or four members of the Commission at the time, an early indication of what is of importance to those members would be very useful as councils work up their options and proposals.

⁴ For a four-year council elected in, say, October 2022 this would mean an LTP adopted by 30 June 2025.

⁵ Section 93(6)(d) of the Local Government Act 2002.

Chapter 8: Building an equitable, sustainable funding and financing system

80. At the outset, we would like to recognise and support the Review Panel's honest and realistic statements that:

'The current funding arrangements for local government are unsustainable'

and,

'Despite numerous reviews into local government funding, very few of the resulting recommendations have been implemented. Local government is sceptical about central government's willingness to address the systemic issues that exist. If any real change is to occur, then there must be a genuine commitment to explore and resolve the issues raised.'

81. We would also like to recognise the progress that has been made in recent years on 'alternative' funding and financing arrangements for local government infrastructure. Tauranga will benefit from two successful applications to the government's Infrastructure Acceleration Fund, as well as from the first approval for a funding package under the Infrastructure Funding and Financing Act.

82. Notwithstanding this, there is still a long way to go before councils (and, in particular, metro growth councils) are able to access a full range of potential funding and financing sources. In this regard, we support the Review Panel's backing for road congestion and pricing charges, bed taxes and visitor levies, value capture using targeted rates, revenue bonds, and volumetric charging (though we note that contrary to the draft report's implication, volumetric charging for water is not only already possible but has been being used for many years by a number of councils, including Tauranga).

83. A key determinant of success in introducing new funding initiatives will be the integration and connectedness between central and local government funding and financing opportunities.

84. **Review Panel recommendation 21:** *That central government expands its regulatory impact statement assessments to include the impacts on local government; and that it undertakes an assessment of regulation currently in force that is likely to have significant future funding impacts for local government and makes funding provision to reflect the national public-good benefits that accrue from those regulations.*

85. We support the intent of this recommendation, but experience would suggest that, even if adopted in full, the impact will be limited.

86. **Review Panel recommendation 22:** *That central and local government agree on arrangements and mechanisms for them to co-invest to meet community wellbeing priorities, and that central government makes funding provisions accordingly.*

87. We support the concept of multi-partner aligned co-investment agreements that this recommendation contemplates and that the Review Panel reference elsewhere in the draft report. The principle has been applied to transportation solutions and funding in major metro areas (including Tauranga and its environs through the multi-agency Urban Form & Transport Initiative and the subsequent Western Bay of Plenty Transport System Plan) and could be expanded to a whole-of-government approach to funding community wellbeing priorities. Key to making co-investment work is that implementation agreements and firm funding commitments are made at the time that strategic and planning partnerships are agreed. If this does not occur, the value and credibility of

effective local government and Crown agreements and partnerships is significantly reduced and compromised.

88. **Review Panel recommendation 23:** *That central government develops an intergenerational fund for climate change, with the application of the fund requiring appropriate regional and local decision-making input.*
89. We support the recommendation and see such a fund as being critical to the national adaptation response to climate change.
90. **Review Panel recommendation 25:** *That central government agencies pay local government rates and charges on all properties.*
91. We support the recommendation and for the reason suggested in the draft report's text: 'as a signal of good faith that the central-local government relationship is changing'.
92. **Review Panel question:** *What is the most appropriate basis and process for allocating central government funding to meet community priorities?*
93. In the case of metro growth councils, the most important consideration for allocating central government funding is to enable alignment between urban development imperatives and (particularly) transportation funding. Again, see sections 4 and 5 of the attached Discussion Document for specific concerns and opportunities in this area.

Chapter 9: Designing the local government system to enable the change we need

94. We support the Review Panel's identification of five core design principles for any new system of local government: local, subsidiarity, resourced, partnership, and economies of scope.
95. We also note the Review Panel's equivocation on whether it intends making recommendations on a future system within its final report: 'We will consider the feedback we receive before deciding whether we will propose a new structure for local government or leave that to some future reform process to determine.' We urge the Review Panel to make such a proposal; deferring to 'some future reform process' does not do justice to what the Review Panel itself describes as a 'once-in-a-generation opportunity for us all to reimagine our future'.
96. **Review Panel recommendation 26:** *That central and local government explore and agree to a new Tiriti-consistent structural and system design that will give effect to the design principles.*
97. We support the recommendation but, consistent with earlier comments, caution that the constitutional aspects of 'a new Tiriti-consistent structural and system design' need to be very carefully considered.
98. **Review Panel recommendation 27:** *That local government, supported by central government, invests in a programme that identifies and implements the opportunities for greater shared services collaboration.*
99. We support the recommendation and would welcome central government investment if this helps remove some of the existing barriers to greater collaboration that may be experienced in the sector.

100. **Review Panel recommendation 28:** *That local government establishes a Local Government Digital Partnership to develop a digital transformation roadmap for local government.*
101. In our view, it is critical that any digital strategy or operating model is developed after the governance and operating model for the future of local government has been agreed upon. While it may seem easy to start putting in place the building blocks of a future digital operating model now, that approach would not be best practice and rather would repeat well known errors of the past.
102. When the time is right for engagement and decision-making on the future of digital, we recommend that this future state be designed by, or alongside, the large number of experts that already work in local government and the key vendors that service local government every day. We feel that a model of consultants leading the design potentially provides good outcomes for the consultants but poorer outcomes for the communities that we serve. We consider it worth noting that digital in local government represents some of the strongest collaboration, information sharing and innovation in New Zealand.
103. The Review Panel notes that there is preparatory work underway with regard to digital partnerships. Should there be a desire to press ahead with digital design now, then we support the Association of Local Government Information Management's regional model, rather than the four-entity centre of excellence model being developed by consultants CoDigital.
104. **Review Panel question:** *What other design principles, if any, need to be considered?*
105. We consider it appropriate that the principle included in section 4(1) of the Local Electoral Act, being 'fair and effective representation for individuals and communities' is worthy of being added to the principles for the design of the wider local government system. Fair and effective representation is the cornerstone of any democratic process and should be a cornerstone of any redesign of the local government system.
106. **Review Panel question:** *What feedback have you got on the structural examples presented in the report?*
107. Without offering an opinion on the three models presented, we refer the reader back to the attached Discussion Document and stress the importance of first determining the functions of local government (and the associated funding) and then allowing form to follow.
108. With reference to example one (one council for the region supported by local or community boards) we caution that all regions (as currently defined in the Local Government Act 2002) are different and therefore a different approach may be appropriate for the future. Within the Bay of Plenty region, for instance, there are three distinct sub-regions, one in the east, one in the west, and Rotorua in the south. Three stand-alone councils (with local or community boards) is likely to serve the three distinct communities better than one single council across the existing region. This allows those councils to have strengthened community connections and to focus on matters to that are particular to the sub-region. A wider regional perspective in respect of strategic planning can then occur through, for example, the resource management reforms. This approach reiterates the need to first establish the functions for local governance and only

then to consider the form –again see section 4 of the Discussion Document attached to this submission.

Chapter 10: System stewardship and support

109. We agree that an 'effective system stewardship is needed to embed, drive, and support the system of local government to be successful and to navigate and adapt to change over the next 30 years' and that 'the (current) investment made in the system is small relative to the overall size of local government.'
110. The stewardship model, particularly at central government level, is complex and vague. The draft report sets this out well and notes the lack of coherence in existing arrangements.
111. Given the scale of local government, the impact it has on communities and wellbeing, and the potential changes to the sector over coming years, a dedicated and well-resourced Ministry for Local Government (or Governance) feels like an option that should be further explored in the Review Panel's final report.
112. **Review Panel recommendation 29:** *That central and local government considers the best model of stewardship and which entities are best placed to play system stewardship roles in a revised system of local government.*
113. We support the recommendation and further work in this area.

11.7 2024-2034 Long-term Plan - Significant Forecasting Assumptions

File Number: A14362342

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PURPOSE OF THE REPORT

1. The purpose of this report is to present the Significant Forecasting Assumptions (SFAs) that underpin planning for the 2024-2034 Long-term Plan (LTP) to Council.

RECOMMENDATIONS

That the Council:

- (a) Receives the report “2023-2034 Long-Term Plan – Significant Forecast Assumptions”.
- (b) Approves the draft 2023 – 2034 Long-Term Plan Significant Forecasting Assumptions and associated mitigation actions as set out in **Attachment 1**.

EXECUTIVE SUMMARY

2. The draft Significant Forecasting Assumptions are presented to Council for adoption to underpin the planning for the 2024-2034 Long-term Plan.
3. The Significant Forecasting Assumptions have been developed iteratively over the last two months building on those used for the Long-term Plan 2021-2031 Amendment with adjustments, additions and exclusions made to reflect updated data from third parties, legislative changes and the impacts of COVID-19.

BACKGROUND

4. An LTP is prepared every three years, covers ten years (and includes an Infrastructure Strategy for a 30 year period), must include specific information as prescribed in the Local Government Act 2002 (LGA), must be audited, and can only be adopted after a period of public consultation on a consultation document which itself also needs to be audited².
5. The LTP is a lead Council document and key to our public accountability. It is developed with substantial community consultation, and we regularly report on our performance against it.
6. The Significant Forecasting Assumptions (**Attachment 1**) set the basis for developing the LTP. They provide the common set of data and direction for the organisation to use in its planning.
7. The Significant Forecasting Assumptions are used by activity and asset managers to inform their planning and development of issues and options. They also underpin Council's decisions and funding approaches.
8. The Significant Forecasting Assumptions have been reviewed regularly to take account of the implications of COVID-19 and the latest data available from third parties including Tatauranga Aotearoa Stats NZ.
9. The population and dwelling projections (assumption 1) and their allocation were reviewed in late 2022. Adjustments were made to the LTP growth projections in response to identified housing supply shortfalls with reduced projected uptake until 2026 then increasing projected growth from 2026 to 2038. The growth assumptions reflect the release of new Greenfield UGA supply (Tauriko West from 2025/26, followed by Ohauiti South, Te Tumu and Keenan

² Sections 93(3), 93(7), 101B(1), 94, 93(2) and 93A(4), Local Government Act 2002 respectively.

Road post 2030) and the assumed increase of infill/ intensification yield (encouraged/ enabled through Proposed Plan Change 33 – Enabling Housing Supply, and spatial planning). Uptake will continue to be closely monitored, and adjustments made where necessary, to ensure the projections and their allocation remain as reasonable as possible and fit for purpose.

10. For the assumption regarding inflation – our costs assumption (13), the data source used in the assumptions for this iteration is old. As part of the LTP project the project team are currently sourcing alternative inflation assumptions for the initial development of the LTP for Capital Budgets. The approach to Operational Budgets is still in development. The cost-of-living assumption (14) uses the BERL - Local Government Cost Adjustors report which will be updated later this year when the latest version of this report is released from BERL. This assumption will then be updated before being brought back to Council again for final adoption.
11. With regard to interest rate assumptions (15 and 16), the Reserve Bank will be making the next Official Cash Rate (OCR) announcement on 22 February. It usually takes the market and banks a couple of days to react and resettle to the latest announcement. The assumptions used in Attachment 1 is the best-known information at the time of writing. Banks will be providing an updated OCR forecast in the days following which will further guide our LTP assumptions. If available on the day an update to the two interest rate assumptions will be tabled at this meeting.
12. Lastly to ensure we are planning for every possible outcome over the next 12 months we have prepared a separate assumption (which we have titled 20A) as **Attachment 2** for a scenario where three waters would remain in council control. However, as per the advice and guidance issued from Department of Internal Affairs so far assumption 20 in **Attachment 1** references that we are building this LTP on the basis that three waters will be removed from council control and be transferred to Entity B on 1 July 2024.

PURPOSE OF THE SIGNIFICANT FORECASTING ASSUMPTIONS

13. The Significant Forecasting Assumptions are one of the essential building blocks in developing the LTP. They represent the important trends and projections that are expected to affect the Council and the city.
14. The Significant Forecasting Assumptions outline the key assumptions. These include demographic assumptions around population growth, aging, socioeconomic deprivation and the ethnic profile of the city. It also includes assumptions around our environment, employment in the city and technological change.
15. The key assumptions represent the most important items for consideration in our planning. However, each activity may also have their own specific assumptions.
16. These assumptions have been used by the LTP project team and activity managers to inform and underpin the LTP. They are applied consistently across activity areas.
17. The assumptions will be revised prior to finalising the LTP, to ensure that we are using the most up to date and relevant information.

STRATEGIC / STATUTORY CONTEXT

18. Schedule 10, Section 17 of the Local Government Act 2002 (LGA 2002), requires Council to identify significant forecasting assumptions. Similarly, section 94(b) LGA 2002, requires that these assumptions be audited, with the quality of the information and assumptions underlying the forecast information to be commented on. Assumptions are also a requirement of the financial accounting standards (under the GAAP – Accounting standard PBE FRS 42 Prospective Financial Information).
19. The assumptions are part of the key underlying information that drive good planning.

SIGNIFICANT FORECASTING ASSUMPTIONS DOCUMENT OVERVIEW

20. The 40 assumptions are outlined in **Attachment 1**. These are significant forecasting assumptions as they address key drivers for council, or City-wide issues.
21. Each assumption is considered under a series of headings:
- Forecasting assumption:** general topic to which the assumption relates
 - Detail:** further detail regarding the nature of the assumption
 - Data Source:** details of where the data underlying the assumption was sourced from
 - Risks:** the risks to Council if the events occur which are materially different to those assumed
 - Level of uncertainty:** the level of uncertainty as to whether events will unfold as assumed
 - Effect:** the impact of the risks eventuating; and
 - Mitigation:** steps taken by Council to mitigate the effects.
22. The Significant Forecasting Assumptions are based on reliable data sources, both internal and external. External sources include Tatauranga Aotearoa Stats NZ, NIWA and BERL, among others.

OPTIONS ANALYSIS

Option 1: Council adopts the draft Significant Forecasting Assumptions to underpin planning for the 2024-2034 Long-term Plan

23. Council approves draft Significant Forecasting Assumptions (SFAs) as per **Attachment 1**.

Advantages		Disadvantages
<ul style="list-style-type: none"> Managers have reviewed the SFAs and have made recommendations based on reasonable expectations The SFAs reflect best practice guidance The SFAs provide clarity and certainty to council staff in preparing the LTP The assumptions form the basis of planning and are auditable. 		<ul style="list-style-type: none"> Changes to SFAs after detailed LTP preparation has started will require some re-work.
Key risks	Some updating of assumption and re-work of elements of the LTP may be inevitable due to the ever-changing environment which it is being prepared in.	
Recommended?	Yes	

Option 2: Council does not adopt the draft Significant Forecasting Assumptions

24. The Council does not approve the draft Significant Forecasting Assumptions as proposed in **Attachment 1**.

Advantages		Disadvantages
<ul style="list-style-type: none"> Potential opportunities for SFAs to be amended and reconsidered. 		<ul style="list-style-type: none"> Further staff time required to consider or reconsider SFAs Delay in adopting the SFAs (depending on the duration) may delay preparation of the LTP.
Key risks	Delay in accepting the SFAs may jeopardise timely delivery of the LTP.	
Recommended?	No	

FINANCIAL CONSIDERATIONS

25. There are no specific costs associated with option one, however pursuing option two could lead to time delays as processes and decision-making may need to be revisited.

LEGAL IMPLICATIONS / RISKS

26. The recommendation meets the legislative requirements of the LGA and reflect best practice in preparing the LTP.

CONSULTATION / ENGAGEMENT

27. The community are able to submit on the Significant Forecasting Assumptions as part of the formal consultation on the LTP in November-December 2023.

SIGNIFICANCE

28. The LGA 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.
29. 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, proposal, decision, or matter
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
30. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the LTP and its contents is of high significance. However, this decision is considered to be of low significance.

ENGAGEMENT

31. Taking into consideration the above assessment, that the decision is of low significance, staff are of the opinion that no further engagement is required prior to Council undertaking engagement on the Significant Forecasting Assumptions as part of the supporting information alongside the LTP Consultation Document.

NEXT STEPS

32. The approved Significant Forecasting Assumptions will continue to be refined as new information comes to hand. They will also be used as the basis for further preparation of the LTP.
33. The Significant Forecasting Assumptions will be brought to Council again later in 2023 (September/October) to be formally adopted as part of the supporting information that forms part of the formal consultation material on the LTP. The LTP is due to be consulted on in November-December 2023.

ATTACHMENTS

1. **Draft Significant Forecasting Assumptions LTP 2024-34 - A14406103** [↓](#) 
2. **LTP Assumption 20A Three Waters - A14406101** [↓](#) 



Significant Forecasting Assumptions

2024-2034 Long-term Plan

Introduction

Forecasting assumptions identify important trends and projections and assess the risk and potential impact that are expected to affect the Council and community. These assumptions are essential in providing the basis for the Long-term Plan (LTP).

These assumptions will be revised prior to finalising the LTP, to ensure the most up to date and relevant information is referenced.

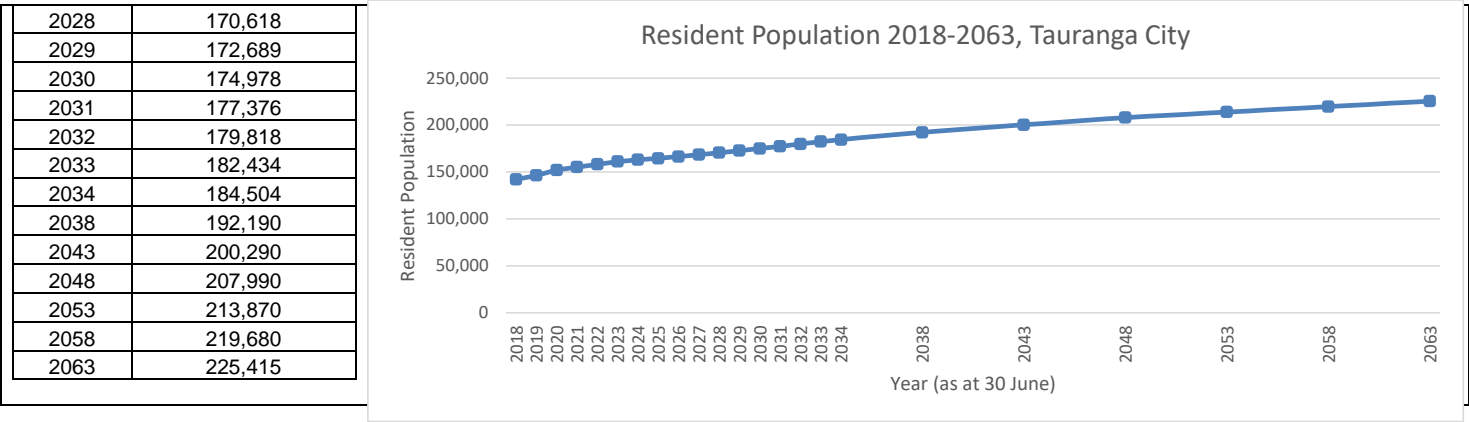
No.	Assumption	Effect
1	Population and household projections and locations	High
2	Demographic changes - age	Low-Medium
3	Demographic changes - ethnicity	Low - Medium
4	Demographic changes - socioeconomic	Low - Medium
5	Employment projections and sector projections	Medium
6	Climate change - natural hazards/ events	Medium - High
7	Climate change - stormwater events	Medium - High
8	Climate change - sea level rise	High
9	Land use changes (intensification)	Medium
10	Local Government reform	Medium-High
11	Resource management reform	High
12	Service Delivery Method	Low - High
13	Inflation - Our costs	Low - High
14	Inflation - Your costs	Low - High
15	Borrowing and interest rates	High
16	Investment interest rates	Low
17	Development Contributions	High
18	Waka Kotahi NZ Transport Agency Funding	High

19	Sale of assets	Medium
20	Ownership of water infrastructure assets	High
21	COVID-19 recovery	High
22	Legislative/Regulatory environment	High
23	Funds available for new assets and replacement and upgrade of significant existing assets	High
24	Asset lifecycles and depreciation methods	Medium
25	Revaluation of assets	Low
26	Environmental Standards - Resource consent requirements	High
27	Leaky Homes Settlements	Low - High
28	Level of Service changes	Medium
29	Project costings	Low - High
30	Housing Infrastructure Fund (HIF)	High
31	Vested Assets	Low
32	Civil Defence/Emergency Preparedness/ Business Continuity	High
33	Credit Rating	Medium - High
34	Disruptive Technologies	Medium
35	Resourcing (staff)	Medium
36	Resourcing (suppliers)	Medium
37	Deliverability of the capital programme	High
38	Inclusion of Bay Venues Limited user fee revenue in key financial metrics	Low
39	Memorial Park - Recreation hub and aquatics facility	High
40	Funding for Civic Precinct Capital Programme	High

Significant Assumptions Commentary

1 Population and household projections and locations					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Population and household growth, and location of growth, align with SmartGrowth projections.	SmartGrowth - Tauranga City Population and Dwelling Projection Review 2022	Population and household growth will occur faster or slower than predicted, and/ or in different locations than assumed.	Overall level of uncertainty is medium. As with all long term growth projections there is a relatively high risk of short term fluctuations as periods of high and low growth is experienced through a projection period.	High - The potential financial impact of over or under investing in infrastructure based on modelling of the growth allocations, could be significant.	Continual monitoring and updating of the allocations in particular reduces risk and enables Council to respond where clear departures are evident or where assumptions change. The timing of projects will then be amended, as necessary.

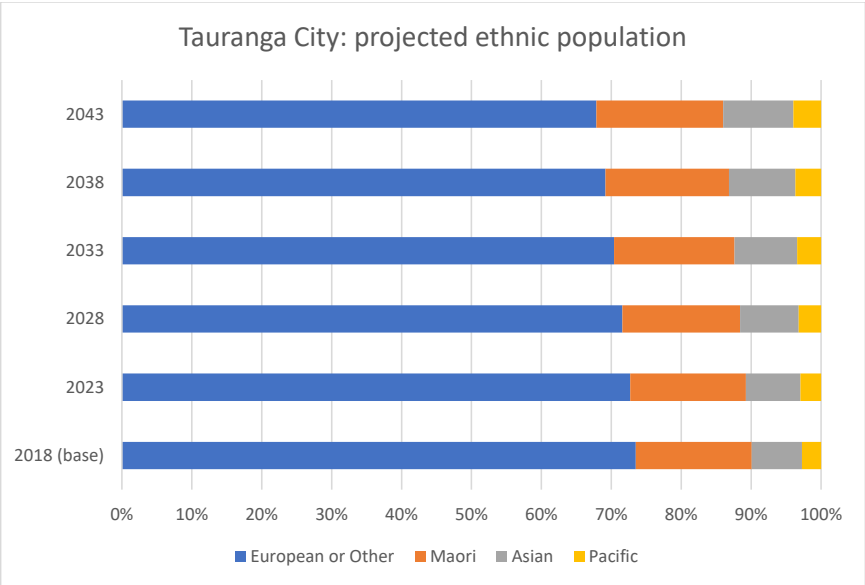
1 Population and household projections and locations (continued)	
Tauranga Population increase - Tauranga City Population and Dwelling Projection Review 2022	
Year	Resident Population
2018	142,100
2019	146,400
2020	152,200
2021	155,200
2022	158,200
2023	161,206
2024	163,038
2025	164,549
2026	166,381
2027	168,442

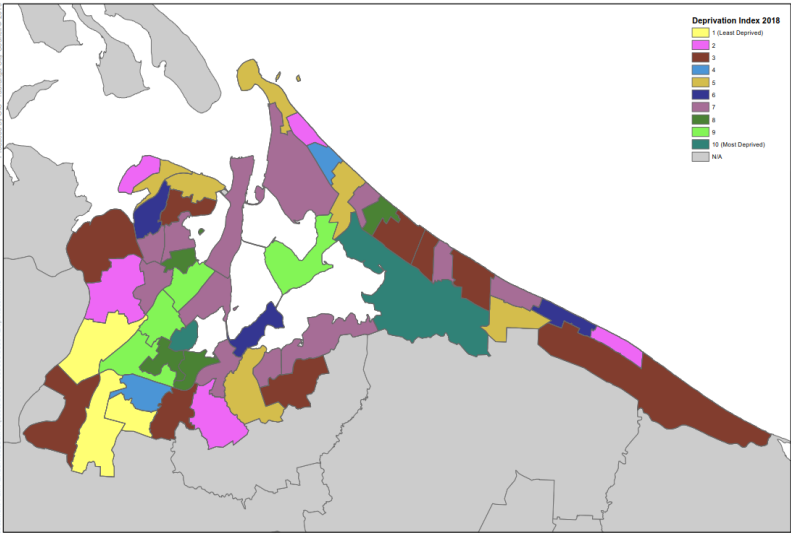


Demographic					
2 Demographic changes - Age					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That the proportion of the city population over 65 will continue to rise in line with projections from Stats NZ and the National Institute of Demographic and Economic Analysis.	Stats NZ Subnational Population projections 2018-2048 (2021 release) NIDEA - 2014 Review of Demographic and Labour Force Projections for the Bay of Plenty Region for the Period 2013 – 2063	A different population demographic profile is realised than the one that is currently projected.	At a national level the population is aging as is projected for Tauranga City. However, factors such as high house prices in Auckland, growth of the University, and change in immigration policy could potentially lead to more families and younger people moving to the area than currently assumed.	Low – Medium - A different age demographic may have a different impact on housing, recreation, health and service provision in particular. This may require alterations to our work programmes.	Continually monitor age composition of the population at each Census to see how this aligns with projections.

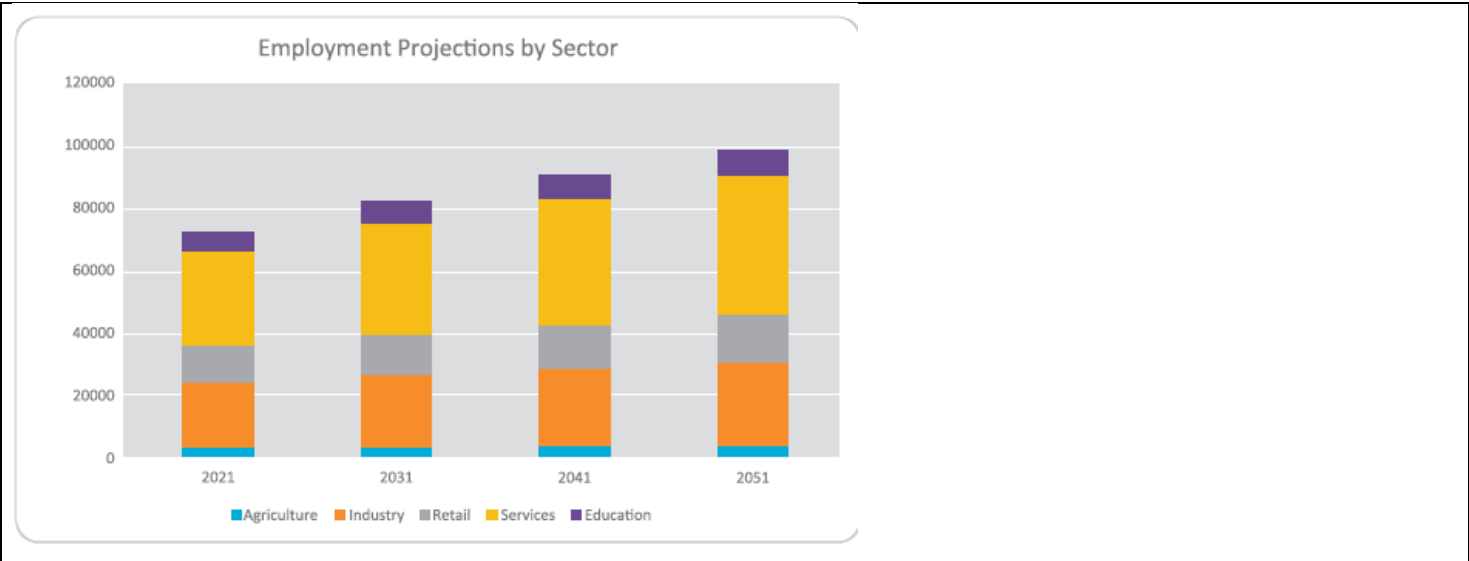
TCC Adjusted for Revised LTP Population									
Data Source	Year	Population by age group (years) at 30 June					Components of population change, five years ended 30 June		Additional People
		0-14	15-39	40-64	65+	Total (as at 30 June)	Natural increase	Net migration	
Stats NZ Data	2018	28,242	42,678	43,568	27,612	142,100	3,973	17,027	21,000
	2023	30,888	47,299	49,532	33,487	161,206	4,776	14,330	19,106
	2028	30,324	49,266	52,302	38,726	170,618	2,014	7,398	9,412
	2033	30,472	51,357	56,397	44,207	182,434	2,060	9,756	11,816
	2038	31,039	53,819	57,653	49,679	192,190	940	8,816	9,757
	2043	32,304	55,718	58,759	53,509	200,290	600	7,500	8,100
	2048	33,840	56,541	60,725	56,884	207,990	200	7,500	7,700
NIDEA Data	2053	33,511	57,124	61,920	61,314	213,870	-111	5,991	5,880
	2058	33,102	57,633	63,067	65,879	219,680	-370	6,180	5,810
	2063	32,612	58,067	64,163	70,573	225,415	-622	6,357	5,735

Demographic																																																																																																																																			
3 Demographic changes - Ethnicity																																																																																																																																			
Detail		Data Source (and rationale)		Risks		Level of uncertainty		Effect		Mitigation																																																																																																																									
That the city's ethnic profile will continue to change, following the pattern in Stats NZ projections, which will see an increase in the Māori, Pacific and Asian proportion of the city population, and a decline in European or Other.		Stats NZ Subnational Ethnic Population Projections: 2018(base) - 2043 (Please note that these figures will not align with those used for total population and aging)		The city's ethnic profile may deviate from the projections.		Migration policy and job opportunity may have impacts on ethnic composition.		Low – medium - Growth in different ethnic groups may bring different demands on service provision, and different opportunities.		Continually monitor ethnic composition of the population at each Census to see how this aligns with projections.																																																																																																																									
<table><tr><td colspan="2" rowspan="2"></td><td colspan="5">Population at 30 June</td><td colspan="4">Percentage of Tauranga population who are:</td></tr><tr><td>Europe an or Other</td><td>Maori</td><td>Asian</td><td>Pacific</td><td>Total</td><td>European or Other</td><td>Maori</td><td>Asian</td><td>Pacific</td></tr><tr><td rowspan="9">Tauranga City</td><td>1996</td><td>71,200</td><td>13150</td><td>1460</td><td>1280</td><td>79,800</td><td>89%</td><td>16%</td><td>2%</td><td>2%</td></tr><tr><td>2001</td><td>81700</td><td>15550</td><td>2380</td><td>1550</td><td>93,500</td><td>87%</td><td>17%</td><td>3%</td><td>2%</td></tr><tr><td>2006</td><td>92600</td><td>18000</td><td>3810</td><td>2020</td><td>107,000</td><td>87%</td><td>17%</td><td>4%</td><td>2%</td></tr><tr><td>2013</td><td>101000</td><td>21300</td><td>7130</td><td>3010</td><td>119,800</td><td>84%</td><td>18%</td><td>6%</td><td>3%</td></tr><tr><td>2018 (base)</td><td>116,500</td><td>26,300</td><td>11,400</td><td>4,310</td><td>142,100</td><td>82%</td><td>19%</td><td>8%</td><td>3%</td></tr><tr><td>2023</td><td>129,200</td><td>29,400</td><td>13,850</td><td>5,250</td><td>156,900</td><td>82%</td><td>19%</td><td>9%</td><td>3%</td></tr><tr><td>2028</td><td>137,700</td><td>32,400</td><td>16,150</td><td>6,130</td><td>166,300</td><td>83%</td><td>19%</td><td>10%</td><td>4%</td></tr><tr><td>2033</td><td>145,500</td><td>35,600</td><td>18,550</td><td>7,070</td><td>175,000</td><td>83%</td><td>20%</td><td>11%</td><td>4%</td></tr><tr><td>2038</td><td>152,800</td><td>39,000</td><td>21,000</td><td>8,120</td><td>183,300</td><td>83%</td><td>21%</td><td>11%</td><td>4%</td></tr><tr><td>2043</td><td>160,000</td><td>42,800</td><td>23,700</td><td>9,310</td><td>191,400</td><td>84%</td><td>22%</td><td>12%</td><td>5%</td></tr></table>													Population at 30 June					Percentage of Tauranga population who are:				Europe an or Other	Maori	Asian	Pacific	Total	European or Other	Maori	Asian	Pacific	Tauranga City	1996	71,200	13150	1460	1280	79,800	89%	16%	2%	2%	2001	81700	15550	2380	1550	93,500	87%	17%	3%	2%	2006	92600	18000	3810	2020	107,000	87%	17%	4%	2%	2013	101000	21300	7130	3010	119,800	84%	18%	6%	3%	2018 (base)	116,500	26,300	11,400	4,310	142,100	82%	19%	8%	3%	2023	129,200	29,400	13,850	5,250	156,900	82%	19%	9%	3%	2028	137,700	32,400	16,150	6,130	166,300	83%	19%	10%	4%	2033	145,500	35,600	18,550	7,070	175,000	83%	20%	11%	4%	2038	152,800	39,000	21,000	8,120	183,300	83%	21%	11%	4%	2043	160,000	42,800	23,700	9,310	191,400	84%	22%	12%	5%
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Demographic					
4	Demographic changes - Socioeconomic				
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
The pattern of socioeconomic deprivation will continue along the same lines as the 2018 results. The Deprivation Index provides an indication of deprivation at suburb level, based on the 2018 Census data.	TCC Socioeconomic deprivation index	The city's pattern of socioeconomic deprivation may deviate from the current pattern	Housing affordability and job opportunity may have impacts on the socioeconomic profile of some communities	Low – medium - Changes in socioeconomic deprivation in neighbourhoods may place increased or reduced demands on some services	Continually monitor research in this area to see how this aligns with projections
					

5 Employment projections and sector projections					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
More than three quarters of the employment growth in the Western Bay Sub Region is expected to be located in Tauranga and this is dominated by shifts in service related employment. The Tauranga CBD is expected to experience significant growth in the services and retail sectors, whilst Tauriko (and Te Maunga after 2050) are expected to see a large growth in industry sectors.	SmartGrowth - Employment Projections methodology and key findings	Employment growth will occur faster or slower than predicted, and/or in different locations than assumed.	As with all long-term growth projections there is a relatively high risk of short term fluctuations as periods of high and low growth is experienced through a projection period.	Medium - The potential impact of over or under investing in infrastructure based on the projections.	Continual monitoring and updating of the allocations in particular reduces risk and enables Council to respond where clear departures are evident or where assumptions change.



6 Climate change - Natural hazards / events					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>Tauranga is exposed to a range of natural hazard events. We have mapped the majority of the areas subject to these hazards in our city. Varying management approaches are in place for these hazards, which are governed through the New Zealand laws. The upcoming City Plan review (in this Long-term Plan) will bring a new regulatory approach to natural hazard risk, and risk reduction.</p> <p>As low likelihood, high consequence natural disasters are difficult to predict, we have not assumed that any will occur in the course of the Long-term Plan. Instead, we have invested in susceptibility mapping, infrastructure resilience planning and risk reduction through regulatory control.</p>	<p>TCC progressively completed modelling for flooding from intense rainfall events between 2012 through to 2019 and is now updating these models on a regular basis to keep them current. TCC Tsunami modelling for evacuation planning is currently based on 2015 work focused on a maximum credible event with a 1:2500-year return period. A regional tsunami inundation model has been commissioned by Emergency Management Bay of Plenty with an estimated completion date for the end of 2024.</p> <p>Inner harbour inundation modelling was completed in 2019 and incorporates sea-level rise to 2130.</p> <p>Open coast inundation modelling was completed in 2023 by BoPRC and will be incorporated into TCC dataset.</p> <p>TCC Coastal erosion modelling was completed in 2019 for inner harbour and</p>	<p>A high consequence natural disaster occurs.</p>	<p>The probability of a large natural hazard event causing widespread damage to the city, or parts of the City is low however the consequences will be significant. The most common hazard event will be flooding from intense rainfall events which feature in over 90% of our resilience projects.</p> <p>Hazard datasets are required to be updated as new science and/or legislature is</p>	<p>Medium – High - Should an event occur, and depending on the scale of that event, there will be a need for the Council to be prepared and respond accordingly to that need.</p> <p>Significant financial costs may be incurred due to a significant natural hazard event occurring.</p>	<p>Council is focusing on new tsunami planning and continues its hazard modelling and delivery of evacuation areas, alongside wider work programs with Emergency Management Civil Defence. Council has insurance cover in relation to natural disasters, both for buildings and for underground assets.</p> <p>TCC initiated a Citywide Infrastructure Resilience project in 2018 which has now identified hazard exposed assets and areas. Mitigation projects to reduce the risks have been proposed and implementation of these will reduce city risk to natural hazards. TCC is progressing with Plan Change 27 (flooding from intense rainfall) to include a regulatory approach into the City Plan, reducing the risk of flooding to buildings over time (through redevelopment).</p>

	<p>open coast and incorporates sea-level rise to 2130. TCC Seismic shaking model (PSHA) was released in 2020. An update to this model will be undertaken in 2023 to take into account the updated National Seismic Hazard Model which was released in 2022. An update of the model may impact the liquefaction and lateral spread hazard study completed in 2020. TCC Liquefaction and lateral spread hazard study was completed and released in 2020 and incorporates sea-level rise to 2130. An update to the TCC's groundwater model will be completed in 2023 and incorporates sea-level rise to 2130. TCC landslide susceptibility mapping (earthquake and rainfall) and an update to the slope hazard map will be completed in 2023.</p>		<p>released. TCC needs to continually update the datasets.</p> <p>The infrastructure Resilience programme needs to be updated as hazard databases and infrastructure databases are updated.</p>		
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7 Climate change - Stormwater events					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
The consequences of flood events are consistent with Councils modelling program.	TCC adopted Flood Risk Approach (to intense rainfall events). TCC adopted Level of Service. TCC 2D Flood models for all 18 catchments for 10-year and 100-year return period events incorporating rainfall projections to 2130 including climate change assumptions based on RCP 8.5 have been set up and are being kept up to date.	Flooding events occur to a greater extent than predicted or in areas we have not predicted.	Moderate. Modelling is underway to better understand the risk of 1 in 500 year flooding.	Medium – High - Should flooding events occur there will be desires from affected community members for Council to amend its approach to flood risk management and invest in infrastructure delivery resulting in high capital costs to Council.	Complete projects identified by the Resilience Management of Reactive Reserve Fund, and progression of site-specific projects to reduce risk. Project Management of flood risk approach and implementation during flood events. Complete Plan Change 27 (flooding from intense rainfall) to include a regulatory approach into the City Plan, reducing the risk of flooding to buildings (through redevelopment).

8 Climate change – Sea-level rise					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>Sea-level rise will affect Tauranga harbour margins and open coastal areas; directly through sea level rise, and indirectly by exacerbating coastal hazards of storm surge and erosion as well as land-based liquefaction.</p> <p>Sea-level rise consideration of 1.25m by 2130 is directed through Bay of Plenty Regional Policy Statement for intensification and 1.6m for greenfield development.</p> <p>100-year forward planning is required through the New Zealand Coastal Policy Statement to manage the risk of natural hazards.</p> <p>Hazard modelling has assumed high greenhouse gas emissions for projections over the next 100 years.</p>	<p>Adapting to sea-level rise *</p> <p>TCC Storm Surge modelling of the inner harbour was released in 2019 and incorporates sea-level rise to 2130. Open coast modelling will be completed in 2021.</p> <p>TCC Liquefaction and lateral stretch hazard study was completed and released in 2020 and incorporates sea-level rise to 2130.</p> <p>TCC Coastal erosion modelling was complete for inner harbour and open coast, incorporating sea-level rise to 2130.</p>	<p>Current projected rise indicates a number of low-lying zones may be forced to consider withdrawal from those areas.</p> <p>Should sea-level rise occur faster than predicted, then the effects of that rising sea will be felt sooner.</p> <p>That a proactive approach to sea-level rise planning is not put in place.</p>	<p>High - while a range of modelling and verification has been undertaken, there is no clear confirmation of which modelling assumption will best represent our future.</p>	<p>High – the effects can result in loss of land that has been developed, or has further development potential affecting land supply, infrastructure and wider transport connections.</p> <p>Loss of developable or developable land will reduce TCC ability to provide for housing demand</p>	<p>The effects of a changing climate need to be advanced as part of wider urban form discussions and long-term planning.</p> <p>Strategies need to be developed so policy decisions and funding can be progressed</p>

* <http://www.mfe.govt.nz/climate-change/adapting-climate-change/adapting-sea-level-rise>

9 Land use changes (intensification)					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Driven by policy change at national and local government levels, land use change, particularly residential intensification, is increasing across the city. The National Policy Statement on Urban Development (NPS-UD) and Medium Density Residential Standards (MDRS) requires high growth councils (including Tauranga City Council) to plan, deliver and monitor development capacity in their city within both brownfield and greenfield areas. Recent local strategic and policy projects, including SmartGrowth, Urban Form and Transport Initiative and spatial planning for Te Papa peninsula, Otumoetai and the Mount to Arataki area and Plan Change 33 will enable and support growth of existing areas. It is currently anticipated that from 2018 (last Census) to 2063 intensification of existing urban areas will provide for around 42% of growth, with operative zoned greenfields areas providing for 27%, and future greenfield areas (including Te Tumu, Ohauiti South, Tauriko West and Keenan Road) 31%.	SmartGrowth; UFTI, NPS-UD; Te Papa and Otumoetai Spatial Planning; intensification modelling	Land use change may occur at a faster or slower rate than anticipated. It may occur in areas other than those we have planned for, particularly given the MDRS application across the wider city.	Medium - land use change is certain. The proportion of this change that equates to intensification is less certain. It relies on community responses, political willingness, costs of additional infrastructure, market forces, and government agency partnerships. Significant commitment is being made to enable and support intensification, and the general trend across high growth councils is for an increase in buildings consents (both in number and proportion) for multiunit housing.	Medium - Intensification has both significant costs (in dollars) and benefits (in dollars wider economic benefits, and four well-beings). Intensification with significant supporting infrastructure (including social infrastructure) investment over time; economic evaluation shows that there will be significant wider economic benefits.	Land use changes need to be advanced as a comprehensive package of greenfield and brownfield development. Partnership with other government agencies will play a key role; as will staged development and investment in infrastructure to support private development. Provision is made for growth and bulk funds established to provide for citywide infrastructure and investment for intensification. (This is discussed further in the Infrastructure Strategy). Strong input and collaboration with Western Bay of Plenty District Council and Bay of Plenty Regional Council will significantly aid the advancement of future land use changes.

10 Local government reform					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>That our current structure, role, and functions will continue, except where this has been clearly stated in the LTP. The range and nature of our services will remain unchanged.</p> <p>The Review into the Future for Local Government has published its draft report, He mata whāriki, he matawhānui. The draft report poses recommendations and key questions to shape a more community-focused, citizen-centred local governance system. The draft report does not explicitly recommend the allocation of roles and functions between central and local government.</p>	The Review into the Future for Local Government draft report: He mata whāriki, he matawhānui	<p>That the structure of Local government will change, and the Council moves to unitary, combined or other governance model. Within ten years there may be significant changes to the boundaries of local government in our region.</p> <p>That central government will allocate or remove responsibility for services to local government, and/or the Regional Council will allocate responsibility for additional services or standards to local government in the Bay of Plenty Region that requires immediate addressing and affects our capacity to deliver.</p>	<p>High.</p> <p>While the Future for Local Government review recommends and discusses changes to what local government is and does, it is unlikely that any recommendations could take effect by 1 July 2024.</p>	<p>Medium – high - depending on the level of change. There could be significant restructuring, reorganisation or establishment costs incurred. There would be associated financial and rating changes as a consequence. Changes in the purpose and role of local government may have substantial impacts on budgets and financial forecasts and may require an amendment to the LTP.</p>	<p>A reorganisation process would take place over a sizeable period of time, this would allow the Council to fully prepare. The Council will proactively monitor and engage in discussions of this nature. We will continue to keep a watching brief on the Future for Local Government review and any resulting legislative changes. The final report is due June 2023, and it is yet to be determined whether it will translate into legislative change.</p>

11 Resource Management reform					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That during the life of this LTP, the Resource Management Act 1991 will be repealed and replaced with new legislation. This would result in a new National Planning Framework, and a regional planning model.	Ministry for the Environment	That Council may not be delivering services such as developing policy (city planning) and may be implementing regional spatial strategies that it has limited input into.	Medium - The initial indication is the overall transition process would be completed within ten years.	<p>High - changes could have a significant impact on the way we operate.</p> <p>The Resource Management Act 1991 will be repealed and replaced with three new acts:</p> <ul style="list-style-type: none"> • The Natural and Built Environment Act (NBA), as the main replacement for the Resource Management Act (RMA), to protect and restore the environment while better enabling development. • The Spatial Planning Act (SPA), requiring the development of long-term regional spatial strategies (RSS) to help coordinate and integrate decisions made under relevant legislation. • The Climate Adaptation Act (CAA), to address complex issues associated with managed retreat. 	<p>We will continue to keep a watching brief on the review and any resulting legislative changes.</p> <p>The Ministry for the Environment has commenced on the practice, capacity and training needed to ensure local government, iwi/hapū and Māori and resource management practitioners can transition and successfully participate in the new system.</p>

12 Service delivery method					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That the existing services and methods of delivery will continue, except where this has been clearly stated in the LTP.	TCC	That future investigations or reviews under section 17 of the Local Government Act 2002 reveal more cost-efficient methods of delivering services which may be preferred.	High.	Low to high - depending on the level of change. Changes in the delivery of services may have substantial impacts on budgets and financial forecasts and may require an amendment to the LTP.	<p>We will continue to seek collaboration opportunities with other councils.</p> <p>Council will pursue shared service options through BOPLASS Ltd (a company owned by us and other local councils to assist in the acquisition of services) and other methods, such as public/private partnerships. The Council will carry out periodic service delivery reviews to assess options.</p>

13 Inflation - Our costs																																																																	
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation																																																												
That our costs will rise in line with the Local Government Cost Index (LGCI) for operational and capital expenditure, as forecast by our economic advisor, BERL, as a faster rebuild scenario.	BERL - Table 4.14	<p>The actual price of inputs and outputs will not increase at the rate assumed.</p> <p>BERL data not available in time for the production of the draft LTP</p>	High.	Low to high - depending on the level of variation. Changes could have a significant financial impact on our costs.	Currently sourcing alternative inflation assumptions for the development of the LTP for Capex, Opex yet to be decided what approach will be undertaken.																																																												
<div>Faster rebuild scenario</div> <table><tr><th></th><th>OPEX</th><th>CAPEX</th><th>TOTAL</th></tr><tr><td>2019</td><td>3.0</td><td>2.9</td><td>3.0</td></tr><tr><td>2020</td><td>1.9</td><td>2.0</td><td>2.0</td></tr><tr><td>2021</td><td>0.4</td><td>0.1</td><td>0.3</td></tr><tr><td>2022</td><td>3.1</td><td>3.3</td><td>3.2</td></tr><tr><td>2023</td><td>2.9</td><td>3.0</td><td>2.9</td></tr><tr><td>2024</td><td>2.9</td><td>3.0</td><td>2.9</td></tr><tr><td>2025</td><td>2.9</td><td>3.0</td><td>2.9</td></tr><tr><td>2026</td><td>2.9</td><td>3.0</td><td>2.9</td></tr><tr><td>2027</td><td>2.7</td><td>2.8</td><td>2.8</td></tr><tr><td>2028</td><td>2.8</td><td>3.0</td><td>2.9</td></tr><tr><td>2029</td><td>2.8</td><td>3.0</td><td>2.9</td></tr><tr><td>2030</td><td>2.8</td><td>3.0</td><td>2.9</td></tr><tr><td>2031</td><td>2.7</td><td>2.8</td><td>2.7</td></tr><tr><td>20 year average %pa</td><td>2.3</td><td>2.4</td><td>2.4</td></tr></table>							OPEX	CAPEX	TOTAL	2019	3.0	2.9	3.0	2020	1.9	2.0	2.0	2021	0.4	0.1	0.3	2022	3.1	3.3	3.2	2023	2.9	3.0	2.9	2024	2.9	3.0	2.9	2025	2.9	3.0	2.9	2026	2.9	3.0	2.9	2027	2.7	2.8	2.8	2028	2.8	3.0	2.9	2029	2.8	3.0	2.9	2030	2.8	3.0	2.9	2031	2.7	2.8	2.7	20 year average %pa	2.3	2.4	2.4
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14 Inflation – Your costs																																															
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation																																										
The general cost of living across all types of expenditure for people living in Tauranga will rise in line with the national Consumer Price Index forecast prepared by our economics advisor, BERL.	BERL - Local Government Cost Adjustors report 2020, Table 7.12	The actual rate of CPI inflation will not increase at the rate assumed.	Medium.	Low to high - depending on the level of variation. Changes could have a significant financial impact on rates affordability.	Will be updated upon the release of updated BERL report later in the year.																																										
<div>Consumer Price Index (CPI)</div> <table><tr><th>Year to June</th><th>Index (June 2017=1000)</th><th>% per annum change</th></tr><tr><td>2019</td><td>1027</td><td></td></tr><tr><td>2020</td><td>1046</td><td>1.8</td></tr><tr><td>2021</td><td>1063</td><td>1.6</td></tr><tr><td>2022</td><td>1081</td><td>1.7</td></tr><tr><td>2023</td><td>1099</td><td>1.7</td></tr><tr><td>2024</td><td>1117</td><td>1.7</td></tr><tr><td>2025</td><td>1135</td><td>1.6</td></tr><tr><td>2026</td><td>1156</td><td>1.9</td></tr><tr><td>2027</td><td>1179</td><td>2.0</td></tr><tr><td>2028</td><td>1204</td><td>2.2</td></tr><tr><td>2029</td><td>1231</td><td>2.3</td></tr><tr><td>2030</td><td>1259</td><td>2.3</td></tr><tr><td>2031</td><td>1287</td><td>2.3</td></tr></table>						Year to June	Index (June 2017=1000)	% per annum change	2019	1027		2020	1046	1.8	2021	1063	1.6	2022	1081	1.7	2023	1099	1.7	2024	1117	1.7	2025	1135	1.6	2026	1156	1.9	2027	1179	2.0	2028	1204	2.2	2029	1231	2.3	2030	1259	2.3	2031	1287	2.3
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15 Interest rates - Borrowing and interest rates					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Average borrowing interest rates range from 3.00% to 6.00% for the period 1 July 2024 to 30 June 2034.	Estimated cost based on existing interest rate hedging and forecast market interest rates	Significant market interest rate fluctuations	High.	High – following a period of Official Cash Rate (OCR) increases it is expected that the reserve bank will start a cutting cycling. However, the timing and size of the reductions back to a neutral OCR is dependent on other economic factors. Interest costs could continue to increase in the short term and hold for longer than anticipated.	Maintaining around 70% of fixed interest rates for debt and interest costs are managed on a net basis.

16 Interest rates - Investment interest rates					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Average investment interest rates range from 2.00% to 5.00% for the period 1 July 2024 to 30 June 2034.	Based on forecast market deposit interest rates.	Significant market interest rate fluctuations.	High.	Low – relatively small impact due to deposit levels.	Maintain detailed cashflows to manage the investment portfolio and interest is managed on a net basis.

17 Development Contributions					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
The growth-related component of infrastructure required for new developments – stormwater, wastewater, water supply, roading and community facilities and reserves – will be met from multiple funding sources including development contributions, central government funding through the Infrastructure Accelerator Fund and Waka Kotahi NZTA's Funding Assistance Rate subsidy, Infrastructure Funding and Financing levies and direct funding from developers. Significant assumptions in relation to development contributions are included within the Development Contributions Policy.	TCC	(i) That the collection of funding raised does not cover the growth component of capital works planned. (ii) That the funding sources are inter-related and contingent on one components is not successful, other potions may also fail.	Medium.	High - delays in receiving growth funding will lead to increased interest costs. Under collection of development contributions and/or other funding sources not being made available may require general rates funding however this will be brought to Council for a decision should this occur.	The growth assumptions within the Development Contributions Policy are considered robust as they are based on SmartGrowth modelling used across the LTP. The policy is adopted by Council after a robust process including the Special Consultative Procedure and external audit. The Policy is updated annually to address any potential issues. Council is working to ensure multiple funding streams to fund growth. This is to minimise reliance on any one source to limit Council's exposure should one or more sources undercollect or not materialise.

18 Waka Kotahi NZ Transport Agency Funding					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>Financial assistance rate (FAR) from Waka Kotahi (NZTA) will continue on the same basis and at the rates set by them in the October 2014 Funding Assistance Rate Review.</p> <p>The overall average for FAR is 51%.</p> <p>NZTA funds specific programmes of work and agrees 3-year funding envelopes across such items as maintenance operations and renewals and low cost/low risk programme, as well as funding for specific roading projects.</p> <p>Some funding decisions have been made with lower funding levels provided than had been requested, while other funding decisions are outstanding.</p>	NZTA	<p>Changes to NZTA road prioritisation may impact on future funding.</p> <p>Total funding levels may be less than assumed in the LTP.</p>	<p>High - central government policy may change with change of Government.</p> <p>Funding decisions for large projects are dependent on business cases and will not be confirmed for several years.</p> <p>Funding decisions for regular programmes of work have not all been finalised and may affect programmes in the first three years.</p>	<p>High - Changes to the level of funding received may lead to increased costs for Council to complete its roading programme and may limit the viability of some projects. If the projects are unable to secure funds from NZTA then Council may be approached to meet any shortfall. If this is the case, this request will be considered through the annual budget process. If the project does not proceed, Council will remove the funding contribution (if applicable) from the budget. This may have impacts on the level of service of lower risk roads.</p>	<p>Maintenance of a positive relationship with NZTA allows frequent communication and the awareness of issues in advance. Our working partnership with Western Bay of Plenty District Council and Bay of Plenty Regional Council, through SmartGrowth, provides the basis of long-term investment decisions. Our planning has been done in partnership with NZTA (including Transport System Plan) and is well aligned with the Government Policy Statement.</p> <p>TCC has managed the uncertainty relating to NZTA funding in the first three years of the LTP by making a capital delivery adjustment, reducing the level of expenditure in those years and redistributing it over later years of the LTP.</p> <p>TCC will seek other sources of funding as they become available to minimise risk e.g., NZUP, the transport choices fund, CERF etc.</p>

19 Sale of assets					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
The Te Tumu block sale will occur around 2030.	<p>TCC https://www.tauranga.govt.nz/Portals/0/data/council/reports/population-household-review-2022-app1.pdf</p> <p>The housing projections used for the LTP have 632 dwellings in Te Tumu by 2034. For that to happen the land transaction needs to occur prior to that.</p>	Delay in rezoning of the Te Tumu Urban Growth Area.	Medium.	Medium - Any delay in settlement will impact on Council's debt ratios and location of planned growth.	<p>TCC has worked, and will continue to work, to:</p> <ul style="list-style-type: none"> • Actively progress planning to enable rezoning to urban to occur • Support the TK14 Maori Land Trust to progress processes to enable infrastructure and land development.

20 Ownership of water infrastructure assets (waters out)					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>TCC will not retain ownership of water supply, wastewater, and stormwater infrastructure assets and from 1 July 2024, Entity B will deliver Tauranga City's drinking water, wastewater and stormwater services.</p> <p>Central government is currently undertaking a reform of the way that three waters (wastewater, water supply and stormwater) are managed in New Zealand. The Water Services Entities Act 2022 has established the new water services entities, expected to provide services from 1 July 2024, and Chief Executives have been appointed to the entities.</p> <p>This LTP document has been prepared on the basis that Council's management of these services will not continue.</p>	<p>Department of Internal Affairs, Three Waters</p>	<p>There may be unanticipated material changes to the legislative landscape that cause significant changes to what we do and how we pay for it.</p>	<p>High.</p>	<p>High - changes could have a significant financial impact on the way we operate. The removal of the three waters capital programme and debt would materially assist the financial sustainability of TCC, however would affect other areas of the business due to overhead allocations.</p>	<p>The projects contained in the LTP have been based on the basis that Entity B will carry out three waters services.</p>

21	COVID-19 Recovery				
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
New Zealand does not see a widespread resurgence of community transmission of COVID-19 (or a variation thereof) requiring regional or national lockdowns or restrictions, and that New Zealand's international borders stay open.	Ministry of Health Unite Against COVID-19 website With case numbers falling, a highly vaccinated population, and increased access to antiviral medicines to treat COVID-19, public health experts say it is safe to remove most COVID-19 rules and end border restrictions	A variation of COVID-19 enters the community requiring a lockdown of the Bay of Plenty region or more broadly.	Medium.	High - A COVID-19 variant may substantially reduce the functionality of some TCC activities with consequential negative impacts on revenue.	Ensuring operational resilience practices to ensure TCC's essential activities continue to function in the event of a lockdown and non-essential services have the capacity to operate as fully as is safely possible. The government continues to monitor for new variants arriving from overseas through follow-up PCR (polymerase chain reaction) tests and genome sequencing of positive cases in travellers, and targeted surveillance at the border.

22	Legislative/Regulatory environment				
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That current national and regional policies, strategies and legislation will not change significantly during the period of the LTP, except for changes already identified in this LTP.	TCC	That there will be major unexpected changes to legislation that may cause significant changes to how we operate, what we do, and/or who pays for things.	Medium.	High - changes could have a significant financial impact on the way we operate, depending on the nature of change.	Legislative change is often progressed with a long lead time, allowing council to respond accordingly.

23 Funds available for new assets and replacement and upgrade of significant existing assets					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>Sources of funds for operating and capital expenditure are as per the Revenue and Financing Policy. This policy will consider:</p> <ul style="list-style-type: none"> increasing debt retirement through rates and user fees to improve TCC's borrowing capacity. off balance sheet options where borrowing capacity is not available through TCC. the role of regional partners in contributing to infrastructure capital costs and operations of services used by people outside TCC boundaries. 	TCC	<p>That sources of funds are not achieved.</p> <p>That the cost of alternative funds is high to certain ratepayer groups leading to constraints on these options.</p> <p>The community does not support use of these options.</p>	Low.	High - Council may have to utilise alternative sources of funding with potential impacts to rates and debt.	<p>User charges have been set at previously achieved levels. Depreciation is funded through either rates or user fees depending on the funding of the activity where the assets are utilised. The Council can access borrowings at levels forecast within the LTP. Council can reduce capex levels and opex (levels of service) to meet funding constraints.</p>

24 Asset lifecycles and depreciation methods					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Asset lifecycles will align with forecast and used as the basis of depreciation. It is assumed that assets will be replaced at the end of their useful life (based on condition and/or performance).	Depreciation method and estimated useful life of assets – see tables below	That assets wear out earlier or later than estimated or are replaced prior to reaching the end of their useful lives. That asset condition is not correctly assessed.	Low – asset lives are based on estimates made by suppliers, manufacturers, asset managers, engineers and registered valuers.	Medium - depreciation and interest costs would increase if capital expenditure was required earlier than anticipated. Levels of service could be diminished if condition not appropriately assessed.	Capital projects could be reprioritised in the event of early expiration of assets. Council has an extensive asset management planning process which includes regular condition monitoring and assessment. Where a decision is made not to replace an asset, this will be factored into capital projections.

23 Asset lifecycles and depreciation methods (continued)
Water Supply

Asset Type	Useful Life (Years)
Water Connections	
Water Meters <=80mm	15
Water Meters >80mm	20
Service Connection Pipe work	50
Testable Backflow Devices	30
Non-Testable Backflow Devices	15
Pipes (Mains/Service Pipes)	
Asbestos Cement	40-100
Concrete Lined Steel	90
Cast and Ductile Iron, Epoxy Lined Steel, GRP, Polyethylene (PE)	100
PE100, PE80, Stainless Steel, UPVC	100
mPVC, PVCO, Steel, Unknown	80
Galvanised Iron	40
Other Pipes	100
Network Valves	20-70
Reservoirs	80
Pumps	20-70
Water Supply & Wastewater Facilities	
Electrical & Control	
Computer/Printing Equipment	4
Sampling Equipment	10
Mixers, pH Probes	15
High Voltage Equipment	50
All other Electrical & Control Equipment	20-30
Generator Sets	50
Mechanical Plant	
Actuators, HVAC	10
Pumps and Motors	10-30
Hydraulic Motors	20
All other Mechanical Plant	30
Plant Pipework and Valves	
Acoustic Silencers, Flowmeters	20
Air Receivers	25
Valves	25-50
Fire Hydrants	75
Telemetry	25

Wastewater

Asset Type	Useful Life (Years)
Water Connections	
Water Meters <=80mm	15
Water Meters >80mm	20
Service Connection Pipe work	50
Testable Backflow Devices	30
Non-Testable Backflow Devices	15
Pipes (Mains/Service Pipes)	
Asbestos Cement	40-100
Concrete Lined Steel	90
Cast and Ductile Iron, Epoxy Lined Steel, GRP, Polyethylene (PE)	100
PE100, PE80, Stainless Steel, UPVC	100
mPVC, PVCO, Steel, Unknown	80
Galvanised Iron	40
Other Pipes	100
Network Valves	20-70
Reservoirs	80
Pumps	20-70
Water Supply & Wastewater Facilities	
Electrical & Control	
Computer/Printing Equipment	4
Sampling Equipment	10
Mixers, pH Probes	15
High Voltage Equipment	50
All other Electrical & Control Equipment	20-30
Generator Sets	50
Mechanical Plant	
Actuators, HVAC	10
Pumps and Motors	10-30
Hydraulic Motors	20
All other Mechanical Plant	30
Plant Pipework and Valves	
Acoustic Silencers, Flowmeters	20
Air Receivers	25
Valves	25-50
Fire Hydrants	75
Telemetry	25

23 Asset lifecycles and depreciation methods (continued)

Stormwater

Asset Type	Useful Life (Years)
Conveyance Network Assets	
Asbestos Cement Pipes (50 - 800mm)	60-100
ALUFLO	30
Steel, Unknown	80
Concrete Lined Steel	90
Polyethylene (PE), HDPE, MDPE, PE100, PE80	100
NEXUS, NOVAFLO	100
RIBLOC, STRIP, Cast Iron	100
SWBOSS, TIMBER, uPVC	100
Concrete, Earthenware, RCRRJ	120
Open Drains	unlimited
Stop Banks	unlimited
Manholes	120
Chambers	120
Valves	80
Open Drains – Dish	100
Open Drains – Concrete	100
Inlets / Outlets	100
Culverts	100
Motors and other electrical plant	10-30
Pumps and other mechanical plant	20-50
Other electrical and control equipment	10-20
Flow Meters	25
Flood Protection and Treatment	
Soak Hole	60
Soakage Modules	50
Sump Filters	100
Manhole Filters	100

Social Infrastructure

Parks Asset Type	Min Initial Useful Life	Max Initial Useful Life
Barbecue Housing	30	30
Barbecue Unit	10	10
Boardwalk	20	20
Bore	80	80
Electrical Point	20	20
Fence Wall Bollard	10	50
Fitness Structure	15	15
Gate Access Point	10	50
Irrigation - Line	24	24
Irrigation - Point	12	24
Miscellaneous Line	20	80
Miscellaneous Point	5	40
Parks Furniture	10	40
Parks Pump	15	15
Parks Retaining Wall	15	50
Parks Sign	10	15
Parks Structure	20	50
Play Equipment	10	20
Property Light	20	20
Safety Surface	7	10
Safety Surface Edging	20	20
Sports Equipment	20	20
Steps	5	50
Surface	5	50
Tools and Equipment	10	10
Utility Line	15	50
Utility Point	10	20
Vehicle	20	25
Water Feature	40	50

23 Asset lifecycles and depreciation methods (continued)			
Transport			
Asset group	Useful Life (Years)	Asset Group	Useful Life (Years)
Roads		Pedestrians and Cycling Facilities	
Formation (Subbase and subgrade)	Not depreciated	Trails - Asphalt	20
Pavements (Basecourse)	40-250	Trails - Chip seal	10
Asphaltic Concrete	8 to 30	Trails - Cobbles	20
Concrete	60	Trails - Concrete	50
Interlocking Concrete Blocks	30	Trails - Gravel	10
Racked in seal	6 to 15	Trails - Timber	10
Single coat Seal	3 to 30	Fences/Walls - Bollards	20
Slurry Seal	4 to 12	Fences/Walls - Gate	15 to 20
Stone Mastic Asphalt	10 to 20	Handrails- Metals	30
Two Coat Seal	4 to 30	Handrails- Timber	20
Sandwich Seal	6 to 15	Street Furniture - Bike Stand	10
Void fill seal	3 to 15	Street Furniture - Seat	10 to 25
Kerb, Channel, and Drainage		Bridges, Culverts, Retaining Walls and Structures	
Kerb and channels	15 to 80	Bridges - Pedestrian	100
Sumps and chambers	100	Bridges - Pedestrian Underpass	100
Pedestrian and cycling facilities		Bridges - Vehicle Bridges	100-125
Footpath Surface - Asphaltic Concrete	32	Culverts	120
Footpath Surface - Concrete	75	Retaining Wall - Block	75
Footpath Surface - Interlocking Blocks	60	Retaining Wall - Concrete	75
Footpath Surface - Exposed aggregate	10	Retaining Wall - Concrete & Galvanised Steel	75
Footpath Surface -Metal	10		
Footpath Surface - Timber	20		
Accessways - Asphaltic Concrete	32		

Accessways - Concrete	75	Retaining Wall - Earth	75
Accessways - Interlocking blocks	60	Retaining Wall - Stone	60
Accessways - Metal	10	Retaining Wall - Timber	50
Accessways - Seal	12	Retaining Wall - Brick	75
		Retaining Wall - Steel	75
		Coastal Structures - Groyne	50
		Coastal Structures - Ramp	50
		Coastal Structures - Rock Revetment	50
		Coastal Structures - Seawall	20-50
		Steps - Concrete	50
		Steps - Timber	20

23 Asset lifecycles and depreciation methods (continued)																																																																											
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Carpark Building Components	10-75																																																																										
Streetlighting																																																																											
Lanterns	25-50																																																																										
Poles	50																																																																										
Brackets	50																																																																										
ITS - Intelligent Transport Systems																																																																											
Traffic Signals - Cables, Ducts & Loops	30																																																																										
Traffic Signals - Controllers	15																																																																										
Traffic Signals - Poles	30																																																																										
Traffic Signals - Signals	15																																																																										
CCTV - Access point	5																																																																										
CCTV - Camera	5																																																																										
CCTV - Decoder	7																																																																										
CCTV - Network Video Recorder	5																																																																										
CCTV - Joystick/Keyboards	2																																																																										
CCTV - Video Wall	8																																																																										
CCTV - Standard Monitors	5																																																																										
CCTV - Power Supply	3-5																																																																										
CCTV - Station	5																																																																										
CCTV - Switch	5																																																																										
Traffic Control and Safety																																																																											
Street Signs - Sign	10																																																																										
Street Signs - Pole	20																																																																										
Safety Barrier	50																																																																										
Sight Rail																																																																											
Sight Rail	10																																																																										
Asset Group	Useful Life (Years)																																																																										
Traffic Islands & Roundabout																																																																											
Concrete	80																																																																										
Grass	80																																																																										
Vegetation	80																																																																										
Public Transport																																																																											
Bus Shelter	20-50																																																																										

25 Revaluation of assets					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>For the purpose of the financial model, all assets are revalued annually in order to reduce the distraction of year on year peaks and troughs in revenues and expenditure that are generated by these revaluations.</p> <p>Council's policy is to value assets triennially, and each year a different category is valued by an independent valuer. The valuation timetable is as follows: Transportation and Marine Infrastructure (30 June 2022, 2025, 2028 and 2031), Airport & Parks infrastructure (30 June 2023, 2026, 2029 and 2032) and 3 Waters (30 June 2023, 2026 and 2029). Land & Buildings 30 June 2022, 2025, 2028 and 2031. For the purpose of the Long-term plan financial model only, revaluation is calculated and applied annually to smooth the uneven impact on revenues (including rates) and expenditure that would otherwise be generated by triennial revaluation.</p>	TCC	Assets are under/overstated and therefore the balance sheet does not reflect accurately the value of TCC owned assets.	Low. Our regular valuation cycle ensures valuations are regularly brought up to date.	Low.	<p>Depreciation rates based on incorrect valuations will impact the LTP process if valuations not conducted in their cycles.</p> <p>Assessment of risk of higher cost of waters assets replacement has meant we are revaluing that asset class in 2021 out of cycle to ensure asset values are relevant for the LTP.</p>

26 Environmental Standards - Resource consent requirements					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That resource consents required for capital works are granted and that this process does not significantly impact timing of projects. That all existing resource consents will be renewed where appropriate. It is expected that the environmental standards requirements will increase, with corresponding requirements imposed through resource consents.	TCC	That significant delays to capital works projects are experienced due to the resource consent process. That existing consents are not renewed or require us to meet significantly changed conditions. Being unaware of technological advances may result in substantial inefficiency if (i) new infrastructure investment is not suitable for emerging technology; and (ii) communities may not benefit from the most beneficial or appropriate resources to overcome social and/or environmental challenges.	Medium.	High - delays to capital works projects may have material cost implications. Failure to renew existing consents, or the requirement to meet significantly higher consent conditions may require significant expenditure.	Budget revisions will take place where there are anticipated changes to consent requirements. Early communication with affected parties and resource consent issuing bodies may enable early identification of issues.

27 Leaky Home Settlements					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
We have provided for all leaky home claims that have been made.	TCC	That further claims are made against Council.	High.	Low to high - depending on the level of claims received.	We monitor the development of legal cases regarding leaky homes claims across the country. This provides an indication of likely future claims. Changes may be anticipated and planned for through the Annual Planning process.

28 Level of Service changes					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That levels of service change will be limited to that indicated in the LTP only.	TCC	There may be significant changes in customer expectations regarding demand for services or levels of service from those planned in the LTP.	Low.	Medium - There may be a need to review and possibly reduce a level of service to reflect available fiscal capacity. Or there could be the case where a change in circumstances could lead to a need for a higher or new level of service.	The Council has well defined service levels for its planned activities which have been reviewed as part of the LTP process. Customer satisfaction surveys and other engagement strategies generally support the key assumptions made within the LTP and therefore there are currently no known additional areas of the Council's service that require significant modification.

29 Project costings					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That project costs will not exceed those set out in the LTP.	TCC	Costs for some projects listed in the LTP are estimates only. Project costs may exceed those planned for through the LTP.	Medium.	Low – High - depending on the level of variation. Significant changes to the cost of the project may make it unviable or lead to increased costs to Council.	Process and guidance in place for the development of project budgets, which also includes guidance on setting risk/contingency amounts

30 Housing Infrastructure Fund (HIF)					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>TCC has received two interest free HIF loans for the Te Maunga Wastewater Treatment Plants and Waiari Water Treatment Plant.</p> <p>TCC are in the process of finalising the terms for a third interest free loan of \$102 million which is for the construction of the Pāpāmoa East Interchange (PEI) and associated projects associated with enabling the development of the Wairakei Town Centre. \$65 million of this HIF loan facility will be utilised by Waka Kotahi enabling them to contribute funding towards the costs of the PEI. The remainder \$34 million will be used by TCC and repaid in 10 years once further development contributions have been received.</p>	Housing Infrastructure Fund Loan agreements	<p>The PEI loan is subject to TCC finalising terms of the agreement. If the HIF loan is not entered into there is risk that loan offer expires.</p> <p>Waka Kotahi funding towards the PEI is dependent on the HIF and without WK funding it would put the delivery of the PEI project at risk.</p>	Low. Agreement is in the process of being finalised and expected to be signed by end of March 2023 subject to Waka Kotahi also progressing their agreement terms.	High - If the loan is not received, the PEI project will be at risk, which will have flow on impacts that may restrict further growth in Wairakei and in Te Tumu. Council may have to utilise alternative sources of funding with potential impacts to rates and debt.	Progressing signing of the agreement as quickly as possible and facilitating discussions between Ministry of Housing and Urban Development and Waka Kotahi.

31 Vested Assets					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That vested assets will be received by Council in accordance with the assumed growth of the city based on overall growth expectations and the average value of vested assets per lot. There is also an estimation made for large infrastructure projects that have, in the past, been constructed by Council where these are now to be provided for by the developer.	TCC	That Council will have significantly more assets vested thereby increasing the depreciation expense in subsequent years.	Moderate.	Low.	Growth forecasts are updated regularly in order to ensure vesting predictions are kept up to date.

32 Civil Defence / Emergency Preparedness / Business Continuity					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That we can continue operating to deliver essential services to the community in the event of disruption or a disaster.	TCC	That Council's ability to function is severely disrupted in the event of a disaster, we will be unable to: a. protect the community, from hazards or events which compromise their physical and emotional wellbeing b. provide essential services to the fullest extent possible within appropriate timeframes.	Medium.	High - Tauranga could incur moderate to severe levels of community illness, loss of life, assets and infrastructure, financial impact on the community and reduction in local/ sub-regional economy requiring significant investment in recovery. Council may be required to make considerable resourcing and financial investment to return essential services to pre-impact capacity.	The Council has: a. business continuity plans and business continuity enhancement program b. emergency management response plans and enhancement programme c. community resilience education d. established protocols for public alerting and issuing of warnings e. lifelines plans f. partnership structures with emergency service and social sector partners. Council is also undertaking risk profile assessments of the integrated human, natural and technologically induced hazards on communities over the period of the next LTP to understand community risk tolerance and appetite to inform on going mitigation efforts.

33 Credit Rating					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That the Council maintains its A+ credit rating. All interest rates used to determine projected borrowing costs have been based on this assumption.	Actual credit rating	That the council's credit rating differs from forecasted in this plan.	Moderate.	Medium - high - credit rating downgrade will increase long term cost of funds.	Manage debt levels to maintain credit rating.

34 Disruptive Technologies					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That there will be no technological changes that render some projects unnecessary, or that or radically alters people's interactions with the city. Disruptive technologies that we are aware of are incorporated into our planning.	LGNZ 'The 2050 Challenge - Future Proofing our Communities' SOLGM 'Fit for the Digital Future' *	Technological changes are rapid and unpredictable, and can have significant impacts on our lives, the way we work and the way we use our city. Being unaware of technological advances may result in substantial inefficiency if (i) new infrastructure investment is not suitable for emerging technology; and (ii) communities may not benefit from the most beneficial or appropriate resources to overcome social and/or environmental challenges.	High - the rate and impact of technological developments is uncertain. The exact timing of developments cannot be assumed. Of note are the potential impacts of transportation changes and driverless cars, increasing automation affecting business and employment and opportunities of increased data analytics through 'big data'.	Medium - project scopes may be altered to reflect changes in available technology, with corresponding implications for costs.	Council will monitor and keep informed of developments in this area and will amend projects as suitable.

* https://12233-console.memberconnex.com/Attachment?Action=Download&Attachment_id=517

35 Resourcing (staff)					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
That we can employ and retain staff that are suitably qualified and able.	Human Resources	The availability of staff limits the ability of Council to deliver its agreed work programme.	Medium.	Medium - costs may be negatively affected by the availability of resources. Projects may not be fully resourced leading to delays.	Council attracts and retains people through offering employment arrangements that are valued by employees and ensure productivity and engagement. These include flexible work options that address changing demographics/ needs of employees, utilising relevant technologies as well as other drivers of employee engagement i.e., development opportunities/career options, competitive remuneration/benefits etc. In the event of unavailability of employees, contractors and consultants may be used.

36 Resourcing (suppliers)					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
To deliver on the Long-term Plan, suppliers are required to deliver a significant portion of works. It is assumed that suppliers are available, suitably qualified and will be able to deliver projects on time and to cost.	Procurement	The availability of suppliers limits the ability of Council to deliver its agreed work programme, particularly if there are wider national demands on a specific sector.	Medium.	Medium - costs may be negatively affected by the availability of suppliers Projects may not be able to be resourced leading to delays.	Council has comprehensive procurement procedures in place to guide the procurement process. Council works to develop a healthy marketplace based on our procurement policy. It is intended that we will develop better partnerships with key suppliers to drive better outcomes. Annual supplier information meetings are held to provide our key infrastructure providers with an indication of Council's forward works programme.

37 Deliverability of the capital programme					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Capital programme is likely to remain similar if not slightly larger than previous LTP.	Capital programme budgets	<p>The capital programme continues to increase in value from previous years</p> <p>Significant changes continue being made to our organisation and procurement and delivery processes to achieve this.</p> <p>There are risks of delays in the early stages of consent and design, and in procuring delivery from contractors. If this happens work will be deferred to later years of the Long-term Plan and affected programmes of work will be rephased accordingly.</p> <p>The financial implication of such delays include lower borrowings and a reduction in the need for rates-funded debt retirement in early years, although it is expected that most of this would be undertaken in later years of the Long-term Plan.</p> <p>Some government funding from Crown Infrastructure Partners and NZTA depends on delivery within prescribed timeframes. Consequently, this work is being prioritised to be delivered on time.</p> <p>If delivery of the capital programme is delayed, then proposed outcomes will not be achieved in the timeframes originally intended.</p>	High.	<p>High - While there is a high chance that the full programme will not be delivered in the timeframes budgeted, it is likely that the delays for individual projects will not be significant. Costs of the total project and a delay in achievement of desired community outcomes may occur.</p> <p>Delays to projects where suppliers cannot be sourced, or prices are too high requiring longer negotiations or change in scope of projects. Leading to suboptimal community outcomes.</p>	<p>Processes in place to “rationalise” programme to ensure delivery teams are realistic about what can be delivered.</p> <p>Procurement strategies in place to provide efficiencies to deliver projects or programmes of work</p> <p>Continue to bolster internal project management resources.</p>

38 Inclusion of Bay Venues Limited user fee revenue in key financial metrics					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Bay Venues Limited (BVL) is a wholly-owned Council-Controlled Organisation. TCC borrows externally on behalf of BVL to fund its capital investments, so in recognition that a portion of debt in TCC is on behalf of BVL, its external operating revenue from user fees is included in the financial ratios relating to debt (debt to revenue and interest ratio.) Key Ratios are: Net Debt to Operating Revenue, Net Interest to Operating Revenue and Net Interest to Rates Revenue.	Finance	This approach is considered low risk as the amount of BVL borrowing is approved by Council based on business cases for the investments proposed.	Low.	Low - Our lender, the Local Government Funding Agency, and Standard and Poor's have endorsed this change.	Total borrowing limits are maintained at financially prudent levels.

39 Memorial Park - Recreation hub and aquatics facility					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>Capital costs projects as part of the Community Facilities Investment Plan for Memorial Park including recreation hub and aquatics facility will be incurred by Council.</p> <p>The assumption used in the LTP is that the proposed assets will be transferred to BVL for operation upon completion.</p>	Finance	A future decision is made to not transfer the ownership to BVL upon completion of these projects.	Low	High - TCC would need to develop its own operating model at undefined but likely significant cost.	Continue working closely with BVL as the project develops and is delivered.

40 Funding for Civic Precinct Capital Programme					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
Funding for this programme assumes \$152m of external funding from a variety of sources including various government agencies, philanthropists, and other groups.		That sufficient grant income is not obtained.	High.	High - If there is a significant shortfall in grant income across the programme, either the programme would be reduced to fit within the funding available, or other sources of funding would need to be explored.	Gateways have been built into the programme where funding of the individual projects can be assessed, and adjustments made against the programme as a whole. An asset realisation programme is being developed that can cover any shortfall in external project funding.

20A Ownership of water infrastructure assets (waters in)					
Detail	Data Source (and rationale)	Risks	Level of uncertainty	Effect	Mitigation
<p>TCC will retain ownership and service delivery of water supply, wastewater, and stormwater infrastructure assets.</p> <p>Central government is currently undertaking a reform of the way that three waters (wastewater, water supply and stormwater) are managed in New Zealand. More legislation is still required to bring the proposed Three Waters changes into effect. This LTP document has been prepared on the basis that Council's management of these services will continue.</p>	<p>Department of Internal Affairs, Three Waters</p>	<p>There may be unanticipated material changes to the legislative landscape that cause significant changes to what we do and how we pay for it.</p>	<p>High.</p>	<p>High - changes could have a financial impact on the way we operate. The three waters capital programme is a significant contributor to TCC debt and this is likely to materially affect the financial sustainability of TCC. Debt would need to be reduced through debt retirement charges.</p>	<p>The capital programme proposed aims to meet the required investment outcomes to enable housing supply, build communities and meet environmental standards particularly within three waters. The LTP presents the increased revenue requirements across three waters funding and transportation to meet these infrastructure requirements.</p>

11.8 Existing Use Rights in the Mount Maunganui Industrial Area

File Number: A14412953

Author: Christine Jones, General Manager: Strategy, Growth & Governance

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

PURPOSE OF THE REPORT

1. To report to Council on matters associated with activities in the Mount Maunganui Industrial Area.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Existing Use Rights in the Mount Maunganui Industrial Area".
- (b) Notes the legal advice received, in particular that:
 - (i) Many industrial activities in the Mount Maunganui Industrial Area have existing use rights.
 - (ii) Rezoning under the City Plan could potentially constrain future activities but not activities that are protected by existing use rights.
 - (iii) No feasible legal mechanism open to the Tauranga City Council has been identified to compel existing industry to relocate away from Whareroa Marae.

EXECUTIVE SUMMARY

2. The Mount Maunganui community have been concerned about impacts of heavy industry for some time. The scoping report into the managed retreat of industry surrounding Whareroa marae has not progressed, and our legal advice has shown there is no legal mechanism to extinguish existing use rights. We can however manage future land use in a different way.

BACKGROUND

3. Significant concerns about the impact of heavy industry on residents and other users of the Mount Maunganui area generally and the Whareroa marae community specifically (and associated buildings and uses) have been expressed over a number of years. Impacts the community have been concerned about include contaminants in the air and water, as well as hazards, noise and amenity
4. In late 2019 the Mount Maunganui Airshed was declared a polluted airshed. Regulation 17 of the National Environmental Standards for Air Quality (NESAQ) requires consent authorities to decline resource consents for new discharges into polluted airsheds. This effectively limits new, changed or increased industrial activity which will result in certain pollution discharges.
5. In June 2020, following a presentation by representatives of Whareroa marae hau kainga, the Tauranga Moana Advisory Group (**TMAG**) recommended:

"the urgent development of an Action Plan in collaboration with Whareroa marae hau kainga and as a first step: commission an independent, comprehensive report to investigate the potential for instigating a managed retreat of pollutant industries from the Totara Rd site south of Hewletts Road and report back to this committee when completed."

6. Advice was sought by TCC and BOPRC jointly, to ascertain how the TMAG recommendation could be progressed. Paul Beverley, Partner at Buddle Findlay was approached as he specialises in resource management planning and consenting, Māori Law and Treaty Settlement negotiations.
7. Mr Beverley has provided advice that:
 - It was appropriate that an action plan be developed in collaboration with Whareroa marae hau kainga
 - The process be commenced by developing a scoping and issues report, in collaboration with Whareroa marae hau kainga, which might then be followed up by a more comprehensive report.
8. On 6 August 2020 the Bay of Plenty Regional Council (BOPRC) considered the matter and resolved that:
 - a) *“With agreement and in collaboration with Whareroa Marae hau kainga, and TCC, the initial scoping report commences as recommended by consultant*
 - b) *Staff report back to Council once the initial scoping report is finalised.*
9. On 11 August 2020 TCC also considered the matter and resolved as follows:
 - a) *... authorises a high-level investigation of potential pathways to achieve:*
 - i) *Managed retreat of existing heavy and/or hazardous industry in the area surrounding Whareroa Marae;*
 - ii) *Limitation of new future heavy and/or hazardous or high polluting industry in the Mount area.*
 - b) *That the pathway options to reduce the harmful effects being experienced by the people of Whareroa Marae be presented as immediate, short-term, medium-term and long-term initiatives*
 - c) *Confirms that this report be released to the public on approval of the Chief Executive.*
10. In March 2022 an update was provided to the TMAG which noted the following points:
 - Process was ongoing with Paul Beverly engaging closely with the Marae Committee in a facilitation role alongside Phil Mitchell from Mitchell Daysh Planning Consultancy.
 - It was critical that the work was conducted collaboratively with the Whareroa Marae hau kainga in order to identify an appropriate way to address the issues
 - Needed to move at a pace at which the marae community felt comfortable with, and critical that the marae community took a leading role on the way forward and identifying their next steps
 - Acknowledged that the marae community had limited resources which impacted the pace of moving forward
 - The marae had internal processes underway – wananga by whanau was ongoing. A lot of mahi was ongoing.
 - Looking at examples, lesson learnt by others/best practices/historical costs to guide and inform the next steps.
11. While the work of Paul Beverly and Phil Mitchell has not been brought to a formal conclusion, there is currently no active work underway.
12. The Mount Air Quality Working Party facilitated by BOPRC continue to meet quarterly and report to the Tauranga Moana Advisory Group. The most recent working party meeting on 22 February the key findings of the interim decision of the Environment Court on Plan Change 13 to the Regional Natural Resources Plan. It is expected that at a future meeting there will be a presentation on a health impact study commissioned by Toi Te Ora.

13. BOPRC has responsibilities for managing environmental impacts and has the ability to do this through a range of mechanism including through the Regional Natural Resources Plan, enforcement of existing consent requirements, possible review of consent conditions under s.128 RMA, monitoring and non-regulatory approaches (including education).

RECENT RELATED MATTERS

Regional Plan Change (PC) 13 (Air Quality)

14. In response to concern around dust, pollution, and odour issues BOPRC progressed PC13 with notification in late February 2018. 80 submissions and 30 further submissions were received. Hearings were held in October 2018 and decisions were related on 12 March 2019. Ten appeals were lodged with the Environment Court.
15. The Environment Court has recently issued an interim decision for PC13 in relation to the rule which requires resource consent for handling of bulk solid material and logs. Previously, these were permitted activities and as such they have not held a resource consent and are therefore considered new activities.
16. The Court has heard extensive evidence and issued its interim decision. In summary:
 - Bulk solid material handling and log handling will be permitted activities for a three-year interim period – managed according to an interim permitted activity rule (IPAR)
 - Following the IPAR period, the activities will become restricted discretionary activities and will require resource consent. Prior to this, if parties apply for and are granted a Certificate of Compliance, Regulation 17 will not apply
 - The Court will direct the Regional Council to introduce provisions to manage unsealed yards in the MMA using the section 293 process of the Resource Management Act\
17. The Court has requested parties to the appeal to submit comments on specific matters and these are due to be filed with the Court at the end of March 2023.

Mount Planning and Delivery Programme including Spatial Plan

18. 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. These projects were reported to the 5 December 2022 Strategy Finance and Risk Committee.
19. One of the key projects is the Mount Maunganui Spatial Plan. This will be a 30-year blueprint providing strategic direction for existing and future growth needs of the area.

Mount Industrial Planning Project

20. 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.
21. The project will explore the mechanisms to manage future industrial land use. There will be a focus on what can be done to achieve the aspirations of Whareroa marae hau kainga, mana whenua and the wider community in the future and how a move away from heavy industry can be achieved over time.

22. The first Reference Group meeting with the project partners is scheduled for Monday 20 February with a second workshop on 28 February. A general stakeholder workshop with industrial stakeholders is being held on 7 March.
23. A baseline analysis report is currently being prepared which will collate what information is known for the industrial area. This will cover matters such as natural hazards, transport, infrastructure, air quality etc.
24. It is likely that the Mount Industrial Planning Project will explore a range of scenarios together with possible interventions / actions for each of those scenarios. This will be focused on addressing future development rather than existing activities and land uses.

LEGAL ADVICE ON MOUNT MAUNGANUI INDUSTRIAL AREA EXISTING USE RIGHTS

25. As part of the work for the both the Mount Spatial Plan and the Mount Industrial Planning Project TCC sought legal advice to understand the rights and ability to change existing land use activities (refer attachment 1).
26. The key points of the legal advice are:
 - (a) It would be reasonable to assume that a considerable proportion of existing uses will meet the tests to be protected by existing use rights under S10 of the RMA.
 - (b) Existing use rights under S10 cannot be terminated through a change to a District Plan.
 - (c) Existing use rights may be overridden through a change to the Regional Plan, provided the changes are for the purposes in s30(1)(c) RMA, which relate to soil conservation, water, ecosystems, and natural hazards.
 - (d) Rezoning under the City Plan could potentially constrain future activities but not activities that are protected by existing use rights.
 - (e) As currently drafted the Natural and Built Environment Bill would not provide a mechanism to override existing use rights at the Mount Maunganui industrial area unless provided in a district rule which gives effect to the national planning framework. There are uncertainties as to whether the Bill will give any new options for Council and in particular how the national planning framework will apply.
 - (f) Not aware of any feasible legal mechanism open to Tauranga City Council to compel industry to relocate away from Whareroa Marae.

SIGNIFICANCE

27. 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.
28. 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.
29. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance. The decision to receive the report is considered to be of low significance as it is information not an action decision.

ENGAGEMENT

30. 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. Engagement is being undertaken with respect to the Mount Spatial Plan and the Mount Industrial Planning Project.
31. TCC has advised Whareroa Marae representatives, Ngai te Rangi and BOPRC of this report and attachments prior to the meeting being held.

NEXT STEPS

32. Through the Mount Spatial Plan and associated Mount Industrial Planning project, we will explore the future land use options for the area and the ways in which these can be achieved.

ATTACHMENTS

1. **Legal Opinion Mount Maunganui Industrial Area Existing Use Rights - A14412043**  



Our advice

Prepared for	David Phizacklea, Tauranga City Council
Prepared by	Gerald Lanning and Tim Fischer
Date	21 February 2023

Issues relating to Existing Use Rights at the Mount Maunganui Industrial Area

Background	<ol style="list-style-type: none"> 1. The Tauranga City Council (Council) is undertaking a spatial planning exercise to consider the future of the Mount Maunganui industrial area. 2. The study area includes an industrial area which is zoned Industrial and Port Industrial under the operative Tauranga City Plan (City Plan). Industrial activities are permitted in either zone under Chapter 18 of the City Plan, subject to height, viewshafts and other relevant restrictions. 3. The Mount Maunganui industrial area is adjacent to the Whareroa Marae and residential areas. The Whareroa Marae community and other residents in the area are concerned about adverse effects caused by existing industrial uses, and seek the relocation of those activities. The existing operators do not wish to relocate, due to the existing nature of their operations and proximity to the Port of Tauranga.
Question 1	<ol style="list-style-type: none"> 4. Do the land use activities in the Mount Maunganui industrial area have existing use rights under s 10 of the Resource Management Act 1991 (RMA)?
Answer 1	<ol style="list-style-type: none"> 5. It is not possible to reach a blanket conclusion on the whether all land use activities in the Mount Maunganui industrial area have existing use rights under s 10 of the RMA. Rather, each land use would need to be separately assessed against the matters set out in s 10(1), (2) and (3) of the RMA. We have not been provided with any information to enable that assessment. 6. However, given that the Mount Maunganui industrial area is a long-established area with development overseen by the Council and its predecessors, it would be reasonable to assume that a proportion of existing uses will meet the tests set out in s 10(1), (2) and (3) of the RMA and be protected by existing use rights under s 10 of the RMA.
Question 2	<ol style="list-style-type: none"> 7. Under what circumstances can existing use rights be extinguished?

Answer 2

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8. Existing use rights under s 10 cannot be terminated through a change to a district plan.¹ However, activities which have existing use rights under s 10 may be prevented from continuing by a change to the regional plan, if the plan change is for one of the purposes in s 30(1)(c). Such a regional plan change could effectively override existing use rights under s 10.
 9. The purposes in s 30(1)(c) relate to soil conservation, water quality and quantity, ecosystems in water bodies and coastal waters, and natural hazards. Based on the information we have available, the primary matters of concern in relation to the Mount Maunganui industrial area do not appear to directly come within the s 30(1)(c) purposes.
 10. It would ultimately be a matter for the Bay of Plenty Regional Council (**BOPRC**) to determine whether it was appropriate to propose a regional plan change seeking to prevent continuation of existing industrial land uses at the Mount Manganui industrial area. Any such plan change would need to meet all relevant requirements of the RMA, including s 30(1)(c).
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Question 3

11. If land at the Mount Maunganui industrial area was rezoned for a different land use activity (e.g. open space), would this have any bearing on existing use rights?
-

Answer 3

12. In our view, “no”. As set out above, existing uses which meet the tests set out in s 10(1), (2) and (3) of the RMA are protected by existing use rights. A district plan change cannot terminate s 10 existing use rights. Rezoning under the City Plan could therefore potentially constrain future activities carried out under the City Plan, but not activities that are protected by s 10 existing use rights.
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Question 4

13. How are existing use rights proposed to be treated in the new Natural and Built Environments Bill? Will this provide any new options for Council?
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Answer 4

14. This existing use rights regime under clause 26 of the Natural and Built Environments Bill is broadly similar to the regime under the RMA. The main substantive difference for present purposes is that new subsections (2) – (4) provide an additional avenue to override existing use rights in certain circumstances.
 15. As currently drafted, the Natural and Built Environments Bill would not provide a mechanism to override existing use rights at the Mount Maunganui industrial area, unless provided in a district rule which gives effect to the national planning framework as it relates to the “natural environment” (which includes land, water, air, soil) and the national planning framework expressly includes a statement to that effect.
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¹ At [8].

Question 5

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16. There are a number of uncertainties as to whether this will give any new options for the Council, in particular whether the drafting of the Bill will change through the legislative process, and how the national planning framework will apply subsection (2)(a) and provide for aspects of the “natural environment” which are relevant to the Mount Maunganui industrial area.
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Answer 5

17. What legal mechanisms (if any) are available by which existing heavy and/or hazardous industry in the area surrounding Whareroa Marae could be compelled to relocate elsewhere?
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18. We are not aware of any feasible legal mechanisms open to the Tauranga City Council to compel industry to relocate away from the Whareroa Marae. We have briefly considered, and discounted, possible options under the RMA and the Public Works Act 1981 (**PWA**).

Reasoning explained

It would be reasonable to assume that a proportion of existing uses in the Mount Maunganui industrial area will be protected by existing use rights under s 10 of the RMA

19. You have asked whether land use activities in the Mount Maunganui industrial area have existing use rights under s 10 of the RMA.

20. Section 10(1) provides as follows:

Certain existing uses in relation to land protected

(1) Land may be used in a manner that contravenes a rule in a district plan or proposed district plan if—

(a) either—

- (i) the use was lawfully established before the rule became operative or the proposed plan was notified; and
- (ii) the effects of the use are the same or similar in character, intensity, and scale to those which existed before the rule became operative or the proposed plan was notified:

(b) or...

21. Existing uses are therefore protected from the requirements of the City Plan if the two tests in paragraph (a) are satisfied. Protection under s 10(1)(a) is commonly referred to as “existing use rights”. However, under subsections (2) and (3), existing use rights can be “lost” if:

- (a) A land use has been discontinued for a continuous period of more than 12 months after a rule in the plan became operative or the proposed plan was notified, unless an extension has been sought within 2 years of the activity first being discontinued and has been granted by the territorial authority; or
- (b) A building has been reconstructed, altered or extended in a way that increases the degree to which the building fails to comply with a rule in a district plan or proposed district plan.

22. The question of whether existing land uses in the Mount Maunganui industrial area have existing use rights under s 10 of the RMA, and are therefore protected from the requirements of the City Plan and any future plan changes, turns on an assessment of the matters in s 10(1), (2) and (3).

23. It is not possible to reach a blanket conclusion on the whether all land use activities in the Mount Maunganui industrial area have existing use rights under s 10 of the RMA. Rather, each land use would need to be separately assessed against the matters set out in s 10(1), (2) and (3). We have not been provided with any information to enable that assessment.

It would ultimately be a matter for the BOPRC to determine whether it is appropriate to propose a regional plan change seeking to prevent continuation of existing industrial land uses at the Mount Manganui industrial area

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24. However, given that the Mount Maunganui industrial area is a long-established area with development overseen by the Council and its predecessors, it would be reasonable to assume that a proportion of existing uses will meet the tests set out in s 10(1), (2) and (3) of the RMA and be protected by existing use rights under s 10 of the RMA.
-
25. You have asked that we advise on the circumstances in which existing use rights can be extinguished.
26. The Environment Court case of *Awatarariki Residents Incorporated v Bay of Plenty Regional Council*² involved a debris flow causing significant damage to land, buildings and transport infrastructure at the settlement at Matata in the Bay of Plenty. The Environment Court considered a proposal to avoid or mitigate natural hazard risk through the following mechanisms:
- (a) A district plan change rezoning land from residential to coastal protection, and prohibiting residential activity in the high risk area; and
 - (b) A regional plan change proposing to make residential activities on certain high risk properties a prohibited activity.
27. The Court made a determination by consent, although the determination followed a hearing and detailed reasons were given in light of the significance of the issue of effectively terminating existing use rights through a change to a regional plan.
28. The Court stated that:
- [10] The District Council requested this change to the Regional Plan because it does not have any power to alter existing use rights arising under s 10 of the RMA. The Regional Council, under s 30(1)(c)(iv) of the RMA, has the function of controlling the use of land for the purpose of avoiding or mitigating natural hazards. Under s 63(1) of the RMA, the purpose of a regional plan is to assist a regional council to carry out any of its functions in order to achieve the purpose of the RMA. A regional council may make rules under s 68(1) for carrying out its functions under s 30(1)(c). Under s 10(4) of the RMA, s 10 does not apply to any use of land that is controlled under s 30(1)(c). It is by that combination of functions and powers that the Regional Council may terminate existing use rights.
29. As stated by the Court above, existing use rights under s 10 cannot be terminated through a change to a district plan.³ However, it is made clear by s 10(4) that s 10 existing use rights do not apply to a land use that is controlled by the regional council under s 30(1)(c). Therefore, activities which have existing use rights under s 10 may be prevented from continuing by a change to the regional plan, if the plan change is for one of the purposes in s 30(1)(c).⁴ Such a
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² [2020] NZEnvC 215.

³ *Awatarariki Residents Incorporated v Bay of Plenty Regional Council* at [8].

⁴ Under s 63(1) of the RMA, the purpose of a regional plan is to assist a regional council to carry out any of its functions in order to achieve the purpose of the RMA. A regional council may make rules under s 68(1) for carrying out its functions under s 30(1).

regional plan change would effectively override existing use rights under s 10.

30. Section 30(1)(c) includes the control of the use of land for the purposes of:
- (a) Soil conservation;
 - (b) The maintenance and enhancement of the quality of water in water bodies and coastal water;
 - (c) The maintenance of the quantity of water in water bodies and coastal water;
 - (d) The maintenance and enhancement of ecosystems in water bodies and coastal water; and
 - (e) The avoidance or mitigation of natural hazards.
31. Turning to the Mount Maunganui industrial area, we understand that the primary matters of concern are:⁵
- (a) Adverse effects on the Whareroa Marae (which predates all industrial uses and is effectively now surrounded by industry or major roads), including cultural impacts, health impacts and landscape and visual impacts; and
 - (b) Adverse effects on air quality at the Whareroa Marae and nearby residential areas, most notably in relation to fine particulates (such as bulk handling of palm kernel products), methyl bromide use at the Port and a range of other air discharging activities such as sulphur dioxide relating to fertilizer production.
32. Even if the existing land uses at the Mount Maunganui industrial area could potentially generate adverse effects that come within the purposes in s 30(1)(c), for example soil contamination and diminished water quality⁶, it does not necessarily follow that a regional plan change could be successfully used to override s 10 existing use rights by preventing continuation of existing industrial land uses.
33. In *Awatarariki Residents Incorporated*, the Court stated:
- [11] We add that any regional rule which has the effect of altering or terminating existing use rights in relation to land remains subject to all of the controls under the RMA in relation to the making of rules, including the requirement under s 68(3) for the regional council to have regard to the effect on the environment of activities and the requirements under s 32 to examine the appropriateness of any rule by, among other things, identifying other options for achieving the relevant objectives, assessing the efficiency and effectiveness of the rule for achieving such objectives, identifying and

⁵ Memorandum from Manager: Legal and Commercial to Dean Kimpton, dated 6 May 2021, p 1.

⁶ Memorandum from Manager: Legal and Commercial to Dean Kimpton, dated 6 May 2021, p 1.

assessing the benefits and costs of anticipated effects and assessing the risk of acting or not acting if there is uncertain or insufficient information.

34. Therefore, even if a regional plan change sought to control the use of land to address soil contamination or diminished water quality caused by existing industrial land uses, the proposed provisions would need be demonstrated as appropriate having regard to the usual statutory considerations. This might mean, for example, that it is appropriate to make a rule controlling an activity, but not prohibiting it altogether.
 35. It would ultimately be a matter for the BOPRC to determine whether it is appropriate to propose a regional plan change seeking to prevent continuation of existing industrial land uses at the Mount Manganui industrial area.
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Rezoning will potentially constrain future activities carried out under the City Plan, but would not have any bearing on existing use rights

36. You have asked whether rezoning the Mount Maunganui industrial area for a different land use activity (e.g. open space) would have any bearing on existing use rights.
37. As set out above, existing uses which meet the tests set out in s 10(1), (2) and (3) of the RMA are protected by existing use rights. A district plan change cannot terminate s 10 existing use rights.
38. Rezoning under the City Plan could therefore potentially constrain future activities carried out under the City Plan, but not activities that are protected by s 10 existing use rights. It would not have a bearing on existing use rights.
39. A rezoning proposal would need to be supported by the usual statutory considerations, including the s 32 evaluation. Also of relevance to rezoning proposals, s 85(1) of the RMA provides that a landowner may have recourse under s 85 of the RMA if it is able to satisfy the Environment Court that a proposed plan provision makes the subject land incapable of reasonable use and places an unfair and unreasonable burden on the landowner. In these circumstances, the Environment Court may order the Council to acquire all or part of the estate or interest in land, provided that the landowner agrees. Should such an order be made by the Environment Court, the Council would be required to pay compensation in accordance with the PWA.
40. In relation specifically to the open space zoning of private land, the Environment Court in *Hastings v Auckland City Council*⁷ found that (our emphasis):

[96] We hold that even where the owner of an interest in land considers that proposed zoning would render that interest in land incapable of reasonable use, the remedies intended by Parliament are those described in section 85; and that on a challenge to such zoning the tests derived from the Act are to be applied to the merits of the case. **We do not accept that it is necessarily unreasonable for a territorial authority to persist with such**

⁷ EnvC A068/01.

a zoning of private land in the face of the owner's objection, particularly where the territorial authority asserts that other use of the land would have significant effects on the environment.

41. However, in that case, the proposed open space zoning would have precluded *any* use or development of the land that would enable the owners to provide for their own economic well-being from their investment in it, and the Court went on to find that the zoning would render the land incapable of reasonable use and would place an unfair burden on the owners.
 42. Therefore, the tests in s 85 of the RMA are unlikely to be met if a proposed rezoning leaves a landowner without a realistic and economic land use.
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There are a number of uncertainties as to whether the Bill will provide any new options for the Council, in particular whether the drafting will change though the legislative process and how the national planning framework will provide for provisions relating to the "natural environment"

43. You have asked that we advise on how existing use rights are proposed to be treated in the new Natural and Built Environments Bill and whether this will provide any new options for the Council.
44. This existing use rights regime under clause 26 of the Natural and Built Environments Bill is broadly similar to the regime under the RMA. The main substantive difference for present purposes is that new subsections (2) – (4) provide an additional avenue to override existing use rights in certain circumstances. While the drafting is not clear, we understand that the proposal to override existing use rights applies where:
 - (a) A land use contravenes district rules that give effect to the national planning framework as it relates to the "natural environment", and the national planning framework expressly states that subsection (2)(a) applies; and
 - (b) A land use contravenes district rules relating to natural hazards, climate change or contaminated land, and the national planning framework or a plan expressly state that subsection (2)(b) applies.
45. Subsection (2)(a) is most relevant to the primary concerns in relation to the Mount Maunganui industrial area, as set out above. This refers to rules relating to the "natural environment" which is defined as follows:

natural environment means—

 - (a) the resources of land, water, air, soil, minerals, energy, and all forms of plants, animals, and other living organisms (whether native to New Zealand or introduced) and their habitats; and
 - (b) ecosystems and their constituent parts
46. Therefore, as currently drafted, the Natural and Built Environments Bill would not provide a mechanism to override existing use rights at the Mount Maunganui industrial area, unless provided in a district rule which gives effect to the national planning framework as it relates to the "natural environment" (which includes land, water, air,

We are not aware of any feasible legal mechanisms open to the Tauranga City Council to compel industry to relocate away from the Whareroa Marae

soil) and the national planning framework expressly states that subsection (2)(a) applies.

47. There are a number of uncertainties as to whether this will give any new options for the Council, in particular whether the drafting of the Bill will change though the legislative process, and how the national planning framework will apply subsection (2)(a) and provide for aspects of the “natural environment” which are relevant to the Mount Maunganui industrial area.

48. You have asked that we advise on what legal mechanisms (if any) are available by which existing heavy and/or hazardous industry in the area surrounding Whareroa Marae could be compelled to relocate elsewhere.
49. We are not aware of any feasible legal mechanisms open to the Tauranga City Council to compel industry to relocate away from the Whareroa Marae.
50. An enforcement order (under s 314 of the RMA) or an abatement notice (under s 322 of the RMA) may be issued requiring an activity to be ceased.⁸ However, the Environment Court would be unlikely to make such enforcement orders or uphold an abatement notice without evidence of persistent and serious non-compliance with the RMA.
51. We have also considered whether the powers of compulsory acquisition under the PWA could be used to compel existing industry to relocate elsewhere.
52. The fundamental requirements for exercising the PWA powers of compulsory acquisition are that:
 - (a) The land must be required for a “local work”, that is, “a work constructed or intended to be constructed by or under the control of a local authority, or for the time being under the control of a local authority”⁹.
 - (b) The “work” in question must be something that the local authority is “authorised to construct, undertake, establish, manage, operate, or maintain...”¹⁰
53. Another way of putting this is to say that the local authority must have a public work “objective” in order to exercise the PWA powers. It is not clear that there would be any such objective for this area. The removal of an objectionable activity would not of itself be a “work” or a “local work”. Conceivably, there might be a situation where there was significant contamination of land, to the extent that it was

⁸ See for example: *Christchurch City Council v Aranui Estates Ltd* C023/93 (15 April 1993); *Bible College of New Zealand Incorporated v Botica* A069/98 [1998] NZEnvC 176 (19 June 1998); *Bay of Plenty Regional Council v DT Murray Ltd* [2012] NZENVC 96; *Hamilton City Council v Global Metal Solutions Ltd* [2020] NZEnvC 174.

⁹ PWA, s 5 definition.

¹⁰ PWA, s 5 definition.

considered necessary for the local authority to acquire the land in order to undertake the removal or containment of the contamination. That does not appear to be the situation here, but even if it were the case, compulsory acquisition would still face significant hurdles, as we will now explain.

54. Under the compulsory acquisition process, if a landowner objects to an acquisition¹¹, the Environment Court is required to:
- (a) Ascertain the objectives of the local authority;
 - (b) Enquire into the adequacy of the consideration given to alternative sites, routes, or other methods of achieving those objectives; and
 - (c) Decide whether, in its opinion, it would be fair, sound and reasonably necessary for achieving the objectives of the local authority for the land of the objector to be taken.
55. The tests in (b) and (c) are broadly similar to the tests in section 171 of the RMA in relation to the requirement for a designation, but not identical. Specifically, under the PWA it is necessary to show that the *particular land of the objector* should be taken in order to achieve the council's objectives.
56. Any proposed acquisition of land for a public work must meet the legal tests. We are not aware of any public work objective that would or could satisfy the above tests.

**Please call or
email to discuss
any aspect of this
advice**

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¹¹ Following the service of a s 23 PWA notice of intent to acquire the land.

11.9 Project delivery update - verbal report**File Number: A14426808****Author: James Woodward, Manager: Capital Programme Assurance****Authoriser: Nic Johansson, General Manager: Infrastructure****PURPOSE OF THE REPORT**

1. This verbal update will provide an update of progress from the last quarter including performance against Quarter 2 milestones, programme wide risks/issues and how they are being mitigated, and opportunities recognised and actions underway.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Project delivery update - verbal report".
-

ATTACHMENTS**Nil**

12 DISCUSSION OF LATE ITEMS

13 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
13.1 - Public Excluded Minutes of the Council meeting held on 7 February 2023	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
13.2 - Tauriko Public Transport Facility	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
13.3 - Exemption from Open Competition - Biosolids refuse disposal	s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

11.6 - Draft submission on Future for Local Government draft report - Confidential Attachment 2	s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied	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
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14 CLOSING KARAKIA