



# **AGENDA**

## **Strategy, Finance and Risk Committee meeting Monday, 30 October 2023**

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

**Date: Monday, 30 October 2023**

**Time: 9am**

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

**Marty Grenfell  
Chief Executive**



# Terms of reference – Strategy, Finance & Risk Committee

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## Membership

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<b>Chairperson</b>	Commission Chair Anne Tolley
<b>Deputy chairperson</b>	Dr Wayne Beilby – Tangata Whenua representative
<b>Members</b>	Commissioner Shadrach Rolleston Commissioner Stephen Selwood Commissioner Bill Wasley  Matire Duncan, Te Rangapū Mana Whenua o Tauranga Moana Chairperson Te Pio Kawe – Tangata Whenua representative Rohario Murray – Tangata Whenua representative Bruce Robertson – External appointee with finance and risk experience
<b>Quorum</b>	Five (5) members must be physically present, and at least three (3) commissioners and two (2) externally appointed members must be present.
<b>Meeting frequency</b>	Six weekly

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## Role

The role of the Strategy, Finance and Risk Committee (the Committee) is:

- to assist and advise the Council in discharging its responsibility and ownership of health and safety, risk management, internal control, financial management practices, frameworks and processes to ensure these are robust and appropriate to safeguard the Council's staff and its financial and non-financial assets;
- to consider strategic issues facing the city and develop a pathway for the future;
- to monitor progress on achievement of desired strategic outcomes;
- to review and determine the policy and bylaw framework that will assist in achieving the strategic priorities and outcomes for the Tauranga City Council.

## Membership

The Committee will consist of:

- four commissioners with the Commission Chair appointed as the Chairperson of the Committee
- the Chairperson of Te Rangapū Mana Whenua o Tauranga Moana
- three tangata whenua representatives (recommended by Te Rangapū Mana Whenua o Tauranga Moana and appointed by Council)
- an independent external person with finance and risk experience appointed by the Council.

## Voting Rights

The tangata whenua representatives and the independent external person have voting rights as do the Commissioners.

The Chairperson of Te Rangapu Mana Whenua o Tauranga Moana is an advisory position, without voting rights, designed to ensure mana whenua discussions are connected to the committee.

## Committee's Scope and Responsibilities

### A. STRATEGIC ISSUES

The Committee will consider strategic issues, options, community impact and explore opportunities for achieving outcomes through a partnership approach.

#### A1 – Strategic Issues

The Committee's responsibilities with regard to Strategic Issues are:

- Adopt an annual work programme of significant strategic issues and projects to be addressed. The work programme will be reviewed on a six-monthly basis.
- In respect of each issue/project on the work programme, and any additional matters as determined by the Committee:
  - Consider existing and future strategic context
  - Consider opportunities and possible options
  - Determine preferred direction and pathway forward and recommend to Council for inclusion into strategies, statutory documents (including City Plan) and plans.
- Consider and approve changes to service delivery arrangements arising from the service delivery reviews required under Local Government Act 2002 that are referred to the Committee by the Chief Executive.
- To take appropriate account of the principles of the Treaty of Waitangi.

#### A2 – Policy and Bylaws

The Committee's responsibilities with regard to Policy and Bylaws are:

- Develop, review and approve bylaws to be publicly consulted on, hear and deliberate on any submissions and recommend to Council the adoption of the final bylaw. (The Committee will recommend the adoption of a bylaw to the Council as the Council cannot delegate to a Committee the adoption of a bylaw.)
- Develop, review and approve policies including the ability to publicly consult, hear and deliberate on and adopt policies.

#### A3 – Monitoring of Strategic Outcomes and Long Term Plan and Annual Plan

The Committee's responsibilities with regard to monitoring of strategic outcomes and Long Term Plan and Annual Plan are:

- Reviewing and reporting on outcomes and action progress against the approved strategic direction. Determine any required review / refresh of strategic direction or action pathway.
- Reviewing and assessing progress in each of the six (6) key investment proposal areas within the 2021-2031 Long Term Plan.
- Reviewing the achievement of financial and non-financial performance measures against the approved Long Term Plan and Annual Plans.

## **B. FINANCE AND RISK**

The Committee will review the effectiveness of the following to ensure these are robust and appropriate to safeguard the Council's financial and non-financial assets:

- Health and safety.
- Risk management.
- Significant projects and programmes of work focussing on the appropriate management of risk.
- Internal and external audit and assurance.
- Fraud, integrity and investigations.
- Monitoring of compliance with laws and regulations.
- Oversight of preparation of the Annual Report and other external financial reports required by statute.
- Oversee the relationship with the Council's Investment Advisors and Fund Managers.
- Oversee the relationship between the Council and its external auditor.
- Review the quarterly financial and non-financial reports to the Council.

### **B1 - Health and Safety**

The Committee's responsibilities through regard to health and safety are:

- Reviewing the effectiveness of the health and safety policies and processes to ensure a healthy and safe workspace for representatives, staff, contractors, visitors and the public.
- Assisting the Commissioners to discharge their statutory roles as "Officers" in terms of the Health and Safety at Work Act 2015.

### **B2 - Risk Management**

The Committee's responsibilities with regard to risk management are:

- Review, approve and monitor the implementation of the Risk Management Policy, including the Corporate Risk Register.
- Review and approve the Council's "risk appetite" statement.
- Review the effectiveness of risk management and internal control systems including all material financial, operational, compliance and other material controls. This includes legislative compliance, significant projects and programmes of work, and significant procurement.
- Review risk management reports identifying new and/or emerging risks and any subsequent changes to the "Tier One" register.

### **B3 - Internal Audit**

The Committee's responsibilities with regard to the Internal Audit are:

- Review and approve the Internal Audit Charter to confirm the authority, independence and scope of the Internal Audit function. The Internal Audit Charter may be reviewed at other times and as required.
- Review and approve annually and monitor the implementation of the Internal Audit Plan.
- Review the co-ordination between the risk and internal audit functions, including the integration of the Council's risk profile with the Internal Audit programme. This includes assurance over all material financial, operational, compliance and other material controls. This includes legislative compliance (including Health and Safety), significant projects and programmes of work and significant procurement.
- Review the reports of the Internal Audit functions dealing with findings, conclusions and recommendations.

- Review and monitor management's responsiveness to the findings and recommendations and enquire into the reasons that any recommendation is not acted upon.

#### **B4 - External Audit**

The Committee's responsibilities with regard to the External Audit are:

- Review with the external auditor, before the audit commences, the areas of audit focus and audit plan.
- Review with the external auditors, representations required by commissioners and senior management, including representations as to the fraud and integrity control environment.
- Recommend adoption of external accountability documents (LTP and annual report) to the Council.
- Review the external auditors, management letter and management responses and inquire into reasons for any recommendations not acted upon.
- Where required, the Chair may ask a senior representative of the Office of the Auditor General (OAG) to attend the Committee meetings to discuss the OAG's plans, findings and other matters of mutual interest.
- Recommend to the Office of the Auditor General the decision either to publicly tender the external audit or to continue with the existing provider for a further three-year term.

#### **B5 - Fraud and Integrity**

The Committee's responsibilities with regard to Fraud and Integrity are:

- Review and provide advice on the Fraud Prevention and Management Policy.
- Review, adopt and monitor the Protected Disclosures Policy.
- Review and monitor policy and process to manage conflicts of interest amongst commissioners, tangata whenua representatives, external representatives appointed to council committees or advisory boards, management, staff, consultants and contractors.
- Review reports from Internal Audit, external audit and management related to protected disclosures, ethics, bribery and fraud related incidents.
- Review and monitor policy and processes to manage responsibilities under the Local Government Official Information and Meetings Act 1987 and the Privacy Act 2020 and any actions from the Office of the Ombudsman's report.

#### **B6 - Statutory Reporting**

The Committee's responsibilities with regard to Statutory Reporting relate to reviewing and monitoring the integrity of the Annual Report and recommending to the Council for adoption the statutory financial statements and any other formal announcements relating to the Council's financial performance, focusing particularly on:

- Compliance with, and the appropriate application of, relevant accounting policies, practices and accounting standards.
- Compliance with applicable legal requirements relevant to statutory reporting.
- The consistency of application of accounting policies, across reporting periods.
- Changes to accounting policies and practices that may affect the way that accounts are presented.
- Any decisions involving significant judgement, estimation or uncertainty.
- The extent to which financial statements are affected by any unusual transactions and the manner in which they are disclosed.
- The disclosure of contingent liabilities and contingent assets.
- The basis for the adoption of the going concern assumption.

- Significant adjustments resulting from the audit.

### Power to Act

- To make all decisions necessary to fulfil the role, scope and responsibilities of the Committee subject to the limitations imposed.
- To establish sub-committees, working parties and forums as required.
- This Committee has **not** been delegated any responsibilities, duties or powers that the Local Government Act 2002, or any other Act, expressly provides the Council may not delegate. For the avoidance of doubt, this Committee has **not** been delegated the power to:
  - o make a rate;
  - o make a bylaw;
  - o borrow money, or purchase or dispose of assets, other than in accordance with the Long-Term Plan (LTP);
  - o adopt the LTP or Annual Plan;
  - o adopt the Annual Report;
  - o adopt any policies required to be adopted and consulted on in association with the LTP or developed for the purpose of the local governance statement;
  - o adopt a remuneration and employment policy;
  - o appoint a chief executive.

### Power to Recommend

To Council and/or any standing committee as it deems appropriate.



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- 1 OPENING KARAKIA**
- 2 APOLOGIES**
- 3 PUBLIC FORUM**
- 4 ACCEPTANCE OF LATE ITEMS**
- 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**
- 6 CHANGE TO ORDER OF BUSINESS**

## **7 CONFIRMATION OF MINUTES**

### **7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 18 September 2023**

**File Number:** A15235499

**Author:** Anahera Dinsdale, Governance Advisor

**Authoriser:** Anahera Dinsdale, Governance Advisor

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### **RECOMMENDATIONS**

That the Minutes of the Strategy, Finance and Risk Committee meeting held on 18 September 2023 be confirmed as a true and correct record.

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### **ATTACHMENTS**

- 1. Minutes of the Strategy, Finance and Risk Committee meeting held on 18 September 2023**



# **MINUTES**

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

**Monday, 18 September 2023**

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**MINUTES OF TAURANGA CITY COUNCIL  
STRATEGY, FINANCE AND RISK COMMITTEE MEETING  
HELD AT THE BAY OF PLENTY REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE  
1 ELIZABETH STREET, TAURANGA  
ON MONDAY, 18 SEPTEMBER 2023 AT 9.30AM**

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

**IN ATTENDANCE:** Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Alastair McNeill (General Manager: Corporate Services), Sarah Omundsen (General Manager: Regulatory and Compliance), Gareth Wallis (General Manager: City Development & Partnerships), Sheree Covell (Treasury and Financial Compliance Manager), Marin Gabric (Senior Financial Accountant (Compliance & External Reporting), Kendyl Sullivan (City Partnerships Specialist), Brendan Bisley (Director of Transport), Andy Mead (Manager: City Planning & Growth), Jeremy Boase (Manager: Strategy & Corporate Planning), Kathryn Sharplin (Manager Finance), Jon Hobbs (Audit and Assurance Lead), Ruth Woodward (Team Leader : Policy), Vicky Grant-Ussher (Policy Analyst), Jennifer Ross (Policy Analyst), Nigel McGlone (Manager: Environmental Regulation), Sandy Lee (Policy Analyst), Richard Butler (Community Partnerships Funding Specialist), Coral Hair (Manager: Democracy & Governance Services), Shaleen Narayan (Team Leader: Governance Services), Anahera Dinsdale (Governance Advisor), Sarah Drummond (Governance Advisor)

## **1 OPENING KARAKIA**

Commissioner Shadrach Rolleston opened the meeting with a karakia.

## **2 APOLOGIES**

Nil

Chairperson Anne Tolley, attended the start of the meeting via online zoom meeting and left the meeting to attend another commitment before returning in person after 1.00 pm. Therefore, Deputy Chairperson Dr Wayne Beilby acted as Chairperson from the start of the meeting until Commissioner Anne Tolley's return.

## **3 PUBLIC FORUM**

Nil

## **4 ACCEPTANCE OF LATE ITEMS**

Nil

## **5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**

Nil

## 6 CHANGE TO ORDER OF BUSINESS

Item 9.9 - Draft Revised Community Funding Policy – Hearings Report was moved so that submitters were heard once the meeting had moved back to open after the Public Excluded Agenda was heard.

## 7 CONFIRMATION OF MINUTES

### 7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 7 August 2023

#### COMMITTEE RESOLUTION SFR6/23/1

Moved: Mr Bruce Robertson

Seconded: Ms Rohario Murray

That the minutes of the Strategy, Finance and Risk Committee meeting held on 7 August 2023 be confirmed as a true and correct record.

**CARRIED**

## 8 DECLARATION OF CONFLICTS OF INTEREST

Commissioner Shadrach Rolleston declared that he had worked on the Three Waters legislation and Resource Management Act reform and would not take part in discussion or voting of any reports on the agenda that regarded these matters.

Committee Member Rohario Murray declared that she had worked on the Three Waters legislation and Resource Management Act reform, and would not take part in discussion or voting of any reports on the agenda that regarded these matters.

Committee Member Matire Duncan declared she was a submitter to item 9.9 Draft Community Funding Policy and that her daughter worked for the Legal Team at the Tauranga City Council and may have worked on the preparation of the litigation report in the public excluded agenda. Ms Duncan would not take part in discussion or voting on any reports related to those matters.

## 9 BUSINESS

### 9.1 2022/23 Interim Audit Report

**Staff** Paul Davidson, Chief Financial Officer  
Sheree Covell, Treasury and Financial Compliance Manager  
Marin Gabric, Senior Financial Accountant (Compliance & External Reporting)  
Jon Hobbs, Audit and Assurance Lead

#### Key points

- The report provided the interim findings of the 2023 financial year audit. Results of Audit NZ mainly focused on controlled environment systems, policies and processes, to clear any outstanding items.
- 11 out of 24 items were reviewed and six have been cleared while five not cleared which are related to Finance, Human Resources and Risk.
- There remained a backlog of items to be assessed and acted on from previous reporting. Six of those items had been cleared and five were outstanding. Those five were considered to be of prioritised by the business which are currently underway. Staff were positive that these items would be finalised before the end of the year.

- One new item added which relates to Annual Fraud Risk Assessments, which the Risk team were working on.

### In response to questions

- It was not usual practice to complete a formal fraud risk assessment on a yearly basis as suggested by Audit, Staff had instead chosen to bring matters more frequently to the Executive to consider.

As part of the Audit review process there had been a necessary change to the role of Payroll users with privileged access ; this had been addressed by Human Resources and there was a Review for that access each month to ensure the correct people had the correct level of access.

### Discussion points raised.

- Audit NZ were currently onsite and had been working with staff for two weeks to complete assessment of the Long-Term Plan and Annual Report.
- The Audit had followed a usual course of 'hard' questions for staff and the Executive. Of the matters that remained open, most if not all would be completed. However, should any new items be identified, these would not be addressed in the current year, due to resource constraints.

### COMMITTEE RESOLUTION SFR6/23/2

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "2022/23 Interim Audit Report".
- (b) Note the recommendations contained within the report to Council by Audit New Zealand, including recommendations from the previous audit.
- (c) Notes the management responses and support on going implementation of improvements as required.

**CARRIED**

## 9.2 Treasury Policy Review

<b>Staff</b>	Paul Davidson, Chief Financial Officer Sheree Covell, Treasury and Financial Compliance Manager Kathryn Sharplin, Manager	Finance
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Tabled amendments to this report are attached to the minutes.

### Key points

- The report was taken as read.
- Report seeks approval for the proposed Treasury Policy amendments.
- Current reporting requirements had been met. Those requirements were developed, met and measured with the help of Bancorp Treasury Services Limited.

### In response to questions

- Treasury performance general was measured by average cost of borrowing which was reported every quarter based on performance against bench mark.
- Documentation had been previously set up and used to make sure staff were following the procedures and levels of approvals which can be reported on.
- The documentation and processes followed were part of Audit NZ's procedure.
- The measures developed with Bancorp used a conglomeration of existing procedures and benchmark standards to report against.

**Discussion points raised**

- The process maps and documentation for this reporting had been created by previous staff and could be amended and updated if required.

**COMMITTEE RESOLUTION SFR6/23/3**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Treasury Policy Review".
- (b) Adopt the amended Treasury Policy.

**CARRIED**

**Attachments**

- 1 Strategy Finance and Risk 18 2023 - Item 9.2 - Amended Treasury Policy November 2023

Chairperson Anne Tolley left the meeting at 10.29am and returned at 10.33am

**9.3 Mainstreets' Monitoring Reports for the period 1 January to 30 June 2023**

**Staff** Gareth Wallis, General Manager: City Development & Partnerships  
Kendyl Sullivan, City Partnerships Specialist

**External** Claudia West, Mount Business Association  
Julia Manktelow, Pāpāmoa Unlimited

Tabled document from the Mount Business Association attached. The mp4 video presentation from Pāpāmoa Unlimited is available on request.

Ashleigh Gee and Mahia Martelli sent their apologies as they would be unable to attend the meeting.

**Claudia West Mount Business Association****Key points**

- Major focus for the last six months has been developing a strategic plan for a long term direction for five years.
- The Association had been monitoring hospitality spending and had seen an upswing from last year. It was hard to gauge whether that was local, or visitor spend.
- There had been a larger and longer than expected winter business and foot traffic drop off.
- The Association was working on four of their Key Performance Indicators (KPI's) and aimed to raise their KPI compliance to 30%.
- There was only one vacancy on the Board.
- The Association had held nine events which brought in 14,000 people through the year and was working with staff to obtain the foot count data to help plan new events.
- The Association noted concerns regarding changes to free parking areas and the effect that could have on foot traffic and business. They had worked with staff to address these concerns.
- There was an ongoing concern regarding security in the Central Mount Business Area and Bayfair Hospitality zones, especially as cruise ship passengers returned to the Mount.
- The use of guardians to patrol and work in the central Mount business area was being investigated.
- The Association continued to add ideas and initiatives to the development programme. The programme was aimed at fostering existing growth and enhancing new areas of business growth.

- The Association would be working with staff on the Mount Spatial plan to see where benefits could be found.
- Mount Business Association was looking forward to their August Spend and Win Promotion, delivering their 'Many Hands, Light Work' street clean, the September School Holiday Ice Rink, holding the AGM, Christmas Movie in the Park, and continued advocacy particularly around Plan Change 33.

#### **Discussion points raised**

- The Committee was pleased to see the Association working on a development plan, and with staff on other opportunities that could benefit their area, such as Plan Change 33. They would like to see the Association share those findings with the other main streets associations so there would be cross pollination and benefits for all of the associations.
- Parking survey would ask questions on staff car parking and time limited parking for staff.

#### **Julia Manktelow Pāpāmoa Unlimited**

##### **Key points**

- Pāpāmoa Unlimited have had a very successful year with a range of events that were growing in attendance. They had also been working closely with Iwi on events such as Alice in Wonderland, Matariki, and other associations on Santa Parades, Halloween, pedal and pump, weaving the strands and light up the walkway.
- Pāpāmoa Unlimited had worked with a number of different sources of funding for these events.
- Year on year attendance at events had increased. They would be proactively working with business partners to develop a strategic plan, that included increased online engagement with ratepayers and residents.

#### **Discussion points raised**

- The Committee commended Pāpāmoa Unlimited for their work. The events that had been run were an exemplar of successful community events that included not only working with local businesses but ensured local iwi were an integral partner in planning of the events. The Committee noted that the quality of these plans, was such that they should be shared with other associations or community groups planning events.
- The Committee acknowledged the continuous work been done with events, including local environmental factors, health and safety and security which were critical in all events.

#### **COMMITTEE RESOLUTION SFR6/23/4**

Moved: Commissioner Bill Wasley

Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee:

- (a) Receives the Mainstreets' Monitoring Reports for the period 1 January to 30 June 2023.
- (b) Receives the Mount Business Association Report to 30 June 2023, Annual Plan for 2023/24, and Strategic Plan.
- (c) Receives the Greerton Village Community Association Report to 30 June 2023 and Annual Plan for 2023/24.
- (d) Receives the Pāpāmoa Unlimited Report to 30 June 2023 and Annual Plan for 2023/24.
- (e) Receives the Mainstreet Tauranga Report to 30 June 2023 and Annual Plan for 2023/24.

**CARRIED**

#### **Attachments**

- 1 Mount Business Association Review Jan to June 2023
- 2 Papamoia Unlimited - Presentation to Strategy Finance and Risk Committee 18 September 2023

Commissioner Anne Tolley left the meeting at 10.29am

Commissioner Anne Tolley returned to the meeting at 10.33am

#### **9.4 FY21-24 Waka Kotahi Procedural Audit**

**Staff** Brendan Bisley, Director of Transport  
Jon Hobbs, Audit and Assurance Lead

##### **Key points**

- There was a correction to the report as the audit period was from 1 July 2019 to of 30 June 2022.
- Due to the large increase in funding and level of work over the 2021-2024 period which moved Council to the top tier of funding, this had changed the frequency of the audits. Tier 1 Councils were audited every two years in line with other metropolitan councils.
- Staff had undertaken two internal audits by KPMG in advance of Waka Kotahi's audit and were confident they had identified and rectified most of the issues identified in the previous audit.

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

- The table in paragraph three was Tauranga City Council's (TCC) assessment, not Waka Kotahi's.
- Staff were presently following up with Waka Kotahi on assurance of the correctness of financial figures used in the report. Once this information had been received it would be reported back to the Committee.

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

- The Committee recognised that Waka Kotahi was a significant funding partner and the relationship was important enough to communicate directly that TCC had rectified the matters in the audit and clearly demonstrated TCC was an effective partner in processes going forward.
- The Committee was pleased to see the steady and continuous improvement of roading measures and wanted to demonstrate this to Waka Kotahi.
- The Committee recommended that the success staff had achieved should be reported to Waka Kotahi as a record of the improvements made.
- A further resolution (b) was included to recommend to Council that an updated assessment on the procedural audit be sent to Waka Kotahi following the internal audit.
- Changes were made to the title of the report to reflect the audit period FY19-22.

#### **COMMITTEE RESOLUTION SFR6/23/5**

Moved: Mr Bruce Robertson

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "FY19-22 Waka Kotahi Procedural Audit".
- (b) Recommends to Council that an updated assessment on the procedural audit be sent to Waka Kotahi following the internal audit.

**CARRIED**

Commissioner Anne Tolley left the meeting at 11.04am

#### **9.5 Growth & Land Use Projects Progress Report - September 2023**

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

##### **Key points**

- The report and appendix were taken as read.

- The last quarterly report had come back to staff with comments on papakāinga housing needs, that were outside the ambit of what the SmartGrowth group could consider.
- Plan Change 33 substantive hearings were due to start in early October 2023. The hearings report was available on the website.
- A staff submission was prepared at short notice on consultation underway by Transpower and PowerCo on the investment required for the local electricity network to support the city's ongoing growth and decarbonisation of the system. Transpower and PowerCo identified the network was under significant pressure and significant investment was required prior to 2030 to support the growth of the city. Staff's concern that the timeframe was short for investment and identified the need to act quickly and decisively and advised that they had correctly identified the growth areas.
- In response to options on how Transpower and PowerCo would service the developments in Tauriko, either through building a new grid exit point in Tauriko or an extension to the current grid exit point in Greerton, staff raised the key point that TCC would like them to minimise the impact of further investments in Greerton such as acquiring further land, given the adjoining green space and the nature of that facility in an area where we are looking to intensify, it was not conducive ideal from a urban form or visual perspective.
- Due to the very limited time frames, staff were not able to follow usual process and bring the submission to Council before being formally lodged.
- An updated SmartGrowth Strategy was out for consultation which would address housing and business land shortages.
- In terms of the western corridor, the Kainga Ora Specified Development Project proposal was currently out for community and stakeholder feedback with a range of open days being held.
- Challenges around the Tauriko West plan change related to stormwater management and flood risk and these presented risk to the timeframes slipping. These challenges and risks would be reported back to Council.
- A report that contained a future work programme would be heavily influenced by the new Resource Management Act (RMA) legislation and would be reported to Council in December 2023.

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

- Plan Change 33 independent hearings panel's delegations were broadened to enable the Panel to consider matters outside the scope of submissions, however staff would come back and confirm the delegations.
- Staff were advancing thinking around the future priorities for the City Plan and this work was on track to be reported to the Committee for input and decision-making toward the end of this calendar year.
- Further investigation and work would be completed for roading and housing challenges in Greerton.
- The Mount to Arataki Spatial Plan and the Mount Industrial Planning study would be completed at a similar time and provided an opportunity to align both of these into a future work programme for plan changes.

#### **Discussion points raised**

- The Committee appreciated the depth of the report and that it brought together the challenges and complexities facing projects that had started and projects yet to start.
- The Committee recommended that the material within the report be packaged and summarised to present to the new Government, as part of briefings for incoming Ministers that held relevant portfolios relating to local government, to emphasise the complexities of the current processes and the legislation.
- Further work to quantify land available now and in the future for Māori housing was requested to be added to future reports.

**COMMITTEE RESOLUTION SFR6/23/6**

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Growth & Land Use Projects Progress Report - September 2023".

**CARRIED**

**9.6 Adopt Draft Traffic and Parking Bylaw for Consultation**

**Staff** Vicky Grant-Ussher, Policy Analyst

**Key points**

- The report was to initiate consultation that brought a series of minor amendments to the Traffic and Parking Bylaw.
- The draft bylaw also clarified the rules for installation of a secondary vehicle crossing to eliminate the current confusion.

**Discussion points raised**

- Should there be any submissions to be heard they will be heard together with the Draft Street Use Policy and Draft Gambling Venues Policy.

**COMMITTEE RESOLUTION SFR6/23/7**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Adopt Draft Traffic and Parking Bylaw for Consultation".
- (b) Approves the proposed draft Traffic and Parking Bylaw (Attachment 1) for community consultation.
- (c) Adopts the Statement of Proposal for the draft Traffic and Parking Bylaw 2023 (Attachment 2) for community consultation.
- (d) Resolves that, in accordance with section 155 of the Local Government Act 2002, the proposed draft Traffic and Parking Bylaw is the most appropriate and proportionate way of addressing the perceived problem and does not give rise to any implications under the New Zealand Bill of Rights Act 1990.
- (e) Delegates to the General Manager Infrastructure the authority to make any minor edits or presentation amendments to the draft Traffic and Parking Bylaw or Statement of Proposal to correct any identified errors or typographical edits.

**CARRIED**

**9.7 Adopt Draft Street Use Policy for Consultation**

**Staff** Jeremy Boase, Manager: Strategy & Corporate Planning  
Vicky Grant-Ussher, Policy Analyst

**Key points**

- Consultation would enable feedback on the proposal for charging for both on street dining and balcony dining areas.

**In response to questions**

- Leases were currently granted for 20 years.
- Balcony dining was proposed to be set at 75% of the street dining rate.
- The approach for setting street dining charges would be to phase these in over a period of four to six years through the user fees and charges process, considering the economic context at the time, given the current construction in the city centre and linking increases to community amenity value. Information such as the collection of foot traffic data, hospitality spend, traffic and parking volumes, rental and lease agreements, council land zoning fees would be used to set more accurate lease charges.

**Discussion points raised**

- Should there be any submissions to be heard they will be heard together with the Draft Traffic and Parking Bylaw and the Draft Gambling Venues Policy.

**COMMITTEE RESOLUTION SFR6/23/8**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Adopt Draft Street Use Policy for Consultation".
- (b) Agrees to include the option of a 75 percent charge of the relevant street dining rate for balcony dining.
- (c) Approves the approach for transitioning businesses to the new street dining charging model.
- (d) Approves the draft policy (Attachment One) for public consultation.
- (e) Delegates to staff the ability to make any minor edits or presentation amendments to the draft Street Use policy any identified errors or typographical edits.

**CARRIED**

The meeting adjourned at 11.25 am and resumed at 11.37 am.

**9.8 Adopt Draft Gambling Venues Policy for Consultation**

**Staff** Sarah Omundsen, General Manager: Regulatory and Compliance  
Ruth Woodward, Team Leader Policy  
Jennifer Ross, Policy Analyst  
Nigel McGlone, Manager Environmental Regulation

**Key points**

- The report was taken as read.
- Consultation was being undertaken after a request from the Committee to amend parts of the existing policy. Those changes would require notification as a special consultation process.
- The consultation related to changes to the ability of existing licence holders to move venues.
- The deprivation index was used in development of these draft consultation options.

**In response to questions**

- Submissions received on the Policy that went beyond the proposed changes consulted on would be required to be considered, however, the response to those submissions could be that the Council would undertake a full review of the Policy in two years' time and these views would be addressed at that time.
- There was no requirement to make the amendment now and it could wait for two years for the full policy review.

- There was a two year period before the full policy must be consulted on.
- The feedback received from iwi on Option 2 supported the sinking lid and opposed relocations and expressed a wish to be involved in the relocation procedure on a location by location basis.
- A document prepared by staff on the engagement was to be circulated to Committee members.

**Discussion points raised**

- The Committee had expressed concern over use of the derivation area index in development of the draft policy speculation don't include irrelevant.
- The Committee agreed that their preferred option for consultation was 'Option Two'.
- The Committee requested that consultation document be clear that the Council was consulting on specific amendments to the Policy only.

**COMMITTEE RESOLUTION SFR6/23/9**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Adopt Draft Gambling Venues Policy for Consultation".
- (b) Approves option two: Amend the relocation criteria to enable gambling venues to relocate to alternative premises for any reason.
- (c) Approves the Statement of Proposal for the Draft Gambling Venues Policy (Attachment One) for public consultation, which includes the Social Impact Assessment 2023 and the draft policy, subject to any amendments required to give effect to the decisions made under recommendation (b).
- (d) Delegates to staff the authority to make minor editorial or presentation changes to the draft policy for correction or clarity.

**CARRIED**

**10 DISCUSSION OF LATE ITEMS**

Nil

**11 CHANGE TO ORDER OF BUSINESS****Resolution to move Item 9.9****COMMITTEE RESOLUTION SFR6/23/10**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Moves Item 9.9 - Draft Revised Community Funding Policy – Hearings Report to be moved on the agenda to be heard after the Public Excluded agenda once the meeting has resolved to return to an open meeting.

**CARRIED**

## 12 PUBLIC EXCLUDED SESSION

### Resolution to exclude the public

#### COMMITTEE RESOLUTION SFR6/23/11

Moved: Commissioner Shadrach Rolleston

Seconded: Ms Rohario Murray

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 7 August 2023	<p>s6(b) - The making available of the information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p>s7(2)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

<b>11.2 - Litigation Report</b>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
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**CARRIED**

## 9 BUSINESS *(continued)*

### 9.9 Draft revised Community Funding Policy Hearings Report

**Staff** Barbara Dempsey, General Manager: Community Services  
Sandy Lee, Policy Analyst  
Richard Butler, Community Partnerships Funding Specialist

The following members of the public spoke to their submission to the Draft Revised Community Funding Policy.

- (1) Sub No. 102 – Laura Wrag and Mary Dillon - Envirohub

#### Key points

- Having a partnership with anchor organisations like Envirohub was important and provided a basis for a long term relationship with each other to meet our shared objectives in this space and actively demonstrate TCC's commitment to involve and inspire people to get involved with community initiatives to create meaningful change.
- Fortunate to have strong relationships with staff to ensure Envirohub's programme initiatives get exposure within TCC, for example Space for Nature initiative.
- Environmental challenges were not short term issues and long term funding was required.
- Envirohub would like to be a voice at the table advocating for sustainability and the environment and create a culture of environmental responsibility.
- Given the funding inequity that exists across our sectors they believed that initiatives that help to address the consequences of climate change and resultant adverse events should be given more priority and funding.

Commissioner Anne Tolley entered the meeting in person at 1.08pm and resumed the Chair after Envirohub's submission finished.

#### In response to questions

- The partnership concept was new to Envirohub and the surety of funding over a multi-year period was the biggest benefit to develop new initiatives and programmes, together with having a supportive partnership manager.
- Their longer term ambition was to embed Envirohub into TCC's organisational structure such as Sports Bay of Plenty and Priority One.
- The essence of the relationship was two voices to come together to do what was needed for the environment. Their big strength was to bring people back to nature place by place.

- The Priority One model was a good basis to consider developing a framework for partnerships which prevented double dipping and ensured a strong united voice at Council.

(2) Sub No. 105 – Annie Hill and Kelcey Taratoa – Creative Bay of Plenty

**Key points**

- Creative Bay of Plenty had worked with the Council for more than 21 years and their desire was to see that partnership continue and they supported the removal of organisations like Creative Bay of Plenty that had partnership agreements with council from the Community Funding Policy.
- Outlined the benefits of the partnership for both the Council and Creative BOP.
- Sustainability of the partnership was key and it was important that service agreements were enduring and not contested at the end of each three year term.
- Support partnership relationships being managed through the part of Council's organisation that was responsible for overseeing the services relevant to their sector. They have the ability to provide insights into councils' strategies, policies and practices and whether these were achieving their desired outcomes.
- Heartened to see that equity in funding of the four well-beings was a fundamental outcome sought as part of the review of the policy, as sport and recreation received more than the arts, culture, heritage social and environmental sectors combined.

**In response to questions**

- Happy with the current arrangement in place since 2002. Variations to contracts were possible and performance measures were in place. Honest conversations were had on performance every three years, in line with the LTP but the contract had not ceased since that time.
- Creative Bay of Plenty saw themselves as an umbrella group with a focus on enabling the sector, either free or subsidised.
- Creative Bay of Plenty worked to create connections, define specific resources needed, create capability building and support local Iwi and hapū aspirations and needs.

(3) Sub No. 107 – Liz Stewart and Christa George, Social Link

**Key points**

- Social Link saw their organisation as an umbrella organisation. Their purpose was to build capacity and capability of community organisations and were known as the voice of organisations in the Western Bay of Plenty.
- Social Link wanted more open dialogue with Council, with both parties working towards outcomes in a progressive way.
- Social Link did not support that cornerstone partnership agreements should be contestable or have end dates.
- Provided suggestions and comments around the four principles mentioned in the policy.
- In terms of transparency, it would be good to have the results of the funding applications and the outcomes of these published regularly to encourage more understanding of what Council's principles strategies are that it wants to fulfil.
- In terms of accountability, Social Link was happy to provide feedback on the paper being developed for consultation on accountability reporting and recommended Acorn Foundation's approach of an annual round table reporting sessions accompanied by a one page report confirming money had been spent.
- In terms of equity, Social Link asked Council to provide an equity lens to funding decisions to ensure a range of groups benefitting from funding, not the same groups each round and that Council reached out to community groups not conversant with funding processes.
- In terms of Te Tiriti o Waitangi, Social Link supported the Council to develop capacity in this area, given the small number of Māori organisations that were funded. This could be

both in making funding opportunities to be more visible and wrapping more support for Māori organisations to increase their capacity to secure funding. Social Link wanted the Council to look at enhancing Rangatiratanga for iwi/hapū over decision making about funding relevant to them.

### In response to questions

- In terms of the obligations on Social Link through a partnership agreement, they saw this as honesty and integrity and sharing information on what was going on in the sector. The obligations would be set out in the first agreements.
  - Agreed to have conversations as part of the cornerstone relationship on who was responsible for greater reach in the community and how information could be shared.
- (4) Sub No. 035 – Stu Thompson, Boys Brigade New Zealand  
Provided a late apology for not attending.
- (5) Sub No. 058 – Simone Anderson, The Incubator

### Key points

- The Incubator expressed gratitude for the multi-year funding received through the Community Grants Fund, and as she mentioned at the recent Community Grants Fund celebration event they treat this as a tremendous privilege and responsibility to deliver 'bang for buck' for the ratepayers. Ms Anderson thanked TCC for the opportunity provided to be part of the process to review the Community Funding Policy.
- Ms Anderson questioned if the community funding pool would grow in proportion with the city's growth, social needs and to align with the Council's strategic vision and priorities and to empower community-led organisations to deliver outcomes that respond to all of these. More services and organisations were being directed to this fund and if the pool was not growing in proportion to this need it threatened to be set up for failure rather than success.
- A recent example on the stress on this fund was the proposal to increase rents and or user fees for the buildings at the Historic Village. Tenants who were given exemptions three years ago to rent increases were being encouraged to apply to the Community Grants Fund when the proposal to increase rents was finalised. This demonstrated how this fund would struggle when more organisations were sent that way.
- There were commonalities between the user fees for community leases and the community grants funding policy and The Incubator hoped that these could be thought out more.
- Community leases could be ringfenced as their own type of fund contract or building grant, that encompassed discounts, in kind exchange or historic peppercorn rents. These could be applied for with separate criteria that would be assessed on the organisation's purpose, value to community and KPIs that reflect this privilege.
- At The Incubator they knew from experience that the ability to offer physical space was the magic ingredient for them to deliver staggering outcomes back to the communities. Having a fresh and creative way of assessing and measuring the value that community-led organisations can extract from a leased space could be a game changer, not to mention developing TCC's assets as destinations.
- Questioned whether organisations of private membership models should be eligible for community rents and discounts of community owned tenancies.
- Concerned about limiting an organisation to one source of funding and emphasised the danger of pigeon-holing and restricting access to other funding opportunities that fell outside a grant's business as usual (BAU). These requests could be in response to burgeoning demand, growth which surpassed budget, and any new plans not on the radar at the beginning of a three year funding agreement. This could lead to misinformation to funding assessor panels, a lack of clarity and in some cases an insinuation of double-dipping (which could not be further from the truth) and an inability to deliver valuable outcomes.

- In regards to the question of whether partnership agreements should be removed from the Community Funding Policy and contracting used to support not-for-profit organisations instead, more clarity would be good on what this meant. Ms Anderson asked if the Community Funding Policy was the right place for developing enduring and long lasting partnerships.
- The Incubator queried what a contract for services would look like and if that meant yearly resubmission, competitive tendering that would cause uncertainty, lack of confidence for long term planning, employment and overhead commitments or would it be the opposite?
- The Incubator wanted assurance that a contractual relationship outside of community grants would be a meaningful and bespoke relationship tailored to respected organisations. How does TCC look after those relationships? would they create and nurture enduring relationships, that enabled support for each other, and the ability to advocate and collaborate over and above the dollar value of the contract? or was it purely transactional?
- Supported Social Link comments on equity and wanted to see more equity across the funding.

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

- The Incubator felt very supported by the Council and thought the terms used in the policy could perhaps not be the best terms to use. The term "partnership" implied a two way benefit, a relationship, however the term "contractual agreement" implied a very transactional approach and did not give confidence that the supportive relationship would continue.

The Committee noted that the policy of peppercorn rentals had resulted in facilities not being fit for purpose and investment was needed to bring these facilities up to standard. Given the need for maintenance and upgrading of community buildings, more information and conversations on how these would be funded would be held through the Long-Term Plan process.

- (6) Sub No. 096 – Caroline Dafoe, Mums4Mums and Craft Management Charitable Trust  
Apology provided for not being able to attend in person or online.
- (7) Sub No. 098 – Kathy Webb, Neighbourhood Support

#### **Key points**

- Neighbourhood Support was a community led organisation with voluntary networks engaged at a neighbourhood level.
- Would like more of a relationship with Council as they believed they could be achieving more through a better partnership with Council.
- Strongly supported multi-year funding and did not want to be part of a contestable funding model.
- Funding for business as usual was hard and they previously enjoyed their relationship through the LTP with Council with multi-year funding of approximately \$30,000 per annum.
- Neighbourhood Support had around 14,500 households, with the growth in Tauranga especially in Pāpāmoa, there was a need for more support that could be offered by volunteers.
- Neighbourhood Support had successfully been working with Paul Mason, but felt that with greater funding and support more areas could benefit from their support.

## (8) Sub No. 103 – Glen Crowther, Sustainable Bay of Plenty

**Key points**

- Looking at the strategic issues that surrounded funding and commended the Council on their overt approach, rather than a specific look at the submission provided by Sustainable Bay of Plenty.
- Suggested a principle approach be undertaken, and people liked the inclusivity of wording such as “partnership” and the certainty of multi-year funding.
- Suggested that when the Council was wanting certain outputs it would be better funded through a service contract and for outcomes it would be better funded through an agreement with multi-year funding.
- Council needed to include various types of funding, such as in-kind or capital funding, as separate portions within one pool so that organisations asking for different types of funding were not competing with each other. Concerned that match funding may not suit a smaller organisation, whereas larger organisations may be able to obtain funding as they had the resources to match the Council's funding.
- Look at categories of who was applying for funding and how they were treated. They saw a difference between umbrella organisations who knew their sectors and offered outcomes that were desirable. By funding these umbrella organisations there was a good chance of collaborative partnerships to ensure the outcomes the Council was looking for. There was a need to deal with potential conflicts of interest if they were also delivery organisations themselves. Also described as anchor organisations, such as Envirohub and Incubator, who had a certain standing and longevity, they offered outcomes that were desirable.
- Important to look at all the well-beings getting funded. Sectors like the environment were not receiving as much funding as economic development.
- The economic sector, though funded by businesses, should be treated on the same basis as other sectors, and included in one funding pool. The outcome of funding should be determined not by who was paying for it, rather it should be based on the outcomes the Council wanted to deliver, what the Council could afford and divided in a principled way based on equitable funding of the well-beings.
- Council was not at present ensuring smaller groups were receiving equitable funding. This raised the related issue, at what point does an organisation who was getting large amounts of funding in the millions of dollars from the Council be thought of as a Council Controlled Organisations(CCO) to enable the Council and therefore the community to have more of a say in the outcomes that are delivered?

**In response to questions**

- In terms of umbrella organisations they could have a different role in the distribution of funding in their sector, as long as their own funding was secure. Umbrella organisations knew who needed the money and could help Council quickly get good outcomes.
- Funding for organisations that fell outside of these boxes needed to be set aside.
- Suggested getting the principles of equity and transparency sorted up front and then work through teasing out how this could be managed on a practical level.

## (9) Sub No. 108 – Nick Chambers, Sport Bay of Plenty

**Key points**

- Mr Chambers gave the apology of Ms Lichtwark the CEO of Sport Bay of Plenty for not appearing in person and noted that Sport Bay of Plenty was thankful for the opportunity to not only provide a written submission on the fund but also to speak to the Committee in person.
- Had been in partnership with the Council for a number of years, the last two rounds of funding were through a partnership agreement for the term of five years which was valuable for our sector and community.

- Agreed with the Council approach to remove partnership agreements from the Community Funding Policy as these were fundamentally different from the other funding agreements and not the best form of agreement for funding for Sport Bay of Plenty but of other community groups that they worked with. A clear delineation of where funding was being spent would be needed for both Council and Community.
- If agreements were left as contracts for services there was a concern and risk that there would be a loss of mana or principles of a great partnership, and the loss of opportunities to leverage and pivot relationships.
- They were concerned with the potential for contracts to be framed in a way that the relationship could become too transactional. Sport Bay of Plenty would like to work with Council on how to protect existing relationships and partnership in the interests of the people they work for.

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

- The Committee sought clarification from Sport Bay of Plenty of who or how Māori community or sports groups navigate access to funding. For example Waka Ama and other Māori sports groups and how Sport Bay of Plenty provided help to them?
- Mr Chambers acknowledged that at present they were under resourced in making and maintaining relationships with iwi and hapū groups. Work had commenced on better resourcing and maintaining and building new relationships. As an example at present Sport Bay of Plenty would work with the National Waka Ama Association before moving down to the local level.
- The Council was interested and looking forward to speaking to not only Sport Bay of Plenty but other recreational groups through the Long-Term Plan process. It was noted that the Council had commenced work on the issues raised by the Indoor Sports Association of how fees and charges were set and used, with regard to finding an appropriate balance of public/private funding for community organisations.
- Sport Bay of Plenty saw their partnership with Council as a great example of a partnership working well and they would work together on a burning issue for the Council, like user fees and charges, to build bridges across community groups to find a resolution collectively and were keen to work on that moving forward.

#### **Concluding comments from Committee for staff**

- The Committee heard from submitters today on working in different ways with different groups and was keen to have those ideas and concepts explored in more detail.
- There was a concern that a number of organisations that would not be considered partners or anchor/cornerstone organisations would still require continual funding, and to have a completely contestable fund would leave them out.
- Staff advised that they had committed to report back with further information and concepts to the Committee on funding arrangements expressed through the submissions, and as a matter of course staff would work with a range of organisations to tease out those ideas.

#### **COMMITTEE RESOLUTION SFR6/23/12**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receive the report "Draft Revised Community Funding Policy Hearings Report".
- (b) Receive the written submissions on the draft revised Community Funding Policy (Attachment 1).
- (c) Receive the verbal submissions from those submitters who wish to speak to their submission.

**CARRIED**

### **13 CLOSING KARAKIA**

Commissioner Shadrach Rolleston closed the meeting with a karakia.

**The meeting closed at 2.36 pm.**

**The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 30 October 2023.**

.....  
**CHAIRPERSON**

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

## 9 BUSINESS

### 9.1 Annual report 2022/23 - Presentation of revised document and update from Audit New Zealand

**File Number:** A15021892

**Author:** Sheree Covell, Treasury & Financial Compliance Manager  
Kathryn Hooker, Corporate Planner  
Marin Gabric, Senior Financial Accountant (Compliance & External Reporting)

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

#### PURPOSE OF THE REPORT

1. The primary purpose of this report is to provide the committee with an update of the year-end financial and non-financial results of the annual report. This update includes the consolidated financial accounts and amendments to the introductory sections of the report as requested by Strategy Finance and Risk at the meeting on 4 September 2023. It is noted that the attachment is still subject to final audit changes prior to adoption of the final consolidated Annual report. It should also be noted that tax and variance analysis in note 31 are not yet included.
2. The secondary purpose of this report is to provide Audit NZ with an opportunity to update the committee on the progress of the concurrent audits of the 2022/23 Annual Report and the 2024-2034 Long-term Plan.

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#### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Annual report 2022/23 - Presentation of revised document and update from Audit New Zealand".

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#### EXECUTIVE SUMMARY

3. The draft 2022/23 Annual Report was presented to this committee at a workshop on 4 September 2023. This was an opportunity for the committee to provide feedback and ask any questions of staff. Feedback from the meeting and subsequent email correspondence has been incorporated in this version of the report.
4. The version from the previous meeting also excluded the impacts of revaluations and final consolidation. These have now been included and details are below.
5. Non-financial performance measures have one change from those presented on the 4 September 2023 workshop, with the Water Supply measure around water losses now moving from not achieved to achieved as the updated data is now available at the end of September and we have met the target.
6. The draft result for the full financial year is currently 66% achieved (66 measures), 31% not achieved (31 measures) and 3% not measured (3 measures).
7. Audit NZ are close to completing the onsite audit of the Annual Report and are progressing through an internal review process. Audit NZ will be at the adoption meeting on 27 November formally adopt the 2022/23 Annual Report.

8. This is the final version of the 2022/23 Annual Report that this committee will have visibility of before the adoption meeting on 27 November 2023.

## BACKGROUND

### Financials

9. The key financial results for TCC (unconsolidated) are as follows:

Key metric	30 October 2023	4 September 2023
Total operating revenue	\$354m	\$354m
Total operating expenditure	\$401m	\$400m
Capital & operating subsidies	\$118m	\$108m
Net debt	\$833m	\$832m
Capital Expenditure	\$293m	\$293m
Debt to revenue ratio	192%	190%
Total Assets	\$7.2bn	\$6.8bn

10. The noteworthy changes that have occurred since the draft financials statements were presented in September 2023 are:
- Water assets revaluation is now included. This resulted in a \$492.5m increase to asset values
  - Investment property revaluation is now included. This resulted in a \$3.1m reduction to asset values
  - Increase \$10m to capital subsidy revenue to recognise Waka Kotahi subsidies received in August 2023 relating to work completed in the 2023 financial year.
  - Consolidation of CCOs is now included. The CCO Annual Reports were presented to this committee on 25 September 2023. Summaries of the year's performance are included in section six of the Annual Report.
11. The financial statements and notes to accounts remain in draft form and could change as a result of final tax calculations and final audit adjustments.

### Non- financial

12. Of the 100 non-financial performance measures, 97 have been measured during the financial year.
13. The draft result is currently 66% achieved (66 measures), 31% not achieved (31 measures) and 3% not measured (3 measures).
14. As a result of the feedback received at Strategy Finance and Risk Committee on 12 September, the following changes were made to the presentation and content of the front sections:
- Section one
    - Te Kupenga model updated to latest version
    - sentence added into Commissioner message acknowledging the work underway to support development potential on Māori owned land.
  - Section two
    - text for Cameron Road, updated to include the cultural work underway

- paragraph added to include the papakainga work underway
- three waters section updated, adding collaboration with mana whenua
- addition of Gate Pa Community Centre
- wording addition and tweak to Memorial Park Recreation Hub
- addition of wording under 'A Delivery Focused Organisation'
- addition of sustainability goals
- some updates to data in 'Our Performance'
- change to heading 'we are in the process of building more infrastructure to support growth' adding 'and address current deficits'
- addition of definition in footnote for target 'number of flooding events' to help explain it is directly influenced by the council stormwater system
- footnote added for 'grants to organisation' identifying funding is collected via a targeted rate from the business community
- addition of wording around new LTP 2024/34 measures in Non-financial Performance Summary
- Section three
  - 'delivery and movement to an outward focused organisation' added to the Commission focus
- Section four
  - full list of representation on the SFR committee added
- Section five
  - additions to transport and waters with the acknowledgement of cultural work underway and/or planned, along with 3 waters updates and Mana o te Wai
  - minor text and data updates to non-financial performance measures in accordance with audit discussions.

## STRATEGIC / STATUTORY CONTEXT

15. The annual report is prepared consistent with requirements of the Local Government Act 2002 and International Public Sector Accounting Standards.

## OPTIONS ANALYSIS

16. There are no options presented.

## FINANCIAL CONSIDERATIONS

17. The financial statements and information presented is for the financial year ended 30 June 2023. The presentation of the financials section is guided by the requirements of the Local Government Act 2002, accounting standards (International Public Sector Accounting Standards (IPSAS)) and generally agreed accounting policies. It is audited by Audit New Zealand. The financial statements and note to accounts are prepared on a going concern basis and any incidence or allegations of fraud, non compliance or misstatement should be disclosed.

## LEGAL IMPLICATIONS / RISKS

18. The Local Government Act 2002 requires the annual report to be adopted within four months of balance date. However, due to audit resourcing constraints which have been exacerbated

by an early Long Term Plan the annual report is being adopted one month late. This has been reflected by a disclosure in the annual report and the Minister of Local Government has been informed.

## CONSULTATION / ENGAGEMENT

19. The annual report will be made publicly available after adoption. The 2021-31 Long Term Plan which the years results are measured against was consulted on before being adopted. There is no consultation on the annual report itself.

## SIGNIFICANCE

20. 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.
21. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
22. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance.








## ENGAGEMENT

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

## NEXT STEPS

24. The final designed annual report will be presented to Council for adoption on 27 November 2023.

## ATTACHMENTS

1. **70203 Annual Report 2022-23 - 01 Introduction - PROOF (003) - A15193476 (Separate Attachments 1)** 
2. **70203 Annual Report 2022-23 - 02 Year in Review - PROOF (006) - A15193311 (Separate Attachments 1)** 
3. **70203 Annual Report 2022-23 - 03 Civic Leadership - PROOF - A14984924 (Separate Attachments 1)** 
4. **70203 Annual Report 2022-23 - 04 Our Organisation - PROOF (002) - A15193575 (Separate Attachments 1)** 
5. **70203 Annual Report 2022-23 - 05 Groups of Activities - PROOF - A15235858 (Separate Attachments 1)** 
6. **70203 Annual Report 2022-23 - 06 CCO - PROOF - A14984940 (Separate Attachments 1)** 
7. **70203 Annual Report 2022-23 - 07 Financials - PROOF - A14984953 (Separate Attachments 1)** 

## 9.2 Increase to ANZ Facility

**File Number:** A15167281

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

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

### PURPOSE OF THE REPORT

1. This report seeks approval for an increased of \$100m to the uncommitted bank facility with ANZ for total cover of \$200m.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Increase to ANZ Facility".
- (b) Approves an increase of \$100 million to the facility with ANZ bringing the total uncommitted bank facilities to \$200 million.

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### EXECUTIVE SUMMARY

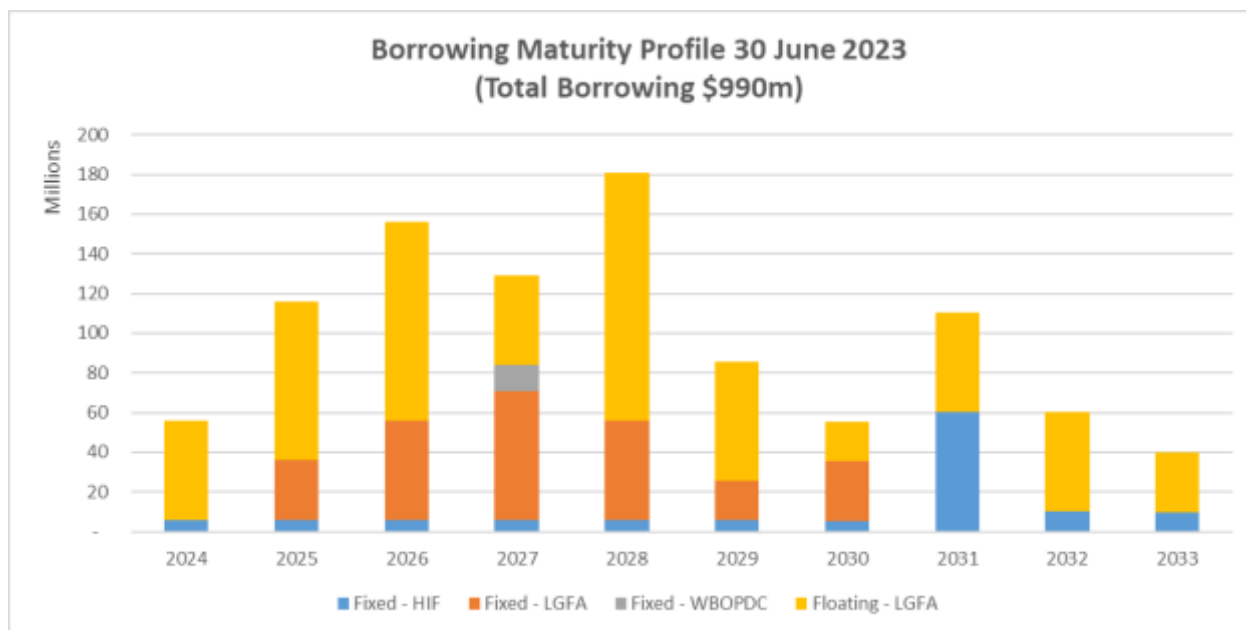
2. This report seeks approval for an increase to the uncommitted bank facility of \$100m to assist with the management of Council's liquidity risk. The increase reflects the increase in gross debt and maturities requiring refinancing over the next three years. It is proposed to include this as a variation to the existing facility with ANZ.
3. Liquidity risk primarily focuses on ensuring there are sufficient funds available to meet our obligations in an orderly manner. Funds are required for our ongoing operational and capital expenditure requirements as well as for meeting existing debt maturities.
4. Council's gross debt at 30 June 2023 was \$948m and this is forecast to increase to \$1.1bn by 30 June 2024. Council's debt maturity profile will increase from \$56m in 2024 to \$155m in 2026. Because of this higher debt and requirement for liquid funds it is appropriate to once again increase the level of uncommitted bank facility and ensure council remains consistent with current Treasury Policy regarding liquidity cover, and maintains a strong liquidity risk management profile.
5. Section 5.1.2 of Council's Treasury Policy requires council to have the ability to pre-fund up to 12 months ahead of forecast debt requirements including re-financing.

### BACKGROUND

6. Management of liquidity risk is an important part of treasury management. Access to liquid funding by way of committed bank facilities and/or liquid investments is required in order to manage liquidity risk.
7. A facility provides direct access to funds in the case of an extraordinary event where significant funds are required immediately and cannot be sourced efficiently and cost-effectively through normal borrowing from LGFA. The facility also provides coverage for debt maturities in the event that access to funds in the debt market are constrained
8. Both Council's Treasury Policy and LGFA financial covenants require a level of undrawn committed bank facilities or liquid investments or a combination of both. The key objective is

to maintain adequate liquidity in the context of managing debt maturities and debt servicing on a 12-month rolling basis.

9. Council's credit rating currently through Standard and Poors takes into account liquidity management with access to credit a significant factor as debt maturity profiles increase.
10. Uncommitted Bank Facilities, held with ANZ are currently at \$100m, having been increased in 2021 from \$70m as a results of debt levels increasing above \$500m and maturities increased commensurately. The facility matures on 31 October 2026 and the current strategy is to extend the maturity date by one year each year. It is planned to maintain the existing facility within the 2 to 4 year maturity band. The graph below shows the maturities that are flowing from Council's higher debt levels.



11. The cost of the additional \$100m has been compared across a number of providers. The current arrangement is comparable to that offered by LGFA. To ensure diversification from LGFA it is proposed to retain the additional amount with ANZ as a variation to the existing facility.

## STRATEGIC / STATUTORY CONTEXT

12. Increasing the facility from \$100m to \$200m enables council to manage council's liquidity risk consistent with its Treasury policy and the requirements of our lenders. The level of liquidity risk faced by Council will be an important factor in the assessment of our credit rating which in turn will affect our access to credit and borrowing costs.

## OPTIONS ANALYSIS

13. The options are outlines below

	<b>Option 1: Approve the increase in facility from \$100m to \$200m</b>	<b>Option 2: Maintain the facility at \$100m</b>
Advantages	Increased access to credit for extraordinary events.  Increased access to credit to fully cover debt maturities in the event the debt market is constrained.	No increase in operational expenditure
Disadvantages	Additional \$200k per annum in	Not able to fully cover debt

	operational expenditure (based on current pricing structure).	maturities from 2025 onwards Risk to credit rating which could increase borrowing costs
--	---	--

## FINANCIAL CONSIDERATIONS

14. Based on current pricing structure this increase would be approximately \$200k per year and in the budget forms part of total borrowing costs. This will be included in future years budgets and the pro rated portion of this cost will look to be covered within existing budgets in the current financial year.

## 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 matter.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
17. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

## ENGAGEMENT

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

## NEXT STEPS

19. Action the increase to the facility.

## ATTACHMENTS

Nil

### 9.3 Credit Rating Results from Standard & Poors Global Ratings

**File Number:** A15187640

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

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

#### PURPOSE OF THE REPORT

1. This report provides a copy of Standard and Poors Global Ratings (S&P) credit rating for 2023 and summarises key factors raised in the report that affect the current rating and future upside and downside risk to this rating.

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#### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Credit Rating Results from Standard & Poors Global Ratings".

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#### EXECUTIVE SUMMARY

2. Tauranga City Council (TCC) chooses to have a credit rating to access lower interest margins on its borrowing and to allow borrowing covenants with LGFA that include a debt to revenue ratio limit of 280%. Being a rated council also supports LGFA by ensuring the majority of its lending is to rated councils.
3. S&P has affirmed TCC's long and short term ratings at A+/A-1. Council has a stable outlook on this rating based primarily on the expectation that council will follow through with its planned rates increases and deliver on its capital programme. The attached S&P report outlines the factors relevant to this rating.
4. TCC's growing debt constraints are also being experienced by most other larger councils and S&P has noted that continued downward pressure on local authority credit ratings is likely in the absence of new grants or other funding arrangements to assist with the sector's substantial new infrastructure requirements particular across the three waters.

#### BACKGROUND

##### TCC CREDIT RATING

5. S&P has affirmed TCC's A+ rating with a stable outlook. The S&P rating report noted that our rating excludes the impacts of waters reform as it only looks forward to 2026. The strongest rating factors for TCC included the Institutional Framework, Tauranga economy, TCC's liquidity coverage and experienced financial management team. Liquidity considerations include TCC's approach to prefunding debt maturities and increasing uncommitted bank facilities as total debt levels increase.
6. S&P noted future ratings have upside and downside risks which are outlined below.
7. Downside risks, which are factors that could lead to a lowering of credit rating in the future include capital expenditure increasing beyond S&P's expectations and revenue, including rates and grants failing to meet expected levels.
8. Upside risks, which are factors that could raise TCC's future ratings, include post-election that the council delivers on financial outcomes in line with S&P forecasts. Also, an upside opportunity would be stronger budgetary performance resulting in a lower ratio of debt to operating revenue.

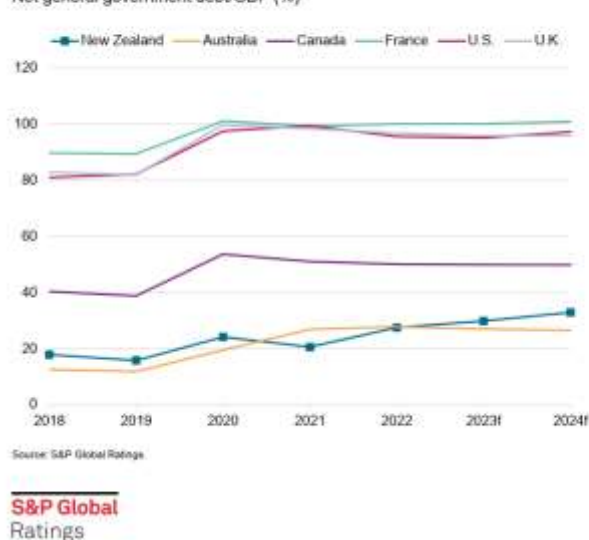
9. It is expected that Council will run after capital deficits to address the backlog of under investment in infrastructure and facing into ongoing inflationary pressure. This will require the planned increases in rates revenue and funding from central government in order to offset the expenditure.

## THE WIDER GOVERNMENT AND LOCAL GOVERNMENT CONTEXT

10. S&P provides credit ratings for the New Zealand Government and for 25 local authorities representing 95% of local authority debt. In a recent webinar to local government sector S&P noted New Zealand is experiencing an economic deceleration, but that there remains relative labour market strength. Recent inflation measures indicate that Reserve Bank rate hikes are starting to have an impact.
11. New Zealand Sovereign rating has been affirmed at AA+. Despite popular belief New Zealand's public debt is relatively favourable to its peers (on par with Australia and below most other advanced economies) and not a major component of its credit rating. Reining in the fiscal deficit is a more important factor both to stabilise future debt and provide a buffer to future shocks and to support the direction of its monetary policy to get inflation under control.
12. In contrast, local authorities are identified as highly indebted relative to their municipal peers worldwide. The water reform proposals of the previous government provided an opportunity for local authorities to reduce their debt burden. Without this option local authorities will require new grants or funding tools to assist with large future infrastructure expenditure or they are likely to see more downward pressure on credit ratings.
13. The S&P graph below shows relative balance sheet pressures of central Government against peers and local authorities against their peers.

### Government Balance Sheets Worldwide Are Strained

New Zealand's total public debt is moderate compared with peers  
Net general government debt/GDP (%)



... but not so much at local government level  
Debt to operating revenue (%)



## STRATEGIC / STATUTORY CONTEXT

14. TCC chooses to have a credit rating to access lower interest margins and to support LGFA by ensuring the majority of its lending is to rated councils, which supports the LGFA credit rating of AA+ foreign currency and AAA local currency.

## OPTIONS ANALYSIS

15. This report is for information only. There are no options.

## FINANCIAL CONSIDERATIONS

16. TCC borrows through the Local Government Funding Agency (LGFA) and receives a borrowing rate commensurate with its credit rating. At current rates an A+ rated council borrows at fixed interest rates 5% above AA- rated councils, and 10% below interest rates charged to unrated councils. If Council's credit rating were to be downgraded to A there may be a small increase in interest rate charged by LGFA, with the maximum increase likely to be 10 basis points which equates to the charge to unrated councils.
17. The long-term plan budgets are set with interest rate assumptions commensurate with forecasts borrowing costs for an A+ rated council.

## LEGAL IMPLICATIONS / RISKS

18. There are no legal implications arising from this rating.

## CONSULTATION / ENGAGEMENT

19. No engagement is required. S&P has published this rating report.

## SIGNIFICANCE

20. 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.
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  - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
22. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

## ENGAGEMENT

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

## NEXT STEPS

24. The discussion within the report is of relevance to 2024-34 Long-term Plan. TCC maintains dialogue with S&P who will continue to monitor our governance decisions and budgetary performance through annual plans and the annual report. The credit rating is renewed each year.

## ATTACHMENTS

Nil

## 9.4 Q1 Financial Monitoring Report to 30 September 2023

**File Number:** A15129892

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

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

### PURPOSE OF THE REPORT

1. The purpose of this report is to provide information on Council's financial performance to 30 September 2023, which is the first quarter of the 2023/24 financial year. Revised non-financial performance reporting will be provided separately with the first report proposed for the 6 months to end of December 2024.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Q1 Financial Monitoring Report to 30 September 2023".

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### EXECUTIVE SUMMARY

2. This report along with the material in **Attachment 1** outlines council's draft financial performance against budget for the three months to 30 September of the 2023-24 financial year. The Statement of Comprehensive Revenue and Expense (SOCRE), along with capital reporting and treasury performance are presented and variances explained in **Attachment 1**.
3. The overall operating surplus is \$3.2m unfavourable to budget with key drivers being lower capitalisation offsets of personnel costs, slower receipt of development contribution revenue and vested assets and lower water by meter consumption than budgeted.
4. Capital Expenditure of \$81m was delivered which compares to the year-to-date budget of \$116m, excluding vested assets and projects delivered by third parties.
5. Gross debt is \$949m at 30 September and net debt is \$826m with \$123m held in bank balances and term deposits.

### BACKGROUND

6. This report is for monitoring and reporting purposes showing Council's first quarter financial performance against Annual Plan budgets.

### DISCUSSION

#### Part 1: Financial Performance

7. The financial results to 30 September 2023, which is the first quarter of the 2023-24 year are provided as **Attachment 1** to this report.
8. The overall operating deficit is \$3.2m unfavourable to budget. There are a number of variances that relate to timing of revenue or expenditure. The following key variances include areas where a change to full year forecasts may be appropriate.

#### Expenditure

- (a) Above budget personnel expenses. Direct salary expenditure is close to budget. However, capitalisation is tracking behind budget primarily on digital projects where a change in accounting treatment means digital capital projects will be loan funded opex

rather than the way it is budgeted for the year as capital expenditure. Further work will be undertaken to determine the extent of loan funded opex replacing capitalisation and its impact on operational salary costs reported in the SOCRE. This information will be incorporated in revised full-year forecasts included in the December monitoring report.

### Revenue

- (b) Metered water revenue is tracking behind budget reflecting slower commercial and residential consumption than budgeted for the first quarter. No adjustment has been made to full year forecasts which will be revised for the December financial monitoring report.
  - (c) Subsidies and grants are ahead of budget for the year. The full year forecast of subsidy revenue has been revised upward following Waka Kotahi agreement to fund the increase in maintenance and renewal work budgeted for the year but not initially included in the year's funding agreements. Subsidies and grants relating to capital projects carried forward from 2023 are included in this revision. Offsetting this forecast increase, the annual plan did include a government subsidy of council's ongoing water reform costs. However, this work has slowed and the subsidy is now expected to be less than budgeted. As a result of these impacts the full year subsidy revenue forecast has been increased by \$29m, across capital and operational subsidies.
  - (d) Fees and Charges are above budget for the first three months with about \$900,000 in the recognition of revenue recorded as pre-receipts at year end. Further review of revenue trends will be undertaken before updating full year forecasts for the December monitoring report.
  - (e) Growth-related revenue including development contributions and vested assets are below budget. Revenue is recognised as building and subdivisions occur or as developers complete and vest assets to council. At this stage no change has been made to full year forecasts.
9. Capital expenditure of \$81m was delivered which compares to the year-to-date budget of \$116m, excluding vested assets and projects delivered by third parties. The full year forecast has been revised downwards to \$389m, which is \$50m below budget. The main variances driving this forecast are:
- (a) delayed Cameron Road Stage 2 programme – a business case is underway but construction of Stage 2 is unlikely to commence this financial year
  - (b) delayed Te Maunga Transfer Station Redevelopment while a business case is developed and funding assumptions considered
  - (c) changes to the accounting treatment for Digital projects, resulting in reduced capital and increased operational budgets
10. The Treasury report shows Gross debt at \$949m and net debt at \$826m. Money market investments and bank deposits are at \$90m. Interest rate hedging and debt maturity profiles remain within Treasury policy. While interest rates remain relatively high, with the OCR at 5.5%, council's average borrowing rate including margins is at 4.63%.

### OPTIONS ANALYSIS

11. There are no options associated with this report. The report is provided as information only.

### FINANCIAL CONSIDERATIONS

12. This report monitors performance to budget to ensure council delivers on proposed expenditure within allocated budgets to ensure financial sustainability and accountability.

### STRATEGIC / STATUTORY CONTEXT

13. Maintaining expenditure within annual plan budget ensures delivery of services in a financially sustainable way. Variance review assists in identifying risks and trends facing council

### LEGAL IMPLICATIONS / RISKS

14. This monitoring report has no specific legal implications or risks.

### CONSULTATION / ENGAGEMENT

15. This report is made public.

### SIGNIFICANCE

16. 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.
17. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
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  - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
18. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

### ENGAGEMENT

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

### NEXT STEPS

20. This report ensures monitoring of Council performance to ensure compliance with Council's budgets, policies and delegations. The non-financial monitoring report summary will be presented on the Council website.

### ATTACHMENTS

1. **Attachment 1 Financials and Capital Expenditure to 30 September 2023 - A15203413** [!\[\]\(b030cf612da54dc7c29bb9ee43917adc\_img.jpg\)](#)  


## Financial Statements

Year to 30 Sep 2023

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Favourable  
(Unfavourable)

					FULL YEAR		
\$'000	Actual YTD	Budget YTD	Variance	Variance %	FY Forecast	Total Budget	Variance to Forecast
OPERATING REVENUE							
Rates	64,646	63,735	911	1%	254,940	254,940	0
Rates - metered water	7,150	7,910	(760)	-10%	35,822	35,822	0
Finance Revenue	2,117	893	1,224	137%	4,342	4,342	0
Dividends	384	235	149	63%	535	535	0
Subsidies & Grants	6,039	5,603	437	8%	41,055	37,808	3,247
Fees and Charges	16,162	14,716	1,446	10%	61,465	62,098	(633)
Total Operating Revenue	96,500	93,092	3,408	4%	398,160	395,546	2,614
ASSET DEVELOPMENT REVENUE & OTHER GAINS							
Vested Assets	1,536	3,353	(1,817)	-54%	17,726	17,726	0
Development Contributions	6,882	9,368	(2,486)	-27%	37,471	37,471	0
Subsidies & Grants Capital Expenditure Contributions	23,649	23,212	437	2%	112,102	86,056	26,046
Other Gains (Losses)	(266)	359	(625)	-174%	1,436	1,436	0
Total Asset Development Revenue & Other Gains	31,802	36,292	(4,491)	-12%	168,736	142,690	26,046
TOTAL REVENUE	128,301	129,384	(1,082)	-1%	566,895	538,236	28,660
OPERATING EXPENDITURE							
Depreciation & Amortisation Expense	20,008	20,008	(0)	0%	80,034	80,034	0
Personnel Expense	27,839	26,173	(1,666)	-6%	104,227	103,506	721
Finance Expense	11,164	9,613	(1,551)	-16%	43,676	43,676	0
Other Expenses:	47,061	48,128	1,066	2%	231,801	219,900	11,901
Consultants & Contractors	8,416	8,403	(13)	0%	34,275	33,719	556
Administration	4,266	4,083	(182)	-4%	16,631	16,481	150
Grants, Contributions & Sponsorship Expense	5,088	6,367	1,279	20%	56,709	51,630	5,079
Other Operating Expense	15,080	16,486	1,406	9%	71,231	67,352	3,879
Repairs and Maintenance	8,663	7,999	(664)	-8%	37,357	35,269	2,088
Utilities and Occupancy Expenses	5,549	4,789	(760)	-16%	15,598	15,449	149
Total Operating Expenditure	106,073	103,922	(2,151)	-2%	459,738	447,116	12,622
OTHER EXPENSES							
Total Other Expenses	0	0	0	0%	1,200	1,200	0
TOTAL EXPENDITURE	106,073	103,922	(2,151)	-2%	460,938	448,316	12,622
SURPLUS/(DEFICIT)	22,229	25,462	(3,233)	13%	105,957	89,919	16,038
OPERATING SURPLUS/(DEFICIT)	(9,573)	(10,830)	1,257	12%	(61,579)	(51,570)	(10,008)

Overall Comments on Year to Date and Forecast Balances

Operating Revenue
<b>Rates revenue</b> in total is ahead of budget. Water by meter revenue is lower due to combination of lower volumes and additional remissions against what was budgeted for the period.
<b>Finance and Dividends Revenue</b> , Interest revenue has a positive variance to budget due to higher interest rates and deposit balances than anticipated. This positive variance of \$1.4m offsets the negative interest expense variance.
<b>Subsidies &amp; Grants</b> . Revenue for roading maintenance, city events and community grants are ahead of budget. Waka Kotahi committed to grant up to \$7.7m additional subsidy for roading operational and capital expenses and is now added to the full year forecast (\$6m and \$1.7m to opex and capex respectively). The favourable variance is partly offset by the grants under City Waters (Full year budget - \$3.5m) from the government for Three Waters reforms, as budgets are equally spread on a monthly basis. However, only \$600k is expected be received from DIA on this grant (forecast adjusted to this amount).
<b>Other Revenue</b> , primarily user fees, are above in several activities, including wastewater (\$276k), parking management (\$182k), rates penalties and SmartGrowth (unspent funds carried forward from last year). In building services, \$920k revenue was recognised from prior years pre-receipt, and this is being added to current year's total forecast.

Asset Development Revenue & Other Gains
<b>Development Contributions</b> are primarily from city-wide development contributions, Pyes Pa West and Tauriko Business Estate development contributions.
<b>Subsidies &amp; Grants Capital Expenditure Contributions</b> Waka Kotahi grants are ahead of budget for the roading activities. This was partly offset by IFF grants being \$486k behind budget. Te Maunga Transfer Station and better off funding for waters reform (\$2.2m in total) are expected to be claimed within the financial year. Te Maunga related budget is phased to later part of the year. Grants related to City Centre development (\$1.5m) and spaces and places (\$520k) were also received. Forecast has been impacted by carry-overs from 2023.
<b>Other Gains and Losses</b> includes non-cash accounting entries in relation to: - a \$621k unbudgeted discount amortisation on the Housing Infrastructure Fund loan (\$131m loan for Waiari and Te Maunga), which is leading to other losses, offset by - a \$355k budgeted gain relating to the Totara Farm (Te Tumu) land transaction.
<b>Assets vested to Tauranga City Council</b> - revenue recognition is dependent on the timing of project completion of infrastructure projects by developers.

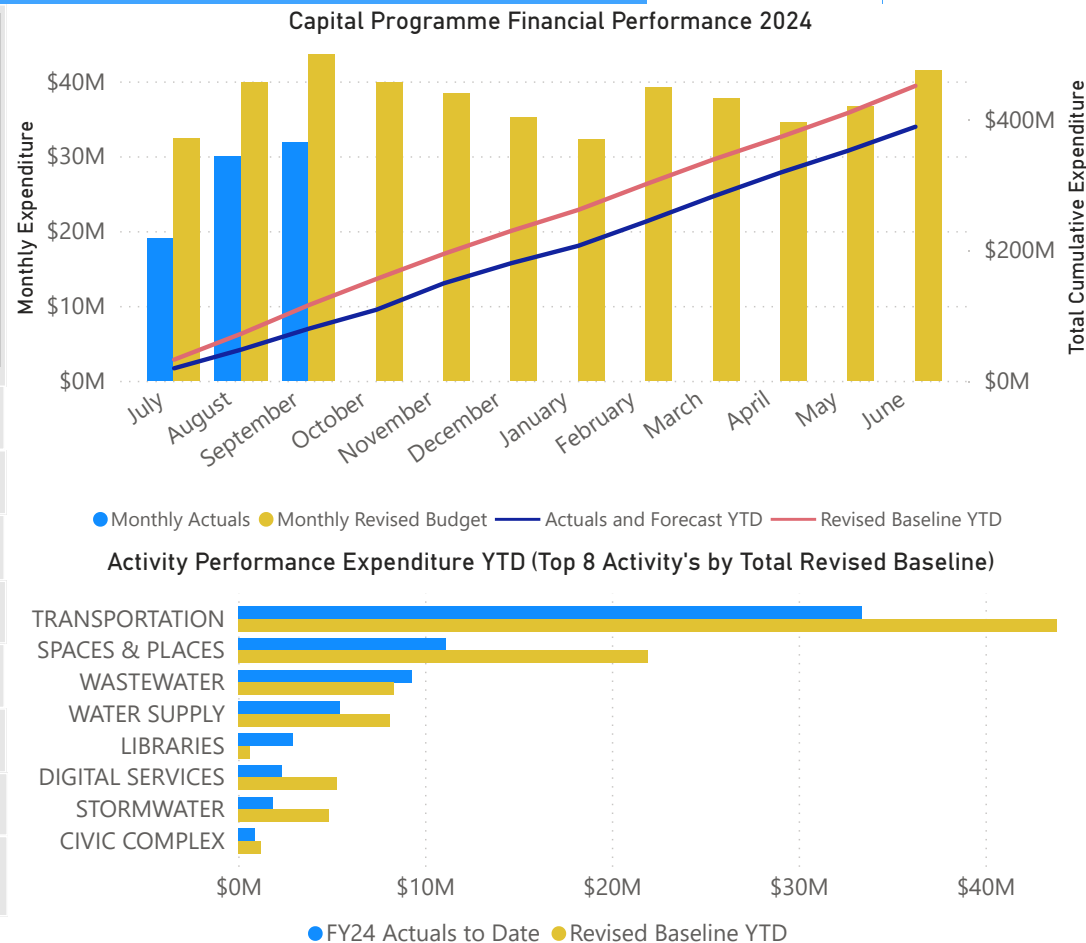
Operating Expenditure
<b>Personnel Expense</b> reflects lower than budgeted levels of salaries capitalised to projects due to timing of different phases of programme under Civic Precinct (expected to increase when projects pass the concept design), and capitalisation is tracking behind budget on digital projects where a change in accounting treatment means digital capital projects will be loan funded opex rather than the way it is currently budgeted for the year as capital expenditure. Salary costs are a little below budget, with savings from unfilled vacancies being offset by the low level of annual leave being taken (where salaries are funded from the leave provision).
<b>Depreciation</b> has been recorded to equal budget, until the audit is completed and final depreciable asset values are recognised.
<b>Finance Expenses</b> are higher than budgeted as higher previous year debt balances rolled into the new financial year. Interest rates are also higher than budgeted (AP assumption: 5.25% OCR) which impacts on all floating and new debt.
<b>Consultants and Contractors:</b> An overspend in the Corporate (mainly Digital) and Community Services activities for the period. This is partly offset by the underspend in Infrastructure particularly the waters and transport areas.
<b>Other Expenditure:</b>
<b>Repairs &amp; Maintenance:</b> Expenditure ahead of budget for wastewater (higher reticulation activities and mechanical maintenance expenditures), and property management (repainting of some properties).
<b>Community contributions &amp; grants:</b> Several activities are still waiting for invoices from organisations for the instalments of their grants causing expenditure below budget. NZTA/Tauriko West below budget, with actual spend recorded under other operating expenditure. Partially offset by Bay Venues grant payments for the first quarter tracking over budget.
<b>Other Operating costs:</b> The underspend has been generated by a number of significant items. Underspend in digital activity \$850k due to timing of actuals against budget phasing, \$630k for city waters (relating to internal charges), underspend from property management, sustainability and waste and civic complex. Offset to this are overspends from transportation (higher vegetation control - which will be offset by R&M budget), airport, libraries and three waters.
<b>Rent, rates, &amp; utilities:</b> Total overspend of (\$820k). Water (\$370k - very high Te Maunga WWTP water usage due to insufficient recycled water being produced for the clarifying process to meet demand) and electricity (\$240k), partly offset by lower security and refuse costs.
<b>Administration:</b> Minor overspend which was driven by high computer and software support expenses and directors fees. This was offset with low advertising and marketing expenses.

## Capital Programme - 2024 Financial Year - September 2023

For the first quarter of FY24, total capital programme achieved 70% of revised baseline budget that was approved by the Commissioners on 4th Sep 2023 due to the delays in the Civic & Waterfront and Cameron Road Stage 2 programmes.

Forecast is also lower than the revised baseline. The largest variances are due to delays in design finalisation and implementation from Waka Kotahi for Cameron Road Stage 2, slower than expected delivery of the Te Maunga Transfer Station Redevelopment due to a review of the funding structure and project scope and the bulk of the Digital Programme budget set to be moved to Operational budget so therefore not forecast.

Budget Current Month	\$30.4M
Actuals Current Month	\$31.9M
FY24 Revised Baseline to Date	\$115.9M
FY24 Actuals to Date	\$81.0M
FY24 Annual Plan Budget	\$366.7M
FY24 Revised Baseline	\$451.2M
FY24 Forecast	\$388.6M
FY24 Variance to Revised Baseline	-\$62.6M



## Capital Programme - 2024 Financial Year - September 2023

Month  Fiscal Year

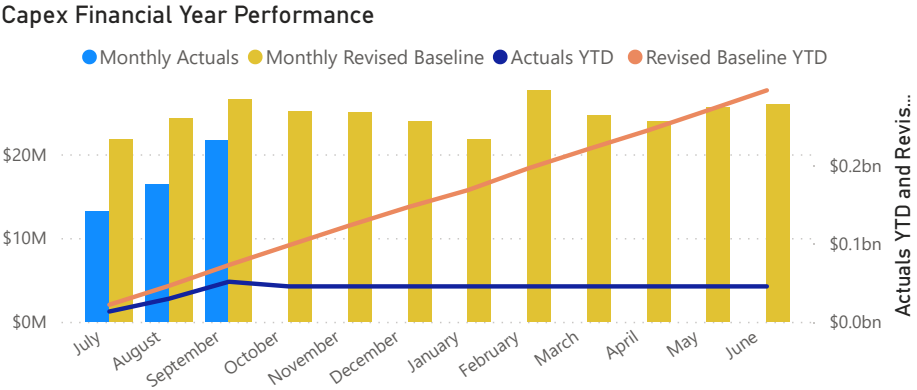
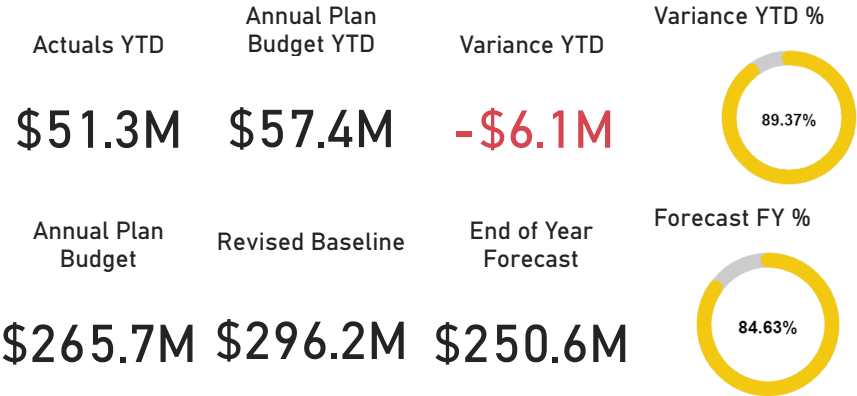
Project Category	FY24 Annual Plan Budget	FY24 Revised Baseline	FY24 Forecast	FY24 Variance	Commentary
High Strategic Impact Projects	\$265.7M	\$296.2M	\$250.6M	-\$45.5M	See attached high strategic projects for more detail
Balance of Growth Projects	\$40.1M	\$72.4M	\$49.9M	-\$22.5M	Forecasting to be under budget due to delays in land purchases, Waters design timeframes and Transport developer delivered projects
Balance of Level of Service Projects	\$53.8M	\$87.0M	\$78.0M	-\$9.0M	Level of service projects actual expenditure YTD is tracking at 50% of revised budget primarily. Forecasting to be under budget due to delays across the Civic programme and Transport Low Cost - Low Risk programme (however this is expected to be delivered within the 3 year Waka Kotahi funding period)
Renewal Projects	\$52.6M	\$63.6M	\$58.1M	-\$5.5M	Renewals programme is forecast close to revised budget
Capital Delivery by Third Parties Projects	\$5.0M	\$9.6M	\$3.7M	-\$5.9M	Forecasting to be under budget due to delays with the Waka Kotahi led delivery of the Tauriko West Network Connection Projects
Capital Delivery Adjustment	-\$50.4M	-\$77.5M	-\$51.7M	\$25.8M	Smoother applied to forecast
<b>Total Capital Programme</b>	<b>\$366.7M</b>	<b>\$451.2M</b>	<b>\$388.6M</b>	<b>-\$62.6M</b>	
Land Sales	-\$2.0M	-\$30.0M	-\$23.3M	\$6.7M	Forecast to be under budget due to timing of the realisation of the Elder Housing portfolio sale.
Vested Assets	\$13.9M	\$12.4M	\$12.5M	\$0.1M	Vested Assets are forecast close to revised budget
<b>Total Capital Programme incl Land Sales and Vested Assets</b>	<b>\$378.6M</b>	<b>\$433.6M</b>	<b>\$377.8M</b>	<b>-\$55.8M</b>	

High Strategic Impact Project Performance

Activity ▼  
All ▼

Month ▼  
September ▼

Fiscal Year ▼  
2024 ▼



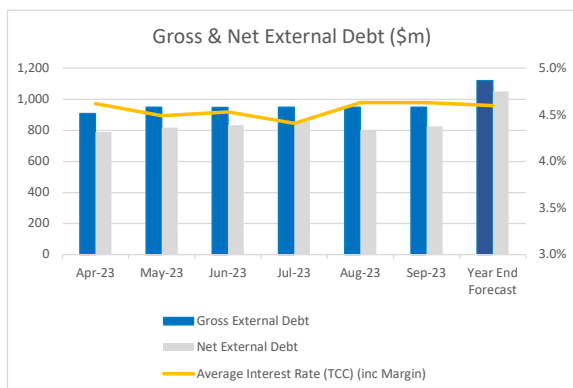
## High Strategic Impact Project Performance

Reference	Actuals YTD	Annual Plan Total	FY24 Revised Baseline	Forecast Total	Forecast Revised Budget Variance
TE MANAWATAKI O TE PAPA (CIVIC REDEVELOP CAMERON ROAD STAGE 1	\$6,960,393	\$72,116,935	\$68,762,720	\$64,921,284	-\$3,841,436
TE MAUNGA WASTE WATER TREATMENT PLANT	\$16,452,370	\$23,643,897	\$30,132,555	\$36,911,884	\$6,779,329
PAPAMOA EAST INTERCHANGE	\$5,557,767	\$30,656,448	\$25,673,275	\$22,783,918	-\$2,889,357
DIGITAL PROGRAMME	\$5,464,564	\$15,455,007	\$19,858,027	\$18,061,223	-\$1,796,804
CAMERON ROAD STAGE 2	\$2,283,863	\$19,739,459	\$19,739,459	\$2,283,864	-\$17,455,595
ACTIVE RESERVE DEVELOPMENT PROGRAMME	\$192,702	\$10,074,916	\$18,461,439	\$5,939,266	-\$12,522,173
DIVE CRESCENT & STRAND WATERFRONT	\$1,399,953	\$20,025,313	\$17,035,585	\$16,592,108	-\$443,477
TRANSPORTATION SAFETY PROGRAMME (LCLR)	\$1,691,186	\$4,800,000	\$15,392,756	\$11,972,269	-\$3,420,487
TE MAUNGA TRANSFER STATION REDEVELOPMENT	\$1,678,820	\$11,696,713	\$14,547,315	\$14,228,738	-\$318,577
OPAL DRIVE WASTEWATER PROGRAMME	\$611,027	\$11,400,000	\$12,513,824	\$1,061,027	-\$11,452,797
MAUNGANUI ROAD SAFETY IMPROVEMENTS	\$498,947	\$6,800,000	\$6,721,547	\$7,835,308	\$1,113,761
ACCESSIBLE STREETS	\$1,047,572	\$2,667,083	\$5,915,292	\$6,163,995	\$248,703
MARINE PRECINCT - OFFLOADING WHARF	\$413,436	\$8,932,505	\$5,668,895	\$2,963,437	-\$2,705,458
COMMUNITY CENTRE DEVELOPMENT	\$19,780	\$1,764,304	\$5,345,936	\$19,780	-\$5,326,156
MARINE PARADE PATHWAY	\$28,950	\$7,000,000	\$4,238,211	\$6,728,950	\$2,490,739
KOPURERERUA VALLEY DEVELOPMENT	\$1,751,310	\$0	\$4,099,447	\$5,010,925	\$911,478
ELIZABETH ST STREETScape	\$227,301	\$2,979,274	\$3,416,777	\$2,128,302	-\$1,288,475
STRAND EXTENSION	\$465,195	\$1,257,406	\$2,682,683	\$2,915,195	\$232,512
ARATAKI SAFETY IMPROVEMENTS	\$1,792,276	\$3,240,252	\$2,619,768	\$5,860,679	\$3,240,911
SKATEPARK FACILITY	\$12,690	\$595,857	\$2,229,029	\$331,651	-\$1,897,378
OMANAWA FALLS	\$1,438,000	\$2,028,827	\$2,041,127	\$4,270,926	\$2,229,799
CITY CENTRE PUBLIC TRANSPORT	\$545,021	\$100,000	\$1,976,601	\$2,636,114	\$659,513
TAURANGA CROSSING PT IMPROVEMENTS	\$55,938	\$1,966,145	\$1,966,145	\$337,938	-\$1,628,207
MEMORIAL PARK RECREATION HUB	\$27,133	\$998,425	\$1,748,004	\$1,707,999	-\$40,005
TURRET RD & 15TH AVE CORRIDOR	\$0	\$3,464,654	\$1,259,060	\$2,341,515	\$1,082,455
INFRASTRUCTURE RESILIENCE	\$449,170	\$873,280	\$1,236,456	\$2,143,085	\$906,629
WESTERN CORRIDOR STAGE 1A (WASTE WATER)	\$110,820	\$1,350,000	\$849,999	\$868,819	\$18,820
<b>Total</b>	\$101,660	\$50,000	\$50,000	\$1,625,660	\$1,575,660
	<b>\$51,277,843</b>	<b>\$265,676,700</b>	<b>\$296,181,932</b>	<b>\$250,645,859</b>	<b>-\$45,536,073</b>

## Treasury Policy Compliance Monthly Report to SFR As at 30 September 2023



### Debt



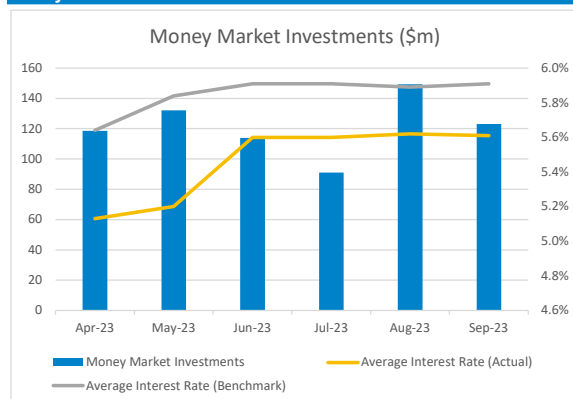
#### Current:

Gross debt as at 30 September 2023 was \$949.2m and net debt is \$826.2m. No new long-term debt has been issued since the beginning of the financial year.

#### Forecast:

Planned gross debt for 30 September 2023 was \$1.1bn. Planned issuance for the year is \$274m including \$40m in October.

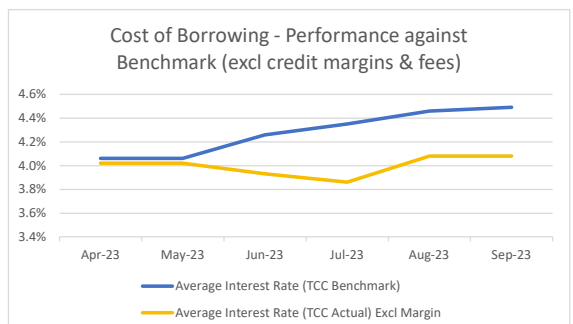
### Money Market Investments



Money market investments and bank balances are at \$123m, this includes term deposits of \$90m.

Average Interest Rate (investments)	5.61%
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### Interest



Both interest rate hedging and debt maturity levels are within recommended levels. \$617.2m of total debt (65%) is at fixed interest rates as at 30 September 2023.

The Official Cash Rate ("OCR") is currently 5.5% following a 25bp increase in May 2023. The announcement from RBNZ in September confirmed the rate will remain the same.

A five year fixed rate from LGFA is 6.23% and one year floating is 50bp above the 90 day bank bill rate.

Average Borrowing Rate Inc Margins	4.63%
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## 9.5 Local Government Funding Agency AGM Matters 2023

**File Number:** A15121329

**Author:** Kathryn Sharplin, Manager: Finance

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

### PURPOSE OF THE REPORT

1. The Local Government Funding Agency (LGFA) Annual Meeting is being held on 23 November 2023. As a shareholding Council TCC has voting rights at this meeting. The purpose of this report is to discuss matters to be voted on at the AGM and approval of a proxy form and for staff attendance at the AGM.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Local Government Funding Agency AGM Matters 2023".
- (b) Approve the following resolutions to allow voting for the Local Government Funding Agency annual general meeting:
  - (i) Receive and consider the financial statements of the company for the year to 30 June 2023 together with the directors and auditor's reports to shareholders
  - (ii) Approve the re-election of Philip Cory-Wright as an Independent Director of the Company (Proxy Form Resolution 1(a));
  - (iii) Approve the election of David Rae as an Independent Director of the Company (Proxy Form Resolution 1(b));
  - (iv) Approve the re-election of Tauranga City Council as a Nominating Local Authority to the Shareholder's Council (Proxy Form Resolution 2(a));
  - (v) Approve the re-election of Western Bay of Plenty District Council as a Nominating Local Authority to the Shareholder's Council (Proxy Form Resolution 2(b))
  - (vi) Approve the following increases in directors fee payable (Proxy Form Resolution 3 (a) to (d)):
    - 1) With effect from 1 July 2023, the director acting as chair of the board of directors of \$16,000 per annum, from \$108,000 to \$124,000 per annum;
    - 2) With effect from 1 July 2023, each of the other directors acting as members of the audit and risk committee, an increase of \$10,000 per annum, from \$63,000 to \$73,000 per annum;
    - 3) With effect from 1 July 2023, the director acting as chair of the audit and risk committee, an increase of \$11,000 per annum, from \$67,000 to \$78,000 per annum and
    - 4) With effect from 1 July 2023, each of the other directors an increase of \$10,000 per annum, from \$60,000 to \$70,000 per annum.
- (c) Authorise by way of proxy, the Chair of Local Government Funding Agency to vote on behalf of Tauranga City Council and for a member of staff to attend the AGM as a shareholder representative of Tauranga City Council.

## EXECUTIVE SUMMARY

2. The Local Government Funding Agency (LGFA) Annual General Meeting provides Council the opportunity to vote on management issues arising. These matters include the election of directors, election of members of the shareholders council and the remuneration of directors
3. The report seeks approval for the LGFA Annual General Meeting (AGM) matters to be voted by proxy by the Chairperson of LGFA and approval for a staff member to attend the meeting on 23 November 2023.
4. The financial statements and director's and auditor's reports are received and considered at the meeting. They have already been presented to Council and considered at its meeting of 25 September 2023. Council's shareholding in the LGFA is 7.46% (paid up capital).
5. The business of the LGFA has grown over the 12 years since its inception in December 2011 with it now lending to 77 councils and 5 Council Controlled organisations. Total lending to councils and CCOs at 23 September 2023 is \$17.3 billion. The savings benefits to TCC from the LGFA primarily arise from a lower average interest borrowing margin of about 20 basis points which equates to about \$1.6m per year on 2023 borrowing from LGFA (\$815m). Further benefits to council come from TCC using LGFA for most of its borrowing and therefore not having to directly resource this activity in house.

## BACKGROUND

### Election of Directors

6. The Shareholders' Agreement (SHA) provides that directors will retire at the completion of a three-year term. A retiring director is eligible for re-election.
  - (a) As per clause 3.3 of the SHA, Philip Cory-Wright retires by rotation and being eligible offers himself for re-election as an Independent Director.
  - (b) Anthony Quirk after being re-elected for a three-year term at last year's annual meeting has signalled early retirement.
7. A recruitment process was undertaken for the replacement independent director, by a Nomination Panel comprising representatives from the Shareholders Council and LGFA Board. The identified skills required for the Board are set out in the attached LGFA shareholders recommendations letter. For the current nomination the following skills and experience were identified as critical to ensure the right mix of skills across the Board and recognising the current challenges facing the LGFA. Critical areas included:
  - (a) Proven financial/commercial experience
  - (b) Governance experience
  - (c) Networks in Central and/or Local Government
8. As an outcome of this process David Rae has been nominated by the New Plymouth District Council to the independent Director position. He has a commercial and financial background with strong stakeholder relationship capabilities.
9. The Shareholder's Council has recommended appointing Philip Cory-Wright for a further term given his financial experience and his involvement in discussions with central government around waters reform. The transition to new board members and succession planning are an important focus for the Board over the next 1 to 2 years and retaining Philip on the Board will assist with this transition.

### Nominating Local Authorities

10. The Shareholders' Council is represented by nine local authorities and the Crown to monitor performance of LGFA and make recommendations to shareholders on matters that require decisions.

11. As per the SHA, the shareholders shall ensure that two Nominating Local Authorities retire on a rotation basis at the AGM each year.
12. Both Tauranga City Council and Western Bay District Council retire by rotation. Both have offered themselves for re-election. No other councils have been nominated.

#### Director Remuneration

13. The Shareholders' Council engaged Board Dynamics to undertake a LGFA director remuneration review. The previous review was undertaken in 2021.
14. Board Dynamics considered the LGFA size and complexity along with the required responsibilities, performance, and experience of the directors. Their full report is attached.
15. Two sources of calculations were used to establish a recommended range for Board remuneration. The first was the financial services sector of which LGFA is a part. Relevant to this is the size of the company in terms of asset value and the related risks and responsibilities. Also related is recognition of the "hard to find" combination of skillsets and experience at the Board level.
16. A second comparison, to recognise a more conservative public sector ethos was Council Controlled Organisations (CCO). It was noted that there are limitations to this comparison due to the regional nature of CCOs as opposed to LGFA which is a national CCO.
17. Board Dynamics recommended that LGFA board fees are increased, taking into account the strategic objectives of the organisation, current workload, which is higher than comparators, time commitment and combination of skills and attributes required. They suggested a range of fees and after consideration the Shareholders Council proposed the mid-point of these ranges which has been accepted by the Chair. It is proposed the following director remuneration be set effective 1 July 2023:

Director Position	Current Remuneration \$p.a. (since July 2021)	Proposed Remuneration \$p.a. (from 1 July 2023)
Independent Chair	\$108,000	\$124,000
Director with Audit and Risk Chair Role	\$67,000	\$78,000
Director with Audit and Risk Committee	\$63,000	\$73,000
Other Directors	\$60,000	\$70,000

### **STRATEGIC / STATUTORY CONTEXT**

18. Council's involvement in the LGFA allows access to long-term funding and lower debt servicing costs. Borrowing by Councils is undertaken consistent with the relevant long term or annual plan and the financial strategy, which are consulted on with the community. Borrowing and investment is undertaken in accordance with Council's treasury policy.
19. The LGFA supports the local authority sector and adds depth to the New Zealand' debt capital markets. It has provided favourable lending terms and greater certainty of funding availability to the local government sector with the financial and liquidity benefits outlined in the financial section below and in Attachment 7.

### **OPTIONS ANALYSIS**

#### Option 1: Approve Resolutions

20. The Shareholders Council has supported the recommendations in this report noting the focus on Board appointments and remuneration to ensure required technical and skills coverage and to ensure succession planning.

21. The letter attached from the Shareholders' Council outlines recommendations for Council's decision making for AGM matters which are the recommendations proposed in this report. The role of LGFA has become more complex and challenging as council debt and borrowing continues to grow and the local and global economy continue to face challenges. This complexity is increased by proposed three waters reform and the need to consider the impact on council borrowing and the potential role of LGFA in future water entity borrowing.

#### Option 2: Do Not Approve Resolutions

22. Council may decide not to approve the recommendations. No alternative directors or members of the shareholders council were nominated so this would mean a reduction in membership of the Board which would restrict the Boards coverage of governance matters and its risk management framework. It would also mean a reduction in members of the shareholding council meaning that the administrative and oversight functions would be carried out by fewer members.

### **FINANCIAL CONSIDERATIONS**

23. There is no material impact on the cost of borrowing associated with these recommendations. The costs of governing LGFA are funded through the margins set on council borrowing. The increased fees equate to an additional cost per annum of \$67,000. In the context of LGFA's lending and interest rates margins this impact on cost is not material. The proposed director fee increases will help to ensure that LGFA can attract and retain high quality directors which in itself will continue to support a successful and well governed organisation, bringing benefits to the sector in both competitive and reliable borrowing and also a strong understanding and management of risks.
24. The benefits to TCC of the lower borrowing margins and availability of funding provided by LGFA are estimated at \$1.6m interest savings in 2023 based on margins being 20 basis points below alternative funding sources. Further benefits include liquidity benefits of longer-term borrowing options, certainty of financing and strong international relationships which are important to global issuance. Council would require much larger treasury staff resourcing if it borrowed directly rather than through LGFA. Attachment 7 LGFA Background Paper describes in more detail the main benefits to councils of LGFA.

### **LEGAL IMPLICATIONS / RISKS**

25. The voting for the LGFA annual meeting must be undertaken in accordance with legal Company requirements and the LGFA Foundation Policy.

### **CONSULTATION / ENGAGEMENT**

26. No public consultation is required for these decisions. Borrowing undertaken through LGFA is consistent with the borrowing requirements of the current Long-term Plan or Annual Plan with the next Long Term Plan to be consulted on in November of this year. Borrowing from LGFA is undertaken consistent with Council's Treasury Policy.

### **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 matter.

- (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 matter is of low significance.








### ENGAGEMENT

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

### NEXT STEPS

31. The AGM will be held on 23 November 2023 and if recommendations are supported by a majority of shareholders remuneration will be backdated to 1 July 2023 and appointments will be made with immediate effect.

### ATTACHMENTS

1. **2023 Annual Meeting Agenda 2023 - A15115982 (Separate Attachments 1)** 
2. **2023 Notice of LGFA Annual Meeting November 2023 - A15115964 (Separate Attachments 1)** 
3. **2023 Proxy Form - LGFA Annual Meeting November 2023 - A15116013 (Separate Attachments 1)** 
4. **2023 LGFA Shareholders Recommendations letter 2023 -Final - A15116024 (Separate Attachments 1)** 
5. **2023 LGFA Directors remuneration LGFA REM REVIEW 2023 (Final) - A15112765 (Separate Attachments 1)** 
6. **2023 Annual Report 2022-23 Cover Letter to Shareholders - A15116133 (Separate Attachments 1)** 
7. **2023 LGFA Briefing Note - LGFA Background Paper - A15169987 (Separate Attachments 1)** 

## 9.6 Tauranga Māori Business Association Annual Report 2022/2023

**File Number:** A15073949

**Author:** Anne Blakeway, Manager: City Partnerships  
Lisa Gilmour, City Partnership Specialist

**Authoriser:** Gareth Wallis, General Manager: City Development & Partnerships

### PURPOSE OF THE REPORT

1. That Council receives the Tauranga Māori Business Association's Annual Report 2022/23, in accordance with the terms of the funding agreement between the Tauranga Māori Business Association and Tauranga City Council.

### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Tauranga Māori Business Association Annual Report 2022/2023".

### EXECUTIVE SUMMARY

2. Tauranga Māori Business Association's (TMBA) Annual Report for 2022/23 covers the key outputs of their work for the year ended 31 March 2023.
3. The report, provided at Attachment 2, addresses the requirements under the funding agreement with Tauranga City Council (TCC) to report annually to Council on actions taken.
4. TMBA has aligned its agreed priorities set out in the funding agreement with those of their board and membership base through their strategic plan.
5. The funding agreement with TMBA is in accordance with the status and powers of local government as set out in section 12 of the Local Government Act 2002.
6. TMBA has had a successful year, meeting or exceeding a number of performance targets, which will help achieve TMBA's vision to build a Māori business ecosystem that is thriving and contributing to Māori aspirations. They plan to continue to build on this momentum in the coming year.

### BACKGROUND

7. TMBA was first established in 2010, and the objective was to build a network to assist with the development of Māori business and Māori business participation in Tauranga.
8. TMBA has four Board members, and a current membership of 67 as at 31 March 2023, up from a membership of 18.
9. TMBA's vision is to build a Māori business ecosystem that is thriving and contributing to Māori aspirations. Its mission is to create opportunities that encourage the sharing of ideas, support, and advice for Māori business development. They work with local authorities to ensure local government and business needs and aspirations are aligned.
10. Key priorities and targets are outlined in the TMBA Strategic Plan 2020-2025 (provided at Attachment 1), and include:
  - to increase membership;
  - to develop a website, including a sponsorship model;
  - to identify sources of income and funding;
  - to fund an FTE operations position;
  - to grow awareness of TMBA within the business community; and

- to increase strategic partnerships.
11. In June 2022, TMBA requested funding of \$80k from TCC to help fund an FTE operations resource. As TMBA had missed the Annual Plan process, they were directed to apply to the Community Grant Fund. TMBA were subsequently awarded seed funding of \$20k from the economic development budget, with a view to them making a request for further funding through the Long-term Plan 2024-34, once they had demonstrated what had been achieved in terms of economic development outcomes.

### **TMBA's Annual Report 2022/23**

12. TMBA's Annual Report 2022/23 is provided at Attachment 2. One of the requirements of their funding agreement with TCC is to ensure that the organisation's performance is consistent with the Key Performance Indicators (KPIs) set out in the agreement.
13. Key achievements outlined in the report include:
- Development of the five-year Strategic Plan.
  - Establishment and appointment of a 0.25 FTE Kaitautoko role, to nurture and grow its Pakihi Māori membership to contribute towards the vision.
  - Increased membership to a total of 67 – 55 certified members, and 12 associated members.
  - Eight events were held, with the purpose of networking or skill-sharing – average attendance at member events was 15.
  - Contribution to the economic development eco-system to help create inter-generational sustainability within Tauranga Moana.
14. In terms of financial performance, TMBA ended FY23 with a surplus of \$27,656, which was up on a deficit of \$504 the previous year.
- Total revenue was \$44,760, an increase from the previous year's revenue of \$251.
  - Total expenses were \$17,103, an increase from the previous year's expenses of \$755.
15. Total assets were at \$34,453, with total liabilities at \$6,152. Net assets of \$28,301 were up on the previous year's net assets of \$645.

### **STRATEGIC / STATUTORY CONTEXT**

16. Council's agreement with TMBA helps us deliver our community outcomes and contribute to a city that is well planned, with a variety of successful and thriving compact centres, and resilient infrastructure.
17. A successful economic Māori Business Association plays a key role in making a significant contribution to the social, economic, cultural, and environmental well-being of the region.
18. Tauranga is a city that attracts and supports a range of businesses and education opportunities, creating jobs, and a skilled workforce.

### **OPTIONS ANALYSIS**

19. There are no options as Council is only receiving TMBA's Annual Report for 2022/23.

### **FINANCIAL CONSIDERATIONS**

20. The financial considerations are outlined in paragraphs 12 and 13 above, and also in TMBA's Annual Report provided at Attachment 2.

### **LEGAL IMPLICATIONS / RISKS**

21. The Annual Report meets the legislative requirements for TMBA to provide Council with an overview of performance.

## CONSULTATION / ENGAGEMENT

22. No consultation or engagement is required or planned.

## SIGNIFICANCE

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



## ENGAGEMENT

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

## NEXT STEPS

27. TMBA will have an opportunity to present their Annual Report and answer any questions during the Committee's consideration of this paper on 30 October 2023.
28. TMBA are planning on making a submission to TCC's Long-term Plan 2024-34 for \$50k, to enable them to build on the successes of the past year. They will also be looking to continue to grow their other revenue streams, including membership and strategic partnerships.

## ATTACHMENTS

1. **TMBA Strategic Plan 2020-2025 - A15209131 (Separate Attachments 1)** 
2. **TMBA Annual Report to 31 March 2023 - A15209124 (Separate Attachments 1)** 

## 9.7 2021-31 Long-term Plan Actions Tracker

**File Number:** A15049677

**Author:** Sarah Holmes, Corporate Planner

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

### PURPOSE OF THE REPORT

1. The purpose of this report is to report back and inform Council and the public of the status of progress on the actions list from the deliberations of the 2021-2031 Long-term Plan (LTP) and the 2022/23 Annual Plan (incorporating the 2021-31 Long-term Plan Amendment).

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- a) Receives the report '2021-31 Long-term Plan Actions Report'.
- b) Notes the progress to date as reported in **Attachment 1**.

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### BACKGROUND

2. This actions report provides an update on the progress towards actions resulting from decisions made in LTP deliberations. The period being reported is February 2023 to September 2023.
3. The progress report (**Attachment 1**) provides detailed information on which activity is responsible for the action and provides the status, expected delivery date where possible, the level of risk, the completed actions to date, and supporting commentary.
4. Up to September 2023 (seven months), the progress on all actions are as follows:

2.	3. On Track	4. Off Track	5. Completed
6. LTP	7. 6	8. 4	9. 58
10. LTPA/AP	11. 6	12. 1	13. 37

- 14.
5. Completed actions from the LTP, LTPA and AP that have previously been reported to the committee (SFR 13 December 2021, 12 September 2022, 27 March 2023) are not included in this report.
6. Attachment 1 has been separated into two parts.
  - Part A (LTP) encompasses progress on actions from the 2021 LTP.
  - Part B (LTPA/AP) includes the Long-term Plan Amendment/Annual Plan 2022/23 process actions.

### STRATEGIC / STATUTORY CONTEXT

7. Monitoring performance of the LTP is a key function of the committee.

### SIGNIFICANCE

8. 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.

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

### ENGAGEMENT

11. Taking into consideration the above assessment, that the matter is of low significance, officers are of the opinion that no further engagement is required prior to Council's decision.

### NEXT STEPS

12. This is an ongoing six-monthly report to the Strategy, Finance and Risk Committee. The next report will be presented in March 2024.

### ATTACHMENTS

1. **LTP Actions Tracker - Feb-Sep 2023 - A15049704** [↓](#) 



# Actions Progress Report for the 2021-31 Long-term Plan, Long-term Plan Amendment, and 2022-23 Annual Plan

March 2023 to September 2023

Contents

Part A: Long term Plan 2021-31 actions .....	2
Part B: LTPA and Annual Plan 2022-23 actions .....	6

## Part A: Long term Plan 2021-31 actions

Part (A)	Resolutions (struck through = no further action required)	Group - <i>Activity</i>	Status <div><div>Complete</div><div>On Track</div><div>Off Track</div></div>	Expected Delivery Date	Risk Indicator <div><div>High</div><div>Medium</div><div>Low</div></div>	On Track	Off Track	Complete
						6	4	58
						Comments as at September 2023		
11.2 Rating structure proposals								
	(e) Agrees to undertake further work on possible amendment to rates postponement involving both a review of Tauranga's rates postponement policy including financial implications, and support for the development of a national rates postponement scheme or other third party schemes before February 2022.	Chief Financial Office  Strategy, Growth & Governance - <i>Finance</i> - <i>Policy</i>		31 December 2023		Continued involvement with national working group, however, no significant progress is expected prior to the national election.		
11.3 Rating structure proposals								
	(a) Resolves that Pitau Road village and Hinau Street village are separated from the elder housing portfolio and sold for private redevelopment	Chief Financial Office - <i>Strategic Investment</i>		31 December 2023		Pitau Road village: Conditionally sold with the agreement conditional to 25 September 2023 on due diligence and approval of the s42 RMA report to be issued by Council (report to be issued by 25 August 2023). Hinau Street village: Conditionally sold conditional on due diligence to 24 April 2024 with settlement up to 12 months thereafter.		
	(b) Resolves that the net proceeds from the sale of Pitau Road village and Hinau Street village are retained, together with the net proceeds from the sale of the elder housing portfolio, in an elder housing and social/public housing reserve, until such time as Council confirms its application	Chief Financial Office - <i>Finance</i>		March / April 2023		This was resolved as part of the 14 August Council meeting which included the proces for the funds of future sales to be used.		
11.6 Papamoa East Interchange – options for acceleration								
	(b) Provides in the LTP for the delivery of the PEI by 2024 (accelerated timing) and continues to actively explore alternative funding and financing options with central government partners (noting that Staff will report back to Council with funding and financing options for decision before proceeding past the preloading and design stage) as outlined in Option 4 (c) Approves \$4 million to be brought forward in the LTP to cover Pāpāmoa East Interchange preloading	Strategy, Growth & Governance - <i>City Planning and Growth</i>		September 2023		Report presented to Council in September on the Te Tumu Strategic Considerations and Funding Approaches for Te Tumu which included Papamoa East Interchange (PEI) funding. Council also resolved to award the tender for construction of PEI in September.		

Part (A)	Resolutions (struck through = no further action required)	Group - Activity	Status <div>● Complete</div> <div>● On Track</div> <div>● Off Track</div>	Expected Delivery Date	Risk Indicator <div>● High</div> <div>● Medium</div> <div>● Low</div>	On Track	Off Track	Complete
						6	4	58
						Comments as at September 2023		
	and design costs in the 2021/22 financial year to allow for delivery in 2024 if appropriate funding and financing is determined.							
11.8 Economic development and growth management issues and options papers								
	<u>Gloucester Road link</u> (b) Approves the request to bring forward funding for the Gloucester Road link, subject to land transfer and with revised conditions for funding contributions (Option 2)	Infrastructure - Transport - Strategic Investment		December 2024			Comprehensive discussions regarding the funding levels from the various parties are underway prior to the legal agreement being signed. Work on implementation can commence after this is finalised.	
	<u>Te Reti B&amp;C Residue Trust</u> (c) Agrees to fund \$84,790 in year 1 of the LTP to construct the widening of the entrance to papakāinga housing between Cambridge Road and Waihi Road (Option 1)	Infrastructure - Transport		December 2023			Funding is available and we are waiting for the group to approach Council.	
	<u>Crown-owned land in Greerton</u> (m) Engages with the Tauranga community, existing users, mana whenua, government partners and key stakeholders to undertake an options study to explore the most appropriate and efficient use of the Recreation Reserve – Tauranga Racecourse land in the short, medium and long term (Option 1)	Community Services - Spaces & Places  Strategy, Growth & Governance - City & Infrastructure Planning  Corporate Services - Community Relations		August 2023			The hearings were held early April and deliberations were held in August 2023. Decisions have now been made by Council in respect of the Greerton Maarawaewae study. The Te Whatu Ora business case due in July 2024 will impact on the long term outcome.	
11.9 Community Partnerships issues and options papers								
	<u>Arataki Community Liaison Group</u> (g) Continues to support the Arataki Community Liaison Group and the associated short- and medium-term work noted in the attachment that is underway	Infrastructure - Transport  Strategy, Growth & Governance - Strategy		December 2023			This project was delayed while the Regional Council confirmed the bus services. Farm Street is the preferred site and the business case is able to get underway again.	

Part (A)	Resolutions (struck through = no further action required)	Group - Activity	Status <div>● Complete</div> <div>● On Track</div> <div>● Off Track</div>	Expected Delivery Date	Risk Indicator <div>● High</div> <div>● Medium</div> <div>● Low</div>	On Track	Off Track	Complete
						6	4	58
						Comments as at September 2023		
		- Community Relations						
	<u>Kāinga Tupu – resilience</u> Tauranga City Food Security Hub (g) Revisits the decision to provide an in-principle commitment to financially support the Tauranga Food Security Hub project, once the current feasibility study is completed (Option 2)	Community Services - Community Development		Ongoing		The Taskforce has not allocated any funding as this was pending the business case/proposal from Veros which was put on hold. This project was re-visited during May 2023. Good Neighbour and Tauranga Foodbank have decided not to pursue this in the current financial environment. However, there is a current desire for a small hub / distribution space in Papamoa.  Recommendation to remove this action from LTP tracker. Further discussions are on-going with stakeholders around future needs around the food security space.		
	<u>Kāinga Tupu – resilience</u> Tauranga Community Wellbeing Hub (i) Revisits the decision to provide an in-principle financial commitment to the Kāinga Ora Community Wellbeing Hub project, once the commercial and financial feasibility tests are completed (Option 2)	Community Services - Community Development - Emergency Management		Ongoing		At a workshop earlier in the year, Kāinga Tupu stakeholders identified a continued need to pursue the establishment of a Wellbeing Hub, alongside mobile options for showers, laundry facilities and outreach social services. A Wellbeing Hub steering group has been established, with membership from TCC, WBoP PHO, Te Whatu Ora, Salvation Army and MSD to continue to progress this project.		
11.10 Spaces and Places: sport issues and options papers								
	<u>Memorial Park Aquatics and Recreation Hub</u> (b) Retains the current proposed capital expenditure programme and assess opportunities to bring forward the indoor courts project, as the development of the aquatics project progresses (Option 2)	City Development & Partnerships - Civic Development		December 2023		Procurement of the Design Team and Early contractor involvement (ECI) contractor is complete; contracts are signed, or some have final contract negotiations ongoing. Design commenced in July 2023 for both the recreation hub and wider planning of the park. Following poor (24%) seismic rating of the Queen Elizabeth Youth Centre (QEYC) as well as the complex upgrades that would be required, the design is now proceeding with an all new build option. Target concept design with budget update		

Part (A)	Resolutions (struck through = no further action required)	Group - Activity	Status <div><div>Complete</div><div>On Track</div><div>Off Track</div></div>	Expected Delivery Date	Risk Indicator <div><div>High</div><div>Medium</div><div>Low</div></div>	On Track	Off Track	Complete
						6	4	58
						Comments as at September 2023		
						and procurement programme to be presented to Council by the end of 2023. Project Governance has transferred to Te Manawataki o Te Papa (TMoTP) Limited from 4 September 2023.		
11.11 Spaces and Places: other issues and options papers								
				Ila Park - March 2023  Waterford Downs - End of April 2023		Both toilet blocks completed and operational.		
	<u>Te Ranga Reserve</u> (e) Increases and brings forward budget to support the enhancement of Te Ranga Reserve (Option 1)	Community Services - Spaces & Places		June 2024		Land ownership has been clarified and consents for the project are currently being finalised. Awaiting WBOPDC confirmation that road and carpark proposals are satisfactory before lodgement of application made. Additional community planting to occur late October 2023.		
11.12 Other topics issues and options papers								
	<u>Papamoa Residents &amp; Ratepayers Association</u> (g) Declines the funding request but seeks to establish a more robust structure for greater communication and engagement with the submitter and other community groups (Option 3)	Corporate Services Community Relations		Ongoing		Staff continue to engage with the Papamoa Residents & Ratepayers Association (PRRA) on a project by project basis.  Recently, we have had face to face contact while attending tsunami evacuation route meetings with the emergency management team. We have also been communicating with the PRRA regarding the Transport Choices: Grenada Street safety project and will be communicating with them in the next few weeks regarding the Girven Road/Maranui Street/Oceanbeach Road intersection changes and the proposed Oceanbeach Road clearway during peak traffic times.		

## Part B: LTPA and Annual Plan 2022-23 actions

Part (B)	Resolutions (struck through = no further action required)	Group Activity	Status <div><div>Complete</div><div>On Track</div><div>Off Track</div></div>	Expected Delivery Date	Risk Indicator <div><div>High</div><div>Medium</div><div>Low</div></div>	On Track	Off Track	Complete
						6	1	37
						Comments as at September 2023		
11.3 Long-term Plan Amendment Deliberations - Civic Precinct Issues and Options Report								
	e) Reconfirms that the Civic Precinct project is required to have appropriate governance arrangements, business cases, funding mix, and decision gateways for each key facility. Specific consideration before gateway approval is to be given to the following matters raised by the community through the Long-term Plan Amendment submissions process: <ul style="list-style-type: none"><li>• Size and scale of the individual facilities.</li><li>• Opportunities to deliver facilities which are exemplar in terms of sustainability; and</li><li>• Less concrete and softer, greener design elements.</li></ul>	City Development & Partnerships - Civic Development		July 2023		The Te Manawataki O Te Papa Limited Board is in place. At the 24 July Council meeting, the Council approved the TMOTP project to proceed and authorised the CE to finalise a Development Management Agreement with Willis Bond for the delivery of the full programme or works. Also at that meeting, the Council received and approved the following reports: (1) TMOTP Overview Report (2) TMOTP Design and Cost Update Report (3) TMOTP Business Case Report (4) TMOTP Asset Realisation Reserve Report (5) TCC/Willis Bond Development Management Agreement Report.		
11.8 Annual Plan 2022/23 Deliberations - Issues and Options - Other feedback and suggestions								
	<u>Sub-Regional Equine Racing Working Group and Relocation Study</u> m) Supports investigations of a potential racecourse relocation a site in the Bay of Plenty by providing \$80,000 funding for Stage 1 of the proposed Working Group and Relocation Study within the 2022/23 Annual Plan budget (Option 1).	Strategy, Growth & Governance - City & infrastructure Planning		August 2023		The hearings were held early April and deliberations were held in August 2023. Decisions have now been made by Council in respect of the Greerton Maarawaewae study. The Te Whatu Ora business case due in July 2024 will impact on the long term outcome. The Racing Working Group is in recess until the outcome of the business case is known.		
	<u>Equestrian strategy funding</u> q) Better outcomes can be achieved for the Bay of Plenty region if the National Equestrian Strategy work and BOP regional facilities work is undertaken prior to a Tauranga Equestrian Strategy being developed. Rather the relocation site options study for day-to-day	Community Services - Spaces & Places		December 2023		The Bay of Plenty equestrian strategy has been completed and staff are now working alongside the equestrian community, particularly Tauranga Equestrian Sports Association (TESA) on the recommendations from the strategy. This includes discussions between TCC, TESA		

Part (B)	Resolutions (struck through = no further action required)	Group Activity	Status ● Complete ● On Track ● Off Track	Expected Delivery Date	Risk Indicator ● High ● Medium ● Low	On Track	Off Track	Complete
						6	1	37
						Comments as at September 2023		
	equestrian activities will feed into these processes (Option 1).					and the Tauranga Pony Club around the equestrian area at McLaren Falls.		
	<u>Kingswood Road Traffic Calming</u> t) Undertakes design and installation of speed management devices on Kingswood Road (Option 1).	Infrastructure - Transport		May 2023		Completed.		
	<u>Dive Crescent and the Tauranga Waterfront</u> a) Approves the inclusion of the following budgets in the 2022/23 financial year: i. \$1.45m for the Dive Crescent at-grade carpark project	City Development & Partnerships - Civic Development		December 2023		Dive Crescent Carpark Stage 1 (North) has been completed and was opened on 14 August 2023. Dive Crescent Carpark Stage 2 (South), including the demolition of Fixation Coffee commence in September 2023 and is scheduled to be completed before the end of 2023.		
	<u>Tourism Funding from the Airport Activity</u> d) The remaining balance of \$379,000 would go towards funding beautification projects across key tourism hotspots/gateway and tourism activation, e.g. Mount North and Tauranga CBD, including \$68,000 to be allocated to the Tauranga Art Gallery to contribute towards programme and exhibition costs for 2022/2023 (see Issues and Options – Tauranga Art Gallery Funding.) (Option 1).	City Development & Partnerships - City Partnerships		October 2023		Improvements to Tauranga's city centre (Devonport/Grey Street/Red Square/part Willow Street) are being implemented in collaboration with Spaces and Places, and Transportation (asset owner): <ul style="list-style-type: none"> <li>• Refurbishment of 64 seats completed late September - \$65K.</li> <li>• Pavement cleaning complete - \$35,250.</li> <li>• Repairs/replacement of pavers in Grey Street scheduled for late October, to include new design change in front of library entrance/exit - \$55K</li> <li>• Cleaning of sculpture, with new plaque in Grey Street, plus new planting in raised beds complete - \$12K.</li> <li>• Light pole cleaning pushed out to November due to Elizabeth Street closure and multiple TMP works - \$95K.</li> </ul> To date, a total of \$262,250 has been allocated to city centre beautification projects.		
	<u>Dive Crescent and the Tauranga Waterfront</u> ii. \$2.6m for the Beacon Wharf remediation and upgrade project	City Development & Partnerships		2025		Design has been completed. HEB Marine have been appointed as the lead contractor and completed the demolition of the existing wharf Reconstruction of the		

Part (B)	Resolutions (struck through = no further action required)	Group Activity	Status ● Complete ● On Track ● Off Track	Expected Delivery Date	Risk Indicator ● High ● Medium ● Low	On Track	Off Track	Complete
						6	1	37
						Comments as at September 2023		
		- Civic Development				Seawall is due to commence 30 October 2023 and construction of the Wharf Viewing Platform is due to commence following the completion of the seawall (completed in August 2023) (to be completed in March 2024).		
	<u>Dive Crescent and the Tauranga Waterfront</u> iii. \$5m for the Waterfront Reserve development project, noting the balance of funds needed to complete the project (\$7m) need to be added to the 2023/24 financial year.	City Development & Partnerships - Civic Development		2025		Beca appointed and delivered three concept plans. Option for the construction of a 'Milky Way' themed playground was approved by the Public Realm and Waterfront Steering Group meeting in August 2023. ECI underway for the engagement of a contractor to complete the northern seawall upgrade, promenade, and The Strand North Reserve.		
	<u>Equestrian strategy funding</u> n) Continues to work with the TESA group to complete a concurrent relocation site options study for day-to-day equestrian activities.	Strategy, Growth & Governance - City & Infrastructure Planning		December 2023		"The hearings were held early April. Deliberations were held in August 2023. Decisions have now been made by Council in respect of the Greerton Maarawaewae study. The Te Whatu Ora business case due in July 2024 will impact on the long term outcome.		
	<u>Sustainability Projects</u> r) Approves additional funding of \$250,000 for sustainability initiatives: I. Energy Audits at Airport and Historic Village	Infrastructure - Sustainability & Waste		May 2023		Project is completed and all the final energy audit reports have been submitted. Recommended initiatives from the reports will be evaluated and, where relevant, implemented during 2023/24.		
	<u>Sustainability Projects</u> II. Transition Beachside Holiday Park from natural gas to electricity for hot water usage	Infrastructure - Sustainability & Waste		May 2023		33 new solar panels have been installed on 20 March 2023. The system has been actively generating electricity since then, almost 4000 kWh of electricity had been supplied to the site by August 2023. The system output has been integrated into a data monitoring tool which allows to visualise the savings achieved from this project.		
	<u>Sustainability Projects</u> III. Tauranga Moana Sustainability Fund	Infrastructure - Sustainability & Waste		June 2023		The Climate Action & Investment Plan (AIP) includes an action to broaden the Community Grants Fund to support		

Part (B)	Resolutions (struck through = no further action required)	Group Activity	Status ● Complete ● On Track ● Off Track	Expected Delivery Date	Risk Indicator ● High ● Medium ● Low	On Track	Off Track	Complete
						6	1	37
						Comments as at September 2023		
						community groups to drive low carbon and adaptation initiatives. The Climate & Sustainability team will work with the Community Partnerships Funding Specialist to do so, jointly determining the best approach to launch the Tauranga Moana Sustainability Fund without duplicating funding options. The Climate AIP was adopted 21 August 2023. The sustainability fund is scheduled to be in place by July 2024 when the Climate AIP and its budget starts.		
	<u>Sustainability Projects</u> IV. Household and school rainwater collection tank programme	Infrastructure - Sustainability & Waste		June 2023		Five free public workshops on rainwater harvesting were hosted in May and June. They were attended by 135 residents. One small staff workshop was also held. The workshops highlighted TCC's Tauranga Water Conservation Project. Residents interested in installing a rainwater harvesting workshop had the cost of the resource and building consents waived by TCC.		
	<u>Sustainability Projects</u> V. Support TCC Transition to a low emission fleet	Infrastructure - Sustainability & Waste		Ongoing		TCC is working towards a lower emissions fleet through electrification, hybridisation, optimisation and downsizing. TCC adopted the six recommendations made in Optimal Fleet Solutions Limited's fleet optimisation review prepared for TCC in January 2023. These put TCC on an emissions reduction roadmap according to the report's proposed 10-year replacement plan. TCC's intention is to eliminate or move 40% of our fleet to hybrid or electric vehicles in the next three years while concurrently working on solutions for the rest of our fleet that consists of 4WD vehicles or utes.		
	<u>Sustainability Projects</u> VI. Integrating sustainability into the way we work	Infrastructure - Sustainability & Waste		May 2023		TCC's Executive Leadership team approved a Sustainability Approach Implementation Plan in July 2023 which		

Part (B)	Resolutions (struck through = no further action required)	Group Activity	Status <div><div>Complete</div><div>On Track</div><div>Off Track</div></div>	Expected Delivery Date	Risk Indicator <div><div>High</div><div>Medium</div><div>Low</div></div>	On Track	Off Track	Complete
						6	1	37
						Comments as at September 2023		
						includes a number of actions to integrate sustainability into the way we work at TCC over the next LTP period. The Plan is monitored and managed by TCC's Climate & Sustainability team.		
	<u>Te Maunga Redevelopment</u> s) Approves the increased scope and increased Council contribution of \$6m, with a report on a funding plan to follow if MfE funding to bridge the funding gap is not secured (Option 1).	Infrastructure - <i>Sustainability &amp; Waste</i>		December 2025		The project is now on hold due to continued cost escalation and feasibility and a business case analysis is being completed. A Regional Waste Infrastructure Analysis is currently being undertaken in conjunction with all Bay of Plenty local councils and the regional council to identify infrastructure gaps and potential opportunities for collaboration throughout the region. Collectively, the councils will decide which options make sense to investigate further, which will include options to reduce construction and demolition waste to landfill and the required development of Te Maunga Transfer Station.		
11.9 Rating Policy Proposals								
	d) Requests staff to continue to look at further options for the appropriate rating of the commercial and industrial sectors.	Chief Financial Office - <i>Finance</i>		30 November 2023		Report to 21 August Council meeting recommended a new industrial rating category to be consulted as part of the upcoming Long Term Plan.		

## 9.8 Approval of Draft Property Acquisitions and Disposals Policy

**File Number:** A14880127

**Author:** Jennifer Ross, Policy Analyst  
Simon Collett, Manager: Commercial Property

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

### PURPOSE OF THE REPORT

1. This report seeks consideration and approval to adopt the amended Property Acquisitions and Disposals Policy.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Approval of Draft Property Acquisitions and Disposals Policy".
- (b) Agrees to make amendments to the policy that:
  - (i) accommodate the Asset Realisation Reserve – sections 3, 5.6.7, and 5.8.5
  - (ii) clarify market value determination – section 5.2.1
  - (iii) clarify processes and engagement with mana whenua – sections 5.6.3.2, 5.6.3.3, and 5.6.3.4
  - (iv) recognise the potential for cultural matters to be a consideration in the strategic disposal process – section 5.7.4
  - (v) clarify processes for property where more than one iwi or hapū have an interest – section 5.9.4
  - (vi) make minor clarifications and updates to text.
- (c) Approves the Draft Property Acquisitions and Disposals Policy to be adopted with effect from 6 November 2023.
- (d) Delegates to the Chief Financial Officer the authority to make minor editorial or presentation changes to the draft policy for correction or clarity.

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### EXECUTIVE SUMMARY

2. This report seeks consideration and approval of the proposed amendments to the Property Acquisitions and Disposals Policy (Attachment One). The policy provides clear principles regarding the management and purpose of the council's property acquisitions and disposals and includes a right of first refusal to recognise the close relationship between mana whenua and the land, and council's partnership with Tauranga Moana iwi and hapū.
3. The Property Acquisitions and Disposals Policy has been in operation for two years and this is its first scheduled review.
4. This review has focused on addressing issues identified by staff and members of Te Rangapū Mana Whenua o Tauranga Moana ("Te Rangapū") being those who have been involved in the acquisition or disposal of the council properties under this policy. The areas addressed are:
  - (a) transparency in the property classification process which determines whether a property will be disposed of via the right of first refusal or otherwise

- (b) clarify when the Strategic Acquisitions Fund can be used and when it will be repaid
  - (c) amendments required to accommodate the new Asset Realisation Reserve and processes associated with that reserve
  - (d) an opportunity to refresh the policy with minor drafting changes in line with current best practice for consistency.
5. The proposed amendments, if adopted, will improve the processes, transparency and outcomes from the council's property transactions.

## BACKGROUND

- 6. The Property Acquisitions and Disposals Policy was adopted on 4 October 2021 with a first review scheduled for October 2023. The purpose of this scheduled review is to ensure the effectiveness of the policy, the effective use of the Strategic Acquisitions Fund, and address any issues related to the new right of first refusal process.
- 7. Earlier this year Council created an Asset Realisation Reserve and noted their intention to amend the Property Acquisitions and Disposals Policy, to accommodate their decision to hold sale proceeds in the newly established reserve (Resolution - CO12/23/8).
- 8. For this first review of the policy, feedback has been sought and received from both staff members working with council property and our tangata whenua partners through Te Rangapū. A summary of the engagement and the issues raised by Te Rangapū is included as Attachment Two.

## STRATEGIC / STATUTORY CONTEXT

- 9. The City Vision adopted by Council and developed in conjunction with the community, outlines our collective vision for the city. 'Tauranga, together we can' captures the vision for a collaborative approach to realising a city that 'prioritises nature', 'lifts each other up', and 'fuels possibility'.
- 10. The vision and strategic framework inform the council's plans and policies, which guide the implementation of these higher-level strategies in council's day-to-day activities. It is important that council's approach to the acquisition and disposal of property is aligned with the council's strategic direction. More specifically, the Property Acquisitions and Disposals Policy should deliver an approach to managing the council's property transactions to achieve a city that is well planned with successful and thriving communities. This will involve ensuring that the council plans for and provides land that enhances the quality of life for current and future residents.

## OPTIONS ANALYSIS

- 11. Based on the feedback received from key stakeholders, and the creation of the Asset Realisation Reserve, the following issues have been considered and the following policy amendments are proposed:

Issue	Amendments
1. To improve transparency of the property classification process	<b>Recommend</b> clarification of the timing and scope of engagement with mana whenua on cultural matters as part of the classification process for the disposal of properties (clause 5.6.3)
	<b>Recommend</b> inserting a new clause to clarify the use of the information provided by mana whenua in the classification process (clause 5.7.4)

2.	To clarify use of the Strategic Acquisitions Fund	<b>Recommend</b> change the word “would” to “may” to provide a more workable threshold for the use of the Strategic Acquisitions Fund (clause 5.5.2)
3.	To work with the new Asset Realisation Reserve	<b>Recommend</b> inserting a definition of the Asset Realisation Reserve (clause 3) <b>Recommend</b> inserting a new clause to provide a consistent procedure for property included in the Asset Realisation Reserve (clause 5.6.7) <b>Recommend</b> inserting exception for proceeds from property included in the Asset Realisation Reserve (clause 5.8.5)
4.	To acknowledge the realities of timeframes for iwi and hapū	<b>Recommend</b> adding a footnote to provide iwi and hapū who may struggle to meet the 30 working day timeframe the opportunity to request an extension of time where council staff may (at council’s discretion) confirm an extension for a further period of up to 30 working days (Attachment A). Noting in broad terms that time frames in right of first refusal process could be negotiated on a case-by-case basis is <b>not recommended</b> as the property disposal process must be able to occur with a reasonable pace
5.	To refresh the policy with minor drafting changes in line with best practice for consistency	<b>Recommend</b> clarification of a process where market valuations differ by more than 10 percent (clause 5.2.1) <b>Recommend</b> providing clarification of a process for resolving which iwi or hapū have an interest in a property proposed for disposal (clause 5.9.4)
6.	To prevent Council from selling the property to another party on more favourable terms than presented through the right of first refusal process where mana whenua did not accept council’s offer.	<b>Not recommended</b> as there is already opportunity in the process to address a disagreement on market price and mana whenua are not excluded from participating in an open market process. The intention is that mana whenua get a first option, not that council is subsequently restricted when going to market.

12. The committee may retain the policy as it was adopted in 2021 or elect to adopt some or all of these proposed amendments.
13. Consultation and engagement with key stakeholders supports the recommended Option Two.

14. **Table One: Policy Review Options**

<b>Option</b>	<b>Advantages</b>	<b>Disadvantages</b>
<b>Option One:</b> Status quo, do not approve the proposed policy for consultation and do not progress the policy for approval.	<ul style="list-style-type: none"> <li>Requires no changes or public consultation.</li> </ul>	<ul style="list-style-type: none"> <li>The decision to hold sale proceeds in the newly established Asset Realisation Reserve would remain inconsistent with this policy.</li> <li>Does not address issues raised by staff in respect of the use of the Strategic Acquisitions Fund.</li> <li>Does not address issues raised by mana whenua in respect of the operation of the rights of first refusal clauses and may negatively impact on council's relationship with mana whenua.</li> </ul>
<b>Option Two:</b> All of the proposed amendments to the policy are adopted.	<ul style="list-style-type: none"> <li>The decision to hold sale proceeds in the newly established Asset Realisation Reserve would be consistent with this policy.</li> <li>Addresses issues raised by staff in respect of the use of the Strategic Acquisitions Fund.</li> <li>Addresses issues raised by mana whenua in respect of the operation of the rights of first refusal clauses and is consistent with building council's relationship with mana whenua.</li> </ul>	<ul style="list-style-type: none"> <li>Amending the policy and retaining the right of first refusal may be negatively received by some parts of the community.</li> </ul>

**FINANCIAL CONSIDERATIONS**

15. The proposed changes to the Property Acquisitions and Disposals Policy will not impact on the council's acquisitions costs, as the current processes for acquiring property will not be altered.
16. All disposals of the council property incur costs, including staff time, holding costs and valuation costs, agents' fees and the cost of completing any legislative or contractual obligations, such as offer back obligations under section 40 of the Public Works Act.
17. If the committee wanted to publicly consult on the recommended amendments to the policy, then consultation costs, covered by the existing policy budget, will be incurred.

**LEGAL IMPLICATIONS / RISKS**

18. This matter complies with the Council's legal and policy requirements.

### CONSULTATION / ENGAGEMENT

19. As noted in paragraph 8, initial consultation and engagement has focused on gathering feedback from staff and the members of Te Rangapū who have been contacted regarding the review of this policy. A summary of their responses is provided as Attachment Two.

### SIGNIFICANCE

20. 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. The 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.
21. 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 proposal.
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
22. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the proposal is of low significance.



### ENGAGEMENT

23. Taking into consideration the above assessment, that the proposal is of medium significance, officers are of the opinion that no further engagement is required prior to the Council making a decision.
24. The proposed changes to this policy are anticipated as being of low public interest as the changes affect most directly how our staff implement the existing terms of the policy. Council can choose to engage on matters assessed as of medium significance. Given the mechanical or procedural nature of the proposed changes to the policy this report does not recommend community consultation.

### NEXT STEPS

25. Following approval to adopt the draft policy, the newly adopted policy will be updated on the Tauranga City Council website and stakeholders notified.
26. If the committee determines that public consultation is preferred prior to adoption, consultation on the proposed policy would take place in early 2024. Staff will consider the appropriate time in line with other consultation activity in this period.

### ATTACHMENTS

1. **Draft Property Acquisitions and Disposals Policy - A15173326** [!\[\]\(79b4395cc4a99be367a31de7010fa76d\_img.jpg\)](#) 
2. **Feedback on Property Acquisitions and Disposals Policy from Te Rangapu Mana Whenua o Tauranga Moana - A14990251** [!\[\]\(3a248b1d638cca6c21e3d288388f54f3\_img.jpg\)](#) 



## Property Acquisitions and Disposals Policy

<b>Policy type</b>	City Policy		
<b>Authorised by</b>	Council		
<b>First adopted</b>	4 October 2021	<b>Minute reference</b>	
<b>Revisions/amendments</b>		<b>Minute references</b>	
<b>Review date</b>	This policy will be reviewed two yearly after adoption.		

### 1. PURPOSE

- 1.1. To provide clear guidance, with the intent of ensuring:
  - i. a consistent, transparent and robust approach to the acquisition and disposal of council property;
  - ii. council's legislative responsibilities are adhered to; and
  - iii. council's policy position regarding property disposals and acquisitions supports the achievement of council's strategic objectives.
- 1.2. To deliver best value to residents via the adoption of a prudent and holistic approach to the acquisition and disposal of council property.
- 1.3. To support the timely acquisition and disposal of property.
- 1.4 To recognise the historical and cultural connection Mana Whenua have to the land and acknowledge the role that Mana Whenua have in building, protecting and celebrating Tauranga.

### 2. SCOPE

- 2.1. This policy relates to the acquisition and disposal of council property; except for:
  - i. acquisition or granting of interests in land, such as leases or easements
  - ii. acquisition of stormwater-affected property.

### 3. DEFINITIONS

Term	Definition
Acquisition	procurement of property via, purchase, gifting, and vesting
Additional Compensation	as that term is defined by the Public Works Act 1981
<u>Asset Realisation Reserve</u>	<u>the reserve of properties and funds, received by council from the sale of council properties and assets, held or received by council for the purpose of funding council capital projects, established in accordance with council resolution CO12/23/1</u>

Atypical Property	<p>is property with the following characteristics:</p> <ul style="list-style-type: none"> <li>a) Unique property, where there has been a lack of similar sales to inform the determination of market value; and/or</li> <li>b) Properties with a range of possible uses with a significant range of values associated with each of those uses; and/or</li> <li>c) Properties where the value to a sub-section of the market differs from the value of the property to the market as a whole.</li> </ul>
Council	refers to Tauranga City Council
Council Resolution	A resolution (decision) made at a council meeting, according to the requirements of the Local Government Act 2002
Disposal	includes sale, gift, and vesting
Mana Whenua	refers to the iwi and hapū who have traditional authority over the property, as defined by rohe, or whose rohe is within one kilometre of the surplus property
Market Value	<p>is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.</p> <p>Does not take into account factors such as cultural values or tenancy agreements that have not yet been entered into</p>
Open Market Process	a competitive process which provides unrestricted access to all potential purchasers
Property	subject to clause 2.1, is land and/or an interest in land and may include any asset constructed in or on land
Right of First Refusal	when council offers surplus property, by way of sale, directly to Mana Whenua in accordance with clause 5.9 of this policy, prior to <a href="#">offering the property for</a> sale via an open market process
Road Stopping	as defined by the Local Government Act 1974
Rohe	geographical area of interest for iwi and hapū as specified in the relevant protocol agreements that are between council and Tauranga Moana iwi and hapū
Strategic Acquisitions Fund	a budget allocated via the long-term plan to be used for time sensitive, unscheduled acquisitions
Strategic Disposal	Disposal of property for the purposes of achieving strategic or operational outcomes for the community
Surplus Property	Property that has been reviewed from a whole of organisation perspective and assessed as no longer required for strategic or operational purposes,
Unscheduled Acquisition	an acquisition that either is not contemplated by and in accordance with the long-term plan or annual plan or occurs ahead of the financial year within which it was planned and budgeted for.

Unscheduled Disposal	a disposal which has not been contemplated by and in accordance with the long-term plan or annual plan
Working Day	<p>means a day of the week other than:</p> <ul style="list-style-type: none"> <li>a) Saturday, Sunday, Good Friday, Easter Monday, ANZAC Day, Labour Day, the Sovereign's birthday, <u>Matariki</u>, and Waitangi Day. If Waitangi Day or ANZAC Day falls on a Saturday or a Sunday, then the following Monday;</li> <li>b) The day observed in the appropriate area as the anniversary of the province of which the area forms a part; and</li> <li>c) A day in the period commencing with 20 December in any year and ending with 10 January in the following year.</li> </ul>

#### 4. PRINCIPLES

- 4.1. Acquisition and disposal of council property will be managed transparently, subject to reasonable commercial confidentiality constraints.
- 4.2. Council is not in the business of investing in property with the primary intent of achieving financial gain.
- 4.3. Acquisition and disposal of council property is to support growth and enable the timely provision of infrastructure and services.
- 4.4. Acquisition and disposal of council property will be conducted to enhance the lifestyle, amenity and liveability of the city and will be managed to deliver improved economic, environmental, social or cultural outcomes.
- 4.5. Council recognises the close association that Mana Whenua have with the land in Tauranga Moana and the role that partnership plays between council and Mana Whenua.
- 4.6. All costs relating to acquisitions or disposals will be met by the respective parties to a transaction, unless otherwise agreed, stated in this policy or determined by statute.

#### 5. POLICY STATEMENT

##### 5.1. Identification and Management of Acquisitions and Disposals

###### 5.1.1 Acquisitions and disposals will be:

- i. identified by the relevant council managers in collaboration with the council activities responsible for property acquisitions and disposals; and
- ii. managed by the council activity responsible for property acquisitions and disposals, to ensure adherence with best practice, council policy and statutory requirements.

##### 5.2. Determining Market Value

- 5.2.1 Market value will be assessed by two independent registered valuers and will be provided in the form of a full report which meets all reporting standards. If the valuations differ by more than 10%, then a third independent registered valuer shall be appointed as an expert in order to determine the market value after considering the assessments in the valuations.

##### 5.3. Operational Acquisitions

- 5.3.1 Council will acquire property to meet council's existing or future levels of service, including property required for infrastructure delivery.

5.3.2 Operational acquisitions are:

- i. provided for in the annual plan or long-term plan, either as specifically identified property/ies or in order to contribute to identified service requirements or associated with or required to enable projects contemplated by the annual plan or long-term plan;
- ii. funded from capital funding sources including but not limited to those identified in the long-term plan, annual plan and/or by development contributions;
- iii. purchased within the financial year containing the allocated purchase budget or purchased within delegated financial authority.

5.4. Unscheduled Acquisitions

- 5.4.1 Unscheduled acquisitions are acquisitions which do not meet the requirements of clause 5.3.2.
- 5.4.2 Unscheduled acquisitions allow council to acquire property on a proactive and efficient basis, ensuring that council can take advantage of market opportunities. Unscheduled acquisitions support council to:
  - i. deliver improved economic, environmental, social or cultural outcomes; and
  - ii. meet its future operational requirements, by allowing for the advantageous purchase of property not anticipated for in the current financial year.

5.5. Strategic Acquisitions Fund

- 5.5.1 The Strategic Acquisitions Fund can be used to fund, in whole or in part, the purchase price of unscheduled acquisitions, or operational acquisitions with an insufficient budget allocation, and for associated additional compensation costs.
- 5.5.2 The Strategic Acquisitions Fund is for time sensitive purchases, when the time required for a council resolution approving budget for the purchase would may jeopardise the likelihood of successfully purchasing the identified property.
- 5.5.3 The Strategic Acquisitions Fund is not for funding costs related directly or indirectly to the development of a property, such as consenting, design or construction costs.
- 5.5.4 When the Strategic Acquisitions Fund is used to purchase property, which is later used for operational purposes, the relevant council activity will then account internally for the purchase of the property. The notional purchase amount will be based on the amount the property was originally purchased for, including any legal and valuation costs incurred at the time of purchase, plus holding costs. The monies will be reimbursed to the Strategic Acquisitions Fund. Consideration may be given to the current market value and the original reason for purchase.
- 5.5.5 Budget is allocated to the Strategic Acquisitions Fund per annum. Council will set the annual budget for the Strategic Acquisitions Fund in the long-term plan or annual plan.
- 5.5.6 Unspent funds and proceeds reimbursed to the Strategic Acquisitions Fund will be carried over into the following financial year.

- 5.5.7 The Strategic Acquisitions Fund will be capped once the amount contained in the fund equals or exceeds the total amount of budget allocated over the previous three years. Future annual budget allocations will resume once the amount in the Strategic Acquisitions Fund is less than the total amount of budget allocated over the previous three years.
- 5.5.8 The Strategic Acquisitions Fund will be managed by the council activity responsible for property acquisitions. The Executive is responsible for prioritising applications to the Strategic Acquisitions Fund.
- 5.5.9 Final decisions on all applications to the Strategic Acquisitions Fund are made by the Mayor (following informal consultation with Councillors) and the Chief Executive.
- 5.6 Process to Classify Property for the Purposes of Disposal
- 5.6.1 Disposal of council property may be initiated by a request from an external party or by council.
- 5.6.2 Requests to purchase council owned property will be assessed on a case by case basis and council's response will be guided by this policy.
- 5.6.3 Council will, in assessing and classifying land for disposal undertake the following steps:
- Step 1: Assess*
- 5.6.3.1 Council staff will undertake an assessment of the property to identify and report on the following:
- council's pre-existing statutory or other legal obligations in relation to the property; and
  - whether there are any strategic objectives to be achieved through disposal; and
  - if the property is suitable for an open market process.
- Step 2: Engagement with Mana Whenua on cultural matters*
- 5.6.3.2 Council staff will, as soon as reasonably practicable, notify Mana Whenua of the details of the property being considered and a summary of the assessment undertaken in 5.6.3.1 above.
- 5.6.3.3 If a property is not subject to pre-existing statutory or other legal obligations, council staff will meet with Mana Whenua within 30 days of giving notice as per 5.6.3.2 and engage in good faith to ensure any cultural matters have been appropriately identified and considered in the assessment and to receive any comments Mana Whenua may have with respect to the possible classification of the property (see 5.6.3.4).
- Step 3: Classification*
- 5.6.3.4 Following consideration of the assessment prepared in accordance with paragraphs 5.6.3.1 to 5.6.3.3, council will, by resolution, make the final decision regarding the classification of the property as either a strategic disposal or surplus property or atypical property, and the process for disposal, and shall notify Mana Whenua within 30 days of making a decision the resolution.
- 5.6.3.5 If the property disposal is classified as a strategic disposal, the property will be disposed of according to the process set out in 5.7 Strategic Disposal Process.

- 5.6.3.6 If the property is classified as a surplus property, it will be disposed of according to the process set out in 5.8 Disposal of Surplus Property (see also Attachment A).
- 5.6.3.7 If the property is classified as atypical property, it will be disposed in an appropriate manner and will not be subject to the right of first refusal process.
- 5.6.4 Market value (also referred to in 5.2) informs all disposals.
- 5.6.5 For all disposals the method of disposal will be at the discretion of council and informed by property market conditions and the characteristics of the property being disposed of.
- 5.6.6 Council will carry out any community engagement in relation to the disposal as required by council's Significance and Engagement Policy and applicable legislation.
- 5.6.7 The proceeds from the disposal of properties managed through the Asset Realisation Reserve will be held in the Asset Realisation Reserve pending utilisation of the proceeds to fund capital projects approved by council resolution, and any debt associated with the disposed property will not be repaid unless council, by further resolution, determines to repay that debt in part or in full.  
  
In order to manage Councils overall debt position options will be presented through each Annual Plan or Long-Term Plan process in order to manage any debt remaining from assets disposed of and where any residual debt remains which would remain unfunded.
- 5.7 Strategic Disposal Process
  - 5.7.1 A strategic disposal occurs when the disposal of a property is for the purposes of achieving strategic or operational outcomes for the community.
  - 5.7.2 A strategic disposal is not subject to right of first refusal; and may occur as an unscheduled disposal. Any unscheduled disposals that are classified as strategic disposals are to be approved by council resolution.
  - 5.7.3 The desired outcomes for the strategic disposal will inform the detail of the disposal process. The desired outcomes may be non-financial in nature.
  - 5.7.4 Cultural matters identified in accordance with 5.6.3.3 may be considered when informing the desired outcomes for the strategic disposal.
  - 5.7.5 In general, council will seek to achieve market value for strategic disposals. However, council will consider strategic disposals at non-market value in order to achieve economic, environmental, social or cultural outcomes.
  - 5.7.6 A strategic disposal may include partnering arrangements, including, but not limited to joint ventures, such as public-private partnerships, co-management or co-governance arrangements.
  - 5.7.7 A strategic disposal will be carried out in accordance with any applicable statutory requirements affecting the property.
- 5.8 Disposal of Surplus Property (see also Attachment A)
  - 5.8.1 Property can only be declared surplus property under this policy via the long-term plan, annual plan or by council resolution. For guidance, as a general rule, the sole objective of disposal of surplus property is the realisation of a financial return and removal of the unrequired asset from the property portfolio.

- 5.8.2 Unscheduled disposals of surplus property are to be approved by council resolution.
- 5.8.3 Surplus property will be sold at market value.
- 5.8.4 Subject to any other legal requirements affecting the property, surplus property suitable for disposal via an open market process shall be subject to a right of first refusal in favour of Mana Whenua, as per 5.9.
- 5.8.5 Unless the property is held in the Asset Realisation Reserve, the proceeds from the disposal of surplus property will be returned to:
  - i. the council activity that funded the purchase, or;
  - ii. the Strategic Acquisitions Fund if the purchase was funded by the Strategic Acquisitions Fund and the Strategic Acquisitions Fund has not been reimbursed by the relevant activity.
- 5.9 Right of First Refusal (see also Attachment A)
  - 5.9.1 Following the discharge of any pre-existing statutory or other legal obligations by council, Mana Whenua will be provided with the opportunity to purchase surplus property prior to it being sold via an open market process.
  - 5.9.2 The right of first refusal applies to surplus property which has been assessed as suitable for sale via an open market process. Right of first refusal does not apply to strategic disposals or atypical properties.
  - 5.9.3 The right of first refusal offer will be made to Mana Whenua.
  - 5.9.4 Mana Whenua will determine if they have an interest in purchasing the property and which iwi or hapū will proceed with the purchase. If more than one iwi or hapū (to which the offer is made) express an interest in the purchase of the property, then the parties shall work together in good faith to determine which iwi or hapū will complete the purchase (or if the purchase will be a joint undertaking).
  - 5.9.5 Market value will be paid for surplus property sold via right of first refusal.
  - 5.9.6 Attachment A outlines the processes and timeframes which apply to the right of first refusal process.
  - 5.9.7 Amendments to Attachment A must be approved by the Mayor and Deputy Mayor; and the Chair and Deputy Chair of Te Rangapū Mana Whenua o Tauranga Moana (or its equivalent).

## 6. ROAD STOPPING

- 6.1. Council will consider permanent road stopping and disposal, where:
  - i. the road is not likely to be required for council or community purposes, or
  - ii. the road stopping is required to meet the operational requirements of either council or crown.
- 6.2. Road stopping will be undertaken in accordance with the processes outlined in the Local Government Act 1974 or the Public Works Act 1981.
- 6.3. All costs associated with the road stopping shall be met by the requesting party or as otherwise specified by council's user fees and charges in the long-term plan or annual plan.
- 6.4. Road stopping requests will not be treated as surplus property and are not subject to the right of first refusal process.

**7. RELEVANT DELEGATIONS**

- 7.1. The Chief Executive or their delegate has responsibility for the implementation of this policy except for those outlined in clauses 5.6.3.4, 5.7.2, 5.8.1 and 5.8.2.
- 7.2. The Mayor and Chief Executive have delegations under clause 5.5.9.
- 7.3. The Mayor, Deputy Mayor and the Chair and Deputy Chair of the Te Rangapū Mana Whenua o Tauranga Moana have delegations under clause 5.9.7.

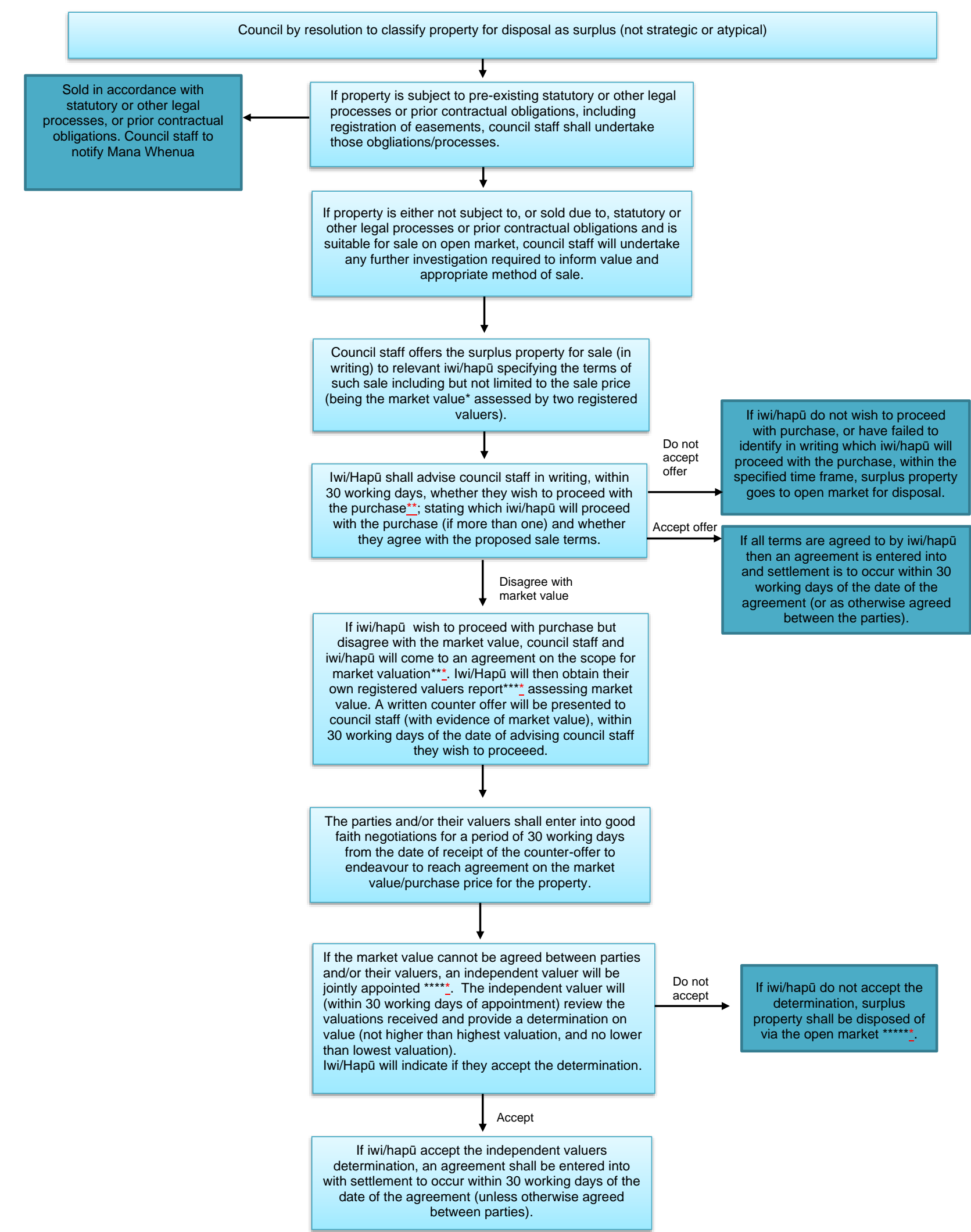
**8. REFERENCES AND RELEVANT LEGISLATION**

- Public Works Act 1981
- Local Government Act 1974
- Local Government Act 2002
- Reserves Act 1977
- Iwi and hapū protocols with Tauranga City Council
- Iwi and hapū management plans
- Reserve management plans

**9. ASSOCIATED POLICIES/PROCEDURES**

- ~~Community, Private and Commercial~~ Use of Council-Administered Land Policy
- Stormwater Reactive Reserve Fund Policy
- Significance and Engagement Policy

Attachment A: Acquisitions and Disposals Policy - Sale of Surplus Property – Right of First Refusal (RFR) – Flowchart



\* The definition of market value is contained in section 3 of the policy.

\*\* Where iwi/hapū are unable to obtain necessary authority to advise council staff within 30 working days, iwi/hapū must advise council staff of the delay and the reason for it within the 30 working days, and council staff may at Council's absolute discretion extend the time for acceptance by up to a maximum of 30 additional working days from the date that the offer was made.

\*\*\* "Scope for market valuation" means the parameters for the valuation assessment of a property which would be relevant considerations in the market, which may include matters such as: the identity of the intended users of the valuation report; clarity regarding the property and assets being valued; the purpose of the valuation; the basis/bases of value used; valuation date; nature and source of the information to be relied upon by the valuer; any significant assumptions and/or special assumptions; and any restrictions on use, distribution and publication.

\*\*\*\* If iwi/hapū obtain their own valuation advice, a full copy of that advice shall be provided to council staff upon receipt regardless of whether such advice is received outside of the 30 working day period, or whether a counter-offer is made.

\*\*\*\*\* If the parties cannot agree on a joint appointment, an appointment will be made by the President of the New Zealand Institute of Valuers.

\*\*\*\*\* If iwi/hapū have not advised that they have no further interest in the property and the open market disposal process results in a price which is lower by 10% (or more) than the value determined by the independent valuer, then prior to proceeding with the open market process, council by resolution is to determine whether the property is re-offered to relevant iwi/hapū at the lower value or continue with the open market disposal process.

## **Feedback on Property Acquisitions and Disposals Policy from Te Rangapū Mana Whenua o Tauranga Moana**

### **Engagement opportunities**

Staff have raised the review of the Property Acquisitions and Disposals Policy with members of Te Rangapū Mana Whenua o Tauranga Moana on several occasions. These include:

- May 2023 – Informed we were initiating the policy review in the policy work programme presented to a workshop, noting who wished to provide direct feedback.
- Early August 2023 – Individual meetings with representatives that noted their interest in providing specific feedback – Nathan James (Ngati Kuku), Irene Walker (Ngāi Te Ahi) and Buddy Mikaere (Ngati Pukenga Iwi Runanga).
- 30 August 2023 – Follow up hui on discussion draft, receiving feedback on content and vision for the policy.

### **Feedback received on current policy**

Feedback on the policy has included:

- General disappointment that more whenua has not been returned to hapū since the policy was introduced two years ago.  
*Note that two years is early in the life of the policy.*
- Concerns have been raised about the transparency of the property classification process, specifically, the potential for every property disposal to be classified as a strategic disposal and not have any property available to the Right of First Refusal process.  
*Note amendments are proposed to the classification process clauses to increase transparency (clause 5.6.3).*
- Questioning how the sharing of history and stories by iwi and hapū in the property disposal classification process is given any value. It is unclear how the effort of collecting, recording and sharing property or area specific information by iwi and hapū translates into any value or weight for the Council to act on.  
*Note amendments are proposed to the classification process clauses to increase transparency and also the inclusion of reference to the information provided for classification in the strategic property disposal process (clauses 5.6.3 and 5.7.4).*
- Noted that the 30-day timeframes in the Right of First Refusal process are very tight for many hapū given the number of people involved in the decision making processes, their reliance on volunteers to do the mahi, and the lead time required to arrange bank funding for these organisations.  
*Note made in Attachment A of the policy to reflect the experience to date and provide for an extension if necessary. To clarify 30 working days is usually 6 weeks.*

**Ideas for future policy and procedures**

Feedback for wider consideration has included:

- Need for an early line of sight and wider information about properties that are coming up for disposal. That further information might include what could be done with the property, rezoning for example. To explore how internal procedures might support what information can be provided as part of the summary under existing clause 5.6.3.2 of the policy.
- To explore if there could be an opportunity for direct Mana Whenua participation in developing the advice presented to decision makers in the property classification process. As it stands, there is provision for iwi and hapū to share their history and stories associated with land but it is unclear how that translates into any value that the Council can act on.
- Further investigation of the history of land acquisition for each property, whether by the council or previous owners, and what might be done to acknowledge this history when classifying the property and/or negotiating settlement of the current property transaction.
- To develop a case study or two over the period between now and the next review of this policy to enable quality discussion and identification of new or continuing issues.

**Clarifications/Ideas out of Policy Scope**

- Acknowledging the challenge of alignment between the Council's strategic vision for land use and the values and vision of tangata whenua for the land.
- Acknowledgement that the process in this policy is just one avenue for the return of whenua to hapū and certainly not a high volume avenue so far. Consideration of how Council might support Mana Whenua as they explore the other avenues for the return of their whenua.
- Noted that this policy does not contemplate a scenario where Council might choose to return land to Mana Whenua. A return of land is outside the scope of this policy but relationship arrangements such as the one for Site A of the civic precinct, to be jointly governed through Te Manawataki o Te Papa Charitable Trust, are possible outside the policy.

## 9.9 Natural Hazard and Resilience Planning - Release of Natural Hazards Information (Slope Hazard Zones, Landslide Susceptibility)

**File Number:** A15151334

**Author:** Natalie Rooseboom, Manager: Asset Services  
Carmen Norris, Project Manager: Growth & Urban Planning  
Vicky Grant-Ussher, Policy Analyst

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

### PURPOSE OF THE REPORT

1. To update the Strategy, Finance and Risk Committee on slope hazards and landslide susceptibility mapping for Tauranga and the communication plan for the public release of this information.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Natural Hazard and Resilience Planning - Release of Natural Hazards Information (Slope Hazard Zones, Landslide Susceptibility) ".

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### BACKGROUND

2. Tauranga is affected by numerous natural hazards, including flooding, tsunami, coastal and inner harbour erosion, earthquakes, volcanic ash fall and land instability. Our changing climate will influence the frequency and severity of some of these natural hazards.
3. Tauranga City Council aim to have a good understanding of the areas potentially at risk from natural hazards to support appropriate land-use planning and development decisions and the civil defence response. Mapping is the most accepted method to identify hazard-prone areas and a useful way to provide the greatest level of certainty to the public.
4. Tauranga City Council has been researching, mapping and informing our community about natural hazards for over 20 years. With an increase in understanding of known natural hazards and Tauranga's susceptibility to such events, the council and wider community will be better placed to determine risk and the necessary strategies to avoid, defend or adapt long-term.

### STRATEGIC / STATUTORY CONTEXT

5. Council's natural hazards and resilience planning sits within a wider national context established under the Local Government Act 2002, Resource Management Act 1991, Building Act 2004 and Civil Defence Emergency Management Act 2002. The operative Bay of Plenty Regional Policy Statement provides the framework for roles and responsibilities on natural hazard planning which must be given effect to in all planning processes within the Bay of Plenty region.

### SLOPE HAZARD

6. The characteristics of landslides have been studied in the Bay of Plenty for over 40 years. Following storm events in the early 2000's, slope hazard maps with slope hazard zones were created.
7. A slope hazard map identifies zones where there is potential for, or existing, instability of the slope and zones which may become inundated by a landslide. It is based on the relationship between slope height and angle. The information is available at property level.

8. The slope hazard zones are used in the following council processes:
  - (a) future land-use planning, to aid in planning for and understanding the effects of natural hazards on existing land-use, potential subdivisions and growth management.
  - (b) current and future infrastructure planning, in the consideration of upgrades to existing infrastructure, provision of infrastructure and understanding the long-term effects on the operation and performance of infrastructure.
  - (c) within the Infrastructure Development Code (IDC)
  - (d) building consent processes, and applications for new building consents.
  - (e) subdivision consent processes, and applications for new subdivisions.
  - (f) Land information memoranda (LIM).
9. New mapping has been undertaken to update the existing slope hazard maps based on new landslide data and geomorphological mapping (study of landforms and the processes that form them). The review also included making sure the earlier defined zones (2:1 failure zone, 3:1 regression zone and 4:1 runout zone) are still valid for Tauranga. This new mapping replaces the existing slope maps.

### LANDSLIDE SUSCEPTIBILITY

10. A landslide susceptibility assessment, aligned with the current best practice and regulatory framework was also completed. It represents a city-wide assessment (not property-scale).
11. Landslide susceptibility describes the relative likelihood of future land sliding in an area based on underlying properties (for example, is one area more or less susceptible than another area to land sliding). Properties considered include factors such as local terrain, geological and hydrological conditions. Susceptibility mapping does not consider the frequency of landslides, or the consequences (for example areas that may be inundated by landslides are not identified).
12. The Bay of Plenty Regional Policy Statement (RPS) provides a framework for managing the Bay of Plenty region's natural and physical resources. The RPS highlights significant issues which relate to land which must be considered by council when developing district/city plans. It also sets out what should be achieved and how it will be achieved through policies and methods. Policy NH 3B of the RPS outlines the long-term strategic direction and the outcomes for the way natural hazard risk is managed throughout the Bay of Plenty region. Council must give effect to the RPS and identify areas that are susceptible to landslides from rainfall and earthquakes, evaluate potential likelihood and consequences of the hazards and assign appropriate hazard risk levels.
  - (a) Landslide susceptibility mapping is the first step in a process to define landslide risk, and is intended to be used in the following council processes:
  - (b) District and city plans, and plan changes.
  - (c) City-wide natural hazard risk assessments.
  - (d) Future land-use planning, to aid in planning for and understanding the effects of natural hazards on existing land-use, potential subdivisions and growth management.
  - (e) Current and future infrastructure planning, in the consideration of upgrades to existing infrastructure, provision of infrastructure and understanding the long-term effects on the operation and performance of infrastructure.
13. Two new landslide susceptibility maps have been prepared, one showing susceptibility to rainfall-induced land sliding and the other showing susceptibility to earthquake-induced land sliding. Landslide susceptibility scores were classified into four categories to represent Very Low, Low, Moderate and High landslide susceptibility.

## RELEASE OF INFORMATION

14. External communication is required to inform and assist the community to understand the various projects underway and how they may be affected in the future.
15. Before the information was finalised, a session was held in November 2022 on the updated and new information for the local geo-professional community and members of the accredited geo-professional register.
16. Two webpages were created [www.tauranga.govt.nz/slope-hazard](http://www.tauranga.govt.nz/slope-hazard) and [www.tauranga.govt.nz/landslide-susceptibility](http://www.tauranga.govt.nz/landslide-susceptibility), which has links to the related technical reports and maps and FAQ sections.
17. A media campaign the week of 6 October was used to draw the community's attention to upcoming updates to natural hazard information, which included land instability (updated slope hazard information and new landslide susceptibility) information.
18. For slope hazards, 15,244 letters were sent to directly affected landowners at the start of October. Letters included information on the impact of the slope hazard review on their property and the upcoming drop-in information sessions.
19. Staff are available to answer questions from any landowner or stakeholder wishing to understand the information further.
20. Incoming phone and email queries to date are mainly focused on finding the information on the GIS system, understanding what the information and the term hazard means for landowners and understanding why retaining walls are identified as a slope hazard.
21. Four drop-in information sessions will be held in November 2023 to provide information to the community and the opportunity for residents to speak directly with staff and technical experts.
22. Māori trusts and practitioners from the local developer, design, planning and building communities has been/will be informed via electronic newsletters or email updates and information will be presented at sector meetings as required.




## SIGNIFICANCE

23. This issue is of high significance as it affects a wide range of people and has large consequences. The release of information is of low significance as it relates to data and mapping.

## NEXT STEPS

24. The Council will continue to progress the natural hazards program with its partners, Western Bay of Plenty District Council and Bay of Plenty Regional Council.
25. Tauranga City Council and/or Bay of Plenty Regional Council plan to release natural hazards information including new coastal inundation mapping, updated flood mapping for some areas and updated regional tsunami evacuation maps over the next year.

## ATTACHMENTS

1. **2023 Slope Hazard Zone Maps 1-15 - A15151479 (Separate Attachments 1)** 
2. **2023 Landslide Susceptibility Maps Earthquake induced (1-15) - A15151477 (Separate Attachments 1)** 
3. **2023 Landslide Susceptibility Maps Rainfall induced (1-15) - A15151478 (Separate Attachments 1)** 

**9.10 Mount Planning and Delivery Programme Update - October 2023****File Number:** A15051739**Author:** Sarah Omundsen, General Manager: Regulatory and Compliance  
Carl Lucca, Team Leader: Urban Communities  
Carmen Norris, Project Manager: Growth & Urban Planning**Authoriser:** Sarah Omundsen, General Manager: Regulatory and Compliance**PURPOSE OF THE REPORT**

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

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**RECOMMENDATIONS**

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Mount Planning and Delivery Programme Update - October 2023".

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**EXECUTIVE SUMMARY**

2. The Mount Planning and Delivery Programme (the Mount Programme) was presented to the Strategy, Risk and Finance Committee on 6 June 2023. This report provides an update on progress during the past four months, including:
  - (a) The Mount collaboration space – 'The Mount Hub'
  - (b) Programme-wide communications and engagement
  - (c) Working with Tangata Whenua, including integration of engagement between projects where possible
  - (d) Progress and next steps on the Mount to Arataki Spatial Plan, the Mount Industrial Planning Study and the Mount Parking Management Plan
  - (e) The Mount Maunganui Air Pollution Health Risk Assessment report and Councils next steps
  - (f) Key programme risks being managed.
3. A list of Mount Programme projects is provided as Attachment A to this report, summarising key project activities on a quarterly basis through to April 2024.

**INTRODUCTION**

4. The key objectives for the Mount Programme are to:
  - (a) Provide a coordinated and aligned approach to the management and implementation of Council projects planned or underway within the area
  - (b) Provide a cohesive communications and engagement approach internally and externally (including with tangata whenua, key stakeholders and the community) of these projects
  - (c) Provide internal awareness of significant projects being led by external partners and stakeholders (e.g., Waka Kotahi and Bay of Plenty Regional Council Toi Moana) within the area

- (d) Provide an ongoing framework that assists to facilitate the outcomes of the Mount to Arataki Spatial Plan.

5. This report provides an update on the Mount Programme in relation to the above objectives.

### **MOUNT COLLABORATION SPACE – ‘THE MOUNT HUB’**

- 6. The Mount Hub has been open for almost six months. During this time there has been an expansion of project displays together with a steady increase of community, staff and stakeholder use.
- 7. The front of house service model has been evolved to ensure visitors receive consistent service in relation to Council's other public-facing spaces combined with a pro-active engagement approach that seeks feedback in relation to local projects. i.e. – the Hub staff prioritise service in response to the visitor's purpose and then seek opportunity to receive wider feedback / discussion.
- 8. Since opening in May, The Mount Hub has received more than 800 visits from the community which has generated more than 950 discussion touchpoints across projects on display / planned. Feedback from visitors has been supportive, including this compliment received in an email follow-up: *"Thanks for your prompt response. This is exactly what I was looking/asking for. I think the Hub is a very welcome and essential asset for our community."*

### **Service to Council enquiries**

- 9. Since mid-July visitors requesting service to enquiries re: wider Council business has steadily increased with the highest related to Council rates (rebates, account enquiries and payments), dog registration and service requests.
- 10. This has allowed Mount Hub team to leverage increase in visits to seek further feedback in relation to Mount projects, with the majority of visitors happy to spend time after their enquiry or transaction to provide feedback.

### **Community stakeholder use**

- 11. The Mount Business Association use the Mount Hub after closing time to run their bi-monthly board Meetings.
- 12. Mauao Trust have started using the Mount Hub for their bi-monthly Hui in September.
- 13. Tauranga Forest & Bird will use the Mount Hub for meetings and after-hours presentations to the community.
- 14. In addition, the venue has been used for the Urban Design Panel training and a range of other meetings and hui with external partners and stakeholders.

### **MOUNT PROGRAMME PROJECT UPDATES**

- 15. **Attachment A** includes a summary of projects underway within the overall Mount Programme. The programme table summarises key project activities on a quarterly basis through to April 2024, identifying:
  - (a) Planning phases
  - (b) Physical delivery phases
  - (c) Key milestones, e.g., business case, engagement, completion of works.
- 16. The information has assisted with project planning particularly in relation to communication and engagement (as outlined below) and integration between projects, such as the Spatial Plan, the Industrial Planning Study, transport related projects and natural hazards planning.

### **COMMUNICATIONS AND ENGAGEMENT – PROGRAMME COORDINATION**

**Mount Hub**Promotion

17. A budget friendly awareness campaign to promote the Mount Hub and increase foot traffic is ongoing, featuring an advertisement on the back of the water rates invoices, Google display advertisements, NZME digital advertisements, Facebook posts and posters.

Events

18. To increase visitor numbers and attract a more diverse demographic we will look to host events at the Hub at specific times during the year to align with local projects and initiatives. The first will be a Destination Skate Park event to support the opening of the skatepark.
19. We are also working with the Travel Safe team to hold an event that begins and ends at the Mount Hub during Bike Month in February. This may be an altered version of the annual Surf to City commuter ride, or we may pivot to a tour of the Marine Parade Coastal Path (opening date dependant).
20. In the term 1, 2024 holidays we will run an activity for children and families.

Service centre

21. We have begun to amend the website to reflect that general council enquiries and payments are available at the Mount Hub – this offers the community more service, and an incentive to visit.

Engagement

22. The Mount to Arataki Spatial Plan engagement period (September to early October) had a presence at The Mount Hub. This was a great icebreaker to begin talking about all the initiatives happening in the Mount, helping to underline some of our key messages for the area, and to illustrate the benefits of and need for change.
23. The spatial plan display was supported by a slideshow of historical photos of the area, showing how much our city has changed and how change is inevitable as population grows. Anecdotally this has been very well received with people visiting the Mount Hub just to see the pictures.
24. In support of the natural hazard data releases, we have drafted posters for The Mount Hub which will help to set the scene and show some of the work we and community groups have done to adapt to our changing climate.

**Mount Projects Website**

25. A Mount Programme webpage has been created to support communications and engagement with the community. <https://www.tauranga.govt.nz/our-future/mount-projects>
26. We have been collaborating with the web team on the forthcoming 'lets talk Tauranga' neighbourhood pages. This will improve our current Web Presence and improve user experience for the Mount community.

**Messaging Alignment**

27. Earlier in the year a set of Mount Programme transport key messages was produced to have a consistent and complementary way to refer to our local transport projects and how they all interact.
28. Teams have used these on the council's website, in media, and for engagement purposes, making projects on 'this side of the bridge' feel part of a greater, more considered plan that increases safety for all road users regardless of mode, enables better public transport, walking, and cycling, and makes the best use of the limited space we have.
29. So far the key messages have been used for:
  - (a) Maunganui Road Safety Improvements

- (b) Grenada Street Shared Path (Transport Choices)
- (c) Oceanbeach Road Clearway (and related intersection improvements at Girven Road and Omanu)
- (d) Destination Skatepark – Access via safe road crossing and railway crossing
- (e) Marine Parade Coastal Path – Separated cycle infrastructure and links to raised pedestrian crossings.

### WORKING WITH TANGATA WHENUA

- 30. We are currently working in partnership with tangata whenua on the Mount to Arataki Spatial Plan (MSP), Mount Industrial Planning Study (MIPS) and Connecting Mount Maunganui projects with the support of Council's Takawaenga team.
- 31. Te Pou Takawaenga have established a live update document or 'Tangata Whenua Project Board' with Ngāi Tūkairangi and Ngāti Kuku. These live documents are aimed at providing hapū and iwi in the Mount with a clear summary of all Mount based projects happening now and in the near future. The documents provide key information on each project including a short project summary, key points of contact for TCC and the hapu and timeframes of project phase. This initiative has been requested by the hapū.
- 32. With the Mount Spatial Plan and Mount Industrial Planning Study nearing completion, consideration is also being given to the growing programme projects in this area and resourcing assistance may be provided to mana whenua / hapū, to support partnership, participation and empowerment on relevant projects. This discussion with mana whenua will be led in partnership with the Takawaenga team and will be reported back on as it progresses.

### MOUNT TO ARATAKI SPATIAL PLAN (MSP)

- 33. Information on the next steps for the MSP and MIPS was included in the Growth, Land Use Planning & Transport Strategy Projects September 2023 Quarterly Update. As outlined in that report, key next steps include:
  - (a) October / November 2023: Mount to Arataki Spatial Plan programme and Mount Industrial Plan prepared; Strategy, Finance and Risk Committee workshop on 30 October.
  - (b) December 2023: Mount to Arataki Spatial Plan draft programme and engagement report, and Mount Industrial Planning Study presented to Council for consideration.
  - (c) March 2024: Final Mount to Arataki Spatial Plan presented to Council for endorsement.
- 34. Community engagement on the MSP occurred during September and early October. The focus of engagement was on receiving feedback on proposed interventions developed as part of the process. Engagement included:
  - (a) Drop-in sessions and pop-up shops were held at the Arataki Community Centre, Little Big Markets, The Mount Hub, and at the base of Mauao
  - (b) A stakeholder workshop, including members from the community, business and community organisations
  - (c) Engagement with Mount Business Association.
- 35. Outcomes of the MSP engagement are currently being formalised. Initial analysis shows over 500 individual pieces of feedback received from the community through face-to-face engagement, the Social Pinpoint on-line engagement, and written feedback. In addition, over 800 likes and dislikes were recorded on relation to the proposed interventions included in engagement.
- 36. A summary of key messages is included within the information pack for the Strategy, Finance and Risk Committee workshop (30 October) and full report will be provided to the Strategy, Finance and Risk Committee in December.

37. In addition to community engagement, engagement has continued with mana whenua and the project Reference Group (i.e. external project partners and key stakeholders).

### **MOUNT INDUSTRIAL PLANNING STUDY (MIPS)**

38. A draft preferred scenario and potential intervention actions have been identified from three possible scenarios for the future of the Mount industrial area. Land use intervention options are currently being assessed and discussed with partners and key stakeholders, including through the Phase 2 community engagement process as part of the MSP project. The third stakeholder workshop for MIPS was held on 8 August 2023 at Club Mount Maunganui to present Council's draft preferred scenario and actions.
39. Feedback from tangata whenua, stakeholders and the wider community will inform the draft Mount Industrial Plan. A workshop with the Strategy, Finance and Risk Committee is being held on 30 October. The draft Mount Industrial Plan is intended to be reported to the 4 December 2023 meeting for consideration.
40. The Priority One 'blueprint' for the Mount industrial area is being progressed. The blueprint is expected to make recommendations on actions to be taken for the industrial area from an economic perspective as an important input to the MIPS. TCC staff have also engaged directly with businesses who may be affected by the draft interventions options in MIPS and MSP. Engagement is occurring with Priority One's steering group of industrial businesses and separate meetings have been held with Ballance Agrinutrients, Lawter NZ and Waste Management NZ.
41. TCC staff are also continuing to engage with Waka Kotahi and the Connecting Mount Maunganui project to ensure alignment between land use and transportation options assessment and improvements for the Mount industrial area.

### **Air pollution health risk assessment report and monitoring report for Mount Maunganui airshed**

42. As part of the MIPS, Council will consider Toi Te Ora's recently commissioned "Air Pollution: Health Risk Assessment Mount Maunganui" which assesses health risks of exposure to identified air pollutants in the Mount Maunganui area, with the aim of key parties collaborating to reduce discharges. Te Whatu Ora released the report on 24 July 2023.
43. The findings of the Mount Maunganui Air Pollution Health Risk Assessment are consistent with the information previously received by Council which resulted in programmes of work to ensure land is used appropriately in the area. This is a complex situation that has been generations in the making and improving air quality in the Mount Industrial area requires a partnered, multi-agency approach. We will work with Bay of Plenty Regional Council, Te Whatu Ora, industry, and central government to achieve this.
44. A response to the findings of that study is being considered by Council and the above parties through the Mount Air Quality Working Party. Bay of Plenty Regional Council has identified a Mount Maunganui Airshed work programme, which was workshopped with its Strategy & Policy Committee on 28 September. An informal paper prepared in support of that workshop is available on BOPRC's website.
45. As standard practice, Council and Bay of Plenty Regional Council are intending to commission an independent review of the "Air Pollution: Health Risk Assessment Mount Maunganui" report.
46. At the same time as the health report was released, the "Mount Maunganui Air Quality Monitoring Review 2022" was released, providing a review of the Bay of Plenty Regional Council ambient air quality monitoring data from the Mount Maunganui Airshed for the years 2019 through 2022. The monitoring data shows that ambient air quality in some parts of the Mount Maunganui Airshed remains impacted by industry, port activities and traffic. However, there has been a significant reduction in concentration levels of particulate matter (PM10 and PM2.5) and sulphur dioxide (SO2).

### **PARKING MANAGEMENT PLAN**

47. Engagement on the Parking Management Plan is set to begin with the community from 13 November to 15 December. In that time, we will be targeting engagement to various interest groups in Mount Maunganui such as the rate payer's association and Maunganui Mainstreet although feedback will also be open to the wider community.
48. The team are currently refining a communication and engagement strategy which will inform the scope and tone of the communications over the engagement period.
49. Staff will be based out of the Mount Hub for the engagement period so they can speak with any members of the public who wish to engage directly with council on the topic.
50. Implementation of the new parking management plan is aimed to start in the lead up to next year's tourist season.

### PROGRAMME RISKS

51. The table below outlines key 'programme' risks being managed; project specific risks continue to be managed by project teams and will be reported as part of those projects.

	Risk Event	Mitigation	Risk Score
1	A lack of coordination between programme projects, particularly regarding the timing of communication and engagement, could cause community frustration, disruption to individual projects and a misunderstanding of outcomes Council is trying to achieve.	Programme governance structures in place, with regular project lead meetings to discuss timeframes, risks and key messaging.	Medium
2	Misalignment of messaging and/or perceived outcomes on projects relating to growth and the need to respond to climate change.	'Front foot' communications to impacted community ensuring awareness of council led initiatives around mitigations in this space.	Medium
3	Limited public interest in council's investment in a collaborative hub space in Mount Maunganui.	Continue to share information through media, utilising key messages to underline the benefits of the space:  Enabling better public engagement through the ability to provide extended technical presence for face-to-face conversations with the public regarding specific projects.  The flexibility and multipurpose nature of it (currently utilised as a project space, as a service centre (rates payments etc & as a venue that is available for staff & the public to use as a meeting space).  The ability to monitor use and collect feedback from visitors.	Medium
4	Public perception that community feedback is not taken into account when delivering projects, eroding trust in wider programme delivery.	Continue to reinforce "what we heard" through the wider programme communications and key messaging.  Create a space on the new	Medium

		website for people to add their views and have questions answered.  Provide transparent reporting of the matters raised during engagement to decision makers.	
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### NEXT STEPS

52. Overarching programme coordination, communication and engagement will continue and an update will be provided in February 2024.

### ATTACHMENTS

1. **Attachement A: Mount Programme Projects Table - A15201281** [↓](#) 

Quarterly Update – Mount Programme – October 2024

KEY

	Planning phase
	Physical delivery phase
	Key milestone, e.g., business case, engagement, completion of works

TRANSPORT

PROJECT	PROJECT DESCRIPTION	Oct-Nov 23	Dec-Jan 24	Feb-March 24	April-May 24
Grenada Street improvements	Awarded funding through Transport Choices - expected to be a two-way cycleway from Sandhurst to Girven and through Arataki Park. Also includes peak hour bus lane, improved crossings, and park access.	Project has been approved by Council – awaiting approval from Transport Choices programme-Waka Kotahi	Possible start for successful contractor once tender process is completed		
Links Ave safety upgrade	Safety improvements and time restricted access of Links Ave to make it safer to walk and cycle and bus along the corridor.	Additional safety improvements are being delivered including zebra crossings and changes to Spur Avenue Intersection. Tactical design being undertaken followed by consultation with residents & stakeholders		Approval on proposal by the Council	
Arataki bus interchange – Detailed Business Case Follow up	Identify preferred site/s for a bus facility.	Discussions are ongoing			
Roundabout Tay Street / Marine Parade?	Safety improvements.	The detailed design stage is 90% completed			Works completed mid 2024
Oceanbeach Road / Girven Road / Maranui Intersection Upgrades	Safety improvements.	Initial engagement complete (letter drop & public drop on session). Subsequent to the engagement, council conducted a count of cycle trips on the road to ascertain whether to proceed with clearway. Awaiting a decision from Council whether to proceed.	TBC for construction date in the new year-dependent on other projects in the area.		
Maunganui Rd safety improvements	A 4-stage safety upgrade. Aiming to create a calmer, safer environment for everyone who travels through the area. Stage 1-3 largely complete.	Final design underway on stage 4. Construction timeline should be available end of October.	Possible start for construction Jan 24.	Crossing from New World to skatepark to be complete for indicative skatepark opening in March	
Connecting Mount Maunganui (Hewletts / Totora / Maunganui Road Detailed Business Case)	Options for transport solutions – walking, cycling, PT, freight, commuter traffic.	WK indicative BC pushed out to April 2024			
Accessible streets	Deliver quiet/liveable streets that make it easier to walk and cycle to key destinations such as the Marine Parade boardwalk, schools, and new skatepark.	Opportunities to provide a more agile delivery model under investigation with POE to be submitted to Waka Kotahi for approval	POE approved and business case to commence	Undertake option analysis for the Mount north area	Consultation on options with the community.
Totara St area upgrades	Roading upgrades	Upgrades continue for the area. One lane closure likely to happen in November and will be communicated to the general public.			
Parking Management Plan	Introduction of management tools (timing, berm parking, accessible parking).	Community engagement			

Quarterly Update – Mount Programme – October 2024

SPACES AND PLACES

PROJECT	PROJECT DESCRIPTION	Oct-Nov 23	Dec-Jan 24	Feb-March 24	April-May 24
Blake Park/Baypark master planning	Develop an integrated set of outline masterplans that can guide short, medium, and long-term investments by Council, and its partners in its premier active reserves.	Council green light has been given. Stakeholder engagement with user groups happening now			
Marine Parade Coastal Path	A 3-4km coastal path (some may be other materials) - construction due to start Jan 2023.	Coastal Path Construction Underway	Coastal Path Construction Underway	Opening summer 24	
Mount Hotpools upgrades	Upgrade of facility	Mount Hot pools is closing for 2 months 9 October - 6 December. Media release will go out 2 October			
Coronation Park	Proposed reserve redesign.	Dependant on Council discussions with Mana Whenua. Tourism BOP and I site and community venue. Exploring options to activate the space over Summer 2023/2024 and to support cruise ship visitors.			
Destination skatepark	Design and build a 2500sqm (approx.) purpose built skatepark in a new location on Maunganui and Hull Rds. The Team will be working with Maunganui Road safety improvements team to ensure safe access. Consideration is also being given to safe railway crossing.	Construction underway. The flow bowl is nearing completion and will be followed by the new skate ditch. The flow bowl is causing concern for the project team (ie. fence jumpers wanting to use it prematurely, so mitigations are being explored)	Construction underway	Construction complete. Opening events schedule for March.	Opening events
Golf Road Reserve - site master planning and implementation	To investigate use of Golf Road Reserve and implement decisions for the use.	Works are underway on the carpark extension and preparing the site for the Mount Maunganui Playcentre to construct their new building. TCC's work is due to be completed in November. TCC are working closely with key stakeholders and building good relationships with the neighbouring businesses and properties.	Construction of Mount Maunganui Playcentre Building begins.	Play Centre Construction continues.	Playcentre due to open in April 2023.
Arataki Park Masterplan	The project will result in an overarching plan (or masterplan) to guide the future development of Arataki Park	Completion of engagement with park users, the general public and stakeholders.	Finalisation of master plan		
Sportsfield Capacity increasing Projects Links Ave reserve	To install drought resilient grass and floodlights to increase capacity of existing sports fields.	Funding has been secured and a design is complete. Project update due middle October.			
Mauao Placemaking Project	A collaborative project between TCC and Ngā Poutiriao ō Mauao, 'Mauao Placemaking' sets out to share the rich history and stories of Mauao through new wayfinding signage and cultural touchpoints across the Maunga.	Works is scheduled to begin at various points of significance around the Maunga including the lower summit, base track and Hukitawatawa (water tank area). This includes the installation of three sculptures.	Works will pause over summer while there is an influx of foot traffic on the Maunga.		

CITY PLANNING AND GROWTH

Quarterly Update – Mount Programme – October 2024

PROJECT	PROJECT DESCRIPTION	Oct-Nov 23	Dec-Jan 24	Feb-March 24	April-May 24
Mount to Arataki Spatial Plan	Develop a 30-year blueprint for the Mount to Arataki area, to provide for community wellbeing now and in the future.	Community engagement ends October 8th followed by the release of the community engagement summary report. Strategy, Finance and Risk Committee workshop. Continued spatial plan refinement	Draft spatial plan 'programme' goes to Strategy, Finance and Risk Committee for endorsement on 4 Dec.	Final endorsement of full Mount Spatial Plan	
Mount Industrial Planning Study	Develop a programme of actions to address identified issues and needs of all stakeholders in the Mount Industrial area.	Engagement with Industry. Strategy, Finance and Risk Committee workshop. Continued spatial plan refinement	Draft Industrial plan goes to Strategy, Finance and Risk Committee for endorsement on 4 Dec.		
Plan Change 33 – Enabling Housing Supply	Plan change as required to implement the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 to: <ul style="list-style-type: none"><li>Insert the Medium Density Residential Standards; and</li><li>Give effect to the National Policy Statement on Urban Development.</li></ul>	Session 2 Hearing held between 2 <sup>nd</sup> and 10 October		Expect recommendations from the Independent Hearings Panel.	Council to make decisions on the recommendations of the Independent Hearings Panel.
Managing activity around Whareroa Marae	Reported directly to the Tangata Whenua Standing Committee. Relates to small-scale, site-specific projects such as emergency access, road naming and so forth.	On-going	On-going	On-going	On-going
Mount Maunganui Air Quality Working Party	Led by Regional Council, the Working Party will collectively inform an overarching goal, being zero examples of cumulative harm on mana whenua and resident communities of Mount Maunganui from air pollution raised within the polluted air shed.	On-going	On-going	On-going	On-going

Quarterly Update – Mount Programme – October 2024

HAZARDS AND CLIMATE CHANGE

PROJECT	PROJECT DESCRIPTION	Oct-Nov 23	Dec-Jan 24	Feb-March 24	April-May 24
Natural Hazards	Continual update of natural hazards datasets in the area.	New landslide susceptibility maps released and an update to existing slope hazard maps completed early October. Letters sent to impacted residents 2 October.	Update of existing groundwater modelling data completed.	New coastal inundation mapping to be released by BoPRC TBC but most likely Feb 24.	
Mount North Stormwater	Develop a flood mitigation strategy to address ongoing flooding throughout the Mount North area whilst considering the likely effects of climate change (sea level and groundwater rise as well as increased rainfall intensity).	Stakeholder working group being established. Community Representative group established, and first meeting scheduled for 30 October.	Stakeholder engagement group assessing options & determining recommendations with a view to making project recommendations to Council in April 24.		Project recommendations to Council with community engagement to follow.
Civil defence emergency management (Liz)		Tsunami risk map release Public launch 3 <sup>rd</sup> October with associated community events.			

PROJECT	PROJECT DESCRIPTION	Oct-Nov 23	Dec-Jan 24	Feb-March 24	April-May 24
Mount Hub	Update of Mount Hub Programme collateral & events	Tsunami Map release (display, virtual reality event, staff have been briefed)  Spatial Plan Engagement (display, drop-in session with project team, staff have been briefed  Old Photos of the Mount Tie in to Mount Spatial Plan - then, now & future.  Maunganui Road (Display, staff briefed, drop-in has happened)  Climate Change (Display due to support Tsunami & Coastal inundation release).  Arataki Park Masterplan poster  Skateboard Park display refresh – full planned safety upgrades including the Level Crossing  Mount Hub Poster to further raise awareness of local service provision.	Ocean beach Road Clearway & intersection improvements (TBC-Jan)	Skateboard Park promo/celebration of skateboarding in conjunction with events team (TBC)  Coastal Imundation data release (Feb)-Drop in, staff briefing.  Celebration of coastal path completion (TBC)  Travel safe Bike Month Event (starting & ending at the Mount Hub).  Mount Spatial Plan-closing the loop with the community.	Family focused initiative for term one school holiday.  Mount North Stormwater community engagement (TBC)

## 9.11 Tauranga Urban Design Panel and Framework Update

**File Number:** A15051740

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

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

### PURPOSE OF THE REPORT

1. The purpose of this report is to provide an update on the ongoing delivery of Council's Urban Design Framework, including the Urban Design Panel and related matters.

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### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Tauranga Urban Design Panel and Framework Update – October 2023".

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### EXECUTIVE SUMMARY

2. In March 2022 Council endorsed a proposed approach for developing a more holistic Urban Design Framework for Tauranga City, including the establishment of an Urban Design Panel. Key components of the Urban Design Framework included:
  - (a) **The Tauranga Urban Design Panel (UDP):** a group of industry-leading built environment professionals who provide independent design review for the private and public sectors, to support good urban design outcomes.
  - (b) **Policy / Strategy / Guidelines:** To support the UDP and good urban design outcomes.
  - (c) **Promotion of urban design:** Ongoing internal and external engagement and promotion of urban design and the UDP, to educate and get people excited about urban design and the value that the Panel can add to quality-built outcomes.
  - (d) **Internal resourcing:** An urban design representative to assist with design review, the running of the UDP and ongoing marketing and education, providing and end-to-end urban design approach at Council.
3. This report provides an update on progress of the Urban Design Framework, including those matters above and the proposed Urban Design Action and Investment Plan currently being developed.

### THE TAURANGA URBAN DESIGN PANEL (UDP)

4. This section provides an overview of the UDP progress to date, including panel members, panel metrics, what has worked well, learnings, feedback, additional expertise requirements and next steps.

#### Primary benefits of the Panel

5. The primary benefit for applicants is free expert advice from New Zealand's top built environment professionals. Receiving this expert advice from the panel at an early stage in the design process will help to iron out any potential issues early on, prioritise design elements, and potentially result in a quicker, easier resource consenting process in relation to design matters.

6. There is also potential for added value in relation to marketability and broader design recognition, with certain developments raising the profile of design in Tauranga. As further case studies are built to illustrate these benefits, it will become another incentive for use of the UDP. We are investigating recognising and supporting urban design awards in the future, which may further enhance the potential for this incentive.

#### Panel Members

7. The UDP initially comprised of 15 members, as of inception late last year. Four additional panel were appointed to the Panel in July of this year to provide additional local expertise in the fields of architecture, planning and urban design and to minimise the impacts of conflicts of interest. The panel is now comprised of a total of 19 panel members. A list of the panel members and their areas of expertise is outlined in Attachment A.
8. All original panel members (except one) have attended at least one UDP review session and all are providing a valuable contribution to panel discussions and the promotion of high-quality urban design outcomes in Tauranga.
9. Moving forward, some gaps have been identified in the panel members:
  - (a) Transport expertise: currently there is only one transport expert on the panel.
  - (b) Landscape architecture expertise: currently three out of four landscape architects are from one consultancy.
10. It is recommended that additional panellists for transport, landscape architecture and development expertise be added to the panel. Recommendations will be brought to Council in early 2024.

#### Panel Metrics

11. The UDP was established in late 2022, with panel members gathering for an in-person induction session in mid-December and panel sessions commencing in early 2023. The following provides an overview of panel metrics since this time:
  - (a) In total, ten proposals have gone to Panel to date.
  - (b) Six have been for private developments (majority being residential intensification, one mixed use and one hotel).
  - (c) Five applicants have revised their drawings in response to advice received.
  - (d) Four Council projects have come through the UDP, including the City Centre public realm guidelines, Gate Pa community centre and Merivale community centre, and Cameron Road Stage 2.
  - (e) One proposal has returned to the panel for a second time, after revising their proposal to incorporate panel feedback.

#### What has worked well

12. While it is too early to quantify whether the process is resulting in a quicker, easier resource consenting process in relation to urban design matters, anecdotally both applicants and Council planners have signalled that the process has been advantageous in improving outcomes that will support the consent process.
13. There have been a number of early successes of the panel, as outlined below:
  - (a) As the panel metrics outline, there has been a steady initial interest in the panel since inception, with a consistent flow of applicants coming through the panel for the first 8 months. This has slowed recently in line with a general downturn of consent applications. However, we are aware of upcoming proposals for panel review and additional marketing and communications measures (internally and externally) are proposed to further promote the panel in coming months.
  - (b) The panel has received a good mix of internal and external projects coming through the panel. It has been encouraging to see Council lead the way and utilise the panel to

inform their design processes. We are continuing to work with various council teams to communicate the benefits of the TUDP and to ensure that they are incorporating UDP review into their future project scopes and budgets.

- (c) The 19 panel members selected have proven to provide a good mix of complementary skills. Some of the panel members have previous panel and chair experience. Their guidance has been invaluable in the early months of panel operations. There is also a good mix of local, Tauranga-based built environment professionals on the panel and some panel members from outside of Tauranga, which has brought different perspectives and experiences to panel discussions.
- (d) The use of a council prepared coversheet to accompany the applicant information pack / drawing set has been a success. This coversheet summarises the key aspects that council are seeking panel feedback on and provides the panel with relevant statutory and strategic context related to the application.
- (e) The meeting format has worked well, with relatively short (1.5 hours) and targeted panel sessions, supported by preparation and debrief time. The panel provides a very quick turnaround, with recommendations typically issued to the applicant team within 3 days of the panel session.
- (f) One application (a proposed apartment complex) has come through the panel twice. The applicant revised their initial design based on panel feedback and came back through the panel to discuss their changes and determine whether any final changes are recommended prior to lodging a resource consent application. This is a fantastic outcome and one that we hope to see continue with other notable projects returning to the panel for a follow up review session.

#### What has been challenging:

14. The Panel has experienced some initial learnings, as outlined below:

- (a) There have been some instances of conflict of interest. These conflicts are something we are monitoring, and we will likely seek council approval to add additional panel members to alleviate these issues in early 2024.
- (b) Since inception the panel has primarily utilised two panel chairs both of whom have previous experiencing chairing design panels. This has on occasion been limiting in terms of conflicts of interest and availability. We have however recently (October 2023) undertaken chair training to enable six additional panel members to step into this role.
- (c) The majority of panel meetings held to date have been online. This has worked well but provides a different experience for attendees than an in-person session where everyone sits around one table. It is our intention to provide the option of in-person meetings wherever possible, noting however that some of our panel members are located outside of Tauranga.
- (d) While the proportion of relevant projects coming before the panel has been acceptable (with a number of the larger proposed apartment development having been through), and we are hearing that people are aware of the Tauranga UDP, there is a need to continue to raise the profile. This is something that we anticipated, and we are continuing to roll out marketing and communications initiatives to enhance the profile of the panel both internally within TCC and externally (refer below).

#### Specific feedback to date

15. We've recently gone back to all applicants who have been through the panel to date, to seek feedback on their experience utilising the panel. The majority of applicants:

- (a) have been happy with the process and have been supported by Council in terms of understanding timeframes and what is required of them.
- (b) have commented that they see the value that the panel can add to a project prior to lodging a resource consent application.

- (c) have indicated that they would recommend the panel to others or come back themselves in the future.
16. Some of the positive feedback received is quoted below:
- "We could definitely see the 'value add' - the project is now in a far better position to proceed through the process. The panel provided good insight into subtle moves that could provide meaningful results. The panel helps to sharpen up the rough edges of a project and make it a lot better."*
- "We had a really positive experience. It was great to have affirmation from other design professionals in the industry, which puts weight on the value of the design in front of the client. We would happily come to the panel again - it was a beneficial exercise for everyone. A good sanity check."*
17. Some applicants expressed:
- (a) A desire for panel members to demonstrate a greater understanding of the site – ideally through a site visit. We intend to include a note on the panel meeting invitation asking whether it is a complex site, and a site visit is recommended.
- (b) A desire for the panel to provide the option to hold in-person panel meetings. With an additional six panel members (5 of whom reside in Tauranga) now trained to be panel chairs there will be a greater opportunity for in-person panel meetings.
18. Moving forward, regular feedback will be sought from the applicant team, with a follow up phone call scheduled within two weeks of their panel review meeting. This feedback is incredibly important as the panel establishes itself to enable the TUDP to grow and evolve as needed to ensure that it is providing an efficient, meaningful and sought-after service promoting quality urban design outcomes in Tauranga.

#### Additional Expertise

19. In the UDP Terms of Reference, the potential use of additional experts was outlined, stating that for some proposals, additional expertise may be required to further support the design review process – such as transportation, stormwater engineering, heritage, sustainability, accessibility and crime prevention through environmental design. We are currently compiling a list of preferred suppliers list to call upon for identified areas of expertise – this could build upon the contacts already utilised by the consents team for peer review. To date, this additional expertise has only been required in one area (transport) to fill a gap due to conflict of interest.

#### Annual UDP Review

20. As outlined in the UDP Terms of Reference, an annual meeting will be convened (for panel members and relevant council staff) to reflect on the panel's performance, celebrate successes and identify areas for improvement. It is proposed to hold this annual review session in person, late this year or early next year – approximately one year following the initial UDP induction day. Outcomes and any recommendations from the review will be reported back to Council in early 2024.

### **URBAN DESIGN ACTION AND INVESTMENT PLAN**

#### Purpose

21. The development of an Urban Design Action and Investment Plan (UD AIP) is a priority action to assist in achieving the outcomes of the Urban Design Framework.
22. The UD AIP will provide strategic direction to support the ongoing delivery of good quality urban design outcomes as our city continues to grow. The UD AIP is not intended to be a design guide, but rather provide a wider framework that will assist to foster good quality urban design outcomes, through a variety of actions. These may include actions relating to development of guidelines for public realm and growth areas, comms and engagement, ongoing provision of the UDP, integration of Tauranga Moana Design Principles, incentives,

and other policy and non-policy related interventions. It will be a concise, 10-year plan, concentrating on actions that embody Tauranga's vision for context-appropriate, functional, safe, inclusive, and appealing urban design.

23. The UD AIP is envisaged to be a short concise document of approximately twenty pages, outlining key ongoing actions (and cross referencing those actions in other AIPs and spatial plans) to assist in achieving good urban design outcomes as the city continues to grow.
24. Key steps in the preparation of the UD AIP will include:
  - (a) Prepare an urban design stocktake - detailing what already exists or is included in other AIPs
  - (b) Research current best practice for urban design strategies / action plans
  - (c) Draft initial principles to underpin the UD AIP
  - (d) Prepare and roll out an engagement plan to liaise with other Council teams and external stakeholders.
  - (e) Create a matrix to prioritise actions
  - (f) UDP review and input
  - (g) Finalise UD principles and summarise the key actions that will support these principles
  - (h) Prepare an implementation plan
25. External engagement will include tangata whenua representation, professional bodies (e.g., NZ Planning Institute, Institute of Architects), development sector representatives (e.g., Urban Task Force, Developers Forum), community representative groups (e.g., Mount Business Association), and special interest groups (e.g., people with disabilities).
26. It is proposed to bring the UD AIP to Council for adoption in April 2024.

## URBAN DESIGN MARKETING AND COMMUNICATIONS

27. One of the key recommendations of the Urban Design Framework was the need to 'provide for ongoing awareness and promotion of urban design requirements and outcomes sought through educational and promotional material'.
28. Responding to this recommendation and in order to best promote the UDP, an urban design marketing and communications plan has been developed. This plan identifies short, medium and long term actions to promote urban design internally within Council and externally within the wider Tauranga built environment community.
29. Key objectives of comms and engagement include:
  - (a) Create buy-in: inform potential users of the panel on the benefits of the panel and how it works, and alleviate concerns that it may be a barrier to their projects.
  - (b) Create understanding internally of how council staff are expected to use the panel, and the processes around it, and to create advocates.
  - (c) Provide tools for the TCC urban designers, the environmental planning team, the Spaces and Places, City Development and Partnerships, City Planning and Growth teams to promote the panel as part of their day-to-day work, on an on-going basis.
  - (d) Build awareness within the wider community of the existence of the panel and how it will help build a great city.
30. To achieve these objectives our approach will be to:
  - (a) Engage early and informally with professional organisations, developers and consultants, to help set up the panel (including nominations) and establish how best it could work for those who will/should use it most (listen to those we want to use the panel, to create buy-in).

- (b) Present the expected benefits: explain how in principle the panel will create positive outcomes across the board, by outlining the process and the breadth of expertise provided by the panellists.
  - (c) Showcase the actual benefits: show the panel in action and the positive impact of the panel on significant projects (council-led projects initially, then external as well). Demonstrate through practical examples how the panel supported the consenting process (timeframes, RFIs/section 92s/peer reviews avoided, cost) and what the outcomes on the ground were.
  - (d) Integrate/relay messaging about the TUDP in other project comms/information – e.g., PC33, facility delivery projects. Explore potential for panel to provide soundbites showcasing the outcomes delivered by these projects, to give visibility to the panel and celebrate the achievements of a project in terms of urban design.
  - (e) Promote the development of design guides as they are produced.
  - (f) Promote urban design in general, through events, website content and showcase good examples (local, national and international).
31. The key focus areas short term and particularly within the final quarter of 2023 and for 2024 are summarised below:
- (a) Continue to roll out targeted TUDP workshops and informal lunch and learn sessions with relevant TCC teams.
  - (b) Update the TCC website to create stronger links with other pages, improve simplicity, transparency and ease of use and start to introduce case studies.
  - (c) Establish a TUDP presence on social media with regular updates posted relating to panel metrics, panel members and panel projects (if approved by the applicant).
  - (d) Encourage the use of the TUDP email signature within Council teams.
  - (e) Include TUDP updates in internal e-news channels.
  - (f) Create stock resources for internal / external engagement (PowerPoint, pamphlet etc).
  - (g) Regularly participate in existing forums, representing and promoting the TUDP.
  - (h) Set up bespoke meetings with professional organisations.
  - (i) Set up a regular (annual or bi-annual) public lecture series to act as an opportunity to promote the panel, encourage networking and celebrate urban design.
32. Longer term initiatives include:
- (a) Establish local design awards; and
  - (b) Create a strong library of local case studies on the website.

## SIGNIFICANCE

33. 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.
34. 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 Urban Design Framework and Action and Investment Plan.

- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

35. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the proposal is of medium significance.

### ENGAGEMENT

36. Taking into consideration the above assessment, that the Urban Design Framework and Action and Investment Plan of medium significance, officers are of the opinion that the communications and engagement outlined above is appropriate to inform future decision making.

### NEXT STEPS

37. Annual UDP Review: an annual meeting will be convened for panel members and relevant council staff to reflect on the panel's performance, celebrate successes and identify areas for improvement. Outcomes and any recommendations from the review will be reported back to Council in early 2024.
38. Preparation of the draft Urban Design Action and Investment Plan, with proposed adoption in April 2024.
39. Supporting comms, engagement and marketing, as outlined within this report.

### ATTACHMENTS

1. **Attachment A: Urban Design Panel Members - A15200950** [↓](#) 

**TAURANGA URBAN DESIGN PANEL AND FRAMEWORK UPDATE – OCTOBER 2023****ATTACHMENT A: TAURANGA URBAN DESIGN PANEL MEMBERS**

Main area of expertise	Name	Other areas of expertise	Location
Urban Design	Nick Barratt-Boyes	Architecture	Wellington
	Dr Lee Beattie	Planning	Auckland
	Sam Foster	Planning	Hamilton
	Morne Hugo	Landscape Architecture	Tauranga
	Natasha Markham	Architecture	Auckland
Architecture	Tara Cooper		Tauranga
	Camden Cummings		Tauranga
	Phil Green		Tauranga
	Richard Harris		Auckland
	Ngata Tapsell		Auckland
Landscape Architecture	Tom Abbott	Urban design	Tauranga
	Rebecca Ryder		Tauranga
Planning	Keith Frentz		Tauranga
	Libby Gosling	Urban design, property development	Tauranga
Kaupapa Māori Design	Rameka Alexander Tu'inukuafe	Architecture	Rotorua
	Rangitahi Kawe	Landscape Architecture	Tauranga
Property Development	Brad Friar		Tauranga
	Michael Kemeys	Urban design	Tauranga
Transportation	Mark Apeldoorn		Tauranga

## 9.12 Community Funding Policy Deliberations and Adoption

**File Number:** A14957945

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

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

### PURPOSE OF THE REPORT

1. Provides analysis of the submissions received on the draft Community Funding Policy 2023 and recommends adoption of the final policy (Attachment 1).
- 

### RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Community Funding Policy Deliberations and Adoption".
  - (b) Agrees to:
    - (i) align the purpose of community funding with the council's strategic vision for the city per the consulted draft
    - (ii) include in the policy the requirement to preference quality applications from organisations not already receiving funding from council, with the following clarification: "Where a decision must be made between quality applications *that have scored similarly against the assessment criteria*, preference will be given to applicants that do not already receive some other form of support from council" (see policy clause 5.6.2)
    - (iii) include in the policy the requirement to restrict any single project to one source of council funding at any one time per the consulted draft, with the following definition of a project: "*A project is a discrete, often time-bound activity, distinct from an on-going service provided by a community organisation*" (see definition in section 3 of the policy)
    - (iv) include capital funding in the Community Funding Policy per the consulted draft
    - (v) include community leases in the Community Funding Policy per the consulted draft
    - (vi) increase the maximum amount for the Match Fund Small Grant from \$1000 to \$5000 per the consulted draft
    - (vii) disestablish the Match Fund Medium Grant and increase the range of the Community Grant Fund from '\$10,001 to \$50,000' to '\$5001 to \$50,000' per the consulted draft
    - (viii) establish a multi-year funding option per the consulted draft, and include an annual performance assessment (see details under Performance Monitoring in Schedule Three: Multi-Year Funding Agreements)
    - (ix) keep Partnership Agreements in the Community Funding Policy with the amendments to reflect more genuine partnerships (see Schedule Six in the policy).
  - (c) Adopt the revised Community Funding Policy and schedules included as **Attachment 1** in this report.
-

## EXECUTIVE SUMMARY

2. The draft revised Community Funding Policy was approved for public consultation on 26 June 2023 by the Strategy, Finance and Risk Committee (the committee) and consultation ran from 17 July to 13 August 2023.
3. The draft policy is intended to serve as an umbrella policy for community funding to ensure greater transparency, accountability and equity in how funding is distributed as well as consistency across all funding streams. Various changes were proposed in line with this intention, including bringing other relevant funding streams into the policy scope.
4. In general submitters were supportive of the proposed changes. A clear majority agreed with the proposals to align the purpose of community funding with the strategic vision, increase the Community Development Match Fund Small Grant, establish a new Multi-Year Funding Agreement, and bring capital funding into the policy.
5. The proposals to preference good quality applications from organisations not already receiving funding from council, limit any single project to one source of council funding at the same time, increase the range of the Community Grant Fund, and bring community leases into the policy received more mixed responses, but the greatest proportion of submitters were still in favour of the changes. There were also generally higher proportions of those who were either neutral or unsure (between 25-30%) in response to these proposed changes.
6. The proposal to remove Partnership Agreements from the policy had the highest proportion of responses that were either neutral or unsure, including from three of the partner organisations (total 40%). We followed up with the key partner organisations to understand how Partnership Agreements could be improved and have made some changes to the draft funding schedule.
7. We made some minor edits to the draft revised Community Funding Policy following the feedback from community consultation and recommend bringing partnership agreements back into the policy with the amended schedule.

## BACKGROUND

8. On the 13 February and 26 June 2023, the committee considered options to address a range of issues to help improve the Community Funding Policy, and amendments were made in line with the committee's decisions. 106 online submissions on the draft revised policy were received during public consultation, with seven submitters speaking to their submission at the hearings on 18 September 2023. A summary analysis of submitters' responses to the key proposed changes is provided in **Attachment 2**.

## STRATEGIC / STATUTORY CONTEXT

9. The City Vision and strategic framework inform the council's plans and policies, including the Community Funding Policy, which guide the implementation of these higher-level strategies in council's day-to-day activities. It is therefore important that council's approach to community funding is aligned with the council's strategic direction. More specifically, the services, activities and projects council support through the distribution of funding should assist community organisations to contribute to the delivery of the City Vision and community outcomes.

## OPTIONS ANALYSIS

### Issue 1: Align purpose of community funding with the strategic vision

10. A large majority of submitters (70%) supported the proposed purpose of community funding, with only 10% disagreeing, and 20% neutral or not sure.

**Options for aligning the purpose of community funding with the strategic vision**

	Options	Advantages	Disadvantages
a.	Align the purpose of community funding with the strategic vision for the city per the consulted draft (see policy clause 1.1). <b>Recommended</b>	<ul style="list-style-type: none"> <li>Ensures what the council supports through funding is helping to contribute to the same vision for the city.</li> <li>Simplifies the purpose of funding to help better guide decision-making and address the issue.</li> </ul>	<ul style="list-style-type: none"> <li>None.</li> </ul>
b.	Status quo. Keep the variety of purposes currently for community funding.	<ul style="list-style-type: none"> <li>None.</li> </ul>	<ul style="list-style-type: none"> <li>Does not align with the council's current strategic direction.</li> <li>Too many purposes makes it more difficult to guide decision-making.</li> </ul>

**Issue 2: Preference quality applications from organisations not already receiving funding from the council**

11. Almost half of the submitters supported the proposal (49%), 24% disagreed, and 27% indicated they were neutral or unsure. The most common reason in support was that council would be able to fund more new and important community projects and/or groups.
12. Those who disagreed or were neutral were primarily concerned that merit and proven track records would be disregarded in lieu of supporting new organisations. Another common theme was funding should go to projects/organisations that provided the largest community benefit/impact.
13. To clarify, the proposed change will still require all funding applications to be assessed against specific criteria (see clause 5.4 of the amended policy) which include the areas of concern above<sup>1</sup>. The proposed provision has been clarified to better communicate that it is only after assessing grant applications against the criteria and the scores are similar between two good quality applications, that preference will then be given to the organisation that does not already receive funding from the council.

**Options for preferencing quality applications from organisations not already receiving funding from council**

	Options	Advantages	Disadvantages
a.	Include the provision in the policy per the consulted draft.	<ul style="list-style-type: none"> <li>Enables council to support more organisations to meet different needs in a growing community.</li> <li>Helps address some concerns about the fairness of some organisations receiving multiple sources of</li> </ul>	<ul style="list-style-type: none"> <li>Potential perception that council is funding lesser quality applications.</li> <li>Potential that some organisations may think they are unfairly excluded from</li> </ul>

<sup>1</sup> Applications are currently scored against 10 assessment criteria which consider the purpose of the project, experience of the organisation, and quality of the application.

		funding from council. <ul style="list-style-type: none"> <li>• Transparency and consistency in decision-making for applicants and council staff.</li> </ul>	funding.
b.	Include the provision in the policy with the clarification around scoring applications against the assessment criteria (see policy clause 5.6.2).  <b>Recommended</b>	<ul style="list-style-type: none"> <li>• Enables council to support more organisations to meet different needs in a growing community.</li> <li>• Helps address some concerns about the fairness of some organisations receiving multiple sources of funding from council.</li> <li>• Transparency and consistency in decision-making for applicants and council staff.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential that some organisations may think they are unfairly excluded from funding.</li> </ul>
c.	Status quo. Do not include the provision in the policy.	<ul style="list-style-type: none"> <li>• Staff able to make decisions on a case-by-case basis.</li> </ul>	<ul style="list-style-type: none"> <li>• Leaves decision-making to the discretion of individual staff.</li> <li>• Inconsistent approach to decision-making across the council.</li> </ul>

### Issue 3: Limit any single project to one type of funding from council at the same time

14. Feedback was relatively mixed with 39% of submitters agreeing, 30.5% disagreeing, and 30.5% who were either neutral or unsure. The most common reasons from supporters were about fairness, including avoiding any double-dipping, and being able to spread the funding to more organisations/groups. A few commented that groups should not just rely on council funding and that ratepayer funding should be kept to a minimum.
15. For submitters who disagreed, as well as those who were either neutral or unsure, a common reason was around needing to have some flexibility, including being able to make decisions based on the merits, outcomes and community benefits of each project. As noted above, all funding applications will still be assessed against funding criteria, including whether they contribute to council's strategic priorities (see clause 5.4 of the policy).
16. Some comments indicated that including a definition of 'project' would be helpful as some submitters appeared to interpret 'project' to mean an organisation. The intention is that the project is a discrete, generally time-bound activity rather than an on-going service provided by a community organisation<sup>2</sup>.

<sup>2</sup> There have only been a few applications where an organisation had already applied for, and been approved, a grant for a particular project from another funding pool in council.

**Options for limiting any single project to one type of funding from council at the same time**

	Options	Advantages	Disadvantages
a.	<p>Include a provision to restrict any single project to one source of council funding at any one time per the consulted draft, with a clarified definition of a 'project' (see definition in section 3 of the policy).</p> <p><b>Recommended</b></p>	<ul style="list-style-type: none"> <li>Helps address concerns around equity in funding.</li> <li>Widens community benefit by enabling more projects to be supported in a highly competitive funding environment.</li> <li>Prompts organisations to look for other funding, reducing their reliance on the council.</li> <li>Clear, consistent and transparent approach to decision-making across the council.</li> </ul>	<ul style="list-style-type: none"> <li>May mean some projects are not able to be delivered due to insufficient funding.</li> </ul>
b.	Status quo. Do not provide any position on single project funding.	<ul style="list-style-type: none"> <li>Assessment panel and staff can make discretionary decisions based on the specifics of each individual project.</li> </ul>	<ul style="list-style-type: none"> <li>Inconsistent approach to decision-making by different staff and assessors.</li> <li>Less transparent.</li> <li>Does not address equity concerns.</li> </ul>

**Issue 4: Bringing capital funding into the Community Funding Policy scope**

17. The proposal was supported by 62% of submitters, with only 22% who did not agree, and 16% who were either neutral or not sure. While many submitters appeared to misunderstand the proposal as enabling capital projects to be funded through the community grants pool<sup>3</sup>, some of the reasons in support were aligned with council's intent of increasing accountability and monitoring, of how these funds are used for community benefit, as well as increasing the visibility and transparency of capital project funding.

**Options for bringing capital funding into the Community Funding Policy scope**

	Options	Advantages	Disadvantages
a.	<p>Include capital funding in the Community Funding Policy per the consulted draft.</p> <p><b>Recommended</b></p>	<ul style="list-style-type: none"> <li>Provides a consistent framework for decision-making with other community funding.</li> <li>More transparent approach.</li> </ul>	<ul style="list-style-type: none"> <li>None.</li> </ul>
b.	Status quo. Keep capital funding requests outside of the Community Funding	<ul style="list-style-type: none"> <li>None.</li> </ul>	<ul style="list-style-type: none"> <li>Cannot ensure a consistent approach to decision-making with</li> </ul>

<sup>3</sup> A common reason from supporters was an emphasis on the need to support these developments by community organisations, while opposers expressed concern about increasing debt/rates and the need to keep them separate from the community funding pool.

	Policy.		other community funding.
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### Issue 5: Bringing community leases into the Community Funding Policy scope

18. Just under half (48%) of submitters supported the proposal, 25% were either neutral or not sure, and 27% disagreed. A common reason from supporters was based on their view that the discounts constitute a type of funding from the council and inclusion in the policy would enable some consistency with other types of community funding.
19. In contrast, some who opposed the proposal considered lease discounts to be different from funding, while others believed organisations should be paying the full rent themselves. There were also some who disagreed with the possibility of organisations losing their community lease or needing to continually apply<sup>4</sup>, or that lease holders would not be able to apply for other council grant funding<sup>5</sup>.

### Options for bringing community leases into the Community Funding Policy scope

	Options	Advantages	Disadvantages
a.	Include community leases in the Community Funding Policy per the consulted draft.  <b>Recommended</b>	<ul style="list-style-type: none"> <li>Ensures there is consistency and transparency in decision-making when considering new requests as well as robust accountability in line with other community funding.</li> <li>Increases the visibility and awareness of this type of in-kind support for all community groups/organisations.</li> </ul>	<ul style="list-style-type: none"> <li>An organisation's community lease will be taken into consideration when they apply for a community grant (as per policy clause 5.6.2) and some may not continue to receive as much funding as they have previously.</li> </ul>
b.	Status quo. Keep community leases outside of the Community Funding Policy.	<ul style="list-style-type: none"> <li>None.</li> </ul>	<ul style="list-style-type: none"> <li>Inconsistent approach to decision-making and accountability requirements.</li> <li>Less transparent and visible for all community groups.</li> </ul>

### Issue 6: Increasing the Community Development Match Fund Small Grant to \$5000 max.

20. The Match Fund Small Grant is an important source of funding for small community-led initiatives as it is the only funding that informal groups without registered charity status can

<sup>4</sup> At the time of writing this report, a proposed change to User Fees and Charges for the longer-term exclusive use (lease) of council land and/or building by community groups has been approved by Council as part of the draft Long Term Plan (LTP) 2024-34 and will be publicly consulted on from 15 November to 15 December 2023. Depending on what User Fees and Charges are adopted by Council with the LTP next year, amendments to the policy may be needed to consider how community leases are supported. See item 11.4 attachments in the 11 September 2023 Council meeting agenda for details of the proposed changes to User Fees and Charges:

[https://infocouncil.tauranga.govt.nz/Open/2023/09/CO\\_20230911\\_AGN\\_2563\\_AT\\_WEB.htm](https://infocouncil.tauranga.govt.nz/Open/2023/09/CO_20230911_AGN_2563_AT_WEB.htm)

<sup>5</sup> A concern related to the new policy clause 5.6.2 discussed in issue 2 above.

apply to directly without them needing to either become registered or to find a suitable umbrella organisation, both of which can be barriers to accessing funding for some groups.

21. Almost three quarters of submitters supported the proposal to increase the maximum for the Small Grant (74%), with only 12% disagreeing, and 13% either neutral or unsure. Support was based on a common view from submitters that the current cap (of \$1000) is insufficient today to be able to deliver any real project. The most common concern from the relatively small number of opponents was around whether the increased maximum reduced the number of projects or activities able to be supported.

#### Options for bringing community leases into the Community Funding Policy scope

	Options	Advantages	Disadvantages
a.	Increase the maximum amount for the Match Fund Small Grant from \$1000 to \$5000 per the consulted draft.  <b>Recommended</b>	<ul style="list-style-type: none"> <li>Groups that are not registered charities nor legal entities are able to access greater amounts of funding which aligns with the 'equity' principle of the policy.</li> <li>Support a wider range of groups to meet a wider range of needs in the community.</li> <li>Total number of projects able to be funded through community grants is not impacted/reduced as the proposal reorganises existing funds within the community grant pool.</li> </ul>	<ul style="list-style-type: none"> <li>Increases accountability risk for these small grants.</li> </ul>
b.	Status quo. Keep the Match Fund Small Grant at \$1000 maximum.	<ul style="list-style-type: none"> <li>Minimises accountability risk.</li> </ul>	<ul style="list-style-type: none"> <li>Does not help reduce the issue raised by some stakeholders about the barriers to accessing more funding created by the charity status and legal entity requirements.</li> </ul>

#### Issue 7: Disestablish the Match Fund Medium Grant and incorporate the value into the Community Grant Fund

22. Just over half of submitters supported the proposal (54%), 19% disagreed, and 27% were either neutral or unsure. The most common reason from supporters was that it made it simpler for organisations, streamlining and reducing the administration required. Some agreed on the basis that more projects/organisations would be able to be supported.
23. Many of those who were neutral or unsure provided no comment. Some opponents misunderstood the proposal as removing or cutting funding for smaller projects, which is contrary to the proposal in Issue 6 above. The feedback therefore indicates there is no substantive reason opposing the proposal.

### Options for disestablishing the Match Fund Medium Grant and incorporating the value into the Community Grant Fund

	Options	Advantages	Disadvantages
a.	Disestablish the Match Fund Medium Grant and increase the range of the Community Grant Fund from '\$10,001 to \$50,000' to '\$5001 to \$50,000' per the consulted draft.  <b>Recommended</b>	<ul style="list-style-type: none"> <li>Removes the arbitrary distinction between the two grants.</li> <li>Clarifies the difference between the Match Fund (Small Grant) and the Community Grant Fund.</li> <li>Reduces administration for staff by simplifying the grants.</li> </ul>	<ul style="list-style-type: none"> <li>None.</li> </ul>
b.	Status quo. Keep the Match Fund Medium Grant.	<ul style="list-style-type: none"> <li>None.</li> </ul>	<ul style="list-style-type: none"> <li>Creates confusion for applicants about the differences between the two grants and which is most appropriate.</li> <li>More work for staff to administer the separate grants.</li> </ul>

### Issue 8: Establish a Multi-Year Funding Agreement option

24. Three quarters (75%) of respondents supported the proposal, 14% disagreed and 11% were either neutral or unsure. Many supporters considered multi-year funding to be more beneficial for both organisations and the community with the most common reasons being that it provides more security that enables longer-term planning of projects and more effective delivery of community benefits.
25. The most common concern from the relatively small proportion that opposed the proposal was about having more regular (annual) monitoring and review of the funding to ensure alignment with community need and delivery of benefits. The schedule specifies that performance assessments will take place within the first six months, and there is the opportunity to clarify that regular annual assessments will take place subsequently<sup>6</sup>.

### Options for establishing a Multi-Year Funding Agreement option

	Options	Advantages	Disadvantages
a.	Establish a multi-year funding option per the consulted draft, and include an annual performance assessment (see details under Performance Monitoring in Schedule Three: Multi-Year Funding	<ul style="list-style-type: none"> <li>Provides a longer term funding option for community organisations that is not currently available.</li> <li>Gives all community groups an opportunity to apply for multi-year funding.</li> </ul>	<ul style="list-style-type: none"> <li>Demand for this funding may be significantly greater than the funding that is available.</li> </ul>

<sup>6</sup> Given the amount of support for establishing a multi-year funding option there is likely to be significant interest in this funding from community organisations. Council could look to review the multi-year funding criteria following the first year of the new funding when staff will have a better indication of the actual demand and whether there needs to be a better way of managing it.

	Agreements) <b>Recommended</b>	<ul style="list-style-type: none"> <li>Creates a clear distinction between these funding agreements and those with partner organisations that also have funding for multiple years.</li> </ul>	
b.	Status quo. Do not establish a multi-year funding option.	<ul style="list-style-type: none"> <li>Larger pool of funds for community grants.</li> </ul>	<ul style="list-style-type: none"> <li>No option for longer term funding that some key community organisations require to deliver their services.</li> <li>No opportunity for community groups to access longer-term funding.</li> </ul>

### Issue 9: Remove Partnership Agreements from the Community Funding Policy

26. The proposal to remove Partnership Agreements from the policy and to support these not-for-profit organisations through contracting instead, was primarily to strengthen the partnering relationship, which extends beyond just a funding arrangement. The largest proportion of submitters were neutral or not sure about the proposal (40% in total), with 37% who agreed and 23% who disagreed. Only 52% of all the submitters provided an explanation of their response.
27. A common reason from those who agreed with the proposal was the assumption that it gave these organisations greater funding security, while two submitters assumed that it would increase the amount of community funding available<sup>7</sup>.
28. Of the five current partner organisations that made a submission, three were 'unsure' due to there being not enough information about the alternative, and the other two (both currently supported through contracting) agreed with the proposal<sup>8</sup>, viewing their partnering arrangements to be different from a grant funding relationship.
29. We followed up with the key partner organisations who indicated they wanted to be involved in further discussions to understand how they think Partnership Agreements could be improved to be genuine partnering relationships. Their feedback stressed the importance of what a relationship-based arrangement entails, the contributions that each party can bring to the partnership, and the need for flexibility in the agreements (see summary of key themes in **Attachment 2**).
30. The Community Funding Policy includes a wide range of ways that council supports community organisations, and there is scope to improve the proposal for Partnership Agreements with the feedback received through the consultation. See **Attachment 3** for a summary table of the current and proposed funding arrangements for Partnership Agreements and Multi-Year Funding Agreements.

<sup>7</sup> There was no indication in the consultation information as to what the impact of the proposed change would be on the amount of community funding available.

<sup>8</sup> Sport Bay of Plenty however did not support the second part of the proposal as they consider contracts for services to be too restrictive on opportunities and suggested instead a new policy be developed to guide partnership agreements.

**Options for removing Partnership Agreements from the Community Funding Policy**

	Options	Advantages	Disadvantages
a.	<p>Keep Partnership Agreements in the Community Funding Policy with the amendments to reflect genuine partnerships (see Schedule Six of the policy).</p> <p><b>Recommended</b></p>	<ul style="list-style-type: none"> <li>Addresses the concerns raised by some of the key partner organisations.</li> <li>Addresses the limitations of the original proposal that restricted genuine partnerships.</li> <li>Enables more transparency and a consistent approach with other community funding streams.</li> </ul>	<ul style="list-style-type: none"> <li>None.</li> </ul>
b.	Remove Partnership Agreements from the Community Funding Policy and develop a separate policy to guide these agreements instead.	<ul style="list-style-type: none"> <li>None.</li> </ul>	<ul style="list-style-type: none"> <li>Unlikely to achieve any additional benefits not already possible through the Community Funding Policy.</li> <li>Potentially creating a duplicate policy under a different name.</li> </ul>
c.	Remove Partnership Agreements from the Community Funding Policy and support these not for profit organisations through contracting instead per the consulted draft.	<ul style="list-style-type: none"> <li>All 'partner' organisations will be supported outside of the policy in the same way as Sport BoP and Creative BoP.</li> </ul>	<ul style="list-style-type: none"> <li>Genuine partnerships that address the concerns raised may be constrained due to the nature of contracts for services.</li> <li>More difficult to ensure consistency across the different Partnership Agreements.</li> </ul>

**FINANCIAL CONSIDERATIONS**

31. All community funding covered in the policy review has already been approved for the current year and has been proposed in the draft LTP for future years. The inclusion of some funding streams into the policy and the establishment of a new Multi-Year Funding Agreement will require additional administration by staff. However, the work that has been undertaken alongside this review to bring all funding streams into a centralised system (funding hub) will also make processing funding applications much more efficient.
32. Some of the recommended changes to the community funding streams will require a reorganisation of existing approved funding, but no additional funding is being requested. Further discussions among the Community Services senior leadership team will take place to determine how the funding pools will be re-organised for the new funding arrangements,

including the new partnership agreements, once the recommended changes in the policy are formally adopted.

### LEGAL IMPLICATIONS / RISKS

33. The recommendations in this report help mitigate accountability risks associated with the provision of funding through:
- Increasing the monitoring and reporting requirements to a level commensurate with the value of the funding received for all funding types under this policy, and
  - Increasing transparency in decision-making for all types of community funding.

### CONSULTATION / ENGAGEMENT

34. Consultation has taken place with the community on the draft policy, including targeted consultation with recent community grant applicants, community lease holders, Te Rangapū Mana Whenua o Tauranga Moana, the current partner organisations, and multi-ethnic community groups.

### SIGNIFICANCE

35. 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.
36. 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.
37. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.




### ENGAGEMENT

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

### NEXT STEPS

39. Following the decision today, any minor changes to the policy will be made, if required, then the website will be updated, and stakeholders will be notified. Staff will also begin operationalising the new policy.
40. The Community Services senior leadership team will also discuss and decide on how the funding pools will be re-organised for the new funding arrangements.
41. An amendment to the policy may be considered at the end of the first year after any changes to User Fees and Charges regarding the lease of council land has been finalised through the LTP 2024-34 and when staff will have a better indication of the demand on Multi-Year Funding Agreements following the first round of applications.

**ATTACHMENTS**

1. **Revised Community Funding Policy\_Oct2023 - A15084832 (Separate Attachments 1)** 
2. **Submissions analysis - A15074422 (Separate Attachments 1)** 
3. **Proposed funding arrangements - partnership agreements and multi-year funding - A15159752 (Separate Attachments 1)** 

**9.13 2023 Q1 Health and Safety Report****File Number:** A15212321**Author:** Stuart Kokaua, Health, Safety and Wellbeing System Support**Authoriser:** Alastair McNeil, General Manager: Corporate Services**PURPOSE OF THE REPORT**

1. To provide a summary of Health and Safety activities over July to September 2023 quarter.

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**RECOMMENDATIONS**

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "2023 Q1 Health and Safety Report".

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**EXECUTIVE SUMMARY**

2. This is a quarterly report provided to the Committee, designed to monitor Health and Safety activities, and share learnings.
3. Any feedback regarding content or topics from the Committee is welcomed.

**ATTACHMENTS**

1. **2023\_Q1 Health & Safety Report PDF - A15200668** [↓](#) 



**Safe + well** every day

# Health & Safety

July - September - 2023



Tauranga City

## Introduction

Within this Health and Safety (H&S) report:

- Risk Fund
- Birch Ave & Cambridge Rd
- TCC's ISO45001 Journey
- New HS&W Commitment Statement

## Health and Safety Management System Audit

4(f) To verify the provision and use of resources and processes.

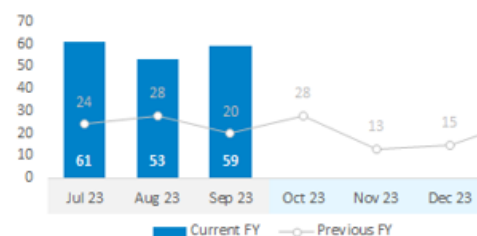
Status of management actions from Julys 2022/23 Internal Audit.

**11** Actions Identified → **3** Completed + **1** Outstanding 2019/20

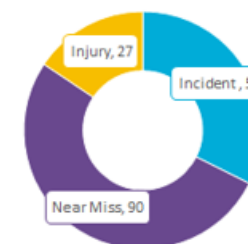
Project	Audit Items	Notes
Drug & Alcohol Impairment	9.2 : 10.5 Construct and implement a drug & alcohol policy	A Drug and Alcohol Policy and Procedure have been developed and approval has been received for implementation in early 2024.

## Q1 EVENT DATA (JUL - SEP)

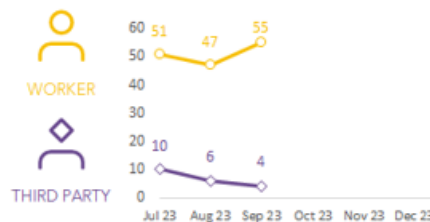
ALL EVENTS BY MONTH



## EVENT TYPE - Q1



## EVENTS BY PERSON TYPE



## TOP EVENT CATERGORIES - Q1

CATEGORY	Q4	Q1	Trending
Assault (verbal/ physical) or antisocial behaviour	74	89	▲
Fall/ trip/ slip (on same level)	24	14	▼
Road corridor event	6	10	▲
Security/ trespass/ criminal activity/ terrorism/ damage	10	10	—
Hit into stationary object	9	7	▼

▲ Trending Up ▼ Trending Down — No Change



Curious about the data? Email questions to [safety@tauranga.govt.nz](mailto:safety@tauranga.govt.nz)

## Notifiable Events:

Event:	Action:	Status:
Contractor injured while unloading truck.	Site frozen while discussed with Worksafe. Worksafe released site. Discussion with those onsite regarding manual handling. Work continued once site released. Currently under investigation by HS&W Business Partner.	Underway
D shackle, bolt, and sheet pile pitcher fell from 8m height	Project manager notified - site frozen. Worksafe notified and site released. Since this incident, the project has removed the need for the D shackle to be used for this operation.	Completed
Cut power cable with a digger	Contractor contacted to make cable safe. Scene held and WorkSafe notified. Contractor toolbox held to discuss incident	Completed



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# Health & Safety

July - September - 2023



## Tackling aggressive behaviour: The Mount Library's risk fund application

### THE CHALLENGE

The Mount Maunganui Library is a cherished resource for the local community, providing access to a wide range of services. Among its offerings, the library is proud to provide free computer access to the public.

The computer area is located behind a partition wall next to the staff desk. Aggression and violence is one of the Libraries critical risks. At the Mount Library, the computer area is the most common area for aggressive and antisocial behaviour.



### THE SOLUTION

Staff presence and monitoring prevents conflict and fosters a safer and more welcoming environment. The partition created a blind spot where aggressive and antisocial behaviour could go unnoticed by staff.

The staff at the Mount Library produced a solution, and with the help of their HSW Business Partner raised a risk fund application. The top half of the partition was removed in August. This simple yet effective solution has greatly enhanced visibility to key locations and reduces the risk of undesirable behaviour.



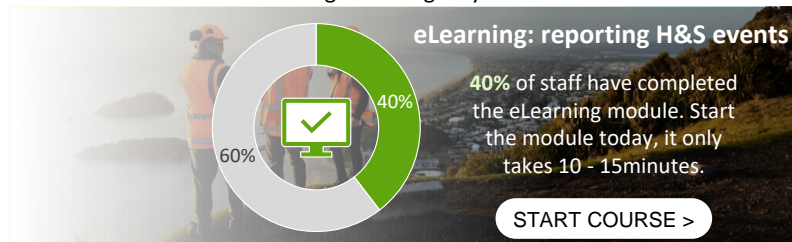
## What is the risk fund?

A team's budget can sometimes cause a constraint when determining suitable controls to manage risks. The Health, Safety, and Wellbeing team has a budget called the 'risk fund'. Managers can apply for funding in addition to their long-term plan to implement controls that are above the line or improve on existing controls.

The risk fund helps TCC meet its duty to manage risks and allows for efficient and practicable solutions. If you want a safety measure to be considered for funding your business partner will be able to assist. They can help you understand the requirements and help you apply.

Here are some other approved applications currently in the works:

- **Two blind spots at dog pound now covered** – Due to a couple of forced and unlawful entries at the Dog Pound, and an increase of threatening behaviour of some dog owners, Lynne Herring assisted Gary Dixon (Acting Team Leader) and the team, to use the Health and Safety Risk Fund, to install more lighting, and two additional outside cameras. These additions have helped improve security and provide better coverage of the afterhours alarm activation.
- **Intercom System for The Mount Holiday Park** – The current evacuation procedure involves blasting an air horn, followed by assembling in front of the surf club or hot pools. Funding will be used to install a public address speaker system. This will replace the airhorn and allow the staff to effectively communicate with campers and other staff on site during an emergency.





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# Health & Safety

July - September - 2023



Tauranga City

## Birch Ave Wastewater Renewal

### THE CHALLENGE

Renewing an 80-meter section of wastewater pipe with a 225mm diameter while taking a different alignment to avoid other underground services in a busy industrial estate is a complex project that involves several steps and considerations. It's essential to work with experienced professionals and adhere to all relevant regulations and safety standards throughout the project.



## Cambridge Road Landslip Retaining Wall Renewal

In February 2023, a significant landslide occurred along Cambridge Road, near the Tauranga Northern Link Project. This landslide posed a significant risk to the integrity of the road network and the surrounding infrastructure. To address this emergency, repair works will be carried out under the TC96/21 framework.



### THE SOLUTION

Tunnelling equipment lowered down into a pit that's protected by a specially designed trench shield with built in ladders, a sucker truck and a crane present. Gas detector constantly monitoring the work zone with a designated safety watch in place. All workers vaccinated to allow work with wastewater. Traffic management required with a lowering of speed limit and a lane shift. STMS present for the duration of the TTM. Tracking from worksite onto road monitored for duration of project.



Considering the time constraints and crucial safety concerns, constructing a new retaining wall was the optimal choice for this location. This construction must be completed prior to the planned road closure of Cambridge Road in early January 2024, coinciding with the start of construction for the new underpass bridge, to address health and safety issues effectively.





## TCC's ISO 45001 JOURNEY

In October 2022 the Health, Safety and Wellbeing team began our journey towards ISO45001. To date 67 Policies, Standards, Guidelines, Procedures and Forms/Reports have been completed.

One of these completed Standards is our HSW Contract Management Standard. This Standard outlines the requirements for a systematic approach to the selection and management of contractors, sub-contractors, and suppliers to minimise the risk of harm to Tauranga City Council (TCC) workers, customers, visitors and members of the public. This Standard is designed to meet TCC's duties under the Health and Safety at Work Act 2015.

This Standard applies to all TCC workers and outlines TCCs responsibilities as the lead PCBU within the contracting chain in order:

- to set clear health, safety and wellbeing expectations and incorporate these into contracts with contractors.
- to work with designers to eliminate risks so far as is reasonably practicable or minimise risks if they cannot be eliminated.
- to choose the best contractors and site managers for the job using prequalification, this would include all tender documents and not choosing them based on cost.
- to check health and safety records of potential contractors.
- to put clear and effective reporting procedures in place so they can be confident Health, Safety and Wellbeing (HSW) duties are being met.
- to set up a clear framework for information sharing for the duration of the project.

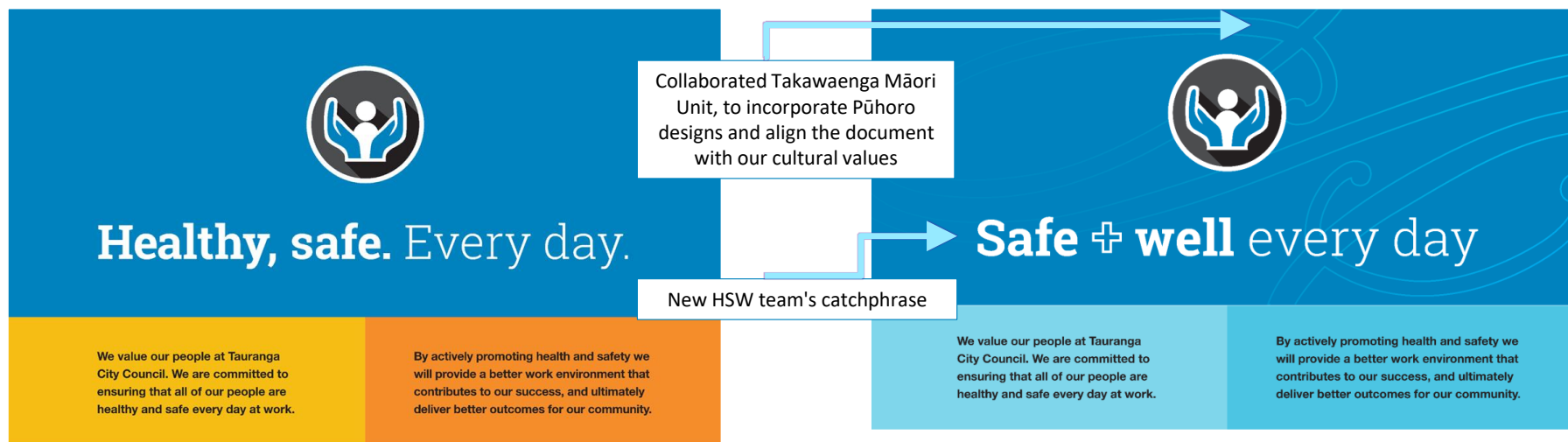
### What is ISO45001?

ISO 45001 is an international standard for occupational health and safety management systems. It provides a framework for organisations to manage and improve their occupational health and safety performance, ultimately aiming to provide a safe and healthy working environment for employees and other interested parties. ISO 45001 is designed to be applicable to organizations of all sizes and industries, and it follows the same high-level structure as other ISO management system standards, making it compatible with standards like ISO 9001 (Quality Management) and ISO 14001 (Environmental Management).

### Some key aspects of ISO 45001 include:

- **Legal Compliance:** Compliance with relevant health and safety laws and regulations is a central element of ISO 45001.
  - **Hazard Identification and Risk Assessment:** Organisations are required to identify and assess potential hazards in the workplace, determining the associated risks and implementing controls to mitigate them.
  - **Emergency Preparedness and Response:** ISO 45001 requires organizations to plan for and respond to emergencies that could impact the health and safety of employees.
  - **Management Leadership and Commitment** Senior management is expected to demonstrate leadership and commitment to the health and safety management system.
- ISO 45001 can help organisations reduce workplace accidents and injuries, improve employee well-being, and minimize the costs associated with occupational health and safety incidents.

## Out with the old in with the new... Commitment Statement



### We will keep our people healthy, safe and well every day by:

- ensuring our leaders understand their role in influencing the health, safety and wellbeing of their people
- understanding what we do in our business, and the role that good health and safety plays in our success
- teaching people how to be healthy and safe at work, and providing opportunities to learn more
- always looking for ways to improve, grow our knowledge and develop our people
- providing wellbeing opportunities for our people, because we know that creates a happier, healthier and more productive team
- taking personal responsibility to keep ourselves, our colleagues and community safe, healthy and well, including speaking up when people are at risk
- ensuring we've got the right tools, capacity and people to get the job done safely and without risk to health
- recognising our successes.

Marty Grenfell  
Chief Executive

Paul Davidson  
GM: Corporate Services

Barbara Dempsey  
GM: Regulatory and Compliance

Susan Jamieson  
GM: People and Engagement

Nic Johansson  
GM: Infrastructure

Christine Jones  
GM: Strategy and Growth

Gareth Wallis  
GM: Community Services

Revised the statement points to ensure all subclauses of Clause 5.1 of ISO 45001 (which defines commitment from leadership)

Minor wording and new statement changes to match the standard

Te Tai Whanake incorporated into the footer to align with cultural values

### We will keep our people healthy, safe and well every day by:

- ensuring our leaders understand their role in influencing the health, safety and wellbeing of their people
- understanding what we do in our business, and the role that good health and safety plays in our success
- teaching people how to be healthy and safe at work, and providing opportunities to learn more
- always looking for ways to improve, grow our knowledge and develop our people
- providing opportunity for our people to participate in development and implementation of our Health & Safety Management System
- providing wellbeing opportunities for our people, because we know that creates a happier, healthier and more productive team
- taking personal responsibility to keep ourselves, our colleagues and community safe, healthy and well, including speaking up when people are at risk
- ensuring we've got the right tools, capacity and people to get the job done safely and without risk to health by effectively control hazards and risks
- setting clear H&S objectives and recognizing our successes
- ensuring our systems comply with all relevant New Zealand Health & Safety Legislation

Marty Grenfell  
Chief Executive

Paul Davidson  
GM: Chief Financial Office

Barbara Dempsey  
GM: Community Services

Alastair McNeil  
GM: Corporate Services

Nic Johansson  
GM: Infrastructure

Christine Jones  
GM: Strategy, Growth and Governance

Gareth Wallis  
GM: City Development and Partnerships

Sarah Ormunden  
GM: Regulatory and Compliance

Here to make Tauranga better

TE TAI WHANAKE

Tauranga City

Date of issue: January 2022



HSW01-PLD1

Objective: A112/73963

Date of issue: June 2023

**9.14 Local Alcohol Policy Review: Deliberations****File Number: A15176011****Author: Jane Barnett, Policy Analyst  
Nigel McGlone, Manager: Environmental Regulation****Authoriser: Sarah Omundsen, General Manager: Regulatory and Compliance****Please note that this report contains confidential attachments.**

Public Excluded Attachment	Reason why Public Excluded
Item 9.14 - Local Alcohol Policy Review: Deliberations - Attachment 4 - Attachment Four: Confidential Legal Professional Privileged	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege.

**PURPOSE OF THE REPORT**

- To consider submissions received on the revised draft Local Alcohol Policy and decide on the final Local Alcohol Policy.

**RECOMMENDATIONS**

That the Strategy, Finance and Risk Committee:

- Receives the report "Local Alcohol Policy Review: Deliberations".
- Approves the following options:

No.	Issue	Option
One	Starting sales time for off-licensed premises	To be determined at meeting
Two	Off-licensed premises final sales time	To be determined at meeting
Three	Locations for new bottle stores	<b>Option A:</b> No new bottle stores in areas with a deprivation index of 7 or more. <b>Recommended</b>
Four	New on-licensed premises in industrial areas	To be determined at meeting
Five	Final sales time for on-licensed premises in the city centre	<b>Option B:</b> Change the closing time to 2am. <b>Recommended</b>
Six	One way door policy	To be determined at meeting
Seven	Discretionary conditions for off-licensed premises	<b>Option B:</b> Include amended discretionary conditions for off-licensed premises. <b>Recommended</b>

- Approves the final Local Alcohol Policy incorporating the options approved in (b) above and gives public notice in accordance with the regulations made under the Sale and

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**Supply of Alcohol Act 2012.**

- (d) Approves the Local Alcohol Policy approved in resolution (c) above coming into force on 12 February 2024.
  - (e) Delegates to the General Manager Regulatory and Compliance to make any necessary minor drafting or presentation amendments to the Local Alcohol Policy, prior to public notification.
  - (f) **Attachment 4** can be transferred into the open Remain in confidential
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**EXECUTIVE SUMMARY**

- 2. The Sale and Supply of Alcohol (Community Participation) Amendment Act 2023 is now in force and the Committee is asked to make decisions on the draft Local Alcohol Policy (LAP).
- 3. Submitters have differing views on most issues. There is almost a 50 per cent split between those that support the proposed later starting sale time for off-licensed premises, and those that oppose it. The only issue with a clear majority is the issue of locations for new bottle stores, with 64 per cent of submitters supporting restricting this compared to 24 per cent disagreeing.
- 4. In considering the options the Committee has several matters to consider. The primary consideration is the objective of the Sale and Supply of Alcohol Act 2012 (the Act) – minimising harm from excessive and inappropriate consumption and whether it would allow for the safe and responsible sale, supply and consumption of alcohol.
- 5. Decisions made by the Committee can be incorporated into a new LAP that can be adopted and brought into force in accordance with the Act.

**BACKGROUND**

- 6. The Committee approved the first draft LAP for consultation on 1 November 2021. **Attachment One** summarises the key decisions that have occurred since then.
- 7. The Sale and Supply of Alcohol (Community Participation) Amendment Act received royal assent on 30 August 2023. With the new legislation in place, the committee is asked to continue with the review process and make decisions on the issues raised by submitters.
- 8. The amendments to the Act change the process for finalising the LAP. The requirement to adopt a provisional policy and allow for an appeal process has been removed. Now after making decisions, if the Committee wish to adopt the LAP it must give public notice of the LAP. In accordance with the Act, the LAP is adopted 30 days after the date on which it is publicly notified but has no effect until it is brought into force on a day stated by resolution.
- 9. Table One below shows the changes proposed in the first draft LAP and the revised draft as consulted on between 16 August 2022 to 16 September 2022.

**Table One: Proposed changes throughout the LAP review process**

	<b>Current LAP Adopted July 2015</b>	<b>First draft LAP as consulted on 17 Nov 2021 and 20 Dec 2021</b>	<b>Revised draft LAP as consulted on between 16 Aug 2022 and 16 Sept 2022</b>
Starting sales time for off-licensed premises	7am	7am	10am
Location restrictions for off-licensed premises	None	None	No new bottle stores in areas with a deprivation index of 7 or more
Location restrictions for on-licensed premises	None	None	No new on-licensed premises in areas zoned industrial
Final alcohol sales time for on-licensed premises in the city centre	3am	2am	3am
One-way door provision for the city centre	2am start	1am start	None
Discretionary conditions for off-licensed premises	None	None	Range of discretionary conditions

10. 340 submissions were received. The submissions highlight differing views on the supply of alcohol and how best to address alcohol harm.
11. The Committee are now asked to make decisions on the issues raised by submitters. When making decisions on the options the committee must consider several matters (see Table Two).

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

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

12. We have received legal advice that submissions should be assessed primarily in terms of anticipated reduction in alcohol-related harm. The Committee can consider adverse economic impacts, but these concerns should only apply where the economic impacts are very significant and the anticipated reductions in alcohol-related harm are relatively insignificant.

## STRATEGIC / STATUTORY CONTEXT

13. A LAP is one tool to use to help people feel safer in their communities, a key goal of Council's Tauranga Matarauui – Inclusive City Strategy and community outcome. This in turn contributes to the community and inclusivity pillar of the vision for Tauranga, *Together we can ... lift each other up*, as outlined in Council's [Our Direction](#) framework.
14. In accordance with the Act, Council has, in preparing the draft LAP consulted with the Police, licensing inspectors and Medical Officers of Health (section 78(4) of the Act) and had regard to the matters set out in section 78(2) of the Act (see [Background research report](#)).
15. Under the Act if, after consultation, the resulting LAP amends the maximum trading hours or one way door restriction then these elements cannot be brought into force earlier than three months after the day it was public notified. The rest of the policy may be brought into effect on any day stated by resolution after the LAP is adopted.
16. As set out in **recommendation (d)**, 12 February 2024 is the proposed date for the LAP to be brought into force. Under this recommendation, any changes in the LAP made by the Committee will apply from this date. Therefore, any change in the maximum trading hours will take effect on 12 February 2024 (see Next Steps section of this report for how this date was calculated).

## OPTIONS ANALYSIS

17. This section presents the options for responding to submissions. The blue highlighted options show what was consulted on.
18. The advantages and disadvantages of each option are summarised and include results from the submission survey and the research findings. Further information on both the research and submissions is set out in **Attachment Two**.
19. For most issues, staff recommendations are not provided due to the nature and different viewpoints on the issues and related evidence.
20. Where staff recommendations have been made, these have been presented in blue text and incorporated into the draft LAP in **Attachment Three**. Sections that may change dependant on the committee's decision are highlighted in grey.
21. Six of the issues are new proposals as included in the revised draft LAP that was consulted on. The seventh (being Issue Two), the issue of final sales time for off-licensed premises, was raised by submitters and highlighted in research.

## Issue One: Starting sales time for off-licensed premises

Options	Advantages	Disadvantages
<b>Option A:</b> Change the starting sales time for off-licensed premises from 7am to 10am.	<ul style="list-style-type: none"> <li>• May assist in reducing alcohol related harm.</li> <li>• Reduced alcohol sales exposure for children and youth which is linked to harm.</li> <li>• Assists in sending a strong message to the community on the harms associated with alcohol use.</li> <li>• Supported by 50% of submitters.</li> <li>• Reflects feedback from the Medical Officer of Health.</li> <li>• 72% of those surveyed<sup>9</sup> in the Toi Te Ora Health and Wellbeing Survey<sup>10</sup> believed that 10am or later was a suitable opening time.</li> </ul>	<ul style="list-style-type: none"> <li>• May not result in a significant reduction in alcohol related harm.</li> <li>• Inconvenient for some households.</li> <li>• Potential economic impacts for off – licensed premises.</li> <li>• Lack of NZ research on the impact of starting sales time and harm.</li> <li>• 46% of submitters do not agree.</li> </ul>
<b>Option B:</b> Retain current starting time for off-licensed premises at 7am.	<ul style="list-style-type: none"> <li>• No inconvenience to households.</li> <li>• No economic impact for off-licensed premises.</li> <li>• 46% of submitters agree.</li> </ul>	<ul style="list-style-type: none"> <li>• No potential to reduce alcohol related harm.</li> <li>• No decrease in alcohol sales exposure for children and youth.</li> <li>• Does not reflect feedback from Medical Officer of Health.</li> <li>• No message to the community on alcohol related harm.</li> <li>• 50% of submitters agree.</li> </ul>
<b>Option C:</b> Change the starting sales time for bottle stores to 10am - and keep the starting sales time for supermarkets and grocery stores at 7am.	<ul style="list-style-type: none"> <li>• May assist in reducing alcohol related harm.</li> <li>• Reduces exposure to alcohol sales for children and youth.</li> <li>• Less inconvenience to households as supermarkets would not be impacted.</li> <li>• Limited economic impact on some off-licensed premises as supermarkets or grocery stores would not be impacted and many non-supermarket/grocery store off-licensed premises do not currently open until 9am or 10am.</li> </ul>	<ul style="list-style-type: none"> <li>• As above in option B but there is some potential to reduce alcohol related harm.</li> <li>• Does not treat all off-licensed premises in the same way.</li> </ul>

<sup>9</sup> 613 questionnaires were completed by people in the Bay of Plenty District Health Board geographical area. This was made up of 400 from the Western Bay of Plenty and 213 from Eastern Bay of Plenty.

<sup>10</sup> Toi Te Ora Public Health 2021, Issues of Health and Wellbeing Population Survey 2020 A reflection of community views across a range of public health topics [https://toiteora.govt.nz/assets/Toi-Te-Ora-Public-Health/Publications-and-Resources/Population-Surveys/2020\\_Population\\_Survey\\_Low\\_Res\\_FINAL.pdf](https://toiteora.govt.nz/assets/Toi-Te-Ora-Public-Health/Publications-and-Resources/Population-Surveys/2020_Population_Survey_Low_Res_FINAL.pdf)

**Issue Two: Final sales time for off-licensed premises**

Options	Advantages	Disadvantages
<b>Option A:</b> Change the final sales time from 10pm to 9pm for all off-licensed premises.	<ul style="list-style-type: none"> <li>• 50% of submitters are supportive of reduced trading hours for off-licensed premises.</li> <li>• Research indicates that earlier closing times result in reduced alcohol harm.<sup>11</sup></li> <li>• Assists in sending a strong message to the community on the harms associated with alcohol use.</li> <li>• Reflects feedback from the Medical Officer of Health.</li> <li>• Less impact on households and business than the proposed change in starting sales time.</li> </ul>	<ul style="list-style-type: none"> <li>• Not likely to have much impact on reducing alcohol sales exposure for children and youth.</li> <li>• Inconvenient for some businesses and households – but likely to be less inconvenient than changes to the starting sales time.</li> <li>• Potential for some economic impacts but likely to be less of an impact than changing the starting sales time.</li> <li>• May be open to procedural challenge if not reconsulted on first.</li> </ul>
<b>Option B:</b> Retain the current final sales time of 10pm for all off-licensed-premises.	<ul style="list-style-type: none"> <li>• No change for households.</li> <li>• No change for off-licensed premises.</li> </ul>	<ul style="list-style-type: none"> <li>• No potential to reduce alcohol related harm.</li> <li>• No decrease in alcohol sales exposure for children and youth.</li> <li>• Does not reflect the 50% of submitters who supported a reduction in sales time for off-licensed premises.</li> <li>• Does not reflect feedback from Medical Officer of Health.</li> <li>• No message to the community on alcohol related harm.</li> </ul>
<b>Option C:</b> Change the final sales time for bottle stores to 9pm - and keep the final sales time for supermarkets and grocery stores at 10pm.	<ul style="list-style-type: none"> <li>• May assist in reducing alcohol related harm.</li> <li>• Less inconvenience to households as supermarkets would not be impacted.</li> <li>• Limited economic impact on some off-licensed premises as supermarkets or grocery stores would not be impacted and many non-supermarket/grocery store off-licensed premises do not currently stay open until 10pm.</li> </ul>	<ul style="list-style-type: none"> <li>• As above in option B but there is some potential to reduce alcohol related harm.</li> <li>• Does not treat all off-licensed premises in the same way.</li> <li>• May be open to procedural challenge if not reconsulted on first.</li> </ul>

<sup>11</sup> A Wellington City based study of alcohol off-licensed purchases and subsequent harm found that earlier purchases (7:00pm-8.59pm) were associated with fewer harms experienced compared with later purchases (9:00pm -11:00pm). Health Promotion Agency (2016). Alcohol off-licence purchases and subsequent harm: Summary Report. Wellington: Health Promotion Agency

### Issue Three: Locations for new bottle stores

Options	Advantages	Disadvantages
<p><b>Option A:</b> No new bottle stores to be established in areas with a deprivation index of 7 or more.</p> <p>Does not apply to new licences for an existing premises that has been sold, or for an existing premises that relocates to a new site within the same area of deprivation (being a defined proxy for 'suburb').</p> <p><b>Recommended</b></p>	<ul style="list-style-type: none"> <li>• Likely to reduce alcohol harm.</li> <li>• Evidence that the higher the density of outlets, the greater the likelihood of alcohol related problems<sup>12</sup> (see Attachment One)</li> <li>• Evidence that those living in more socioeconomic deprived areas are at higher risk of alcohol related harm<sup>13</sup>(see Attachment One).</li> <li>• Strong support from submitters – 67% agree.</li> <li>• Over 60% of respondents in the Toi Te Ora survey supported reducing the number of places that sell alcohol.</li> <li>• Reducing harm aligns with the objective of the Act and council's community outcomes.</li> <li>• Sends a message to the community on alcohol harm.</li> <li>• Reflects feedback from Medical Officer of Health and Police.</li> <li>• May create a more even distribution of bottle stores over time.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential for some economic impacts.</li> <li>• 23% of submitters disagree.</li> </ul>
<p><b>Option B:</b> Retain the current position where there are no location restrictions on bottle stores.</p>	<ul style="list-style-type: none"> <li>• May allow greater flexibility to meet growth needs of the city.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not attempt to address significant alcohol harm that is occurring in the community.</li> <li>• Does not reflect feedback from Medical Officer of Health and Police.</li> <li>• Does not send a message to the community on alcohol related harm.</li> <li>• Not supported by majority of submitters.</li> </ul>

<sup>12</sup> New Zealand Law Commission. Alcohol in our Lives: Curbing the Harm: A report on the review of the regulatory framework for the sale and supply of liquor. Wellington, N.Z.: Author, 2010 pg. 130  
<https://www.lawcom.govt.nz/sites/default/files/projectAvailableFormats/NZLC%20R114.pdf>

<sup>13</sup> Meiklejohn J, Connor J, Kypri K. 2012. One in three New Zealand drinkers reports being harmed by their own drinking in the past year. The New Zealand Medical Journal, 125(1360), 28-36

#### Issue Four: New on-licensed premises in industrial areas

22. At their meeting on 20 June 2022 the Committee added the condition to the revised draft LAP, that no new licensed premises would be established in industrial areas. Checking this proposed condition against the Gambling Venues Policy, we have identified it only allows for Class 4 and TAB venues to be relocated within a commercial or industrial zone, excluding areas within 100 metres of residential zones with a deprivation index of 8, 9 or 10.
23. As all Class 4 venues are required to have a current on-licence or club licence, there are potential implications on any relocation of gaming venues of not allowing any new on-licensed premises in industrial areas. Option B below addresses this by adding a note to allow for an existing premises to relocate to industrial areas provided they are more than 100 metres from residential zones with an index of 8 or more, in line with the Gambling Venues Policy.

Options	Advantages	Disadvantages
<b>Option A:</b> No new on-licensed premises will be established in industrial areas.	<ul style="list-style-type: none"> <li>Likely to decrease the availability of alcohol and assist in reducing alcohol harm.</li> <li>Aligns with the objective of the Act and Council's community outcomes.</li> <li>Sends message to the community on the harms of alcohol use.</li> <li>41% of submitters agree.</li> <li>Reflects feedback from Police.</li> </ul>	<ul style="list-style-type: none"> <li>Potential for some economic impacts for some would be licences.</li> <li>36% of submitters disagree.</li> <li>Could contradict the Gambling Venues Policy, effectively not allowing existing gaming venues to be moved into industrial areas, even if they meet other relocation criteria.</li> </ul>
<b>Option B:</b> As above in Option A -No new on-licensed premises will be established in industrial areas with the added note:  Does not apply to new licenses for an existing premises that has been sold, or for an existing premises that is relocating to an area zoned industrial that is more than 100 metres from residential zones with a deprivation index of 8, 9 or 10	<ul style="list-style-type: none"> <li>As above in option A.</li> <li>Clarifies that the proposed relocation condition in the Gambling Venues Policy is allowed for.</li> </ul>	<ul style="list-style-type: none"> <li>As above in option A excepting the final bullet.</li> </ul>
<b>Option C:</b> Retain the current LAP: no location restrictions for on-licensed premises.	<ul style="list-style-type: none"> <li>May allow greater flexibility to meet growth needs of the city.</li> <li>36% of submitters support new on-licensed premises being established in industrial areas.</li> </ul>	<ul style="list-style-type: none"> <li>Does not attempt to address alcohol harm.</li> <li>Does not reflect feedback from Medical Officer of Health.</li> <li>No message to the community on alcohol related harm.</li> <li>41% of submitters disagree.</li> </ul>

**Issue Five: Final sales time for on-licensed premises in the city centre**

Options	Advantages	Disadvantages
<b>Option A:</b> Retain the current LAP position: 3am final sales time.	<ul style="list-style-type: none"> <li>Prevent and/or minimise any shift of alcohol harm to unregulated environments.</li> <li>No impact on current on-licensed premises in the city centre.</li> <li>47% of submitters agree.</li> </ul>	<ul style="list-style-type: none"> <li>No attempt to address significant alcohol harm that is occurring in the community.</li> <li>Does not reflect feedback from Police or Medical Officer of Health.</li> <li>Does not send a message to the community on alcohol related harm.</li> <li>33% of submitters disagree.</li> </ul>
<b>Option B:</b> Change the final sales time to 2am. <b>Recommended</b>	<ul style="list-style-type: none"> <li>Likely to reduce alcohol harm (see Attachment One).</li> <li>Potential to reduce hospital admissions and assaults.<sup>14</sup></li> <li>Aligns with the objective of the Act and council's community outcomes.</li> <li>Those who bought alcohol after 2am are 2.9 times more likely to drink high amounts of alcohol compared to those who purchased before 2am<sup>15</sup>.</li> <li>33% of submitters support.</li> <li>Sends message to the community on alcohol harm.</li> <li>Reflects feedback from Medical Officer of Health.</li> </ul>	<ul style="list-style-type: none"> <li>May shift alcohol harm to different location (potential for alcohol consumption to occur in an unregulated environment) and/or time.</li> <li>47% of submitters support retaining the 3am final sales time.</li> <li>Potential impact on some licensed premises in the city centre.</li> </ul>

**Issue Six: One-way door provision**

Options	Advantages	Disadvantages
<b>Option A:</b> Remove the one-way door provision.	<ul style="list-style-type: none"> <li>46% of submitters agree.</li> <li>May help prevent and/or minimise any shift to unregulated environments.</li> <li>May prevent people being separated where their safety could be compromised.</li> </ul>	<ul style="list-style-type: none"> <li>34% of submitters disagree.</li> <li>Does not reflect feedback from Police and Medical Officer of Health.</li> </ul>
<b>Option B:</b> Retain the one-door provision to start one hour before the final sales time (either 1am or 2am depending on the decision made in issue)	<ul style="list-style-type: none"> <li>Reflects feedback from Police and Medical Officer Health.</li> <li>34% of submitters want to retain the one-way door.</li> <li>Message to the community on</li> </ul>	<ul style="list-style-type: none"> <li>No attempt to address significant alcohol related harm.</li> <li>46% of submitters support the removal.</li> </ul>

<sup>14</sup> Research shows that hospitalizations and assaults reduced significantly following restrictions on late night alcohol sales in New Zealand. Most significant amongst 15-29 years-olds who made up half of all hospitalisations. This research does not specifically relate to the impact on alcohol related harm from moving from a 3am to 2am closing.

<sup>15</sup> Casswell, S., Huckle, T., Wall, M., & Yeh, L.C (2014) International Alcohol Control study: pricing data and hours of purchase predict heavier drinking. *Alcoholism Clinical and Experimental Research*. 2014; 38(5):1425-31. <https://www.hamilton.govt.nz/our-council/policies-by-laws-legislation/policies/Documents/LAP%20Handout%20-%20International%20Alcohol%20Control%20Study%2007-04-14.pdf>

Options	Advantages	Disadvantages
five above).	alcohol related harm.	

### Issue Seven: Discretionary conditions for all off-licensed premises

24. Under the Act the District Licensing Committee (DLC) can apply conditions on a case-by-case basis. For example, in a recent off-licence renewal the DLC specified that *the licensee will not offer for sale any single beer, cider or RTD product with an alcohol volume greater than 8%.*
25. Discretionary conditions can also be included in an LAP. The inclusion of discretionary conditions does not mean that these conditions are required to be part of each licence. The DLC may decide to impose any discretionary conditions set out in the LAP or any other condition it considers appropriate.
26. Including discretionary conditions proposed by submitters in the revised draft LAP informs the DLC on what the community would like considered when making licensing decisions. It also provides some guidance to applicants regarding the nature and scope of potential discretionary conditions.
27. The Committee included the following proposed discretionary conditions in the revised draft LAP:
  - signs detailing statutory restrictions on the sale of alcohol to minors and intoxicated persons adjacent to every point of sale
  - maintenance of an alcohol-related incidents book
  - installation and operation of CCTV cameras on the exterior of, and within, premises
  - provision of effective exterior lighting
  - no single sales of beer or ready to drink spirits (RTDs) in bottles, cans or containers of less than 440 mls in volume may occur except for craft beer
  - no single sales of shots or premixed shots
  - restrictions on sales based on the type of product and/or its price
  - restrictions on the display of RTDs at principal entrance to the store or within 3 meters of the front window
  - restrictions on the display of product or price specials.
28. Some submitters wanted the single sales condition to specify container sizes of 500ml or less. This has also been called for by Police and the Medical Officer of Health in recent DLC hearings. Staff recommend amending the proposed single sales condition to provide the DLC with broader direction from the community and to allow for changing products and circumstances at each location.

### Issue Seven: Discretionary conditions for all off-licensed premises

Options	Advantages	Disadvantages
<b>Option A:</b> Include the discretionary conditions set out in the revised draft LAP.	<ul style="list-style-type: none"> <li>• Informs the District Licensing Committee on what the community would like considered when making licencing decisions.</li> <li>• Provides some guidance to applicants regarding potential discretionary conditions</li> <li>• 46% of submitters agree.</li> </ul>	<ul style="list-style-type: none"> <li>• Includes a single sales condition that is now different from what was been called for by Police and Medical Officer of Health.</li> <li>• 38% of submitters indicated that they do not support.</li> </ul>
<b>Option B:</b> Include the discretionary conditions in the revised draft LAP with the following amendments:  <i>Replace 'No single sales of beer or ready to drink spirits (RTDs) in bottles, cans or containers of less than 440 mls in volume may occur except for craft beer' with 'Restrictions on single sales'.</i>  <b>Recommended</b>	<ul style="list-style-type: none"> <li>• As above in option A.</li> <li>• Broader direction on single sales to allow for changing products and circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>• 38% of submitters do not support.</li> </ul>
<b>Option C:</b> No discretionary conditions for off-licensed premises.	<ul style="list-style-type: none"> <li>• 38% of submitters support indicated that they do not support.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not inform the District Licensing Committee on what the community would like considered when making licensing decisions.</li> </ul>

### LEGAL IMPLICATIONS / RISKS

29. The legal implications and risks are dependent on the changes, if any, made to the revised draft policy. Some of these legal risks are set out in confidential **Attachment Four**.

### SIGNIFICANCE




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

32. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.

### NEXT STEPS

33. Depending on the decisions made by the Committee, the resulting final policy will be finalised by giving public notice. Staff recommend public notification taking place on 11 November 2023. This allows time for the notification to be prepared.
34. In accordance with the Act, the policy will be adopted 30 days after it is publicly notified (12 December). Once the final LAP is adopted it can be brought into force on a day stated by resolution. If the Committee make changes to the trading hours or one way door provision then the policy cannot be brought into force until 3 months after the day it was public notified.
35. As set out in **recommendation (d)**, 12 February 2024 is the proposed date for the LAP to be brought into force. This allows the committee to make changes to the current maximum trading hours and the one-way door policy. The Committee may decide to set different dates for the other elements of the adopted LAP. However, separating them out is likely to cause confusion and make the implementation of the policy more difficult for licensees.
36. If the Committee decides not to make changes to the trading hours or one-way door provision, then they are able to bring the LAP into force any time after the 12 December 2023.

### ATTACHMENTS

1. **Attachment One: LAP Review Process Key steps and decisions - A15084804 (Separate Attachments 1)** 
2. **Attachment Two: Submission Summary - A15108804 (Separate Attachments 1)** 
3. **Attachment Three: Amended Revised Draft LAP - A15190647 (Separate Attachments 1)** 
4. **Attachment Four: Confidential Legal Professional Privileged - A15234584 - Public Excluded**

## **10      DISCUSSION OF LATE ITEMS**

## 11 PUBLIC EXCLUDED SESSION

### Resolution to exclude the public

#### RECOMMENDATIONS

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>11.1 - Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 18 September 2023</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s7(2)(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
<b>Confidential Attachment 4 - 9.14 - Local Alcohol Policy Review: Deliberations</b>	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege	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

## **12 CLOSING KARAKIA**