



AGENDA

Strategy, Finance and Risk Committee meeting Monday, 13 May 2024

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

Date: Monday, 13 May 2024

Time: 1pm

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

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

**Marty Grenfell
Chief Executive**

Terms of reference – Strategy, Finance & Risk Committee

Membership

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

Role

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

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

Membership

The Committee will consist of:

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

Voting Rights

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

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

Committee's Scope and Responsibilities

A. STRATEGIC ISSUES

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

A1 – Strategic Issues

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

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

A2 – Policy and Bylaws

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

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

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

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

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

B. FINANCE AND RISK

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

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

B1 - Health and Safety

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

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

B2 - Risk Management

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

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

B3 - Internal Audit

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

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

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

B4 - External Audit

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

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

B5 - Fraud and Integrity

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

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

B6 - Statutory Reporting

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

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

- Significant adjustments resulting from the audit.

Power to Act

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

Power to Recommend

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

Order of Business

1	Opening karakia	9
2	Apologies	9
3	Public forum	9
4	Acceptance of late items	9
5	Confidential business to be transferred into the open	9
6	Change to order of business	9
7	Confirmation of minutes	10
7.1	Minutes of the Strategy, Finance and Risk Committee meeting held on 25 March 2024	10
8	Declaration of conflicts of interest	29
9	Business	30
9.1	Tauranga Urban Design Action and Investment Plan Adoption	30
9.2	Natural Hazard and Resilience Planning - Release of Natural Hazard Information (Coastal Flooding)	60
9.3	Approach to Preparation of Proposed Plan Change 38 - Business Land Framework	63
9.4	Procurement Policy Review.....	67
9.5	Annual Residents Survey Report - Wave 3, 2023/24.....	84
9.6	LGOIMA and Privacy Report Q3 for 2023/2024 year.....	97
9.7	Health & Safety Report - Q3 - January to March 2024.....	100
9.8	Quarterly Financial Monitoring Report for the Nine Months to 31 March 2024	106
9.9	Capital Programme 2023/24 3rd Quarter Update	129
9.10	Audit New Zealand - Report to the Commissioners on the Audit of the 2024-34 Long-Term Plan	130
10	Discussion of late items	143
11	Public excluded session	144
11.1	Public Excluded Minutes of the Strategy, Finance and Risk Committee meeting held on 25 March 2024	144
11.2	Litigation Report.....	144
11.3	Internal Audit & Assurance - Quarterly Update	145
11.4	Corporate Risk Register - Quarterly Update	145
11.5	Quarterly Security Report - FY24	145
12	Closing karakia	146

- 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 25 March 2024

File Number: A15910798

Author: Caroline Irvin, Governance Advisor

Authoriser: Anahera Dinsdale, Acting Team Leader: Governance Services

RECOMMENDATIONS

That the minutes of the Strategy, Finance and Risk Committee meeting held on 25 March 2024 be confirmed as a true and correct record, subject to the following correction/s:

(a)

ATTACHMENTS

1. Minutes of the Strategy, Finance and Risk Committee meeting held on 25 March 2024



MINUTES

Strategy, Finance and Risk Committee meeting

Monday, 25 March 2024

Order of Business

1	Opening karakia	3
2	Apologies	3
3	Public forum	4
4	Acceptance of late items	4
5	Confidential business to be transferred into the open	4
6	Change to order of business	4
7	Confirmation of minutes	4
7.1	Minutes of the Strategy, Finance and Risk Committee meeting held on 19 February 2024.....	4
8	Declaration of conflicts of interest	4
9	Business	4
9.1	Mainstreets' Monitoring Report for the period 1 July to 31 December 2023	4
9.2	Local Alcohol Policy	9
9.3	Adoption of Mount to Arataki Spatial Plan	12
9.4	Non-Financial Performance Report - 6 monthly 2023/24 and Annual Resident Survey 2023/24 - Wave 2.....	13
9.5	Growth & Land Use Projects Progress Report - March 2024.....	14
9.6	Urban Design Panel - Terms of Reference Update	15
10	Discussion of late items	16
11	Public excluded session	16
11.1	Public Excluded minutes of the Strategy, Finance and Risk Committee meeting held on 19 February 2024	17
11.2	Appointment of Additional Urban Design Panel Members	17
12	Closing karakia	17
	Resolutions transferred into the open section of the meeting after discussion	17
11.2	Appointment of Additional Urban Design Panel Members	18

**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, 25 MARCH 2024, AT 9.30 AM**

PRESENT: Commissioner Anne Tolley (Chairperson), Deputy Chairperson Dr Wayne Beilby, Commissioner Shadrach Rolleston, Commissioner Bill Wasley and Ms Rohario Murray and via Zoom Commissioner Stephen Selwood, Mr Te Pio Kawe and Mr Bruce Robertson

IN ATTENDANCE: Christine Jones (General Manager: Strategy, Growth & Governance), Sarah Omundsen (General Manager: Regulatory and Compliance), Gareth Wallis (General Manager: City Development & Partnerships), Libby Dodds (Team Leader: Community Relations), Jeremy Boase (Manager: Strategy & Corporate Planning), Kendyl Sullivan, (City Partnerships Specialist), Jane Barnett (Policy Analyst), Nigel McGlone (Manager: Regulatory and Compliance), Carl Lucca, (Team Leader: Urban Communities), Kathryn Hooker, (Corporate Planner), Andy Mead (Manager: City Planning & Growth), Coral Hair (Manager: Democracy & Governance Services), Anahera Dinsdale (Acting Team Leader: Governance Services), Caroline Irvin (Governance Advisor), Aimee Aranas (Governance Advisor)

EXTERNAL: **Mainstreet Organisations:**
Mahia Martelli (Manager) Greerton
Genevieve Whitson (Manager) and Ash Gee (Chairperson)
Mainstreet Tauranga / Downtown Tauranga
Michael Clark (Manager), Malika Ganley (Governance and Management Advisor), Mount Business Association
Julia Manktelow (Events Contractor), Leah Sutton (Chairperson)
Papamoa Unlimited

1 OPENING KARAKIA

A karakia to open the meeting was given at the commencement of the Extraordinary Council meeting.

2 APOLOGIES

COMMITTEE RESOLUTION SFR2/24/1

Moved: Dr Wayne Beilby
Seconded: Ms Rohario Murray

That the apology for lateness from Mr Te Pio Kawe and Mr Bruce Robertson, and the apology for absence received from Ms Matire Duncan, be accepted.

CARRIED

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO ORDER OF BUSINESS

Nil

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 19 February 2024

COMMITTEE RESOLUTION SFR2/24/2

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

That the minutes of the Strategy, Finance and Risk Committee meeting held on 19 February 2024 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Commissioner Shadrach Rolleston declared a conflict of interest in relation to item 9.5: 'Resource Management Reforms and the Fast Track Approvals Bill' and took no part in the discussion or voting on the matter.

Commissioner Bill Wasley declared a conflict of interest in relation to item 9.5: 'Growth & Land Use Projects Progress Report - March 2024' and took no part in the discussion or voting on the matter.

Ms Rohario Murray declared a conflict of interest in relation to item 9.5: 'Resource Management Reforms and the Fast Track Approvals Bill' and took no part in the discussion or voting on the matter.

9 BUSINESS

9.1 Mainstreet's Monitoring Report for the Period 1 July to 31 December 2023

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

External Mahia Martelli (Manager) Greerton;
Genevieve Whitson (Manager) and Ash Gee (Chairperson TBC) Mainstreet Tauranga /
Downtown Tauranga;

Michael Clark (Manager) Malika Ganley (Governance and Management Advisor),
Mount Business Association; and
Julia Manktelow (Events Contractor) Leah Sutton (Chairperson TBC) Papamoa
Unlimited

1. Greerton Village Community Association - Mahia Martelli (Manager)

- Ms Martelli thanked Tauranga City Council (TCC) for its support.
- The annual Cherry Blossom festival celebrated spring and supported Greerton Village School. There were a record number of visitors to last year's celebration.
- A Halloween Trail had been held for the children in the community and a vintage market had been held outside the Greerton Library in support of 150 years of Tauranga racing.
- All trees outside the Greerton Library had been covered in fairy lights as well as several others in the township.
- In order to bring the organisation in line with the new Mainstreet Agreement and its new constitution, the organisation's name had been changed to 'Greerton Business Association' (GBA).
- The organisation had been continuing to experiment with digital advertising for its events and had received great feedback.
- Marketing activities over the last six months included winter online giveaways, a Sun Media partnership, a website update, and social media (Greerton Facebook page) which continued to attract people to events and promotions, advertising space in local magazines and posters and flyers in Matamata as there had been an increase in people from the Waikato wishing to travel to the Greerton events.
- A significant increase in the use of social media within the younger and older demographic had been observed.
- GBA continued to work closely with business owners to build trust when dealing with issues and engaging them to buy into local promotions and continued to work with TCC on Cameron Road Stage 2 from its concept to its conclusion,
- There were ongoing issues with homeless and transient people. GBA was working together with local police and business on what to do in serious events.
- Looking forward, future activities included changes to the Cherry Blossom festival including a renaming to 'Cherry Spring Fling Festival' and more inclusivity, a nine star Matariki celebration display, a strategic plan for Greerton, a possible Kiwiana street display, a December tree light promotion and continued personal contact with business owners.
- Ms Martelli specifically thanked the Tauranga City Urban Forest Team for their help with the contractors during the lighting of the trees in Greerton last year, and the City Safety and Engagement Advisor for his support with the ongoing issues with homeless and transient people in the Greerton area.

In response to questions

- There had only been initial conversations with the City Partnerships Specialist regarding widening the area of interest to include Maleme Street.
- Parking concerns had been raised in regard to the concept plans for Cameron Road Stage 2, however in the current plan there would only be about four carparks removed. Local retailers situated at this area were not concerned about this.
- As part of GBA's plan and intention for the year, funding had and would further be, applied for through the various available funding providers. The organisation had already applied for funding to support the Matariki event and funding would also be applied for to support the Greerton Spring Fling Festival.
- The Chadwick Road end of Sherson Street was a very industrialised area and as such it was felt that Maleme Street had more of an attraction to businesses. However, this would be looked in to.

2. Mainstreet Tauranga Downtown Tauranga - Genevieve Whitson (Manager) and Ash Gee (Chairperson)

- A new business model for downtown Tauranga had been deployed on 1 July 2023 with a new vision for the city centre (defined in the long term and short-term strategy).
- The aim was to make downtown Tauranga 'the best city centre in New Zealand' given the incredible potential within the city to be vibrant, diverse, and thriving. Included in this was the aim to make it the region's commercial, cultural, and civic hub.
- KPI's included engaged membership, city safety, community consideration and a city centre for everyone.

At 9.50pm, Mr Bruce Robertson entered the meeting.

- Key Highlights and Achievements included: appointment of new manager Genevieve Witson, pro-active support for people and businesses, the hiring of a social media company to promote a clear marketing and promotion strategy for the city centre, a very successful 'Christmas in the City' event, a well-attended Annual General Meeting and continued work on building a solid foundation of trust and collaboration by advocating for city centre businesses. A standout result of this was the work done with the City Safety and Engagement Advisor in addressing anti-social behaviour and the positive feedback from retailers.
- In progress projects included working on a new website, customer relationship management, media strategy and collaborative stakeholder engagement.
- Specific areas of interest were the analysis of city centre foot traffic on Devonport Road which provided valuable insight into current trends and future projections.
- The general consensus from businesses was that an increase in foot traffic had not always translated to additional revenue. There needed to be more focus on revenue derived from people movement and sales transactions across the city.
- Accommodation sales had increased between July to December in 2023, in comparison to 2022, and hospitality had experienced a significant downturn in customers nationally for the same period in 2023.
- Challenges included ongoing safety in the city centre, more access routes and a variety of affordable transport options to get into the city centre as well as more parking options.
- Actions included a range of activities and initiatives to increase support for members, exploring short and long-term office space activations and projects and initiatives to generate a city perception change.
- Looking ahead a key objective was to finalise and begin implementing the five-year strategy with a number of key characteristics identified that illustrated the city centre's true potential.

In response to questions

- There had been a very positive reaction from the commercial sector in terms of the new direction and a trend that businesses were wanting to bring their offices back downtown.
- At this point, there was no plan to extend/expand the revenue targeted base area, however there were many retailers spreading further out to the avenues. This raised the question as to how these businesses could be incorporated and supported going forward.
- The importance of mana whenua was recognised in terms of the strategic plan. Conversations with all parties would begin shortly.
- It had taken time to get the right people on board to fully start the initiatives in the budget for the year but now that this had been completed, the organisation was better placed to achieve its goals for the 2023/2024 year.

Discussion points raised

- Commission Chair Tolley thanked Downtown Tauranga for their presentation, adding that the next five years would be critical for Tauranga's city.

- There was a need to change the language and the perception of Downtown Tauranga and that the report presented today had completely encapsulated this. The strategic plan was very strong and positive and had links to evidence and concrete actions in a very proactive way.
- Commission Chair Tolley advised that there was merit and benefits in putting initiatives temporarily in place so that they could be changed if not successful.
- A fantastic job had been done in changing the organisation which had been reflected in the report, in particular with regards to how tough things were at the moment in terms of the cost of living and disruption.
- The vision for the city was great.

3. Mount Business Association (MBA) - Michael Clark (Manager)

Mr Clark provided a summary of the following:

- Key activities and achievements;
- Retail sales data – total spend, hospitality July to December and local versus non local;
- 2022/2023 KPI's: member engagement, safety and security and Placemaking;
- Financials;
- Opportunities to collaborate; and
- Future activities.

In response to questions

- MBA had held a meeting with Tourism Bay of Plenty to discuss a 'way finding' strategy and would take a collaborative working approach with them. TBOP would be invited to attend an MBA member event where initial ideas would be put forward. It was recognised this needed to be worked on sooner rather than later to be organised ahead of the next cruise season.
- MBA was open to the idea of building a collaborative relationship between the Tauranga and Mount Associations. A ferry crossing between the two locations would provide an amazing opportunity to showcase the best of both worlds. This could be explored over the next six months.
- MBA would be providing advice to businesses on how to market themselves for the next cruise season.

Discussion points raised

- It would be good to see a drive to further enhance the cultural connection of Mauao as this was definitely something that encouraged passengers to disembark from the cruise ships, even in bad weather. Passengers read about the connections iwi and hapu had with Mauao and were eager to visit the site.
- Several Commissioners were working with Bay of Plenty Regional Council regarding a ferry crossing between Tauranga City and Mount Maunganui. Presently the Tauranga city centre was not such a tourist attraction as it was more of a construction site, but this would eventually change. Staff were investigating an offer that had been made to Council and would approach the Associations when this was completed. This was a great idea not only for visitors but also for commuters.
- The idea of a ferry between Tauranga City and Mount Maunganui was not new and was the best way to get across the harbour. Reinstating this would be advantages for both locations.
- The process of each organisation presenting their reports to the Committee today was very advantageous as each could see and understand the others information and perspectives and as such find more ways to collaborate and market themselves.
- 'Placemaking' helped to link different elements of an area and provided benefits, in particular from a business perspective.
- Commission Chair Tolley requested that the lay runners on the flag poles be followed up in relation to the way finding strategy.

3. Papamoa Unlimited - Julia Manktelow (Events Contractor) and Leah Sutton (Chairperson)

- Ms Manktelow and Ms Sutton advised that Papamoa Unlimited's purpose was to create three or four annual events for the region that brought people into the area, to increase visitor numbers from previous years and to promote the destination.
- Over the past six months two major events had taken place: 'Mānawatia a Matariki - Papamoa Light up the Stormwater Trail' and the Papamoa Santa Parade. The next 'Mānawatia a Matariki' event would soon take place.
- The Papamoa Santa Parade last Christmas was 700 metres long with a lot more diversity in the parade including many multi-cultural associations participating, creating a very positive energy.
- 'Mānawatia a Matariki - Papamoa Light up the Stormwater Trail' had been nominated as an event finalist for excellence at the Western Bay of Plenty Community Awards. The organisation was looking forward to Matariki again this year.
- Papamoa Unlimited was working on 'Ngā mounga tahorā' – the story of the three Whales which was synonymous with the region. This was something that was being worked on at the moment with full engagement from iwi which was greatly appreciated.
- Next steps included data collection/creation, a strategic plan for Papamoa, an increase/change in the ratepayer zone, and engagement with key stakeholders to grow and strengthen those associations, with iwi relationships being a defining characteristic of 'who we are' as a town centre.

Discussion points raised

- It was great to see Papamoa Unlimited represented at the Western Bay of Plenty Community Awards.
- Commercial entities needed to see the value of what Papamoa Unlimited was bringing to the table. Promoting events and ideas was a great way to link and draw in the wider commercial base.
- The work being done and overall engagement with mana whenua was to be commended. Incorporating the purako/stories within the area was important and unique.

COMMITTEE RESOLUTION SFR2/24/3

Moved: Commissioner Bill Wasley

Seconded: Dr Wayne Beilby

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Mainstreets' Monitoring Report for the period 1 July to 31 December 2023".
- (b) Receives the Greerton Village Community Association Report to 31 December 2023.
- (c) Receives the Mainstreet Tauranga Report to 31 December 2023.
- (d) Receives the Mount Business Association Report to 31 December 2023.
- (e) Receives the Papamoa Unlimited Report to 31 December 2023.

CARRIED

At 10.45am Mr Te Pio Kawe entered the meeting.

At 10.48am Commission Chair Tolley withdrew from the meeting.

At 10.50am Dr Wayne Beilby assumed the role of Chairperson for the remainder of the meeting.

9.2 Local Alcohol Policy

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

Key points

- The background of the report set out the policy development process which commenced in late 2021.
- This Committee discontinued the approved Local Alcohol Policy (LAP) in December 2023 in order to further understand the impacts of any changes to the current LAP and to have conversations with individuals and organisations over that period of time.
- The decisions to be considered were reviewed in October 2023 and related to both on and off licence operating provisions.
- Each of the recommendations for the seven issues were taken separately with clauses (c), (d), (e) and (f) taken at the end of the discussions.

COMMITTEE RESOLUTION SFR2/24/4

Moved: Ms Rohario Murray
Seconded: Commissioner Shadrach Rolleston

PART 1/A

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Local Alcohol Policy".

CARRIED

COMMITTEE RESOLUTION SFR2/24/5

PART 2/B

Moved: Commissioner Stephen Selwood
Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee approves:

Item No.	Issue	Option
One	Starting sales time for off-licensed premises	Option B: Retain current starting time for off-licensed premises at 7am.

CARRIED

COMMITTEE RESOLUTION SFR2/24/6

PART 3/B

Moved: Commissioner Bill Wasley
Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee approves:

Item No.	Issue	Option
Two	Final sales time for off-licensed premises	Option A: Retain the current final sales time of 10pm for all off-licensed-premises.

CARRIED**COMMITTEE RESOLUTION SFR2/24/7****PART 4/B**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee approves:

Item No.	Issue	Option
Three	Locations for new bottle stores	Option B: No new bottle stores to be established in areas with a deprivation index of 9 or 10. 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').

CARRIED**COMMITTEE RESOLUTION SFR2/24/8****PART 5/B**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee approves:

Item No.	Issue	Option
Four	New on-licensed premises in industrial areas	Option C: Retain the current LAP position: no location restrictions for on-licensed premises.

CARRIED**COMMITTEE RESOLUTION SFR2/24/9****PART 6/B**

Moved: Ms Rohario Murray

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee approves:

Item No.	Issue	Option
Five	Final sales time for on-licensed premises in the city centre	Option B: Change the final sales time to 2am.

CARRIED

COMMITTEE RESOLUTION SFR2/24/10**PART 7/B**

Moved: Ms Rohario Murray
 Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee approves:

Item No.	Issues	Options
Six	One way door policy	Option A: Remove the one-way door provision.

CARRIED

COMMITTEE RESOLUTION SFR2/24/11**PART 8/B**

Moved: Commissioner Bill Wasley
 Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee approves:

Item No.	Issues	Options
Seven	Discretionary conditions for off-licensed premises	Option B: Include the discretionary conditions in the revised draft LAP with the following amendments: Replace ' <i>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</i> ' with ' <i>Restrictions on single sales</i> '. Remove ' <i>restrictions on sales based on the type of product and/or its price</i> ' from the list of discretionary conditions for off-licensed premises.

CARRIED

COMMITTEE RESOLUTION SFR2/24/12

Moved: Commissioner Bill Wasley
 Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (c) 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 Supply of Alcohol Act 2012.

- (d) Approves the Local Alcohol Policy approved in resolution (c) above coming into force on 8 July 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) That a review of the Local Alcohol Policy be included in the report on development of the Policy Work Programme considered by the incoming Council.

CARRIED

9.3 Adoption of Mount to Arataki Spatial Plan

Staff: Christine Jones, General Manager: Strategy, Growth and Governance
Carl Lucca, Team Leader: Urban Communities

External: David Phizacklea (Planning Consultant)

Key points

- The spatial plan delivered a 30-year blueprint that provided strategic direction for existing and future growth needs of the area, working together with mana whenua, key stakeholders and the community.
- This included a ten-year implementation plan that focused on key issues that had been identified and needed to be invested in. It therefore formed the basis for Council's Long Term Plan (LTP) and was in strong alignment with the draft 2024 to 2034 LTP.
- This area was of local, national and international importance due to its outstanding natural environment and as such this plan was about seeking to balance competing demands on the area to ensure a sustainable future for everyone.
- This had been a 15-month process that included, amongst other things, ongoing engagement with stakeholders, community engagement and analysis. This included the Mount Industrial Planning study which had been done by Mr Phizacklea.
- The structure of the spatial plan consisted of elements that would be brought together to achieve key outcomes that included wellbeing of the community and their environment, better housing, proactive management of hazards and supporting an economically healthy industrial environment. These would be incorporated into neighbourhood based action plans.
- Hapu aspirations included place-based values, guiding principles, takiwa mapping and environmental wellbeing.

In response to questions

- A lot of work had been undertaken by the Mauao Trust to protect and enhance Mauao. The spatial plan looked to reflect this with a leading story around Mauao, and at the same time find a balance within the broader urban context.
- Plan change 33 provided for a centre based approach.
- Engagement had taken place with Priority One and the Industrial Steering group over the last six months. The steering group consisted of a number of key businesses and had provided guidance for the industrial blueprint.
- A confidential draft of the blueprint provided confidence that key elements had been picked up. It would, however take a business perspective in terms of making recommendations as to how businesses themselves could respond.
- It was hoped the Environmental Accord would be released shortly. It was understood this was a commitment from the businesses as to how they would proactively respond to the issues identified through the Mount Industrial Planning study and the Mount Spatial plan.

- Many of the actions and initiatives of the spatial plan were intended to support overall economic wellbeing. Economic wellbeing could be strengthened and carried through as a key directive.

Discussion points raised

- In terms of importance and relationships, Mauao could be reflected more within the spatial plan.
- It was important to get links to economic performance and wellbeing strongly captured within the spatial plan.
- The General Manager Strategy, Growth and Governance advised that, in respect of Plan Change 33, factual alignment was needed, while retaining the direction. This meant that if someone were to pick it up in six months' time, essentially staff would ensure the facts would align at that point in time without changing the direction.

COMMITTEE RESOLUTION SFR2/24/13

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Adoption of Mount to Arataki Spatial Plan".
- (b) Adopts the 'Mount to Arataki Spatial Plan – Te Mahere ā-Takiwā o Mauao ki Arataki' in Attachment A, to guide development and investment prioritisation in the Mount to Arataki area.
- (c) Delegates to the General Manager: Strategy, Growth and Governance to approve any necessary or minor amendments to the spatial plan including to ensure alignment and consistency with the following projects (as endorsed by Council):
 - (i) Plan Change 33 – Enabling Housing Supply
 - (ii) Connecting Mount Maunganui Indicative Business Case.

CARRIED

At 12.09pm, the meeting adjourned.

At 12.42pm, the meeting reconvened.

9.4 Non-Financial Performance Report - 6 monthly 2023/24 and Annual Resident Survey 2023/24 - Wave 2

Staff Kathryn Hooker, Corporate Planner
Christine Jones, General Manager Strategy, Growth and Governance

In response to questions

- There were four separate waves of feedback that took about four weeks each, effectively covering 16 weeks of the year. This assisted in minimising the impact of any individual event. Staff would continue to engage with the Communications Team on how best to engage with the community.
- Council had a 'feedback and complaints' website service that recorded how satisfied customers were with a service they had received. 'Kōrero mai' was a platform that people could subscribe to, to be kept up to date with what was happening across the city and share their feedback.
- Every time Council went through the LTP process, activities were revisited and questioned as to whether the information captured was useful and if it was being used. If not, this would be rephrased and repurposed by better information gathering from the community.
- There were no national standardised system of questions, however, they were similar between councils and generally comprised of satisfaction questions around how services were being received within the community. The questions were sent out by a market research company

who ensured that, in terms of demographics, the right weighting across the city would be achieved.

Discussion points raised

- There had been an interesting amount of engagement from the community, however, it did not seem to translate into feedback that Council was doing as much as it could to connect with the community. This was disappointing.
- The survey may have been impacted by a number of events happening in the city at the same time such as the Cameron Road works and its impacts, traffic, which consistently came up as a key aggravating issue, and parking which was also a very emotive topic. Hopefully, the community would see things coming to fruition and that projects were happening.

COMMITTEE RESOLUTION SFR2/24/14

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Non-Financial Performance Report - 6 monthly 2023/24 and Annual Resident Survey 2023/24 - Wave 2".

CARRIED

9.5 Growth & Land Use Projects Progress Report - March 2024

Staff Christine Jones, General Manager: Strategy, Growth and Governance
Andy Mead, Manager: City Planning & Growth

Key points

- Milestones achieved over the last three months included the Greenfield Projects and the achievement of notification of a number of plan change projects, in particular for Tauriko West and the Tauriko Business Estate. The Enabling Works contract was now in place and construction underway.
- Good progress had been made regarding the updated SmartGrowth future development strategy. Deliberations had been completed with further reporting work to be done to get the strategy endorsed.
- The government was doing a lot of work around the Resource Management Act (RMA) reform. Fast tracking consenting bills had been introduced to Parliament which provided opportunities for urban development and infrastructure projects in Tauranga. Staff were assessing this and were expecting another lot of bills later this year, heading towards next year with the replacement legislation of the RMA.
- A substantial redraft of the Government Policy Statement for Land Transport had been released which was significantly changed in focus towards economic development and efficiency, in particular state highway projects. There was less focus on public transport, walking and cycling which meant that considerable work was going on in terms of the implications of this and the submission Council would make on this.
- Paragraph 26 in the report contained requested information around the Greenfield development capacity allocations including land that had been consented but not developed and land where the consenting processes had not commenced.

In response to questions

- Development capacity in the Greenfield areas was definitely running out without the rezoning of new areas like Tauriko West.
- Generally, Tauranga developers and landowners were active. Not a lot of land was being held back or banked for future development.

- In terms of the anticipated timeline for 6000 houses, it was thought the bulk this would be achieved within five to ten years. The challenge was that there were some sites that were more problematic and would take longer than this.
- Staff were working closely with the Māori Land Trust to identify barriers and which of those related back to Council.

At 1.10pm, Mr Bruce Robertson entered the meeting.

- The Committee would be provided with a table listing the Brownfields and Greenfields capacity projects and their timelines.
- Plan Change 38 was a big plan change with a lot of work being done on it this year and next year. Notification was expected to take place towards the end of 2025. The existing Council would sign off and endorse this plan, so it would be well underway by the time the new Council was in place. This could be incorporated and reflected in the SmartGrowth implementation plan so that it would come through as part of the SmartGrowth package that would be signed off at the SmartGrowth Leadership Group partnership level.

COMMITTEE RESOLUTION SFR2/24/15

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 - March 2024".

CARRIED

9.6 Urban Design Panel - Terms of Reference Update

Staff Christine Jones, General Manager: Strategy, Growth and Governance
Carl Lucca, Team Leader: Urban Communities

In response to questions

- Often, an application had many matters beyond urban design that had to be dealt with. The purpose of the process was to bring people to the table and help clear pathways by working with the panel. To date this was proving to be advantageous.
- The Terms of Reference did not specifically respond to the establishment of Public Art Panel.
- There were kaupapa Māori members and kaupapa Māori design experts on the panel. Each time the panel received an application/proposal, it would be looked at and a suitable specialist chosen if needed. Sometimes projects needed direct hapu and mana whenua engagement. If there was any uncertainty around this, input would be sought from Te Pou Takawaenga.
- The role of the Māori design expert was to do a review and obtain appropriate input from tangata whenua, look at the design process that had been undertaken and ask if the input/direction was appropriate. If not, there would be an opportunity to talk with tangata whenua representatives.
- Acknowledging the importance of finding the right experts to determine tangata whenua values for each application/proposal could be built into the Terms of Reference. A draft example of this wording could be brought back to the Committee.

Discussion points raised

- The panel should give consideration to innovation and design around material, sustainability, energy use and zero impacts on water discharge to the moana which was particularly important in terms of intergenerational aspects of the city and the landscape.
- The following would be added to the Terms of Reference at the request of Commissioner Wasley:
 - Public Art Panel as a specific reference, with the onboarding of experts;

- 'Public Realm' be added to the list of triggers for panel review; and
- Heritage considerations be added to draft information requirements – context analysis.

COMMITTEE RESOLUTION SFR2/24/16

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Urban Design Panel - Terms of Reference Update".
- (b) Endorses the updated Urban Design Panel Terms of Reference.
- (c) Notes that reporting on the Urban Design Panel will be provided to the Strategy, Risk and Finance Committee on a regular basis as part of the City Planning and Growth quarterly reporting.
- (d) Notes that a full review of the Urban Design Panel will be reported to the Strategy, Risk and Finance Committee on a three yearly basis.
- (e) Delegates authority to the Chief Executive Officer to make minor changes to the Terms of Reference and changes to panel membership.

CARRIED

10 DISCUSSION OF LATE ITEMS

Nil

11 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

COMMITTEE RESOLUTION SFR2/24/17

Moved: Ms Rohario Murray

Seconded: Commissioner Bill Wasley

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
11.1 - Public Excluded minutes of the Strategy, Finance and Risk Committee meeting held on 19 February 2024	<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>	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>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)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	
11.2 - Appointment of Additional Urban Design Panel Members	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

12 CLOSING KARAKIA

Commissioner Shadrach Rolleston closed the meeting with a karakia.

Resolutions transferred into the open section of the meeting after discussion

11.2 Appointment of Additional Urban Design Panel Members

COMMITTEE RESOLUTION SFR2/24/18

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Appointment of Additional Urban Design Panel Members".
- (b) Appoints the following people to the Tauranga Urban Design Panel:

- (i) Shannon Bray
 - (ii) Jack Jiang
 - (iii) Claire Graham
 - (iv) Haley Hooper.
- (c) Transfers this report and resolutions (excluding Attachments) into the open section of the meeting once the successful appointees have been informed. Attachment 1 will remain confidential to protect the privacy of natural persons in accordance with section 7(2)(a) of Local Government Official Information and Meetings Act 1987.

CARRIED

The meeting closed at 1.49pm.

The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 13 May 2024.

.....
Commission Chair Anne Tolley
CHAIRPERSON

8 DECLARATION OF CONFLICTS OF INTEREST

9 BUSINESS

9.1 Tauranga Urban Design Action and Investment Plan Adoption

File Number: A15780590

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

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

PURPOSE OF THE REPORT

1. This report presents the Tauranga Urban Design Action and Investment Plan (“the UD AIP”) for adoption.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Tauranga Urban Design Action and Investment Plan Adoption 2024-2034".
- (b) Adopts the Tauranga Urban Design Action and Investment Plan Adoption 2024-2034 (Attachment A) to improve urban design outcomes in Tauranga.
- (c) Delegates the Group Manager: Strategy, Growth and Governance to approve minor amendments to the Plan, if required prior to publication.
- (d) Notes that the Tauranga Urban Design Strategy (2006) is superseded by the Urban Design Action and Investment Plan and approves that the Strategy be rescinded.

EXECUTIVE SUMMARY

2. This report outlines the need for a comprehensive strategy to enhance urban design outcomes in Tauranga due to significant growth and environmental change. Currently, there is a lack of consolidated guidance despite various existing documents promoting quality urban design in Tauranga. This UD AIP replaces the 2006 Urban Design Strategy and provides an action plan to support Council’s role in design leadership and supporting design excellence as our city continues to grow.
3. The UD AIP aligns with national and local strategies such as the New Zealand Urban Design Protocol, National Policy Statement on Urban Development, and SmartGrowth Strategy.
4. As part of the UD AIP preparation process, engagement has been undertaken with key built environment stakeholders, including Tauranga City Council teams, professional bodies and community organisations, Kaupapa Māori Design experts, Te Rangapū Mana Whenua o Tauranga Moana, government agencies and the Tauranga Urban Design Panel. Feedback received during stakeholder engagement has informed the development of key directives and actions contained within the UD AIP.
5. The key directives of the UD AIP include **Design Leadership and Design Excellence**, focusing on leadership, communication, partnership, and promoting high-quality design outcomes.
6. No ‘action’ in the UD AIP has any additional financial implications for Council – all budgets are operational in nature and provided for through the 2024-2034 Long Term Plan.

BACKGROUND

Where we are now

7. Tauranga continues to experience significant growth. As the city grows, there is a need for a greater emphasis on the role of urban design. Currently, Council is providing for growth in greenfield areas and through a continued transition to a more compact, mixed-use and multi-unit residential outcomes. Recent increases in extreme weather events in New Zealand is also driving an increased focus on sustainable design and designing for climate resilience.
8. In line with national, sub-regional and local direction to accommodate density and in response to current housing and environmental challenges, Tauranga is undergoing numerous plan changes and updates to its City Plan.
9. Alongside current changes to the City Plan, there are several existing documents and resources which promote high-quality urban design outcomes in Tauranga. These include:
 - (a) The Tauranga Moana Design Principles
 - (b) The Residential Outcomes Framework
 - (c) The Te Papa, Otumoetai and Mount to Arataki Spatial Plans
 - (d) The Street Design Guide and Infrastructure Development Code and
 - (e) The Tauranga Urban Design Panel.
10. While these documents help to promote quality urban design outcomes, there is not one current and consolidated document which provides overarching direction and guidance for urban design in Tauranga. The existing Urban Design Strategy for Tauranga ('Great City, Great Design') was prepared in 2006. The context and actions contained within this document are now outdated. The UD AIP will effectively replace the 2006 Strategy, providing direction for urban design over the coming decade.

Why this Plan was Developed

11. The UD AIP serves as a blueprint for actions that supporting high-quality urban design outcomes in Tauranga. It builds upon existing documents which promote quality urban design (including the 2006 Urban Design Strategy). It addresses current challenges, acknowledges the importance of collaboration, and guides future development in Tauranga through stated directions and actions.
12. Urban design is vital for shaping Tauranga's identity, functionality, and liveability. Operating across a wide range of scales, from city-wide initiatives and interventions through to the design of individual buildings and streetscapes, urban design aims to create places where people thrive. This includes recognition of historical and cultural aspects, as well as the integration of natural features into urban landscapes.
13. Core principles of good urban design have been outlined in the UD AIP. These principles reflect current best practice and input from partners and key stakeholders. They form the basis of how we should plan, design and develop our cities and are framed around developments that are – contextual, liveable, connected and sustainable.
14. Improved communication and education on urban design will also assist to socialise strategic outcomes and benefits of urban design and showcase and celebrate high quality outcomes as they are delivered.

Key Directives

15. Council has a key leadership role in supporting urban design outcomes in Tauranga. For urban design to function effectively in Tauranga, it must be integrated into various facets of council activities, spanning from the development of urban design guidance to leadership, education and stakeholder collaboration initiatives.

16. **Design Leadership** and **Design Excellence** have been selected as the key urban design directives to address the challenges facing Tauranga today and to promote the overarching principles of good urban design.
17. **Design Leadership** focuses on providing urban design leadership through processes and projects (both in planning and investment) and acknowledges the importance of:
 - (a) Communicating the value of urban design.
 - (b) Leading by example through projects and processes.
 - (c) Promoting good urban design outcomes in city planning and projects.
 - (d) Encouraging co-design and partnership approaches with the community and stakeholders.
 - (e) Fostering connections across projects and between built environment professionals and the community.
18. **Design Excellence** aims to support and enable high-quality urban design outcomes, and acknowledges the importance of:
 - (a) Providing clear urban design direction and guidance.
 - (b) Promoting safety and accessibility for all in design.
 - (c) Supporting vibrant and liveable communities, places, and spaces by enhancing community identity, culture, heritage, sustainability, resilience, natural environments, and biodiversity.
 - (d) Connecting people, places, and spaces, supporting the aspirations and perspectives of mana whenua (indigenous people) through the utilization of Tauranga Moana Design Principles.
 - (e) Celebrating and acknowledging projects that exemplify good urban design.
19. The actions contained within the UD AIP seek to promote the key directives of Design Leadership and Design Excellence and describe how Council will deliver upon our commitment to quality urban design in Tauranga.

STRATEGIC / STATUTORY CONTEXT

20. High-quality urban design outcomes in Tauranga are supported nationally and locally through a framework of strategies and policies, which this Plan will assist to deliver on. These include:
 - New Zealand Urban Design Protocol, 2005
 - National Policy Statement on Urban Development (NPS-UD), 2020
 - Bay of Plenty Regional Policy Statement (RPS), 2018
 - SmartGrowth Strategy, 2023
 - Our Direction, 2023.
21. The UD AIP helps to progress our city vision and community outcomes. It sits under the 'Tauranga Tatai Whenua – a well-planned city' primary strategy within Councils Our Direction Strategic Framework (2023). Due to the holistic nature of urban design – the Plan has strong connections with all five primary strategies and close connections with other Action and Investment Plans (City Centre, Climate, Accessible Tauranga, Nature and Biodiversity, Arts, Culture and Heritage, Safer Communities, and Reserves and Open Space).

PREPARATION PROCESS

22. Best practice research was undertaken into other urban design strategies / action plans to inform the development of this UD AIP.

23. An urban design stocktake report was prepared outlining the current resources available to promote quality urban design outcomes in Tauranga and capturing urban design related actions contained with other AIPs.
24. Principles of good urban design were drafted. These were informed by the previous Urban Design Strategy (2006), Tauranga City Council's 'Our Direction' strategic framework, the Tauranga Moana Design Principles, national and international best practice, urban design strategy research and other relevant Council documents.
25. Workshops and wānanga were held key built environment stakeholders. These workshops and wānanga provided targeted feedback with regards to:
 - The challenges facing Tauranga in the coming decade – and the urban design opportunities that might arise in response to these challenges.
 - What is working in terms of promoting quality urban design outcomes in Tauranga.
 - What is not working or is detracting from quality urban design outcomes in Tauranga.
 - What gaps exist in terms of urban design strategy, guidance, policy, engagement, research, education, and marketing.
 - What needs greater visibility.
26. Stakeholder feedback was translated into our two key directives and 13 UD AIP actions, and feedback sought from key stakeholders to refine the draft UD AIP.

CONSULTATION / ENGAGEMENT

27. As part of the UD AIP preparation process, engagement has been undertaken with key built environment stakeholders. Input was received through a number of workshops with various built environment stakeholders as outlined in the table below:

Organisation	Explanation
Tauranga City Council	Workshop with representatives from different Council teams with a vested interest in urban design.
	Targeted feedback on the draft UD AIP from relevant Council teams.
Professional Bodies and Community Organisations	Workshop with representatives from Urban Task Force, Property Development Forum, Mount Business Association, NZILA, NZIA, Connected Communities reps, Mainstreet organisations (e.g., Mount Business Association) and relevant other stakeholder entities.
The Tauranga Urban Design Panel	Workshops with Tauranga Urban Design Panel members. A selection of eight Tauranga Urban Design Panel members from a range of disciplines reviewed the document and provided feedback.
Government Agencies	Workshop with representatives from Waka Kotahi, Kainga Ora, Ministry of Education, Bay of Plenty Health Board, Ministry for the Environment. All representatives were provided the opportunity to review the draft UD AIP.

Kaupapa Māori design expertise and Te Rangapū Mana Whenua o Tauranga Moana Partnership input

28. Alongside stakeholder engagement, specific input was also sought from Kaupapa Māori design experts (including those with local whakapapa and knowledge) and Te Rangapū Mana Whenua o Tauranga Moana Partnership. Three wānanga were held with the Kaupapa Māori Design experts. These sessions helped to inform:
 - (a) The development of principles for strategic engagement – when working on projects of a significant nature, scale, and / or of cultural importance to tangata whenua.

- (b) Key actions to showcase meaningful mana whenua engagement process and Kaupapa Māori Design outcomes and to promote cultural capability.

29. Following the wānanga, the relevant UD AIP content was presented to Te Rangapū on the 28th of March 2024 and received positive feedback.

OPTIONS ANALYSIS

Option One (recommended) – Adopt the Tauranga Urban Design Action and Investment Plan included in Attachment A

Advantages	Disadvantages
<ul style="list-style-type: none"> Provides current, clear and consolidated direction on how to promote high quality urban design outcomes in Tauranga over the coming decade - through stated principles, directives, actions and measures. Replaces the outdated Urban Design Strategy for Tauranga (2006). Has gone through stakeholder engagement sessions in the form of workshops, wānanga and peer review. Proposed directions and actions have sought to be reflective of the feedback received from consulted groups and to address identified challenges and opportunities related to urban design. 	<ul style="list-style-type: none"> Will require staff time to implement and monitor the progress of proposed actions.

Option Two – Do not adopt the Tauranga Urban Design Action and Investment Plan included in Attachment A

Advantages	Disadvantages
<ul style="list-style-type: none"> Business as usual – no staff time required to implement and monitor the progress of proposed actions. 	<ul style="list-style-type: none"> There is not a current, consolidated, and unified direction on how to promote quality urban design outcomes in Tauranga. The 2006 Urban Design Strategy for Tauranga is not replaced (and outdated actions remain). The stakeholder engagement process undertaken as part of the UD AIP does not result in the articulation of a current, consolidated future direction for urban design in Tauranga. Actions supporting design excellence and leadership will not be endorsed, resulting in potential negative urban design impacts on the city.

FINANCIAL CONSIDERATIONS

30. No 'action' in the UD AIP has any additional financial implications for Council - all budgets are operational in nature and provided for through the 2024-2034 Long Term Plan.

31. All Action and Investment Plans will be reviewed in the year prior to development of each long-term plan, to ensure they appropriately inform its development and budgets are appropriately allocated.

LEGAL IMPLICATIONS / RISKS

32. There are no identified legal implications for this Plan.
33. The primary risk is that the council may not be able to resource the actions identified in the UD AIP and, as a result, may not be able to deliver on urban design aspirations articulated within Our Direction.

SIGNIFICANCE

34. 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.
35. 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.
36. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

NEXT STEPS

37. The adopted UD AIP will be available on Councils website as soon as possible.
38. Implementation of the actions identified in the plan.

ATTACHMENTS

1. **Attachment A: Urban Design Action and Investment Plan 2024-2034 - A15889436** [↓](#) 



Urban Design Action & Investment Plan

*Mahere Tūāhanga me
Haumitanga Taone*

2024-2034



Tauranga City

Adopted 13 May 2024

9.2 Natural Hazard and Resilience Planning - Release of Natural Hazard Information (Coastal Flooding)

File Number: A14340355

Author: Natalie Rooseboom, Manager: Asset Services
Arran Murch, Resilience Specialist - Natural Hazards and Infrastructure

Authoriser: Wally Potts, Acting General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To update the Strategy, Finance and Risk Committee on the release of Tauranga coastal flooding mapping in August 2024 (final date to be confirmed) by the Bay of Plenty Regional Council.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Natural Hazard and Resilience Planning - Release of Natural Hazard Information (Coastal Flooding)".

BACKGROUND

2. Tauranga is affected by numerous natural hazards, including flooding from rainfall, coastal flooding (coastal or harbour inundation), flooding from groundwater, tsunami, coastal and harbour erosion, earthquakes, volcanic ash fall and landslides. Our changing climate will influence the frequency and severity of some of these natural hazards.
3. Tauranga City Council aims 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 also provides the framework for roles and responsibilities in natural hazard planning in the Bay of Plenty region.

COASTAL FLOODING (INUNDATION)

6. Coastal flooding (inner harbour inundation and coastal inundation) is the flooding of low-lying coastal areas from the sea. Coastal flooding is particularly likely when high tides, storm surge and wave set-up occur at the same time. The extent and frequency of coastal flooding will be exacerbated by ongoing sea level rise.
7. Bay of Plenty Regional Council (BOPRC) is nearing completion of a project mapping coastal flooding along the region's shoreline (modelled by NIWA). The mapping shows inundation likely to occur during a coastal storm event, both now and in the future, considering a range of storm sizes and sea level rise scenarios.

8. Tauranga City Council previously released coastal flooding information (also modelled by NIWA) that was confined to the harbour (referred to as the inner harbour inundation mapping). This mapping will change where there is an influence of both harbour and open coast inundation (Pilot Bay) or where there have been earthworks since the original release.

RELEASE OF COASTAL INUNDATION INFORMATION

9. BoPRC has been working with territorial authorities on the coastal flooding mapping to achieve a consistent region-wide dataset. As the project is approaching completion a joint communication strategy is under development based on informing and educating the public and landowners about the hazard.
10. The coastal inundation mapping for Tauranga City will either be hosted by BoPRC on the BayHazard Viewer or by Tauranga City Council on the Council's external GIS viewer Mapi and a map viewer that allows viewing a range of sea level rise and storm event scenarios.
11. A joint regional media release (BoPRC and territorial authorities) is planned to draw the community's attention to the information (mapping and report). This media release will also refer to inner harbour inundation and coastal erosion information for other areas, but the message will be clear that this information was previously released for Tauranga City and new information for the city mainly applies to coastal inundation.
12. Our coastal flooding webpages www.tauranga.govt.nz/coastalflooding including the coastal inundation page will be updated with links to the related technical report, maps, information leaflets and frequently asked questions.
13. Tauranga City Council will send letters (jointly with BoPRC approval) to approximately 2,000 directly affected landowners in August. These will be for properties affected by the 1% Annual exceedance probability (AEP) storm on top of the 1.25m sea level rise (Motoriki Vertical Datum) scenario, which is the scenario used in land-use planning. Letters will include information on upcoming drop-in information sessions.
14. Three drop-in information sessions will be held in August/September 2024 to provide information to the community and the opportunity for residents to speak directly with staff and technical experts.
15. Māori trusts, the Insurance Council of New Zealand (ICNZ), the Real Estate Institute of New Zealand (REINZ) and practitioners from the local developer, design, planning and building communities will be informed via electronic newsletters or email updates and information will be presented at sector meetings as required.
16. Staff will be available to answer questions from any landowner or stakeholder wishing to understand the information further.
17. Following the release of the information, reference to the mapping and information will be included in LIM reports under the Local Government Official Information and Meetings Act 1987 (LGOIMA).

SIGNIFICANCE

18. 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

19. 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.
20. Tauranga City Council plan to release natural hazards information including updated flood mapping for some areas and tsunami inundation mapping (jointly with BOPRC) over the next year.

ATTACHMENTS

Nil

9.3 Approach to Preparation of Proposed Plan Change 38 - Business Land Framework

File Number: A15836220

Author: Janine Speedy, Team Leader: City Planning

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

PURPOSE OF THE REPORT

1. The purpose of this report is to provide an overview of the project plan to progress proposed Plan Change 38 – Business Land Framework (PPC38)

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Approach to Preparation of Proposed Plan Change 38 - Business Land Framework".
- (b) Approves the proposed Plan Change 38 – Business Land Framework objectives as follows:
 - i. Give effect to the NPS-UD to provide sufficient business land for different sectors (in terms of location and land use) over the short, medium, and long term to the extent practicable.
 - ii. Develop strategic objectives and policies for the sustainable and integrated management of commercial and industrial land to ensure planning decisions support well-functioning urban environments, now and into the future.
 - iii. Establish a range of prescribed commercial and industrial zones with land use frameworks to support their respective roles.
- (c) Notes that regular progress updates will be provided to the relevant committee as the plan change progresses with the next significant milestone being options presented for direction in early 2025.

EXECUTIVE SUMMARY

2. In accordance with the direction received from the Strategy, Finance and Risk Committee on 4 December 2023, staff have progressed with scoping and project planning for PPC38.
3. The primary purpose of PPC38 is to comprehensively review the commercial and industrial zones within the Tauranga City Plan (City Plan).
4. Staff have undertaken project planning for PPC38 to identify project objectives, timeframes, workstreams and risks.

BACKGROUND

5. There are a number of key drivers for progressing a review of the business land, including:
 - a) The lack of a clear commercial hierarchy in the City Plan;
 - b) Implementation issues with City Plan provisions raised by representatives of a number of commercial centres;
 - c) Inconsistency with the National Planning Standards structure and framework for commercial and industrial zones;

- d) Provisions within the City Plan that are no longer fit for purpose to support development in the commercial/industrial zones or alignment with strategic outcomes, such as lack of standards for end of trip facilities or ability to manage high trip generating activities on the transport network;
 - e) The need to better manage effects of industrial activities within zones and adjacent sensitive zones, including outcomes from the Mount Industrial Planning Study; and
 - f) Reviewing the spatial allocation of commercial and industrial land across the City to give effect to the NPS-UD.
6. Three key plan change objectives have been identified as follows:
 - a) Give effect to the NPS-UD to provide sufficient business land for different sectors (in terms of location and land use) over the short, medium, and long term to the extent practicable.
 - b) Develop strategic objectives and policies for the sustainable and integrated management of commercial and industrial land to ensure planning decisions support well-functioning urban environments, now and into the future.
 - c) Establish a range of prescribed commercial and industrial zones with land use frameworks to support their respective roles.
 7. Six workstreams have been set up within the project team to work on the preparation of PPC38.
 8. Workstream 1: Strategic and Spatial and Workstream 2: Zone Provisions will be tasked with the bulk of the project and work closely together. The Strategic and Spatial workstream will determine the strategic outcomes, proposed zoning and spatial allocation across the city. This workstream will include progressing the resolutions made at the Strategy, Finance and Risk Committee on 4 December 2024 which relate to land use policy intervention identified in the Mount Industry Planning Study.
 9. The Zone Provisions workstream will draft the land use framework to implement the strategic direction that has been set.
 10. There are district wide matters which will be influenced and may require amendments to reflect strategic outcomes and proposed zoning relating to business land. This includes matters such as transport, noise, signage and subdivision. Workstreams 3 to 5 will manage these district wide matters. Workstream 6 will lead any urban design related matters.
 11. There is the potential for some of these workstreams to become separate plan changes. As research and investigation is undertaken this year, further work will be undertaken to understand whether separate plan changes is preferred. This is largely due to the large scope of the plan change. If this is the case, direction will be sought for Council to separate some matters into a separate plan change.
 12. The proposed timeframes to progress PPC38 are as follows:

Timeframe	Phase	Deliverable
2024	<ul style="list-style-type: none"> • Research and information gathering • Technical assessments • Options analysis 	<ul style="list-style-type: none"> • Complete supporting research • Key stakeholder engagement on issues and options • Complete technical assessments • Options analysis and prepare discussion papers.
Early 2025	<ul style="list-style-type: none"> • Seek direction on options 	<ul style="list-style-type: none"> • Report to the relevant committee to confirm direction on options for components of the plan change

2025	<ul style="list-style-type: none"> Drafting plan provisions, maps and s.32 	<ul style="list-style-type: none"> Prepare a full set of proposed provisions and planning maps
Late 2025	<ul style="list-style-type: none"> Pre-consultation Analysis and feedback 	<ul style="list-style-type: none"> Draft plan change released for tangata whenua consultation and public feedback. Refinements made to plan change as feedback is received.
Early 2026	Notification	<ul style="list-style-type: none"> Plan change released for public submissions
2026-2028	Hearings	<ul style="list-style-type: none"> Expert conferencing, hearings, appeals

STRATEGIC / STATUTORY CONTEXT

- The NPS-UD requires Council to provide at least sufficient development capacity to meet expected demand for business land over the short term, medium term and long term. In relation to the short term and medium term, business land must be zoned in an operative or proposed district plan to provide sufficient capacity.
- The Urban Form and Transport Initiative (UFTI) and draft SmartGrowth Strategy sets out the connected centres programme. A key component of the connected centres approach is to establish a commercial centres hierarchy through PPC38 to ensure that centres can thrive and meet the outcomes of UFTI. Technical work for PPC38 will need to consider commercial centres at the sub-regional level as some commercial and retail catchments will cross council boundaries. This will include working with Western Bay of Plenty District Council and reporting back to SmartGrowth to confirm direction.
- The Housing and Business Capacity Assessment identifies a shortfall in industrial zoned land in the medium to longer term (2027-2052). Through desktop analysis undertaken as part of the preparation of the SmartGrowth Strategy, land within the Western Bay of Plenty Council are the preferred locations to meet this demand. Therefore, PPC38 will not seek to meet all business land shortfalls identified in the Housing and Business Capacity Assessment.

FINANCIAL CONSIDERATIONS

- There are no financial considerations associated with this report. The costs associated with preparing PPC38 are within existing Long Term Plan budgets.

LEGAL IMPLICATIONS / RISKS

- Proposed Plan Change 38 will need to meet all the statutory requirements of Schedule 1 of the RMA.
- The scale of the project presents several critical risks. There remains uncertainty from central Government on the resource management reforms, in particular timing of the reforms and what changes will be made to the Resource Management Act (RMA). Council is also required to implement the National Planning Standards. The National Planning Standards presents a significant challenge to plan changes as it requires Council to implement a new formatting structure for our entire City Plan and implement definitions. This can only realistically be achieved in full through a full City Plan Review.
- As set out above, this is a significant plan change with the number of workstreams to progress and therefore the large scope. Further work will be undertaken to understand whether separate plan changes for some of the workstreams are preferred to manage scope.
- Through the preparation of the plan change it may be proposed to change zoning and provisions across the city, which will affect future land uses. This is likely to be opposed by some directly affected businesses. There may be other parts of the community that consider that the proposed amendments to zones and provisions do not go far enough to meet expectations of future land use.

CONSULTATION / ENGAGEMENT

21. Consultation and engagement on PPC38 is yet to commence as the project is in the project set up phase. Consultation and engagement is a key part of the project.
22. Staff are currently gathering feedback from previous engagement processes undertaken by Council to identify issues already raised by internal teams, key stakeholders, tangata whenua and the community.

SIGNIFICANCE

23. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
24. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) The current and future social, economic, environmental, or cultural well-being of the district or region.
 - (b) Any persons who are likely to be particularly affected by, or interested in, the matter.
 - (c) The capacity of the local authority to perform its role, and the financial and other costs of doing so.
25. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of high significance.
26. While PPC38 is considered high significance, this report is of low significance as the purpose is to provide an overview of the proposed approach to the plan change.

ENGAGEMENT

27. Taking into consideration the above assessment, that the matter is of high significance, officers are of the opinion that the consultation and engagement will be undertaken to meet the requirements of Schedule 1 of the RMA. Engagement will involve workshops with tangata whenua and key stakeholders to understand issues and options. Wider community engagement will occur through pre-consultation of the draft provisions and planning maps.

NEXT STEPS

28. Commence with technical assessments to inform the drafting of provisions and section 32 evaluation report.
29. Undertake internal and external engagement on identifying issues and opportunities.
30. Progress on PPC38 will be provided through regular updates to the Strategy, Finance and Risk Committee or other relevant committees.

ATTACHMENTS

Nil

9.4 Procurement Policy Review

File Number: A15880998

Author: Vicky Grant-Ussher, Policy Analyst
Angela Murray, Team Leader: Procurement

Authoriser: Alastair McNeil, General Manager: Corporate Services

PURPOSE OF THE REPORT

1. This paper outlines the issues and options identified through the scheduled three yearly review of the Council's procurement policy and presents the updated draft policy for adoption.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Procurement Policy Review".
- (b) Approves the following amendments to the procurement policy:
 - (i) Lift the value at which procurements must have a documented procurement plan authorised by the procurement team, the person with delegated financial authority for the contract and relevant senior manager (tier three or above) from \$100,000 to \$250,000 (policy clause 6.7.4).
 - (ii) Lift the chief executive's delegation to approve an exemption from open competition from \$500,001 to \$3 million (policy clause 6.5).
 - (iii) Create a new category of general manager approval for an exemption from open competition for projects \$250,001 - \$500,000 (policy clause 6.5).
 - (iv) Clarify that if the council becomes aware of, or suspects, modern slavery or a breach of employment standards we will alert the appropriate authorities (policy clause 6.7.6).
 - (v) Clarify that the council (or appropriate council committee) may, by resolution, set targets, or mandatory requirements for procurement for the purpose of achieving broader outcomes (policy clause 6.2.5).
 - (vi) Clarify that to achieve public value council will monitor the performance of suppliers to ensure they are delivering on expected outcomes (policy clause 6.1.4).
 - (vii) Clarify that the procurement policy does not apply to development agreements and instead procurement expectations for developers will be set out in the development agreement (policy scope).
 - (viii) Update material within the policy to reflect updates to the strategic direction, relevant legislation and minor edits to improve readability (policy clause 4.1, 6.1.4, 6.2.4, 6.2.5, 6.7.6 and references section).
- (c) Approves the adoption of the updated procurement policy included as Attachment One to this report.
- (d) Delegates any minor or presentational changes required to the policy prior to the publication of the policy to the General Manager Corporate Services.

EXECUTIVE SUMMARY

2. The procurement policy is due for its scheduled three-year review. As part of the review, we sought feedback from the procurement team, project management groups within Council, the Risk Team, Finance Team and the Sustainability and Waste Team.
3. Overall feedback suggests the policy is working well. Some minor issues were highlighted that could be addressed to update and improve the policy including:
 - (a) Increasing procurement limits to reflect inflation effects and the increased scale of the projects the council needs to deliver.
 - (b) Clarifying several matters including:
 - That if the council becomes aware of, or suspects, modern slavery or a breach of employment standards we will alert the appropriate authorities.
 - That the Council (or appropriate Council committee) may, by resolution, set targets, or mandatory requirements for procurement for the purpose of achieving broader outcomes.
 - That to achieve public value the Council will monitor the performance of suppliers to ensure they are delivering on expected outcomes.
 - That the procurement policy does not apply to development agreements and instead procurement expectations for developers will be set out in the development agreement.
 - (c) Updating material within the policy to reflect updates to the strategic direction, relevant legislative changes and other minor edits to improve readability.

BACKGROUND

4. The procurement policy outlines the principles and concepts that apply to all Council procurement to ensure all products, services and works are fit for purpose, value for money and are bought using commercially astute and appropriate processes.
5. The procurement manual sits alongside the policy to provide staff with information on how to apply the principles and concepts within the procurement processes of Council.
6. On 16 October 2023, the Council agreed to set social procurement targets and include mandatory requirements in tenders with the aim of achieving broader outcomes from procurement [CO19/23/5 refers]. The report noted that the procurement policy would be updated to reflect these changes.

STRATEGIC / STATUTORY CONTEXT

7. The procurement policy supports staff to meet their obligations under the Local Government Act 2002. The policy sets out relevant concepts and principles to support staff to meet these obligations.
8. The procurement policy also contributes towards the council's strategic direction through requiring staff to consider sustainability outcomes and the broader outcomes that can be achieved through procurement.

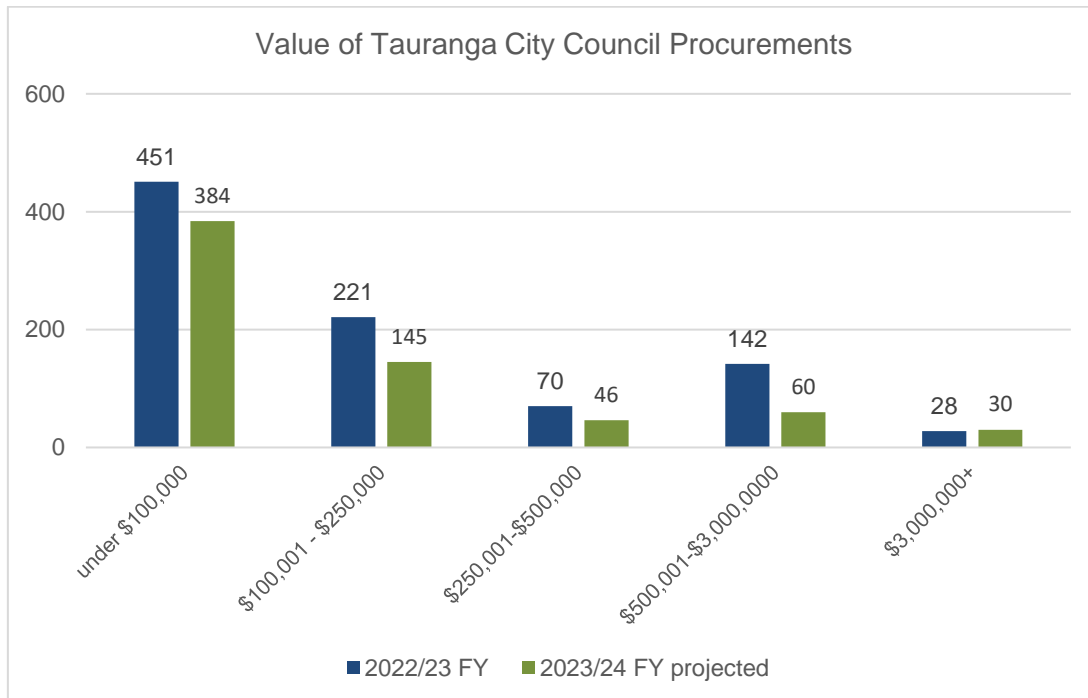
OPTIONS ANALYSIS

Procurement limits

9. The attached draft policy suggests a range of adjustments to procurement limits and categories to allow for the efficient delivery of projects whilst ensuring appropriate governance oversight and to reflect increased inflation.
10. Since the last policy review the Council has invested in lifting the Council's project management maturity in order to respond to the increased size and scale of the capital

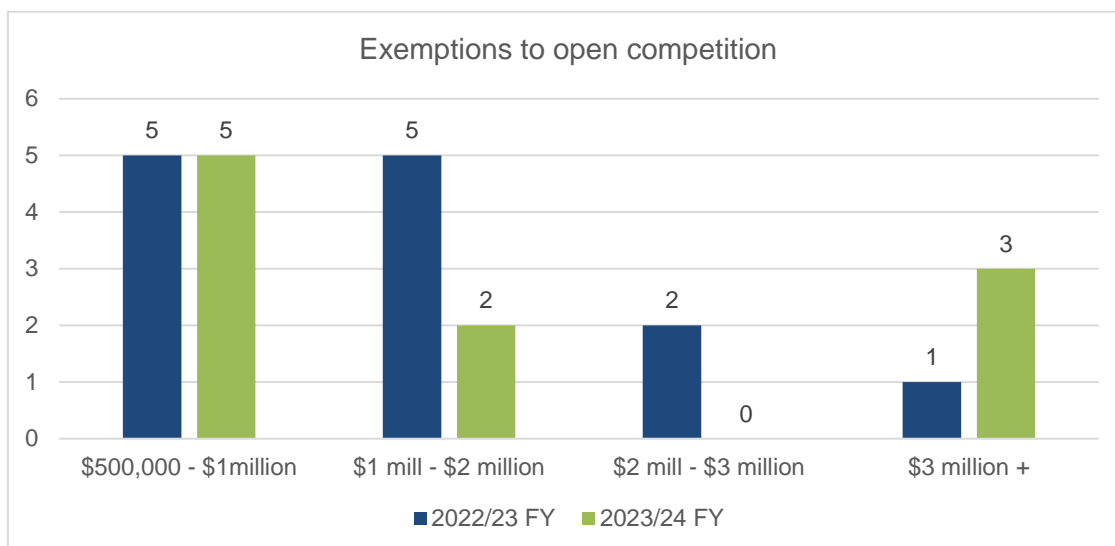
programme ahead of the Council. A breakdown of the current number of projects by value is provided in Figure One.

11. Adjusting the procurement limits to recognise this increased maturity and the scale of the investment ahead will ensure that governance oversight is focussed on procurement where it will have the most value. Reducing the level of approval required for low to medium value projects will allow for greater efficiency allowing projects to deliver faster.
12. The proposed changes:
 - Lift the value at which procurements must have a documented procurement plan authorised by the procurement team, the person with delegated financial authority for the contract and relevant senior manager (tier three or above) from \$100,000 to \$250,000.
 - Lift the chief executive’s delegation to approve an exemption from open competition from \$500,001 to \$3 million in line with other similar sized councils (see Figure Three).
 - Creates a new category of general manager approval for an exemption from open competition for projects \$250,001- \$500,000.
13. Figure One: Tauranga City Council projects by value



** Note that figures in the 2022/23 Financial year may be higher than typical due to a backlog of procurements being added to the register in this year. The 2023/24 figures include projected figures for the last two months of the 2023/24 year.*

14. Figure Two: Exemptions to Open Competition



**Note that figures in the 2022/23 Financial year may be higher than typical due to a backlog of procurements being added to the register in this year. The 2023/24 figures are as at 24 April 2024. The values shown are based on the Total Potential Values of the contract.*

15. Figure Three: Chief Executive Procurement Limits

Council	Population Size (approx. based on census 2018)	Chief Executive Delegation Limit
Tauranga City	136,000	\$500,000 current \$3 million proposed
Hamilton City	160,911	\$3 million
Christchurch City	369,000	\$15 million (with expectation that amounts over \$10 million be reported to a committee)
Palmerston North	85,000	\$320,000
Napier City	62,000	\$5 million
Hastings District	81,000	\$10 million

16. Table One: Procurement Limit Options

Option	Advantages	Disadvantages
Option One: No changes to Status Quo procurement limits	<ul style="list-style-type: none"> Retains high level of governance oversight over the decision to not use open competition for medium value projects (\$500,000 - \$3 million) Retains a high level of documentation and scrutiny for projects between \$100,000 to \$200,000 	<ul style="list-style-type: none"> Given the scale of the capital programme ahead of Council, requiring governance oversight on a significant number of projects may reduce efficiency The impacts of inflation are not addressed Not reflective of similar sized councils' approaches to procurement
Option Two: Update the procurement limits as per draft policy (and summarised in paragraph 12 of this report) Recommended	<ul style="list-style-type: none"> May increase efficiency for low and medium value projects due to more streamlined approvals The impacts of inflation are addressed Reflective of similar sized councils' approaches to procurement 	<ul style="list-style-type: none"> Retains high level of governance oversight over the decision to not use open competition for medium value projects Reduces the level of documentation and scrutiny for projects between \$100,000 to \$200,000

Clarifications and updates

17. Following consultation with staff it was identified that a number of clarifications would be useful to better explain the council's expectations. Recommendations include clarifying:
- That if the Council becomes aware of, or suspects, modern slavery or a breach of employment standards we will alert the appropriate authorities (policy clause 6.7.6).
 - That the Council (or appropriate council committee) may, by resolution, set targets, or mandatory requirements for procurement for the purpose of achieving broader outcomes (policy clause 6.2.5).
 - That to achieve public value council will monitor the performance of suppliers to ensure they are delivering on expected outcomes (policy clause 6.1.4).
 - That the procurement policy does not apply to development agreements and instead procurement expectations for developers will be set out in the development agreement (policy scope).
18. Since the last review the Council has adopted a new strategic direction which outlines how the council plan to support a number of community outcomes and how as a council we will operate. Changes are recommended to the policy to better reflect this direction, relevant legislation updates and minor edits to improve readability (policy clause 4.1, 6.1.4, 6.2.4, 6.2.5, 6.7.6 and references section).

19. Table Two: Proposed clarifications and updates

Option	Advantages	Disadvantages
Option One: No changes to Status Quo policy	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • The Council's position on several matters is unclear • References in the policy will be dated
Option Two: Include the clarifications and updates in the attached policy (and summarised in paragraph 17-18 of this report)	<ul style="list-style-type: none"> • Clarifies council position on several matters • Updates references in the policy 	<ul style="list-style-type: none"> • None

FINANCIAL CONSIDERATIONS

20. There are no financial impacts from updating the policy.

LEGAL IMPLICATIONS / RISKS

21. Increases to procurement limits are considered proportionate to other similar sized councils.

22. Clarifying how the Council will respond if it becomes aware of, or suspects, modern slavery or a breach of employment standards ensures that the Council position is clear should the draft legislation on modern slavery continue to progress.

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 issue.
- (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 issue is of low significance.

ENGAGEMENT

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

NEXT STEPS

27. Following the committee's approval, the council website, delegation manual and procurement manual will be updated to reflect the changes alongside internal communications to staff.

ATTACHMENTS

1. **Procurement Policy - A15768497**  

9.5 Annual Residents Survey Report - Wave 3, 2023/24

File Number: A15772945

Author: Kathryn Hooker, Corporate Planner

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

PURPOSE OF THE REPORT

1. The purpose of this report is to provide an overview of the results from the Annual Residents Survey for the third quarter (Wave 3).

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Annual Residents Survey Report - Wave 3, 2023/24".

EXECUTIVE SUMMARY

2. This report, along with the material in attachment one, provides a high-level summary of the Wave 3 results of the Annual Residents Survey.

BACKGROUND

3. The Annual Residents Survey allows Council to better understand the community's perception and satisfaction with Council, its services, functions and activities.
4. 159 surveys via a post to online method, have been undertaken with Tauranga City residents. An invitation letter, containing an embedded link to an online survey, was sent to a random selection of residents, sourced from the Electoral Roll, with a subsequent reminder follow up.
5. Wave 3 fieldwork was conducted from 37 February 2024 to 6 March 2024.

STRATEGIC / STATUTORY CONTEXT

6. The Annual Residents' Survey allows effective monitoring of performance and insights to be gained to inform future planning.

DISCUSSION

7. The results of the key performance indicators include:
 - For 2023/24 **overall performance**, 26% of respondents are satisfied or very satisfied with Tauranga City Council in general, down from 40% in 2022/23.
 - Reputation measures the community's perception of four key areas – leadership, faith and trust, financial management and quality of services/facilities. For 2023/24 **reputation**, 21% of respondents are satisfied or very satisfied with Tauranga City Council in general, down from 29% in 2022/23.

- Within reputation, there is the measure in terms of respondent's **trust** in Council, the year-to-date result is that 21% of respondents are satisfied or very satisfied, down from the full year result for 2022/23 which was 30%.
- For 2023/24 overall **value for money**, 36% of respondents are satisfied or very satisfied with Tauranga City Council in general, down from 38% full year result of 2022/23.
- A summary of the rest of the high-level survey results of the 2023/24 full year compared to 2022/23, and their trend is summarised in the table below:

Measure	2022/23 result	2023/24 result	Trend
<i>Overall performance</i>	40%	26%	▼
<i>Overall image and reputation</i>	29%	21%	▼
<i>Overall value for money</i>	38%	36%	▼
<i>Overall core services deliverables</i>	60%	59%	▼
<i>Overall water management</i>	56%	62%	▲
<i>Overall road and footpaths</i>	32%	25%	▼
<i>Overall waste management</i>	71%	71%	-
<i>Overall outdoor spaces</i>	68%	74%	▲
<i>Overall public facilities</i>	71%	70%	▼

OPTIONS ANALYSIS

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

LEGAL IMPLICATIONS / RISKS

9. There are no legal implications or risks associated with this report.

CONSULTATION / ENGAGEMENT

10. This report is made public.

SIGNIFICANCE

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

ENGAGEMENT

14. 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

15. The final wave (Wave 4) for 2023/24 is due to be collected during May - June 2024 with the results scheduled to be reported to this committee in August 2024.

ATTACHMENTS

1. **Annual Residents Survey 2023_24 Wave 3 - Performance Report - A15844100** [↓](#) 

9.6 LGOIMA and Privacy Report Q3 for 2023/2024 year

File Number: A15882329

Author: Darelle Howard, **Administrator:** Democracy Services

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

PURPOSE OF THE REPORT

1. The purpose of this report is to update the Committee on Local Government Official Information and Meetings Act 1987 (LGOIMA) and Privacy requests for the third quarter of 2023/24

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "LGOIMA and Privacy Report Q3 for 2023/2024 year.

EXECUTIVE SUMMARY

2. These reports are provided to the Committee to provide assurance on statutory compliance for LGOIMA and Privacy requests.

ATTACHMENTS

1. Q3 Report LGOIMA and Privacy requests - Jan-Mar 2024 - A15882301 [↓](#) 

9.7 Health & Safety Report - Q3 - January to March 2024**File Number:** A15889994**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, Safety and Wellbeing activities over the January to March 2024 quarter.
-

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Health & Safety Report - Q3 - January to March 2024".
-

EXECUTIVE SUMMARY

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

ATTACHMENTS

1. **Health & Safety Report - Q3 - January to March 2024 - A15832845** [↓](#) 

9.8 Quarterly Financial Monitoring Report for the Nine Months to 31 March 2024

File Number: A15814486

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

Authoriser: Paul Davidson, Chief Financial Officer

PURPOSE OF THE REPORT

1. The purpose of this report is to provide an update on the financial performance of Council against budget for the nine months to 31 March 2024.

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Quarterly Financial Monitoring Report for the Nine Months to 31 March 2024".

EXECUTIVE SUMMARY

2. This report, along with the material in **Attachment 1**, outlines Council's financial performance against budget for the nine months to 31 March 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 deficit for the first nine months is \$47.2m, which is \$11.8m unfavourable to budget, with key driver being depreciation at \$9m over budget. Unfavourable variances across other categories are largely offset by higher revenue.
4. Total operating expenditure is forecast to be significantly above budget for the year (\$44m). Most of the overspend is not funded by rates in the current year as it relies on carried forward funding (related to expenditure budgeted in 2023 that was not spent), loan-funded expenditure (e.g. digital development and Tauriko West), and unfunded depreciation.
5. The full year forecast for development contributions has been reduced by \$17.5m reflecting reduced volumes of new dwelling consents. This reduction in revenue will impact the forward debt position.
6. There is a risk that the overall rates requirement for the year may be \$2-\$3m (approximately 1%) above what has been collected based on current forecast, which would then increase loans. The Executive continues to monitor and mitigate the forecast position. Specific analysis is being prepared on the forecast above budget expenditure on digital development, noting this would not be directly rate funded whether operating or capital in nature.
7. Capital Expenditure of \$248m has been delivered which compares to the year-to-date revised budget of \$270m, excluding vested assets and projects delivered by third parties and operational projects of a capital nature (Digital and Tauriko West). Full year forecast is currently \$395m, lower than forecast in Quarter 2. This is an optimistic forecast which would require monthly expenditure in the last quarter of the year to be significantly in excess of what has been achieved to date. If this forecast is not achieved, the debt position at year end

would be more favourable than currently forecast, and a higher level of carry forwards would be requested.

8. Gross debt is \$1.15b at 31 March and net debt is \$937m with \$213m held in bank balances and term deposits.

BACKGROUND

9. This report is for monitoring and reporting purposes showing Council's third quarter financial performance against Annual Plan budgets, the basis for our annual reporting. For management purposes budgets are adjusted for carried forward expenditure and associated funding from the prior year, reflected as the Revised Budget in the SOCRE.
10. The revised budget is provided in the SOCRE as it gives context to the forecast year end position, and they provide similar operating deficit outcomes.

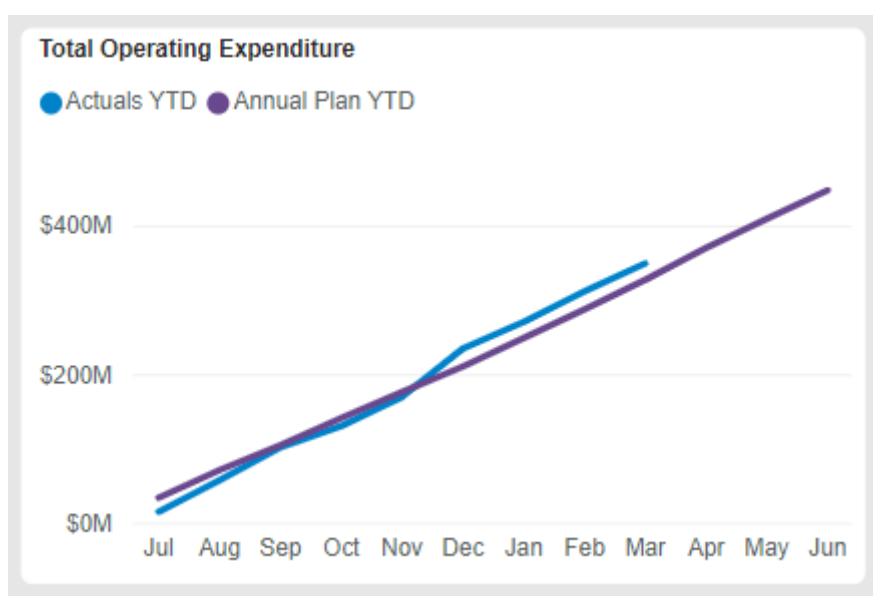
DISCUSSION

Part 1: Financial Performance

11. The financial results to 31 March 2024, which is the third quarter of the 2023-24 year are provided as **Attachment 1** to this report.
12. Forecasts have been reviewed, indicating that an increase in the operating deficit of \$32m is expected against annual plan, however this is \$10m less than forecast at quarter two. Forecasts include the impacts of items carried forward from the prior year as well as updated expectations.
13. The overall year to date operating deficit is \$11.8m unfavourable to budget. There are a number of variances that relate to timing of revenue or expenditure.

Expenditure

14. Operating expenditure is tracking slightly above budget as shown in the graph below with the main drivers of increased expenditure impacting from November.



15. The main drivers of expenditure are as follows:
 - (a) Depreciation is \$9m over budget year to date and is expected to be \$12m over budget for the full year. Depreciation is reported as calculated through the fixed assets register (since November) and includes all impacts of revaluation and capitalisation from 2023.

The 2023 revaluations were finalised after the 2024 Annual Plan adoption, and as the waters revaluation in particular was very significant, this has had a similarly significant impact on depreciation, over budget. The additional depreciation will not be funded in the current year.

- (b) Personnel costs are \$2.6m over budget currently and are forecast to be \$2.6m over budget for the full year most of which is in loan-funded digital projects. Direct salary costs are under budget for the year. Capitalisation in the transport activity is above budget, however much of the time spent on Digital projects cannot now be capitalised, leading to a negative year to date variance of \$2.1m. Salary savings are not being realised as replacement staff are employed quicker than anticipated and the impacts of restructures are also expected to affect the full year position. These impacts are expected to be offset elsewhere.
- (c) Finance costs are \$4.8m over budget resulting from higher opening balances and higher rates than had been anticipated in the annual plan. This is currently substantially offset by finance revenue (\$4.7m over budget year to date), for the same reasons. The forecast for finance costs net of revenue is projected to be \$1.6m over budget for the year, impacted by elevated interest rates and a slightly higher forecast debt position. This would generate an additional rates requirement of approximately \$1.1m. If the current Capital forecast is not achieved, the overspend in interest for the year will be reduced.
- (d) Other expenditure is currently \$6.1m over budget and forecast to be \$24.2m over budget for the full year. Overall however, most of this variance will not impact rates funding as follows:
 - (i) A significant proportion of both year-to-date expenditure and forecast is related to items initially budgeted and funded in the 2023 financial year and brought forward (\$9.3m), mainly community contributions and grants.
 - (ii) Items that are or are likely to become loan-funded (\$15.4m) such as Tauriko West (timing adjustments only), business case development and software development charges (budgeted as capital).
 - (iii) Digital budgets whether operational or capital have been put under pressure by the need to respond to new business requests and the impact of this is being monitored.
- (e) More detailed information on how expenditure is tracking by activity can be seen in **Attachment 1**.

Revenue

16. Operating revenue is currently \$10.7m ahead of budget, and capital revenue \$17.5m behind as follows:
- (a) Rates revenue is currently \$2.2m ahead of budget and will remain ahead of budget to the end of the year. A portion of this is for kerbside collection, with the remainder a result of identifying additional rating units after the adoption of the rates resolution.
 - (b) Metered water revenue is nearly \$2m ahead of budget for the nine months. Full year revenue is expected to be ahead of budget but by less than it is year to date as demand drops off over the Autumn/Winter period.
 - (c) Subsidies and grants are slightly behind budget (1.7%) for the year to date and expected to be 3.4% behind annual plan budget for the full year. Subsidies and grants relating to capital projects carried forward from 2023 are included in the forecast, along with additional revenue agreed with NZTA Waka Kotahi. Offsetting these favourable forecast increases are:
 - (i) A reduction in expected revenue relating to subsidies for work on Waters reform.
 - (ii) Updates on timing of expected Tauriko West IFF subsidies.

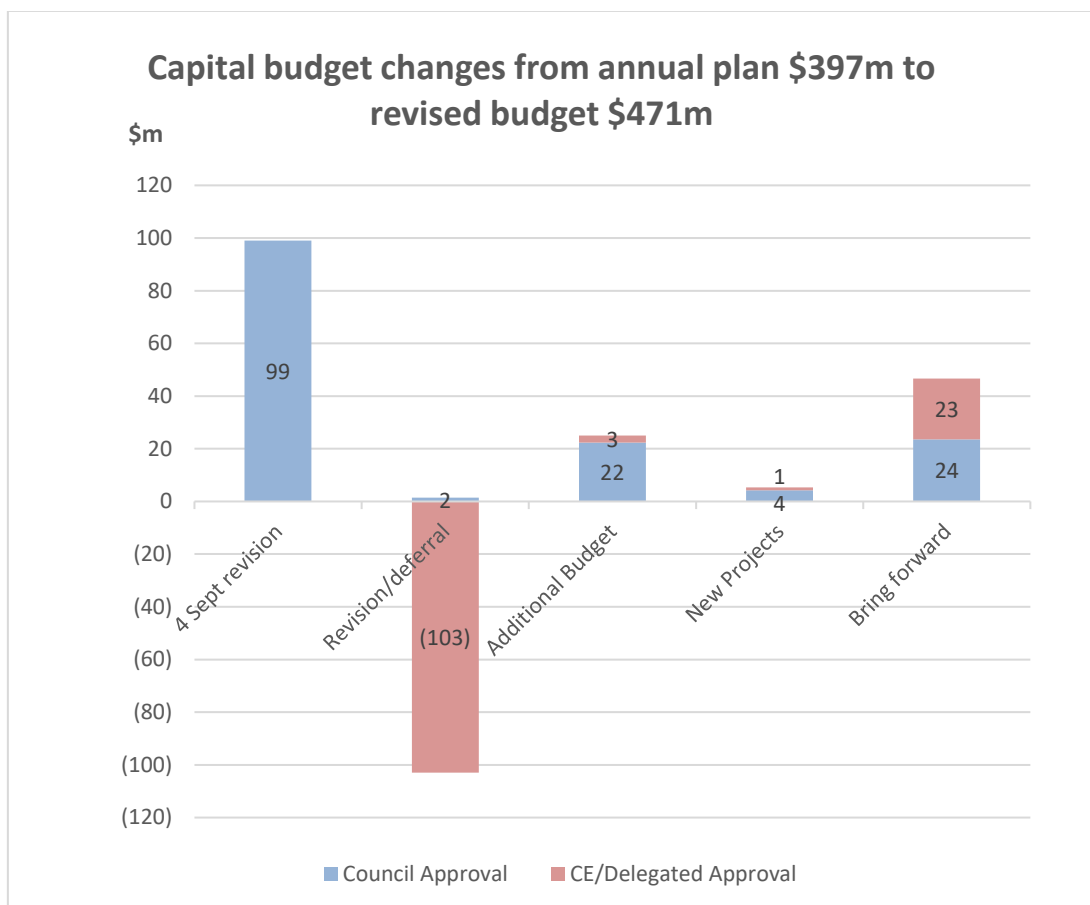
- (iii) Further central government grants relating to the Te Maunga Redevelopment are no longer expected as the project is on hold.
- (iv) \$3.9m of grants related to Community amenity has been either delayed to 2025 (Merivale Community Centre) or will no longer eventuate (Gordon Spratt Reserve shared club).

The net result of these impacts on the full year subsidy revenue forecast is a decrease of \$4.2m, across both capital and operational subsidies.

- (d) Fees and Charges are above budget for the nine months by \$2.4m and expected to remain so to the end of the year.
 - (i) \$690k additional revenue in Wastewater has been generated by demand from Omokoroa residents (utilising capacity in the Chapel St treatment plant).
 - (ii) \$900,000 of revenue has been recognised in Building services that was recorded as pre-receipts at 2023 year end.
 - (iii) A focus on business process has maintained revenue in Environmental Planning, despite reduced volumes.
 - (iv) Other above budget revenue areas are Parking Management and Baycourt.
- (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. The full year forecast for development contributions has been reduced by \$17.5m reflecting reduced volumes of new dwelling consents. This reduction in revenue will impact the forward debt position.

Capital Expenditure

17. Capital expenditure (including operational projects of a capital nature but excluding land sales and vested assets) of \$278.4m has been delivered at the end of the third quarter, which compares to the year-to-date budget of \$309.7m. The full year forecast has been revised to \$435.3m, which is \$35.7m below the revised budget (including carry forwards from 2023). The main variances driving this forecast are:
- (a) Delayed delivery of the Civic Admin Building fit out and Art Gallery refurbishment.
 - (b) Delay in the commencement of the construction of the Gordon Spratt Sports Pavilion. This work is now underway, with the contractor established onsite.
 - (c) Delayed delivery of Memorial Park Aquatics due to a change in the procurement strategy. A revised procurement strategy will be presented to the TMOTP Ltd Board for approval in May.
 - (d) Construction delays for Tauriko West projects, as a result of scope adjustment.
 - (e) NZTA subsidy on Grenada Street Cycleway has been revoked. Work on this project has paused while alternative funding sources are being explored.
18. The original annual plan budget was \$397m however on 4 September it was revised to \$496m by Council. Since then budgets have been revised and further changes to the timing of budgets resulting in a revised budget of \$471m. This is summarised in the graph below. **Attachment 2** details capital budget adjustments over the year approved either by Council decision or by the CE under delegation.



Treasury

19. The treasury report in **Attachment 1** shows gross debt at 31 March 2024 as \$1.15bn and net debt as \$937m. Interest rate hedging and debt maturity profiles remain within Treasury policy, however approximately \$40m of hedging will be required prior to 30 June to ensure the fixed debt profile remains within policy. Approved debt issuance for the year is \$275m which aligns to the 2024 Annual Plan borrowing limit. Council has also approved \$42m of additional borrowing for specific bring forwards, unbudgeted spends and land purchases which have occurred during the year. At this stage the additional approved borrowing has not been required as underspends in other areas have offset the additional spend.
20. The OCR has remained at 5.5% since 24 May 2023 with the next reserve bank monetary policy announcement on 22 May 2024. While the OCR remains relatively high, Council's average cost of borrowing including margins is 4.60% and the average investment rate is currently 5.88%.

OPTIONS ANALYSIS

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

FINANCIAL CONSIDERATIONS

22. 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

23. 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

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

CONSULTATION / ENGAGEMENT

25. This report is made public.

SIGNIFICANCE

26. 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.
27. 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.
28. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

29. 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

30. 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. **Opex, Capex and Treasury reports Q3 - A15883380** [↓](#) 
2. **Changes to capital budgets 2023/24 - A15893770** [↓](#) 

9.9 Capital Programme 2023/24 3rd Quarter Update

ATTACHMENTS

Nil

9.10 Audit New Zealand - Report to the Commissioners on the Audit of the 2024-34 Long-Term Plan

File Number: A15914349

Author: Kathryn Sharplin, Manager: Finance
Josh Logan, Team Leader: Corporate Planning

Authoriser: Paul Davidson, Chief Financial Officer

PURPOSE OF THE REPORT

1. This report presents as an attachment the Audit New Zealand report to the Commissioners on the audit of Tauranga City Council's 2024-34 Long-term Plan (LTP).

RECOMMENDATIONS

That the Strategy, Finance and Risk Committee:

- (a) Receives the report 'Audit New Zealand – Report to the Commissioners on the Audit of the 2024-34 Long-Term Plan'.

EXECUTIVE SUMMARY

2. The attached report to the Commissioners from Audit New Zealand on the LTP sets out their audit findings.
3. Overall, Audit New Zealand issued a non-standard audit report on 22 April 2024. Without modifying their audit opinion, they included three emphasis of matter paragraphs in their audit report drawing attention to:
 - (a) Risks associated with minimal debt headroom;
 - (b) Uncertainty over the delivery of the capital programme; and
 - (c) Uncertainty over external funding sources for the proposed community stadium and civic precinct.
4. The attached report outlines the audit opinion which was included with the final LTP document.

BACKGROUND

5. The LTP is prepared under the Local Government Act 2002 (LGA). Under section 94 of the Act, Audit New Zealand is required to audit whether the plan gives effect to the purpose of the LTP and on the quality of the information and assumptions underlying the forecast information provided.
6. Audit New Zealand raised a number of key findings from the Audit of the 2024-34 Long-term Plan. These are discussed in detail in the attached report. The headings of the audit highlights were:
 - (a) Three-waters reform;
 - (b) Compliance with the National Policy Statement on Urban Development (NPS-UD);
 - (c) Infrastructure Strategy's compliance with the LGA;
 - (d) Financial Strategy;
 - (e) Assumptions;
 - (f) Waka Kotahi (NZTA) funding;

- (g) Uncertainty over the delivery of the capital programme;
 - (h) Uncertainty over external funding sources for the proposed community stadium and civic precinct; and
 - (i) The performance framework.
7. Overall, Audit New Zealand was satisfied that these matters were appropriately dealt with, and that the asset management plans, infrastructure strategy and financial strategy were compliant, concise and consistent.

STRATEGIC / STATUTORY CONTEXT

8. An audit review of the LTP is part of the LTP process required under section 94 of the Local Government Act 2002.

OPTIONS ANALYSIS

9. There are no options presented with this report as the Audit New Zealand findings will be followed up as part of the planning process of the 2027 LTP.

FINANCIAL CONSIDERATIONS

10. There are no direct financial impacts of the audit report.

SIGNIFICANCE

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

ENGAGEMENT

14. 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 to receive this report.

ATTACHMENTS

1. **TCC LTP Report to Governors - A15917208**  

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
<p>11.1 - Public Excluded minutes of the Strategy, Finance and Risk Committee meeting held on 25 March 2024</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>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>11.2 - Litigation Report</p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, 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>

	(including commercial and industrial negotiations)	
11.3 - Internal Audit & Assurance - Quarterly Update	<p>s6(b) - The making available of the information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
11.4 - Corporate Risk Register - Quarterly Update	<p>s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
11.5 - Quarterly Security Report - FY24	s7(2)(c)(ii) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

12 CLOSING KARAKIA